IN LIEU OF
DIRECTORS' MEETING
MARCH 26, 2012

I. CITY CLERK

II. MAYOR

1. NEWS RELEASE. Winners announced for Mayor's Arts Awards.
2. NEWS RELEASE. Separation of yard waste begins last week in March.

III. DIRECTORS

FINANCE/AUDITING

1. Memo from Steve Hubka, Finance Director, regarding the City of Lincoln Comprehensive Annual Financial Report.
   a) Comprehensive Annual Financial Report for the year ended August 31, 2011;
   b) Single Audit Report on the Expenditure of Federal Funds;
   c) Auditor's Letter to the Mayor and City Council; and
   d) The City's response to the Auditor's letter.

PLANNING COMMISSION

1. Action by the Planning Commission, March 21, 2012.
2. Planning Commission Final Action.

PLANNING DEPARTMENT

1. The Lincoln/Lancaster County Comprehensive Plan (LPlan 2040) available on the Planning website and reflects the six amendments adopted by the City Council and County Board in January, 2012.
2. Administrative Amendments approved by the Planning Director from March 13, 2012 through March 19, 2012.

PUBLIC WORKS AND UTILITIES/ENGINEERING

1. Stormwater Project #705326B. 13th Street from G to H Street, G Street west of 13th Street.
2. Memo from Erika Nunes, Engineering Services, explaining the Downtown Lincoln Street Resurfacing "Project Updates" posted on the project's website while work is being completed.
   a) Downtown Lincoln Street Resurfacing Project Update. Project # 540021; State Control # 13140; State Project # LCLC-5230(2).

IV. COUNCIL MEMBERS

V. MISCELLANEOUS

VI. CORRESPONDENCE FROM CITIZENS

1. Correspondence from Roger and Betty Yant, received first in 2011, regarding water/flood damage to their property resulting from heavy rains.
2. InterLinc correspondence from Sharon TenHulzen requesting information for a class business project.
   (Sent to Planning Department for response)

VII. ADJOURNMENT

OFFICE OF THE MAYOR
555 South 10th Street, Lincoln, NE 68508, 402-441-7511

FOR IMMEDIATE RELEASE: March 19, 2012
FOR MORE INFORMATION: Diane Gonzolas, Citizen Information Center, 402-441-7831
Deb Weber, Lincoln Arts Council, 402-434-2787

WINNERS ANNOUNCED FOR MAYOR'S ARTS AWARDS

The Lincoln Arts Council (LAC) has announced the winners of the 2012 Mayor's Arts Awards, which will be presented the evening of Monday, June 18 at the Lied Center for Performing Arts. Mayor Chris Beutler and the LAC present the awards to formally recognize artistic contributions and achievements in the Lincoln area.

Invitations will be sent in April. More information is available at artscene.org. Event sponsors for 2012 include the Lincoln Community Foundation and Rena Kaplan. Video sponsors are Liberty First Credit Union and Steve Wake and Linda Esterling. Additional sponsorship opportunities are still available.

2012 award winners include:

- The Mayor's Choice Award will be presented to the **Mary Riepma Ross Media Arts Center**. The award is sponsored by Cline, Williams, Wright, Johnson & Oldfather L.L.P.
- The **Arts Organization Award** will be presented to **Friends of the Robert Hillestad Textiles Gallery**. The award recognizes an arts group that has made significant contributions to Lincoln's arts community over a period of years and is sponsored by Runza.
- The **Outstanding Event Award** will be presented to the **Flatwater Shakespeare Company's production of "A Midsummer Night's Dream"** which toured Lincoln parks last summer. The award recognizes a performance, exhibition, event or project in the previous year that will be notable in the community memory for years to come and is sponsored by Joe and Judye Ruffo.
- The **Artistic Achievement Award - Visual Arts** will be presented to costume designer **Janice Stauffer.** The award recognizes excellence and accomplishment in any of the visual arts and is sponsored by Union Bank & Trust Company.
- The **Artistic Achievement Award - Performing Arts** will be presented to actor **Steven Gaines.** The award recognizes excellence and accomplishment in any of the performing arts and is sponsored by Farmers Mutual Insurance Company of Nebraska.
- The **Artistic Achievement Award - Youth** will be presented to **Rebecca DeNell**, a student at Lincoln Southwest High School. The award recognizes excellence and accomplishment in any arts discipline by a young person age 18 or younger and is sponsored by Lucy Buntain Comine in memory of Anne Buntain.

- more -

- The **Gladys Lux Education Award** will be presented to **Christin Mamiya,** Interim Dean of the Hixson-Lied College of Fine and Performing Arts at UNL. The award recognizes special initiatives in or dedication to arts education and is endowed by the Gladys Lux Foundation.
- The **Heart of the Arts Award** will be presented to the late **Claire Hoppe.** This award recognizes individuals or organizations for outstanding volunteer dedication to the arts or for making a major overall impact on the arts in Lincoln. The award is being sponsored by Talent Plus, Inc.
- The **Halcyon Allsman Benefactor of the Arts Award** will be presented to **Robert and Vicki Northrup.** The award honors an individual, family, organization or business making significant financial contributions to the arts in Lincoln and is sponsored by Lincoln Industries.
- The **Oliva Family "Arts for Kids" Award** will be presented to the late **Sarah Lahr.** The award honors an individual or organization from outside of the arts professions whose leadership has enhanced arts activities and experiences for children. It is sponsored by the Giacomo and Dorothy Oliva Family.
- The **"ArtScene Backstage Award"** will be presented to **Nancy Dawson** for extraordinary service to the arts through behind-the-scenes efforts. It is sponsored by A to Z Printing.
- The **Literary Heritage Award** will be presented to author and educator **Joe Starita**. The award recognizes a writer or an individual or group who promotes excellence in writing and literature in Nebraska and is sponsored by the Nebraska Literary Heritage Association.

The Kimmel Foundation Emerging Artist Awards will go to a writer and a visual artist who will be announced later this month. The award will include a $1,000 stipend and a residency at the Kimmel Harding Nelson Center for the Arts.

Each year, an artist is chosen to create an artwork that is presented to each winner. This year's award is being created by Jenni Brant, whose award-winning functional ceramics can be found in many regional galleries.

Additional support for the Mayor's Arts Awards is provided by Cornhusker Bank, Woods Bros Realty and INSPRO Insurance.

The public is encouraged to submit names of members of the Lincoln arts community who have died since the last awards ceremony in June 2011 for memorial recognition at the awards event to mayorsartsawards@artscene.org. For more information on available sponsorship opportunities, please contact Michael Trutna at michael@artscene.org or 402-434-2787.

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PUBLIC WORKS AND UTILITIES DEPARTMENT
Solid Waste Operations, 2400 Theresa Street, Lincoln, NE 68521, 402-441-7043

FOR IMMEDIATE RELEASE: March 21, 2012
FOR MORE INFORMATION: Gene Hanlon, Recycling Coordinator, 402-441-7043
Brian Kurtzer, Solid Waste Management Association, 402-423-3708

SEPARATION OF YARD WASTE BEGINS LAST WEEK IN MARCH

Beginning Sunday, April 1, waste haulers will collect grass and leaves separately from household trash. State law requires grass and leaves be separated from household trash from April 1 until December 1. Residents who subscribe to separate yard waste collection must begin to separate grass and leaves from their household trash after their last waste collection in March.

The separate collection of grass and leaves is provided by local waste haulers for a fee. Those who do not subscribe to the special collection have three options – haul grass and leaves to the 48th Street Transfer Station; hire a lawn service; or mulch and compost grass clippings and leaves. The Lancaster County Extension Office will provide composting workshops in April, May and June. More information is available at lancaster.unl.edu.

This is the 19th year of the City's yard waste composting program. Since fall 1992, the City estimates that more than 255,844 tons of grass and leaves and 110,874 tons of tree trimmings have been diverted to the landfill. The composting program and wood recycling operation have added more than two years to the life of the landfill. This represents more than 1.3 million cubic yards of landfill space with a current value of $11.2 million.

Brian Kurtzer, President of the Lincoln Solid Waste Management Association, said yard wastes must be placed in approved containers: paper yard waste bags available from retailers; 32-gallon containers with tight-fitting lids; or 90-gallon containers provided by waste haulers. City policy does not allow yard waste in plastic bags at the compost facility because the bags do not decompose and cause litter problems. Kurtzer said some waste haulers will empty plastic bags, so residents wanting to use plastic should contact their haulers. The City inspects incoming loads at the Bluff Road Landfill and composting site. If trash is found mixed with yard waste, the City can assess the haulers a $50 fine. Kurtzer said waste haulers may leave containers at the curb if they contain trash mixed with grass and leaves.

More information on the City's composting program or the availability of compost is available at 402-441-8215, recycle.lincoln.ne.gov or Facebook (City of Lincoln Recycling and Solid Waste).

City of Lincoln

Memo

To: Members of the City Council

From: Steve Hubka, Finance Department

CC: Mayor's Office

Date: 3/19/2012

Re: City of Lincoln Comprehensive Annual Financial Report

Attached to this memo are the following items:

- Comprehensive Annual Financial Report for the year ended August 31, 2011
- Single Audit Report on the Expenditure of Federal Funds
- Auditor's Letter to the Mayor and City Council
- The City's response to the Auditor's Letter

If you have questions about this information, please let me know.

COMPREHENSIVE ANNUAL FINANCIAL REPORT

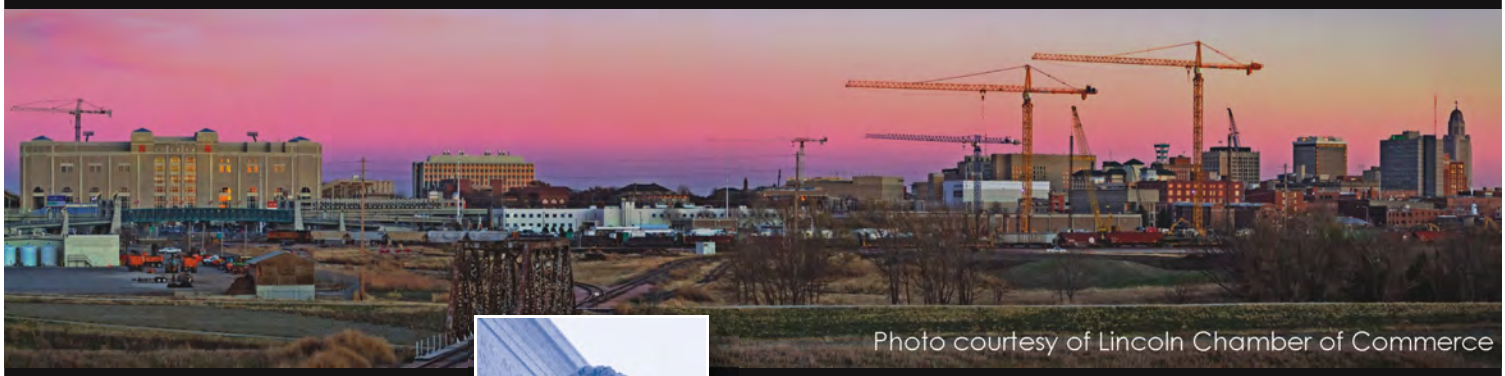


Photo courtesy of Lincoln Chamber of Commerce

CITY OF LINCOLN
NEBRASKA
MAYOR CHRIS BEUTLER
lincoln.ne.gov

Fiscal Year Ended August 31, 2011

Designed by Citizen Information Center 02/2012

On the cover:

“Moving Lincoln Forward.” A gorgeous sunset picture of our downtown taken from west Lincoln. The purplish haze of sunset is divided by seven enormous construction cranes. These seven cranes are symbolic of the tremendous progress Lincoln has seen in the past year.

The cranes in the Chamber's picture are building an insurance building, University of Nebraska at Lincoln stadium addition, civic arena, hotels, parking garage with upper condos, and associated retail, office, and public spaces.

COMPREHENSIVE

ANNUAL FINANCIAL REPORT

OF THE

CITY OF LINCOLN, NEBRASKA

FOR THE FISCAL YEAR ENDED AUGUST 31, 2011

Prepared by:

The Accounting Division of the Finance Department

INTRODUCTORY SECTION

OFFICIALS OF THE CITY OF LINCOLN

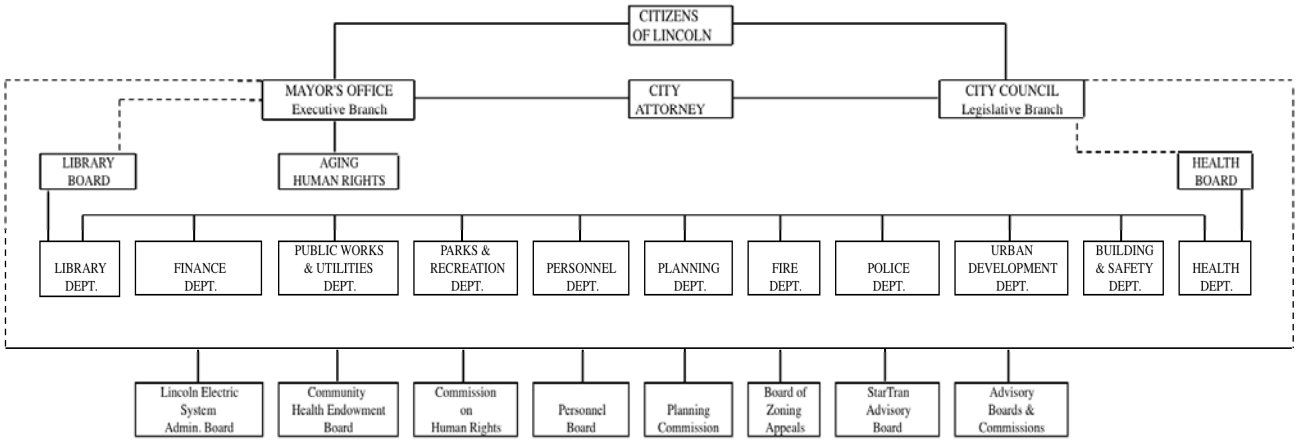
Chris Beutler ..... Mayor
Eugene Carroll.....Chair, City Council
Adam Hornung..... Vice Chair, City Council
Jon Camp.....Council Member
Jonathan Cook.....Council Member
Doug Emery .....Council Member
Carl Eskridge.....Council Member
DiAnna Schimek .....Council Member

* * * * * *

Steve Hubka ..... Interim Finance Director
Marvin Krout.....Planning Director
Lynn Johnson .....Parks and Recreation Director
Kevin Wailes.....Lincoln Electric System Administrator
David Landis ..... Urban Development Director
Pat Leach.....Library Director
Miki Esposito ..... Interim Public Works/Utilities Director
Fred Hoke.....Building and Safety Director
Judith Halstead ..... Health Director
Douglas McDaniel.....Personnel Director
Rodney Confer .....City Attorney
Tom Casady..... Public Safety Director
Jim Peschong..... Police Chief
John Huff.....Fire Chief

* * * * * *

CITY OF LINCOLN ORGANIZATION CHART



CITY OF LINCOLN, NEBRASKA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED AUGUST 31, 2011
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CITY OF LINCOLN
NEBRASKA

MAYOR CHRIS BEUTLER
lincoln.ne.gov

Office of the Mayor
555 South 10th Street
Suite 301
Lincoln, Nebraska 68508
402-441-7511
fax: 402-441-7120
mayor@lincoln.ne.gov

February 17, 2012

Dear Citizens and Public Officials:

It is my pleasure to submit the City of Lincoln's Comprehensive Annual Financial Report for the fiscal year ended August 31, 2011.

Ensuring both fiscal and operational accountability in our use of public resources is a priority for my Administration, and this report is essential to that effort. This report provides a complete and accurate picture of the City's financial status and fulfills our continuing disclosure responsibilities in accordance with governmental reporting standards.

Our ability to manage the City's fiscal affairs and provide a full disclosure of the City's fiscal condition is exhibited by the unqualified audit opinion that follows. I am proud to report that the 2010 report submitted to the Government Finance Officers Association was recognized with the prestigious Certificate of Achievement for Excellence in Financial Reporting for the 28th consecutive year. This recognition is a credit to the City and a compliment to our dedicated Finance Department.

I would like to thank the Finance Department employees for their commitment in dealing with these complex accounting issues and to all City departments for their cooperation in the preparation of this document.

Sincerely,

Chris Beutler
Mayor of Lincoln

LINCOLN
The community of opportunity

CITY OF LINCOLN
NEBRASKA

Finance Department
Steve Hubka, Interim Finance Director
555 South 10th Street
Suite 103
Lincoln, Nebraska 68508

402-441-7411
fax: 402-441-8325

MAYOR CHRIS BEUTLER

lincoln.ne.gov

LINCOLN
The Community of Opportunity

February 17, 2012

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

Both the City Charter and State law require an annual audit of the City's funds and accounts be made by a recognized independent and qualified accountant covering all financial transactions, affairs, and financial condition of the City, with the audit report published within six months after the close of the fiscal year. Pursuant to this requirement, the Comprehensive Annual Financial Report (CAFR) of the City of Lincoln, Nebraska for the fiscal year ended August 31, 2011, is hereby submitted.

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

In 2011, the City implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, as required for GAAP reporting. As a result, the City's General Fund, as reported on page 18, now includes approximately $8.4 million of additional beginning fund balance from what the City budgeting and accounting structure considers to be other independent funds. Management believes that this change decreases the usefulness of the financial reports, in particular the Governmental Funds Balance Sheet. In order to make comparisons to prior year information for our internal reporting purposes, reviewers will be required to reference other lower level statements and footnotes.

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. The federal government, under the revised OMB Circular A-133, requires local governments that expend $500,000 or more in federal funds in any fiscal year to have a financial and compliance audit performed. As part of the City's Single Audit, tests were made of the City's internal control structure over compliance and its compliance with applicable laws and regulations, including those related to major federal financial assistance programs. The Single Audit for the year ended August 31, 2011, disclosed no material internal control weaknesses. The independent accountants' reports are included in the Single Audit section found at the end of the CAFR.

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

A firm of licensed certified public accountants has audited the City's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City are free of material misstatement. The audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent accountants concluded, based upon the audit, that there was a reasonable basis for rendering unqualified opinions that the City's financial statements for the fiscal year ended August 31, 2011, are fairly presented in conformity with GAAP.

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

Profile of the City

The City of Lincoln, capital city of Nebraska, was originally incorporated on April 7, 1869. Lincoln is located in the southeastern corner of the state, is midway between Chicago and Denver, and is currently one of the fastest growing metro areas in the Midwest. It occupies a land area of approximately 90 square miles, serves a population of over 258,000, and in its growth and development has annexed five other municipalities so that the City includes most of the urban area of Lancaster County. It enjoys a unique position in Nebraska as the center of the state's governmental and educational activities.

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

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

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

The annual budget serves as the basis for the City of Lincoln's financial planning and control. Following public hearings and not later than five days prior to the beginning of the fiscal year, the budget is legally adopted by resolution of the City Council. Appropriation controls are required at the department level, however, as a matter of policy and practice, appropriations generally are controlled at the next level of organization (division) or by fund within a department. The Mayor has the authority to transfer balances within a department as well as lower appropriations in any fund where actual revenues are less than

appropriated in order to avoid incurring a budget deficit for the year. Appropriation transfers between departments may only be authorized by resolution of the City Council. The Council may not make any appropriations in addition to those authorized in the annual budget, except in the event of an emergency threatening serious loss of life, health, or property in the community.

Economic Condition and Outlook

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

The Lincoln metropolitan area population base (Lancaster County) continues to demonstrate a pattern of sustained growth. According to the U. S. Census figures, the Lincoln metropolitan area population grew by 77.96 percent since 1960. Lancaster County's rate of growth between 2000 and 2010 has been 14.0 percent or approximately 1.36 percent per year. The 2010 population of Lancaster County has been estimated to be in excess of 285,000 persons.

While such a growth rate may be modest by some standards, this healthy pace of expansion places Lincoln as one of the fastest growing communities in this region. Recent projections envision Lincoln to continue to grow at a rate of over 1% per year. As importantly, the City of Lincoln continues to absorb about 90% of all growth in Lancaster County.

Lincoln's unemployment rate at August 31, 2011, was 3.7%, well below the national average of 9.1%, with employment strongest in the categories of government, educational & health services, and retail trade. Lincoln's current number of construction permits is down 14% when compared to levels 5 years ago, with a corresponding decrease in the value of construction permits of over $80 million.

To more aggressively pursue economic opportunities, the City, Lancaster County, and LES have partnered to hire an economic development coordinator to facilitate job creation in the private sector. In addition, the Mayor's Technology Council completed its technology audit, which led to a new strategic plan for economic development.

Net sales and use tax revenue increased $2,633,412 or 4.8% from the previous fiscal year. In relation to this primary revenue source, the City is seeing slight signs of recovery from the negative economic factors that have affected the local and national economies.

Long-Term Planning and Major Initiatives

Urban Development

The City anticipates approximately $19 million of public expenditures funded through various urban development projects and programs over the next three years. These projects are varied in type and size and are located in the Downtown and Haymarket areas, North 27th Street and Havelock business areas, Focus Area neighborhoods, the South Capitol blight area, the Antelope Valley project area, West O, and in low-moderate income neighborhoods throughout the City.

Financing will be provided by a variety of sources, including Tax Increment Financing (TIF), Parking Revenues, CDBG, HOME, Economic Development Initiative, Neighborhood Stabilization Program (NSP) grants, Advanced Land Acquisition funds, Special Assessments, and General Fund. Funding is often combined with developer, grant or other private sector funds.

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

Ongoing and anticipated projects include:

- Downtown Redevelopment Projects:
  1) Block 38 Catalyst One site.
  2) Civic Plaza project.
  3) West Haymarket Residential/Retail/Hotel project.
  4) North Haymarket Arts & Humanities Block.
  5) Block 85.
  6) Construction of Haymarket area parking garage.
  7) Telesis/Meadow Gold project.
  8) Haymarket Hotel and Tool House.
  9) N Street Corridor planning.
  10) P Street Retail Corridor planning.
  11) Centennial Mall project.
  12) 17th & Q/Credit Union project.
  13) Replace downtown meters with advanced technology.
- North 27th Street redevelopment efforts are focusing on the acquisition of blighted properties and assembly for redevelopment and new housing construction.
- Antelope Valley Redevelopment Projects:
  1) Plaza Parkway Triangle, phase 1 – Assurity project site.
  2) 19th & K - WJS project site.
  3) 23rd & P – Antelope Creek Village.
- Havelock Redevelopment on-going projects include streetscape improvements, commercial building facade improvements, and park improvements.
- University Place redevelopment of the former Green's Plumbing site.
- West O Street redevelopment projects and historic DLD marker project.
- NW Corridor redevelopment (West Cornhusker Highway).
- Innovation Campus redevelopment.
- 84th and Havelock redevelopment.
- South Capitol redevelopment.
- 56th and Arbor Road redevelopment.
- Focus area projects in Malone and South Capitol.
- 11th Street streetscape.
- Prescott Street streetscape, 47th to 48th.
- Housing rehabilitation programs for quality, affordable housing and home ownership:
  1) Continuation of First-time Homebuyer and Owner-Occupied Housing Rehabilitation Loan programs.
  2) Partner with NeighborWorks-Lincoln for their Home Ownership Zone in Antelope Valley.
  3) Partner with other non-profit and for-profit housing organizations for affordable housing projects in low-to-moderate income neighborhoods under the Mayor's Stronger Safer Neighborhoods Program.
  4) Manage the local affordable housing effort made possible by Federal Economic Stimulus Programs.
- Real estate major acquisition, negotiation and relocation projects:
  1) For effective transportation:
  - ✓ Antelope Valley transportation projects.
  - ✓ Antelope Valley redevelopment plan catalyst projects.
  - ✓ West Haymarket transportation projects.
  - ✓ Yankee Hill Roadway, 70th to 84th Street.
  - ✓ SW 40th Street overpass.
  - ✓ 14th Street, Superior to Alvo Road.
  - ✓ 56th Street, Old Cheney to Shadow Pines.
  - ✓ Coddington & West Van Dorn intersection improvements.
  - ✓ Old Cheney Road, 70th to 84th Street.
  - ✓ Pine Lake Road, 59th to Hwy 2.
  - ✓ 14th & Cornhusker Hwy safety project.
  - ✓ North 1st Street, Cornhusker Hwy to Superior Street.
  - ✓ RTSD Quiet Zone project.
  - ✓ East Beltway preliminary acquisitions.
  - ✓ South Beltway preliminary acquisitions.
  - ✓ Arterial rehab, executive order, traffic signal, and Federal Infrastructure Stimulus funded projects.

2) For environmental quality:
- ✓ Park sites city-wide.
- ✓ Antelope Valley storm water projects.
- ✓ Stevens Creek sanitary sewer Phase III, IV & V.
- ✓ Yankee Hill water main, 56th to 84th Street.
- ✓ 98th Street water main, Holdrege to Alvo.
- ✓ 56th & Arbor Road sewer and water district projects.
- ✓ Conservation easements and wetlands acquisitions.
- ✓ Additional projects made possible by Federal Infrastructure Stimulus funds.

3) Relocation activities:
- ✓ North 27th Street projects.
- ✓ West Haymarket projects.
- ✓ Antelope Valley projects.

- Workforce Investment Act funds received by the City provide employment skills to low-income adults and youth and also to individuals laid-off from area employers. Funding is provided for GED, Adult Education and Literacy Activities, secondary and post-secondary education, and placement in work experience and On-the-Job Training with an emphasis on high wage and high demand occupations.

  Services are provided from the Career Center located in the Gold's Building. Partner agencies co-located at the Center include Operation ABLE, Goodwill Industries, Vocational Rehabilition, Nebraska Department of Labor, and Experience Works. Over 20,000 individuals and 500 employers use the Center annually.

  Examples of specialized projects this year include:
  1) "The Metro SyNErgy" project in Lincoln and Omaha providing green building technology to unemployed and incumbent workers.
  2) A specialized work readiness class for youth which combines literacy and numeracy training, GED preparation and work readiness curriculum done in collaboration with Southeast Community College.
  3) Regional Innovation Network fostering collaboration of education, economic development and workforce development leaders in a twelve county southeast Nebraska area focusing training and job placement efforts to the target industries of:
     - ✓ Agriculture & Life Sciences.
     - ✓ Advanced Manufacturing.
     - ✓ Transportation & Logistics.
     - ✓ Health Services, and
       Business Services & Information Technology.

<u>West Haymarket Project</u>

The West Haymarket Redevelopment Project is a multi-facted endeavor to revitalize the 100 acres of underutilized property that lies on the western edge of Lincoln's downtown and Haymarket district. On May 11, 2010, the citizens of Lincoln voted to approve the issuance of arena bonds which signaled approval for the project to proceed. The project involves the relocation and elimination of existing railroad tracks and completion of other site preparation activities, the construction of a 16,000 seat civic arena, a community ice center, private retail and office space, a new Amtrak Station, residential units, surface and decked parking, public gathering areas, street and utility improvement, landscaping, trails and walkways, pedestrian bridges, and environmental enhancements. The overall project cost is estimated to be approximately $340 million.

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

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

Antelope Valley Project

The City of Lincoln, Lower Platte South Natural Resource District and the University of Nebraska-Lincoln have joined together through an interlocal agreement to form the Joint Antelope Valley Authority (JAVA). JAVA is in the process of implementing the Antelope Valley project, which consists of stormwater, transportation and community revitalization strategies.

The stormwater and transportation portions of the project are scheduled for substantial completion in 2012. Redevelopment projects have begun and will progress as flood control work is completed. The channel work needed for re-mapping of the floodplain was completed in 2010.

Projects completed include Fleming Field, Lewis Fields; Military, Y Street, and Vine Street bridges and roadways; the BNSF overpass and roadway (Big T & East Leg Bridge and Roadway) near Devaney Center; channel work between Salt Creek and J Street; the BNSF railroad bridge project over Antelope Creek; landscaping work on the Military, Y Street, Vine Street, Vine to Y, P to Vine, East Leg and Big T roadway projects and the BNSF overpass project; roadway construction between P and Y streets; and the J, P, Q, and O Street bridges and roadways.

Work on the north/south roadway between K and P and the South Street bridge project began in 2011 and will be completed in 2012.

The entire project is projected to cost $246 million, which includes all components of the Antelope Valley project: community revitalization, flood control, and transportation.

Wastewater System

The Lincoln Wastewater System is projecting a capital improvements program in the amount of approximately $61,738,000 over the 6-year period of fiscal year 2011-12 through fiscal year 2016-17. Of that total, approximately $29,685,000 will be financed by revenue bonds, approximately $4,470,500 will be financed by impact fees, $640,000 from TIF funding, with the remaining $26,942,500 to come from utility revenue fees. The majority of these dollars are needed for replacement and maintenance of existing infrastructure, new infrastructure to serve development in various basins throughout the City, and improvements to both the Theresa Street and Northeast treatment plants.

Water System

The Lincoln Water System is projecting a capital improvements program in the amount of approximately $61,380,000 over the 6-year period of fiscal year 2011-12 through 2016-17. Of these dollars, approximately $20,575,000 will be financed through revenue bonds, approximately $4,510,000 will be financed from TIF funding, approximately $5,900,000 will be financed through impact fees, with the balance of $30,395,000 coming from utility revenue fees. The major projects contributing to these total dollars include the installation of transmission lines, replacement mains, replacement and new wells, and additional storage reservoirs.

Streets and Highways

The 2012-2017 Streets and Highways capital improvements program and Transportation improvement program identify average annual expenditures of $26 million for the next six years. Funding for these projects includes $102 million in City revenues, $33 million in federal aid, and $21 million in other funds.

Infrastructure Impact Fees

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

In response to these funding needs the City of Lincoln passed an ordinance to provide for the imposition of impact fees to ensure that facilities are available to serve new growth and that new development bears its proportionate share of the cost of improvements to the City's facilities. Impact fees for all types of new construction have been set and adopted by the City Council and began June, 2003.

Pension Costs

The City currently contributes $2 for every $1 contributed by employees in the civilian retirement plans. In an effort to control this significant budget item, the City and three of four civilian unions, as well as non union employees which includes Department Directors and Mayoral Aides, have agreed to change these plans to a $1.29 to $1 match for new employees hired after the effective date. The City is unable to legally change the match for current employees. The City anticipates saving 20 to 25 percent in retirement costs for each employee hired under this new arrangement.

Property Tax Collections

As of August 31, 2011, current tax collections by the County Treasurer were 96.69% of the tax levy, a decrease of .20% from last year. Allocations of property tax levy by purpose are as follows:

City Tax Levy by Purpose	2010-2011	2009-2010	2008-2009
General Fund	.1739	.1772	.1806
Library	.0398	.0398	.0396
Social Security	.0141	.0097	.0129
Police and Fire Pension	.0261	.0251	.0201
General Obligation Debt	.0340	.0361	.0347
	.2879	.2879	.2879

Parking Facilities

The City of Lincoln operates the following parking garages:

Facility	Number of Stalls	Date Opened
Center Park	1,048	November, 1978
Cornhusker Square	405	December, 1983
University Square	436	April, 1990
Que Place	773	October, 1994
Carriage Park	710	February, 1995
Market Place	433	August, 2000
Haymarket	420	August, 2002

The City's parking garages have been built to promote downtown redevelopment efforts by working with private industry in providing necessary parking to various businesses in the downtown area.

Revenue generated by the parking facilities and on-street parking meters, as well as unappropriated street construction funds, are pledged for debt service of the 2001 Parking Revenue Bonds, the 2010B Parking

Revenue Bonds, and the 2011 Parking Revenue and Refunding Bonds. Comparative data for the past two fiscal years are presented in the following table:

	2010-2011	2009-2010
Operating Revenues	$ 7,124,602	6,747,738
Operating Income Before Depreciation	3,518,594	3,407,137
Debt Service	1,944,138	1,998,056
Debt Service Coverage Ratio	1.81	1.71

Solid Waste Management

The City of Lincoln owns and operates a municipal solid waste landfill and a construction and demolition debris landfill that are subject to the U.S. Environmental Protection Agency rule *Solid Waste Disposal Facility Criteria*, which establishes closure and postclosure care requirements. As of August 31, 2011, the City estimates that it will incur costs approximating $21 million to adhere to such requirements (see Note 18 of Notes to the Financial Statements).

Water and Wastewater System

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

Wastewater System	2010-2011	2009-2010
Operating Revenues	$22,973,653	21,703,427
Operating Income	3,301,436	2,875,498
Revenue Available For Debt Service	11,002,406	10,807,502
Debt Service	6,512,609	6,426,444
Debt Service Coverage Ratio	1.69	1.68

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

Water System	2010-2011	2009-2010
Operating Revenues	$28,559,484	25,135,127
Operating Income	5,459,411	3,881,476
Revenue Available For Debt Service	15,174,479	12,424,175
Debt Service	9,501,857	9,508,097
Debt Service Coverage Ratio	1.60	1.31

Lincoln Electric System (LES)

The City owns and operates its own electric utility system that is managed by an administrative board. Actions of the board with regard to rates, budgets, and long-term financing are subject to final review and approval by the City Council. In accordance with Section 4.24.090 of the Lincoln Municipal Code, LES operates on a January 1 - December 31, fiscal year. Audited financial information as of and for LES' fiscal year ended December 31, 2010, is included in the City's August 31, 2011, financial statements.

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Lincoln, Nebraska, for its comprehensive annual financial report for the fiscal year ended August 31, 2010. This was the twenty-eighth consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

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

Acknowledgments

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Finance Department. I would like to express my appreciation to all members of the department 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,

Steve Hubka
Interim Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Lincoln Nebraska

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
August 31, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

President

Executive Director

FINANCIAL SECTION

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Independent Accountants' Report on Financial Statements and Supplementary Information

The Honorable Mayor
and Members of the City Council
City of Lincoln, Nebraska

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Lincoln, Nebraska (the City) as of and for the year ended August 31, 2011, which collectively comprise the City of Lincoln's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Lincoln Electric System which represent 58%, 34% and 78%, respectively, of the total assets, net assets and revenues of the business-type activities. Those financial statements were audited by other accountants whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for Lincoln Electric System, is based solely on the report of the other accountants. The prior-year summarized comparative financial information in these statements has been derived from the City's basic financial statements as of and for the year ended August 31, 2010, and in our report dated February 23, 2011, we expressed unqualified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of the other accountants provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of other accountants, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Lincoln, Nebraska as of August 31, 2011, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the general fund and street construction fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 1, in 2011 the City changed its method of accounting for fund balances through retroactive application to prior year's financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 17, 2012, on our consideration of the City of Lincoln's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The accompanying management's discussion and analysis and the schedules of funding progress and employer contributions as listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We and the other accountants have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying supplementary information, including the schedule of expenditures of federal awards required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, 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 has been subjected to the auditing procedures applied by us and the other accountants in the audit of the basic financial statements and, in our opinion, based on our audit and the report of other accountants, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The accompanying introductory section and statistical section as listed in the table of contents have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

BKD, LLP

February 17, 2012

MANAGEMENT'S DISCUSSION AND ANALYSIS

The management of the City of Lincoln, Nebraska (the City) offers readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended August 31, 2011. Please consider this discussion in conjunction with the additional information provided in the Letter of Transmittal (beginning on page vii) and the transactions, events and conditions reflected in the City's financial statements (beginning on page 16).

FINANCIAL HIGHLIGHTS

- The assets of the City exceeded its liabilities at August 31, 2011, by $1,599,891,832 (net assets). Of this amount, $321,043,795 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.

- The City's total net assets increased by $53,322,049. Of this amount, $27,824,537, or 52 percent, was an increase in governmental activities and $25,497,512, or 48 percent, related to business-type activities.

- As of August 31, 2011, the City's governmental funds reported combined ending fund balances of $426,496,342, an increase of $239,607,770 in comparison with the prior year. Of this total fund balance, 12 percent, or $50,502,001, is available for spending at the City's discretion (unrestricted fund balance).

- As of August 31, 2011, unrestricted fund balance for the general fund was $29,336,927, or 27 percent of total general fund expenditures. Due to the implementation of GASB Statement No. 54, reference must be made to page 76 of this report for an accurate comparison with the prior year balance.

- The City's total bonded debt increased by $287,585,000 (33 percent) during the current fiscal year. The West Haymarket Joint Public Agency (JPA) issued $300,000,000 of bonded debt in the current year.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

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

The statement of activities presents information showing how the City's net assets changed during the year ended August 31, 2011. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general administrative services, public safety, streets and highways, health, planning and zoning, parks and recreation, libraries, aging services, job

programs, urban development, mass transportation, engineering, self-insurance, and fleet management. The business-type activities of the City include water, wastewater and electric utilities; ambulance transport; solid waste management; golf courses; auditorium; and parking.

The government-wide financial statements can be found on pages 16-17 of this report.

FUND FINANCIAL STATEMENTS

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

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

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

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

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

The basic governmental fund financial statements can be found on pages 18-23 of this report.

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

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

The basic proprietary fund financial statements can be found on pages 24-26 of this report.

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

The fiduciary fund financial statements can be found on pages 27-28 of this report.

NOTES TO THE FINANCIAL STATEMENTS

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 30-70 of this report.

OTHER INFORMATION

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to its police and fire employees, and to provide other postemployment benefits. Required supplementary information can be found on page 71 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by $1,599,891,832 at August 31, 2011.

By far the largest portion of the City's net assets (63 percent) reflects its investment in capital assets (e.g., land, buildings, improvements, utility plant, infrastructure, and machinery and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City Of Lincoln
Condensed Statements of Net Assets
August 31, 2011 and 2010

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Current and Other Assets	$ 651,101,529	398,115,532	247,265,929	246,650,963	898,367,458	644,766,495
Capital Assets	713,530,269	622,796,373	1,437,335,316	1,417,922,340	2,150,865,585	2,040,718,713
Total Assets	1,364,631,798	1,020,911,905	1,684,601,245	1,664,573,303	3,049,233,043	2,685,485,208
Long-Term Liabilities Outstanding	504,062,995	189,192,032	766,638,529	773,188,114	1,270,701,524	962,380,146
Other Liabilities	22,171,662	21,147,269	156,468,025	155,388,010	178,639,687	176,535,279
Total Liabilities	526,234,657	210,339,301	923,106,554	928,576,124	1,449,341,211	1,138,915,425
Net Assets:						
Invested in Capital Assets, Net of Related Debt	386,451,715	482,099,420	622,950,944	598,053,416	1,009,402,659	1,080,152,836
Restricted	235,695,091	121,155,820	33,750,287	37,040,667	269,445,378	158,196,487
Unrestricted	216,250,335	207,317,364	104,793,460	100,903,096	321,043,795	308,220,460
Total Net Assets	$ 838,397,141	810,572,604	761,494,691	735,997,179	1,599,891,832	1,546,569,783

An additional portion of the City's net assets (17 percent) represents resources that are subject to external restrictions on their use. The remaining balance of unrestricted net assets (20 percent) may be used to meet the government's ongoing obligations to citizens and creditors.

At August 31, 2011, the City is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities.

City Of Lincoln
Condensed Statements of Activities
For the Years Ended August 31, 2011 and 2010

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Revenues:						
Program Revenues:						
Charges for Services	$ 46,426,307	41,701,425	335,205,232	313,690,349	381,631,539	355,391,774
Operating Grants and Contributions	73,594,748	55,013,696	-	-	73,594,748	55,013,696
Capital Grants and Contributions	7,982,667	16,171,192	4,645,062	5,767,531	12,627,729	21,938,723
General Revenues:						
Property Tax	48,621,668	48,637,701	-	-	48,621,668	48,637,701
Sales and Use Tax	57,996,100	55,362,688	-	-	57,996,100	55,362,688
Occupation Tax	20,403,399	10,847,214	2,059,361	1,984,400	22,462,760	12,831,614
Other Taxes	16,378,863	15,821,171	-	-	16,378,863	15,821,171
Unrestricted Grants and Contributions	1,927,588	2,006,071	-	-	1,927,588	2,006,071
Unrestricted Investment Earnings	1,370,358	1,926,976	1,564,708	1,673,103	2,935,066	3,600,079
Other	2,309,497	793,365	343,835	893,109	2,653,332	1,686,474
Total Revenues	277,011,195	248,281,499	343,818,198	324,008,492	620,829,393	572,289,991
Expenses:						
General Government	40,059,839	36,991,820	-	-	40,059,839	36,991,820
Public Safety	81,218,142	75,364,591	-	-	81,218,142	75,364,591
Streets and Highways	39,840,551	38,150,193	-	-	39,840,551	38,150,193
Culture and Recreation	26,578,448	25,713,710	-	-	26,578,448	25,713,710
Economic Opportunity	16,336,855	17,198,314	-	-	16,336,855	17,198,314
Health and Welfare	21,153,869	20,840,847	-	-	21,153,869	20,840,847
Mass Transit	12,007,410	11,198,681	-	-	12,007,410	11,198,681
Equipment Management	1,882,136	1,767,774	-	-	1,882,136	1,767,774
Engineering Services	1,219,084	829,470	-	-	1,219,084	829,470
Interest on Long-Term Debt	11,568,353	6,373,674	-	-	11,568,353	6,373,674
Parking	-	-	5,632,973	5,475,157	5,632,973	5,475,157
Golf Courses	-	-	3,414,074	3,165,446	3,414,074	3,165,446
Auditorium	-	-	2,202,234	2,243,518	2,202,234	2,243,518
Solid Waste Management	-	-	8,490,392	10,607,775	8,490,392	10,607,775
Ambulance Transport	-	-	3,940,669	3,819,895	3,940,669	3,819,895
Wastewater	-	-	23,135,157	22,265,579	23,135,157	22,265,579
Water	-	-	26,084,158	23,469,948	26,084,158	23,469,948
Electric	-	-	242,743,000	229,241,000	242,743,000	229,241,000
Total Expenses	251,864,687	234,429,074	315,642,657	300,288,318	567,507,344	534,717,392
Increase in Net Assets Before Transfers	25,146,508	13,852,425	28,175,541	23,720,174	53,322,049	37,572,599
Transfers	2,678,029	2,581,647	(2,678,029)	(2,581,647)	-	-
Increase in Net Assets	27,824,537	16,434,072	25,497,512	21,138,527	53,322,049	37,572,599
Net Assets - Beginning	810,572,604	794,138,532	735,997,179	714,858,652	1,546,569,783	1,508,997,184
Net Assets - Ending	$ 838,397,141	810,572,604	761,494,691	735,997,179	1,599,891,832	1,546,569,783

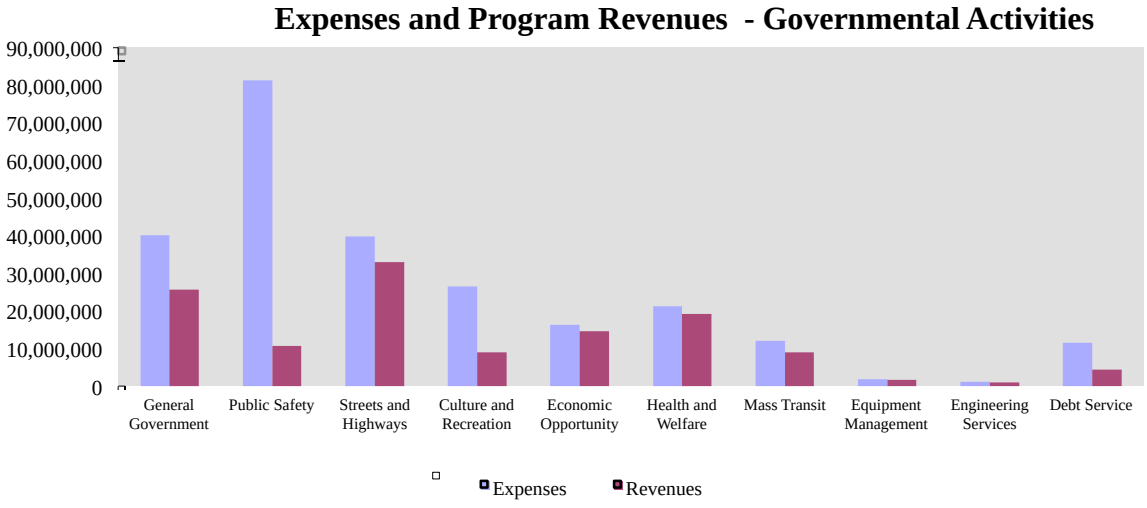
GOVERNMENTAL ACTIVITIES

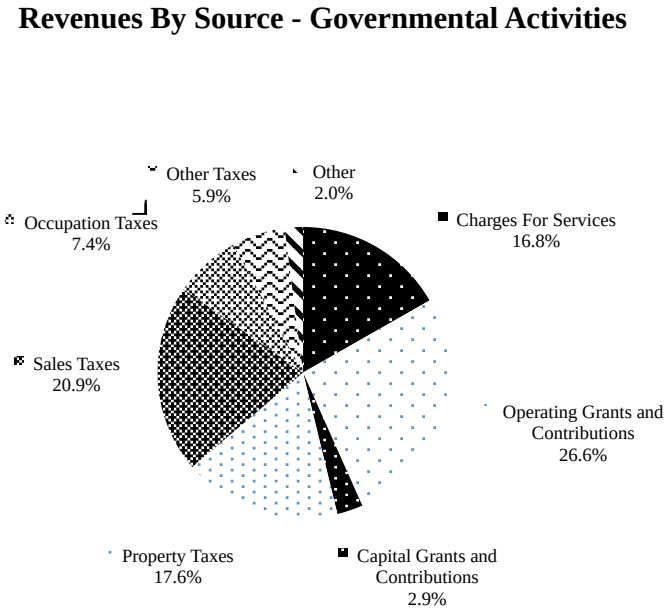
Governmental activities increased the City's net assets by $27,824,537, accounting for 52 percent of the total growth in the net assets of the City of Lincoln. Key elements of this increase are as follows:

- The City's current year contribution to the Joint Antelope Valley Authority amounted to $6,462,467, of which a significant portion is federally funded.

- Sales taxes increased by approximately $2.6 million (4.8 percent) during 2011 after showing an increase of 1.9 percent in the prior year.

- Occupation taxes increased by approximately $9.5 million (88 percent) in the current year with the January, 2011 imposition of a 2 percent tax on bar and restaurant revenues and a 4 percent tax on car rental and hotel revenues, to be used to finance the JPA activities and repayment of the Agency's outstanding debt.





BUSINESS-TYPE ACTIVITIES

Business-type activities increased the City's net assets by $25,497,512, accounting for 48 percent of the total growth in the government's net assets. Key elements of this increase are as follows:

- Water System operating revenues increased by $3,424,357 (13.6 percent) from 2010. Effective February, 2011, there was a 5% user fee increase and metered sales were up 8 percent due to a dry fall and spring. Operating expense increased $1,846,422 (8.7 percent) due to increased personnel, energy and chemical costs.

- Wastewater System operating revenues increased $1,270,226 (5.9 percent) primarily due to a 5% user fee increase implemented with the billings starting in February, 2011. Sanitary sewer bills for residential customers are based on water usage during a two-month period during the winter and remain the same over the balance of the following ten-month period. Non-residential customers are billed for sanitary sewer based on their monthly water usage. Operating expenses increased $844,288 (4.5 percent) due to increased personnel and chemical costs.

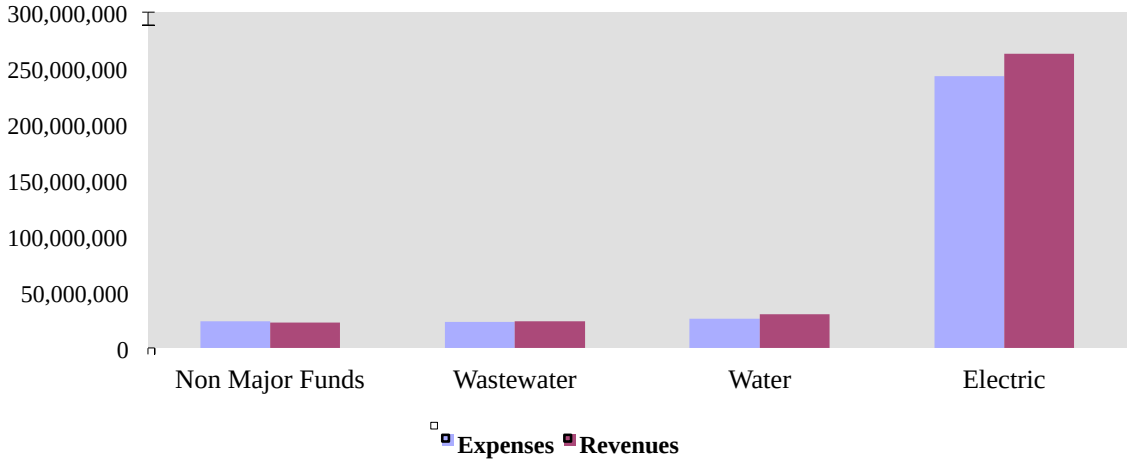
- Lincoln Electric System operating revenue in 2010 was 6% higher than 2009. Retail revenue was 8 percent higher due to the impact of a 2.4 percent increase on January 1, 2010 and energy sales were up compared to the mild summer weather in 2009. Wholesale revenue increased 1 percent due to higher prices although energy sales decreased 8 percent.

- LES recorded capital contributions of $1.7 million.

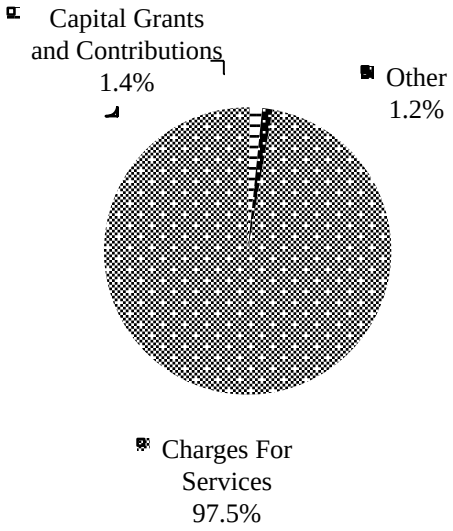
- Lincoln Water and Wastewater Systems reported capital contributions of approximately $1.9 million and $1.1 million, respectively.

- Lincoln Water and Wastewater Systems reported increased losses in nonoperating activities in 2011 due to higher interest expense and the reduction of interest income and insurance recoveries, respectively.

Expenses And Program Revenues - Business-type Activities



Revenues By Source - Business-type Activities



FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

GOVERNMENTAL FUNDS

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

As of August 31, 2011, the City's governmental funds reported combined ending fund balances of $426,496,342, an increase of $239,607,770 in comparison with the prior year. Of this total amount, 12 percent constitutes unrestricted fund balance, which is available for spending at the City's discretion. The remainder of fund balance is restricted to indicate that it is not available for new spending because it has already been committed to:

- long-term loans receivable ($19,837,000),
- pay debt service ($16,060,411),
- capital construction and acquisition ($252,381,333),
- West Haymarket Joint Public Agency activities ($9,640,388),
- donor and grantor purposes ($5,832,975),
- generating income for the purpose of funding health and health-related programs for the citizens of Lincoln ($56,077,332), and
- a variety of other purposes ($16,164,902).

The General Fund is the chief operating fund of the City. At August 31, 2011, the unrestricted fund balance of the General Fund was $29,336,927, while total fund balance reached $41,753,836. As a measure of the General Fund's liquidity, it may be useful to compare both unrestricted fund balance and total fund balance to total fund expenditures. Unrestricted fund balance represents 27 percent of total general fund expenditures, while total fund balance represents 38 percent of that same amount.

The fund balance of the City's General Fund increased by $2,910,783 during 2011. For the current fiscal year, appropriated General fund balance, used as a funding source for the budget increased only 2.8 percent over 2010. General Fund balances as a future funding source are projected to decrease as the City reduces balances, measured at year end, to a goal of 15% of the projected General Fund budget five years in the future.

The Street Construction Fund had a total fund balance of $36,478,568, which is to be used in the construction and maintenance of street and highways. The net increase in fund balance during 2011 in the Street Construction Fund was $4,150,021, the result of changes in the demand for JAVA funding.

The West Haymarket JPA Fund had a fund balance of $225,432,904 which is to be used for funding improvements of the West Haymarket Redevelopment Project. This balance is the result of the settlement of $300,000,000 in current year bonds.

PROPRIETARY FUNDS

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

Unrestricted net assets of the Wastewater System, Water System, Electric System, and other enterprise funds amounted to $18,186,672, $14,313,737, $75,913,000 and $(180,020), respectively, at August 31, 2011 (December 31, 2010 for LES). Factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the original budget and the final amended budget were relatively minor (decrease of $(244,236) in appropriations) and can be briefly summarized as follows:

- $(1,878,951) in miscellaneous changes in general government activities.
- $1,054,839 in increases allocated to public safety.
- $32,191 in increases to streets & highways.
- $65,859 in increases allocated to parks and recreation.
- $481,826 in increases allocated for General Fund transfers to other City funds.

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

- $2,181,663 positive variance in real estate and personal property tax. Actual property collections were 96.69% of the 2010 levy, while estimated tax revenue is based on 90% collections as provided by the City Charter.
- $1,642,531 positive variance in sales tax receipts. Collections exceeded projections that were based on prior years activity.
- $1,996,370 positive variance in miscellaneous general government expenditures. Significant savings were realized in several service line items that are reappropriated to cover ongoing future expenditures.
- $(1,140,687) negative variance in street lighting function expenditures. This variance was the result of additions related to both normal construction as well as Antelope Valley Project construction.

CAPITAL ASSET AND DEBT ADMINISTRATION

CAPITAL ASSETS

The City's investment in capital assets for its governmental and business-type activities as of August 31, 2011, amounts to $2,150,865,585 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, streets, bridges, storm sewers, electric plant, and water and sewer plant. The total increase in the City's investment in capital assets for 2011 was 5.40 percent (a 14.57 percent increase for governmental activities and a 1.37 percent increase for business-type activities).

Major capital asset events during 2011 included the following:

- A variety of street construction widening and expansion projects for existing streets and bridges continued. Along with new construction of streets and drainage projects, construction-in-progress of infrastructure as of August 31, 2011 reached $88,140,000.
- The City's bus system, StarTran, purchased thirteen new buses at a cost of $4,642,638.
- The West Haymarket Joint Public Agency (JPA) has investment in capital assets of $80,856,914, which includes roads and utility work, arena design and initial construction, site preparation, land purchases, and environmental remediation.
- The City parking system's continued investment in a new downtown parking garage reached approximately $8.6 million.

City Of Lincoln
Capital Assets (net of depreciation)
August 31, 2011 and 2010

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Land	$ 69,850,907	63,866,125	24,144,286	21,950,552	93,995,193	85,816,677
Buildings	49,744,391	45,950,230	122,650,291	126,543,523	172,394,682	172,493,753
Improvements Other Than Buildings	37,876,916	38,189,441	445,301,114	446,114,577	483,178,030	484,304,018
Machinery and Equipment	35,685,017	31,600,937	11,894,995	12,232,011	47,580,012	43,832,948
Utility Plant	-	-	753,770,000	760,709,000	753,770,000	760,709,000
Infrastructure	352,448,061	354,568,639	-	-	352,448,061	354,568,639
Construction-in-progress	167,924,977	88,621,001	79,574,630	50,372,677	247,499,607	138,993,678
Total	$ 713,530,269	622,796,373	1,437,335,316	1,417,922,340	2,150,865,585	2,040,718,713

Additional information on the City's capital assets can be found in Note 7 of the notes to the financial statements on pages 46-48 of this report.

LONG-TERM DEBT

At August 31, 2011, the City of Lincoln had total bonded debt outstanding of $1,158,233,000. Of this amount, $419,663,000 comprises debt backed by the full faith and credit of the City. The remainder of the City's debt represents bonds secured solely by specified revenue sources (i.e., revenue bonds).

City Of Lincoln
Outstanding Bonded Debt
August 31, 2011 and 2010
(dollar amounts in thousands)

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
General Obligation Bonds	$ 419,663	118,383	-	-	419,663	118,383
Tax Supported Bonds	5,920	6,605	-	-	5,920	6,605
Revenue Bonds	-	-	732,650	745,660	732,650	745,660
Total	$ 425,583	124,988	732,650	745,660	1,158,233	870,648

The City's total bonded debt increased by $287,585,000 (33 percent) during the current fiscal year. This significant increase was the result of the JPA issuance of $300,000,000 in bonds to fund a portion of the Agency's construction costs.

The City maintains the following credit ratings:

	Moody's Investors Service	Standard And Poor's	Fitch Investors Service
General Obligation Bonds	Aaa	AAA	-
West Haymarket JPA Bonds	Aa1	AAA	
Antelope Valley Project Bonds	Aa2	AA	-
Water Revenue Bonds	Aa2	AA	-
Wastewater Revenue Bonds			
MBIA insured	Aaa	AAA	-
Underlying	Aa2	AA+	-
Parking Revenue Bonds	A1	A	-
Lincoln Electric System			
Revenue Bonds	Aa2	AA	AA
2005 Revenue Bonds			
FSA insured	-	AAA	AAA
2007 Revenue Bonds			
FGIC insured	Aaa	AAA	AAA
Commercial Paper – tax exempt	-	A1+	F1+

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

Additional information on the City's long-term debt can be found in Note 9 of the notes to the financial statements on pages 50-55 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- Property tax revenue required to fund the 2012 budget increased $4,046,259 or 9.83 percent from the prior year. Total change in the tax base is estimated at .12 percent, with an increase to the tax rate from .28788 to .31580, an increase of 9.7 percent over the prior year.

- The adequacy of fees charged for City service cost recovery is examined each year and some fee increases are included in each annual budget. Without periodic increases in fees, amounts collected, or other revenue adjustments, inflationary and other cost increases would need to be covered by additional property tax revenue or the levels of service provided would need to be reduced. Revenue adjustments in 2012 include a "Return on Equity" payment from LES estimated at $5,896,643.

- An increase of $1,376,028 in funding for the Police and Fire Pension Plan was added to fund normal cost and to provide resources to amortize the unfunded actuarial liability.

- Sales tax collections for 2011 finished 2.92 percent ahead of projections. 2012 projections reflect a 1.20 percent increase over 2011 actual collections.

- The governor and state legislature eliminated in lieu of tax payments (State Aid) to municipalities, which results in a revenue decrease to the City of $1,840,672.

- Staffing changes included in the 2011-2012 budget result in a decrease for all funds of 16.18 full-time equivalents.

All of these factors were considered in preparing the City's budget for the 2012 fiscal year.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of Lincoln's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Lincoln, Finance Department, 555 South 10th Street, Lincoln, NE 68508.

BASIC FINANCIAL STATEMENTS

CITY OF LINCOLN, NEBRASKA
STATEMENT OF NET ASSETS
AUGUST 31, 2011
With Summarized Financial Information as of August 31, 2010

	Governmental Activities	Business-Type Activities	Totals 2011	Totals 2010
ASSETS				
Cash and Cash Equivalents	$ 145,984,381	24,986,970	170,971,351	82,317,793
Investments	236,874,740	47,925,521	284,800,261	148,704,783
Invested Securities Lending Collateral	-	-	-	1,025,994
Receivables, (Net of Allowance for Uncollectibles)	33,828,857	46,178,527	80,007,384	70,968,173
Internal Balances	(1,351,694)	1,351,694	-	-
Due from Other Governments	29,415,277	4,305	29,419,582	27,971,533
Inventories	2,221,408	15,591,515	17,812,923	19,046,403
Plant Operation Assets	-	13,070,000	13,070,000	14,091,000
Prepaid Items	700,370	1,131,985	1,832,355	1,828,168
Deferred Charges and Other Assets	6,162,166	12,745,574	18,907,740	16,633,543
Restricted Assets:				
Cash and Cash Equivalents	1,051,780	15,907,805	16,959,585	18,790,915
Investments	37,160,000	68,149,585	105,309,585	90,547,696
Receivables	-	222,448	222,448	248,717
Investment in Joint Venture	159,054,244	-	159,054,244	152,591,777
Capital Assets:				
Non-depreciable	237,775,884	103,718,916	341,494,800	224,810,355
Depreciable (Net)	475,754,385	1,333,616,400	1,809,370,785	1,815,908,358
Total Assets	1,364,631,798	1,684,601,245	3,049,233,043	2,685,485,208
LIABILITIES				
Accounts Payable and Other Current Liabilities	12,214,633	42,253,871	54,468,504	51,829,414
Accrued Liabilities	4,837,343	13,043,745	17,881,088	17,237,929
Due to Other Governments	610,824	153,941	764,765	819,392
Unearned Revenue	496,679	935,274	1,431,953	1,624,367
Obligations under Securities Lending	-	-	-	1,025,994
Notes Payable	-	90,000,000	90,000,000	92,000,000
Accrued Interest Payable	4,012,183	10,081,194	14,093,377	11,998,183
Noncurrent Liabilities:				
Payable within One Year	25,159,509	33,747,222	58,906,731	55,039,710
Payable in More Than One Year	478,903,486	732,891,307	1,211,794,793	907,340,436
Total Liabilities	526,234,657	923,106,554	1,449,341,211	1,138,915,425
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	386,451,715	622,950,944	1,009,402,659	1,080,152,836
Restricted for:				
Debt Service, Net of Related Debt	7,806,827	29,008,060	36,814,887	34,868,834
Capital Projects	127,992,825	1,255,350	129,248,175	42,516,324
Grantor Loan Programs	19,837,000	-	19,837,000	19,566,000
Other	22,167,162	3,486,877	25,654,039	6,291,153
Trust Donations:				
Expendable	1,653,945	-	1,653,945	1,723,206
Nonexpendable	160,000	-	160,000	160,000
Health Care:				
Expendable	19,077,332	-	19,077,332	16,070,970
Nonexpendable	37,000,000	-	37,000,000	37,000,000
Unrestricted	216,250,335	104,793,460	321,043,795	308,220,460
Total Net Assets	$ 838,397,141	761,494,691	1,599,891,832	1,546,569,783

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

CITY OF LINCOLN, NEBRASKA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2011
With Summarized Financial Information for the Year Ended August 31, 2010

		Program Revenues			Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Totals 2011	Totals 2010
Functions/Programs								
Governmental Activities:								
General Government	$ (40,059,839)	21,544,375	3,109,155	1,021,934	(14,384,375)	-	(14,384,375)	(12,962,697)
Public Safety	(81,218,142)	5,730,687	4,675,131	289,798	(70,522,526)	-	(70,522,526)	(65,685,813)
Streets and Highways	(39,840,551)	4,087,358	24,184,766	4,612,774	(6,955,653)	-	(6,955,653)	(6,559,985)
Culture and Recreation	(26,578,448)	4,114,179	2,880,002	1,945,724	(17,638,543)	-	(17,638,543)	(18,787,660)
Economic Opportunity	(16,336,855)	2,269,303	12,371,743	-	(1,695,809)	-	(1,695,809)	(3,852,201)
Health and Welfare	(21,153,869)	4,435,710	14,815,283	-	(1,902,876)	-	(1,902,876)	(3,537,257)
Mass Transit	(12,007,410)	1,619,140	7,268,943	-	(3,119,327)	-	(3,119,327)	(4,463,659)
Equipment Management	(1,882,136)	1,626,131	-	5,000	(251,005)	-	(251,005)	(416,580)
Engineering Services	(1,219,084)	995,088	-	5,135	(218,861)	-	(218,861)	(27,929)
Interest on Long-Term Debt	(11,568,353)	4,336	4,289,725	102,302	(7,171,990)	-	(7,171,990)	(5,248,980)
Total Governmental Activities	(251,864,687)	46,426,307	73,594,748	7,982,667	(123,860,965)	-	(123,860,965)	(121,542,761)
Business-Type Activities:								
Parking Lots	(313,810)	363,002	-	-	-	49,192	49,192	82,370
Golf	(3,414,074)	2,759,810	-	-	-	(654,264)	(654,264)	(373,791)
Parking Facilities	(5,319,163)	7,573,805	-	4,583	-	2,259,225	2,259,225	1,658,166
Municipal Auditorium	(2,202,234)	1,606,199	-	-	-	(596,035)	(596,035)	(648,807)
Solid Waste Management	(8,490,392)	5,555,135	-	-	-	(2,935,257)	(2,935,257)	(5,294,467)
Emergency Medical Services	(3,940,669)	4,565,087	-	-	-	624,418	624,418	595,929
Wastewater System	(23,135,157)	22,931,019	-	1,081,660	-	877,522	877,522	1,283,437
Water System	(26,084,158)	28,474,175	-	1,905,819	-	4,295,836	4,295,836	3,443,725
Electric System	(242,743,000)	261,377,000	-	1,653,000	-	20,287,000	20,287,000	18,423,000
Total Business-Type Activities	(315,642,657)	335,205,232	-	4,645,062	-	24,207,637	24,207,637	19,169,562
Total	$ (567,507,344)	381,631,539	73,594,748	12,627,729	(123,860,965)	24,207,637	(99,653,328)	(102,373,199)
	General Revenues:							
	Property Tax				48,621,668	-	48,621,668	48,637,701
	Motor Vehicle Tax				4,284,369	-	4,284,369	4,247,118
	Wheel Tax				12,031,376	-	12,031,376	11,519,622
	Sales and Use Tax				57,996,100	-	57,996,100	55,362,688
	Sundry and In Lieu Tax				63,118	-	63,118	54,431
	Occupation Tax				20,403,399	2,059,361	22,462,760	12,831,614
	Unrestricted Grants and Contributions				1,927,588	-	1,927,588	2,006,071
	Unrestricted Investment Earnings				1,370,358	1,564,708	2,935,066	3,600,079
	Miscellaneous General Revenues				2,309,497	343,835	2,653,332	1,686,474
	Transfers				2,678,029	(2,678,029)	-	-
	Total General Revenues and Transfers				151,685,502	1,289,875	152,975,377	139,945,798
	Change in Net Assets				27,824,537	25,497,512	53,322,049	37,572,599
	Net Assets - Beginning				810,572,604	735,997,179	1,546,569,783	1,508,997,184
	Net Assets - Ending				$ 838,397,141	761,494,691	1,599,891,832	1,546,569,783

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

CITY OF LINCOLN, NEBRASKA
BALANCE SHEET
GOVERNMENTAL FUNDS
AUGUST 31, 2011

		General Fund	Street Construction Fund	West Haymarket JPA Fund	Other Governmental Funds	Total
ASSETS						
Cash and Cash Equivalents	$	4,795,748	4,621,924	123,470,657	8,556,720	141,445,049
Investments		22,850,931	24,333,175	105,940,874	95,784,386	248,909,366
Receivables, (Net of Allowance for Uncollectibles)		5,712,901	1,585,226	1,780,646	24,471,836	33,550,609
Due from Other Funds		1,934,706	5,342,235	-	3,104,817	10,381,758
Due from Other Governments		10,290,493	11,044,205	1,622,007	6,199,809	29,156,514
Inventories		472,182	450,225	-	488,615	1,411,022
Prepaid Items		6,418,988	-	25,775	6,500	6,451,263
Total Assets		52,475,949	47,376,990	232,839,959	138,612,683	471,305,581
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts Payable		934,612	1,342,342	6,481,111	1,888,683	10,646,748
Contracts Payable		-	146,436	-	324,019	470,455
Accrued Liabilities		2,508,561	159,527	-	1,640,023	4,308,111
Due to Other Funds		5,714,045	210,877	32,441	6,744,955	12,702,318
Due to Other Governments		150,093	26,595	-	253,376	430,064
Unearned Revenue		-	-	-	317,762	317,762
Deferred Revenue		1,414,802	9,012,645	893,503	4,612,831	15,933,781
Total Liabilities		10,722,113	10,898,422	7,407,055	15,781,649	44,809,239
Fund Balances:						
Nonspendable		6,891,170	450,225	25,775	37,655,115	45,022,285
Restricted		5,525,739	22,359,280	225,407,129	77,046,702	330,338,850
Committed		-	-	-	633,206	633,206
Assigned		13,750,394	13,669,063	-	7,636,067	35,055,524
Unassigned		15,586,533	-	-	(140,056)	15,446,477
Total Fund Balances		41,753,836	36,478,568	225,432,904	122,831,034	426,496,342
Total Liabilities and Fund Balances	$	52,475,949	47,376,990	232,839,959	138,612,683	

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		691,479,451
Investment in joint venture is not a financial resource and, therefore, is not reported in the funds.		159,054,244
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		15,933,781
Internal service funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.		26,780,676
Accrued pension contribution, long-term construction contracts and other liabilities require the use of unavailable financial resources and, therefore, are not reported in the funds.		(5,096,424)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.		(476,250,929)
Net assets of governmental activities	$	838,397,141

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

CITY OF LINCOLN, NEBRASKA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2011

	General Fund	Street Construction Fund	West Haymarket JPA Fund	Other Governmental Funds	Total
REVENUES					
Taxes:					
Property	$ 28,248,373	-	-	19,956,099	48,204,472
Motor Vehicle	4,284,369	-	-	-	4,284,369
Wheel	-	1,114,104	-	10,917,272	12,031,376
Sales and Use	57,996,100	-	-	-	57,996,100
Sundry and In Lieu	48,455	-	-	12,796	61,251
Occupation	13,282,814	-	7,653,744	-	20,936,558
Special Assessment	-	425	-	1,118,089	1,118,514
Intergovernmental	4,982,313	27,548,619	3,205,671	35,796,221	71,532,824
Permits and Fees	4,939,346	2,628,295	-	10,956,731	18,524,372
Reimbursement for Services	6,185,640	6,226	-	1,329,500	7,521,366
Program Income	-	-	944,303	273,633	1,217,936
Investment Earnings	156,933	(54,541)	-	5,352,485	5,454,877
Donations	726,335	75	-	1,259,271	1,985,681
Keno Proceeds	-	-	-	3,321,506	3,321,506
Miscellaneous	2,181,411	779,577	-	1,793,441	4,754,429
Total Revenues	123,032,089	32,022,780	11,803,718	92,087,044	258,945,631
EXPENDITURES					
Current:					
General Government	26,569,977	-	454,329	9,598,056	36,622,362
Public Safety	60,131,286	-	-	9,405,771	69,537,057
Streets and Highways	7,461,505	10,871,181	-	2,392	18,335,078
Culture and Recreation	11,628,899	-	-	10,165,686	21,794,585
Economic Opportunity	4,401,646	-	-	11,410,268	15,811,914
Health and Welfare	193,414	-	-	21,800,001	21,993,415
Mass Transit	-	-	-	15,088,883	15,088,883
Debt Service	6,806	-	10,801,422	15,631,234	26,439,462
Capital Outlay	-	24,110,113	77,310,392	8,160,545	109,581,050
Total Expenditures	110,393,533	34,981,294	88,566,143	101,262,836	335,203,806
Excess (Deficiency) of Revenues Over (Under) Expenditures	12,638,556	(2,958,514)	(76,762,425)	(9,175,792)	(76,258,175)
OTHER FINANCING SOURCES (USES)					
Transfers In	6,889,394	12,003,923	-	24,966,938	43,860,255
Transfers Out	(16,360,654)	(4,945,556)	-	(19,805,398)	(41,111,608)
Issuance of Debt	-	-	300,000,000	9,663,000	309,663,000
Issuance of Refunding Debt	6,692,500	-	-	19,540,000	26,232,500
Premiums/Discounts on Debt Issued	(6,427)	-	4,669,860	1,091,787	5,755,220
Transfer To Bond Refunding Agent	(7,075,474)	-	-	(21,746,822)	(28,822,296)
Sale of Capital Assets	132,888	50,168	-	105,818	288,874
Total Other Financing Sources (Uses)	(9,727,773)	7,108,535	304,669,860	13,815,323	315,865,945
Net Change in Fund Balances	2,910,783	4,150,021	227,907,435	4,639,531	239,607,770
Fund Balances - Beginning of Year, Before Restatement	30,425,582	31,586,833	(2,474,531)	127,350,688	186,888,572
Adjustment for Implementation of GASB 54	8,417,471	741,714	-	(9,159,185)	-
Fund Balances - Beginning of Year, After Restatement	38,843,053	32,328,547	(2,474,531)	118,191,503	186,888,572
Fund Balances - Ending	$ 41,753,836	36,478,568	225,432,904	122,831,034	426,496,342

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

CITY OF LINCOLN, NEBRASKA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2011

Amounts reported for governmental activities in the statement of activities are different because:	
Net change in fund balances - total governmental funds	$ 239,607,770
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	83,105,689
The net effect of various miscellaneous transactions involving capital contributions is to increase net assets.	2,623,305
Revenues in the statement of activites that do not provide current financial resources are not reported as revenues in the funds: change in revenues in fund statements previously recognized in the statement of activities.	1,580,917
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(298,039,633)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	(3,736,004)
Changes in the net pension obligation and the net OPEB obligation do not represent financial activity in governmental funds.	(1,393,535)
Changes in the interest in the underlying net assets of the joint venture do not represent financial activity in governmental funds.	6,462,467
Internal service funds are used by management to charge the costs of certain services to individual funds. The net expense of the internal service funds is reported within governmental activities.	(2,386,439)
Change in net assets of governmental activities	$ 27,824,537

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

CITY OF LINCOLN, NEBRASKA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FOR THE YEAR ENDED AUGUST 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Real Estate and Personal Property Tax	$ 30,404,505	30,404,505	32,586,168	2,181,663
Taxes Collected by Others	56,317,014	56,317,014	57,959,545	1,642,531
Sundry Taxes and In Lieu	33,612	33,612	56,055	22,443
Occupation Taxes	11,764,425	11,764,425	11,982,166	217,741
Intergovernmental	3,813,352	3,813,352	3,457,174	(356,178)
Permits and Fees	3,258,531	3,258,531	3,190,409	(68,122)
Reimbursement for Services	2,989,874	2,989,874	2,848,361	(141,513)
Court Fees	594,000	594,000	596,781	2,781
Recreation Receipts	2,116,281	2,116,281	2,128,295	12,014
Investment Earnings	239,800	239,800	159,302	(80,498)
Donations	723,722	723,722	725,032	1,310
Rental Income	474,064	474,064	504,794	30,730
Miscellaneous	2,156,816	2,156,816	2,138,925	(17,891)
Total Revenues	114,885,996	114,885,996	118,333,007	3,447,011
Expenditures:				
General Government:				
Legislative	286,263	286,347	242,765	43,582
Executive	1,126,728	1,130,843	1,068,484	62,359
Financial Administration	2,764,538	2,756,371	2,508,454	247,917
Law	2,456,102	2,470,458	2,455,480	14,978
Personnel Administration	938,462	942,367	891,388	50,979
Planning and Zoning	1,851,122	1,861,681	1,831,188	30,493
Urban Development	897,704	989,714	774,367	215,347
Miscellaneous	20,520,692	18,524,879	16,528,509	1,996,370
Total General Government	30,841,611	28,962,660	26,300,635	2,662,025
Public Safety:				
Police	32,946,001	32,976,027	31,759,280	1,216,747
Fire	21,897,471	22,918,210	22,959,234	(41,024)
Traffic Engineering	1,568,249	1,572,323	1,520,663	51,660
Total Public Safety	56,411,721	57,466,560	56,239,177	1,227,383
Streets and Highways:				
Street Maintenance	2,656,242	2,688,433	2,242,639	445,794
Street Lighting	3,915,681	3,915,681	5,056,368	(1,140,687)
Total Streets and Highways	6,571,923	6,604,114	7,299,007	(694,893)
Culture and Recreation:				
Parks and Recreation	11,710,713	11,776,572	11,442,727	333,845
Libraries	200,603	200,603	200,603	-
Total Culture and Recreation	11,911,316	11,977,175	11,643,330	333,845
Economic Opportunity:				
Lincoln Area Agency on Aging	257,117	257,117	257,117	-
Health and Welfare:				
Lincoln/Lancaster County Health	205,472	205,472	205,472	-
Debt Service:				
Issuance and Management Costs	-	-	6,806	(6,806)
Total Expenditures	106,199,160	105,473,098	101,951,544	3,521,554
Excess of Revenues Over Expenditures	8,686,836	9,412,898	16,381,463	6,968,565
Other Financing Sources (Uses):				
Transfers In	10,541,594	10,541,594	6,663,814	(3,877,780)
Transfers Out	(25,137,193)	(25,619,019)	(20,827,281)	4,791,738
Proceeds from Issuance of Debt	6,692,500	6,692,500	6,692,500	-
Discount on Debt Issued	-	-	(6,427)	(6,427)
Transfer to Bond Refunding Agent	(7,068,178)	(7,068,178)	(7,068,178)	-
Sale of Capital Assets	95,006	95,006	132,889	37,883
Total Other Financing Sources (Uses)	(14,876,271)	(15,358,097)	(14,412,683)	945,414
Net Change in Fund Balances	(6,189,435)	(5,945,199)	1,968,780	7,913,979
Fund Balances - Beginning	20,986,052	20,986,052	20,986,052	-
Fund Balances - Ending	$ 14,796,617	15,040,853	22,954,832	7,913,979

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

CITY OF LINCOLN, NEBRASKA
STREET CONSTRUCTION FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FOR THE YEAR ENDED AUGUST 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Wheel Tax	$ 1,111,500	1,111,500	1,108,379	(3,121)
Special Assessment	-	-	425	425
Intergovernmental	9,044,276	9,044,276	17,601,301	8,557,025
Permits and Fees	-	-	280,049	280,049
Reimbursement for Services	400,000	400,000	6,136	(393,864)
Investment Earnings	50,000	50,000	118,426	68,426
Miscellaneous	-	-	20,620	20,620
Total Revenues	10,605,776	10,605,776	19,135,336	8,529,560
Expenditures -- Streets and Highways:				
Personal Services	5,554,680	5,554,680	5,831,956	(277,276)
Materials and Supplies	1,135,111	1,135,111	986,141	148,970
Other Services and Charges	4,317,182	4,310,110	4,100,647	209,463
Capital Outlay	87,127	112,127	40,820	71,307
Total Expenditures	11,094,100	11,112,028	10,959,564	152,464
Excess (Deficiency) of Revenues Over (Under) Expenditures	(488,324)	(506,252)	8,175,772	8,682,024
Other Financing Sources (Uses):				
Transfers In	12,040,822	12,040,822	12,040,822	-
Transfers Out	(4,945,556)	(4,945,556)	(4,945,556)	-
Sale of Capital Assets	-	-	50,168	50,168
Total Other Financing Sources (Uses)	7,095,266	7,095,266	7,145,434	50,168
Net Change in Fund Balances	6,606,942	6,589,014	15,321,206	8,732,192
Amount Budgeted on Project Basis	(11,512,649)	(11,512,649)	(11,512,649)	-
Fund Balances - Beginning	29,269,106	29,269,106	29,269,106	-
Fund Balances - Ending	$ 24,363,399	24,345,471	33,077,663	8,732,192

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

CITY OF LINCOLN, NEBRASKA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
AUGUST 31, 2011

	Business-Type Activities -- Enterprise Funds					Governmental Activities -- Internal Service Funds
	Lincoln Wastewater System	Lincoln Water System	Lincoln Electric System	Other Enterprise Funds	Total	
ASSETS						
Current Assets:						
Cash and Cash Equivalents	$ 2,401,211	1,270,745	18,694,000	2,621,014	24,986,970	4,539,332
Investments	-	-	36,769,000	11,156,521	47,925,521	25,125,374
Restricted Assets:						
Cash and Cash Equivalents	-	-	11,909,000	181,964	12,090,964	1,051,780
Investments	-	-	3,328,000	-	3,328,000	-
Receivables, (Net of Allowance for Uncollectibles)	2,542,929	2,745,516	19,937,000	3,285,038	28,510,483	278,248
Unbilled Revenues	2,386,904	3,848,140	11,433,000	-	17,668,044	-
Due from Other Funds	1,214,046	314,208	-	509,284	2,037,538	1,935,140
Due from Other Governments	-	-	-	4,305	4,305	258,763
Inventories	65,504	932,633	14,385,000	208,378	15,591,515	810,386
Plant Operation Assets	-	-	13,070,000	-	13,070,000	-
Prepaid Expenses	-	-	1,072,000	59,985	1,131,985	385,407
Total Current Assets	8,610,594	9,111,242	130,597,000	18,026,489	166,345,325	34,384,430
Noncurrent Assets:						
Restricted Assets:						
Cash and Cash Equivalents	-	-	30,000	3,786,841	3,816,841	-
Investments	18,750,789	16,352,689	22,466,000	7,252,107	64,821,585	-
Receivables	124,867	89,967	-	7,614	222,448	-
Due from Other Funds	-		-	304,852	304,852	-
Total Restricted Assets	18,875,656	16,442,656	22,496,000	11,351,414	69,165,726	-
Deferred Charges	704,520	587,005	11,058,000	396,049	12,745,574	135,576
Capital Assets:						
Land	5,913,340	5,445,167	-	12,785,779	24,144,286	1,306,950
Buildings	75,384,901	67,363,431	-	50,839,978	193,588,310	5,639,207
Improvements Other Than Buildings	254,651,742	324,805,770	-	35,953,374	615,410,886	1,159,425
Machinery and Equipment	8,596,734	8,569,723	-	13,188,408	30,354,865	28,260,381
Utility Plant	-	-	1,224,514,000	-	1,224,514,000	-
Construction in Progress	6,189,533	1,511,081	58,267,000	13,607,016	79,574,630	388,182
Less Accumulated Depreciation	(97,384,087)	(109,692,686)	(470,744,000)	(52,430,888)	(730,251,661)	(20,839,627)
Total Capital Assets, Net	253,352,163	298,002,486	812,037,000	73,943,667	1,437,335,316	15,914,518
Total Noncurrent Assets	272,932,339	315,032,147	845,591,000	85,691,130	1,519,246,616	16,050,094
Total Assets	281,542,933	324,143,389	976,188,000	103,717,619	1,685,591,941	50,434,524
LIABILITIES						
Current Liabilities:						
Accounts Payable	319,901	449,849	13,920,000	4,300,121	18,989,871	1,097,429
Construction Contracts	1,996,813	2,169,341	-	-	4,166,154	-
Accrued Liabilities	473,855	763,871	11,469,000	337,019	13,043,745	419,431
Accrued Compensated Absences	364,696	427,699	-	315,275	1,107,670	773,045
Due to Other Funds	-	-	-	990,696	990,696	966,274
Due to Other Governments	-	-	-	153,941	153,941	570
Unearned Revenue	-	-	-	935,274	935,274	178,917
Claims	-	-	-	-	-	6,724,159
Accrued Interest	756,525	122,354	9,136,000	66,315	10,081,194	71,934
Commercial Paper Notes Payable	-	-	90,000,000	-	90,000,000	-
Current Portion of Capital Lease	-	-	-	258,306	258,306	117,597
Current Portion of Long-Term Debt	3,075,092	5,380,000	18,680,000	1,080,000	28,215,092	-
Other	-	-	23,264,000	-	23,264,000	-
Total Current Liabilities	6,986,882	9,313,114	166,469,000	8,436,947	191,205,943	10,349,356
Noncurrent Liabilities:						
Accrued Compensated Absences	194,408	395,957	-	87,010	677,375	753,743
Construction Contracts	1,796,829	193,636	-	-	1,990,465	-
Claims	-	-	-	-	-	4,064,797
Long-Term Debt, Net	81,138,410	59,884,016	547,604,000	25,637,751	714,264,177	-
Capital Lease Payable	-	-	-	751,062	751,062	8,246,025
Accrued Liabilities	138,352	196,145	-	241,731	576,228	239,927
Accrued Landfill Closure/Postclosure Care Costs	-	-	-	14,632,000	14,632,000	-
Total Noncurrent Liabilities	83,267,999	60,669,754	547,604,000	41,349,554	732,891,307	13,304,492
Total Liabilities	90,254,881	69,982,868	714,073,000	49,786,501	924,097,250	23,653,848
NET ASSETS						
Invested in Capital Assets, Net of Related Debt	171,395,000	239,387,493	158,775,000	53,393,451	622,950,944	8,602,676
Restricted for:						
Debt Service	1,019,749	419,376	27,427,000	141,935	29,008,060	-
Capital Projects	686,631	39,915	-	528,804	1,255,350	-
Other	-	-	-	46,948	46,948	-
Unrestricted	18,186,672	14,313,737	75,913,000	(180,020)	108,233,389	18,178,000
Total Net Assets	$ 191,288,052	254,160,521	262,115,000	53,931,118	761,494,691	26,780,676

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

CITY OF LINCOLN, NEBRASKA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2011

	Business-Type Activities -- Enterprise Funds					Governmental Activities -- Internal Service Funds
	Lincoln Wastewater System	Lincoln Water System	Lincoln Electric System	Other Enterprise Funds	Total	
Operating Revenues						
Charges for Services	$ 22,973,653	28,559,484	261,377,000	4,565,087	317,475,224	52,320,810
Fees	-	-	-	7,820,398	7,820,398	-
Parking Revenue	-	-	-	7,478,545	7,478,545	-
Performance Revenue	-	-	-	1,534,158	1,534,158	-
Other Operating Revenue	-	-	-	588,197	588,197	-
Total Operating Revenues	22,973,653	28,559,484	261,377,000	21,986,385	334,896,522	52,320,810
Operating Expenses						
Personal Services	-	-	-	7,915,575	7,915,575	13,508,727
Contractual Services	-	-	-	5,001,711	5,001,711	-
Operation and Maintenance	11,094,850	13,304,010	16,051,000	6,069,119	46,518,979	38,842,696
Purchased Power	-	-	118,295,000	-	118,295,000	-
Depreciation	7,128,253	7,645,046	37,283,000	3,835,786	55,892,085	2,450,247
Administrative Costs	1,449,114	2,151,017	33,051,000	-	36,651,131	-
Total Operating Expenses	19,672,217	23,100,073	204,680,000	22,822,191	270,274,481	54,801,670
Operating Income (Loss)	3,301,436	5,459,411	56,697,000	(835,806)	64,622,041	(2,480,860)
Nonoperating Revenues (Expenses)						
Investment Earnings	158,557	892,051	395,000	119,100	1,564,708	93,554
Gain (Loss) on Disposal of Capital Assets	-	-	-	(106,705)	(106,705)	72,903
Insurance Recovery	185,048	-	-	18,725	203,773	-
Miscellaneous Revenue	-	-	-	448,772	448,772	-
Occupation Tax	-	-	-	2,059,361	2,059,361	-
Grants	-	3,658	-	-	3,658	-
Payments in Lieu of Taxes	-	-	(9,439,000)	-	(9,439,000)	-
Amortization of Deferred Charges	(38,904)	(76,887)	(861,000)	(23,570)	(1,000,361)	-
Interest Expense and Fiscal Charges	(3,424,036)	(2,907,198)	(27,763,000)	(727,875)	(34,822,109)	(167,338)
Total Nonoperating Revenues (Expenses)	(3,119,335)	(2,088,376)	(37,668,000)	1,787,808	(41,087,903)	(881)
Income (Loss) Before Contributions and Transfers	182,101	3,371,035	19,029,000	952,002	23,534,138	(2,481,741)
Capital Contributions	1,081,660	1,902,161	1,653,000	67,962	4,704,783	102,540
Transfers In	-	159,395	-	859,305	1,018,700	13,421
Transfers Out	-	-	(1,730,000)	(2,030,109)	(3,760,109)	(20,659)
Change in Net Assets	1,263,761	5,432,591	18,952,000	(150,840)	25,497,512	(2,386,439)
Net Assets - Beginning	190,024,291	248,727,930	243,163,000	54,081,958	735,997,179	29,167,115
Net Assets - Ending	$ 191,288,052	254,160,521	262,115,000	53,931,118	761,494,691	26,780,676

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

CITY OF LINCOLN, NEBRASKA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2011

	Business-Type Activities -- Enterprise Funds					Governmental Activities -- Internal Service Funds
	Lincoln Wastewater System	Lincoln Water System	Lincoln Electric System	Other Enterprise Funds	Total	
Cash Flows from Operating Activities						
Receipts from Customers and Users	$ 23,334,696	27,792,022	271,646,000	20,004,326	342,777,044	12,297,699
Receipts from Interfund Services Provided	219,365	648,301	5,202,000	160,029	6,229,695	40,000,044
Payments to Suppliers for Goods and Services	(3,344,814)	(4,747,873)	(160,171,000)	(7,951,306)	(176,214,993)	(34,264,525)
Payments to Employees	(7,277,590)	(8,104,984)	(23,916,000)	(7,737,308)	(47,035,882)	(13,259,037)
Payments for Interfund Services Provided	(1,702,040)	(2,711,605)	(3,066,000)	(1,977,584)	(9,457,229)	(2,441,670)
Other Receipts	-	-	45,000	588,197	633,197	-
Net Cash Provided by Operating Activities	11,229,617	12,875,861	89,740,000	3,086,354	116,931,832	2,332,511
Cash Flows from Noncapital Financing Activities						
Occupation Tax	-	-	-	1,987,948	1,987,948	-
Payments in Lieu of Taxes	-	-	(8,730,000)	-	(8,730,000)	-
Transfers from Other Funds	-	-	-	622,387	622,387	19,084
Transfers to Other Funds	-	-	(1,597,000)	(2,030,109)	(3,627,109)	(1,652)
Advances from General Fund	-	-	-	1,834,553	1,834,553	1,373,111
Repayment of Advances from General Fund	-	-	-	(1,544,671)	(1,544,671)	(1,494,027)
Advances to Other Funds	-	-	-	(167,758)	(167,758)	(11,168)
Payments from Other Funds	54,320	68,777	-	290,122	413,219	438,964
Other Miscellaneous Receipts	-	-	-	448,772	448,772	-
Net Cash Provided (Used) by Noncapital Financing Activities	54,320	68,777	(10,327,000)	1,441,244	(8,762,659)	324,312
Cash Flows from Capital and Related Financing Activities						
Additions to Capital Assets	(6,303,152)	(3,994,573)	(43,585,000)	(12,928,966)	(66,811,691)	(9,399,846)
Proceeds from Sale of Capital Assets	-	-	-	13,842	13,842	202,405
Insurance Recovery	185,048	-	-	18,725	203,773	-
Transfer from Other Funds	-	-	-	247,502	247,502	5,000
Proceeds from Long-Term Debt	4,021,999	-	-	20,561,084	24,583,083	8,363,622
Cost of Debt Issuance	-	-	(282,000)	(265,523)	(547,523)	(135,576)
Net Cost of Retiring Plant	-	-	(447,000)	-	(447,000)	-
Capital Contributions	414,160	1,177,971	1,653,000	-	3,245,131	-
Principal Payments of Capital Lease	-	-	-	(318,288)	(318,288)	-
Principal Payments of Long-Term Debt	(2,865,000)	(6,310,000)	(17,820,000)	(6,680,000)	(33,675,000)	-
Interest and Fiscal Charges Paid	(3,512,090)	(3,118,530)	(28,342,000)	(1,019,428)	(35,992,048)	(95,404)
Net Cash Used by Capital and Related Financing Activities	(8,059,035)	(12,245,132)	(88,823,000)	(371,052)	(109,498,219)	(1,059,799)
Cash Flows from Investing Activities						
Proceeds from Sale and Maturities of Investments	5,108,370	8,023,611	-	8,395,459	21,527,440	13,962,241
Purchases of Investments	(9,388,154)	(9,727,504)	(9,175,000)	(13,776,659)	(42,067,317)	(17,946,578)
Interest and Other Receipts	375,700	470,210	200,000	308,946	1,354,856	414,016
Net Cash Used by Investing Activities	(3,904,084)	(1,233,683)	(8,975,000)	(5,072,254)	(19,185,021)	(3,570,321)
Net Decrease in Cash and Cash Equivalents	(679,182)	(534,177)	(18,385,000)	(915,708)	(20,514,067)	(1,973,297)
Cash and Cash Equivalents - Beginning	3,080,393	1,804,922	49,018,000	7,505,527	61,408,842	7,564,409
Cash and Cash Equivalents - Ending	$ 2,401,211	1,270,745	30,633,000	6,589,819	40,894,775	5,591,112
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities						
Operating Income (Loss)	$ 3,301,436	5,459,411	56,697,000	(835,806)	64,622,041	(2,480,860)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:						
Depreciation	7,128,253	7,645,046	37,283,000	3,835,786	55,892,085	2,450,247
Changes in Assets and Liabilities:						
Accounts Receivable and Unbilled Revenues	584,908	(117,611)	(4,543,000)	(1,232,727)	(5,308,430)	71,305
Due from Other Funds	-	-	-	(31,346)	(31,346)	(247,302)
Due from Other Governments	-	-	-	(474)	(474)	118,522
Inventories	37,476	(92,261)	1,497,000	(27,483)	1,414,732	(109,363)
Plant Operation Assets	-	-	1,021,000	-	1,021,000	-
Prepaid Expenses	-	-	4,000	(19,364)	(15,364)	9,103
Other Assets	-	-	(1,030,000)	-	(1,030,000)	-
Accounts Payable	70,486	(215,245)	(1,014,000)	43,061	(1,115,698)	191,667
Accrued Liabilities	92,224	153,568	-	138,986	384,778	153,848
Accrued Compensated Absences	14,834	42,953	-	39,281	97,068	95,842
Due to Other Funds	-	-	-	17,653	17,653	(468)
Due to Other Governments	-	-	-	(13,927)	(13,927)	(29,324)
Unearned Revenue	-	-	-	30,714	30,714	34,408
Claims	-	-	(478,000)	-	(478,000)	2,074,886
Deferred Credits and Other Liabilities	-	-	303,000	-	303,000	-
Accrued Landfill Closure/Postclosure Care Costs	-	-	-	1,142,000	1,142,000	-
Total Adjustments	7,928,181	7,416,450	33,043,000	3,922,160	52,309,791	4,813,371
Net Cash Provided by Operating Activities	$ 11,229,617	12,875,861	89,740,000	3,086,354	116,931,832	2,332,511
Supplemental Disclosure of Noncash Investing, Capital, and Financing Activities:						
Contribution of Capital Assets	$ 667,500	724,190	-	67,962	1,459,652	102,540
Purchase of Capital Assets on Account	3,793,642	2,362,977	-	3,348,272	9,504,891	159,503
Change in Fair Value of Investments	(210,635)	439,657	-	(190,409)	38,613	(270,689)
Recognition of Sales Tax Settlement Payment	-	-	332,000	-	332,000	-
Allowance for Funds in Construcction and Amortization	-	-	(1,077,000)	-	(1,077,000)	-

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

CITY OF LINCOLN, NEBRASKA
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
AUGUST 31, 2011

	Police & Fire Pension Trust Fund	Agency Funds
ASSETS		
Cash and Cash Equivalents	$ 2,355,438	3,781,501
Investments:		
Pooled Investment Funds	2,322,860	-
U.S. Agency Obligations	-	2,243,564
Corporate Bonds	462,400	-
Private Equity	525,252	-
Mutual Funds	145,048,224	-
Real Estate Limited Partnership	11,901,482	-
Total Investments	160,260,218	2,243,564
Receivables:		
Contributions	434,030	-
Accrued Interest	796,691	39,031
Other	-	41,193
Due from Other Governments	188	-
Contractor Retainage	-	797,319
Total Assets	163,846,565	6,902,608
LIABILITIES		
Warrants Payable	-	1,182,481
Accounts Payable	11,360	213,935
Accrued Liabilities	6,104	-
Accrued Compensated Absences	14,465	-
Due to Other Governments	210	3,849,074
Due to Homeowners	-	43,604
Due to Contractors	-	1,275,391
Due to Joint Venture	-	205,384
Due to Plan Members	-	14,813
Due to Bondholders	-	117,926
Total Liabilities	32,139	6,902,608
NET ASSETS		
Held in Trust for Pension Benefits and Other Purposes	$ 163,814,426	

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

CITY OF LINCOLN, NEBRASKA
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUND
FOR THE YEAR ENDED AUGUST 31, 2011

	Police & Fire Pension Trust Fund
Additions:	
Contributions:	
Employer	$ 4,470,505
Employee	2,373,463
Total Contributions	6,843,968
Investment Earnings:	
Interest	298,074
Dividends	3,068,731
Net Increase in Fair Value of Investments	15,123,330
Net Investment Earnings	18,490,135
Total Additions	25,334,103
Deductions:	
Benefit Payments	10,594,707
Refunds of Contributions	222,572
Administrative Costs	729,223
Total Deductions	11,546,502
Change in Net Assets	13,787,601
Net Assets Held in Trust for Pension Benefits and Other Purposes - Beginning	150,026,825
Net Assets Held in Trust for Pension Benefits and Other Purposes - Ending	$ 163,814,426

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

NOTES TO THE FINANCIAL STATEMENTS

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

REPORTING ENTITY

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

Blended component units, although legally separate entities, are, in substance, part of the government's operations. The participants in the WHJPA are the City and University of Nebraska (UNL), and the agency is governed by a board consisting of the Mayor, a member of the UNL Board of Regents, and a member of the City Council. The purpose of the agency is to make the most efficient use of the taxing authority and other powers of the participants to facilitate the redevelopment of the West Haymarket Redevelopment Area. The WHJPA is reported as a major governmental fund in the City's financial statements. Complete separate financial statements for the WHJPA may be obtained at the City of Lincoln Finance Department, 555 South 10th Street, Suite 103, Lincoln, NE 68508.

FISCAL YEAR-END

All funds of the City, with the exception of Lincoln Electric System (LES), are reported as of and for the year ended August 31, 2011. December 31st is the fiscal year-end of LES as established by the City Charter, and the last separate financial statements were as of and for the year ended December 31, 2010. The amounts included in the City's 2011 financial statements for LES are amounts as of and for the year ended December 31, 2010.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

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

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

MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the *total economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and trust fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met. Agency funds, reporting only assets and liabilities, have no measurement focus but use the accrual basis of accounting.

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

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

The City reports the following major governmental funds:

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

The Street Construction Fund accounts for the resources accumulated, primarily highway allocation fees received from the State of Nebraska, and the payments made for the maintenance, construction, and improvement of the streets and highways in the City.

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

The City reports the following major enterprise funds:

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

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

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

Additionally, the City reports the following fund types:

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

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

The Agency Funds account for the collection of various taxes, fines, and fees due to other government entities; funds held in escrow for homeowners; good faith money due to contractors upon project completion; funds held for payroll taxes and other payroll related payables: funds held to pay outstanding warrants; funds to pay phone system charges; funds to pay matured bonds and coupons for which the City Treasurer is trustee; funds for the joint administrative entity known as JAVA, created to coordinate planning and implementation of the Antelope Valley Project; funds deposited by Gateway Shopping Center in fulfillment of a condition of the use permit for expansion; funds for shared library services; and reserve funds held for the Public Building Commission Bonds.

Private-sector standards of accounting and financial reporting issued prior to November 30, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict pronouncements of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. Only the City's Lincoln Wastewater System and Lincoln Water System funds have elected to follow subsequent private-sector guidance.

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

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

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

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

ASSETS, LIABILITIES, AND NET ASSETS OR FUND EQUITY

Deposits and Investments

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

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

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

Receivables and Payables

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

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

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

Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Amounts of governmental fund inventories and vendor prepaid items are reported as unspendable net assets to indicate that they do not represent “available spendable resources”.

Certain payments that have been made which benefit future accounting periods and are funded by interfund borrowings, are also recorded as prepayments, with a like amount of interfund liability reflected. These prepayments are charged to expenditures on the governmental fund financial statements over the period of their related borrowings. On the government-wide financial statements these prepayments have been capitalized and are charged to expenditures as the assets are depreciated over their useful lives.

Deferred Charges

LES’ share of payments made for the construction of the Dry Fork Coal Mine are included in deferred charges on the statement of net assets. The mine is expected to provide fuel for Laramie River Station over the estimated 25-year life of the mine. The advances will be returned to LES over the estimated life of the mine. In addition, costs related to certain capital improvements at Sheldon Station have been deferred under accounting pronouncements applicable to regulated utilities.

Investment in Joint Venture

Investment in joint venture consists of the City’s interest in the Joint Antelope Valley Authority (see Note 23), a joint administrative entity reported in the City’s financial statements using the equity method of accounting.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, drainage systems, street lights, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalization value of the assets constructed.

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

Assets	Years
Buildings	10 - 50
Improvements	5 - 40
Infrastructure	20 - 100
Equipment	2 - 20
Utility Plant	30 - 40

The exception to this rule is library media, which is depreciated using a composite depreciation method.

Compensated Absences

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

Employees earn sick leave at the rate of one day per month with total accumulation limits established by the employees' bargaining unit. Upon retirement, an employee is reimbursed for accumulated sick leave with maximums depending on the employees' bargaining unit contract. Upon resignation from City service an employee may also be compensated for a percentage of accumulated sick leave, again, based on the employees' bargaining union contract. In some cases payment may be placed in a medical spending account rather than reimbursing the employee directly. LES is covered by a separate personnel plan regarding vacation and sick leave with the liability for these benefits recorded in accrued liabilities.

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

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

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt using the bonds-outstanding method. For current and advance refundings of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense over the remaining life of the old debt or the life of the new debt, whichever is shorter.

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

Fund Equity

Fund balances reflect assets minus liabilities in the governmental fund statements. Fund balance is divided into five classifications; nonspendable, restricted, committed, assigned and unassigned. Fund balance is reported as nonspendable when not in spendable form or legally or contractually required to be maintained intact. Fund balance is reported as restricted when constraints placed on the use are either externally imposed by creditors, grantors, contributors, or laws or regulations other governments; or imposed by law through constitutional provisions or enabling legislation. Fund balance is reported as committed when constraints are imposed by formal action (ordinance) of the City Council, the City's highest level of decision-making authority. Fund balance is reported as assigned when the intent of the City (resolution, executive order) is to use the funds for a specific purpose. Unassigned fund balance is the residual amount and may only be reported in the General Fund.

The City has established a policy providing for an unreserved fund balance in the City's General Fund. To meet excess cash flow needs, no less than twenty percent of the ensuing year's General Fund budget is to be set aside as an unrestricted reserve. Currently $24,912,486 of the General Fund's spendable and unrestricted fund balance meets the requirements of this policy.

Net Assets Classification

Net assets are assets minus liabilities and are shown in the entity-wide, proprietary, and fiduciary fund financial statements. Net assets are required to be classified into three components – invested in capital assets, net of related debt; restricted; and unrestricted. These classifications are defined as follows:

Invested in capital assets, net of related debt – This component of net assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of invested in capital assets, net of related debt.

Restricted – This component of net assets consists of restrictions placed on net assets use through external constraints imposed by creditors (such as debt covenants), grantors, contributors, or law or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation. The government-wide statement of net assets reports $269,445,378 of restricted net assets, of which enabling legislation restricts $16,462,427.

Unrestricted – This component consists of net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

BUDGETARY DATA

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

1) At least 40 days prior to the end of the budget and fiscal year, the Mayor submits to the City Council a proposed annual budget for the ensuing year. The annual budget is a complete financial plan for the ensuing budget year and consists of an operating budget and a capital budget.

2) Public hearing on the proposed budget is scheduled for not later than 10 days prior to the budget adoption date.

3) Not later than 5 days prior to the end of the fiscal year, the budget is legally adopted by resolution of the City Council.

4) The Mayor is authorized to transfer unencumbered balances between appropriations of the same department or agency. The Mayor also has authority to lower appropriations in any fund where actual revenues are less than appropriated in order to avoid incurring a budget deficit for the year.

   Appropriation transfers between departments or agencies may only be authorized by resolution of the City Council. The Council may not make any appropriations in addition to those authorized in the annual budget, except that it may authorize emergency appropriations in the event of an emergency threatening serious loss of life, health, or property in the community.

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

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

6) Appropriation controls are required at the departmental level. However, as a matter of policy and practice, appropriations generally are controlled at the next level of organization (division) or by fund within a department.

7) Operating appropriations lapse at the end of the fiscal year except for capital improvement appropriations and year-end encumbrances against operating budgets. Capital improvement appropriations are continuing appropriations through completion of the project.

8) Budgets are adopted by resolution for the following fund types: general, special revenue, debt service, capital projects, permanent, enterprise, internal service, and pension trust. Legally adopted annual budgets are not established for the West Haymarket JPA component unit, certain special revenue (Advance Acquisition, Police & Fire Pension Contributions, Special Assessment, Impact Fees, Parks & Recreation Special Projects, Seniors Foundation of Lincoln & Lancaster County, and R.P. Crawford Park), permanent (J.J. Hompes), Fast Forward, and agency funds. In addition, capital project funds are budgeted on a project rather than an annual basis.

ENDOWMENTS

The Community Health Permanent Endowment Fund was established in 1997 with the $37,000,000 cash proceeds realized by the City from the sale of Lincoln General Hospital, and may be increased by donations, bequests, or appropriations to the fund. Investment earnings of the fund are used for funding health and health-related programs that further the health, safety, or welfare of the citizens of Lincoln. Earnings deposited with the City Treasurer shall be paid out only by order of those persons designated by the Community Health Endowment (CHE) Board of Trustees as outlined in the Fiscal and Budget Directives policy between the CHE and the City. State law directs that, subject to the intent of a donor

expressed in the gift instrument, an institution may appropriate for expenditure or accumulate so much of an endowment fund as the institution determines is prudent for the uses, benefits, purposes, and duration for which the endowment fund is established. The current amount of net appreciation available for expenditure is $19,077,332, which is reported as expendable health care restricted net assets in the statement of net assets. The initial endowment principal is reported as nonexpendable health care restricted net assets in the statement of net assets.

PRIOR-YEAR SUMMARIZED FINANCIAL INFORMATION

The basic financial statements include certain prior-year summarized comparative information in total but not at the level of detail required for a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the City's basic financial statements as of and for the year ended August 31, 2010, from which the summarized information was derived. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

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/expenditures during the reporting period. Actual results could differ materially from those estimates.

IMPLEMENTATION OF NEW ACCOUNTING PRINCIPLES

In 2011, the City implemented the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed on the use of resources reported in the governmental funds, thereby enhancing the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied.

Adoption of GASB 54 also clarified the existing governmental fund type definitions, changed how the City reports various fund activities, and resulted in the following beginning fund balance adjustments: General Fund $8,417,471, Athletic Field & Facilities Improvements $(628,453), Lincoln Area Agency on Aging $(326,980), 911 Communications $(560,848), Unemployment Compensation $(163,329), Fast Forward $(6,480,191), Development Services Center $(257,670) and Street Construction $741,714, Snow Removal $(741,714).

In 2011, the City implemented the provisions of GASB Statement No. 59, *Financial Instruments Omnibus*, which looks to improve existing standards regarding financial reporting and disclosure requirements of certain financial instruments and external investment pools for which significant issues have been identified in practice. The implementation of GASB 59 did not have a material impact on the financial statements.

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

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

The governmental funds balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net assets of governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains, "Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds." The details of the $476,250,929 difference are as follows:

Bonds Payable	$	425,583,495
Less deferred charge for issuance costs		(6,026,590)
Less issuance discounts		(1,005,247)
Plus issuance premiums		9,179,477
Less deferred charge on refunding		(155,456)
Capital Leases Payable		25,183,737
Accrued Interest Payable		3,940,249
Net Pension Obligation		3,757,017
Net OPEB Obligation		3,137,094
Compensated Absences		12,657,153
Net difference	$	476,250,929

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

The governmental funds statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net change in fund balances – total governmental funds* and *change in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains, "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this $83,105,689 difference are as follows:

Capital outlay	$	107,295,982
Depreciation expense		(24,190,293)
Net difference	$	83,105,689

Another element of that reconciliation states, "The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities." The details of this $(298,039,633) difference are as follows:

Debt issued or incurred:		
Issuance of general obligation stormwater bonds	$	(8,200,000)
Issuance of general obligation refunding bonds		(19,290,000)
Issuance of general obligation facilty bonds		(300,000,000)
Issuance of tax allocation bonds		(263,000)
Issuance of special assessment revolving fund bonds		(1,200,000)
Issuance of capital lease		(3,817,500)
Issuance of certificates of participation		(3,125,000)
Deferred charge for issuance costs		4,449,524
Issuance discounts		995,009
Issuance premiums		(6,750,230)
Amortization of deferred items		28,229
Principal repayments		39,133,335
Net difference	$	(298,039,633)

Another element of that reconciliation states, "Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds." The details of this $(3,736,004) difference are as follows:

Loss on disposal of capital assets	$	(537,041)
Construction contracts		(249,317)
Other		245,032
Accrued interest		(2,296,417)
Compensated absences		(898,261)
Net difference	$	(3,736,004)

(3) RESTRICTED ASSETS

Certain proceeds of the enterprise funds revenue bonds and resources set aside for their repayment are classified as restricted assets on the statement of net assets because their use is limited by applicable bond covenants. Assets included in the Bond Principal and Interest Account and the Bond Reserve Account are restricted for the payment of bond principal and interest. Assets included in the Surplus Account and the Depreciation and Replacement Account are restricted for purposes including improvements, repairs and replacements, acquisition of equipment, and the payment of bond principal and interest. Assets included in the Construction Account are restricted for paying the cost of the capital projects.

Certain assets of the Pershing Municipal Auditorium Enterprise Fund are classified as restricted assets to be used for improvements.

A recap of restrictions and related balances at August 31, 2011, are as follows:

Fund Account		Parking Facilities	Pershing Municipal Auditorium	Solid Waste Management	Lincoln Wastewater System	Lincoln Water System	Lincoln Electric System	Totals
Principal and Interest	$	192,679	-	-	1,330,040	346,521	15,237,000	17,106,240
Reserve		2,338,575	-	400,000	6,206,165	9,828,597	22,496,000	41,269,337
Depreciation and Replacement		930,475	-	-	-	-	-	930,475
Construction		7,595,811	-	14,818	11,339,451	6,267,538	-	25,217,618
Capital Projects		-	14,072	-	-	-	-	14,072
Marketing		-	46,948	-	-	-	-	46,948
	$	11,057,540	61,020	414,818	18,875,656	16,442,656	37,733,000	84,584,690

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

(4) DEPOSITS AND INVESTMENTS

DEPOSITS

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

State Statutes 15-846 and 15-847 R.R.S., 1943 require banks either to provide a bond or to pledge government securities (types of which are specifically identified in the Statutes) to the City Treasurer in the amount of the City's deposits. The Statutes allow pledged securities to be reduced by the amount of the deposit insured by the Federal Deposit Insurance Corporation (FDIC).

One or more of the financial institutions holding the City's cash accounts are participating in the FDIC Transaction Account Guarantee Program. Under the program, through December 31, 2012, all noninterest-bearing transaction accounts at these institutions are fully guaranteed by the FDIC for the entire amount in the account. For interest-bearing cash accounts, the City's cash deposits, including certificates of deposit, are insured up to $250,000 by the FDIC. Any cash deposits or certificates of deposit in excess of the $250,000 FDIC limits are covered by collateral held in a Federal Reserve pledge account or by an agent for the City and thus no custodial risk exists.

INVESTMENTS

At August 31, 2011, the City had the following investments, maturities and credit ratings:

	August 31, 2011						
		Maturities in Years				Credit Rating	
Type	Carrying Value	Less than 1	1-5	6-10	More than 10	Moody's	S&P
General City:							
U.S. Treasury Obligations	$ 98,341,474	98,341,474	-	-	-	N/A	N/A
U.S. Sponsored Agency Obligations	276,884,524	160,608,082	109,739,216	2,680,091	3,857,135	Aaa	AA+
Collateralized Repurchase Agreements	320,356	320,356	-	-	-	N/A	N/A
Collateralized Investment Agreements	1,120,000	-	1,120,000	-	-	Baa1	A+ (Fitch)
Collateralized Investment Agreements	3,139,981	-	-	-	3,139,981	Aa1	AA-
Money Market Funds - U.S. Treasury	3,392,042	3,392,042	-	-	-	N/A	N/A
Money Market Funds - U.S. Agencies	71,529,023	71,529,023	-	-	-	Aaa	AAAm
External Investment Trust	53,740,000	49,740,000	4,000,000	-	-	Not Rated	Not Rated
Tax Increment Financing Investments	2,789,630	-	190,690	1,634,557	964,383	Not Rated	Not Rated
Fixed Income Mutual Funds	153,069	153,069	-	-	-	Not rated	Not Rated
Equities	508,265	508,265	-	-	-	Not rated	Not Rated
Complementary Strategies	57,425	57,425	-	-	-	Not rated	Not Rated
Real Assets	78,591	78,591	-	-	-	Not rated	Not Rated
Total General City	512,054,380	384,728,327	115,049,906	4,314,648	7,961,499		
Community Health Endowment:							
Money Market Mutual Funds	8,846	8,846	-	-	-	Not rated	Not rated
Mutual Funds							
Convertible Bonds	5,361,281	5,361,281	-	-	-	Not rated	Not rated
Institutional Funds							
Fixed Income	12,408,933	12,408,933	-	-	-	Not rated	Not rated
Intermediate Term Credit	7,572,971	7,572,971	-	-	-	Not rated	Not rated
Large Cap Equity	8,660,006	8,660,006	-	-	-	Not rated	Not rated
International Equity	4,413,583	4,413,583	-	-	-	Not rated	Not rated
High Yield Bonds	2,712,812	2,712,812	-	-	-	Not rated	Not rated
Emerging Markets Equity	2,776,948	2,776,948	-	-	-	Not rated	Not rated
Hedge Funds	2,734,710	2,734,710	-	-	-	Not rated	Not rated
Mid Cap Equity	1,085,323	1,085,323	-	-	-	Not rated	Not rated
U.S. Treasuries	2,703,046	2,703,046	-	-	-	Not rated	Not rated
Small Cap Equity	537,534	537,534	-	-	-	Not rated	Not rated
Commodities	1,914,298	1,914,298	-	-	-	Not rated	Not rated
Real Estate	1,371,830	1,371,830	-	-	-	Not rated	Not rated
Limited Partnership	1,187,428	-	1,187,428	-	-	Not rated	Not rated
Other	73,334	73,334	-	-	-	Not rated	Not rated
Total Community Health Endowment	55,522,883	54,335,455	1,187,428	-	-		
Police & Fire Pension Trust:							
Corporate Bonds	462,400	-	-	-	462,400	B (Fitch)	B+
Mutual Funds	145,048,224						
Private Equity	525,253						
Real Estate Limited Partnerships	11,901,482						
Total Police & Fire Pension Trust	157,937,359						
Total Primary Government	$ 725,514,622						

INVESTMENT POLICIES

General City Policy

Generally, the City's investing activities are managed under the custody of the City Treasurer. Investing is performed in accordance with the investment policy adopted by the City Council complying with state statutes and the City Charter. The City may legally invest in U.S. government securities and agencies, U.S. government sponsored agencies, and in bank repurchase agreements. It may also invest to a limited extent in corporate bonds, bankers' acceptances, and investment agreements.

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

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits current operating funds to be invested with maturities of not longer than twenty-four months. Fixed income investments held in construction funds, operating funds, and other nonoperating funds are limited to ten-year maturities. Investment agreements are not subject to interest rate risk, as the issuer guarantees the interest rate. Money market mutual funds and external investment funds are presented as investments with a maturity of less than one year because they are redeemable in full immediately. Tax Increment Financing investments are allowed to exceed 10 years as the interest rates are guaranteed by the fund and the investment is made within the City's funds.

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

	S&P	Moody's
Money Markets	AA	Aa
Corporate Notes	AA-	Aa3
Investment Agreements	AA-	Aa3

Investment agreements are made with provisions that if the provider is downgraded below Aa3 by Moody's Investors Service (Moody's) or AA- by Standard & Poor's (S&P) the provider must deliver collateral of U.S. Government agencies obligations at a margin of 104% and if the provider is further downgraded, the City will have the right to terminate the agreement and receive all invested amounts plus accrued but unpaid interest without penalty. As of August 31, 2011, the investment agreements were adequately collateralized with U.S. Government agencies obligations that had a rating of Aaa by Moody's and AA+ by S&P.

The external investment funds are held in the City's idle fund pool and are comprised of Nebraska Public Agency Investment Trust (NPAIT) and Short-Term Federal Investment Trust (STFIT). NPAIT and STFIT invest in only the highest quality securities, including U.S. government, rated U.S. sponsored agencies, and guaranteed student loans.

Type	Portfolio Composition	Policy Limits on Issuer
U.S. agency obligations:		
Federal Home Loan Bank	20.82 %	40.00 %
Federal Home Loan Mortgage Corporation	9.26	40.00
Federal National Mortgage Association	20.17	40.00
Federal Farm Credit Bank	3.81	40.00

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

Community Health Endowment (CHE) Policy

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

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

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, CHE's investment policy requires the average duration of the fixed income portfolio to be no more than 120% of the appropriate fixed income benchmark. Mutual and institutional funds are presented as an investment with a maturity of less than one year because they are redeemable in full immediately.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. It is CHE's policy to limit its investments in fixed income securities to issues with at least BBB-/Baa3 ratings. Short-term fixed income issues should have a minimum A-2/P-2 rating.

Concentration of Credit Risk. CHE limits the percentage of cost that may be invested in any one industry, company and issuer. CHE's portfolio shall not own more than 5% of the outstanding securities of any single issuer. Exceptions are allowed where a fund's benchmark includes securities greater than 3%, in which case the investment manager may have no more than the securities index weight plus 2%. The entire portfolio shall have no more than 5% of its assets invested in the securities of any one issuer, with the exception of U.S. Treasury and U.S. agencies obligations.

Foreign Currency Risk. This risk relates to adverse affects on the fair value of an investment from changes in exchange rates. CHE had no investment denominated in foreign currency at August 31, 2011.

Police & Fire Pension Trust Policy

The Police & Fire Pension Trust Investment Board, established by the City Council in accordance with the Lincoln Municipal Code chapter 4.62, directs and oversees the trust's investments for the sole benefit of plan participants and beneficiaries. The board also provides oversight and directions to the plan administrator with regard to the investments of the trust's funds. The daily management responsibility of the trust and routine investment transactions are delegated to the plan administrator.

The Police & Fire Pension Trust is allowed to invest in domestic and international equity funds, domestic and foreign bonds, real estate, mortgage-backed securities, and other alternative investments.

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

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

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

Concentration of Credit Risk. It is the desire of the board that no more than 5% of assets may be from a single corporate or sovereign issuer exclusive of the U.S. government. The board reviews assets to monitor the concentration of overlapping securities held by multiple mutual funds.

Summary of Deposit and Investment Balances

Following is a reconciliation of the City's deposit and investment balances as of August 31, 2011:

	Totals
Investments	$ 725,514,622
Deposits and Cash on Hand	21,166,881
	$ 746,681,503

	Government-wide Statement of Net Assets	Fiduciary Funds Statement of Net Assets	Totals
Cash and Cash Equivalents	$ 170,971,351	6,136,939	177,108,290
Investments	284,800,261	162,503,782	447,304,043
Restricted Assets:			
Cash and Cash Equivalents	16,959,585	-	16,959,585
Investments	105,309,585	-	105,309,585
	$ 578,040,782	168,640,721	746,681,503

(5) FUND BALANCES

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

	Major Funds				
	General Fund	Street Construction	West Haymartket JPA	Other Funds	Total
Fund Balances:					
Nonspendable:					
Inventory	$ 472,182	450,225	-	495,115	1,417,522
Prepaid Items	6,418,988	-	25,775	-	6,444,763
Permanent Fund Principal	-	-	-	37,160,000	37,160,000
	6,891,170	450,225	25,775	37,655,115	45,022,285
Restricted For:					
Capital Improvements	506,854	22,359,280	215,766,741	13,748,458	252,381,333
Human Services	820,033	-	-	-	820,033
Donor Purposes	2,165,823	-	-	1,392,366	3,558,189
Public Improvements	2,033,029	-	-	-	2,033,029
Agency Activities	-	-	9,640,388	-	9,640,388
Land Purchases	-	-	-	1,028,338	1,028,338
Social Security Obligations	-	-	-	814,043	814,043
Community Betterment	-	-	-	1,840,359	1,840,359
Federal Loan Programs	-	-	-	19,837,000	19,837,000
Grant Programs	-	-	-	2,274,786	2,274,786
Special Assessment Improvements	-	-	-	497,823	497,823
Debt Service	-	-	-	16,060,411	16,060,411
Health Care	-	-	-	19,077,332	19,077,332
Library Media	-	-	-	475,786	475,786
	5,525,739	22,359,280	225,407,129	77,046,702	330,338,850
Committed To:					
Public Access Television	-	-	-	633,206	633,206
Assigned to:					
Capital Improvements	-	13,192,256	-	207,940	13,400,196
Donor Purposes	755,751	-	-	-	755,751
Public Improvements	488,902	-	-	-	488,902
Athletic Facility Improvements	905,862	-	-	-	905,862
Senior Care	246,132	-	-	-	246,132
Emergency Communications	929,640	-	-	-	929,640
Economic Development Projects	6,408,344	-	-	-	6,408,344
Snow Removal	-	476,807	-	-	476,807
Land Purchases	-	-	-	16,055	16,055
Public Access Television	-	-	-	11,666	11,666
Library Services	-	-	-	2,922,073	2,922,073
Health Care	-	-	-	599,716	599,716
Social Security Obligations	-	-	-	351,432	351,432
Public Transportation	-	-	-	869,494	869,494
Community Betterment	-	-	-	29,225	29,225
Building Code Enforcement	-	-	-	2,479,899	2,479,899
Park Projects	-	-	-	148,567	148,567
Other Purposes	4,015,763	-	-	-	4,015,763
	13,750,394	13,669,063	-	7,636,067	35,055,524
Unassigned	15,586,533	-	-	(140,056)	15,446,477
	$ 41,753,836	36,478,568	225,432,904	122,831,034	426,496,342

(6) RECEIVABLES AND DUE FROM OTHER GOVERNMENTS

Receivables at August 31, 2011, consist of the following (in thousands):

Fund	Taxes	Accounts	Loans	Contributions	Special Assessment Current	Special Assessment Deferred	Accrued Interest	Gross Receivables	Allowance For Uncollectibles	Net
General	$ 3,348	2,271	-	-	-	-	94	5,713	-	5,713
Street Construction	-	1,509	-	-	-	-	76	1,585	-	1,585
West Haymarket JPA	1,087	357	-	-	-	-	337	1,781	-	1,781
Wastewater System	-	4,930	-	-	-	-	125	5,055	-	5,055
Water System	-	6,594	-	-	-	-	90	6,684	-	6,684
Electric System	-	31,807	-	-	-	-	443	32,250	880	31,370
Nonmajor -										
Special Revenue	1,346	278	24,583	-	-	-	76	26,283	4,746	21,537
Debt Service	831	-	-	-	376	966	70	2,243	101	2,142
Capital Projects	-	717	-	-	-	-	74	791	-	791
Permanent	-	-	-	-	-	-	2	2	-	2
Enterprise	-	7,749	-	-	-	-	97	7,846	4,553	3,293
Internal Service	-	166	-	-	-	-	112	278	-	278
Fiduciary	-	41	-	434	-	-	836	1,311	-	1,311
	$ 6,612	56,419	24,583	434	376	966	2,432	91,822	10,280	81,542

Enterprise funds customer accounts receivable include unbilled charges for services. Delinquent special assessment receivables at August 31, 2011, were $229,861.

The total of Due From Other Governments of $29,419,582 includes the following significant items:

Fund/Fund Type	Amount	Service
General/Major Governmental	$ 9,669,716	State of Nebraska, July/August Sales and Use Tax
	408,829	August Motor Vehicle Taxes Collected by Lancaster County
	93,761	Federal Government, Cost Reimbursements
	90,740	Lancaster County, Cost Reimbursements
Street Construction/Major Governmental	3,203,486	State of Nebraska, July/August Highway User Fees
	38,072	Railroad Transportation Safety District, Cost Reimbursements
	7,693,368	Federal Government, Cost Reimbursements
	107,319	August Motor Vehicle Taxes Collected by Lancaster County
West Haymarket JPA/Major Governmental	812,558	Federal Government, Cost Reimbursements
	809,449	State of Nebraska, Cost Reimbursements
Lincoln/Lancaster Co. Health/Special Revenue	345,732	Lancaster County, Cost Reimbursements
StarTran/Special Revenue	122,807	Federal Government, Cost Reimbursements
Federal Grants/Special Revenue	3,943,336	Federal Government, Cost Reimbursements
	549,903	State of Nebraska, Cost Reimbursements
	19,019	Lincoln Public Schools, Cost Reimbursements
Antelope Valley/Tax Supported Bonds/Debt Service	166,666	State of Nebraska, July/August Development Fund Disbursements
Vehicle Tax/Capital Projects	1,051,635	August Motor Vehicle Taxes Collected by Lancaster County
Information Services/Internal Service	221,189	Lancaster County Billings
Insurance Revolving/Internal Service	13,348	Lancaster County Billings
Copy Services/Internal Service	15,139	Lancaster County Billings
Subtotal	29,376,072	
All other	43,510	
Total Due From Other Governments	$ 29,419,582	

(7) CAPITAL ASSETS

Capital asset activity for the year ended August 31, 2011 was as follows:

		Beginning Balances	Increases	Decreases	Ending Balances
Governmental Activities:					
Capital Assets, not being Depreciated:					
Land	$	63,866,125	6,004,782	20,000	69,850,907
Construction in Progress		88,621,001	80,877,695	1,573,719	167,924,977
Total Capital Assets, not being Depreciated		152,487,126	86,882,477	1,593,719	237,775,884
Capital Assets, being Depreciated:					
Buildings		76,662,582	5,903,637	340,607	82,225,612
Improvements Other Than Buildings		64,922,165	1,666,769	279,536	66,309,398
Machinery and Equipment		81,682,704	10,876,217	6,924,807	85,634,114
Infrastructure		534,930,606	14,285,600	503,091	548,713,115
Total Capital Assets, being Depreciated		758,198,057	32,732,223	8,048,041	782,882,239
Less Accumulated Depreciation for:					
Buildings		30,712,352	2,061,624	292,755	32,481,221
Improvements Other Than Buildings		26,732,724	1,968,678	268,920	28,432,482
Machinery and Equipment		50,081,767	6,655,949	6,788,619	49,949,097
Infrastructure		180,361,967	15,954,289	51,202	196,265,054
Total Accumulated Depreciation		287,888,810	26,640,540	7,401,496	307,127,854
Total Capital Assets, being Depreciated, Net		470,309,247	6,091,683	646,545	475,754,385
Governmental Activities Capital Assets, Net	$	622,796,373	92,974,160	2,240,264	713,530,269

		Beginning Balances *	Increases	Decreases	Ending Balances
Business-type Activities:					
Capital Assets, not being Depreciated:					
Land	$	21,950,552	2,193,734	-	24,144,286
Construction in Progress		50,372,677	67,664,006	38,462,053	79,574,630
Total Capital Assets, not being Depreciated		72,323,229	69,857,740	38,462,053	103,718,916
Capital Assets, being Depreciated:					
Buildings		193,310,167	464,387	186,244	193,588,310
Improvements Other Than Buildings		603,903,096	11,621,185	113,395	615,410,886
Machinery and Equipment		29,123,782	1,521,574	290,491	30,354,865
Utility Plant		1,199,377,000	27,364,000	2,227,000	1,224,514,000
Total Capital Assets, being Depreciated		2,025,714,045	40,971,146	2,817,130	2,063,868,061
Less Accumulated Depreciation for:					
Buildings		66,766,644	4,334,592	163,217	70,938,019
Improvements Other Than Buildings		157,788,519	12,431,405	110,152	170,109,772
Machinery and Equipment		16,891,771	1,843,088	274,989	18,459,870
Utility Plant		436,136,000	37,283,000	2,675,000	470,744,000
Total Accumulated Depreciation		677,582,934	55,892,085	3,223,358	730,251,661
Total Capital Assets, being Depreciated, Net		1,348,131,111	(14,920,939)	(406,228)	1,333,616,400
Business-type Activities Capital Assets, Net	$	1,420,454,340	54,936,801	38,055,825	1,437,335,316

Depreciation expense was charged to functions/programs as follows:

Governmental Activities:		
General Government	$	1,156,876
Public Safety		1,899,985
Streets and Highways, including Infrastructure		15,318,875
Culture and Recreation		3,593,628
Economic Opportunity		52,520
Health and Welfare		296,365
Mass Transit		1,872,044
Subtotal		24,190,293
Internal Service Funds Capital Assets Depreciation is charged to the various functions based on usage of the assets.		2,450,247
Total Depreciation Expense - Governmental	$	26,640,540
Business-type Activities:		
Parking Lots	$	28,081
Golf		591,046
Parking Facilities		1,133,980
Pershing Municipal Auditorium		21,355
Solid Waste Management		1,969,068
Emergency Medical Services		92,256
Wastewater System		7,128,253
Water System		7,645,046
Lincoln Electric System		37,283,000
Total Depreciation Expense - Business-type	$	55,892,085

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

		Beginning Balances	Increases	Decreases	Ending Balances
Lincoln Wastewater System:					
Capital Assets, not being Depreciated:					
Land	$	5,820,833	92,507	-	5,913,340
Construction in Progress		6,524,586	5,945,499	6,280,552	6,189,533
Total Capital Assets, not being Depreciated		12,345,419	6,038,006	6,280,552	12,102,873
Capital Assets, being Depreciated:					
Buildings		75,359,698	25,203	-	75,384,901
Improvements Other Than Buildings		247,828,003	6,937,134	113,395	254,651,742
Machinery and Equipment		8,551,731	68,483	23,480	8,596,734
Total Capital Assets, being Depreciated		331,739,432	7,030,820	136,875	338,633,377
Less Accumulated Depreciation for:					
Buildings		21,567,175	1,703,959	-	23,271,134
Improvements Other Than Buildings		64,367,316	4,960,488	110,152	69,217,652
Machinery and Equipment		4,447,544	463,806	16,049	4,895,301
Total Accumulated Depreciation		90,382,035	7,128,253	126,201	97,384,087
Total Capital Assets, being Depreciated, Net		241,357,397	(97,433)	10,674	241,249,290
Wastewater System Capital Assets, Net	$	253,702,816	5,940,573	6,291,226	253,352,163

		Beginning Balances	Increases	Decreases	Ending Balances
Lincoln Water System:					
Capital Assets, not being Depreciated:					
Land	$	5,444,607	560	-	5,445,167
Construction in Progress		2,116,922	3,564,673	4,170,514	1,511,081
Total Capital Assets, not being Depreciated		7,561,529	3,565,233	4,170,514	6,956,248
Capital Assets, being Depreciated:					
Buildings		67,219,982	143,449	-	67,363,431
Improvements Other Than Buildings		320,129,285	4,676,485	-	324,805,770
Machinery and Equipment		8,183,784	404,851	18,912	8,569,723
Total Capital Assets, being Depreciated		395,533,051	5,224,785	18,912	400,738,924
Less Accumulated Depreciation for:					
Buildings		22,896,770	1,502,175	-	24,398,945
Improvements Other Than Buildings		74,957,759	5,649,850	-	80,607,609
Machinery and Equipment		4,212,023	493,021	18,912	4,686,132
Total Accumulated Depreciation		102,066,552	7,645,046	18,912	109,692,686
Total Capital Assets, being Depreciated, Net		293,466,499	(2,420,261)	-	291,046,238
Water System Capital Assets, Net	$	301,028,028	1,144,972	4,170,514	298,002,486

		Beginning Balances *	Increases	Decreases	Ending Balances
Lincoln Electric System:					
Capital Assets, not being Depreciated:					
Construction in Progress	$	41,229,000	44,847,000	27,809,000	58,267,000
Capital Assets, being Depreciated:					
Utility Plant		1,199,377,000	27,364,000	2,227,000	1,224,514,000
Less Accumulated Depreciation		436,136,000	37,283,000	2,675,000	470,744,000
Total Capital Assets, being Depreciated, Net		763,241,000	(9,919,000)	(448,000)	753,770,000
Electric System Capital Assets, Net	$	804,470,000	34,928,000	27,361,000	812,037,000

During 2011, Lincoln Wastewater System incurred $3,559,554 of interest cost, of which $135,518 was capitalized into construction in progress. Lincoln Water System incurred $3,179,819 of interest cost, of which $73,328 was capitalized into construction in progress. Lincoln Parking System incurred $905,572 of interest cost, of which $366,508 was capitalized into construction in progress. Capitalized interest is added to the cost of the underlying assets and is amortized over the useful lives of the assets.

Lincoln Electric System utility plant includes an allowance for funds used during construction for projects costing in excess of $500,000 with a construction period in excess of 12 months. The allowance for funds used during construction consists of the project balance times the weighted-average interest rate on debt based on Federal Energy Regulatory Commission accounting method. The weighted-average rate for 2010 was 4.6%.

* Effective January 1, 2010, LES implemented GASB No. 51 *Accounting and Financial Reporting for Intangible Assets*. As a result, software assets and accumulated amortization of $6,977,000 and $4,445,000, respectively, were reclassified from other assets to capital assets and restated in beginning balances.

(8) INTERFUND BALANCES AND ACTIVITY

Balances Due To/From Other Funds at August 31, 2011, consist of the following:

Due To	Due From						
	General Fund	Street Construction	West Haymarket JPA	Nonmajor Governmental	Nonmajor Enterprise	Internal Service	Total
General Fund	$ -	9,258	9,466	25,223	970,685	920,074	1,934,706
Street Construction	1,022,983	-	-	4,319,252	-	-	5,342,235
Nonmajor Governmental	1,606,115	-	-	1,498,702	-	-	3,104,817
Lincoln Wastewater System	527,415	-	-	686,631	-	-	1,214,046
Lincoln Water System	274,293	-	-	39,915	-	-	314,208
Nonmajor Enterprise	773,994	5,774	-	34,357	-	11	814,136
Internal Service	1,509,245	195,845	22,975	140,875	20,011	46,189	1,935,140
	$ 5,714,045	210,877	32,441	6,744,955	990,696	966,274	14,659,288

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

During 2005 the City's General Fund purchased the street light system from LES at an amount equal to the net book value of the street light system at the transaction date. The purchase was financed through an interfund borrowing. On the government-wide statements, the purchase was accounted for as a purchase of capital assets of governmental activities and a sale of capital assets of business-type activities. On the governmental fund statements, the General Fund recognized a liability in due to other funds and a prepayment for the funds borrowed from the City's other funds. Each fund has recorded a receivable for the pro-rata share of the borrowed funds. The General Fund will pay back the amount borrowed plus interest in scheduled monthly installments over a period of 120 months. As payments are made, the General Fund will reduce the liability, the related prepayment, and recognize streets and highways expenditures.

Transfers To/From Other Funds for the year ended August 31, 2011, consist of the following:

Transfer To	Transfer From						
	General Fund	Street Construction	Nonmajor Governmental	Lincoln Electric System	Nonmajor Enterprise	Internal Service	Total
General Fund	$ -	-	4,381,739	1,730,000	757,529	20,126	6,889,394
Street Construction	423,871	-	11,580,052	-	-	-	12,003,923
Nonmajor Governmental	15,212,015	4,940,556	3,788,756	-	1,025,078	533	24,966,938
Lincoln Water System	129,395	-	30,000	-	-	-	159,395
Nonmajor Enterprise	589,415	-	22,388	-	247,502	-	859,305
Internal Service	5,958	5,000	2,463	-	-	-	13,421
Total	$ 16,360,654	4,945,556	19,805,398	1,730,000	2,030,109	20,659	44,892,376

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

(9) DEBT OBLIGATIONS

SHORT-TERM

Established by City Ordinance, LES may borrow up to $150 million under a commercial paper note program. At December 31, 2010, LES had $90 million of tax-exempt commercial paper notes outstanding. The notes mature at various dates but not more than 270 days after the date of issuance. The weighted-average interest rate for the year ended December 31, 2010, was 0.31 percent. The outstanding commercial paper notes are secured by a revolving credit agreement, which provides for borrowings up to $150 million. LES pays a commitment fee for the credit agreement. Under the terms of the agreement, LES can either settle or refinance the commercial paper upon maturity. LES uses these vehicles as part of their long-term financing strategy. As such, commercial paper is renewed as it matures. The weighted average length of maturity of commercial paper for 2010 was 66 days.

Lincoln Electric System:	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Commercial Paper Notes	$ 90,000,000	518,300,000	(518,300,000)	90,000,000	90,000,000

The City of Lincoln is authorized by Ordinance No. 19402 to issue General Obligation Bond Anticipation Notes for the purpose of providing interim financing for costs in connection with construction of a new arena and related improvements in the West Haymarket area of the City. As of August 31, 2010, only $2,000,000 of tax anticipation notes had been issued. Payment of the principal and interest on the notes was paid from the proceeds of bonds issued by the West Haymarket JPA. At August 31, 2011, there were no notes outstanding.

City of Lincoln:	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Tax Anticipation Notes	$ 2,000,000	-	(2,000,000)	-	-

LONG-TERM

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

Net assets of $2,666,408, $3,016,975, $10,291,693, and $85,335 are currently available in the debt service funds to service the General Obligation Bonds, Tax Supported Bonds, Tax Allocation Bonds, and Special Assessment Bonds, respectively. Revenue Bonds are funded partially from reserve accounts set up for debt repayment and partially from proceeds of daily operations.

The City has entered into lease agreements for financing the acquisition of land, buildings, street lights, emergency ambulances and defibrillators, fire engines, golf equipment, and computer equipment and software. These lease agreements qualify as capital leases for accounting purposes and, therefore, have

been recorded at the present value of their future minimum lease payments as of the inception date. Assets acquired through capital leases are as follows:

	Governmental Activities	Business-Type Activities
Land	$ 1,774,450	$ 210,000
Buildings	18,171,399	-
Improvements	219,925	-
Infrastructure	13,719,213	-
Machinery and Equipment	2,946,000	3,492,756
Construction in Progress	388,181	-
Less Accumulated Depreciation, (where applicable)	(5,566,307)	(2,256,254)
Total	$ 31,652,861	$ 1,446,502

In 2011, the City issued $3,125,000 in refunding certificates of participation (COPS) with an average interest rate of 1.64% to refund $3,655,000 in outstanding 2006, 2005 and 2004 COPS. The refunding resulted in a cash flow differential of $371,658 and an economic gain of $154,538.

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

In 2011, the City issued $19,290,000 in general obligation refunding bonds with an average interest rate of 2.84% to refund $21,500,000 of 1999A various purpose bonds, 2002 storm sewer and drainage bonds, and 2005 storm sewer refunding bonds. The refunding resulted in a cash flow differential of $4,411,524, and an economic gain of $2,504,754.

In 2011, the City also issued $4,025,000 in parking refunding bonds with an average interest rate of 4.9% to refund $5,525,000 in outstanding Parking Revenue Bonds, Series 1999A. The refunding resulted in a cash flow differential of $(346,476) and an economic loss of $(25,445).

Lincoln Wastewater System has entered into a loan agreement with the Nebraska Department of Environmental Quality (NDEQ) consisting of two separate contracts. Funding totaling $5,000,000 is available under Contract A to fund certain sewer system extension and repairs. During the year ended August 31, 2011, Lincoln Wastewater System incurred project costs totaling $558,399, resulting in additional project loan payable of $509,901. Under Contract B Lincoln Wastewater System has available a $5,000,000 loan, subject to availability of state and federal funds, to finance certain projects of the system. During the year ended August 31, 2011, the System incurred project costs totaling $3,546,400 resulting in the recognition of a project loan payable of $3,512,098. The remaining available funds under Contract B totaling $1,487,902 are not reflected on the financial statements. The interest rate for these loans range from 0.0 to 2.0 percent.

The Wastewater System has also entered into a $17,000,000 loan agreement with NDEQ to fund certain System improvements. The interest rate during the period of construction is 2%. After the date of initiation of operation, the interest rate will increase to 2.25%. In addition, an administrative fee of 1% will be incurred on the loan. No project costs were incurred during the fiscal year ended August 31, 2011, therefore, the available loan is not reflected on the financial statements.

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

Original Amount	Issued	Issue	Interest Rate	When Due	Date Callable	Interest Date	Outstanding
Governmental Activities:							
General Obligation Bonds:							
General Bonds:							
8,220	03/01/99	Various Purpose Series B	3.000 - 4.250	Serial 1999 to 2011	2007	Semiannually	$ 260
15,595	07/08/03	Various Purpose	2.625 - 3.750	Serial 2004 to 2017	2013	"	5,215
3,710	07/08/03	Various Purpose	4.000 / 4.125	Term 2020 & 2023	2013	"	3,710
9,950	06/15/05	Storm Sewer Construction	3.250 - 4.250	Serial 2006 to 2025	2015	"	7,660
8,295	06/27/07	Stormwater Drainage and Flood Mgmt	4.625 - 5.000	Serial 2008 to 2027	2017	"	7,265
8,200	02/10/11	Stormwater Bonds	2.000 - 4.500	Serial 2013 to 2030	2020	"	8,200
19,290	06/21/11	Refunding	0.2000 - 5.000	Serial 2011 to 2022	2019	"	19,290
	Total General Bonds						$ 51,600
Tax Allocation Bonds:							
1,035	04/21/04	Tax Allocation Bonds	2.000 - 3.200	Serial 2004 to 2011	2008	Semiannually	160
5,500	04/21/04	Tax Allocation Bonds	3.000 - 4.800	Serial 2004 to 2015	2010	"	2,880
365	08/15/05	Tax Allocation Bonds	4.750	Serial 2006 to 2018	Anytime	"	216
288	10/01/06	Tax Allocation Bonds	5.100	Serial 2008 to 2016	Anytime	"	188
2,205	04/05/07	Tax Allocation Bonds	5.000 - 5.550	Serial 2009 to 2018	2012	"	1,845
601	06/01/07	Tax Allocation Bonds	5.240	Serial 2008 to 2018	Anytime	"	561
388	06/01/07	Tax Allocation Bonds	5.240	Serial 2007 to 2020	Anytime	"	300
369	06/15/07	Tax Allocation Bonds	5.400	Serial 2007 to 2014	Anytime	"	190
42	07/15/08	Tax Allocation Bonds	4.660	Serial 2009 to 2021	Anytime	"	37
71	07/15/08	Tax Allocation Bonds	4.660	Serial 2009 to 2017	Anytime	"	63
474	07/15/08	Tax Allocation Bonds	4.660	Serial 2009 to 2022	Anytime	"	332
547	08/01/08	Tax Allocation Bonds	4.610	Serial 2009 to 2022	Anytime	"	469
200	08/01/08	Tax Allocation Bonds	4.610	Serial 2009 to 2022	Anytime	"	170
611	06/30/09	Tax Allocation Bonds	7.00	Serial 2011 to 2023	Anytime	"	609
3,375	07/28/09	Tax Allocation Bonds	2.500 - 6.400	Serial 2011 to 2023	Anytime	"	3,375
263	04/01/11	Tax Allocation Bonds	3.990	Serial 2011 to 2022	Anytime	"	263
	Total Tax Allocation Bonds						$ 11,658
Tax Supported Bonds:							
35,000	03/17/04	Highway Allocation Fund	2.000 - 5.000	Serial 2007 to 2023	2014	Semiannually	31,965
27,000	12/05/06	Highway Allocation Fund	4.000 - 5.000	Serial 2008 to 2027	2016	"	23,240
	Total Tax Supported Bonds						$ 55,205
Special Assessment Bonds:							
825	08/18/11	Special Assessment	0.400 - 3.700	Serial 2012 to 2026		Semiannually	825
375	08/18/11	Special Assessment	4.200	Term 2031		"	375
	Total Special Assessment Bonds						$ 1,200
West Haymarket Joint Public Agency							
31,515	09/08/10	Facility Bonds Taxable Build America Bonds	3.500 - 4.45	Serial 2020 to 2030	Anytime	Semiannually	31,515
68,485	09/08/10	Facility Bonds Taxable Build America Bonds	4.750 / 5.000	Term 2035 & 2045	Anytime	"	68,485
15,785	12/01/10	Facility Bonds Taxable Build America Bonds	4.000 - 5.000	Serial 2020 - 2025	Anytime	"	15,785
52,180	12/01/10	Facility Bonds Taxable Build America Bonds	5.400 / 5.800 / 6.000	Term 2030 2035 2039	Anytime	"	52,180
32,035	12/01/10	Recovery Zone Economic Development	6.750	Term 2045	Anytime	"	32,035
44,290	08/24/11	Facility Bonds	3.500 - 5.000	Serial 2021 to 2032	2021	"	44,290
55,710	08/24/11	Facility Bonds	4.250 / 5.000	Term 2036 & 2042	2021	"	55,710
	Total West Haymarket Joint Public Agency						$ 300,000
	TOTAL GENERAL OBLIGATION BONDS						$ 419,663
Tax Supported Bonds:							
11,080	3/13/02	Antelope Valley Project	1.500 - 5.000	Serial 2002 to 2016	2012	Semiannually	$ 5,920

Original Amount	Issued	Issue	Interest Rate	When Due	Date Callable	Interest Date	Outstanding
Business-Type Activities:							
Revenue Bonds:							
39,235	07/31/03	Wastewater Revenue	2.000 - 5.000	Serial 2004 to 2023	2013	Semiannually	$ 26,350
15,765	07/31/03	Wastewater Revenue	4.625 / 5.000	Term 2025 & 2028	2013	"	15,765
18,000	08/03/05	Wastewater Revenue	4.000 - 5.000	Serial 2006 to 2030	2015	"	15,000
16,710	04/18/07	Wastewater Revenue	4.000 - 4.500	Serial 2008 to 2029	2017	"	14,760
3,750	04/18/07	Wastewater Revenue	4.375	Term 2032	2017	"	3,750
	Total Wastewater Bonds						$ 75,625
11,850	11/22/02	Water Revenue	2.750 - 5.000	Serial 2005 to 2017	2012	Semiannually	6,180
6,660	11/22/02	Water Revenue	5.000	Term 2022	2012	"	6,660
32,180	05/01/03	Water Revenue	5.000	Serial 2004 to 2012	-	"	2,630
40,000	11/16/04	Water Revenue	3.000 - 5.000	Serial 2005 to 2025	2014	"	33,030
10,515	08/04/09	Water Revenue	2.000 - 4.125	Serial 2013 to 2029	2019	"	10,515
4,905	08/04/09	Water Revenue	4.5000	Term 2034	2019	"	4,905
	Total Water Bonds						$ 63,920
4,360	12/18/01	Parking Revenue	3.750 - 5.000	Serial 2002 to 2017	2011	"	1,935
1,640	12/18/01	Parking Revenue	5.125	Term 2021	2011	"	1,640
2,065	12/29/10	Parking Revenue	1.250 - 2.850	Serial 2011 to 2014	N/A	"	1,760
7,745	01/27/11	Parking Revenue and Refunding	2.000 - 5.000	Serial 2015 to 2024	2021	"	7,745
10,775	01/27/11	Parking Revenue and Refunding	5.000 / 5.125 / 5.500	Term 2026 & 2031	2021	"	10,775
	Total Parking Bonds						$ 23,855
4,000	08/17/06	Solid Waste Management Revenue	4.000 - 4.250	Serial 2007 to 2021	2013	Semiannually	$ 3,020
148,190	10/01/02	Electric Revenue and Refunding Bonds	4.000 - 5.000	Serial 2004 to 2025	2012	"	81,660
93,045	10/01/03	Electric Revenue and Refunding Bonds	3.000 - 5.000	Serial 2004 to 2026	2014	"	78,200
33,265	10/01/03	Electric Revenue and Refunding Bonds	4.750	Term 2028	2014	"	33,265
61,290	10/01/05	Electric Revenue Bonds	5.000	Serial 2029 to 2032	2015	"	61,290
53,710	10/01/05	Electric Revenue Bonds	4.750	Term 2035	2015	"	53,710
183,230	05/15/07	Electric Revenue and Refunding Bonds	4.000 - 5.000	Serial 2009 to 2035	2016	"	176,255
81,850	05/15/07	Electric Revenue and Refunding Bonds	4.500 / 4.750	Term 2034 & 2037	2016	"	81,850
	Total Electric Bonds						$ 566,230

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

Fiscal Year Ended August 31	Governmental Activities					
	General Obligation Bonds		Tax Supported Bonds		Capital Leases	
	Principal	Interest	Principal	Interest	Principal	Interest
2012	$ 6,636	19,029	710	271	3,688	959
2013	8,563	19,575	740	238	3,284	889
2014	8,816	19,283	780	200	3,421	817
2015	9,061	18,971	815	162	3,511	738
2016	9,455	18,603	855	122	3,586	643
2017 - 2021	47,260	87,656	2,020	51	9,322	2,051
2022 - 2026	72,657	74,055	-	-	5,458	830
2027 - 2031	55,835	59,699	-	-	1,255	68
2032 - 2036	60,645	46,279	-	-	-	-
2037 - 2041	73,345	29,401	-	-	-	-
2042 - 2046	67,390	8,882	-	-	-	-
	$ 419,663	401,433	5,920	1,044	33,525	6,995

Fiscal Year Ended August 31	Business-Type Activities					
	Revenue Bonds		Loans Payable		Capital Leases	
	Principal	Interest	Principal	Interest	Principal	Interest
2012	$ 28,020	34,879	195	116	258	24
2013	27,010	33,539	307	112	198	18
2014	28,255	32,258	312	107	205	13
2015	29,500	30,887	318	101	152	7
2016	30,845	29,481	323	96	98	5
2017 - 2021	178,095	123,373	1,694	399	98	2
2022 - 2026	117,595	86,452	1,839	254	-	-
2027 - 2031	119,815	59,989	1,896	97	-	-
2032 - 2036	119,470	29,412	107	1	-	-
2037 - 2041	54,045	3,676	-	-	-	-
	$ 732,650	463,946	6,991	1,283	1,009	69

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

Fiscal Year Ended August 31	Major Enterprise Funds					
	Wastewater System		Water System		Electric System	
	Principal	Interest	Principal	Interest	Principal	Interest
2012	$ 3,075	3,620	5,380	2,905	18,680	27,267
2013	3,287	3,500	3,310	2,647	19,610	26,333
2014	3,397	3,370	3,425	2,506	20,595	25,353
2015	3,522	3,217	3,555	2,354	21,620	24,323
2016	3,648	3,057	3,690	2,191	22,675	23,271
2017 - 2021	20,475	12,768	20,915	8,199	131,510	98,220
2022 - 2026	25,189	7,816	16,315	3,406	71,630	72,415
2027 - 2031	18,611	2,161	4,240	1,266	90,790	55,355
2032 - 2036	1,412	58	3,090	283	115,075	29,072
2037 - 2041	-	-	-	-	54,045	3,676
	$ 82,616	39,567	63,920	25,757	566,230	385,285

Long-term liability activity for the year ended August 31, 2011 was as follows (in thousands of dollars):

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds and Leases Payable:					
General Bonds	$ 48,330	27,490	(24,220)	51,600	2,390
Tax Allocation Bonds	12,398	263	(1,003)	11,658	1,301
Tax Supported Bonds	57,655	-	(2,450)	55,205	2,895
Special Assessment Debt with Government Commitment	-	1,200	-	1,200	50
West Haymarket Joint Public Agency Bonds	-	300,000	-	300,000	-
Tax Supported Antelope Valley Project Bonds	6,605	-	(685)	5,920	710
Capital Leases	28,989	15,284	(10,748)	33,525	3,688
Gross Bonds and Leases Payable	153,977	344,237	(39,106)	459,108	11,034
Deferred Amounts:					
For Issuance Premiums	2,598	6,772	(168)	9,202	-
For Issuance Discounts	(21)	(995)	11	(1,005)	-
For Refunding	-	(158)	3	(155)	-
Net Bonds and Leases Payable	156,554	349,856	(39,260)	467,150	11,034
Other Liabilities:					
Compensated Absences	13,190	8,015	(7,021)	14,184	7,402
Construction Contracts	5,087	266	(547)	4,806	-
Claims and Judgements	8,714	25,524	(23,449)	10,789	6,724
Net Pension Obligation	3,596	161	-	3,757	-
Net OPEB Obligation	2,051	1,326	-	3,377	-
Governmental Activities Long-Term Liabilities	$ 189,192	385,148	(70,277)	504,063	25,160
Business-Type Activities:					
Bonds, Loans and Leases Payable:					
Wastewater Revenue Bonds	$ 78,410	-	(2,785)	75,625	2,880
Wastewater Loan Payable	3,049	4,022	(80)	6,991	195
Water Revenue Bonds	70,230	-	(6,310)	63,920	5,380
Parking Revenue Bonds	9,375	20,585	(6,105)	23,855	860
Golf Course Revenue Bonds	365	-	(365)	-	-
Solid Waste Management Revenue Bonds	3,230	-	(210)	3,020	220
Electric System Revenue Bonds	584,050	-	(17,820)	566,230	18,680
Capital Leases	1,328	-	(319)	1,009	258
Gross Bonds, Loans and Leases Payable	750,037	24,607	(33,994)	740,650	28,473
Deferred Amounts:					
For Issuance Premiums	15,983	-	(2,407)	13,576	-
For Issuance Discounts	(10,573)	(24)	1,775	(8,822)	-
For Refunding	(2,207)	(184)	475	(1,916)	-
Net Bonds and Leases Payable	753,240	24,399	(34,151)	743,488	28,473
Other Liabilities:					
Compensated Absences	1,688	1,149	(1,052)	1,785	1,108
Construction Contracts	6,609	2,247	(2,699)	6,157	4,166
Claims and Judgements	478	-	(478)	-	-
Accrued Liabilaities	33	-	(33)	-	-
Net OPEB Obligation	350	226	-	576	-
Accrued Landfill Closure/Postclosure Care Costs	13,490	-	1,142	14,632	-
Business-Type Activities Long-Term Liabilities	$ 775,888	28,021	(37,271)	766,638	33,747

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

Long-term liability activity for the major enterprise funds for the year ended August 31, 2011, was as follows (in thousands of dollars):

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Lincoln Wastewater System:					
Bonds Payable:					
Wastwater Revenue Bonds	$ 78,410	-	(2,785)	75,625	2,880
Wastewater Loan Payable	3,049	4,022	(80)	6,991	195
Deferred For Issuance Premiums	1,701	-	(93)	1,608	-
Deferred For Issuance Discounts	(10)	-	-	(10)	-
Net Bonds Payable	83,150	4,022	(2,958)	84,214	3,075
Other Liabilities:					
Compensated Absences	544	363	(348)	559	365
Construction Contracts	3,987	1,112	(1,305)	3,794	1,997
Net OPEB Obligation	84	54	-	138	-
Total Long-Term Liabilities	$ 87,765	5,551	(4,611)	88,705	5,437
Lincoln Water System:					
Bonds Payable:					
Water Revenue Bonds	$ 70,230	-	(6,310)	63,920	5,380
Deferred for Issuance Premiums	1,844	-	(336)	1,508	-
Deferred For Issuance Discounts	(35)	-	1	(34)	-
Deferred for Refunding	(266)	-	136	(130)	-
Net Bonds Payable	71,773	-	(6,509)	65,264	5,380
Other Liabilities:					
Compensated Absences	781	452	(409)	824	428
Construction Contracts	2,622	1,135	(1,394)	2,363	2,169
Net OPEB Obligation	119	77	-	196	-
Total Long-Term Liabilities	$ 75,295	1,664	(8,312)	68,647	7,977
Lincoln Electric System:					
Bonds Payable:					
Electric System Revenue Bonds	$ 584,050	-	(17,820)	566,230	18,680
Deferred for Issuance Premiums	12,427	-	(1,977)	10,450	-
Deferred for Issuance Discounts	(10,528)	-	1,774	(8,754)	-
Deferred for Refunding	(1,934)	-	292	(1,642)	-
Net Bonds Payable	584,015	-	(17,731)	566,284	18,680
Other Liabilities:					
Claims and Judgements	478	-	(478)	-	-
Accrued Liabilities	33	-	(33)	-	-
Total Long-Term Liabilities	$ 584,526	-	(18,242)	566,284	18,680

(10) RECONCILIATION OF BUDGET BASIS TO GAAP

Amounts presented on a non-GAAP budget basis of accounting differ from those presented in accordance with GAAP due to the treatment afforded accruals, encumbrances, funds for which budget and reporting structures differ, and funds for which legally adopted annual budgets are not established. A reconciliation for the year ended August 31, 2011, which discloses the nature and amount of the adjustments necessary to convert the actual GAAP data to the budgetary basis, is presented below:

	General Fund	Street Construction Fund
Net Change in Fund Balances:		
Balance on a GAAP basis	$ 2,910,783	4,150,021
Basis differences (accruals) occur because the cash basis of accounting used for budgeting differs from the modified accrual basis of accounting prescribed for governmental funds.	(589,953)	(341,464)
Perspective differences occur when the structure used for budgeting differs from the fund structure used for financial reporting.	(352,050)	-
Amount budgeted on a project basis.	-	11,512,649
Balance on a budget basis	$ 1,968,780	15,321,206

(11) DEFICIT NET ASSETS

The following funds had a net asset or fund balance deficit as of August 31, 2011:

Special Revenue - Impact Fees Fund	$ (140,056)
Internal Service - Engineering Revolving Fund	(589,900)

The Impact Fees Fund deficit is expected to be reduced through future fee collections.

The Engineering Revolving Fund is evaluating various means to reduce expenses and improve revenue collections affected by staffing levels, overhead costs, billing practices, and intra-City services reimbursements.

(12) EXCESSES OF EXPENDITURES OVER APPROPRIATIONS

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

General Fund	
Fire	$ 41,024
Street Lighting	1,140,687
Debt Service	6,806

(13) EMPLOYEES' RETIREMENT PLANS

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

POLICE AND FIRE PENSION

Plan Description – PFDP is a single-employer defined benefit pension plan administered by the City of Lincoln. PFDP provides retirement, disability, and death benefits to plan members and beneficiaries. PFDP recognizes plan member contributions in the period in which they are due. Employer contributions are recognized when due and the City has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Cost-of-living adjustments are provided to members and beneficiaries in accordance with the plan document. The City does not issue a separate report that includes financial statements and required supplementary information for PFDP.

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

Membership of the pension plan consisted of the following at August 31, 2011, the date of the latest actuarial valuation:

Retirees and beneficiaries receiving benefits	415
Terminated plan members entitled to but not yet receiving benefits	28
Active plan members (non-DROP)	562
DROP members	52
Total	1,057
Number of participating employers	1

Funding Policy – The contribution requirements of plan members and the City are established by City Ordinance #15728 dated September 24, 1990, and may be amended by the City Council. Plan members are required to contribute between 7% and 8% of their annual covered salary based on an election made by the employee. The City is required to contribute at an actuarially determined rate; the rate for fiscal year 2011 was 13.34% of annual covered payroll. Actual contributions by the City were 12.12% of annual covered payroll. Administrative costs of PFDP are financed through investment earnings.

Annual Pension Cost and Net Pension Obligation – The City's annual pension cost and net pension obligation to PFDP for the current year were as follows:

(Dollar amounts in thousands)

Annual required contribution	$ 4,652
Interest on net pension obligation	269
Adjustment to annual required contribution	(426)
Annual pension cost	4,495
Contributions made	(4,334)
Increase in net pension obligation	161
Net pension obligation beginning	3,596
Net pension obligation ending	$ 3,757

Three-Year Trend Information
(Dollar amounts in thousands)

Year Ended August 31	Annual Pension Cost (APC)	Annual Pension Contribution	Percentage of APC Contributed	Net Pension Obligation
2011	$ 4,495	$ 4,334	96 %	$ 3,757
2010	3,576	3,963	111	3,596
2009	3,123	3,572	114	3,983

Actuarial Methods and Assumptions – The annual required contribution for the current year was determined as part of the August 31, 2009, actuarial valuation using the entry age actuarial funding method. The actuarial assumptions included (a) a rate of return on the investment of present and future assets of 7.5% per year compounded annually, (b) projected salary increases of 4.25 to 8.25% per year, including wage inflation at 4.25%, and (c) the assumption that benefits will not increase after retirement. The actuarial value of assets was determined using a five year smoothed market method. The unfunded actuarial accrued liability is being amortized as a level percentage of payrolls on an open basis over a period of thirty years.

Funded Status and Funding Progress – As of August 31, 2011, the most recent actuarial valuation date, the plan was 81 percent funded. The actuarial accrued liability for benefits was $204,990,000, and the actuarial value of assets was $165,436,000, resulting in an unfunded actuarial accrued liability (UAAL) of $39,554,000. The covered payroll (annual payroll of active employees covered by the plan) was $35,763,000, and the ratio of the UAAL to the covered payroll was 110.6 percent.

The Schedule of Funding Progress, presented as RSI following the Notes to the Financial Statements, presents multiyear trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

ELECTRIC SYSTEM

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

LES has a defined contribution retirement plan created in accordance with Internal Revenue Code Section 401(K) covering all employees upon employment; however, employees are not eligible to receive employer contributions until they have been employed six months. The plan is a straight-money purchase plan, with plan assets held, managed and administered by a trustee. The LES administrative board of directors authorized this plan and related contribution requirements. LES' contribution is equal to 200% of the employees' contributions, which range from 1% to 5% of gross wages. Vesting of LES contributions occurs over a five-year period. Employee forfeitures are used to reduce employer contributions. Vested benefits are fully funded. For the year ended December 31, 2010, LES incurred contribution expense of approximately $3,214,000 or 9.4% of covered payroll and its employees contributed approximately $2,206,000 or 6.5% of covered payroll.

DEPARTMENT DIRECTORS

Directors of City departments are eligible the first of the month following the date employed to be covered by the Director’s Money Purchase Plan, established by City Ordinance, and administered by an insurance company. The Plan is a defined contribution plan requiring contributions determined by the employees’ date of hire. The City contributes 6% to 12% and the employee contributes 0% to 6% of earned income in one calendar year. Employees covered by the Plan may also make voluntary contributions. Participant accounts are immediately 100% vested. Total and covered payroll for the year ended December 31, 2010,

was $1,821,626. City contributions totaled $215,911 or 11.8% of covered payroll. There were no employee contributions made for the year ended December 31, 2010.

ALL OTHER CITY EMPLOYEES

All other City employees are eligible after 6 months' service and age 19 to be covered under the City's Money Purchase Pension Plan, established by City Ordinance, and administered by an insurance company. Enrollment in the program is mandatory at age 40 with 5 years service. Vesting occurs in increments between 3 and 7 years of enrollment in the plan. The Plan is a defined contribution plan requiring employees to contribute at a rate determined by the employees' bargaining unit and date of hire. The City contributes between $1.29 and $2.00 for every $1.00 contributed by employees. Employee forfeitures are used to reduce employer contributions. Employees covered by the Plan may also make voluntary contributions. During the year ended December 31, 2010, total payroll was approximately $75,906,000 and covered payroll was approximately $67,347,000. City contributions totaled $7,610,244 or 11.3% of covered payroll and employee contributions totaled $3,847,900 or 5.7% of covered payroll. Employees made $271,564 in voluntary contributions for the year ended December 31, 2010.

(14) OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Description – The City offers employees and their families the opportunity to continue their health care coverage when there is a qualifying event, such as retirement, that would result in a loss of coverage under the City's plan. Each qualified beneficiary pays the entire cost of premiums for the continuous coverage. The City recognizes as OPEB the implicit rate subsidy provided to retirees when their premium is the "full cost" of the insurer's charge for the active population. Since the retirees have higher costs, the premium they pay is not expected to cover their costs, and the difference is essentially covered by the City's payment for active employees. The City plan is a single-employer defined benefit plan. The City does not issue a separate report that includes financial statements and required supplementary information for OPEB.

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

Annual OPEB cost and Net OPEB Obligation – The City's annual OPEB cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The net OPEB obligation as of August 31, 2011, was calculated as follows:

(Dollar amounts in thousands)

Annual required contribution	$ 2,111
Interest on net OPEB obligation	108
Adjustment to annual required contribution	(141)
Annual OPEB cost	2,078
Contributions made	(524)
Increase in net OPEB obligation	1,554
Net OPEB obligation beginning	2,401
Net OPEB obligation ending	$ 3,955

The City's annual OPEB cost, the percentage of annual OPEB costs contributed and the net OPEB obligation are as follows:

Year Ended August 31	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2011	$ 2,078,000	25.2 %	$ 3,955,000
2010	2,097,000	25.1	2,401,000
2009	656,000	37.2	830,000

Funded Status and Funding Progress – As of September 1, 2009, the most recent actuarial valuation date, the plan was zero percent funded. The actuarial liability for benefits was $19,796,000 and the actuarial value of assets was zero, resulting in an unfunded actuarial liability (UAL) of $19,796,000. Annual covered payroll was approximately $112,002,000, and the ratio of the UAL to the covered payroll was 17.7%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statement, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions – Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the September 1, 2009 actuarial valuation, the projected unit credit cost method was used. The actuarial assumptions included a 4.5% discount rate and an annual healthcare cost trend rate of 9.5% initially, reduced by decrements to an ultimate rate of 5.0% for 2020 and beyond. Implicit in this medical trend rate is an underlying general inflation rate in the range of 3 to 4%. Participation assumptions include 60% of eligible civilian members and 40% of eligible Fire/Police members electing coverage, with 30% and 20% participation assumed for civilian and Fire/Police spouses, respectively. The plan's unfunded actuarial accrued liability is being amortized as a level dollar amount on an open basis over a period of thirty years.

PEHP – Defined Contribution Plan

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

Terms for eligibility and contribution rates are specified in the City's various collective bargaining agreements. Individual employee accounts consist of employer contributions, investment returns and any forfeiture allocations. Current employer contributions range from $18-$50 per pay period based on union contracts. Current year contributions totaled approximately $1,297,000.

(15) PROPERTY TAXES

The Home Rule Charter of the City imposes a tax ceiling for general revenue purposes. The City tax ceiling was established by using the September 1, 1966, City dollar tax limit as an initial tax limit, and increasing that tax limit each year following 1966 by 7% so that in each fiscal year thereafter the amount of the City tax limit shall be the amount of the City tax limit for the previous year plus 7% thereof. In addition, the City has the power to levy taxes each year sufficient to pay any judgment existing against the City, the interest on bonded debt, and the principal on bonded debt maturing during the fiscal year or within 6 months thereafter, as well as taxes authorized by state law. The 2010 tax levy, for the 2010-2011 fiscal year, was $93,513,495 below the legal limit, with a tax rate per $100 valuation of $0.2879. The assessed value upon which the 2010 levy was based was $15,881,260,420.

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

Within the government-wide financial statements, property taxes are recognized as revenue in the year for which they are levied. Property taxes levied for 2010-2011 are recorded as revenue in the fund financial statements when expected to be collected within 60 days after August 31, 2011. Prior-year levies were recorded using these same principles, and remaining receivables are re-evaluated annually. Property taxes expected to be collected after 60 days are recorded as deferred revenue on the fund balance sheets.

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

(16) RISK MANAGEMENT

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

For the year ended August 31, 2011, the City had a self-insured retention for workers' compensation exposures up to $750,000 per individual; law enforcement liability, general liability, public officials liability, public transportation liability, medical professional liability, and auto liability exposures up to $250,000 per occurrence; building and contents property exposures up to $50,000 per occurrence; health and dental benefits, and employee long-term disability benefits.

The City also obtained excess liability insurance coverage in the current year. Workers' compensation was covered by a policy that provided statutory limits above the City's retention of $750,000 per individual. Law enforcement, general, public officials, public transportation, medical professional, and auto liabilities were covered by policies that provided limits of $6 million per occurrence with a $12 million annual aggregate. Health had excess loss indemnity coverage above $150,000 per claim and above 125% of the aggregate attachment point. The Nebraska Political Tort Claims Act limits the City's liability for tort claims to $1 million per individual and $5 million per occurrence.

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

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

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

The City funds its self-insurance program on an "incurred loss" basis. The governmental and proprietary funds pay annual premium amounts, based on past experience of incurred losses, to the Insurance Revolving Fund. Claim liabilities of $10,788,956 were recorded at August 31, 2011. Excluding medical care claims approximating $2,909,000, the remaining liability is the actuarially estimated amount of claims based on an estimate of ultimate incurred and incurred but not reported losses as of that date and is calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs, and other economic and social factors. The claims liability estimate also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of their allocation to specific claims. These liabilities have been discounted using a .50% discount rate. The City has purchased no annuity contracts in the current fiscal year to resolve City of Lincoln claims.

The following is a summary of the changes in the estimated claims liability for the years ended August 31, 2011 and 2010:

2011	Worker's Compensation and Others	Long-Term Disability	Health and Dental	Total
Balance at September 1	$ 6,590,000	896,183	1,227,887	8,714,070
Current year claims and changes in estimates	2,977,000	230,886	22,315,628	25,523,514
Claims payments	(2,717,000)	(97,272)	(20,634,356)	(23,448,628)
Balance at August 31	$ 6,850,000	1,029,797	2,909,159	10,788,956

2010	Worker's Compensation and Others	Long-Term Disability	Health and Dental	Total
Balance at September 1	$ 6,267,000	604,770	1,691,707	8,563,477
Current year claims and changes in estimates	3,088,000	370,067	18,659,998	22,118,065
Claims payments	(2,765,000)	(78,654)	(19,123,818)	(21,967,472)
Balance at August 31	$ 6,590,000	896,183	1,227,887	8,714,070

LINCOLN ELECTRIC SYSTEM

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

	2010	2009
Balance beginning of year	$ 478,000	1,001,000
Claims accrued	5,098,000	7,185,000
Claims paid/other	(5,132,000)	(7,708,000)
Balance end of year	$ 444,000	478,000

(17) COMMITMENTS AND CONTINGENCIES

GENERAL

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

At August 31, 2011, approximately 96% of the full-time, regular City's employees are represented by a Union. The existing union contracts will expire in August 2012.

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

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

The City of Lincoln owns a solid waste disposal area which discontinued operations in 1990, but still requires certain closure and postclosure care, including the construction of final cover, monitoring of groundwater conditions and landfill gas migration, and general site maintenance. While accrual of closure and postclosure care costs has been reflected in the financial statements in the current year, additional corrective action costs related to landfill gas migration and groundwater conditions may be identified once testing is completed and the state regulatory agency has issued a final determination.

The City has entered into various agreements with developers to build infrastructure for new developments. These commitments are included in the City's current 6 year capital improvement program or depending on when the commitment is due, will be included in the City's future capital improvement program. As of August 31, 2011, the City's commitment to developers is estimated to be approximately $43,560,000.

STREET CONSTRUCTION PROJECTS

The City's Street Construction Capital Projects Fund has commitments under major construction contracts in progress of approximately $4,400,000 as of August 31, 2011, which will be financed primarily through highway user fees, bond proceeds, federal and state grants, and developer contributions.

WEST HAYMARKET JOINT PUBLIC AGENCY

The West Haymarket JPA Fund has commitments under major construction contracts in progress of approximately $22,000,000 as of August 31, 2011.

PARKING FACILITIES

The Lincoln Parking System has commitments under major contracts in progress of approximately $7,000,000 as of August 31, 2011 for construction of the Catalyst One Garage project.

LINCOLN WASTEWATER SYSTEM

The Lincoln Wastewater System has commitments under major construction contracts in progress of approximately $8,800,000 at August 31, 2011.

LINCOLN WATER SYSTEM

The Lincoln Water System has commitments under major construction contracts in progress of approximately $572,000 as of August 31, 2011.

LINCOLN ELECTRIC SYSTEM

Participation Contracts with NPPD

LES has participating interests in the output of two existing NPPD power plants, a thirty percent (68 MW) and eight percent (109 MW) entitlement to the output of the Sheldon Station Power Plant (nominally rated 225 MW coal plant) and Gerald Gentleman Station Power Plant (nominally rated 1,268 MW coal plant), respectively.

LES is responsible for its respective participating interests in the two facilities' capital additions and improvements. LES's share of debt service payments necessary to retire the respective participating interests of principal and interest on bonds issued by NPPD for the facilities was approximately $6,800,000 in 2011. LES recognizes its share of capital acquisition costs and debt service payments as power costs in the period the costs are billed with the exception of costs approved for deferral under ASC 980. Fixed cost payments under the agreements are on a participation basis whether or not such plants are operating or operable. LES recognized expense for its share of the total fixed costs of approximately $16,600,000 in 2010.

The participation contracts continue until the facilities are removed from commercial operation or the final maturity occurs on the related debt incurred by NPPD to finance the facilities, whichever occurs last. The estimated fixed cost payments to NPPD under these contracts, including capital additions and improvements, debt service payments and fixed costs, and credits aggregate approximately $19,000,000, $21,600,000, $25,100,000, $24,200,000, and $21,600,000, respectively, in each of the five years subsequent to December 31, 2010.

Laramie River Station (LRS)

LES is a 12.76 percent co-owner of the Missouri Basin Power Project, which includes LRS, a three-unit, 1,650 MW coal-fired generating station in eastern Wyoming and a related transmission system. Costs, net of accumulated depreciation, associated with LRS of approximately $23,000,000 are reflected in utility plant at December 31, 2010.

LES has a participation power sales agreement with the County of Los Alamos, New Mexico (the County) whereby the County purchases from LES 10 MW of LES's capacity interest in LRS. The agreement provides for the County to pay LES monthly fixed payments for the repayment of debt service. The amount is subject to change each July 1 based on debt costs of LES relative to the current market rates, until termination of the agreement. The agreement remains in effect until either the final maturity occurs on any LRS related debt, LRS is removed from commercial operation, or the County gives LES six-months notice to terminate the agreement. During 2010, LES billed the County approximately $3,100,000 for demand and energy charges.

The LRS project participants, including LES, filed a rate case in 2004 with the federal Surface Transportation Board (STB) challenging the reasonableness of the freight rates from the Burlington Northern Santa Fe (BNSF) railroad for coal deliveries to LRS. In early 2009 the STB issued its decision and awarded the LRS project participants a favorable decision estimated by the STB at approximately $345 million in rate relief. The STB awarded $119 million to the LRS participants for past freight overcharges plus an expectation of present value rate benefits of approximately $245 million due to a new tariff the STB ordered to be charged through 2024. BNSF remitted $15,000,000 to LES, which has been escrowed pending an appeal filed by BNSF.

Walter Scott Energy Center (WS4)

MidAmerican Energy's Walter Scott Energy Center includes the following units: Unit #1 – a 1954 coal-fired unit built with 43 MW capacity, Unit #2 – a 1958 coal-fired unit built with 88 MW capacity, Unit #3 – a 1979 coal-fired unit built with 675 MW capacity, and Unit #4 - a supercritical technology, coal-fired 790 MW unit that became commercial in June, 2007, as well as the associated common equipment and inventories. LES maintains ownership interest in 12.6 percent or 105 MW of Unit #4. In order to minimize unit outage risk, LES has executed a power purchase and sales agreement with MidAmerican Energy. Under this agreement, beginning in 2009, LES will schedule 50 MW of Unit #3 and 55 MW of Unit #4. This twenty year unit agreement which can be extended through mutual agreement of the parties. LES is responsible for the operation and maintenance expense and maintains a fuel inventory at the plant site. LES issued debt in conjunction with the construction of Unit #4 and has capitalized these costs plus interest.

(18) LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

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

At August 31, 2011, the City had incurred a liability of approximately $9,774,000 for the municipal solid waste landfill which represents the amount of costs reported to date based on the approximately 50 percent of landfill capacity used to date. The remaining estimated liability for these costs is approximately $9.9 million, which will be recognized as the remaining capacity is used (estimated to be approximately 22 years).

As of August 31, 2011, the City had incurred a liability of approximately $600,000 for the construction and demolition debris landfill which represents the amount of costs reported to date based on the approximately 55 percent of landfill capacity used to date. The remaining estimated liability for these costs is approximately $492,000, which will be recognized as the remaining capacity is used (estimated to be approximately 16 years).

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

The City of Lincoln, in a review by the Nebraska Department of Environmental Quality (NDEQ), has demonstrated compliance with the financial assurance requirements as specified in Title 132 - *Integrated Solid Waste Management Regulations*, through the Local Government Financial Test.

The City of Lincoln also owns a solid waste disposal area that discontinued operations in 1990. Although exempt from the U.S. Environmental Protection Agency *Solid Waste Disposal Facility Criteria* issued October 9, 1991, the City must still adhere to certain closure and postclosure care requirements under prior legislation, including the construction of final cover, monitoring of ground water conditions and landfill gas migration, and general site maintenance. At August 31, 2011, a liability for closure and postclosure care costs is recorded in the amount of approximately $4,258,000, which is based on appropriations identified in the City's capital improvement projects budgeting process. Additional corrective action costs related to possible landfill gas migration and groundwater conditions may be identified once testing is completed and the state regulatory agency has issued a final determination. These additional potential costs cannot be reasonably estimated and thus no liability has been accrued as of August 31, 2011.

(19) FAIR VALUE OF FINANCIAL INSTRUMENTS

The following methods and assumptions were used by the Lincoln Water System and Lincoln Wastewater System to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value:

Cash, accounts receivable and accounts payable – The carrying amount approximates fair value because of the short maturity of these instruments.

Long-term debt – The estimated fair value of the long-term debt is approximately $75,013,000 for the Water System and $96,296,000 for the Wastewater System based on borrowing rates currently available as of August 31, 2010.

Investments – The fair values of investments held directly by the funds are based on quoted market prices.

Fair value estimates are made at a specific point in time, based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and, therefore, cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

(20) SEGMENT INFORMATION

The City has issued revenue bonds and other debt instruments to finance capital construction and acquisitions for both the Urban Development and Public Works/Utilities Departments. The Parking Facilities Division of the Urban Development Department operates the City's downtown parking garages and is accounted for in the Parking Facilities Fund. The Solid Waste Operations Section of the Public Works/Utilities Department operates the City's solid waste disposal sites, yard waste composting facility, and re-cycling drop-off program. Summary financial information for these divisions as of and for the year ended August 31, 2011, is presented as follows:

		Parking Facilities	Solid Waste Management
CONDENSED STATEMENT OF NET ASSETS			
Assets:			
Current Assets, excluding Due from Other Funds	$	7,496,923	6,227,775
Due from Other Funds		519,806	191,136
Restricted Assets		10,584,838	400,704
Deferred Charges		331,686	57,005
Capital Assets		44,762,125	22,340,099
Total Assets		63,695,378	29,216,719
Liabilities:			
Current Liabilities, excluding Due to Other Funds		5,111,428	1,010,646
Due to Other Funds		10,647	1,967
Noncurrent Liabilities		22,830,621	17,516,384
Total Liabilities		27,952,696	18,528,997
Net Assets:			
Invested in Capital Assets, Net of Related Debt		28,293,802	19,267,574
Restricted		641,849	14,817
Unrestricted		6,807,031	(8,594,669)
Total Net Assets	$	35,742,682	10,687,722
CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS			
Operating Revenues	$	7,124,602	5,561,258
Depreciation Expense		(1,133,980)	(1,969,068)
Other Operating Expenses		(3,606,008)	(6,386,050)
Operating Income (Loss)		2,384,614	(2,793,860)
Nonoperating Revenues (Expenses):			
Investment Earnings		124,644	(5,489)
Gain (Loss) on Disposal of Capital Assets		(30,599)	105
Insurance Recovery		-	7,403
Miscellaneous Revenue		448,772	-
Occupation Tax		-	2,059,361
Interest Expense and Fiscal Charges		(548,576)	(135,379)
Capital Contributions		4,583	-
Transfers		(972,386)	(1,009,083)
Change in Net Assets		1,411,052	(1,876,942)
Beginning Net Assets		34,331,630	12,564,664
Ending Net Assets	$	35,742,682	10,687,722
CONDENSED STATEMENT OF CASH FLOWS			
Net Cash Provided (Used) by:			
Operating Activitites	$	3,121,543	91,576
Noncapital Financing Activities		(691,372)	1,228,591
Capital and Related Financing Activities		5,757,180	(4,543,179)
Investing Activities		(6,780,281)	1,789,738
Net Increase (Decrease) in Cash		1,407,070	(1,433,274)
Beginning Balance		3,555,045	2,340,362
Ending Balance	$	4,962,115	907,088

(21) PLEDGED REVENUES

The City has pledged future revenues derived from the operation of the Lincoln Wastewater System, net of operating and maintenance expenses, to repay $100,530,890 in wastewater revenue bonds & loans. Proceeds provided financing for improvements to the sanitary sewer system, as well as refunding a $4.5 million loan to the City from the Nebraska Department of Environmental Quality. The debt is payable solely from the net earnings of the Wastewater System and are payable through 2032. The total principal and interest remaining to be paid on the debt is $122,182,913, with annual payments expected to require 59.2 percent of net revenues. Principal and interest paid for the current year and net system revenues were $6,512,609 and $11,002,406, respectively.

The City has pledged future revenues derived from the operation of the Lincoln Water System, net of operating and maintenance expenses, to repay $106,110,000 in water revenue bonds. Proceeds from the

bonds provided financing for improvements to the water supply system, as well as refunding $37.8 million of water revenue bonds. The bonds are payable solely from the net earnings of the Water System and are payable through 2034. The total principal and interest remaining to be paid on the bonds is $89,677,532, with annual payments expected to require 62.6 percent of net revenues. Principal and interest paid for the current year and net system revenues were $9,501,857 and $15,174,479, respectively.

The City has pledged future revenues derived from the operation of the Lincoln Electric System, net of operating, maintenance and certain power expenses, to repay $654,580,000 in electric revenue bonds. Proceeds from the bonds provided financing for construction of additional utility plant, as well as refunding certain issues of electric revenue bonds. The bonds are payable solely from the net earnings of the Electric System and are payable through 2037. The total principal and interest remaining to be paid on the bonds is $951,515,000, with annual payments expected to require 50 percent of net revenues. Principal and interest paid for the current year and net system revenues were $45,947,000 and $94,375,000, respectively.

The City has pledged future revenues derived from the operation of the Lincoln Parking System, net of operating and maintenance expenses, and amounts, if any, distributed by the State for street purposes to repay $26,585,000 in parking revenue bonds. Proceeds from the bonds provided financing for construction and improvements to the parking system, as well as refunding $5,525,000 of Series 1994A parking revenue bonds. The bonds are payable solely from the net earnings of the Parking System and are payable through 2031. The total principal and interest remaining to be paid on the bonds is $37,673,781, with annual payments expected to require 45 percent of net revenues. Principal and interest paid for the current year and net system revenues were $1,269,717 and $4,092,010, respectively.

The City has pledged future revenues derived from the operation of the municipally owned solid waste management facilities, net of operating and maintenance expenses, to repay $4,000,000 in solid waste management revenue bonds. Proceeds from the bonds provided financing for improvements to the solid waste facilities. The bonds are payable solely from the net earnings of the Solid Waste System and are payable through 2021. The total principal and interest remaining to be paid on the bonds is $3,819,887, with annual payments expected to require 23 percent of net revenues. Principal and interest paid for the current year and net system revenues were $342,425 and $1,242,077, respectively.

(22) PUBLIC BUILDING COMMISSION

In 1990, the City and the County of Lancaster, pursuant to state statute, activated a separate governmental entity denominated as the Lincoln-Lancaster County Public Building Commission. The purpose of this joint venture is to design, acquire, construct, maintain, operate, improve, remodel, remove and reconstruct, so long as its corporate existence continues, public buildings, structures, or facilities for use jointly by the City and the County. The City and the County each appoint two members to the five-member Commission, with the fifth member being appointed by the other four members. All property held or acquired by the Commission is held or acquired in the name of the City and the County for use by the Commission in its corporate capacity. The Commission's costs of operation and debt service are funded through rental payments made by the City and the County based upon their proportionate occupancy of such buildings to the extent not covered by a maximum property tax levy of 1.7 cents for each $100 of actual valuation of taxable property in the County. For the year ended August 31, 2011, the City made rental payments of approximately $2.8 million to the Commission.

As of August 31, 2011, the Commission has bonds outstanding of $41,240,000 attributable to several bond issues. Certain proceeds from the bonds totaling $28,945,000 have been utilized by the Commission to acquire, construct, and/or renovate certain buildings occupied by the City and County. The City's proportionate share of such buildings are recorded as capital assets and the corresponding debt are reflected as capital leases in the City's financial statements. Lease payments are not recorded as capital lease payments in the Debt Service funds but rather are recorded as current expenditures in the various individual funds.

Additional bond proceeds, totaling $29,000,000, have been utilized by the Commission to construct a new County-City building and to renovate the prior County-City building to be used as a Hall of Justice. It is anticipated that property tax levies by the Commission will be sufficient to meet bond principal and interest payments. Should revenues from such property tax levies not be sufficient to meet debt service requirements in any given year, the City and County would contribute the necessary payments based on their proportionate occupancy in such buildings. Such contributions are expected to be minimal and will be expensed in the appropriate funds when incurred. The City's proportionate share of the buildings has been recorded in capital assets in accordance with the terms of the joint venture agreement regarding the ultimate transfer of assets to the City and County.

Complete separate financial statements for the Commission may be obtained at the Lincoln-Lancaster County Public Building Commission, 920 "O" Street, Room 203, Lincoln, Nebraska 68508.

(23) JOINT ANTELOPE VALLEY AUTHORITY

Joint Antelope Valley Authority is a joint administrative entity created April 15, 2000, in accordance with Article XV, Section 18 of the Constitution of the State of Nebraska and Nebraska Revenue Statutes Sections 13.801 through 13.827 (1997) authorizing the creation of a joint entity by public agencies. Per an interlocal cooperative agreement by and between the Board of Regents of the University of Nebraska, a public body corporate, the City of Lincoln, Nebraska, a municipal corporation, and the Lower Platte South Natural Resources District, a political subdivision of the State of Nebraska, this joint administrative entity was created to be known as Joint Antelope Valley Authority (JAVA). JAVA constitutes a separate administrative entity, exercising the public power granted by the interlocal cooperation agreement on behalf of the three aforementioned "Partners" to coordinate planning and implementation of a public project described in the Antelope Valley Study and the U.S. Army Corps of Engineers Antelope Creek Feasibility Study (the Project). The Project generally includes community revitalization, transportation, and drainage/flood control improvements.

After completion of a specific component of the Project, JAVA will transfer all real estate and improvements thereon to the appropriate individual Partner, subject to the necessary and agreed upon easements which will be conveyed to such Partner or other appropriate public or private entity, or reserved by such a Partner, for the operation, maintenance, repair, and inspection of each specific component.

During the implementation period of the agreement, JAVA shall have the power and authority to acquire and condemn property rights, borrow, mortgage, pledge, or secure loans and bond its appropriated revenues and assets; provided, however, that JAVA shall have no power and authority to bond the credit or revenues of the three Partners or each Partner, or levy taxes.

For the year ended August 31, 2011, total assets of JAVA reached approximately $189 million, an increase of $7 million from the prior year. The City's equity interest increased by approximately $6 million to $159 million.

Complete separate financial statements for JAVA may be obtained at the City of Lincoln Public Works Business Office, 555 South 10th Street, Lincoln, Nebraska 68508.

(24) JOINTLY GOVERNED ORGANIZATIONS

District Energy Corporation

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

The DEC Board of Directors, under a management agreement, has appointed LES to supervise and manage the system and business affairs of DEC. LES is reimbursed for these management services based on the allocated actual costs of these services. LES also provides electric energy to DEC at an established rate schedule. The total amount of payments to LES for management, operations, and maintenance services was approximately $574,000 in 2010. The increase is due to management of the new SW 40th Thermal Energy System plant construction. The total amount of payments to LES for energy was approximately $95,000 in 2010.

Nebraska Utility Corporation

On May 17, 2001, LES, in conjunction with another governmental entity, created the Nebraska Utility Corporation (NUCorp) to purchase, lease, construct, and finance facilities and acquire services in order to furnish energy requirements, utility and infrastructure facilities, and all related energy, utility, and infrastructure services to counties, cities, villages, school districts, sanitary and improvement districts, or other municipal corporations or political subdivisions of the State of Nebraska or political subdivisions of another state. The Board of Directors of NUCorp is comprised of five members: three members appointed by the University of Nebraska and two members appointed by LES. No participant has any obligation, entitlement, or residual interest.

Operations commenced in January 2002. The NUCorp board of directors, under a twenty-year management agreement, appointed LES to supervise and manage the system and business affairs of NUCorp. LES is reimbursed for these management services based on the allocated actual costs of these services. LES also provides electric energy to NUCorp on an established rate schedule. The total payment to LES for management, operations, and maintenance services was approximately $120,000 in 2010. The total amount of payments to LES for energy was approximately $11 million in 2010.

(25) SUBSEQUENT EVENTS

In November 2011, the City issued $4,600,000 in Certificates of Participation, Series 2011B, to provide funds for the acquisition of street lights, computer software, and construction and equipping a new golf clubhouse. Interest rates range from 2.000 to 2.625 percent and the final maturity is September 2021. Debt service principal payments are scheduled annually at amounts that range from $350,000 to $605,000.

Also in November 2011, the City issued $3,000,000 of General Obligation Special Assessment Revolving Fund Bonds, Series 2011B, to provide funds to maintain and replenish the Special Assessment Revolving Fund for the purpose of paying the costs of improvements. The interest rates on the bonds range from 2.000 to 3.500 percent and the final maturity is August 2031. Debt service principal payments are scheduled annually at amounts that range from $120,000 to $200,000.

CITY OF LINCOLN, NEBRASKA
Required Supplementary Information
August 31, 2011

Schedule of Funding Progress for PFDP Pension
(dollar amounts in thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
August 31, 2011	$ 165,436	$ 204,990	$ 39,554	80.7 %	$ 35,763	110.6 %
August 31, 2010	172,317	195,206	22,889	88.3	34,233	66.9
August 31, 2009	177,526	187,292	9,766	94.8	33,450	29.2
August 31, 2008	179,390	179,376	(14)	100.0	32,266	(0.0)
August 31, 2007	171,264	169,587	(1,677)	101.0	30,546	(5.5)
August 31, 2006	157,527	161,583	4,056	97.5	30,724	13.2

Schedule of Employer Contributions for PFDP Pension
(dollar amounts in thousands)

Year Ended August 31	Annual Required Contribution	Annual Pension Contribution	Percentage Contributed
2011	$ 4,652	$ 4,334	93 %
2010	3,752	3,963	106
2009	3,316	3,572	108
2008	4,076	3,456	85
2007	4,056	3,494	86
2006	4,077	2,893	71

Schedule of Funding Progress for City OPEB
(dollar amounts in thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Unit Credit (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
September 1, 2009	$ 0	$ 19,796	$ 19,796	0.0 %	$ 112,002	17.7 %
September 1, 2007	0	5,662	5,662	0.0	106,787	5.3

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

GENERAL FUND COMBINING FUNDS

GASB 54 clarifies the definitions of the governmental fund types, resulting in a change in the activities that are reported in them. The following are reported as part of the General Fund for financial reporting purposes but are maintained individually for accounting purposes and budgetary comparisions of legally adopted budgets.

Athletic Field & Facilities Improvement Fund - To account for proceeds from a surcharge applied to registration fees charged by the Recreation Division for various athletic activities, and revenues received from the rental of park land for telecommunications towers. These monies are used for improvements to athletic field and facilities, and the maintenance and repair of Parks and Recreation property and facilities.

Lincoln Area Agency On Aging Fund - To account for the costs of providing various services to senior citizens through the Lincoln/Lancaster Commission on Aging. Financing is provided by Federal, State, County, and City funds.

911 Communication Fund - To account for the costs of answering and processing all incoming 911 and non-emergency calls as well as the cost of dispatch service for the Lincoln Police Department, Lincoln Fire Department, Lancaster County Sheriff's Office and Rural Volunteer Fire and Rescue Departments. Financing is provided by County and City funds and a 911 telephone surcharge.

Unemployment Compensation Fund - To account for the cost of unemployment benefits paid to former employees of departments supported primarily from tax revenues. The City reimburses the State for actual costs rather than a percentage of payroll. Financing has been provided by a specific annual property tax levy to be used only for this purpose.

Fast Forward Fund - To make funds available for economic development projects where there is a demonstrated benefit to the community and/or where incentives can positively influence the outcome of a project. Funding provided by a surplus of Special Assessment Debt Service funds.

Development Services Center Fund - To provide certain start-up costs and one time costs associated with the establishment of the Development Services Center. Funding provided by a surplus of Special Assessment Revolving funds.

CITY OF LINCOLN, NEBRASKA
COMBINING BALANCE SHEET
GENERAL FUND
AUGUST 31, 2011

	General Fund	Athletic Field & Facilities Improvement	Lincoln Area Agency On Aging	911 Communication	Unemployment Compensation	Fast Forward	Development Services Center	Total
ASSETS								
Cash and Cash Equivalents	$ 3,096,152	170,332	67,994	191,730	23,923	1,202,286	43,331	4,795,748
Investments	15,516,128	732,447	293,865	829,909	104,846	5,183,241	190,495	22,850,931
Receivables, (Net of Allowance for Uncollectibles)								
Taxes	3,348,216	-	-	-	-	-	-	3,348,216
Accounts	2,107,477	-	5,653	157,432	-	-	-	2,270,562
Accrued Interest	63,348	3,083	2,056	1,640	453	22,817	726	94,123
Due from Other Funds	1,934,706	-	-	-	-	-	-	1,934,706
Due from Other Funds (Inter-fund)	97	.	180	-	-	-	-	277
Due from Other Governments	10,279,102	-	11,391	-	-	-	-	10,290,493
Inventories	472,182	-	-	-	-	-	-	472,182
Prepaid Items	6,418,988	-	-	-	-	-	-	6,418,988
Total Assets	43,236,396	905,862	381,139	1,180,711	129,222	6,408,344	234,552	52,476,226
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts Payable	804,712	-	41,807	7,658	-	-	80,435	934,612
Accrued Liabilities	2,341,717	-	78,834	88,010	-	-	-	2,508,561
Due to Other Funds	5,704,402	-	4,522	1,325	-	-	3,796	5,714,045
Due to Other Funds (Inter-fund)	180		-	97	-	-	-	277
Due to Other Governments	149,283	-	794	16	-	-	-	150,093
Deferred Revenue	1,251,787	-	9,050	153,965	-	-	-	1,414,802
Total Liabilities	10,252,081	-	135,007	251,071	-	-	84,231	10,722,390
Fund Balances:								
Nonspendable	6,891,170	-	-	-	-	-	-	6,891,170
Restricted	5,525,739	-	-	-	-	-	-	5,525,739
Assigned	4,980,873	905,862	246,132	929,640	129,222	6,408,344	150,321	13,750,394
Unassigned	15,586,533	-	-	-	-	-	-	15,586,533
Total Fund Balances	32,984,315	905,862	246,132	929,640	129,222	6,408,344	150,321	41,753,836
Total Liabilities and Fund Balances	$ 43,236,396	905,862	381,139	1,180,711	129,222	6,408,344	234,552	52,476,226

CITY OF LINCOLN, NEBRASKA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GENERAL FUND
FOR THE YEAR ENDED AUGUST 31, 2011

	General Fund	Athletic Field & Facilities Improvement	Lincoln Area Agency On Aging	911 Communication	Unemployment Compensation	Fast Forward	Development Services Center	Total
Revenues:								
Taxes:								
Property	$ 28,248,373	-	-	-	-	-	-	28,248,373
Motor Vehicle	4,284,369	-	-	-	-	-	-	4,284,369
Sales and Use	57,996,100	-	-	-	-	-	-	57,996,100
Sundry and In Lieu	48,455	-	-	-	-	-	-	48,455
Occupation	13,282,814	-	-	-	-	-	-	13,282,814
Intergovernmental	3,405,573	-	1,136,571	440,169	-	-	-	4,982,313
Permits and Fees	3,645,943	-	77,194	1,216,209	-	-	-	4,939,346
Reimbursement for Services	5,485,586	461,362	238,442	250	-	-	-	6,185,640
Investment Earnings	147,074	3,346	1,397	(2,159)	(178)	7,548	(95)	156,933
Donations	724,917	-	1,418	-	-	-	-	726,335
Miscellaneous	2,133,583	38,336	30	9,462	-	-	-	2,181,411
Total Revenues	119,402,787	503,044	1,455,052	1,663,931	(178)	7,548	(95)	123,032,089
Expenditures -- Current:								
General Government	26,536,048	-	-	-	33,929	-	-	26,569,977
Public Safety	56,424,506	-	-	3,706,780	-	-	-	60,131,286
Streets and Highways	7,461,505	-	-	-	-	-	-	7,461,505
Culture and Recreation	11,628,899	-	-	-	-	-	-	11,628,899
Economic Opportunity	256,165	-	3,811,467	-	-	-	334,014	4,401,646
Health and Welfare	193,414	-	-	-	-	-	-	193,414
Debt Service	6,806	-	-	-	-	-	-	6,806
Total Expenditures	102,507,343	-	3,811,467	3,706,780	33,929	-	334,014	110,393,533
Excess (Deficiency) of Revenues Over (Under) Expenditures	16,895,444	503,044	(2,356,415)	(2,042,849)	(34,107)	7,548	(334,109)	12,638,556
Other Financing Sources (Uses):								
Transfers In	6,662,634	-	-	-	-	-	226,760	6,889,394
Transfers In (Inter-Fund)	-	-	2,279,417	2,421,415	-	50,000	-	4,750,832
Transfers Out	(15,999,296)	(225,635)	(3,850)	(2,478)	-	(129,395)	-	(16,360,654)
Transfers Out (Inter-Fund)	(4,750,832)	-	-	-	-	-	-	(4,750,832)
Issuance of Refunding Debt	6,692,500	-	-	-	-	-	-	6,692,500
Premiums/Discounts on Debt Issued	(6,427)	-	-	-	-	-	-	(6,427)
Transfer to Bond Refunding Agent	(7,068,178)	-	-	(7,296)	-	-	-	(7,075,474)
Sale of Capital Assets	132,888	-	-	-	-	-	-	132,888
Total Other Financing Sources (Uses)	(14,336,711)	(225,635)	2,275,567	2,411,641	-	(79,395)	226,760	(9,727,773)
Net Change In Fund Balances	2,558,733	277,409	(80,848)	368,792	(34,107)	(71,847)	(107,349)	2,910,783
Fund Balances - Beginning	30,425,582	628,453	326,980	560,848	163,329	6,480,191	257,670	38,843,053
Fund Balances - Ending	$ 32,984,315	905,862	246,132	929,640	129,222	6,408,344	150,321	41,753,836

CITY OF LINCOLN, NEBRASKA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AUGUST 31, 2011

	Special Revenue	Debt Service	Capital Projects	Permanent Funds	Total
ASSETS					
Cash and Cash Equivalents	$ 4,211,126	2,148,188	1,997,232	200,174	8,556,720
Investments	16,610,293	12,446,342	9,743,312	56,984,439	95,784,386
Receivables, (Net of Allowance for Uncollectibles)	21,537,212	2,141,547	791,489	1,588	24,471,836
Due from Other Funds	683,448	475,993	1,908,128	37,248	3,104,817
Due from Other Governments	4,981,264	166,910	1,051,635	-	6,199,809
Inventories	488,615	-	-	-	488,615
Prepaid Items	6,500	-	-	-	6,500
Total Assets	48,518,458	17,378,980	15,491,796	57,223,449	138,612,683
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	1,172,952	-	586,592	129,139	1,888,683
Contracts Payable	-	-	197,940	-	197,940
Retainages Payable	-	-	126,079	-	126,079
Accrued Liabilities	1,630,830	-	-	9,193	1,640,023
Due to Other Funds	6,357,129	-	15,827	371,999	6,744,955
Due to Other Governments	253,376	-	-	-	253,376
Unearned Revenue	317,762	-	-	-	317,762
Deferred Revenue	2,685,302	1,318,569	608,960	-	4,612,831
Total Liabilities	12,417,351	1,318,569	1,535,398	510,331	15,781,649
Fund Balances:					
Nonspendable	495,115	-	-	37,160,000	37,655,115
Restricted	27,684,715	16,060,411	13,748,458	19,553,118	77,046,702
Committed	633,206	-	-	-	633,206
Assigned	7,428,127	-	207,940	-	7,636,067
Unassigned	(140,056)	-	-	-	(140,056)
Total Fund Balances	36,101,107	16,060,411	13,956,398	56,713,118	122,831,034
Total Liabilities and Fund Balances	$ 48,518,458	17,378,980	15,491,796	57,223,449	138,612,683

CITY OF LINCOLN, NEBRASKA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2011

	Special Revenue	Debt Service	Capital Projects	Permanent Funds	Total
REVENUES					
Taxes:					
Property	$ 12,334,444	7,621,655	-	-	19,956,099
Wheel	-	-	10,917,272	-	10,917,272
Sundry and In Lieu	8,837	3,959	-	-	12,796
Special Assessment	1,032,754	85,335	-	-	1,118,089
Intergovernmental	34,459,579	1,111,891	224,751	-	35,796,221
Permits and Fees	10,807,341	-	149,390	-	10,956,731
Reimbursement for Services	1,329,500	-	-	-	1,329,500
Program Income	273,633	-	-	-	273,633
Investment Earnings	92,749	78,754	104,192	5,076,790	5,352,485
Donations	409,701	-	839,070	10,500	1,259,271
Keno Proceeds	3,321,506	-	-	-	3,321,506
Miscellaneous	294,686	4,335	1,405,301	89,119	1,793,441
Total Revenues	64,364,730	8,905,929	13,639,976	5,176,409	92,087,044
EXPENDITURES					
Current:					
General Government	9,598,056	-	-	-	9,598,056
Public Safety	9,405,771	-	-	-	9,405,771
Streets and Highways	2,392	-	-	-	2,392
Culture and Recreation	10,135,955	-	-	29,731	10,165,686
Economic Opportunity	11,410,268	-	-	-	11,410,268
Health and Welfare	19,695,240	-	-	2,104,761	21,800,001
Mass Transit	15,088,883	-	-	-	15,088,883
Debt Service:					
Principal Retirement	-	9,657,542	-	-	9,657,542
Interest and Fiscal Charges	-	5,872,609	-	-	5,872,609
Miscellaneous	-	101,083	-	-	101,083
Capital Outlay	-	-	8,160,545	-	8,160,545
Total Expenditures	75,336,565	15,631,234	8,160,545	2,134,492	101,262,836
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,971,835)	(6,725,305)	5,479,431	3,041,917	(9,175,792)
OTHER FINANCING SOURCES (USES)					
Transfers In	13,890,608	8,383,195	2,693,135	-	24,966,938
Transfers Out	(6,756,295)	(259,610)	(12,789,493)	-	(19,805,398)
Issuance of Debt	-	-	9,663,000	-	9,663,000
Issuance of Refunding Debt	250,000	19,290,000	-	-	19,540,000
Premium on Debt Issued	-	946,484	145,303	-	1,091,787
Transfer To Bond Refunding Agent	-	(21,746,822)	-	-	(21,746,822)
Sale of Capital Assets	105,718	-	100	-	105,818
Total Other Financing Sources (Uses)	7,490,031	6,613,247	(287,955)	-	13,815,323
Net Change in Fund Balances	(3,481,804)	(112,058)	5,191,476	3,041,917	4,639,531
Fund Balances - Beginning of Year, Before Restatement	48,742,096	16,172,469	8,764,922	53,671,201	127,350,688
Adjustment for Implementation of GASB 54	(9,159,185)	-	-	-	(9,159,185)
Fund Balances - Beginning of Year, After Restatement	39,582,911	16,172,469	8,764,922	53,671,201	118,191,503
Fund Balances - Ending	$ 36,101,107	16,060,411	13,956,398	56,713,118	122,831,034

Special Revenue Funds are established to account for the proceeds from a specific revenue source that is restricted to expenditures for a specified purpose.

Advance Acquisition Fund - To account for funds to be used for the acquisition of real estate for public purposes. Net proceeds from the sale or exchange of real estate owned by the City shall be credited to this fund, and the fund may also be increased by General Fund appropriations, or proceeds from general obligation borrowing.

Cable Access Television Fund - To account for the receipt and use of franchise fees, imposed by the City, from the cable provider in order to construct, operate and maintain a cable television system within the boundaries of the City.

Lincoln City Libraries Fund - To account for the costs of providing library services to the citizens of Lincoln. Financing is provided by a specific annual tax levy, fines and fees, and reimbursement from Lancaster County for services provided to County residents.

Lincoln/Lancaster Co. Health Fund - To account for the costs of providing health services to the citizens of the City of Lincoln and Lancaster County. Financing is provided by Federal, State, County, and City funds.

Social Security Fund - To account for the City of Lincoln's matching share of Social Security costs for employees paid from the General Fund and other funds supported primarily from general tax revenue. Financing is provided by a specific annual property tax levy. Such property taxes may only be used for this purpose.

Police & Fire Pension Contributions Fund - To account for the City's contributions to the Police and Fire Pension. Financing is provided by a specific annual property tax levy.

StarTran Fund - To account for the cost of operating the City-owned transit system. Financing is provided primarily through passenger revenue and Federal, State, and City funds.

Keno Fund - To accumulate resources from the City's percentage of Keno revenue in the City and account for activities financed with Keno revenues.

Federal Grants Fund - Includes federal sub-funds as follows:

Community Development Block Grant Fund - To account for the costs of providing services under the City's Community Development Block Grant Program with funding provided by grants from the Department of Housing and Urban Development.

Grants-In-Aid Fund - To account for monies received from various federal and state agencies under several small categorical grants and the City's matching funds where applicable. Monies are utilized to provide services as stipulated in the individual grant agreements.

Workforce Investment Act (WIA) Fund - To account for the costs of providing services under the Workforce Investment Act with funding provided by grants from the Department of Labor.

Disaster Recovery (FEMA) Fund - To account for reimbursements from the Federal Emergency Management Agency due to disasters caused by storm and flood damage. Funds are used to reimburse other funds for related costs and to pay disaster related expenses.

Special Assessment Fund - To account for the receipt and disbursement of special assessment bond proceeds and other income which is derived from interest income, developers share of districts and City subsidies. This fund is also used to account for the administrative cost of collection of and accounting for special assessments levied against benefited properties. Expenditures for capital improvement projects are accounted for in the Special Assessment Capital Projects Fund. Periodic transfers are made to the Capital Projects Fund to cover expenditures.

Building & Safety Fund - To account for the cost of providing building and safety permit and inspection services to the citizens of Lincoln. Financing is provided through permit and inspection fee revenues and City funds.

Impact Fees Fund - To account for receipts and disbursements of impact fees in accordance with city ordinance.

Parks & Recreation Special Projects Fund - To account for the proceeds of various trusts and donations to be used for the development of various projects, such as a mini-park, an observatory, landscaping, etc.

Seniors Foundation of Lincoln & Lancaster County Fund - To account for the proceeds of fund-raising activities by and donations to the Lincoln/Lancaster Senior Center Foundation. These funds are turned over to the City to be used for special projects at the discretion of the Foundation.

Library Special Trust Fund - To account for the receipt of investment earnings from the following trusts:

Charles Gere Library Fund - To be used as directed by the Library Board for the benefit of the Lincoln City Libraries.

Lillian Polley Trust Fund - To be used for the Polley Music Library.

R.P. Crawford Park Fund - To accumulate resources required to be distributed from the Crawford Trust per IRS regulations. Such funds to be held until the end of the Trust period, then combined with the Trust assets to be used for the purchase of land and the development of a City park and playground.

CITY OF LINCOLN, NEBRASKA
SUBCOMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
AUGUST 31, 2011

	Advance Acquisition	Cable Access Television	Lincoln City Libraries	Lincoln/ Lancaster Co. Health	Social Security	Police & Fire Pension Contributions	StarTran
ASSETS							
Cash and Cash Equivalents	$ 161,059	111,141	424,453	195,273	180,102	-	525,390
Investments	844,676	581,822	2,191,433	824,002	948,046	-	658,611
Receivables, (Net of Allowance for Uncollectibles):							
Taxes	-	-	674,881	-	237,030	434,030	-
Accounts	-	-	850	18,101	-	-	19,427
Accrued Interest	3,167	2,593	6,870	2,993	4,073	-	2,774
Loans	-	-	-	-	-	-	-
Due from Other Funds	35,530	24,484	92,167	34,609	39,886	-	28,029
Due from Other Governments	-	-	286	345,732	101	-	122,887
Inventories	-	-	-	-	-	-	488,615
Prepaid Items	-	-	-	-	-	-	6,500
Total Assets	1,044,432	720,040	3,390,940	1,420,710	1,409,238	434,030	1,852,233
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts Payable	-	261	114,291	165,068	-	-	210,265
Accrued Liabilities	-	1,005	172,511	252,507	182,665	324,229	202,899
Due to Other Funds	-	-	1,167	46,780	-	-	26,383
Due to Other Governments	39	-	118	300	-	-	345
Unearned Revenue	-	73,902	-	-	-	-	47,552
Deferred Revenue	-	-	180,780	356,339	61,098	109,801	180
Total Liabilities	39	75,168	468,867	820,994	243,763	434,030	487,624
Fund Balances (Deficits):							
Nonspendable	-	-	-	-	-	-	495,115
Restricted	1,028,338	-	-	-	814,043	-	-
Committed	-	633,206	-	-	-	-	-
Assigned	16,055	11,666	2,922,073	599,716	351,432	-	869,494
Unassigned	-	-	-	-	-	-	-
Total Fund Balances (Deficits)	1,044,393	644,872	2,922,073	599,716	1,165,475	-	1,364,609
Total Liabilities and Fund Balances (Deficits)	$ 1,044,432	720,040	3,390,940	1,420,710	1,409,238	434,030	1,852,233

Keno	Federal Grants	Special Assessment	Building & Safety	Impact Fees	Parks & Recreation Special Projects	Seniors Foundation Of Lincoln & Lancaster County	Library Special Trust	RP Crawford Park	Total
290,232	720,687	838	464,107	922,525	180,693	9,519	24,765	342	4,211,126
1,529,868	-	758,104	2,287,419	4,663,440	928,849	48,731	131,427	213,865	16,610,293
-	-	-	-	-	-	-	-	-	1,345,941
117,979	121,560	-	-	-	56	-	-	-	277,973
6,900	1,859	9,419	10,437	20,202	3,968	408	635	-	76,298
-	19,837,000	-	-	-	-	-	-	-	19,837,000
64,308	25,344	246	96,155	196,055	39,026	2,087	5,522	-	683,448
-	4,512,258	-	-	-	-	-	-	-	4,981,264
-	-	-	-	-	-	-	-	-	488,615
-	-	-	-	-	-	-	-	-	6,500
2,009,287	25,218,708	768,607	2,858,118	5,802,222	1,152,592	60,745	162,349	214,207	48,518,458
53,637	564,908	37,347	15,443	56	11,620	-	56	-	1,172,952
-	351,777	-	137,389	3,146	-	-	2,702	-	1,630,830
24,116	25,015	233,437	26,768	5,939,076	34,346	19	22	-	6,357,129
61,950	188,118	-	2,311	-	45	150	-	-	253,376
-	-	-	196,308	-	-	-	-	-	317,762
-	1,977,104	-	-	-	-	-	-	-	2,685,302
139,703	3,106,922	270,784	378,219	5,942,278	46,011	169	2,780	-	12,417,351
-	-	-	-	-	-	-	-	-	495,115
1,840,359	22,111,786	497,823	-	-	958,014	60,576	159,569	214,207	27,684,715
-	-	-	-	-	-	-	-	-	633,206
29,225	-	-	2,479,899	-	148,567	-	-	-	7,428,127
-	-	-	-	(140,056)	-	-	-	-	(140,056)
1,869,584	22,111,786	497,823	2,479,899	(140,056)	1,106,581	60,576	159,569	214,207	36,101,107
2,009,287	25,218,708	768,607	2,858,118	5,802,222	1,152,592	60,745	162,349	214,207	48,518,458

CITY OF LINCOLN, NEBRASKA
SUBCOMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED AUGUST 31, 2011

	Advance Acquisition	Cable Access Television	Lincoln City Libraries	Lincoln/ Lancaster Co. Health	Social Security	Police & Fire Pension Contributions	StarTran
Revenues:							
Real Property and Personal Property Tax	$ -	-	6,202,035	-	2,188,594	3,943,815	-
Sundry and In Lieu Tax	-	-	4,632	-	1,634	2,571	-
Special Assessment	-	-	-	707	-	-	-
Intergovernmental	-	-	623,091	2,685,007	-	-	7,138,255
Permits and Fees	-	276,782	419,335	3,460,139	-	-	1,488,554
Reimbursement for Services	-	-	-	541,588	-	-	130,549
Program Income	-	-	-	-	-	-	-
Investment Earnings	(1,476)	21	(9,957)	8,502	(2,723)	-	(8,249)
Donations	-	-	-	-	-	-	-
Keno Proceeds	-	-	-	-	-	-	-
Private Sector Share of Projects	-	-	-	-	-	-	-
Miscellaneous	-	-	36,575	5,887	-	-	93,554
Total Revenues	(1,476)	276,803	7,275,711	6,701,830	2,187,505	3,946,386	8,842,663
Expenditures -- Current:							
General Government	1,296	107,952	-	-	2,334,342	3,946,386	-
Public Safety	-	-	-	-	-	-	-
Streets and Highways	-	-	-	-	-	-	-
Culture and Recreation	-	-	7,796,523	-	-	-	-
Economic Opportunity	-	-	-	-	-	-	-
Health and Welfare	-	-	-	12,315,667	-	-	-
Mass Transit	-	-	-	-	-	-	14,919,911
Total Expenditures	1,296	107,952	7,796,523	12,315,667	2,334,342	3,946,386	14,919,911
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,772)	168,851	(520,812)	(5,613,837)	(146,837)	-	(6,077,248)
Other Financing Sources (Uses):							
Transfers In	-	-	177,962	5,613,935	-	-	5,334,608
Transfers Out	-	-	(2,463)	(11,801)	-	-	(11,267)
Issuance of Refunding Debt	-	-	-	250,000	-	-	-
Sale of Capital Assets	29,908	-	-	-	-	-	67,829
Total Other Financing Sources (Uses)	29,908	-	175,499	5,852,134	-	-	5,391,170
Net Change In Fund Balances	27,136	168,851	(345,313)	238,297	(146,837)	-	(686,078)
Fund Balances (Deficits) - Beginning	1,017,257	476,021	3,267,386	361,419	1,312,312	-	2,050,687
Fund Balances (Deficits) - Ending	$ 1,044,393	644,872	2,922,073	599,716	1,165,475	-	1,364,609

Keno	Federal Grants	Special Assessment	Building & Safety	Impact Fees	Parks & Recreation Special Projects	Seniors Foundation Of Lincoln & Lancaster County	Library Special Trust	RP Crawford Park	Total
-	-	-	-	-	-	-	-	-	12,334,444
-	-	-	-	-	-	-	-	-	8,837
-	-	1,032,047	-	-	-	-	-	-	1,032,754
-	24,013,226	-	-	-	-	-	-	-	34,459,579
-	1,135,858	-	3,950,507	76,166	-	-	-	-	10,807,341
-	401,733	-	112,361	-	143,269	-	-	-	1,329,500
-	273,633	-	-	-	-	-	-	-	273,633
1,881	5,870	2,557	2,603	(10,101)	2,289	(78)	441	101,169	92,749
-	210,973	-	-	-	115,554	10,479	72,695	-	409,701
3,321,506	-	-	-	-	-	-	-	-	3,321,506
-	18,692	-	-	-	81,940	-	-	-	100,632
-	3,683	-	6,408	-	47,839	108	-	-	194,054
3,323,387	26,063,668	1,034,604	4,071,879	66,065	390,891	10,509	73,136	101,169	64,364,730
1,257,886	1,102,199	743,682	-	104,313	-	-	-	-	9,598,056
-	4,178,659	-	5,227,112	-	-	-	-	-	9,405,771
-	2,392	-	-	-	-	-	-	-	2,392
536,884	1,400,482	-	-	-	310,340	-	91,726	-	10,135,955
-	11,344,138	-	-	-	-	66,130	-	-	11,410,268
-	7,379,573	-	-	-	-	-	-	-	19,695,240
-	168,972	-	-	-	-	-	-	-	15,088,883
1,794,770	25,576,415	743,682	5,227,112	104,313	310,340	66,130	91,726	-	75,336,565
1,528,617	487,253	290,922	(1,155,233)	(38,248)	80,551	(55,621)	(18,590)	101,169	(10,971,835)
-	606,185	1,127,993	992,514	-	37,411	-	-	-	13,890,608
(1,856,500)	(660,328)	(4,194,271)	(19,665)	-	-	-	-	-	(6,756,295)
-	-	-	-	-	-	-	-	-	250,000
-	2,631	-	5,350	-	-	-	-	-	105,718
(1,856,500)	(51,512)	(3,066,278)	978,199	-	37,411	-	-	-	7,490,031
(327,883)	435,741	(2,775,356)	(177,034)	(38,248)	117,962	(55,621)	(18,590)	101,169	(3,481,804)
2,197,467	21,676,045	3,273,179	2,656,933	(101,808)	988,619	116,197	178,159	113,038	39,582,911
1,869,584	22,111,786	497,823	2,479,899	(140,056)	1,106,581	60,576	159,569	214,207	36,101,107

Debt Service Funds are established to account for the resources for, and the payment of, general long-term debt principal, interest, and related costs.

Tax Allocation Projects Debt Service Fund - To accumulate resources for payment of principal and interest on the various outstanding tax allocation bonds. Resources are derived from additional taxes generated by the specific properties upon completion of the Redevelopment Projects.

Bond Interest & Redemption Fund - To accumulate resources derived from an annual tax levy for payment of principal and interest on several general obligation bond issues and capital leases outstanding as follows:

1999A Various Purpose Bonds
1999B Various Purpose Bonds
2002 Storm Sewer and Drainage System Bonds
2003 Various Purpose Bonds
2004 Certificates of Participation – Fire & 911
2005 Storm Sewer Refunding Bonds
2005 Storm Sewer Construction Bonds
2005 Certificates of Participation – Street Lights
2006 Certificates of Participation – Street Lights
2007 Certificates of Participation – Street Lights
2007 Stormwater Drainage and Flood Management System Bonds
2008 Certificates of Participation – Street Lights & AV Parks
2009 Certificates of Participation – Street Lights
2010 Certificates of Participation – Street Lights & Emergency Equipment
2010B Certificates of Participation – Municipal Services Center
2011 Refunding Certificates of Participation
2011 Stormwater Bonds
2011 General Obligation Refunding Bonds

Tax Supported Bonds Fund – includes bonded debt funds as follows:

Antelope Valley Debt Fund – To accumulate resources for payment of principal and interest on the Tax Supported Antelope Valley Project Bonds, Series 2002. The bonds are payable from amounts received from the State of Nebraska City of the Primary Class Development Fund, established pursuant to Chapter 19, article 1, Reissue Revised Statutes of Nebraska, which provides annual appropriations from an imposed cigarette tax, and from the sales tax receipts of the City pledged to the payment of the bonds as needed.

Highway User Allocation Debt Fund - To accumulate resources for payment of principal and interest on the Highway User Allocation Bonds, Series 2004 and Series 2006. For the prompt payment of principal of and interest on the bonds, the City has pledged funds received and to be received by the City from the State Highway Allocation Fund as authorized under Section 66-4,101, Reissue Revised Statutes of Nebraska, as amended.

Special Assessment Fund – To accumulate resources for payment of principal and interest on special assessment bond issues. Income is derived from special assessment tax collections, interest on special assessment taxes and interest from investments.

CITY OF LINCOLN, NEBRASKA
SUBCOMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
AUGUST 31, 2011

	Tax Allocation Projects Debt Service	Bond Interest & Redemption	Tax Supported Bonds	Special Assessment	Total
ASSETS					
Cash and Cash Equivalents	$ 1,540,935	345,565	261,688	-	2,148,188
Investments	8,129,271	1,816,350	2,500,721	-	12,446,342
Receivables (Net of Allowance for Uncollectibles):					
Taxes	245,703	585,160	-	-	830,863
Accrued Interest	34,176	6,333	29,912	-	70,421
Special Assessment	-	-	-	1,240,263	1,240,263
Due from Other Funds	341,608	76,397	57,988	-	475,993
Due from Other Governments	-	244	166,666	-	166,910
Total Assets	10,291,693	2,830,049	3,016,975	1,240,263	17,378,980
LIABILITIES AND FUND BALANCES					
Liabilities:					
Deferred Revenue	-	163,641	-	1,154,928	1,318,569
Fund Balances:					
Restricted	10,291,693	2,666,408	3,016,975	85,335	16,060,411
Total Liabilities and Fund Balances	$ 10,291,693	2,830,049	3,016,975	1,240,263	17,378,980

CITY OF LINCOLN, NEBRASKA
SUBCOMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED AUGUST 31, 2011

	Tax Allocation Projects Debt Service	Bond Interest & Redemption	Tax Supported Bonds	Special Assessment	Total
Revenues:					
Real Property and Personal Property Tax	$ 2,321,381	5,300,274	-	-	7,621,655
Sundry and In Lieu Tax	-	3,959	-	-	3,959
Special Assessment	-	-	-	85,335	85,335
Intergovernmental	-	111,891	1,000,000	-	1,111,891
Investment Earnings	13,083	(8,981)	74,652	-	78,754
Miscellaneous	4,335	-	-	-	4,335
Total Revenues	2,338,799	5,407,143	1,074,652	85,335	8,905,929
Expenditures -- Debt Service:					
Principal Retirement	1,002,978	2,720,000	3,135,000	-	6,857,978
Interest	604,096	1,753,957	2,789,787	-	5,147,840
Fiscal Charges	1,448	2,898	1,874	-	6,220
Capital Lease Principal	-	2,799,564	-	-	2,799,564
Capital Lease Interest	-	522,519	-	-	522,519
Bond Issuance Expense	-	196,030	-	-	196,030
Miscellaneous	95,343	5,740	-	-	101,083
Total Expenditures	1,703,865	8,000,708	5,926,661	-	15,631,234
Excess (Deficiency) of Revenues Over (Under) Expenditures	634,934	(2,593,565)	(4,852,009)	85,335	(6,725,305)
Other Financing Sources (Uses):					
Transfers In	120,556	3,322,083	4,940,556	-	8,383,195
Transfers Out	(259,610)	-	-	-	(259,610)
Issuance of Refunding Debt	-	19,290,000	-	-	19,290,000
Premium on Debt Issued	-	946,484	-	-	946,484
Transfer to Bond Refunding Agent	-	(21,746,822)	-	-	(21,746,822)
Total Other Financing Sources (Uses)	(139,054)	1,811,745	4,940,556	-	6,613,247
Net Change in Fund Balances	495,880	(781,820)	88,547	85,335	(112,058)
Fund Balances - Beginning	9,795,813	3,448,228	2,928,428	-	16,172,469
Fund Balances - Ending	$ 10,291,693	2,666,408	3,016,975	85,335	16,060,411

Capital Projects Funds are established to account for all resources received and used for the acquisition or development of major capital improvements (other than those financed by proprietary funds and trust funds).

Storm Sewer Construction Fund - To account for the cost of improving and extending storm sewers. Financing is provided through property tax revenue and through Natural Resource Districts for their share of projects.

Vehicle Tax Fund - To account for monies derived from the payment of wheel tax which is to be used for street improvements in the City.

Storm Sewer Bonds Fund - To account for the cost of providing improvements and extensions to the City's storm water sewer and drainage system. Financing is to be provided by a combination of general obligation bond issue proceeds, tax increment financing and reimbursement funds from the Federal Emergency Management Agency.

1999 G.O. Various Purpose Bonds Fund - To account for the cost of financing, acquiring, and improving interactive recreational facilities for children and families, referred to as the Children's Museum; financing the construction and equipping of two new park and recreational facilities; and financing construction and equipping of two public libraries and necessary site improvements.

Other Capital Projects Fund - To account for the cost of acquiring or improving various general fixed assets. Financing is provided from a variety of sources, such as General fund appropriations, revenue sharing, federal/state grants, bond proceeds, etc.

Special Assessment Fund - To account for the cost of capital improvements to be assessed against benefited properties. Resources are derived from fund transfers from the Special Revenue fund type and interest on investments.

CITY OF LINCOLN, NEBRASKA
SUBCOMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
AUGUST 31, 2011

	Storm Sewer Construction	Vehicle Tax	Storm Sewer Bonds	1999 G.O. Various Purpose Bonds	Other Capital Projects	Special Assessment	Total
ASSETS							
Cash and Cash Equivalents	$ 146,245	243,733	1,436,947	13,352	156,955	-	1,997,232
Investments	-	1,280,305	7,569,599	66,452	826,956	-	9,743,312
Accounts Receivable	-	-	-	-	717,190	-	717,190
Accrued Interest Receivable	-	32,347	34,916	295	6,741	-	74,299
Due from Other Funds	-	53,815	318,229	2,822	1,300,042	233,220	1,908,128
Due from Other Governments	-	1,051,635	-	-	-	-	1,051,635
Total Assets	146,245	2,661,835	9,359,691	82,921	3,007,884	233,220	15,491,796
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts Payable	-	-	258,123	21,226	93,940	213,303	586,592
Contracts Payable	-	-	-	-	197,940	-	197,940
Retainages Payable	-	-	-	-	115,567	10,512	126,079
Due to Other Funds	-	-	6,422	-	-	9,405	15,827
Deferred Revenue	-	-	-	-	608,960	-	608,960
Total Liabilities	-	-	264,545	21,226	1,016,407	233,220	1,535,398
Fund Balances:							
Restricted	-	2,661,835	9,095,146	-	1,991,477	-	13,748,458
Assigned	146,245	-	-	61,695	-	-	207,940
Total Fund Balances	146,245	2,661,835	9,095,146	61,695	1,991,477	-	13,956,398
Total Liabilities and Fund Balances	$ 146,245	2,661,835	9,359,691	82,921	3,007,884	233,220	15,491,796

CITY OF LINCOLN, NEBRASKA
SUBCOMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED AUGUST 31, 2011

	Storm Sewer Construction	Vehicle Tax	Storm Sewer Bonds	1999 G.O. Various Purpose Bonds	Other Capital Projects	Special Assessment	Total
Revenues:							
Wheel Tax	$ -	10,917,272	-	-	-	-	10,917,272
Intergovernmental	-	-	30,053	-	194,698	-	224,751
Permits and Fees	-	-	-	-	149,390	-	149,390
Investment Earnings	-	38,383	61,015	(37)	4,831	-	104,192
Donations	-	-	-	-	839,070	-	839,070
Rental Income	-	-	-	-	4,483	-	4,483
Developer's Share	-	-	241,500	-	852,000	-	1,093,500
Miscellaneous	-	-	10,000	-	297,318	-	307,318
Total Revenues	-	10,955,655	342,568	(37)	2,341,790	-	13,639,976
Expenditures -- Capital Outlay:							
General Government	-	-	-	-	94,564	-	94,564
Streets and Highways	-	-	2,245,304	-	12,164	1,506,861	3,764,329
Culture and Recreation	-	-	-	38,351	2,856,874	-	2,895,225
Economic Opportunity	-	-	-	-	1,389,241	-	1,389,241
Equipment Maintenance	-	-	-	-	17,186	-	17,186
Total Expenditures	-	-	2,245,304	38,351	4,370,029	1,506,861	8,160,545
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	10,955,655	(1,902,736)	(38,388)	(2,028,239)	(1,506,861)	5,479,431
Other Financing Sources (Uses):							
Transfers In	-	-	-	-	2,257,206	435,929	2,693,135
Transfers Out	-	(11,028,400)	(411,485)	-	(221,615)	(1,127,993)	(12,789,493)
Issuance of Debt	-	-	8,200,000	-	263,000	1,200,000	9,663,000
Premium on Debt Issued	-	-	145,303	-	-	-	145,303
Sale of Capital Assets	-	-	-	-	100	-	100
Total Other Financing Sources (Uses)	-	(11,028,400)	7,933,818	-	2,298,691	507,936	(287,955)
Net Change in Fund Balances	-	(72,745)	6,031,082	(38,388)	270,452	(998,925)	5,191,476
Fund Balances - Beginning	146,245	2,734,580	3,064,064	100,083	1,721,025	998,925	8,764,922
Fund Balances - Ending	$ 146,245	2,661,835	9,095,146	61,695	1,991,477	-	13,956,398

Permanent funds are established to account for resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the City's programs.

Community Health Permanent Endowment Fund – To account for the cash proceeds realized by the City from the sale of Lincoln General Hospital, together with any interest or other investment earnings. Monies in the fund are used for funding health and health-related programs that further the health, safety, or welfare of the citizens of Lincoln.

J.J. Hompes Fund - To account for the receipt of investment earnings to be used to buy books as stipulated by the trust agreement.

CITY OF LINCOLN, NEBRASKA
SUBCOMBINING BALANCE SHEET
NONMAJOR PERMANENT FUNDS
AUGUST 31, 2011

	Community Health Permanent Endowment	J.J. Hompes	Total
ASSETS			
Cash and Cash Equivalents	$ 171,366	28,808	200,174
Investments	56,364,620	619,819	56,984,439
Accrued Interest Receivable	1,452	136	1,588
Due from Other Funds	35,775	1,473	37,248
Total Assets	56,573,213	650,236	57,223,449
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	114,689	14,450	129,139
Accrued Liabilities	9,193	-	9,193
Due to Other Funds	371,999	-	371,999
Total Liabilities	495,881	14,450	510,331
Fund Balances:			
Nonspendable	37,000,000	160,000	37,160,000
Restricted	19,077,332	475,786	19,553,118
Total Fund Balances	56,077,332	635,786	56,713,118
Total Liabilities and Fund Balances	$ 56,573,213	650,236	57,223,449

CITY OF LINCOLN, NEBRASKA
SUBCOMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR PERMANENT FUNDS
FOR THE YEAR ENDED AUGUST 31, 2011

	Community Health Permanent Endowment	J.J. Hompes	Total
Revenues:			
Investment Earnings	$ 5,011,504	65,286	5,076,790
Donations	10,500	-	10,500
Miscellaneous	89,119	-	89,119
Total Revenues	5,111,123	65,286	5,176,409
Expenditures -- Current:			
Culture and Recreation	-	29,731	29,731
Health and Welfare	2,104,761	-	2,104,761
Total Expenditures	2,104,761	29,731	2,134,492
Excess of Revenues Over Expenditures	3,006,362	35,555	3,041,917
Fund Balances - Beginning	53,070,970	600,231	53,671,201
Fund Balances - Ending	$ 56,077,332	635,786	56,713,118

CITY OF LINCOLN, NEBRASKA
CABLE ACCESS TELEVISION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FOR THE YEAR ENDED AUGUST 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Permits and Fees	$ 66,385	66,385	276,782	210,397
Investment Earnings	-	-	1,583	1,583
Total Revenues	66,385	66,385	278,365	211,980
Expenditures -- General Government:				
Personal Services	33,765	33,765	33,638	127
Materials and Supplies	1,100	1,100	1,121	(21)
Other Services and Charges	30,520	30,520	37,668	(7,148)
Capital Outlay	1,000	1,000	35,869	(34,869)
Total Expenditures	66,385	66,385	108,296	(41,911)
Excess of Revenues Over Expenditures	-	-	170,069	170,069
Fund Balances - Beginning	473,181	473,181	473,181	-
Fund Balances - Ending	$ 473,181	473,181	643,250	170,069

CITY OF LINCOLN, NEBRASKA
LINCOLN CITY LIBRARIES FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FOR THE YEAR ENDED AUGUST 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Real Property and Personal Property Tax	$ 5,695,052	5,695,052	6,219,621	524,569
Intergovernmental	623,114	623,114	623,091	(23)
Permits and Fees	460,000	460,000	422,854	(37,146)
Investment Earnings	42,000	42,000	(7,205)	(49,205)
Miscellaneous	31,185	31,185	36,725	5,540
Total Revenues	6,851,351	6,851,351	7,295,086	443,735
Expenditures -- Culture and Recreation:				
Personal Services	5,373,605	5,551,567	5,551,756	(189)
Materials and Supplies	171,784	171,784	152,379	19,405
Other Services and Charges	1,457,101	1,457,101	1,165,713	291,388
Capital Outlay	833,290	833,290	835,195	(1,905)
Total Expenditures	7,835,780	8,013,742	7,705,043	308,699
Deficiency of Revenues Under Expenditures	(984,429)	(1,162,391)	(409,957)	752,434
Other Financing Sources (Uses):				
Transfers In	-	-	177,962	177,962
Transfers Out	-	-	(2,463)	(2,463)
Total Other Financing Sources (Uses)	-	-	175,499	175,499
Net Change in Fund Balances	(984,429)	(1,162,391)	(234,458)	927,933
Fund Balances - Beginning	3,283,229	3,283,229	3,283,229	-
Fund Balances - Ending	$ 2,298,800	2,120,838	3,048,771	927,933

CITY OF LINCOLN, NEBRASKA
LINCOLN/LANCASTER COUNTY HEALTH FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FOR THE YEAR ENDED AUGUST 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Special Assessment	$ -	-	707	707
Intergovernmental	2,686,001	2,686,001	2,685,007	(994)
Permits and Fees	3,727,504	3,727,504	3,450,278	(277,226)
Reimbursement for Services	230,000	230,000	541,309	311,309
Investment Earnings	-	-	7,532	7,532
Miscellaneous	-	-	4,239	4,239
Total Revenues	6,643,505	6,643,505	6,689,072	45,567
Expenditures -- Health and Welfare:				
Personal Services	8,286,114	8,364,575	8,077,938	286,637
Materials and Supplies	272,853	272,853	286,131	(13,278)
Other Services and Charges	3,819,059	3,859,059	3,857,291	1,768
Capital Outlay	4,271	66,008	27,260	38,748
Total Expenditures	12,382,297	12,562,495	12,248,620	313,875
Deficiency of Revenues Under Expenditures	(5,738,792)	(5,918,990)	(5,559,548)	359,442
Other Financing Sources (Uses):				
Transfers In	5,572,679	5,572,679	5,613,935	41,256
Transfers Out	-	-	(11,801)	(11,801)
Proceeds from Issuance of Debt	-	-	250,000	250,000
Total Other Financing Sources (Uses)	5,572,679	5,572,679	5,852,134	279,455
Net Change in Fund Balances	(166,113)	(346,311)	292,586	638,897
Fund Balances - Beginning	751,951	751,951	751,951	-
Fund Balances - Ending	$ 585,838	405,640	1,044,537	638,897

CITY OF LINCOLN, NEBRASKA
SOCIAL SECURITY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FOR THE YEAR ENDED AUGUST 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Real Property and Personal Property Tax	$ 2,016,894	2,016,894	2,137,561	120,667
Investment Earnings	25,000	25,000	636	(24,364)
Total Revenues	2,041,894	2,041,894	2,138,197	96,303
Expenditures -- General Government:				
Personal Services	2,235,357	2,239,106	2,152,787	86,319
Other Services and Charges	120,412	120,412	114,007	6,405
Total Expenditures	2,355,769	2,359,518	2,266,794	92,724
Deficiency of Revenues Under Expenditures	(313,875)	(317,624)	(128,597)	189,027
Fund Balances - Beginning	1,584,430	1,584,430	1,584,430	-
Fund Balances - Ending	$ 1,270,555	1,266,806	1,455,833	189,027

CITY OF LINCOLN, NEBRASKA
STARTRAN FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FOR THE YEAR ENDED AUGUST 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Intergovernmental	$ 2,757,670	2,757,670	2,604,158	(153,512)
Permits and Fees	1,627,022	1,627,022	1,381,191	(245,831)
Reimbursement for Services	-	-	130,549	130,549
Investment Earnings	-	-	(8,014)	(8,014)
Miscellaneous	-	-	88,147	88,147
Total Revenues	4,384,692	4,384,692	4,196,031	(188,661)
Expenditures -- Mass Transit:				
Personal Services	7,002,323	7,006,275	6,989,779	16,496
Materials and Supplies	1,447,734	1,447,734	1,459,254	(11,520)
Other Services and Charges	1,277,032	1,298,722	1,279,161	19,561
Total Expenditures	9,727,089	9,752,731	9,728,194	24,537
Deficiency of Revenues Under Expenditures	(5,342,397)	(5,368,039)	(5,532,163)	(164,124)
Other Financing Sources (Uses):				
Transfers In	5,280,123	5,280,123	5,334,608	54,485
Transfers Out	-	-	(11,267)	(11,267)
Sale of Capital Assets	-	-	677	677
Total Other Financing Sources (Uses)	5,280,123	5,280,123	5,324,018	43,895
Net Change in Fund Balances	(62,274)	(87,916)	(208,145)	(120,229)
Amount Budgeted on Project Basis	(505,798)	(505,798)	(505,798)	-
Fund Balances - Beginning	1,948,339	1,948,339	1,948,339	-
Fund Balances - Ending	$ 1,380,267	1,354,625	1,234,396	(120,229)

CITY OF LINCOLN, NEBRASKA
KENO FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FOR THE YEAR ENDED AUGUST 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Investment Earnings	$ -	-	6,060	6,060
Keno Proceeds	3,556,157	3,556,157	3,329,254	(226,903)
Total Revenues	3,556,157	3,556,157	3,335,314	(220,843)
Expenditures:				
General Government:				
Other Services and Charges	1,206,297	1,206,297	1,260,143	(53,846)
Culture and Recreation:				
Materials and Supplies	-	-	84	(84)
Other Services and Charges	51,334	51,334	-	51,334
Capital Outlay	33,890	537,951	517,553	20,398
Total Expenditures	1,291,521	1,795,582	1,777,780	17,802
Excess of Revenues Over Expenditures	2,264,636	1,760,575	1,557,534	(203,041)
Other Financing Uses:				
Transfers Out	(2,883,484)	(1,676,475)	(1,857,681)	(181,206)
Net Change in Fund Balances	(618,848)	84,100	(300,147)	(384,247)
Fund Balances - Beginning	2,466,095	2,466,095	2,466,095	-
Fund Balances - Ending	$ 1,847,247	2,550,195	2,165,948	(384,247)

CITY OF LINCOLN, NEBRASKA
FEDERAL GRANTS FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FOR THE YEAR ENDED AUGUST 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Intergovernmental	$ 23,630,292	23,630,292	24,329,846	699,554
Permits and Fees	1,117,162	1,117,162	1,117,162	-
Reimbursement for Services	421,111	421,111	380,639	(40,472)
Program Income	1,218,715	1,218,715	1,353,633	134,918
Investment Earnings	6,843	6,843	6,913	70
Donations	206,971	206,971	206,971	-
Private Sector Share of Project	18,692	18,692	18,692	-
Miscellaneous	3,669	3,669	3,669	-
Total Revenues	26,623,455	26,623,455	27,417,525	794,070
Expenditures:				
General Government:				
Personal Services	166,906	166,906	166,906	-
Materials and Supplies	258,100	258,100	258,100	-
Other Services and Charges	655,429	655,429	655,429	-
Capital Outlay	1,102	1,102	1,102	-
Total General Government	1,081,537	1,081,537	1,081,537	-
Public Safety:				
Personal Services	1,517,754	1,517,754	1,517,754	-
Materials and Supplies	261,363	261,363	261,363	-
Other Services and Charges	1,179,438	1,179,438	1,179,438	-
Capital Outlay	1,260,596	1,260,596	1,260,596	-
Total Public Safety	4,219,151	4,219,151	4,219,151	-
Streets and Highways:				
Other Services And Charges	2,370	2,370	2,370	-
Culture and Recreation:				
Personal Services	1,048,613	1,048,613	1,048,613	-
Materials and Supplies	33,948	33,948	33,948	-
Other Services and Charges	202,102	202,102	202,102	-
Capital Outlay	52,864	52,864	52,864	-
Total Culture and Recreation	1,337,527	1,337,527	1,337,527	-
Economic Opportunity:				
Personal Services	4,521,858	4,521,858	4,570,870	(49,012)
Materials and Supplies	170,466	170,466	167,602	2,864
Other Services and Charges	1,990,587	2,519,593	2,215,725	303,868
Capital Outlay	701,277	1,851,985	831,694	1,020,291
Loans and Grants	4,703,126	5,625,135	5,205,362	419,773
Total Economic Opportunity	12,087,314	14,689,037	12,991,253	1,697,784

(Continued)

(Federal Grants Fund, Continued)

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Health and Welfare:				
Personal Services	3,955,245	3,955,245	3,955,245	-
Materials and Supplies	678,739	678,739	678,739	-
Other Services and Charges	3,171,263	3,171,263	3,171,263	-
Capital Outlay	152,859	152,859	152,859	-
Loans and Grants	55,677	55,677	55,677	-
Total Health and Welfare	8,013,783	8,013,783	8,013,783	-
Mass Transit:				
Personal Services	161,546	161,546	161,546	-
Materials and Supplies	113	113	113	-
Other Services and Charges	3,624	3,624	3,624	-
Total Mass Transit	165,283	165,283	165,283	-
Total Expenditures	26,906,965	29,508,688	27,810,904	1,697,784
Deficiency of Revenues Under Expenditures	(283,510)	(2,885,233)	(393,379)	2,491,854
Other Financing Sources (Uses):				
Transfers In	605,509	605,509	606,185	676
Transfers Out	(660,328)	(660,328)	(660,328)	-
Sale of Assets	2,631	2,631	2,631	-
Total Other Financing Sources (Uses)	(52,188)	(52,188)	(51,512)	676
Net Change in Fund Balances	(335,698)	(2,937,421)	(444,891)	2,492,530
Fund Balances - Beginning	273,910	273,910	273,910	-
Fund Deficits - Ending	$ (61,788)	(2,663,511)	(170,981)	2,492,530

CITY OF LINCOLN, NEBRASKA
BUILDING & SAFETY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FOR THE YEAR ENDED AUGUST 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Permits and Fees	$ 4,709,614	4,709,614	3,931,241	(778,373)
Reimbursement for Services	-	-	112,061	112,061
Investment Earnings	-	-	7,919	7,919
Miscellaneous	-	-	6,713	6,713
Total Revenues	4,709,614	4,709,614	4,057,934	(651,680)
Expenditures -- Public Safety:				
Personal Services	4,678,423	4,709,611	4,391,456	318,155
Materials and Supplies	77,541	77,541	38,852	38,689
Other Services and Charges	1,037,524	1,037,524	725,099	312,425
Capital Outlay	94,925	94,925	2,519	92,406
Total Expenditures	5,888,413	5,919,601	5,157,926	761,675
Deficiency of Revenues Under Expenditures	(1,178,799)	(1,209,987)	(1,099,992)	109,995
Other Financing Sources (Uses):				
Transfers In	961,326	961,326	992,514	31,188
Transfers Out	(20,000)	(20,000)	(19,665)	335
Sale of Capital Assets	-	-	5,350	5,350
Total Other Financing Sources (Uses)	941,326	941,326	978,199	36,873
Net Change in Fund Balances	(237,473)	(268,661)	(121,793)	146,868
Fund Balances - Beginning	2,815,524	2,815,524	2,815,524	-
Fund Balances - Ending	$ 2,578,051	2,546,863	2,693,731	146,868

CITY OF LINCOLN, NEBRASKA
LIBRARY SPECIAL TRUST FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FOR THE YEAR ENDED AUGUST 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Investment Earnings	$ -	-	741	741
Donations	91,585	91,585	72,695	(18,890)
Total Revenues	91,585	91,585	73,436	(18,149)
Expenditures -- Culture and Recreation:				
Personal Services	81,335	81,335	81,152	183
Other Services and Charges	250	250	85	165
Capital Outlay	10,000	10,000	9,992	8
Total Expenditures	91,585	91,585	91,229	356
Deficiency of Revenues Under Expenditures	-	-	(17,793)	(17,793)
Amount Not Required to be Budgeted	72	72	72	-
Fund Balances - Beginning	180,277	180,277	180,277	-
Fund Balances - Ending	$ 180,349	180,349	162,556	(17,793)

CITY OF LINCOLN, NEBRASKA
TAX ALLOCATION PROJECTS DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FOR THE YEAR ENDED AUGUST 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Real Property and Personal Property Tax	$ 1,607,076	1,607,076	2,292,626	685,550
Investment Earnings	-	-	21,791	21,791
Miscellaneous	-	-	4,335	4,335
Total Revenues	1,607,076	1,607,076	2,318,752	711,676
Expenditures -- Debt Service:				
Principal Retirement	1,002,978	1,002,978	1,002,978	-
Interest	604,098	604,098	604,096	2
Fiscal Charges	-	-	1,448	(1,448)
Miscellaneous	-	-	95,343	(95,343)
Total Expenditures	1,607,076	1,607,076	1,703,865	(96,789)
Excess of Revenues Over Expenditures	-	-	614,887	614,887
Other Financing Sources (Uses):				
Transfers In	-	-	120,556	120,556
Transfers Out	-	-	(259,610)	(259,610)
Total Other Financing Sources (Uses)	-	-	(139,054)	(139,054)
Net Change in Fund Balances	-	-	475,833	475,833
Fund Balances - Beginning	9,230,719	9,230,719	9,230,719	-
Fund Balances - Ending	$ 9,230,719	9,230,719	9,706,552	475,833

CITY OF LINCOLN, NEBRASKA
BOND INTEREST & REDEMPTION DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FOR THE YEAR ENDED AUGUST 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Real Property and Personal Property Tax	$ 4,858,236	4,858,236	5,337,610	479,374
Sundry and In Lieu Tax	4,325	4,325	4,867	542
Intergovernmental	111,891	111,891	111,891	-
Investment Earnings	45,000	45,000	121	(44,879)
Total Revenues	5,019,452	5,019,452	5,454,489	435,037
Expenditures -- Debt Service:				
Principal Retirement	3,835,000	3,835,000	2,720,000	1,115,000
Interest	2,034,950	2,034,950	1,753,957	280,993
Fiscal Charges	-	-	2,898	(2,898)
Capital Lease Principal	-	-	2,799,564	(2,799,564)
Capital Lease Interest	-	-	522,519	(522,519)
Bond Issuance Expense	-	-	196,030	(196,030)
Miscellaneous	-	-	5,740	(5,740)
Total Expenditures	5,869,950	5,869,950	8,000,708	(2,130,758)
Deficiency of Revenues Under Expenditures	(850,498)	(850,498)	(2,546,219)	(1,695,721)
Other Financing Sources:				
Transfers In	-	-	3,322,083	3,322,083
Issuance of Debt	-	-	19,290,000	19,290,000
Premium on Debt Issued	-	-	946,484	946,484
Transfter to Bond Refunding Agent	-	-	(21,746,822)	(21,746,822)
Total Other Financing Sources (Uses)	-	-	1,811,745	1,811,745
Net Change in Fund Balances	(850,498)	(850,498)	(734,474)	116,024
Fund Balances - Beginning	3,778,412	3,778,412	3,778,412	-
Fund Balances - Ending	$ 2,927,914	2,927,914	3,043,938	116,024

CITY OF LINCOLN, NEBRASKA
TAX SUPPORTED BONDS DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FOR THE YEAR ENDED AUGUST 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Intergovernmental	$ 984,250	984,250	1,000,000	15,750
Investment Earnings	-	-	76,116	76,116
Total Revenues	984,250	984,250	1,076,116	91,866
Expenditures -- Debt Service:				
Principal Retirement	3,135,000	3,135,000	3,135,000	-
Interest	2,789,850	2,789,850	2,789,787	63
Fiscal Charges	-	-	1,874	(1,874)
Total Expenditures	5,924,850	5,924,850	5,926,661	(1,811)
Deficiency of Revenues Under Expenditures	(4,940,600)	(4,940,600)	(4,850,545)	90,055
Other Financing Sources (Uses):				
Transfer In	4,940,600	4,940,600	4,940,556	(44)
Total Other Financing Sources (Uses)	4,940,600	4,940,600	4,940,556	(44)
Net Change in Fund Balances	-	-	90,011	90,011
Fund Balances - Beginning	2,728,908	2,728,908	2,728,908	-
Fund Balances - Ending	$ 2,728,908	2,728,908	2,818,919	90,011

CITY OF LINCOLN, NEBRASKA
COMMUNITY HEALTH PERMANENT ENDOWMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FOR THE YEAR ENDED AUGUST 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Investment Earnings	$ 2,207,374	2,207,374	5,024,332	2,816,958
Donations	-	-	10,500	10,500
Miscellaneous	-	-	89,119	89,119
Total Revenues	2,207,374	2,207,374	5,123,951	2,916,577
Expenditures -- Health and Welfare:				
Personal Services	302,806	223,789	291,073	(67,284)
Materials and Supplies	14,137	1,603	3,519	(1,916)
Other Services and Charges	140,431	302,909	47,154	255,755
Grants	4,164,908	2,886,527	1,327,332	1,559,195
Total Expenditures	4,622,282	3,414,828	1,669,078	1,745,750
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,414,908)	(1,207,454)	3,454,873	4,662,327
Fund Balances - Beginning	53,116,177	53,116,177	53,116,177	-
Fund Balances - Ending	$ 50,701,269	51,908,723	56,571,050	4,662,327

CITY OF LINCOLN, NEBRASKA
ATHLETIC FIELD & FACILITIES IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FOR THE YEAR ENDED AUGUST 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Reimbursement for Services	$ 498,800	498,800	460,762	(38,038)
Investment Earnings	-	-	2,964	2,964
Miscellaneous	-	-	53,051	53,051
Total Revenues	498,800	498,800	516,777	17,977
Other Financing Uses:				
Transfers Out	(941,175)	(941,175)	(225,635)	715,540
Net Change in Fund Balances	(442,375)	(442,375)	291,142	733,517
Fund Balances - Beginning	614,517	614,517	614,517	-
Fund Balances - Ending	$ 172,142	172,142	905,659	733,517

CITY OF LINCOLN, NEBRASKA
LINCOLN AREA AGENCY ON AGING FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FOR THE YEAR ENDED AUGUST 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Intergovernmental	$ 1,069,626	1,069,626	1,154,925	85,299
Permits and Fees	82,850	82,850	82,230	(620)
Reimbursement for Services	45,000	45,000	82,030	37,030
Client Contributions	171,510	171,510	155,642	(15,868)
Investment Earnings	-	-	2,731	2,731
Donations	123,020	123,020	1,418	(121,602)
Miscellaneous	-	-	30	30
Total Revenues	1,492,006	1,492,006	1,479,006	(13,000)
Expenditures -- Economic Opportunity:				
Personal Services	2,562,821	2,586,376	2,572,399	13,977
Materials and Supplies	260,041	262,941	234,545	28,396
Other Services and Charges	1,087,398	1,127,286	947,111	180,175
Capital Outlay	40,381	51,522	38,487	13,035
Total Expenditures	3,950,641	4,028,125	3,792,542	235,583
Deficiency of Revenues Under Expenditures	(2,458,635)	(2,536,119)	(2,313,536)	222,583
Other Financing Sources:				
Transfers In	2,264,263	2,264,263	2,279,417	15,154
Transfers Out	-	-	(3,850)	(3,850)
Total Other Financing Sources	2,264,263	2,264,263	2,275,567	11,304
Net Change in Fund Balances	(194,372)	(271,856)	(37,969)	233,887
Fund Balances - Beginning	407,130	407,130	407,130	-
Fund Balances - Ending	$ 212,758	135,274	369,161	233,887

CITY OF LINCOLN, NEBRASKA
911 COMMUNICATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FOR THE YEAR ENDED AUGUST 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Intergovernmental	$ 150,371	150,371	440,169	289,798
Permits and Fees	1,229,721	1,229,721	1,212,742	(16,979)
Reimbursement for Services	-	-	250	250
Investment Earnings	-	-	(2,058)	(2,058)
Miscellaneous	-	-	9,462	9,462
Total Revenues	1,380,092	1,380,092	1,660,565	280,473
Expenditures -- Public Safety:				
Personal Services	3,066,702	3,104,397	3,038,417	65,980
Materials and Supplies	20,600	21,398	26,181	(4,783)
Other Services and Charges	674,385	687,183	568,629	118,554
Capital Outlay	160,722	204,895	57,315	147,580
Total Expenditures	3,922,409	4,017,873	3,690,542	327,331
Deficiency of Revenues Under Expenditures	(2,542,317)	(2,637,781)	(2,029,977)	607,804
Other Financing Sources (Uses):				
Transfers In	2,421,415	2,421,415	2,421,415	-
Transfers Out	(853)	(853)	(2,478)	(1,625)
Transfer to Bond Refunding Agent	-	-	(7,296)	(7,296)
Total Other Financing Sources (Uses)	2,420,562	2,420,562	2,411,641	(8,921)
Net Change in Fund Balances	(121,755)	(217,219)	381,664	598,883
Fund Balances - Beginning	671,890	671,890	671,890	-
Fund Balances - Ending	$ 550,135	454,671	1,053,554	598,883

CITY OF LINCOLN, NEBRASKA
UNEMPLOYMENT COMPENSATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FOR THE YEAR ENDED AUGUST 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Investment Earnings	$ -	-	193	193
Expenditures -- General Government:				
Unemployment Insurance Payments	95,000	95,000	33,929	61,071
Deficiency of Revenues Under Expenditures	(95,000)	(95,000)	(33,736)	61,264
Fund Balances - Beginning	164,694	164,694	164,694	-
Fund Balances - Ending	$ 69,694	69,694	130,958	61,264

CITY OF LINCOLN, NEBRASKA
DEVELOPMENT SERVICES CENTER
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FOR THE YEAR ENDED AUGUST 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Investment Earnings	$ -	-	562	562
Expenditures -- Economic Opportunity:				
Materials and Supplies	-	-	1,311	(1,311)
Other Services and Charges	247,697	247,697	243,614	4,083
Capital Outlay	-	-	5,048	(5,048)
Total Expenditures	247,697	247,697	249,973	(2,276)
Deficiency of Revenues Under Expenditures	(247,697)	(247,697)	(249,411)	(1,714)
Other Financing Uses:				
Transfers In	-	-	226,760	226,760
Net Change in Fund Balances	(247,697)	(247,697)	(22,651)	225,046
Fund Balances - Beginning	256,285	256,285	256,285	-
Fund Balances - Ending	$ 8,588	8,588	233,634	225,046

Enterprise funds are established to account for operations that are financed and operated in a manner similar to private business enterprises where the costs of providing goods or services are recovered primarily through user charges and where periodic determination of net income is appropriate.

Parking Lot Revolving Fund - To account for the revenues and expenses of several City-owned parking lots.

Golf Fund - To account for the revenues and expenses of the four public adult golf courses and one youth golf course.

Parking Facilities Fund - To account for the revenues and expenses of seven downtown parking garages: Carriage Park, Que Place, Center Park, Cornhusker Square, University Square, Market Place, and Haymarket.

Pershing Municipal Auditorium Fund - To account for the revenues and expenses of the City-owned municipal auditorium.

Solid Waste Management Fund - To account for the revenues and expenses of the City-owned landfills.

Emergency Medical Services Fund - To account for the revenues and expenses of the City-operated emergency and non-emergency ambulance service.

CITY OF LINCOLN, NEBRASKA
COMBINING STATEMENT OF NET ASSETS
NONMAJOR ENTERPRISE FUNDS
AUGUST 31, 2011

	Parking Lot Revolving	Golf	Parking Facilities	Pershing Municipal Auditorium	Solid Waste Management	Emergency Medical Services	Total
ASSETS							
Current Assets:							
Cash and Cash Equivalents	$ 313,061	-	1,118,363	346,535	843,055	-	2,621,014
Investments	1,633,238	-	5,449,048	2,954	4,071,281	-	11,156,521
Restricted Cash and Cash Equivalents	-	-	181,964	-	-	-	181,964
Receivables (Net of Allowance for Uncollectibles)	6,207	-	727,131	38,561	1,309,134	1,204,005	3,285,038
Due from Other Funds	68,665	34,345	229,068	184	177,022	-	509,284
Due from Other Governments	-	-	-	-	4,305	-	4,305
Inventories	-	61,161	-	35,049	-	112,168	208,378
Prepaid Expenses	39,383	-	20,417	185	-	-	59,985
Total Current Assets	2,060,554	95,506	7,725,991	423,468	6,404,797	1,316,173	18,026,489
Noncurrent Assets:							
Restricted Assets:							
Cash and Cash Equivalents	-	-	3,661,788	61,020	64,033	-	3,786,841
Investments	-	-	6,916,895	-	335,212	-	7,252,107
Receivables	-	-	6,155	-	1,459	-	7,614
Due from Other Funds	-	-	290,738	-	14,114	-	304,852
Total Restricted Assets	-	-	10,875,576	61,020	414,818	-	11,351,414
Deferred Charges	-	-	331,686	-	57,005	7,358	396,049
Capital Assets:							
Land	320,200	1,082,623	9,796,004	46,500	1,540,452	-	12,785,779
Buildings	9,765	2,507,326	41,731,723	4,346,297	2,076,504	168,363	50,839,978
Improvements Other Than Buildings	287,148	7,088,562	226,428	202,005	28,149,231	-	35,953,374
Machinery and Equipment	154,820	2,241,436	1,684,578	883,918	6,215,385	2,008,271	13,188,408
Construction in Progress	-	845	8,732,454	-	4,873,717	-	13,607,016
Less Accumulated Depreciation	(333,169)	(7,870,441)	(17,409,062)	(5,274,115)	(20,515,190)	(1,028,911)	(52,430,888)
Total Capital Assets, Net	438,764	5,050,351	44,762,125	204,605	22,340,099	1,147,723	73,943,667
Total Noncurrent Assets	438,764	5,050,351	55,969,387	265,625	22,811,922	1,155,081	85,691,130
Total Assets	2,499,318	5,145,857	63,695,378	689,093	29,216,719	2,471,254	103,717,619
LIABILITIES							
Current Liabilities:							
Accounts Payable	10,225	140,334	3,374,661	74,188	547,087	153,626	4,300,121
Accrued Liabilities	-	54,458	8,726	125,033	64,156	84,646	337,019
Accrued Compensated Absences	-	88,144	14,667	-	99,106	113,358	315,275
Due to Other Funds	-	800,040	10,647	26,507	1,967	151,535	990,696
Due to Other Governments	8,578	53,189	2,217	19,576	69,959	422	153,941
Unearned Revenue	20,650	33,732	806,230	74,662	-	-	935,274
Accrued Interest	-	4,029	44,927	-	10,338	7,021	66,315
Current Portion of Capital Lease	-	165,762	-	-	-	92,544	258,306
Current Portion of Long-Term Debt	-	-	860,000	-	220,000	-	1,080,000
Total Current Liabilities	39,453	1,339,688	5,122,075	319,966	1,012,613	603,152	8,436,947
Noncurrent Liabilities:							
Accrued Compensated Absences	-	45,736	613	-	24,103	16,558	87,010
Long-Term Debt, Net	-	-	22,828,257	-	2,809,494	-	25,637,751
Capital Lease Payable	-	270,990	-	-	-	480,072	751,062
Accrued Liabilities	-	26,269	1,751	-	50,787	162,924	241,731
Accrued Landfill Closure/Postclosure Care Costs	-	-	-	-	14,632,000	-	14,632,000
Total Noncurrent Liabilities	-	342,995	22,830,621	-	17,516,384	659,554	41,349,554
Total Liabilities	39,453	1,682,683	27,952,696	319,966	18,528,997	1,262,706	49,786,501
NET ASSETS							
Invested in Capital Assets, Net of Related Debt	438,764	4,613,599	28,293,802	204,605	19,267,574	575,107	53,393,451
Restricted for:							
Debt Service	-	-	141,935	-	-	-	141,935
Capital Projects	-	-	499,914	14,073	14,817	-	528,804
Other	-	-	-	46,948	-	-	46,948
Unrestricted	2,021,101	(1,150,425)	6,807,031	103,501	(8,594,669)	633,441	(180,020)
Total Net Assets	$ 2,459,865	3,463,174	35,742,682	369,127	10,687,722	1,208,548	53,931,118

CITY OF LINCOLN, NEBRASKA
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET ASSETS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED AUGUST 31, 2011

	Parking Lot Revolving	Golf	Parking Facilities	Pershing Municipal Auditorium	Solid Waste Management	Emergency Medical Services	Total
Operating Revenues							
Charges for Services	$ -	-	-	-	-	4,565,087	4,565,087
Fees	-	2,745,562	-	-	5,074,836	-	7,820,398
Parking Revenue	363,002	-	7,115,543	-	-	-	7,478,545
Performance Revenue	-	-	-	1,534,158	-	-	1,534,158
Other Operating Revenue	106	20,370	9,059	72,041	486,422	199	588,197
Total Operating Revenues	363,108	2,765,932	7,124,602	1,606,199	5,561,258	4,565,286	21,986,385
Operating Expenses							
Personal Services	-	1,506,628	228,909	1,026,333	2,186,884	2,966,821	7,915,575
Contractual Services	58,052	40,280	2,340,493	-	2,166,011	396,875	5,001,711
Operation and Maintenance	227,677	1,136,782	1,036,606	1,154,546	2,033,155	480,353	6,069,119
Depreciation	28,081	591,046	1,133,980	21,355	1,969,068	92,256	3,835,786
Total Operating Expenses	313,810	3,274,736	4,739,988	2,202,234	8,355,118	3,936,305	22,822,191
Operating Income (Loss)	49,298	(508,804)	2,384,614	(596,035)	(2,793,860)	628,981	(835,806)
Nonoperating Revenues (Expenses)							
Investment Earnings	2,696	(4,321)	124,644	93	(5,489)	1,477	119,100
Gain (Loss) on Disposal of Capital Assets	-	(86,405)	(30,599)	-	105	10,194	(106,705)
Insurance Recovery	-	671	-	-	7,403	10,651	18,725
Miscellaneous Revenue	-	-	448,772	-	-	-	448,772
Occupation Tax	-	-	-	-	2,059,361	-	2,059,361
Amortization of Deferred Charges	-	(8,868)	(9,512)	-	(3,964)	(1,226)	(23,570)
Interest Expense and Fiscal Charges	-	(44,065)	(539,064)	-	(131,415)	(13,331)	(727,875)
Total Nonoperating Revenues (Expenses)	2,696	(142,988)	(5,759)	93	1,926,001	7,765	1,787,808
Income (Loss) Before Contributions and Transfers	51,994	(651,792)	2,378,855	(595,942)	(867,859)	636,746	952,002
Capital Contributions	-	8,895	4,583	-	-	54,484	67,962
Transfers In	247,502	-	22,387	589,416	-	-	859,305
Transfers Out	(5,758)	(20,495)	(994,773)	-	(1,009,083)	-	(2,030,109)
Change in Net Assets	293,738	(663,392)	1,411,052	(6,526)	(1,876,942)	691,230	(150,840)
Net Assets - Beginning	2,166,127	4,126,566	34,331,630	375,653	12,564,664	517,318	54,081,958
Net Assets - Ending	$ 2,459,865	3,463,174	35,742,682	369,127	10,687,722	1,208,548	53,931,118

CITY OF LINCOLN, NEBRASKA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED AUGUST 31, 2011

	Parking Lot Revolving	Golf	Parking Facilities	Pershing Municipal Auditorium	Solid Waste Management	Emergency Medical Services	Total
Cash Flows from Operating Activities							
Receipts from Customers and Users	$ 370,608	2,744,373	6,530,444	1,571,253	4,735,563	4,052,085	20,004,326
Receipts from Interfund Services Provided	-	-	10,300	-	149,729	-	160,029
Payments to Suppliers for Goods and Services	(333,499)	(762,086)	(2,721,896)	(959,682)	(2,708,459)	(465,684)	(7,951,306)
Payments to Employees	-	(1,477,745)	(215,946)	(1,020,086)	(2,144,255)	(2,879,276)	(7,737,308)
Payments for Interfund Services Provided	(19,751)	(495,414)	(490,418)	(204,061)	(427,424)	(340,516)	(1,977,584)
Other Receipts	106	20,370	9,059	72,041	486,422	199	588,197
Net Cash Provided (Used) by Operating Activities	17,464	29,498	3,121,543	(540,535)	91,576	366,808	3,086,354
Cash Flows from Noncapital Financing Activities							
Occupation Tax	-	-	-	-	1,987,948	-	1,987,948
Transfers from Other Funds	-	-	22,387	600,000	-	-	622,387
Transfers to Other Funds	(5,758)	(20,495)	(994,773)	-	(1,009,083)	-	(2,030,109)
Advances from General Fund	-	928,627	-	-	-	905,926	1,834,553
Repayment of Advances from General Fund	-	(729,968)	-	-	-	(814,703)	(1,544,671)
Advances to Other Funds	-	-	(167,758)	-	-	-	(167,758)
Payments from Other Funds	16,908	20,553	-	56	249,726	2,879	290,122
Other Miscellaneous Receipts	-	-	448,772	-	-	-	448,772
Net Cash Provided (Used) by Non-Capital Financing Activities	11,150	198,717	(691,372)	600,056	1,228,591	94,102	1,441,244
Cash Flows from Capital and Related Financing Activities							
Additions to Capital Assets	(11,896)	-	(7,593,679)	(18,875)	(4,207,912)	(1,096,604)	(12,928,966)
Proceeds from Sale of Capital Assets	-	3,543	-	-	105	10,194	13,842
Insurance Recovery	-	671	-	-	7,403	10,651	18,725
Transfers from Other Funds	247,502	-	-	-	-	-	247,502
Proceeds from Long-Term Debt	-	-	20,561,084	-	-	-	20,561,084
Cost of Debt Issuance	-	-	(265,523)	-	-	-	(265,523)
Principal Payments of Capital Lease	-	(222,852)	-	-	-	(95,436)	(318,288)
Principal Payments of Bonded Debt	-	(365,000)	(6,105,000)	-	(210,000)	-	(6,680,000)
Interest and Fiscal Charges Paid	-	(40,532)	(839,702)	-	(132,775)	(6,419)	(1,019,428)
Net Cash Provided (Used) by Capital and Related Financing Activities	235,606	(624,170)	5,757,180	(18,875)	(4,543,179)	(1,177,614)	(371,052)
Cash Flows from Investing Activities							
Proceeds from Sale and Maturities of Investments	788,769	287,293	2,290,912	2,640	4,985,286	40,559	8,395,459
Purchases of Investments	(1,222,283)	-	(9,254,432)	(2,210)	(3,297,734)	-	(13,776,659)
Interest and Other Receipts	21,212	-	183,239	151	102,186	2,158	308,946
Net Cash Provided (Used) by Investing Activities	(412,302)	287,293	(6,780,281)	581	1,789,738	42,717	(5,072,254)
Net Increase (Decrease) in Cash and Cash Equivalents	(148,082)	(108,662)	1,407,070	41,227	(1,433,274)	(673,987)	(915,708)
Cash and Cash Equivalents - Beginning	461,143	108,662	3,555,045	366,328	2,340,362	673,987	7,505,527
Cash and Cash Equivalents - Ending	$ 313,061	-	4,962,115	407,555	907,088	-	6,589,819
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities							
Operating Income (Loss)	$ 49,298	(508,804)	2,384,614	(596,035)	(2,793,860)	628,981	(835,806)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:							
Depreciation	28,081	591,046	1,133,980	21,355	1,969,068	92,256	3,835,786
Changes in Assets and Liabilities:							
Accounts Receivable and Unbilled Revenues	671	16,984	(652,787)	107,476	(192,069)	(513,002)	(1,232,727)
Due from Other Funds	-	(34,345)	-	-	2,999	-	(31,346)
Due from Other Governments	-	-	-	-	(474)	-	(474)
Inventories	-	(8,650)	-	(7,005)	-	(11,828)	(27,483)
Prepaid Expenses	-	-	(20,417)	1,053	-	-	(19,364)
Accounts Payable	(54,617)	(72,986)	174,186	(6,232)	(72,102)	74,812	43,061
Accrued Liabilities	-	17,718	4,048	6,247	30,959	80,014	138,986
Accrued Compensated Absences	-	11,165	8,915	-	11,670	7,531	39,281
Due to Other Funds	-	992	8,799	-	(230)	8,092	17,653
Due to Other Governments	(12,904)	206	2,217	2,987	(6,385)	(48)	(13,927)
Unearned Revenue	6,935	16,172	77,988	(70,381)	-	-	30,714
Accrued Landfill Closure/Postclosure Care Costs	-	-	-	-	1,142,000	-	1,142,000
Total Adjustments	(31,834)	538,302	736,929	55,500	2,885,436	(262,173)	3,922,160
Net Cash Provided (Used) by Operating Activities	$ 17,464	29,498	3,121,543	(540,535)	91,576	366,808	3,086,354
Supplemental Disclosure of Noncash Investing, Capital, and Financing Activities:							
Contribution of Capital Assets	$ -	8,895	4,583	-	-	54,484	67,962
Purchase of Capital Assets on Account	-	-	2,905,241	-	443,031	-	3,348,272
Change in Fair Value of Investments	(15,907)	(4,321)	(83,636)	(47)	(85,888)	(610)	(190,409)

INTERNAL SERVICE FUNDS

Internal Service Funds are established to account for the financing of goods or services rendered by one department or agency to other departments or agencies or to other governmental units on a cost-reimbursement basis.

Information Services Fund - To account for the cost of operating a central data processing facility for the City of Lincoln and Lancaster County. User City and County departments are charged for the resources used on a full costs recovery basis.

Engineering Revolving Fund - To account for the cost of operating a central engineering pool. Revenues are derived from billings to various capital improvement projects.

Insurance Revolving Fund - To account for the cost of providing a self-insurance program for workers' compensation, health, dental, liability, property insurance, and long-term disability. Revenues are derived from billings to operating departments.

Fleet Services Fund - To account for the operation of a centralized maintenance facility for equipment used by other City departments, such as trucks, heavy equipment, miscellaneous other equipment and radio maintenance. Revenues are derived from billings to user departments.

Police Garage Fund - To account for the operation of a maintenance facility for the Police fleet and vehicles from various other City departments. Revenues are derived from billings to the Police and other user departments.

Municipal Services Center Fund – To account for the purchase of, improvements to, and operation of a facility providing for the consolidation of various functions of city government. Revenues are derived from the issue of certificates of participation and rental payments from user departments and other occupying agencies.

Communication Services Fund - To account for the costs of providing graphic arts and telecommunication services. Revenues are derived from billings to user departments.

Copy Services Fund - To account for the cost of providing copy services to the City of Lincoln and Lancaster County. User City and County departments are charged on a per copy basis.

CITY OF LINCOLN, NEBRASKA
COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
AUGUST 31, 2011

	Information Services	Engineering Revolving	Insurance Revolving	Fleet Services
ASSETS				
Current Assets:				
Cash and Cash Equivalents	$ 218,805	25,025	3,898,729	-
Investments	1,156,261	132,904	21,751,099	-
Restricted Cash and Cash Equivalents	-	-	-	222,653
Accounts Receivable	49,016	85,995	-	954
Accrued Interest Receivable	3,197	2,387	97,531	249
Due from Other Funds	337,448	276,436	862,518	212
Due from Other Governments	221,189	1,775	13,348	223
Inventories	-	-	-	715,583
Prepaid Expenses	337,613	47,794	-	-
Total Current Assets	2,323,529	572,316	26,623,225	939,874
Noncurrent Assets:				
Deferred Charges	-	-	-	-
Capital Assets:				
Land	-	-	-	-
Buildings	26,486	-	-	-
Improvements Other Than Buildings	-	693,733	-	420,192
Machinery and Equipment	2,495,001	421,073	28,936	19,063,248
Construction in Progress	-	-	-	-
Less Accumulated Depreciation	(2,057,025)	(1,012,740)	(26,207)	(13,700,646)
Total Capital Assets, Net	464,462	102,066	2,729	5,782,794
Total Assets	2,787,991	674,382	26,625,954	6,722,668
LIABILITIES				
Current Liabilities:				
Accounts Payable	42,892	15,984	433,559	246,000
Accrued Liabilities	124,423	190,003	22,932	46,307
Accrued Compensated Absences	219,343	362,588	24,869	95,713
Due to Other Funds	4,264	34,828	1,439	925,016
Due to Other Governments	46	388	136	-
Unearned Revenue	26,917	152,000	-	-
Claims	-	-	6,724,159	-
Accrued Interest	-	-	-	1,694
Current Portion of Capital Lease	-	-	-	117,597
Total Current Liabilities	417,885	755,791	7,207,094	1,432,327
Noncurrent Liabilities:				
Accrued Compensated Absences	153,569	408,667	31,134	72,036
Claims	-	-	4,064,797	-
Capital Lease Payable	-	-	-	443,733
Accrued Liabilities	61,295	99,824	14,010	36,777
Total Noncurrent Liabilities	214,864	508,491	4,109,941	552,546
Total Liabilities	632,749	1,264,282	11,317,035	1,984,873
NET ASSETS				
Invested in Capital Assets	464,462	102,066	2,729	5,444,117
Unrestricted	1,690,780	(691,966)	15,306,190	(706,322)
Total Net Assets (Deficits)	$ 2,155,242	(589,900)	15,308,919	4,737,795

Police Garage	Municipal Services Center	Communication Services	Copy Services	Total
322,641	50,868	3,251	20,013	4,539,332
1,695,259	265,807	17,721	106,323	25,125,374
-	829,127	-	-	1,051,780
24,802	-	4,563	1,022	166,352
7,149	801	113	469	111,896
424,297	11,168	4,011	19,050	1,935,140
5,615	-	1,474	15,139	258,763
94,803	-	-	-	810,386
-	-	-	-	385,407
2,574,566	1,157,771	31,133	162,016	34,384,430
-	135,576	-	-	135,576
48,250	1,258,700	-	-	1,306,950
356,072	5,256,649	-	-	5,639,207
45,500	-	-	-	1,159,425
6,137,444	86,330	28,349	-	28,260,381
-	388,182	-	-	388,182
(3,871,546)	(144,366)	(27,097)	-	(20,839,627)
2,715,720	6,845,495	1,252	-	15,914,518
5,290,286	8,138,842	32,385	162,016	50,434,524
160,617	173,926	739	23,712	1,097,429
28,917	-	4,357	2,492	419,431
55,122	-	12,004	3,406	773,045
237	-	490	-	966,274
-	-	-	-	570
-	-	-	-	178,917
-	-	-	-	6,724,159
-	70,240	-	-	71,934
-	-	-	-	117,597
244,893	244,166	17,590	29,610	10,349,356
87,106	-	-	1,231	753,743
-	-	-	-	4,064,797
-	7,802,292	-	-	8,246,025
22,767	-	3,503	1,751	239,927
109,873	7,802,292	3,503	2,982	13,304,492
354,766	8,046,458	21,093	32,592	23,653,848
2,715,720	(127,670)	1,252	-	8,602,676
2,219,800	220,054	10,040	129,424	18,178,000
4,935,520	92,384	11,292	129,424	26,780,676

CITY OF LINCOLN, NEBRASKA
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED AUGUST 31, 2011

	Information Services	Engineering Revolving	Insurance Revolving	Fleet Services
Operating Revenues				
Charges for Services	$ 6,365,853	7,044,349	27,921,170	5,665,168
Operating Expenses				
Personal Services	3,795,286	6,013,536	721,068	1,657,193
Materials and Supplies	155,956	34,852	7,131	2,168,372
Other Services and Charges	2,099,811	1,210,982	29,449,833	956,098
Depreciation	181,962	23,888	1,724	1,519,968
Total Operating Expenses	6,233,015	7,283,258	30,179,756	6,301,631
Operating Income (Loss)	132,838	(238,909)	(2,258,586)	(636,463)
Nonoperating Revenues (Expenses)				
Investment Earnings	577	(1,181)	89,155	854
Gain on Disposal of Capital Assets	1,245	232	-	41,020
Interest Expense and Fiscal Charges	-	-	-	(1,694)
Total Nonoperating Revenues (Expenses)	1,822	(949)	89,155	40,180
Income (Loss) Before Contributions and Transfers	134,660	(239,858)	(2,169,431)	(596,283)
Capital Contributions	-	-	-	97,540
Transfers In	-	-	8,421	-
Transfers Out	-	(19,007)	(1,652)	-
Change in Net Assets	134,660	(258,865)	(2,162,662)	(498,743)
Net Assets (Deficits) - Beginning	2,020,582	(331,035)	17,471,581	5,236,538
Net Assets (Deficits) - Ending	$ 2,155,242	(589,900)	15,308,919	4,737,795

Police Garage	Municipal Services Center	Communication Services	Copy Services	Total
4,264,648	542,234	217,227	300,161	52,320,810
1,040,418	-	201,208	80,018	13,508,727
1,472,095	5,195	1,701	81	3,845,383
762,269	140,032	105,980	272,308	34,997,313
577,400	144,366	939	-	2,450,247
3,852,182	289,593	309,828	352,407	54,801,670
412,466	252,641	(92,601)	(52,246)	(2,480,860)
4,638	387	(682)	(194)	93,554
30,406	-	-	-	72,903
-	(165,644)	-	-	(167,338)
35,044	(165,257)	(682)	(194)	(881)
447,510	87,384	(93,283)	(52,440)	(2,481,741)
5,000	-	-	-	102,540
-	5,000	-	-	13,421
-	-	-	-	(20,659)
452,510	92,384	(93,283)	(52,440)	(2,386,439)
4,483,010	-	104,575	181,864	29,167,115
4,935,520	92,384	11,292	129,424	26,780,676

CITY OF LINCOLN, NEBRASKA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED AUGUST 31, 2011

	Information Services	Engineering Revolving	Insurance Revolving	Fleet Services
Cash Flows from Operating Activities				
Receipts from Customers and Users	$ 2,870,629	809,294	7,539,226	464,228
Receipts from Interfund Services Provided	3,742,317	5,988,709	20,369,321	5,233,238
Payments to Suppliers for Goods and Services	(2,133,057)	(470,265)	(27,038,049)	(2,885,211)
Payments to Employees	(3,733,221)	(5,896,740)	(712,796)	(1,632,052)
Payments for Interfund Services Provided	(192,493)	(767,389)	(327,061)	(306,016)
Net Cash Provided (Used) by Operating Activities	554,175	(336,391)	(169,359)	874,187
Cash Flows from Noncapital Financing Activities				
Transfers from Other Funds	-	(19,007)	8,421	29,670
Transfers to Other Funds	-	-	(1,652)	-
Advance from General Fund	-	-	-	1,373,111
Repayment of Advances from General Fund	-	-	-	(1,494,027)
Advances to Other Funds	-	-	-	-
Payments from Other Funds	3,464	20,089	381,006	-
Net Cash Provided (Used) by Noncapital Financing Activities	3,464	1,082	387,775	(91,246)
Cash Flows from Capital and Related Financing Activities				
Additions to Capital Assets	(200,908)	(8,114)	-	(1,189,640)
Proceeds from Sale of Capital Assets	1,245	232	-	66,123
Transfer from Other Funds	-	-	-	-
Proceeds from Long-Term Debt	-	-	-	561,330
Cost of Debt Issuance	-	-	-	-
Interest and Fiscal Charges Paid	-	-	-	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(199,663)	(7,882)	-	(562,187)
Cash Flows from Investing Activities				
Proceeds from Sale and Maturities of Investments	439,488	326,129	12,100,668	-
Purchases of Investments	(865,323)	(99,463)	(15,354,797)	-
Interest and Other Receipts	12,385	5,253	367,543	1,899
Net Cash Provided (Used) by Investing Activities	(413,450)	231,919	(2,886,586)	1,899
Net Increase (Decrease) in Cash and Cash Equivalents	(55,474)	(111,272)	(2,668,170)	222,653
Cash and Cash Equivalents - Beginning	274,279	136,297	6,566,899	-
Cash and Cash Equivalents - Ending	$ 218,805	25,025	3,898,729	222,653
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	$ 132,838	(238,909)	(2,258,586)	(636,463)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	181,962	23,888	1,724	1,519,968
Changes in Assets and Liabilities:				
Accounts Receivable	73,261	(3,274)	-	(804)
Due from Other Funds	31,132	(249,437)	-	20,751
Due from Other Governments	115,783	(1,126)	(12,623)	12,351
Inventories	-	-	-	(158,097)
Prepaid Expenses	(6,273)	15,376	-	-
Accounts Payable	(59,743)	(10,894)	45,977	92,011
Accrued Liabilities	43,813	63,271	8,625	20,511
Accrued Compensated Absences	18,252	53,525	(353)	4,630
Due to Other Funds	(3,717)	4,192	(404)	(671)
Due to Other Governments	(50)	(494)	(28,605)	-
Unearned Revenue	26,917	7,491	-	-
Claims	-	-	2,074,886	-
Total Adjustments	421,337	(97,482)	2,089,227	1,510,650
Net Cash Provided (Used) by Operating Activities	$ 554,175	(336,391)	(169,359)	874,187
Supplemental Disclosure of Noncash Investing, Capital, and Financing Activities:				
Contribution of Capital Assets	$ -	-	-	97,540
Purchase of Capital Assets on Account	-	-	-	-
Change in Fair Value of Investments	(9,473)	(5,234)	(235,336)	-

Police Garage	Municipal Services Center	Communication Services	Copy Services	Total
25,904	384,254	81,892	122,272	12,297,699
4,175,016	157,980	140,521	192,942	40,000,044
(1,340,697)	(35,637)	(101,542)	(260,067)	(34,264,525)
(1,008,488)	-	(196,652)	(79,088)	(13,259,037)
(757,426)	(70,216)	(8,428)	(12,641)	(2,441,670)
1,094,309	436,381	(84,209)	(36,582)	2,332,511
-	-	-	-	19,084
-	-	-	-	(1,652)
-	-	-	-	1,373,111
-	-	-	-	(1,494,027)
-	(11,168)	-	-	(11,168)
26,265	-	4,462	3,678	438,964
26,265	(11,168)	4,462	3,678	324,312
(1,145,875)	(6,855,309)	-	-	(9,399,846)
134,805	-	-	-	202,405
-	5,000	-	-	5,000
-	7,802,292	-	-	8,363,622
-	(135,576)	-	-	(135,576)
-	(95,404)	-	-	(95,404)
(1,011,070)	721,003	-	-	(1,059,799)
941,113	-	67,668	87,175	13,962,241
(1,268,699)	(265,465)	(13,262)	(79,569)	(17,946,578)
24,961	(756)	847	1,884	414,016
(302,625)	(266,221)	55,253	9,490	(3,570,321)
(193,121)	879,995	(24,494)	(23,414)	(1,973,297)
515,762	-	27,745	43,427	7,564,409
322,641	879,995	3,251	20,013	5,591,112
412,466	252,641	(92,601)	(52,246)	(2,480,860)
577,400	144,366	939	-	2,450,247
(98)	-	1,922	298	71,305
(58,015)	-	943	7,324	(247,302)
(5,615)	-	2,321	7,431	118,522
48,734	-	-	-	(109,363)
-	-	-	-	9,103
87,511	39,374	(2,250)	(319)	191,667
16,166	-	431	1,031	153,848
15,764	-	4,125	(101)	95,842
(4)	-	136	-	(468)
-	-	(175)	-	(29,324)
-	-	-	-	34,408
-	-	-	-	2,074,886
681,843	183,740	8,392	15,664	4,813,371
1,094,309	436,381	(84,209)	(36,582)	2,332,511
5,000	-	-	-	102,540
24,951	134,552	-	-	159,503
(18,352)	342	(1,062)	(1,574)	(270,689)

AGENCY FUNDS

Agency funds are used to report fiduciary resources held by the City for individuals, private organizations, or other governments.

Collections Due Other Governments - To account for the collection and payment to:

Airport Authority - Taxes collected on its behalf.

State of Nebraska - Sales tax collections on sales made by the City of Lincoln and Lottery Tax Collections on Keno Proceeds to be remitted to the State.

Lincoln Public Schools - Fines, fees, licenses and permits collected on its behalf.

HILP Escrow Accounts - Various bank accounts used for the Home Improvement Loan Program for owner-occupied housing rehabilitation loans. The City is the fiduciary agent for these accounts.

Contractor Deposits - To account for good faith money deposited with the City to assure the completion of special projects. The money will be returned to the contractors upon completion.

Payroll Revolving - To account for payroll liabilities such as taxes and fringes.

Outstanding Warrants - To account for money held by the City to pay outstanding warrants.

Telephone Bill Suspense - To account for the accumulation and disbursement of funds to pay for the City's phone system charges.

Unredeemed Bonds and Coupons – To account for funds held for the redemption of matured bonds and coupons. The City Treasurer is the Trustee for these bonds.

Joint Antelope Valley Authority – To account for the accumulation and disbursement of funds for the joint administrative entity known as JAVA, created to coordinate planning and implementation of the Antelope Valley Project.

Gateway Center Joint Venture Escrow - To account for funds deposited with the City by the Gateway Shopping Center in fulfillment of a condition of the use permit for expansion of the shopping center. Funds may be drawn upon for construction of roadway improvements for the purpose of controlling the flow of off-site traffic in the "O" street corridor between Cotner Boulevard and 73rd Street.

Pioneer Consortium – To account for funds deposited with the City by library members of the joint entity for the purpose of planning and using an open source intergrated library system. The Lincoln City Library is serving as the initial contracting and business agent for the joint entity.

Public Building Commission Bond Reserve - To account for Bond Reserve funds deposited with the City by the Lancaster County Public Building Commission in association with their Tax Supported Lease Rental Revenue Bonds, Series 2004, 2005, 2005B, and 2010. The City has agreed to be the Trustee for these Reserve Funds until such time as the Bonds are fully retired.

CITY OF LINCOLN, NEBRASKA
COMBINING BALANCE SHEET
AGENCY FUNDS
AUGUST 31, 2011

	Collections Due Other Governments	HILP Escrow Accounts	Contractor Deposits	Payroll Revolving	Outstanding Warrants
ASSETS					
Cash and Cash Equivalents	$ 62,754	43,604	478,072	702,362	1,182,481
Investments	-	-	-	-	-
Receivables:					
Accrued Interest	-	-	-	-	-
Other	33,843	-	-	-	-
Contractor Retainage	-	-	797,319	-	-
Total Assets	96,597	43,604	1,275,391	702,362	1,182,481
LIABILITIES					
Warrants Payable	-	-	-	-	1,182,481
Accounts Payable	-	-	-	195,383	-
Due to Other Governments	96,597	-	-	506,979	-
Due To Homeowners	-	43,604	-	-	-
Due to Contractors	-	-	1,275,391	-	-
Due to Joint Venture	-	-	-	-	-
Due to Plan Members	-	-	-	-	-
Due to Bondholders	-	-	-	-	-
Total Liabilities	$ 96,597	43,604	1,275,391	702,362	1,182,481

Telephone Bill Suspense	Unredeemed Bonds And Coupons	Gateway Center Joint Venture Escrow	Pioneer Consortium	Public Building Commission Bond Reserve	Total
18,552	117,926	204,658	7,440	963,652	3,781,501
-	-	-	-	2,243,564	2,243,564
-	-	726	23	38,282	39,031
-	-	-	7,350	-	41,193
-	-	-	-	-	797,319
18,552	117,926	205,384	14,813	3,245,498	6,902,608
-	-	-	-	-	1,182,481
18,552	-	-	-	-	213,935
-	-	-	-	3,245,498	3,849,074
-	-	-	-	-	43,604
-	-	-	-	-	1,275,391
-	-	205,384	-	-	205,384
-	-	-	14,813	-	14,813
-	117,926	-	-	-	117,926
18,552	117,926	205,384	14,813	3,245,498	6,902,608

CITY OF LINCOLN, NEBRASKA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2011

	Balance Sep. 1, 2010	Additions	Deductions	Balance Aug. 31, 2011
COLLECTIONS DUE OTHER GOVERNMENTS:				
Assets:				
Cash and Cash Equivalents	$ 52,397	903,233	892,876	62,754
Receivables	36,151	33,842	36,150	33,843
	88,548	937,075	929,026	96,597
Liabilities:				
Due to Other Governments	$ 88,548	790,749	782,700	96,597
HILP ESCROW ACCOUNTS:				
Assets:				
Cash and Cash Equivalents	$ 11,848	119,711	87,955	43,604
Liabilities:				
Due to Homeowners	$ 11,848	31,756	-	43,604
CONTRACTOR DEPOSITS:				
Assets:				
Cash and Cash Equivalents	$ 513,454	54,150	89,532	478,072
Contractor Retainage	927,389	15,800	145,870	797,319
	1,440,843	69,950	235,402	1,275,391
Liabilities:				
Due to Contractors	$ 1,440,843	69,950	235,402	1,275,391
PAYROLL REVOLVING:				
Assets:				
Cash and Cash Equivalents	$ 577,647	227,700,094	227,575,379	702,362
Liabilities:				
Accounts Payable	193,759	143,788,150	143,786,526	195,383
Due to Other Governments	383,888	30,917,721	30,794,630	506,979
	$ 577,647	174,705,871	174,581,156	702,362
OUTSTANDING WARRANTS:				
Assets:				
Cash and Cash Equivalents	$ 399,889	510,971,890	510,189,298	1,182,481
Liabilities:				
Warrants Payable	$ 399,889	510,971,890	510,189,298	1,182,481
TELEPHONE BILL SUSPENSE:				
Assets:				
Cash and Cash Equivalents	$ 60,318	634,329	676,095	18,552
Liabilities:				
Accounts Payable	$ 60,318	634,329	676,095	18,552

(Continued)

(Agency Funds, Continued)

	Balance Sep. 1, 2010	Additions	Deductions	Balance Aug. 31, 2011
UNREDEEMED BONDS AND COUPONS:				
Assets:				
Cash and Cash Equivalents	$ 117,926	-	-	117,926
Liabilities:				
Due to Bondholders	$ 117,926	-	-	117,926
JOINT ANTELOPE VALLEY AUTHORITY				
Assets:				
Cash and Cash Equivalents	$ -	14,018,410	14,018,410	-
Liabilities:				
Accounts Payable	$ -	6,476,865	6,476,865	-
GATEWAY CENTER JOINT VENTURE ESCROW:				
Assets:				
Cash and Cash Equivalents	$ 202,198	2,576	116	204,658
Receivables	1,053	726	1,053	726
	203,251	3,302	1,169	205,384
Liabilities:				
Due to Joint Venture	$ 203,251	2,133	-	205,384
PIONEER CONSORTIUM				
Assets:				
Cash and Cash Equivalents	$ -	21,277	13,837	7,440
Receivables	-	7,373	-	7,373
	-	28,650	13,837	14,813
Liabilities:				
Due to Plan Members	$ -	14,813	-	14,813
PUBLIC BUILDING COMMISSION BOND RESERVE:				
Assets:				
Cash and Cash Equivalents	$ 1,125,338	64,040	225,726	963,652
Investments	2,244,459	2,824	3,719	2,243,564
Receivables	41,036	38,282	41,036	38,282
	3,410,833	105,146	270,481	3,245,498
Liabilities:				
Due to Other Governments	$ 3,410,833	107,248	272,583	3,245,498
AGENCY FUND TOTALS:				
Total Assets	$ 6,311,103	754,588,557	753,997,052	6,902,608
Total Liabilities	$ 6,311,103	693,805,604	693,214,099	6,902,608

STATISTICAL SECTION

This part of the City of Lincoln's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents **Page**

Financial Trends **141**

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 **148**

These schedules contain information to help the reader assess the City's three most significant local revenue sources; electrical sales, sales tax, and property tax.

Debt Capacity **158**

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 **164**

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 **166**

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the city provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in 2002; schedules presenting government-wide information include information beginning in that year.

Table 1

CITY OF LINCOLN, NEBRASKA
NET ASSETS BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	Fiscal Year									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Governmental Activities:										
Invested in Capital Assets,										
Net of Related Debt	$ 386,451,715	482,099,420	471,161,398	460,113,747	433,488,477	417,745,982	399,561,548	361,516,579	353,228,671	321,761,052
Restricted	235,695,091	121,155,820	111,672,739	111,555,338	119,719,194	107,739,981	111,872,162	99,491,762	85,214,600	99,929,683
Unrestricted	216,250,335	207,317,364	211,304,395	189,259,245	153,402,735	146,399,831	132,861,353	111,868,857	93,499,003	72,078,083
Total Governmental Activities Net Assets	$ 838,397,141	810,572,604	794,138,532	760,928,330	706,610,406	671,885,794	644,295,063	572,877,198	531,942,274	493,768,818
Business-Type Activities:										
Invested in Capital Assets,										
Net of Related Debt	$ 622,950,944	598,053,416	583,202,962	570,458,163	568,947,439	626,166,169	509,989,903	496,144,600	513,682,743	476,054,560
Restricted	33,750,287	37,040,667	37,782,662	35,665,851	26,769,558	23,399,483	15,101,637	16,262,952	52,887,433	47,701,632
Unrestricted	104,793,460	100,903,096	93,873,028	82,155,334	70,546,311	(1,377,874)	112,544,793	114,643,047	39,215,687	55,451,079
Total Business-Type Activities Net Assets	$ 761,494,691	735,997,179	714,858,652	688,279,348	666,263,308	648,187,778	637,636,333	627,050,599	605,785,863	579,207,271
Primary Government:										
Invested in Capital Assets,										
Net of Related Debt	$ 1,009,402,659	1,080,152,836	1,054,364,360	1,030,571,910	1,002,435,916	1,043,912,151	909,551,451	857,661,179	866,911,414	797,815,612
Restricted	269,445,378	158,196,487	149,455,401	147,221,189	146,488,752	131,139,464	126,973,799	115,754,714	138,102,033	147,631,315
Unrestricted	321,043,795	308,220,460	305,177,423	271,414,579	223,949,046	145,021,957	245,406,146	226,511,904	132,714,690	127,529,162
Total Primary Government Net Assets	$ 1,599,891,832	1,546,569,783	1,508,997,184	1,449,207,678	1,372,873,714	1,320,073,572	1,281,931,396	1,199,927,797	1,137,728,137	1,072,976,089

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

	Fiscal Year									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Expenses										
Governmental Activities:										
General Government	$ 40,059,839	36,991,820	31,985,923	32,808,482	30,681,069	30,781,582	27,955,407	28,475,396	26,781,326	23,530,070
Public Safety	81,218,142	75,364,591	75,077,334	72,715,593	71,999,597	70,390,835	70,432,578	66,461,665	60,312,147	58,784,389
Streets and Highways	39,840,551	38,150,193	31,465,735	29,132,813	31,953,438	29,293,980	20,620,140	24,066,450	21,627,658	21,073,128
Culture and Recreation	26,578,448	25,713,710	28,998,338	27,971,636	26,528,155	25,379,286	23,827,670	23,699,396	23,183,517	21,219,904
Economic Opportunity	16,336,855	17,198,314	14,851,021	16,355,833	15,486,850	16,165,310	15,522,471	16,778,622	18,803,783	14,097,457
Health and Welfare	21,153,869	20,840,847	19,592,758	20,674,538	20,335,733	20,215,258	18,873,394	18,122,416	17,232,211	18,133,340
Mass Transit	12,007,410	11,198,681	11,059,139	11,296,888	10,891,704	9,706,032	9,511,096	8,928,193	8,526,212	8,176,390
Equipment Management	1,882,136	1,767,774	2,562,842	2,563,466	2,363,486	1,789,593	2,012,107	1,017,244	580,423	906,227
Engineering Services	1,219,084	829,470	1,859,008	2,029,134	3,148,005	2,499,482	2,073,123	2,139,853	2,517,342	1,810,386
Interest on Long-Term Debt	11,568,353	6,373,674	6,503,466	6,473,960	5,826,378	4,853,854	4,859,767	3,701,385	3,510,748	2,680,738
Total Governmental Activities Expenses	251,864,687	234,429,074	223,955,564	222,022,343	219,214,415	211,075,212	195,687,753	193,390,620	183,075,367	170,412,029
Business-Type Activities:										
Parking Lots	313,810	386,081	297,452	213,043	217,915	204,531	282,945	231,572	184,222	187,586
Golf	3,414,074	3,165,446	3,170,423	3,152,455	3,167,880	3,169,578	3,295,680	3,230,108	3,064,867	2,785,793
Parking Facilities	5,319,163	5,089,076	4,710,433	4,695,494	4,616,046	4,652,493	4,903,338	4,731,301	4,328,388	3,726,638
Municipal Auditorium	2,202,234	2,243,518	1,937,132	2,041,953	2,274,043	2,403,906	2,211,685	2,374,730	2,341,886	2,303,780
Solid Waste Management	8,490,392	10,607,775	6,543,805	7,506,257	6,835,512	6,146,612	6,767,689	6,446,310	4,390,601	5,428,560
Emergency Medical Services	3,940,669	3,819,895	3,687,450	3,711,546	3,679,318	3,793,035	3,828,891	3,684,221	3,905,011	3,518,764
Wastewater System	23,135,157	22,265,579	22,979,974	18,965,453	18,230,853	17,563,692	16,461,078	15,461,420	13,205,150	12,659,850
Water System	26,084,158	23,469,948	23,794,190	23,378,936	23,544,989	23,137,996	22,249,027	20,169,981	19,144,465	18,206,099
Electric System	242,743,000	229,241,000	237,476,000	224,594,000	209,962,000	197,751,000	171,812,000	163,078,000	155,489,000	161,026,000
Total Business-Type Activities Expenses	315,642,657	300,288,318	304,596,859	288,259,137	272,528,556	258,822,843	231,812,333	219,407,643	206,053,590	209,843,070
Total	$ 567,507,344	534,717,392	528,552,423	510,281,480	491,742,971	469,898,055	427,500,086	412,798,263	389,128,957	380,255,099
Program Revenues										
Governmental Activities:										
Charges for Services:										
General Government	$ 21,544,375	20,614,039	20,413,769	20,572,788	19,617,633	15,643,439	14,366,997	14,507,882	13,883,872	13,145,419
Public Safety	5,730,687	5,034,014	4,921,077	5,671,183	5,490,790	5,862,622	6,336,457	6,136,393	5,797,146	5,780,009
Streets and Highways	4,087,358	3,291,012	3,202,082	5,485,027	6,105,933	5,774,740	6,773,393	4,191,241	881,255	3,140,077
Culture and Recreation	4,114,179	3,880,012	3,537,088	3,583,144	3,485,195	4,207,617	3,088,848	2,792,436	2,700,504	2,455,509
Economic Opportunity	2,269,303	1,014,906	750,883	731,663	809,767	754,096	576,632	2,573,607	2,334,074	1,945,026
Health and Welfare	4,435,710	4,257,066	4,345,410	3,248,351	3,554,840	3,133,880	3,100,114	2,979,036	2,735,248	2,737,636
Other Activities	4,244,695	3,610,376	4,674,371	5,465,776	5,381,517	5,339,097	4,473,512	3,745,956	4,081,655	4,504,543
Operating Grants and Contributions	73,594,748	55,013,696	50,412,504	52,058,209	56,089,320	45,068,631	36,666,428	59,074,592	43,864,363	56,861,307
Capital Grants and Contributions	7,982,667	16,171,192	25,746,780	39,507,199	17,990,651	24,519,249	48,270,586	18,375,380	32,549,986	22,629,262
Total Governmental Activities Program Revenues	128,003,722	112,886,313	118,003,964	136,323,340	118,525,646	110,303,371	123,652,967	114,376,523	108,828,103	113,198,788
Business-Type Activities:										
Charges for Services:										
Wastewater System	22,931,019	21,661,455	21,111,385	20,575,445	19,379,833	17,955,248	16,920,940	15,980,045	14,665,990	14,926,446
Water System	28,474,175	25,012,703	25,586,213	23,943,135	25,159,477	25,487,483	24,266,844	22,064,193	20,841,857	21,971,839
Electric System	261,377,000	245,705,000	248,131,000	225,406,000	204,527,000	188,369,000	168,487,000	168,868,000	164,974,000	159,415,000
Other Activities	22,423,038	21,311,191	20,786,248	21,159,042	19,972,650	19,032,389	17,350,098	17,896,445	18,765,461	18,398,186
Operating Grants and Contributions	-	-	-	26,000	141,346	-	650,300	1,316,900	294,915	3,296
Capital Grants and Contributions	4,645,062	5,767,531	11,025,070	10,809,320	11,359,957	11,092,348	9,703,652	8,707,137	7,538,876	6,073,286
Total Business-Type Activities Program Revenues	339,850,294	319,457,880	326,639,916	301,918,942	280,540,263	261,936,468	237,378,834	234,832,720	227,081,099	220,788,053
Total	$ 467,854,016	432,344,193	444,643,880	438,242,282	399,065,909	372,239,839	361,031,801	349,209,243	335,909,202	333,986,841
Net (Expense)/Revenue										
Governmental Activities	$ (123,860,965)	(121,542,761)	(105,951,600)	(85,699,003)	(100,688,769)	(100,771,841)	(72,034,786)	(79,014,097)	(74,247,264)	(57,213,241)
Business-Type Activities	24,207,637	19,169,562	22,043,057	13,659,805	8,011,707	3,113,625	5,566,501	15,425,077	21,027,509	10,944,983
Total	$ (99,653,328)	(102,373,199)	(83,908,543)	(72,039,198)	(92,677,062)	(97,658,216)	(66,468,285)	(63,589,020)	(53,219,755)	(46,268,258)

(Continued)

(Changes In Net Assets, Table 2, Continued)

	Fiscal Year									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
General Revenues and Other Changes In Net Assets										
Governmental Activities:										
Taxes:										
Property Tax	$ 48,621,668	48,637,701	49,370,031	48,016,158	45,981,349	43,081,366	40,877,070	39,138,647	36,389,326	34,991,750
Motor Vehicle Tax	4,284,369	4,247,118	4,323,350	4,303,363	4,298,290	4,249,847	4,256,521	4,055,313	3,823,011	3,589,367
Wheel Tax	12,031,376	11,519,622	10,697,955	10,458,568	10,059,772	9,250,300	9,153,599	8,634,929	7,767,169	7,758,565
Sales and Use Tax	57,996,100	55,362,688	54,337,312	55,351,848	54,363,413	54,348,587	53,741,266	51,978,978	49,010,546	47,049,405
Sundry and In Lieu Tax	63,118	54,431	46,078	45,761	37,235	35,020	31,765	36,735	44,810	45,685
Occupation Tax	20,403,399	10,847,214	10,541,781	10,038,110	9,534,401	9,225,546	9,451,789	9,291,595	8,555,252	9,020,544
Unrestricted Grants and Contributions	1,927,588	2,006,071	1,542,816	1,569,021	1,573,535	1,589,033	1,577,852	1,597,551	2,970,754	3,425,878
Unrestricted Investment Earnings	1,370,358	1,926,976	5,181,996	6,738,206	6,355,562	3,650,661	2,800,970	3,163,454	2,157,467	3,495,539
Miscellaneous General Revenues	2,309,497	793,365	844,591	820,587	907,513	1,107,132	1,042,665	590,961	405,066	492,161
Gain on Sale of Capital Assets	-	-	-	-	548,626	564,573	2,857,136	304,974	1,073,191	915,594
Transfers	2,678,029	2,581,647	2,275,892	2,675,305	1,753,685	1,260,507	1,290,018	1,155,884	224,128	1,104,289
Total Governmental Activities	151,685,502	137,976,833	139,161,802	140,016,927	135,413,381	128,362,572	127,080,651	119,949,021	112,420,720	111,888,777
Business-Type Activities:										
Occupation Tax	2,059,361	1,984,400	1,978,659	2,134,549	2,195,132	2,232,680	2,111,731	2,234,490	565,790	-
Unrestricted Investment Earnings	1,564,708	1,673,103	4,680,958	8,761,713	9,333,779	6,187,797	3,986,941	4,387,629	5,045,047	5,239,848
Miscellaneous General Revenues	343,835	893,109	152,522	135,278	176,226	170,825	165,585	80,033	92,258	204,685
Gain on Sale of Capital Assets	-	-	-	-	112,371	107,025	44,736	293,726	72,505	148,653
Transfers	(2,678,029)	(2,581,647)	(2,275,892)	(2,675,305)	(1,753,685)	(1,260,507)	(1,289,760)	(1,156,219)	(224,517)	(1,087,038)
Total Business-Type Activities	1,289,875	1,968,965	4,536,247	8,356,235	10,063,823	7,437,820	5,019,233	5,839,659	5,551,083	4,506,148
Total	$ 152,975,377	139,945,798	143,698,049	148,373,162	145,477,204	135,800,392	132,099,884	125,788,680	117,971,803	116,394,925
Change in Net Assets										
Governmental Activities	$ 27,824,537	16,434,072	33,210,202	54,317,924	34,724,612	27,590,731	55,045,865	40,934,924	38,173,456	54,675,536
Business-Type Activities	25,497,512	21,138,527	26,579,304	22,016,040	18,075,530	10,551,445	10,585,734	21,264,736	26,578,592	15,451,131
Total	$ 53,322,049	37,572,599	59,789,506	76,333,964	52,800,142	38,142,176	65,631,599	62,199,660	64,752,048	70,126,667

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

	Fiscal Year				
	2011 [2]	2010	2009	2008	2007
General Fund					
Reserved	$ -	4,723,651	4,668,702	4,025,169	3,196,770
Unreserved	-	25,701,931	27,586,521	28,453,611	27,215,934
Nonspendable	6,891,170	-	-	-	-
Restricted	5,525,739	-	-	-	-
Assigned	13,750,394	-	-	-	-
Unassigned	15,586,533	-	-	-	-
Total General Fund	$ 41,753,836	30,425,582	32,255,223	32,478,780	30,412,704
All Other Governmental Funds					
Reserved	$ -	73,769,526	74,955,098	73,635,833	71,029,872
Unreserved, Reported in:					
Special Revenue Funds	-	57,417,341	59,557,240	61,839,340	65,368,433
Nonspendable	971,115	-	-	-	-
Restricted	275,451,124	-	-	-	-
Committed	633,206	-	-	-	-
Assigned	21,097,190	-	-	-	-
Unassigned	(140,056)	-	-	-	-
Debt Service [1]	-	-	-	-	9,933,914
Restricted	16,060,411	-	-	-	-
Capital Projects Funds	-	8,764,922	9,853,337	13,339,093	24,574,016
Restricted	13,748,458	-	-	-	-
Assigned	207,940	-	-	-	-
Permanent Funds	-	16,511,201	14,146,177	13,529,735	13,609,259
Nonspendable	37,160,000	-	-	-	-
Restricted	19,553,118	-	-	-	-
Total All Other Governmental Funds	$ 384,742,506	156,462,990	158,511,852	162,344,001	184,515,494

Note: [1] In 2008, Special Assessment Debt Service Fund balance transferred to Special Revenue Special Assessment Fund.
[2] In 2011, Reporting of fund balances was changed to meet the requirements of GASB 54.

Table 3

Fiscal Year				
2006	2005	2004	2003	2002
1,828,587	1,935,693	3,420,876	1,129,488	1,395,664
27,463,451	29,467,581	32,552,543	35,987,302	36,735,397
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
29,292,038	31,403,274	35,973,419	37,116,790	38,131,061
67,422,892	55,344,060	85,470,219	68,736,621	72,352,843
67,422,892	46,519,881	31,763,330	18,170,362	24,251,512
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
8,491,735	7,070,715	7,344,884	6,135,384	4,866,366
-	-	-	-	-
19,534,147	27,698,544	18,619,537	24,877,481	25,320,734
-	-	-	-	-
-	-	-	-	-
9,441,571	8,834,071	8,025,744	6,904,635	5,624,910
-	-	-	-	-
-	-	-	-	-
172,313,237	145,467,271	151,223,714	124,824,483	132,416,365

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

	Fiscal Year				
	2011	2010	2009	2008	2007
Revenues					
Taxes:					
Property	$ 48,204,472	48,916,327	49,359,612	48,061,759	46,003,719
Motor Vehicle	4,284,369	4,247,118	4,323,350	4,303,363	4,298,290
Wheel	12,031,376	11,519,622	10,697,955	10,458,568	10,059,772
Sales and Use	57,996,100	55,362,688	54,337,312	55,351,848	54,363,413
Sundry and In Lieu	61,251	57,195	44,479	50,068	35,115
Occupation	20,936,558	10,314,055	10,541,781	10,517,680	9,054,831
Special Assessment	1,118,514	1,145,298	1,055,927	1,351,532	1,513,248
Intergovernmental	71,532,824	61,640,301	75,099,973	73,830,720	63,928,043
Permits and Fees	18,524,372	16,432,219	17,119,002	18,013,104	19,126,239
Reimbursement for Services	7,521,366	7,004,334	6,600,299	6,511,457	6,491,112
Program Income	1,217,936	207,978	57,535	48,549	34,155
Investment Earnings	5,454,877	5,197,259	5,791,391	6,806,258	10,371,565
Donations	1,985,681	1,251,904	2,755,165	1,747,959	947,439
Keno Proceeds	3,321,506	3,132,180	3,140,726	3,373,939	2,798,262
Miscellaneous	4,754,429	1,875,076	1,864,589	2,497,331	3,272,251
Total Revenues	258,945,631	228,303,554	242,789,096	242,924,135	232,297,454
Expenditures					
General Government	36,622,362	35,865,006	34,428,477	35,278,575	33,946,258
Public Safety	69,537,057	64,679,523	63,984,484	61,147,903	60,953,651
Streets and Highways	18,335,078	19,832,223	16,445,304	16,482,240	17,430,452
Culture and Recreation	21,794,585	21,483,873	22,449,569	21,686,564	21,719,544
Economic Opportunity	15,811,914	15,359,628	11,321,242	14,685,668	11,670,315
Health and Welfare	21,993,415	21,652,729	20,349,757	21,053,132	20,378,863
Mass Transit [2]	15,088,883	12,034,413	9,575,670	10,707,601	14,877,357
Debt Service					
Principal Retirement	9,657,542	10,087,532	10,446,544	7,989,828	6,282,536
Interest and Fiscal Charges	12,625,404	6,285,998	6,414,144	6,384,069	5,223,234
Miscellaneous	4,156,516	658,871	129,417	53,898	83,950
Capital Outlay [2]	109,581,050	32,547,239	61,094,201	79,369,789	44,955,954
Total Expenditures	335,203,806	240,487,035	256,638,809	274,839,267	237,522,114
Deficiency of Revenues Under Expenditures	(76,258,175)	(12,183,481)	(13,849,713)	(31,915,132)	(5,224,660)
Other Financing Sources (Uses)					
Transfers In	43,860,255	46,026,786	53,544,932	60,693,467	42,672,672
Transfers Out	(41,111,608)	(43,259,113)	(51,005,462)	(58,325,388)	(40,643,303)
Issuance of Debt [2]	335,895,500	4,131,948	6,501,393	8,877,537	44,588,425
Premiums on Debt Issued	5,761,647	-	25,473	98,768	484,811
Discounts on Debt Issued	(6,427)	-	-	-	(5,255)
Transfer to Bond Refunding Agent	(28,822,296)	-	-	-	-
Sale of Capital Assets	288,874	1,405,357	727,671	465,331	283,136
Total Other Financing Sources (Uses)	315,865,945	8,304,978	9,794,007	11,809,715	47,380,486
Net Change in Fund Balances	$ 239,607,770	(3,878,503)	(4,055,706)	(20,105,417)	42,155,826
Debt Service as a Percentage of Noncapital Expenditures	9.8%	7.7%	7.7%	6.5%	5.8%

Note: [1] GASB 34 implemented.
[2] In 2011 West Haymarket JPA settled $300,000,000 in bonds to fund portion of construction costs.

Table 4

Fiscal Year				
2006	2005	2004	2003	2002 [1]
43,051,465	40,877,024	38,825,280	36,350,142	35,969,591
4,249,847	4,256,521	4,055,313	3,823,011	3,589,367
9,250,300	9,153,599	8,634,929	7,767,169	7,758,565
54,348,587	53,741,266	51,978,978	49,010,546	47,049,405
34,090	34,888	31,194	44,809	45,685
9,232,431	9,853,990	9,265,448	8,172,116	9,020,544
1,691,266	1,400,791	1,965,820	1,946,784	1,705,895
60,757,501	63,180,171	58,619,699	52,773,424	59,029,609
18,423,079	16,535,049	15,593,326	12,679,623	12,449,879
7,063,192	6,936,334	6,322,870	6,097,336	5,605,557
26,614	1,758,999	1,808,012	1,748,959	1,354,481
4,082,196	4,327,311	5,207,711	4,353,336	4,606,825
1,062,197	2,150,197	1,769,777	2,081,127	1,524,145
2,745,869	3,016,301	3,331,968	3,178,094	3,209,235
4,051,697	5,102,920	3,278,763	1,225,958	4,237,773
220,070,331	222,325,361	210,689,088	191,252,434	197,156,556
34,666,641	32,532,685	30,884,544	28,938,852	27,237,134
60,064,604	58,669,932	55,272,920	50,933,285	49,913,169
16,928,575	17,064,845	13,633,902	12,317,663	10,833,055
20,938,212	21,669,847	22,308,940	19,935,823	16,974,798
12,623,307	14,870,592	14,728,510	16,469,645	14,017,601
25,566,267	19,126,931	18,544,667	17,614,751	17,989,603
8,901,327	8,306,921	10,525,090	7,996,019	12,691,837
6,200,794	5,536,580	5,003,161	5,498,277	4,974,223
4,803,380	4,934,088	2,904,318	3,001,504	2,437,266
12,095	92,325	7,042	7,442	389
65,229,370	65,859,750	58,177,933	48,163,988	49,461,878
255,934,572	248,664,496	231,991,027	210,877,249	206,530,953
(35,864,241)	(26,339,135)	(21,301,939)	(19,624,815)	(9,374,397)
39,460,154	38,002,168	32,371,598	31,698,768	36,383,394
(38,051,423)	(36,757,125)	(31,663,701)	(31,487,832)	(35,321,704)
9,600,000	18,655,035	43,799,999	19,347,418	18,580,000
7,397	42,635	1,918,788	247,703	143,659
-	(16,057)	(5,854)	-	(3,066)
-	(6,504,876)	-	(9,598,350)	-
4,080,940	2,590,767	136,969	810,955	753,313
15,097,068	16,012,547	46,557,799	11,018,662	20,535,596
(20,767,173)	(10,326,588)	25,255,860	(8,606,153)	11,161,199
5.4%	5.2%	4.1%	4.8%	4.8%

Table 5

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

	Lincoln Electric System Megawatt-Hour Sales								
Calendar Year	Residential	Commercial	Industrial	Street and Highway Lighting	Government and Other Billed	Unbilled Energy Increase/ (Decrease)	Sales To Others	Total Megawatt-Hour Sales	Average Cent per Kilowatt Hour Rate
2010	1,216,899	1,188,925	495,279	21,082	285,260	(17,765)	1,006,085	4,195,765	$ 0.0721
2009	1,121,769	1,149,462	483,982	20,651	277,940	269	1,092,093	4,146,166	0.0700
2008	1,133,238	1,177,049	558,088	20,349	274,304	73,241	1,232,903	4,469,172	0.0648
2007	1,152,048	1,198,401	539,438	20,234	273,056	(3,435)	569,319	3,749,061	0.0634
2006	1,106,943	1,167,869	547,028	19,667	260,225	(45,195)	467,471	3,524,008	0.0612

Note: The numbers are based on Lincoln Electric System's 12/31 fiscal year end.
Per Lincoln Electric System, numbers are only comparable for last five years.

Source: Lincoln Electric System

Table 6

CITY OF LINCOLN, NEBRASKA
REVENUE FROM ELECTRICAL SALES BY CUSTOMER TYPE
CALENDAR YEAR 2010
(dollars in thousands)

	2010		
Customer Type	Revenue From Electric Sales	Rank	Percentage of Revenue From Electric Sales
Residential	$ 101,053	1	39.43 %
Commercial	79,907	2	31.18
Industrial	28,692	3	11.20
Other	46,627	-	18.19
Total	$ 256,279		100.00 %

Note: The numbers are based on Lincoln Electric System's 12/31/10 fiscal year end. Numbers from nine years ago are not comparable per Lincoln Electric System.

Source: Lincoln Electric System

Table 7

CITY OF LINCOLN, NEBRASKA
TOTAL CITY TAXABLE SALES
LAST TEN FISCAL YEARS

Fiscal Year Ended August 31,	Total City Taxable Sales	Total Direct Tax Rate
2011	$ 4,098,124,125	0.0150
2010	3,918,162,825	0.0150
2009	3,860,013,289	0.0150
2008	3,961,835,269	0.0150
2007	3,890,346,633	0.0150
2006	3,825,820,559	0.0150
2005	3,834,847,147	0.0150
2004	3,735,080,884	0.0150
2003	3,533,640,597	0.0150
2002	3,392,336,361	0.0150

Source: City of Lincoln Treasurer's Office

Table 8

CITY OF LINCOLN, NEBRASKA
SALES TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

	Direct	Overlapping [1]	
Fiscal Year	City of Lincoln	State of Nebraska	Total Tax Rate
2011	0.015	0.055	0.070
2010	0.015	0.055	0.070
2009	0.015	0.055	0.070
2008	0.015	0.055	0.070
2007	0.015	0.055	0.070
2006	0.015	0.055	0.070
2005	0.015	0.055	0.070
2004	0.015	0.055	0.070
2003	0.015	0.055	0.070
2002	0.015	0.050	0.065

Note: [1] Overlapping rates are those of other governments that apply to consumers within the City of Lincoln.

Table 9

CITY OF LINCOLN, NEBRASKA

NET TAXABLE SALES BY BUSINESS CLASSIFICATION

CURRENT YEAR AND NINE YEARS AGO

	2010			2001		
Business Classification	Net Taxable Sales	Rank	Percentage of Total Net Taxable Sales	Net Taxable Sales	Rank	Percentage of Total Net Taxable Sales
Retail Trade	$ 1,541,864,343	1	51.24 %	$ 1,403,098,765	1	51.58 %
Accommodation & Food Services	462,140,663	2	15.36	330,374,884	2	12.15
Utilities	221,740,040	3	7.37	221,231,191	3	8.13
Other	783,095,451	-	26.03	765,325,801	-	28.14
Total	$ 3,008,840,497		100.00 %	$ 2,720,030,641		100.00 %

Note: Amounts shown are net taxable sales, which includes refunds and does not include motor vehicle net sales. The numbers are only available on a calendar year basis. 2011 amounts are not yet available.

Source: Nebraska Department of Revenue

Table 10

CITY OF LINCOLN, NEBRASKA

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS

	Real Property		Other Property			
Fiscal Year Ended August 31,	Residential Property	Commercial Property	Personal Property	Centrally Assessed Property	Total Taxable Assessed Value	Total Direct Tax Rate
2011	$ 10,648,151,681	$ 4,477,256,519	$ 565,104,377	$ 190,747,843	$ 15,881,260,420	0.2879
2010	10,546,474,527	4,438,463,100	566,308,151	195,207,804	15,746,453,582	0.2879
2009	10,839,440,027	4,382,749,195	547,971,496	165,412,019	15,935,572,737	0.2879
2008	10,723,170,809	4,246,365,596	521,771,782	162,618,303	15,653,926,490	0.2879
2007	10,402,515,684	4,236,340,817	538,646,420	164,660,867	15,342,163,788	0.2833
2006	9,083,290,211	3,814,534,869	525,730,603	159,694,612	13,583,250,295	0.3009
2005	8,727,702,573	3,694,097,147	560,657,306	156,059,200	13,138,516,226	0.2950
2004	8,402,403,364	3,598,787,015	566,854,120	176,060,893	12,744,105,392	0.2903
2003	7,255,640,292	3,094,988,486	599,272,540	180,686,849	11,130,588,167	0.3145
2002	7,048,688,380	2,855,200,333	634,025,721	186,771,403	10,724,685,837	0.3145

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

Source: Lancaster County Assessor's Office

Table 11

CITY OF LINCOLN, NEBRASKA
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

	Fiscal Year									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
City of Lincoln										
General Fund	0.1739	0.1772	0.1806	0.1778	0.1687	0.1955	0.1706	0.1692	0.1757	0.1780
Library Fund	0.0398	0.0398	0.0396	0.0404	0.0427	0.0488	0.0490	0.0485	0.0534	0.0522
Social Security Fund	0.0141	0.0097	0.0129	0.0134	0.0135	0.0139	0.0149	0.0143	0.0162	0.0153
Police and Fire Pension Fund	0.0261	0.0251	0.0201	0.0203	0.0208	0.0219	0.0182	0.0149	0.0149	0.0126
Bond Interest and Redemption	0.0340	0.0361	0.0347	0.0360	0.0376	0.0208	0.0423	0.0434	0.0543	0.0564
Total City of Lincoln	0.2879	0.2879	0.2879	0.2879	0.2833	0.3009	0.2950	0.2903	0.3145	0.3145
Overlapping Rates [1]										
School District No. 1	1.2462	1.2537	1.2668	1.2719	1.2764	1.3142	1.3141	1.3011	1.2830	1.2732
Lancaster County	0.2683	0.2683	0.2683	0.2755	0.2655	0.2841	0.2797	0.2683	0.2683	0.2583
Educational Service Unit #18	0.0145	0.0150	0.0150	0.0141	0.0141	0.0150	0.0150	0.0150	0.0150	0.0150
Community Technical College	0.0600	0.0676	0.0722	0.0689	0.0689	0.0696	0.0655	0.0655	0.0655	0.0636
Lower Platte South N.R.D.	0.0406	0.0410	0.0410	0.0418	0.0416	0.0422	0.0323	0.0323	0.0359	0.0365
Lancaster County Correctional JPA City	0.0189	0.0194	0.0195	-	-	-	-	-	-	-
Lancaster County Correctional JPA County	0.0106	0.0107	0.0106	-	-	-	-	-	-	-
Railroad Transportation Safety Dist.	0.0260	0.0260	0.0260	0.0260	0.0246	0.0260	0.0260	0.0248	0.0220	0.0221
Agricultural Society of Lancaster County	0.0017	0.0016	0.0015	0.0016	0.0016	0.0018	0.0020	0.0030	0.0012	0.0024
Lancaster County Fairgrounds	0.0038	0.0038	0.0038	0.0043	0.0037	0.0042	0.0042	0.0043	0.0050	0.0052
Public Building Commission	0.0170	0.0170	0.0170	0.0170	0.0170	0.0170	0.0170	0.0170	0.0170	0.0170
Total Overlapping Rates	1.7076	1.7241	1.7417	1.7211	1.7134	1.7741	1.7558	1.7313	1.7129	1.6933

Note: [1] Overlapping rates are those of local and county governments that apply to property owners within the City of Lincoln.

State of Nebraska State Statute 77-3442 limits the maximum levy of ninety cents per one hundred dollars of taxable valuation of property subject to the levy.

Sources: Lancaster County Clerk's Office and City of Lincoln Budget Office

Table 12

CITY OF LINCOLN, NEBRASKA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

		2011			2002		
Taxpayer	Type of Business	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
B & J Partnership Ltd.	Building Management	$ 78,862,600	1	0.50 %	$ 34,966,737	9	0.33 %
Burlington Northern	Railroad	71,668,442	2	0.45	49,888,265	3	0.47
Kawasaki	Manufacturing	70,126,972	3	0.44	44,467,988	5	0.41
Ameritas Life Insurance Corp.	Insurance	61,017,194	4	0.38	-	-	-
WEA Gateway LLC	Retail Management	56,997,083	5	0.36	43,202,191	6	0.40
Bryan LGH	Hospital	53,953,361	6	0.34	-	-	-
Pfizer	Animal Health	47,060,705	7	0.30	55,806,655	2	0.52
Nebco	Construction / Development	46,160,673	8	0.29	-	-	-
Chateau Van Dorn LLC	Real Estate Development	45,364,619	9	0.29	35,599,848	8	0.33
Black Hills Utility Holdings	Gas Utility	45,124,751	10	0.28	-	-	-
Windstream	Telecommunications	-	-	-	94,656,597	1	0.88
Molex Inc.	Manufacturing	-	-	-	44,664,388	4	0.42
RED Capital Management	Retail Management	-	-	-	36,783,814	7	0.34
State Farm	Insurance	-	-	-	33,378,233	10	0.31
Total		$ 576,336,400		3.63 %	$ 473,414,716		4.41 %

Source: Lancaster County Assessor's Office

Table 13

CITY OF LINCOLN, NEBRASKA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended August 31	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2011	$ 45,718,972	$ 44,206,917	96.69 %	$ -	$ 45,703,860	99.97 %
2010	45,197,040	43,791,366	96.89	1,379,475	45,170,841	99.94
2009	45,884,670	44,385,970	96.73	1,481,756	45,867,726	99.96
2008	45,052,028	43,526,689	96.61	1,512,703	45,039,392	99.97
2007	43,291,440	41,815,295	96.59	1,469,626	43,284,921	99.98
2006	40,930,818	39,549,553	96.63	1,377,668	40,927,221	99.99
2005	38,755,995	37,488,504	96.73	1,260,779	38,749,283	99.98
2004	36,994,112	35,696,288	96.49	1,206,531	36,902,819	99.75
2003	35,007,926	33,648,496	96.12	1,267,967	34,916,463	99.74
2002	33,731,282	32,482,000	96.30	1,238,019	33,720,019	99.97

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

CITY OF LINCOLN, NEBRASKA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(amounts in thousands, except per capita)

	Governmental Activities						
Fiscal Year	General Bonds	Tax Supported Bonds	Tax Allocation Bonds	Special Assessment Bonds	Antelope Valley Project Bonds	West Haymarket Joint Public Agency Bonds	Capital Leases
2011	$ 51,600	$ 55,205	$ 11,658	$ 1,200	$ 5,920	$ 300,000	$ 33,525
2010	48,330	57,655	12,398	-	6,605	-	28,989
2009	52,440	59,385	13,356	-	7,265	-	28,094
2008	56,760	61,750	10,071	-	7,900	-	28,574
2007	61,020	63,080	9,313	-	8,515	-	22,792
2006	56,665	36,435	6,247	-	9,110	-	18,321
2005	60,915	36,770	6,853	-	9,690	-	9,475
2004	54,650	37,090	7,075	100	10,255	-	7,785
2003	57,865	2,395	1,294	205	10,810	-	1,680
2002	52,157	2,685	1,845	310	11,080	-	1,818

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
[1] See Table 18, Demographic and Economic Statistics, for income and population data.

Table 14

Business-Type Activities						
Revenue Bonds	Wastewater Project Loan	Commercial Paper Notes	Capital Leases	Total Primary Government	Net Debt Per Capita [1]	Percentage of Personal Income [1]
$ 732,650	$ 6,991	$ 90,000	$ 1,009	$ 1,289,758	$ 4,992	- %
745,660	3,049	90,000	1,328	994,014	3,913	-
773,390	-	90,000	338	1,024,268	4,071	9.20
781,125	-	90,000	478	1,036,658	4,168	9.26
709,645	-	90,000	922	965,287	4,003	9.01
709,320	-	90,000	704	926,802	3,874	9.10
609,550	-	90,173	1,136	824,562	3,455	8.59
572,360	-	90,173	1,554	781,042	3,307	8.42
499,320	-	90,173	1,349	665,091	2,823	7.44
430,975	5,593	75,000	1,639	583,102	2,516	6.81

Table 15

CITY OF LINCOLN, NEBRASKA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(dollars in thousands, except per capita)

Fiscal Year	General Bonds	Tax Supported Bonds	Tax Allocation Bonds	Special Assessment Bonds	General Bonded Debt	Sinking Funds	Net General Bonded Debt	Net Bonded Debt Per Capita [1]	Ratio of Net Debt To Estimated Valuation of Taxable Real Property [2]
2011	$ 51,600	$ 55,205	$ 11,658	$ 1,200	$ 119,663	$ 13,305	$ 106,358	$ 411.64	0.70 %
2010	48,330	57,655	12,398	-	118,383	13,480	104,903	413.00	0.70
2009	52,440	59,385	13,356	-	125,181	13,604	111,577	443.43	0.73
2008	56,760	61,750	10,071	-	128,581	12,962	115,619	464.81	0.77
2007	61,020	63,080	9,313	-	133,413	11,574	121,839	505.21	0.83
2006	56,665	36,435	6,247	-	99,347	9,733	89,614	374.62	0.69
2005	60,915	36,770	6,853	-	104,538	13,364	91,174	382.08	0.73
2004	54,650	37,090	7,075	100	98,915	13,164	85,751	363.13	0.71
2003	57,865	2,395	1,294	205	61,759	11,114	50,645	214.99	0.49
2002	52,157	2,685	1,845	310	56,997	11,147	45,850	197.80	0.46

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
[1] Population data can be found in Table 18, Demographic and Economic Statistics.
[2] Property value information can be found in Table 10, Assessed Value and Actual Value of Taxable Property.

Table 16

CITY OF LINCOLN, NEBRASKA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

AS OF AUGUST 31, 2011

Governmental Units	Debt Outstanding	Estimated Percentage Applicable [1]	Direct And Overlapping Debt To The City
Direct:			
City	$ 419,663,000	100.0 %	$ 419,663,000
Overlapping:			
School District #1	362,755,000	99.5	360,941,000
Lower Platte South N.R.D.	-	75.4	-
Lancaster County	1,400,000	85.4	1,196,000
Public Building Commission	41,660,000	85.4	35,578,000
Lancaster County Correctional Facility	59,570,000	85.4	50,873,000
Lancaster County Fairgrounds	8,480,000	85.4	7,242,000
	473,865,000		455,830,000
Total	$ 893,528,000		$ 875,493,000

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

[1] The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the governmental unit's taxable revenue base that is within the City of Lincoln's boundaries and dividing it by the unit's total taxable revenue base.

Sources: Assessed value data used to estimate applicable percentages provided by the County Assessor's Office. Debt outstanding data provided by each governmental entity.

CITY OF LINCOLN, NEBRASKA

Table 17

PLEDGED REVENUE COVERAGE

LAST TEN FISCAL YEARS

	Gross Revenue	Direct Operating Expenses	Net Available Revenue	Debt Service Requirements			
				Principal	Interest	Total	Coverage
Wastewater System							
	Utility Service Charges						
2011	$ 23,546,370	12,543,964	11,002,406	2,865,000	3,647,609	6,512,609	1.69
2010	22,472,095	11,664,593	10,807,502	2,695,000	3,731,444	6,426,444	1.68
2009	22,643,270	11,771,291	10,871,979	2,620,000	3,820,044	6,440,044	1.69
2008	22,347,867	11,393,624	10,954,243	2,415,000	4,030,454	6,445,454	1.70
2007	21,158,743	11,462,964	9,695,779	2,005,000	3,081,481	5,086,481	1.91
2006	19,827,194	11,125,819	8,701,375	2,065,000	3,043,500	5,108,500	1.70
2005	18,248,683	10,482,955	7,765,728	1,500,000	2,403,519	3,903,519	1.99
2004	18,092,619	10,042,919	8,049,700	1,750,000	2,133,704	3,883,704	2.07
2003	15,607,743	9,086,469	6,521,274	1,032,500	266,722	1,299,222	5.02
2002	15,731,749	8,632,287	7,099,462	992,500	316,847	1,309,347	5.42
Water System							
	Utility Service Charges						
2011	$ 30,629,506	15,455,027	15,174,479	6,310,000	3,191,857	9,501,857	1.60
2010	26,515,467	14,091,292	12,424,175	6,050,000	3,458,097	9,508,097	1.31
2009	27,838,187	14,995,077	12,843,110	5,795,000	3,128,414	8,923,414	1.44
2008	27,257,184	14,425,521	12,831,663	5,555,000	3,376,201	8,931,201	1.44
2007	29,386,495	14,351,136	15,035,359	5,340,000	3,612,001	8,952,001	1.68
2006	29,014,999	13,808,214	15,206,785	5,130,000	3,834,301	8,964,301	1.70
2005	27,153,937	13,145,665	14,008,272	4,895,000	3,517,932	8,412,932	1.67
2004	24,557,918	12,477,486	12,080,432	3,115,000	2,411,632	5,526,632	2.19
2003	22,094,721	11,631,496	10,463,225	3,010,000	2,898,489	5,908,489	1.77
2002	22,894,652	11,474,433	11,420,219	2,880,000	2,110,590	4,990,590	2.29
Lincoln Electric System							
	Utility Service Charges						
2010	$ 261,772,000	167,397,000	94,375,000	18,107,000	27,840,000	45,947,000	2.05
2009	246,182,000	154,495,000	91,687,000	17,273,000	28,673,000	45,946,000	2.00
2008	249,914,000	163,663,000	86,251,000	14,333,000	29,316,000	43,649,000	1.98
2007	229,766,000	154,584,000	75,182,000	13,953,000	28,570,000	42,523,000	1.77
2006	208,995,000	148,442,000	60,553,000	12,177,000	26,541,000	38,718,000	1.56
2005	191,074,000	139,094,000	51,980,000	10,713,000	22,795,000	33,508,000	1.55
2004	169,986,000	113,755,000	56,231,000	12,341,000	20,790,000	33,131,000	1.70
2003	170,410,000	116,151,000	54,259,000	12,646,000	15,235,000	27,881,000	1.95
2002	168,279,000	109,348,000	58,931,000	10,840,000	18,678,000	29,518,000	2.00
2001	162,882,000	117,165,000	45,717,000	11,025,000	15,779,000	26,804,000	1.71
Golf							
	Facility and Course Fees						
2011	$ 2,766,603	2,683,690	82,913	365,000	14,783	379,783	0.22
2010	2,779,424	2,562,064	217,360	350,000	28,783	378,783	0.57
2009	3,133,238	2,516,538	616,700	335,000	41,848	376,848	1.64
2008	2,933,843	2,402,983	530,860	325,000	54,035	379,035	1.40
2007	2,926,985	2,463,827	463,158	315,000	65,060	380,060	1.22
2006	2,993,961	2,467,141	526,820	305,000	74,973	379,973	1.39
2005	3,135,875	2,568,462	567,413	295,000	83,823	378,823	1.50
2004	2,899,670	2,467,141	432,529	290,000	91,653	381,653	1.13
2003	2,648,552	2,408,947	239,605	280,000	98,513	378,513	0.63
2002	2,673,078	2,141,707	531,371	305,000	75,628	380,628	1.40

(Continued)

(Pledged Revenue Coverage, Table 17, Continued)

	Gross Revenue	Direct Operating Expenses	Net Available Revenue	Debt Service Requirements Principal	Interest	Total	Coverage
Parking Facilities [1, 2]							
	Parking Fees						
2011	$ 7,698,018	3,606,008	4,092,010	580,000	689,717	1,269,717	3.22
2010	6,869,392	3,340,601	3,528,791	1,435,000	558,519	1,993,519	1.77
2009	7,014,250	2,874,768	4,139,482	1,360,000	624,394	1,984,394	2.09
2008	7,134,709	2,912,511	4,222,198	1,305,000	687,194	1,992,194	2.12
2007	6,645,013	2,781,952	3,863,061	1,240,000	746,374	1,986,374	1.94
2006	6,785,593	2,775,122	4,010,471	1,185,000	799,931	1,984,931	2.02
2005	6,219,935	2,972,709	3,247,226	1,140,000	850,501	1,990,501	1.63
2004	6,299,598	2,733,492	3,566,106	1,145,000	908,456	2,053,456	1.74
2003	5,988,240	2,304,632	3,683,608	1,085,000	962,829	2,047,829	1.80
2002	5,483,546	1,964,389	3,519,157	1,115,000	924,470	2,039,470	1.73
Antelope Valley Project Bonds							
	Development Fund *						
2011	$ 1,000,000	-	1,000,000	685,000	299,235	984,235	1.02
2010	1,000,000	-	1,000,000	660,000	325,640	985,640	1.01
2009	1,000,000	-	1,000,000	635,000	349,934	984,934	1.02
2008	1,000,000	-	1,000,000	615,000	371,978	986,978	1.01
2007	1,000,000	-	1,000,000	595,000	391,655	986,655	1.01
2006	1,000,000	-	1,000,000	580,000	408,998	988,998	1.01
2005	1,000,000	-	1,000,000	565,000	423,615	988,615	1.01
2004	1,000,000	-	1,000,000	555,000	435,663	990,663	1.01
2003	1,000,000	-	1,000,000	270,000	445,711	715,711	1.40
2002	1,000,000	-	1,000,000	-	-	-	-
Solid Waste Management							
	Waste Disposal Fees						
2011	$ 7,628,127	6,386,050	1,242,077	210,000	132,425	342,425	3.63
2010	7,377,385	8,482,526	-	200,000	140,425	340,425	-
2009	7,664,336	4,482,819	3,181,517	195,000	148,225	343,225	9.27
2008	8,537,520	5,701,312	2,836,208	190,000	155,825	345,825	8.20
2007	8,020,390	5,079,147	2,941,243	185,000	155,971	340,971	8.63
2006	-	-	-	-	-	-	-
2005	-	-	-	-	-	-	-
2004	-	-	-	-	-	-	-
2003	-	-	-	-	-	-	-
2002	-	-	-	-	-	-	-

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
Direct Operating Expenses do not include interest, depreciation and amortization expenses, or in lieu of taxes.

[1] Parking Facilities' gross revenues include parking meter revenues which were deposited to the General Fund but are pledged per bond ordinance.

[2] Information in this schedule does not agree with information in the transmittal letter which is calculated in accordance with specific requirements of the bond covenants.

* City of the Primary Class Redevelopment Fund provides for annual appropriations from a cigarette tax imposed by the State of Nebraska. Should these funds be insufficient to pay principal and interest the City has covenanted to use City sales tax receipts.

Table 18

CITY OF LINCOLN, NEBRASKA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population [1]	Personal Income (thousands of dollars) [2]	Per Capita Personal Income [2]	School Enrollment [3]	Unemployment Rate [4]
2011	258,379	$ -	$ -	36,530	3.7 %
2010	254,001	-	-	35,896	3.9
2009	251,624	11,133,960	37,361	34,973	4.3
2008	248,744	11,194,244	37,990	34,061	3.0
2007	241,167	10,712,724	36,838	33,466	2.7
2006	239,213	10,185,369	35,441	32,934	2.8
2005	238,625	9,604,373	33,799	32,505	3.4
2004	236,146	9,272,040	33,024	32,270	3.7
2003	235,565	8,936,663	32,098	31,889	3.6
2002	231,800	8,567,938	31,208	31,867	3.0

Sources: [1] Lincoln/Lancaster Planning Department.
[2] U.S. Department of Commerce Bureau of Economic Analysis. Personal Income and Per Capita Income are based on Lincoln Metropolitan Statistical Area, which includes all of Lancaster and Seward Counties. 2010 and 2011 numbers are unavailable.
[3] Lincoln Public Schools.
[4] State of Nebraska, Department of Labor.

Median age from 2010 census was 31.8 years old. Education statistics per the 2010 census indicate that 92.4% of the population 25 years and older has a high school degree or greater with 35.2% of the same population holding a Bachelor's degree or greater.

Table 19

CITY OF LINCOLN, NEBRASKA
PRINCIPAL EMPLOYERS
CURRENT YEAR

	2011		
Employer	Employees	Rank	Percentage of Total City Employment
State of Nebraska	9,008	1	5.18 %
Lincoln Public Schools	7,524	2	4.32
University of Nebraska-Lincoln	6,024	3	3.46
BryanLGH Medical Center	3,604	4	2.07
US Government	2,867	5	1.65
City of Lincoln	2,581	6	1.48
Saint Elizabeth Regional Medical Center	2,259	7	1.30
Burlington Northern Railroad	1,800	8	1.04
State Farm Insurance	1,382	9	0.79
Kawasaki Motors Mfg. Corp.	1,351	10	0.78
Total	38,400		22.07 %

Note: Data not available for Employers nine years prior.

Sources: Nebraska Department of Labor, Lincoln Partnership for Economic Development, and Employers.

Table 20

CITY OF LINCOLN, NEBRASKA
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

	Full-Time Equivalent Employees as of August 31									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Function										
General Government										
Legislative	8.00	8.00	8.00	8.00	8.00	9.00	9.00	9.00	9.00	9.00
Executive	20.75	21.15	21.25	20.50	25.20	26.60	28.10	28.10	27.50	27.68
Financial Administration	70.58	66.20	66.20	68.00	72.00	71.67	73.00	73.00	72.00	74.00
Law	29.00	27.00	27.00	26.00	28.50	28.50	28.50	28.50	28.46	27.50
Personnel Administration	23.47	22.80	22.80	22.00	23.19	23.19	22.38	22.38	21.00	21.40
Planning and Zoning	22.00	21.50	22.19	22.00	22.00	21.06	21.08	21.00	20.25	21.00
Urban Development	9.28	9.44	9.91	10.29	11.58	11.78	11.83	10.93	9.23	9.65
Public Safety										
Police	402.51	406.43	406.15	402.38	407.13	407.40	407.33	405.75	392.50	396.25
Fire	272.76	267.76	266.41	264.92	264.57	264.57	263.48	259.06	255.07	253.77
Building and Safety	54.58	54.62	58.00	63.00	63.00	63.00	65.00	62.00	61.00	62.50
Transportation	17.25	17.25	18.50	18.50	20.50	21.50	21.33	20.50	20.50	20.50
911 Communication	41.50	41.50	41.02	38.50	39.50	39.50	39.50	39.50	35.50	35.25
Streets and Highways	108.84	106.85	105.92	106.70	109.40	110.35	110.01	108.02	106.00	106.52
Culture and Recreation										
Parks and Recreation	232.43	226.26	231.17	264.65	280.79	286.23	276.94	271.95	264.25	265.16
Library	107.47	107.47	111.47	117.01	121.67	124.17	124.17	124.17	124.16	120.63
Economic Opportunity										
Lincoln Area Agency on Aging	51.03	51.33	52.50	57.10	64.30	64.86	68.42	69.42	68.22	71.95
Urban Development	10.43	10.31	11.23	12.83	12.68	14.34	14.39	15.80	18.28	15.95
Workforce Investment Act	12.02	8.98	9.01	8.20	6.20	5.64	5.54	3.82	4.24	5.15
Health and Welfare	112.25	112.03	112.78	113.97	119.52	123.45	124.85	120.55	125.95	124.35
Mass Transit	111.52	112.38	109.38	112.38	111.00	111.00	113.00	112.00	111.00	113.00
Equipment Management										
Police Garage	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
Fleet Services	15.00	15.00	15.00	15.42	17.00	17.37	17.38	17.38	17.38	17.38
Radio Maintenance	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	7.00
Engineering Services	68.45	68.65	69.53	70.80	74.95	76.00	76.00	75.45	74.45	73.05
Golf	27.86	28.00	29.95	30.16	30.67	30.49	32.55	32.32	32.78	33.88
Parking Facilities	2.80	1.72	2.40	1.60	1.60	1.60	1.60	1.60	1.60	1.70
Municipal Auditorium	11.00	11.00	11.00	11.00	11.00	12.00	11.00	12.00	12.00	12.00
Sanitary Landfill	31.70	30.80	30.75	30.85	30.85	30.84	30.85	30.85	29.35	29.35
Emergency Medical Services	28.49	28.49	28.09	28.34	29.43	29.43	30.52	37.43	35.43	35.73
Wastewater System	92.43	93.65	96.72	97.36	98.70	98.69	95.44	95.19	96.85	98.05
Water System	108.56	107.43	112.60	113.68	115.28	115.27	112.26	111.76	108.63	109.38
Electric System	456.00	456.00	445.00	445.00	444.00	452.50	447.50	446.50	435.00	421.00
	2,580.96	2,561.00	2,572.93	2,622.14	2,685.21	2,713.00	2,703.95	2,686.93	2,638.58	2,634.73

Source: City of Lincoln Budget Office

Table 21

CITY OF LINCOLN, NEBRASKA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

	Fiscal Year									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Function										
Public Safety										
Police:										
Arrests	25,637	26,796	28,183	31,026	29,404	28,523	24,609	23,298	22,339	23,523
Parking Violations	59,049	61,493	75,234	64,116	64,710	54,852	80,071	91,529	101,537	108,286
Traffic Violations	50,872	48,580	48,290	53,862	47,997	54,572	57,732	54,260	48,250	52,843
Fire:										
Number of Calls Answered	20,770	19,602	19,536	19,572	19,075	18,362	18,457	17,931	19,557	20,314
Building and Safety:										
Number of Commercial Building Permits	1,320	1,234	1,196	1,064	994	1,088	1,092	1,061	1,036	1,013
Number of Residential Building Permits	2,336	2,225	1,794	2,261	2,820	3,150	3,387	3,846	3,913	3,405
Culture and Recreation										
Library:										
Total Circulation (thousands)	3,417	3,343	3,348	3,182	3,138	3,108	3,076	3,077	3,016	2,751
Golf:										
Rounds of Golf	171,518	175,940	199,567	196,988	198,337	203,802	202,255	200,986	195,003	204,524
Mass Transit										
StarTran Ridership (thousands)	1,935	1,810	1,790	1,975	1,871	1,826	1,649	1,553	1,529	1,581
Wastewater										
Number of Consumers	78,811	78,376	77,613	77,174	76,458	75,573	74,326	72,753	70,651	69,292
Water										
Number of Consumers	79,184	78,740	77,973	77,532	76,816	75,919	74,649	73,059	72,260	69,704
Average Daily Consumption (thousand gallons)	32,017	31,064	32,716	32,832	35,057	38,425	37,867	35,141	37,520	40,091
Electric System										
Number of Consumers	128,373	129,322	128,115	126,978	124,878	123,376	121,508	119,456	116,974	114,388

Note: Indicators are not available for the general government function.

Sources: Various City Departments

Table 22

CITY OF LINCOLN, NEBRASKA
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

	Fiscal Year									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Function										
Public Safety										
Police Stations	3	3	3	3	3	2	2	2	2	2
Fire Stations	14	14	14	14	14	14	14	14	14	14
Ambulances	11	10	11	11	11	11	11	11	11	11
Streets and Highways										
Lane Miles of Streets [1]	2,757	2,732	2,713	2,677	2,641	2,450	2,420	2,818	2,791	2,729
Streetlights	29,040	28,928	28,412	28,223	27,923	27,519	26,654	25,973	25,196	24,677
Culture and Recreation										
Parks Acreage	6,503	6,503	6,503	7,124	6,114	6,114	6,748	5,891	5,779	5,455
Parks	141	141	141	125	123	122	116	114	112	105
Playgrounds	84	84	85	85	85	85	83	86	85	81
Swimming Pools (Public)	9	9	9	10	11	11	11	11	11	11
Golf Courses (Public)	5	5	5	5	5	5	5	5	5	5
Trail Miles	128	128	128	128	128	122	99	84	83	80
Recreation Centers	8	8	7	7	8	8	8	8	8	8
Libraries	8	8	8	8	8	8	8	8	8	8
Mass Transit										
Buses and Handivans	71	70	70	69	69	69	69	66	66	65
Wastewater										
Miles of Wastewater Mains	1,017	1,015	1,010	1,006	995	978	960	935	909	875
Water										
Miles of Water Mains	1,243	1,237	1,230	1,213	1,201	1,183	1,164	1,132	1,104	1,085

Note: No capital asset indicators are available for the general government function.
[1] In 2005, the qualifications for Lane Miles of Streets were reassessed.

Sources: Various City Departments

SINGLE AUDIT SECTION

CITY OF LINCOLN, NEBRASKA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED AUGUST 31, 2011

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant Number	Federal Expenditures	
U.S. DEPARTMENT OF AGRICULTURE				
Direct Programs:				
Community Food Projects (Open Harvest)	10.225	2006-33800-17641	$	1,597
Pass-Through State Department Of Education:				
Summer Food Service Program for Children	10.559	DO 05955	311,020	
Summer Food Service Program for Children	10.559	RES A 85784	2,664	313,684
Pass-Through State Department Of Health And Human Services:				
Special Supplemental Nutrition Program for Women, Infants & Children	10.557	EO 082647	110,385	
Special Supplemental Nutrition Program for Women, Infants & Children	10.557	EO 083554	786,252	
Special Supplemental Nutrition Program for Women, Infants & Children	10.557	WIC BFPC	140	896,777
Nutrition Program for the Elderly (Commodities)	10.570			133,777
Total U.S. Department Of Agriculture				$ 1,345,835
U.S. DEPARTMENT OF COMMERCE				
Pass-Through Nebraska Emerencey Management Agency:				
Public Safety Interoperable Communications Grant Program	11.555	2007GSH70050		$ 29,899
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Direct Programs:				
Congregate Housing Services Program (Mahoney Manor)	14.170	NE26-G940-001	$ 64,405	
Congregate Housing Services Program (Burke Plaza)	14.170	NE26-G940-002	45,828	110,233
Community Development Block Grant - Entitlement Grants Cluster:				
Community Development Block Grant	14.218	B-10 MC-31-0001	12,089,611	
Community Development Block Grant ARRA	14.253	B-09-MY-31-0001	212,253	12,301,864
Shelter Plus Care	14.238	NE26C602001		19,484
HOME Investment Partnerships Program	14.239	M-10 MC-31-0202		13,080,117
Homelessness Prevention and Rapid Re-Housing Program ARRA	14.257	S-09-MY-31-0002		325,177
Fair Housing Assistance Program - State and Local	14.401	FF207K107017		32,284
Pass-Through State Department Of Economic Development:				
CDBG - State-Administered Small Cities Program Cluster:				
Community Development Block Grant (Neighborhood Stabilization Program)	14.228	092LS41	665,240	
Community Development Block Grant (Neighborhood Stabilization Program)	14.228	092N40	1,580,594	
Community Development Block Grant (Neighborhood Stabilization Program)	14.228	092ND40A	16,721	2,262,555
Total U.S. Department Of Housing And Urban Development				$ 28,131,714
U.S. DEPARTMENT OF INTERIOR				
Pass-Through State Historical Society:				
Historic Preservation Fund Grants-in-Aid	15.904	10/11	$ 18,712	
Historic Preservation Fund Grants-in-Aid	15.904	11/12	4,273	$ 22,985
U.S. DEPARTMENT OF JUSTICE				
Direct Programs:				
The Community-Defined Solutions to Violence Against Women Grant Program (Arrest Grant SART)	16.590	2007-WE-AX-0057	$	28,972
Public Safety Partnership and Community Policing Grant (Cops Interoperable Communications Tech Grant)	16.710	2004INWX0014	275	
Public Safety Partnership and Community Policing Grant ARRA (Cops Hiring Recovery Program)	16.710	2009RJWX0059	211,046	211,321
JAG Program Cluster:				
Edward Byrne Memorial Justice Assistance Grant Program (JAG Formula)	16.738	2009DJBX0775	123,963	
Edward Byrne Memorial Justice Assistance Grant Program ARRA (JAG Formula)	16.804	2009SBB92551	269,479	
Pass-Through State Comm. On Law Enforcement And Criminal Justice:				
Edward Byrne Memorial Justice Assistance Grant Program (Lin/Lan Investigative Narcotics Coop)	16.738	10DA034/08DA0315	241,796	
Edward Byrne Memorial Justice Assistance Grant Program (Lin/Lan Investigative Narcotics Coop)	16.738	09DA309/07DA313	95,634	
Edward Byrne Memorial Justice Assistance Grant Program ARRA (CC Recovery Narcotics)	16.803	09-DX-9016	14,493	
Edward Byrne Memorial Justice Assistance Grant Program ARRA (CC Recovery Narcotics)	16.803	09-DX-9001	106,860	852,225
Pass-Through Lancaster County:				
Violence Against Women Formula Grants (DV Specialist)	16.588	09-VW-713	34,904	
Violence Against Women Formula Grants	16.588	09-WX-7009	32,895	
Violence Against Women Formula Grants (DV Specialist)	16.588	10-VW-714	17,403	85,202

(Continued)
See Accompanying Notes to Schedule of Expenditures of Federal Awards

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant Number	Federal Expenditures	
Pass-Through Lancaster County:				
The Community-Defined Solutions to Violence Against Women Grant Program (VAWA Interpreters)	16.590	09-WE-AZ-0049-C-090190	5,708	
The Community-Defined Solutions to Violence Against Women Grant Program (VAWA Interpreters)	16.590	2010-WE-AX-0040	2,707	8,415
Pass-Through University of Nebraska-Lincoln:				
National Institute of Justice Research, Evaluation, and Development Project Grants (JAG Technology)	16.560	2010-DE-BX-K001		49,236
Pass-Through State Comm. On Law Enforcement And Criminal Justice:				
Crime Victim Assistance	16.575	10-VA-0230/1045-0900	125,543	
Crime Victim Assistance	16.575	09-VA-221/09-VS-902	8,998	134,541
Community Prosecution and Project Safe Neighborhoods	16.609	09-SN-8903	11,140	
Community Prosecution and Project Safe Neighborhoods	16.609	2010GPBX0048	13,362	24,502
Total U.S. Department Of Justice				$ 1,394,414
U.S. DEPARTMENT OF LABOR				
Pass-Through State Department Of Health And Human Services:				
Senior Community Service Employment Program	17.235	NGA-2011-131	$	63,944
Pass-Through State Department Of Labor:				
WIA Cluster:				
WIA Adult Program	17.258	2008	11,225	
WIA Dislocated Workers Formula Grants	17.278	2008	43,454	
WIA Dislocated Workers Formula Grants	17.278	2008	23,629	
WIA Dislocated Workers Formula Grants	17.278	2009	9,598	
WIA Dislocated Workers Formula Grants	17.278	2009	25,894	
WIA Dislocated Workers Formula Grants	17.278	2009	15,231	
WIA Dislocated Workers Formula Grants	17.278	2009	449	
WIA Youth Activities	17.259	2009	115	
WIA Adult Program (Incentive/Capacity)	17.258	2009	31,309	
WIA Adult Program (Incentive/Capacity)	17.258	2010	12,400	
WIA Adult Program ARRA	17.258	2010	21,311	
WIA Dislocated Workers Formula Grants ARRA	17.278	2010	154,973	
WIA Adult Program ARRA (Incentive/Capacity)	17.258	2010	40,074	
WIA Dislocated Workers Formula Grants	17.278	2010	341,621	
WIA Youth Activities	17.259	2010	348,284	
WIA Youth Activities	17.259	2011	6,420	
WIA Adult Program (Incentive/Capacity)	17.258	2011	874	1,086,861
Total U.S. Department Of Labor				$ 1,150,805
U.S. DEPARTMENT OF TRANSPORTATION				
Direct Programs:				
Transit Services Programs Cluster:				
Job Access Reverse Commute	20.516	NE37-006	$ 67,758	
Job Access Reverse Commute	20.516	NE37-009	62,671	
Job Access Reverse Commute	20.516	NE37-010	374,957	
New Freedom Program	20.521	NE-57-X007	37,239	
New Freedom Program	20.521	NE-57-X004	29,299	571,924
Federal Transit Cluster:				
Federal Transit Capital Investment Grants	20.500	* NE-04-0003	952,000	
Federal Transit: Formula Grants (AVL System)	20.507	* NE-26-0001	100,881	
Federal Transit: Formula Grants (Sec. 9 Capital)	20.507	* NE-04-0001	4,083	
Federal Transit: Formula Grants (Sec. 9 Capital)	20.507	* NE-90-0068	1,025,760	
Federal Transit: Formula Grants (Sec. 9 Capital)	20.507	* NE-90-X072	9,513	
Federal Transit: Formula Grants (Sec. 9 Capital)	20.507	* NE-90-X070	1,743	
Federal Transit: Formula Grants (Sec. 9 Capital)	20.507	* NE-90-X073	903,062	
Federal Transit: Formula Grants (Sec. 9 Capital)	20.507	* NE-90-X091	1,315,191	
Federal Transit: Formula Grants ARRA	20.507	* NE-96-0001	1,800,134	
Federal Transit: Formula Grants (Transit Planning)	20.507	* NE-90-0091	29,774	
Pass-Through Nebraska Department Of Roads:				
Federal Transit: Formula Grants (Transit Planning)	20.507	* RPT-C990(030)	79,868	
Federal Transit: Formula Grants (Transit Planning)	20.507	* RPT-C990(031)	21,848	6,243,857
Highway Planning and Construction Cluster:				
Highway Planning and Construction (Planning)	20.205	* HPR-PL1(48)	552,354	
Highway Planning and Construction (Planning)	20.205	* HPR-PL1(49)	73,676	
Highway Planning and Construction (Jamaica North Trail)	20.205	* STPB-55(160)	20,271	
Highway Planning and Construction (Surface Transportation Program - West O Street)	20.205	* ENH-5266(2)	15,960	
Highway Planning and Construction ARRA (Aylesworth to Vine)	20.205	* LCLC-5247(12)	729,397	

(Continued)
See Accompanying Notes to Schedule of Expenditures of Federal Awards

(Expenditures of Federal Awards, Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant Number	Federal Expenditures	
Highway Planning and Construction ARRA (Holdrege 70th to 79th)	20.205	* LCLC-5244(8)	776,265	
Highway Planning and Construction ARRA (Holdrege 33rd to 47th)	20.205	* LCLC-5244(7)	941,074	
Highway Planning and Construction ARRA (Adams 57th to 62nd)	20.205	* LCLC-5250(3)	24,370	
Highway Planning and Construction ARRA (A St & Van Dorn)	20.205	* LCLC-5220(3)	35,364	
Highway Planning and Construction ARRA (P St, Y St, NW 1st St)	20.205	* LCLC-5236(2)	33,833	
Highway Planning and Construction ARRA (Citywide)	20.205	* LCLC-5247(11)	773,886	
Highway Planning and Construction ARRA (O Street)	20.205	* LCLC-34-6(140)	419,647	
Highway Planning and Construction ARRA (Superior Street)	20.205	* LCLC-5254(9)	1,380	
Highway Planning and Construction (Lincoln Citywide Crosswalks)	20.205	* LCLC-5221(3)	159,876	
Highway Planning and Construction (JAVA)	20.205	*	1,888,309	
Highway Planning and Construction (Click It or Ticket)	20.205	* MAY 2011	7,689	
Highway Planning and Construction (Click It or Ticket)	20.205	* NOV 2010	3,581	
Highway Planning and Construction (You Drink, You Drive, You Lose)	20.205	* DEC 2010	5,027	6,461,959
Pass-Through Nebraska Department Of Roads:				
Formula Grants for Other Than Urbanized Areas (Lancaster County Rural Transit)	20.509	RPT-C551(211)	29,395	
Formula Grants for Other Than Urbanized Areas (Lancaster County Rural Transit)	20.509	RPT-C551(212)	5,078	34,473
Highway Safety Cluster:				
State and Community Highway Safety (School Zones Enforcement)	20.600	2011	11,725	
State and Community Highway Safety (Traffic Crash Conferences)	20.600	DEC 2010 / MAY 2011	2,410	
State and Community Highway Safety (MATAI Conference)	20.600	JUNE 2011	816	
Alcohol Impaired Driving Countermeasures Incentive Grants (DRE Training)	20.601	JULY 2011	1,430	
Alcohol Impaired Driving Countermeasures Incentive Grants (ALR Hearings)	20.601		75,942	
Alcohol Impaired Driving Countermeasures Incentive Grants (Alcohol Seclective)	20.601	SEPT 2010	2,440	
Alcohol Impaired Driving Countermeasures Incentive Grants (DRE Training)	20.601	JULY 2010	2,232	
Alcohol Impaired Driving Countermeasures Incentive Grants (Party Patrols)	20.601	OCT 2010	3,600	
Alcohol Impaired Driving Countermeasures Incentive Grants (You Drink, You Drive, You Lose)	20.601	AUG 2010	3,736	104,331
Total U.S. Department Of Transportation				$ 13,416,544
EQUAL EMPLOYMENT OPPORTUNITY COMMISSION				
Direct Programs:				
Employment Discrimination - State and Local Fair Employment Practices Agency Contracts	30.002	EEOCNO900068		$ 31,110
FEDERAL MEDIATION AND CONCILIATION SERVICE				
Direct Program:				
Labor Management Cooperation	34.002	10-NE/A-005		$ 32,813
INSTITUTE OF MUSEUM AND LIBRARY SERVICES				
Pass-Through State Library Commission:				
State Library Program (Net Lender Contract)	45.310			$ 3,078
U.S. ENVIRONMENTAL PROTECTION AGENCY				
Direct Program:				
National Clean Diesel Emissions Reduction Program ARRA	66.039	ARRA 2A-97706801-1	$	909,507
Pass-Through State Department Of Environmental Quality:				
Air Pollution Control Program Support	66.001	2010	15,295	
Air Pollution Control Program Support	66.001	2011	94,387	109,682
Nonpoint Source Implementation Grants (East Saline Wetlands Project)	66.460	NDEQ 56-00686	205,370	
Nonpoint Source Implementation Grants (Lincoln Clean Water Project)	66.460	C900740317	32,464	
Nonpoint Source Implementation Grants (Antelope Creek Mainstem Water Quality)	66.460	C900740317	15,547	253,381
Capitalization Grants for Clean Water State Revolving Funds ARRA	66.458	C317247		244,219
Surveys, Studies, Investigations and Special Purpose Grants (103 PM Monitoring)	66.606	2011	6,049	
Surveys, Studies, Investigations and Special Purpose Grants (103 PM Monitoring)	66.606	2010	23,311	29,360
Total U.S. Environmental Protection Agency				$ 1,546,149
U.S. DEPARTMENT OF ENERGY				
Direct Program:				
Energy Efficiency and Conservation Block Grant Program ARRA	81.128	DE-EE0000664		$ 1,447,617
U.S. DEPARTMENT OF EDUCATION				
Pass-Through State Department Of Health And Human Services:				
Special Education - Grants for Infants and Families, Recovery Act ARRA	84.393	96-5508-248-ARRA-C-4-10		$ 16,021
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Direct Program:				
Early Retiree Reinsurance Program	93.546		$	54,913
Pass-Through National Association of County and City Health Officials:				
Medical Reserve Corps Small Grant Program	93.008	MRC 11 360		594

(Continued)

See Accompanying Notes to Schedule of Expenditures of Federal Awards

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant Number	Federal Expenditures	
Pass-Through State Department Of Health And Human Services:				
Special Programs for the Aging Title VII, Chapter 2: Long Term Care Ombudsman Serv. for Older Individuals	93.042	NGA 2011-044	4,980	
Special Programs for the Aging Title VII, Chapter 2: Long Term Care Ombudsman Serv. for Older Individuals	93.042	NGA 2010-031	4,523	
Special Programs for the Aging Title VII, Chapter 2: Long Term Care Ombudsman Serv. for Older Individuals	93.042	NGA 2011-044	17,661	27,164
Special Programs for the Aging Title III, Part D: Disease Prevention and Health Promotion Services	93.043	NGA 2012-030	2,221	
Special Programs for the Aging Title III, Part D: Disease Prevention and Health Promotion Services	93.043	NGA 2011-129	18,344	20,565
Aging Cluster:				
Special Programs for the Aging Title III, Part B: Grants for Supportive Services and Senior Centers	93.044	NGA 2011-037	338,762	
Special Programs for the Aging Title III, Part B: Grants for Supportive Services and Senior Centers	93.044	NGA 2012-026	23,885	
Special Programs for the Aging Title III, Part C: Nutrition Services	93.045	NGA 2011-127	400,230	
Special Programs for the Aging Title III, Part C: Nutrition Services	93.045	NGA 2012-027	27,520	
Special Programs for the Aging Title III, Part C: Nutrition Services	93.045	NGA 2012-028	11,682	
Special Programs for the Aging Title III, Part C: Nutrition Services	93.045	NGA 2011-128	115,912	917,991
Special Programs for the Aging Title III, Part E: National Family Caregiver Support	93.052	NGA 2012-029	14,613	
Special Programs for the Aging Title III, Part E: National Family Caregiver Support	93.052	NGA 2011-130	154,649	169,262
Public Health Emergency Preparedness	93.069	1H75TP000381-01	68,927	
Public Health Emergency Preparedness	93.069	BT-778-123110	93,143	
Public Health Emergency Preparedness	93.069	BT-845-80911	209,556	
Public Health Emergency Preparedness	93.069	2012	8,335	
Public Health Emergency Preparedness	93.069	DO 02416	2,005	
Public Health Emergency Preparedness (Pandemic)	93.069	BT-645-123108	4,786	
Public Health Emergency Preparedness (Pan Flu Tabletop Training)	93.069	DO 02296	4,532	391,284
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	DO 03586	119	
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	DO 05387	4,774	4,893
Grants for Dental Public Health Residency Training	93.236	T12HP14997		3,431
Immunization Cluster:				
Immunization Grants (Hepatitis B)	93.268	IP08-80308CONT10	7,979	
Immunization Grants (NE Immunization Action Plan)	93.268	IP08-80308CONT10	11,042	
Immunization Grants (NE Immunization Action Plan)	93.268	5H23IP722562-09	43,145	62,166
Centers for Disease Control and Prevention: Investigations and Tech Assistance (Tobacco Prevention)	93.283	1U58DP001978-01 2011	44,105	
Centers for Disease Control and Prevention: Investigations and Tech Assistance (Tobacco Prevention)	93.283	1U58DP001978-01 2012	18,272	
Centers for Disease Control and Prevention: Investigations and Tech Assistance (Influenza Surveillance)	93.283	5U5OC1723775-04	4,500	
Centers for Disease Control and Prevention: Investigations and Tech Assistance (West Nile Virus Program)	93.283	5U5OC1723775-05	10,844	
Centers for Disease Control and Prevention: Investigations and Tech Assistance (West Nile Virus Program)	93.283	3U50C1723775-05S2	7,868	
Centers for Disease Control and Prevention: Investigations and Tech Assistance (Colon Cancer)	93.283	5U58DP002043-02	12,700	
Centers for Disease Control and Prevention: Investigations and Tech Assistance (Colon Cancer/Wise Woman)	93.283	5U58PP001421	156,209	254,498
Refugee and Entrant Assistance Program (Health Screening)	93.566	RES 85442 09/10	37,945	
Refugee and Entrant Assistance Program (Health Screening)	93.566	EO 083947 10/11	58,905	
Refugee and Entrant Assistance Program (Health Screening)	93.566	2010	10,813	
Refugee and Entrant Assistance Program (Health Screening)	93.566	2011	18,156	
Refugee and Entrant Assistance Program (Health Screening)	93.566	2012	2,202	128,021
Developmental Disabilities Basic Support and Advocacy Grants (Food Handler Training)	93.630	DD-OG-11A		1,333
Social Services Block Grant (SSBG)	93.667			20,989
Medical Assistance Program (Medicaid PH Outreach)	93.778	05NE5028		130,992
National Bioterrorism Hospital Preparedness Program (HRSA)	93.889	BT 829 83111		130,557
HIV Prevention Activities Health Dept Based (Sista Sista / HIV Prevention)	93.940	2010	27,746	
HIV Prevention Activities Health Dept Based (Sista Sista / HIV Prevention)	93.940	EO 83681	46,807	
HIV Prevention Activities Health Dept Based (HIV Testing)	93.940	EO 082960	17,155	
HIV Prevention Activities Health Dept Based (HIV Testing)	93.940	EO 083802	30,031	121,739
Preventive Health Services Sexually Transmitted Diseases Control Grants (STD)	93.977	5H25PS001356	10,985	
Preventive Health Services Sexually Transmitted Diseases Control Grants (STD)	93.977	CDC-RFA-PS09-902	4,575	15,560
Preventive Health and Health Services Block Grant (Worksite Wellness Initiative)	93.991	DP009036	48,185	
Preventive Health and Health Services Block Grant (Worksite Wellness Initiative)	93.991	2010-PHHSBG-Worksite-01-LHD	1,624	
Preventive Health and Health Services Block Grant (MAPP)	93.991	2B01DP009036-08	5,777	
Preventive Health and Health Services Block Grant (GIS-Walkability)	93.991	2B01DP009036-10	14,278	69,864
Maternal and Child Health Services Block Grant to the States (Childhood Obesity)	93.994	MCH-11-06	27,607	
Maternal and Child Health Services Block Grant to the States (Childhood Obesity)	93.994	MCH-10-06	11,188	38,795

(Continued)
See Accompanying Notes to Schedule of Expenditures of Federal Awards

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant Number	Federal Expenditures	
Bioterrorism Training and Curriculum Development Program (HRSA)	93.996	BT-566-123107	19,940	
Bioterrorism Training and Curriculum Development Program (HRSA)	93.996	BT-623-123108	72	
Bioterrorism Training and Curriculum Development Program (HRSA)	93.996	BT-741-93010	83,183	103,195
Pass-Through Lincoln Action Program:				
Head Start Cluster:				
Head Start	93.600	RES A 85792 2011	2,668	
Head Start	93.600	RES A 85792 2012	2,396	5,064
Total U.S. Department Of Health And Human Services				$ 2,672,870
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE				
Direct Programs:				
Retired and Senior Volunteer Program	94.002	07SRNNE 006 (09/10)	$ 4,358	
Retired and Senior Volunteer Program	94.002	04SRNNE 004 (10/11)	82,656	87,014
Foster Grandparent/Senior Companion Cluster:				
Foster Grandparent Program	94.011	08SFNNE 004 (10/11)	96,851	
Foster Grandparent Program	94.011	05SFNNE 004 (11/12)	42,985	
Senior Companion Program	94.016	07SCNNE 001 (11/12)	21,374	
Senior Companion Program	94.016	07SCNNE 001 (10/11)	111,092	272,302
Pass-Through Nebraska Volunteer Commission:				
AmeriCorps (Reach for the Stars)	94.006	06ACHNE0010002	276,745	
AmeriCorps ARRA (Go Green Initiative)	94.006	09RCHNE002001	8,629	
AmeriCorps (Reach for the Stars)	94.006	06ACHNE001002	10,092	
AmeriCorps (Nebraska Go Green)	94.006	06AFHNE0010030	277,557	
AmeriCorps (Keds at the Core)	94.006	06AFCHNE0010020	3,974	
AmeriCorps (ServeNebraska)	94.006	SN-11DISAB-08	3,003	580,000
Total Corporation For National And Community Service				$ 939,316
EXECUTIVE OFFICE OF THE PRESIDENT				
Pass-Through Nebraska State Patrol:				
High Intensity Drug Trafficking Area	95.001	11HD02	$ 8,755	
High Intensity Drug Trafficking Area	95.001	10H02	59,782	
High Intensity Drug Trafficking Area	95.001	09H02	9,987	$ 78,524
DEPARTMENT OF HOMELAND SECURITY				
Direct Programs:				
National Urban Search and Rescue (US&R) Response System	97.025	* EMW-2011-CA-APP-00058	$ 26,690	
National Urban Search and Rescue (US&R) Response System	97.025	* 2009-SR-24-K020	200,386	
National Urban Search and Rescue (US&R) Response System	97.025	* 2010-SR-24-K054	939,245	1,166,321
Assistance to Firefighters Grant	97.044	EMW-2009-FP-01522	75,173	
Assistance to Firefighters Grant	97.044	EMW-2009-FV-03572	686,488	761,661
Cooperating Technical Partners	97.045	EMK-2009-CA-9005		5,160
Staffing for Adequate Fire and Emergency Response	97.083	EMW-2009-FH-00370		331,975
Pass-Through Nebraska State Patrol:				
Homeland Security Cluster:				
Homeland Security Grant Program (N.E.M.A.)	97.067	8MMRS531	182,542	
Homeland Security Grant Program (N.E.M.A.)	97.067	2007-GE-T7-0035	96,187	278,729
Buffer Zone Protection Program	97.078	08-BZ-02		56,619
Total Department Of Homeland Security				$ 2,600,465
Total Federal Expenditures				$ 54,860,159

See Accompanying Notes to Schedule of Expenditures of Federal Awards

CITY OF LINCOLN, NEBRASKA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED AUGUST 31, 2011

(1) BASIS OF ACCOUNTING

The Schedule of Expenditures of Federal Awards (the Schedule) is presented on the modified cash basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Federal awards provided to subrecipients are treated as expenditures when paid to the subrecipient.

(2) REPORTING ENTITY

The City of Lincoln, Nebraska, for purposes of the Schedule, includes all funds of the City as defined in Note 1 of the Notes to the Financial Statements, including Lincoln Electric System, Lincoln Water System, and Lincoln Wastewater System.

Lincoln Electric System (LES) operates on a calendar year basis for reporting purposes as opposed to the August 31 fiscal year basis of the City. As a result, the amounts included in the City's August 31, 2011, basic financial statements for LES are audited amounts as of and for the year ended December 31, 2010.

(3) PASS-THROUGH AWARDS

The City of Lincoln receives certain federal awards in the form of pass-through awards from the State of Nebraska. Such amounts received as pass-through awards are specifically identified on the Schedule.

(4) MAJOR PROGRAMS

In accordance with OMB Circular A-133, major programs are determined using a risk-based approach. Programs in the accompanying Schedule denoted with an asterisk (*) are determined by the independent auditor to be major programs.

(5) SUBRECIPIENTS

Of the federal expenditures presented in this schedule, the City provided federal awards to subrecipients as follows:

CFDA#	Program	Amount
Pass-Through to County Aging Programs:		
10.570	Nutrition Program for the Elderly	$ 57,301
93.043	Title III, Part D: Disease Prevention & Health Promotion Services	410
93.044	Title III, Part B: Grants for Supportive Services and Senior Centers	29,630
93.045	Title III, Part C: Nutrition Services	109,561
93.052	Title III, Part E: National Family Caregiver Support	17,087
Pass-Through to Joint Antelope Valley Authority:		
20.205	Highway Planning and Construction (JAVA)	$ 1,888,309

(6) FEDERAL LOANS OUTSTANDING

The City administers the following loan programs for which the federal government imposes continuing compliance requirements on the following outstanding balances:

CFDA#	Program	Outstanding Balance as of August 31, 2011
14.218	Community Development Block Grant	$ 10,031,000
14.228	Community Development Block Grant – Neighborhood Stabilization Program	202,000
14.239	HOME Investment Partnership Program	12,310,000

New loans included in the Schedule totaled $1,075,000, $202,000 and $1,240,000, respectively.

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Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*

The Honorable Mayor
and Members of the City Council
City of Lincoln, Nebraska

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Lincoln, Nebraska (the "City") as of and for the year ended August 31, 2011, which collectively comprise its basic financial statements and have issued our report thereon dated February 17, 2012, which contained a reference to the report of other accountants and an explanatory paragraph regarding a change in accounting principles. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Other accountants audited the financial statements of Lincoln Electric System, as described in our report on the City's financial statements. This report does not include the results of the other accountants' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those accountants.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to the City's management in a separate letter dated February 17, 2012.

This report is intended solely for the information and use of the governing body, management and others within the City, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

BKD, LLP

February 17, 2012

BKD LLP
CPAs & Advisors

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Independent Accountants' Report on Compliance With Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133

The Honorable Mayor
and Members of the City Council
City of Lincoln, Nebraska

Compliance

We have audited the compliance of City of Lincoln, Nebraska (the City) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended August 31, 2011. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the compliance of the City of Lincoln, Nebraska based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City's compliance with those requirements.

In our opinion, the City of Lincoln, Nebraska complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2011.

Internal Control Over Compliance

Management of the City of Lincoln, Nebraska is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, the governing body, others within the City, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

BKD, LLP

February 17, 2012

City of Lincoln, Nebraska

Schedule of Findings and Questioned Costs

Year Ended August 31, 2011

Summary of Auditor's Results

1. The opinion(s) expressed in the independent accountants' report was (were):

   ☒ Unqualified ☐ Qualified ☐ Adverse ☐ Disclaimed

2. The independent accountants' report on internal control over financial reporting disclosed:

   Significant deficiency(ies)? ☐ Yes ☒ No

   Material weakness(es)? ☐ Yes ☒ No

3. Noncompliance considered material to the financial statements was disclosed by the audit? ☐ Yes ☒ No

4. The independent accountants' report on internal control over compliance with requirements that could have a direct and material effect on major federal awards programs disclosed:

   Significant deficiency(ies)? ☐ Yes ☒ No

   Material weakness(es)? ☐ Yes ☒ No

5. The opinion(s) expressed in the independent accountants' report on compliance with requirements that could have a direct and material effect on major federal awards was (were):

   ☒ Unqualified ☐ Qualified ☐ Adverse ☐ Disclaimed

6. The audit disclosed findings required to be reported by OMB Circular A-133? ☐ Yes ☒ No

7. The City's major programs were:

Cluster/Program	CFDA Number
Highway Planning and Construction Cluster	20.205
Federal Transit Cluster	20.500 and 20.507
National Urban Search and Rescue (US&R) Response System	97.025

8. The threshold used to distinguish between Type A and Type B programs as those terms are defined in OMB Circular A-133 was $1,645,805.

9. The City qualified as a low-risk auditee as that term is defined in OMB Circular A-133? ☒ Yes ☐ No

City of Lincoln, Nebraska

Schedule of Findings and Questioned Costs - Continued

Year Ended August 31, 2011

Findings Required to be Reported by *Government Auditing Standards*

Reference Number	Finding	Questioned Costs

No matters are reportable.

Findings Required to be Reported by OMB Circular A-133

Reference Number	Finding	Questioned Costs

No matters are reportable.

City of Lincoln, Nebraska

Summary Schedule of Prior Audit Findings

Year Ended August 31, 2011

Reference Number	Summary of Finding	Status
10-01	Federal Program - Federal Transit Cluster CFDA No. 20.507 Federal Transit Administration – Procurement, Program Year 2010 Program regulations require certain contract clauses and vendor certifications. Several procurement files reviewed did not include clauses required by the federal awarding agency. In addition, vendor certifications relating to Buy America provisions and suspension, debarment, and excluded parties were not found within these files.	Resolved

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The Honorable Mayor, Members of
the Audit Committee and Management
City of Lincoln, Nebraska

As part of our audit of the financial statements and compliance of the City of Lincoln, Nebraska (City) as of and for the year ended August 31, 2011 and our audits of the financial statements of the City of Lincoln, Nebraska Solid Waste Management Fund (Solid Waste), Community Health Permanent Endowment Fund (CHE), Emergency Medical Services Fund (EMS) and Lincoln Parking System (Parking), we wish to communicate the following to you.

AUDIT SCOPE AND RESULTS

Auditor's Responsibility Under Auditing Standards Generally Accepted in the United States of America and the Standards Applicable to Financial Audits Contained in *Government Auditing Standards* Issued by the Comptroller General of the United States and U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*

An audit performed in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations* is designed to obtain reasonable, rather than absolute, assurance about the financial statements and about whether noncompliance with the types of compliance requirements described in OMB Circular A-133 that could have a direct and material effect on a major federal program occurred. In performing auditing procedures, we establish scopes of audit tests in relation to the financial statements taken as a whole. Our engagement does not include a detailed audit of every transaction. The 2011 audits of the financial statements and compliance of the City were performed in accordance with the standards described in this paragraph. Our engagement letter more specifically describes our responsibilities.

An audit performed in accordance with auditing standards generally accepted in the United States of America is designed to obtain reasonable, rather than absolute, assurance about the financial statements. In performing auditing procedures, we establish scopes of audit tests in relation to the financial statements taken as a whole. Our engagement does not include a detailed audit of every transaction. The 2011 audits of Solid Waste, CHE, EMS and Parking were performed in accordance with the standards described in this paragraph. Our engagement letter more specifically describes our responsibilities.

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

Audits of the financial statements and compliance do not relieve management or those charged with governance of their responsibilities. Our engagement letter more specifically describes your responsibilities.

Qualitative Aspects of Significant Accounting Policies and Practices

Significant Accounting Policies

The City's significant accounting policies are described in Note 1 of the Comprehensive Annual Financial Report (CAFR). The significant accounting policies of Solid Waste, CHE, EMS and Parking are described in Note 1 of the respective audited financial statements. The following accounting policies and practices are of significant importance to the City's financial statements:

- *Fund accounting and the reconciliation of the governmental fund and government wide financial statements*
- *Determination of potential component units, including the inclusion of the West Haymarket Joint Public Agency in the City's CAFR*

Alternative Accounting Treatments

No matters are reportable

Management Judgments and Accounting Estimates

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

- *Accrued closure/post-closure care costs – Solid Waste*
- *Allowance for uncollectible accounts – City, Solid Waste and EMS*
- *Net ambulance services revenue – EMS*
- *Other post-employment benefits (OPEB) – all reports*
- *Valuation of investments – City and CHE*
- *Determination of Investment in Joint Venture balance – City*

Financial Statement Disclosures

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

- *Fund balance classifications (GASB 54) – City*
- *Commitments and contingencies – City*

Audit Adjustments

During the course of any audit, an auditor may propose adjustments to financial statement amounts. Management evaluates our proposals and records those adjustments which, in its judgment, are required to prevent the financial statements from being materially misstated. An adjustment was proposed and recorded to capitalize interest related to a Parking System construction project.

During the reconciliation of loans receivable in connection with the year-end audit, management determined several balances previously being reported as loans receivable were identified as actually being disbursed in prior periods as grants. The impact of not recording an adjustment and reducing net assets/fund balance at August 31, 2010 is an understatement of reported revenues in the 2011 financial statements. Management evaluated the effect of this reporting and determined it does not significantly impact the City's change in financial position for 2011, as the difference is less than 1% of reported revenues in the Governmental Activities and Other Governmental Funds statements. Additionally, this matter has no impact on reported net assets and fund balance at August 31, 2011. We agree with management's assessment that the impact on the financial statements is not material, and thus concur with their decision not to record this adjustment.

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

No matters are reportable

Disagreements with Management

No matters are reportable

Difficulties Encountered in Performing the Audit

No matters are reportable

Other Material Written Communications

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

- *Management representation letter (attached)*
- *Communication letter to the Board of Trustees - CHE*

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audits of the financial statements of the City, Solid Waste, EMS and Parking (herein referred to collectively as the "City") as of and for the year ended August 31, 2011, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*, we considered the City's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all deficiencies, significant deficiencies or material weaknesses have been identified.

A deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements of the City's financial statements on a timely basis. A deficiency in design exists when a

control necessary to meet a control objective is missing or an existing control is not properly designed so that, even if the control operates as designed, a control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or when the person performing the control does not possess the necessary authority or competence to perform the control effectively.

A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented or detected and corrected on a timely basis.

A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

We observed the following matters that we consider to be deficiencies.

Deficiencies

Loans Receivable

During the City's reconciliation of loans receivable in connection with the year-end audit, several balances previously being reported as loans receivable were identified as actually being disbursed in prior periods as grants. We recommend loan listings, being used for financial reporting, be reviewed by several members of management involved with the loan programs to ensure the appropriate balances are being recorded in the City's financial statements.

Capitalized Interest – Parking

An adjusting entry was required to record capitalized interest on a significant Parking System construction project. We recommend management evaluate current procedures to ensure all applicable adjustments are made to the financial statements.

OTHER MATTERS

Although not considered material weaknesses, significant deficiencies or deficiencies in internal control over financial reporting, we observed the following matters and offer these comments and suggestions with respect to matters which came to our attention during the course of the audit of the financial statements. Our audit procedures are designed primarily to enable us to form an opinion on the financial statements and, therefore, may not bring to light all weaknesses in policies and procedures that may exist. However, these matters are offered as constructive suggestions for the consideration of management as part of the ongoing process of modifying and improving financial and administrative practices and procedures. We can discuss these matters further at your convenience and may provide implementation assistance for changes or improvements if you require.

Documentation of Procurement Actions

During our review of procurement files relating to federal award programs, we noted an instance where vendor certifications relating to suspension, debarment, and excluded parties and documentation of the City's review for suspended, debarred, and excluded parties were not found within the files. We recommend City management review current practices to determine if best practices would suggest including this documentation within the files.

Communication with City Departments Regarding Federal Assistance

To improve the financial reporting process and to ensure all federal expenditures are included in the Schedule of Federal Expenditures, as required by OMB Circular A-133, we recommend management implement procedures which would require all City departments to formally communicate federal grant activity to the City finance department. This communication should include, at a minimum, grant description, CFDA catalog number, total grant amount, and current period expenditures.

New Accounting Standards

Governmental Accounting Standards Board Statement No. 60

The Governmental Accounting Standards Board has issued Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements*, to improve financial reporting by addressing issues related to service concession arrangements (SCAs), which are a type of public-private or public-public partnership. As used in this Statement, an SCA is an arrangement between a transferor (a government) and an operator (governmental or nongovernmental entity) in which (1) the transferor conveys to an operator the right and related obligation to provide services through the use of infrastructure or another public asset in exchange for significant consideration and (2) the operator collects and is compensated by fees from third parties.

Statement 60 is effective for the fiscal year ending August 31, 2013.

Governmental Accounting Standards Board Statement No. 61

The Governmental Accounting Standards Board has issued Statement No. 61, *The Financial Reporting Entity-Omnibus – An Amendment of GASB Statements No. 14 and No. 34*, to improve financial reporting for a governmental financial reporting entity. The requirements of GASB Statements No. 14 and No. 34 were amended to better meet user needs and to address reporting entity issues that have arisen since the issuance of those Statements.

Statement 61 is effective for the fiscal year ending August 31, 2013.

Governmental Accounting Standards Board Statement No. 62

The Governmental Accounting Standards Board has issued Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, to incorporate into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in pre-November 30, 1989 FASB and AICPA pronouncements, which does not conflict with or contradict GASB pronouncements. This Statement also supersedes Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, thereby eliminating the election provided in paragraph 7 of that Statement for enterprise funds and business-type activities to apply post-November 30, 1989, FASB Statements and Interpretations that do not conflict with or contradict GASB pronouncements.

Statement 62 is effective for the fiscal year ending August 31, 2013.

Governmental Accounting Standards Board Statement No. 63

The Governmental Accounting Standards Board has issued Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. This Statement amends the net asset reporting requirements in GASB Statement No. 34 and other pronouncements by

incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets. This Statement provides guidance for reporting net position within a framework that includes deferred outflows of resources and deferred inflows of resources, in addition to assets and liabilities, which was not addressed in previous accounting guidance.

Statement 63 is effective for the fiscal year ending August 31, 2013.

Accounting Standards Currently Being Proposed by GASB

Accounting and Financial Reporting for Pensions, an amendment of GASB Statement No. 27

The proposed statement would amend the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, and Statement No. 50, *Pension Disclosures*, as they relate to governmental employers that account for pensions provided through trusts, or equivalent arrangements, that meet certain criteria. If passed as currently written, the proposed statement will trigger significant changes in accounting and reporting of pension benefits, including what is reported and how it is calculated. The changes would require many governments to recognize a much larger pension liability than is currently being reported. The Board is currently reviewing comments received in connection with an Exposure Draft issued on the proposed standard.

Economic Condition Reporting: Financial Projections

The Governmental Accounting Standards Board is deliberating the issuance of a new standard that would require governments of all types and sizes to include forward-looking information (projections) in their financial statements to provide an assessment of fiscal sustainability. The Board has issued Preliminary Views for this proposed standard and the initial comment period is expected to continue through March 2012.

* * * *

This communication is intended solely for the information and use of management, the Mayor, Members of the Audit Committee and City Council and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.

BKD, LLP

February 17, 2012

CITY OF LINCOLN

555 South 10th Street
Lincoln, Nebraska 68508

February 17, 2012

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

We are providing this letter in connection with your audit of our financial statements as of and for the year ended August 31, 2011, and your audit of our compliance with requirements applicable to each of our major federal awards programs as of and for the year ended August 31, 2011. We confirm that we are responsible for the fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America. We are also responsible for adopting sound accounting policies, establishing and maintaining effective internal control over financial reporting, operations and compliance, and preventing and detecting fraud.

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

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

1. The financial statements referred to above are fairly presented in conformity with accounting principles generally accepted in the United States of America for each opinion unit included therein.

2. We have made available to you:

   (a) All financial records and related data.

   (b) All minutes of meetings of the governing body held through the date of this letter.

(c) All significant contracts and grants.

3. We have informed you of all current risks of a material amount that are not adequately prevented or detected by entity procedures with respect to:

   (a) Misappropriation of assets.

   (b) Misrepresented or misstated assets, liabilities, net assets, or fund balances.

4. We understand our decision not to adjust loans receivable at August 31, 2010, which were actually grants disbursed in 2010, resulted in an overstatement of beginning net assets/fund balance and an understatement of reported revenues in the 2011 financial statements. We have evaluated the impact of this matter on the 2011 financial statements and believe it does not significantly impact the City's change in financial position for 2011, as the difference is less than 1% of reported revenues in the Governmental Activities and Other Governmental Funds statements. Additionally, this matter has no impact on reported net assets and fund balance at August 31, 2011. Our auditors agree with the decision not to record this adjustment.

5. We acknowledge our responsibility for the design and implementation of programs and controls to prevent and detect fraud.

6. Except as disclosed to you, we have no knowledge of any known or suspected:

   (a) Fraudulent financial reporting or misappropriation of assets involving management or employees who have significant roles in internal control.

   (b) Fraudulent financial reporting or misappropriation of assets involving others that could have a material effect on the financial statements.

7. Except as disclosed to you, we have no knowledge of any allegations of fraud or suspected fraud affecting the City, received in communications from employees, customers, regulators, suppliers, or others.

8. Except as reflected in the financial statements, there are no:

   (a) Plans or intentions that may materially affect carrying values or classifications of assets and liabilities.

   (b) Material transactions omitted or improperly recorded in the financial statements.

   (c) Material gain/loss contingencies requiring accrual or disclosure, including those arising from environmental remediation obligations.

   (d) Events occurring subsequent to the balance sheet date requiring adjustment or disclosure in the financial statements.

(e) Related party transactions, balances, arrangements, or guarantees.

(f) Agreements to purchase assets previously sold.

(g) Violations of law, regulations, contracts, grants or requirements of regulatory agencies for which losses should be accrued or matters disclosed in the financial statements.

(h) Unasserted claims or assessments that our attorneys have advised us are probable of assertion.

(i) Restrictions on cash balances or compensating balance agreements.

(j) Guarantees, whether written or oral, under which the City is contingently liable.

9. Adequate provisions and allowances have been accrued for any material losses from:

(a) Uncollectible receivables.

(b) Reducing obsolete or excess inventories to estimated net realizable value.

(c) Sales commitments, including those unable to be fulfilled.

(d) Purchase commitments in excess of normal requirements or above prevailing market prices.

10. Except as disclosed in the financial statements, we have:

(a) Satisfactory title to all recorded assets, and they are not subject to any liens, pledges or other encumbrances.

(b) Complied with all aspects of contractual and grant agreements, for which noncompliance would materially affect the financial statements.

11. Except for the matters noted directly below, we have not been designated as a potentially responsible party (PRP or equivalent status) by the Environmental Protection Agency (EPA) or other cognizant regulatory agency with authority to enforce environmental laws and regulations.
No provision has been made for any material loss that is probable from environmental remediation liabilities associated with the StarTran bus barn or Food Bank spill site. We believe any loss associated with these sites will be immaterial to the City of Lincoln and that this treatment is reasonable based on available information and that the liabilities and related loss contingencies and the

expected outcome of uncertainties have been adequately disclosed in the City's financial statements.

12. With regard to deposit and investment activities:

    (a) All deposit, repurchase and reverse repurchase agreements and investment transactions have been made in accordance with legal and contractual requirements.

    (b) Disclosures of deposit and investment balances and risks in the financial statements are consistent with our understanding of the applicable laws regarding enforceability of any pledges of collateral.

    (c) We understand that your audit does not represent an opinion regarding the enforceability of any collateral pledges.

13. We acknowledge that we are responsible for compliance with applicable laws, regulations and provisions of contracts and grant agreements.

14. We have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that have a direct and material effect on the determination of amounts in our financial statements or other financial data significant to the audit objectives.

15. We have identified and disclosed to you any violations or possible violations of laws, regulations and provisions of contracts and grant agreements whose effects should be considered for recognition and/or disclosure in the financial statements or for your reporting on noncompliance.

16. We have taken or will take timely and appropriate steps to remedy any fraud, abuse, illegal acts or violations of provisions of contracts or grant agreements that you or other auditors report.

17. We have a process to track the status of audit findings and recommendations.

18. We have identified to you any previous financial audits, attestation engagements, performance audits or other studies related to the objectives of your audit and the corrective actions taken to address any significant findings and recommendations made in such audits, attestation engagements or other studies.

19. We have provided our views on any findings, conclusions and recommendations, as well as our planned corrective actions with respect thereto, to you for inclusion in the findings and recommendations referred to in your report on internal control over financial reporting and on compliance and other matters based on your audit of the financial statements performed in accordance with *Government Auditing Standards*.

20. With regard to federal awards programs:

(a) We have identified in the schedule of expenditures of federal awards all assistance provided (either directly or passed through other entities) by federal agencies in the form of grants, contracts, loans, loan guarantees, property, cooperative agreements, interest subsidies, commodities, insurance, direct appropriations or in any other form.

(b) We have identified the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* regarding activities allowed or unallowed; allowable costs/cost principles; cash management; Davis-Bacon Act; eligibility; equipment and real property management; matching, level of effort, earmarking; period of availability of federal funds; procurement and suspension and debarment; program income; real property acquisition and relocation assistance; reporting; subrecipient monitoring; and special tests and provisions that are applicable to each of our federal awards programs identified in the summary of auditors' results section of the schedule of findings and questioned costs.

(c) We are responsible for our compliance with the requirements of laws, regulations, contracts, and grants applicable to each of our federal awards programs and have disclosed to you any and all instances of noncompliance with those requirements occurring during the period of your audit or subsequent thereto to the date of this letter of which we are aware.

(d) We are responsible for establishing and maintaining effective internal control over compliance to provide reasonable assurance we have administered each of our federal awards programs in compliance with requirements of laws, regulations, contracts and grants applicable to those programs.

(e) We have made available to you all contracts and grant agreements, including any amendments, and any other correspondence or documentation relevant to each of our federal awards programs and to our compliance with applicable requirements of those programs.

(f) The information presented in federal awards program financial reports and claims for advances and reimbursements is supported by the books and records from which our financial statements have been prepared.

(g) Amounts claimed or used for matching were determined in accordance with the applicable OMB Circular regarding cost principles.

(h) We have monitored any subrecipients to determine that they have expended federal awards in accordance with applicable laws and regulations and have met the audit and other requirements of OMB Circular A-133.

(i) We have taken appropriate corrective action on a timely basis after receipt of any subrecipient's auditor's report that identified findings and questioned costs pertaining to federal awards programs passed through to the subrecipient by us.

(j) We have considered the results of any subrecipient's audits received and made any necessary adjustments to our books and records.

(k) We have disclosed to you any communications from grantors and pass-through entities concerning possible noncompliance with the applicable compliance requirements for each of our federal awards programs, including any communications received from the end of the period of your audit through the date of this letter.

(l) We have identified to you any previous compliance audits, attestation engagements and internal or external monitoring related to the objectives of your compliance audit, including findings received and corrective actions taken to address any significant findings and recommendations made in such audits, attestation engagements or other monitoring.

(m) We are responsible for taking corrective action on any audit findings.

(n) The summary schedule of prior audit findings correctly states the status of all audit findings included in the OMB Circular A-133 section of the prior audit's schedule of findings and questioned costs and any uncorrected open findings included in the prior audit's summary schedule of prior audit findings as of the date of this letter.

21. The financial statements disclose all significant estimates and material concentrations known to us. Significant estimates are estimates at the balance sheet date which could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets for which events could occur which would significantly disrupt normal finances within the next year.

22. The fair values of financial and nonfinancial assets and liabilities, if any, recognized in the financial statements or disclosed in the notes thereto are reasonable estimates based on the methods and assumptions used. The methods and significant assumptions used result in measurements of fair value appropriate for financial statement recognition and disclosure purposes and have been applied consistently from period to period, taking into account any changes in circumstances. The significant assumptions appropriately reflect our present intent and ability to carry out specific courses of action relevant to and inherent in those assumptions.

23. The supplementary information required by the Governmental Accounting Standards Board, consisting of management's discussion and analysis and schedules of funding progress and employer contributions, has been prepared and is presented in conformity with the applicable GASB pronouncements. The information contained therein is based on all facts, decisions and conditions currently known to us and is measured using the same methods and assumptions as were used in the preparation of the financial statements. There has been no change from the preceding period in the methods of measurement and presentation.

24. We have received opinions of counsel upon each issuance of tax-exempt bonds that the interest on such bonds is exempt from federal income taxes under the Internal Revenue Code of 1986, as amended. There have been no changes in the use of property financed with the proceeds of tax-exempt bonds, or any other occurrences, subsequent to the issuance of such opinions, that would jeopardize the tax-exempt status of the bonds. Provision has been made, where material, for the amount of any required arbitrage rebate.

Steve Hubka, Interim Finance Director

Peggy Tharnish, Controller

CITY OF LINCOLN
NEBRASKA

MAYOR CHRIS BEUTLER
lincoln.ne.gov

City Controller's Office
Finance Department
Don Herz, Director
555 South 10th Street
Suite 103
Lincoln, Nebraska 68508
402-441-7421
fax: 402-441-8325

March 19, 2012

The Honorable Mayor, Members of
The Audit Committee and Management
City of Lincoln, Nebraska

RESPONSES TO AUDIT COMMUNICATION LETTER
DATED FEBRUARY 17, 2012

INTERNAL CONTROL OVER FINANCIAL REPORTING

We observed the following matters that we consider to be deficiencies.

Loans Receivable

During the City's reconciliation of loans receivable in connection with the year-end audit, several balances previously being reported as loans receivable were identified as actually being disbursed in prior periods as grants. We recommend loan listings, being used for financial reporting, be reviewed by several members of management involved with the loan programs to ensure the appropriate balances are being recorded in the City's financial statements.

Urban Development Response:

The loans in question were the Neighborhood Stabilization Program CDBG Stimulus funds received from the State of Nebraska. $2,444,000 of these funds were passed on to NeighborWorks Lincoln for the acquisition of blighted housing and subsequent rehabilitation or new construction with the future sale to a low-moderate income first time homebuyer. Urban Development entered the expenditures as loans into the Housing Rehabilitation Tracking System (HRTS) on the first seventeen houses acquired by NeighborWorks in order to accurately track the NSP funds. Thirteen of these houses were sold in FY 10/11 and all sale proceeds were retained by NeighborWorks to continue to purchase additional houses for rehabilitation and/or new construction until July 1, 2013 in accordance with the contract between the City and NeighborWorks. NeighborWorks will submit quarterly reports to Urban Development beginning in FY 11/12 in order to continue to track NSP sale proceeds they have received and additional houses acquired and sold. Any remaining NSP funds held by NeighborWorks on July 1, 2013, will be returned to the City. Urban Development management will continue to review the outstanding loan reports semi-annually.

Capitalized Interest – Parking

An adjusting entry was required to record capitalized interest on a significant Parking System construction project. We recommend management evaluate current procedures to ensure all applicable adjustments are made to the financial statements.

Finance Department Response:

Year-end accrual checklists and procedure summaries will be updated to include an annual review of possible capitalized interest costs so this item is not overlooked in the future. The fixed asset manager will work with the various departments to evaluate the correct adjustments needed.

LINCOLN
The Community of Opportunity

OTHER MATTERS

These matters are offered as constructive suggestions for the consideration of management as part of the ongoing process of modifying and improving financial and administrative practices and procedures.

Documentation of Procurement Actions

During our review of procurement files relating to federal award programs, we noted an instance where vendor certifications relating to suspension, debarment, and excluded parties and documentation of the City's review for suspended, debarred, and excluded parties were not found within the files. We recommend City management review current practices to determine if best practices would suggest including this documentation within the files.

Purchasing Division Response:

The Purchasing Division was made aware of this deficiency and is in the process of reviewing all grant requirements within the City and County.

Communication with City Departments Regarding Federal Assistance

To improve the financial reporting process and to ensure all federal expenditures are included in the Schedule of Federal Expenditures, as required by OMB Circular A-133, we recommend management implement procedures which would require all City departments to formally communicate federal grant activity to the City finance department. This communication should include, at a minimum, grant description, CFDA catalog number, total grant amount, and current period expenditures.

Finance Department Response:

The City Finance Department currently requests that City Departments submit a Federal Grant Schedule at the end of each fiscal year. The Schedule includes the grant's CFDA catalog number, award date, the amount awarded, as well as current year revenues and expenditures. The revenues and expenditures are verified by matching the Schedule to the City's financial system.

During the City's audit process, projects were identified that include federal funds being managed by the State of Nebraska which bypass the City's financial system, yet are the reporting responsibility of the City. In the future the City intends to work more directly with the Nebraska Department of Roads to eliminate any further miscommunication.

New Accounting Standards

Governmental Accounting Standards Board Statements No. 60, 61, 62, and 63

These statements are effective for the fiscal year ending August 31, 2013.

The Finance Department currently has these statements under review and will implement any necessary reporting adjustments effective for the fiscal year ending date as required.

Peggy Tharnish

Peggy Tharnish
City Controller

** ACTION BY PLANNING COMMISSION **
March 21, 2012

NOTICE: **The Lincoln/Lancaster County Planning Commission will hold a public hearing on Wednesday, March 21, 2012, at 1:00 p.m., in Hearing Room 112 on the first floor of the County-City Building, 555 S. 10th St., Lincoln, Nebraska, on the following items. For more information, call the Planning Department, (402) 441-7491.**

The Lincoln/Lancaster County Planning Commission will meet on Wednesday, March 21, 2012, from 11:00 a.m. - 12:00 noon in Room 113 of the County-City Building, 555 S. 10th St., Lincoln, Nebraska, for a "Report by Crandall Arambula on the Downtown Master Plan Update."

The Lincoln/Lancaster County Planning Commission will meet on Wednesday, March 21, 2012, from 12:00 noon - 12:45 p.m. in Room 113 of the County-City Building, 555 S. 10th St., Lincoln, Nebraska, for a workshop on the "Redevelopment Plan Process and proposed amendment to the Innovation Campus Redevelopment Plan" by Urban Development.

<u>PLEASE NOTE:</u> The Planning Commission action is final action on any item with a notation of "FINAL ACTION". Any aggrieved person may appeal Final Action of the Planning Commission to the City Council or County Board by filing a Notice of Appeal with the City Clerk or County Clerk within 14 days following the action of the Planning Commission.**

The Planning Commission action on all other items is a recommendation to the City Council or County Board.

AGENDA

WEDNESDAY, MARCH 21, 2012

[**<u>All Commissioners present</u>**]

Approval of minutes of the regular meeting held March 7, 2012. **<u>**APPROVED, as amended, 7-0 (Lust abstained; Cornelius absent at time of vote)**</u>**

1. CONSENT AGENDA:
(Public Hearing and Administrative Action)

CHANGE OF ZONE:

Page 01

1.1 Change of Zone No. 12003, from I-1 Industrial District to P Public Use District; from I-1 Industrial District to O-2 Suburban Office District; from I-1 Industrial District to B-4 Lincoln Center Business District; from I-1 Industrial District to I-2 Industrial Park District; from H-3 Highway Commercial District to P Public Use District; and from B-4 Lincoln Center Business District to P Public Use District on property generally located at N. 9th Street to N. 1st Street and "O" Street to Charleston Street.
Staff recommendation: Approval, as revised.
Staff Planner: Tom Cajka, 441-5662, tcajka@lincoln.ne.gov
Removed from Consent Agenda and had separate public hearing.
Planning Commission recommendation: APPROVAL of revised staff recommendation, removing Lot 2, Jacobson Addition, from the boundaries of the change of zone, 9-0.
Scheduling of Public Hearing before City Council pending.

PERMITS:

Page 13

1.2 Use Permit No. 82C, an amendment to modify the land use and parking requirements, on property legally described as Lot 2, Design Data Corporate Office Park, located in the NW 1/4 of Section 13-9-6, Lancaster County, Nebraska, generally located at S. 14th Street and Old Cheney Road.
***** FINAL ACTION *****
Staff recommendation: Conditional Approval
Staff Planner: Rashi Jain, 441-6372, rjain@lincoln.ne.gov
Removed from Consent Agenda and had separate public hearing.
Planning Commission 'final action': CONDITIONAL APPROVAL, as set forth in the staff report dated March 6, 2012, 8-0 (Cornelius declaring a conflict of interest).
Resolution No. PC-01271.

2. REQUESTS FOR DEFERRAL: None.

3. ITEMS REMOVED FROM CONSENT AGENDA (See Item 1.1 and 1.2 above)

4. CONTINUED PUBLIC HEARING AND ADMINISTRATION ACTION:

PERMITS:

Page 19

4.1 Special Permit No. 06001A, an amendment to the Grand Terrace Community Unit Plan to expand the boundary of the CUP by approximately three acres to allow for approximately seven additional residential lots, on property generally located as South 84th Street and Highway 2.
***** FINAL ACTION *****
Staff recommendation: Conditional Approval, as revised.
Staff Planner: Brian Will, 441-6362, bwill@lincoln.ne.gov
Had continued public hearing.
Planning Commission 'final action': CONDITIONAL APPROVAL, as set forth in the staff report dated January 24, 2012, as revised on March 19, 2012, 9-0.
Resolution No. PC-01272.

* * * * * * * * * *

AT THIS TIME, ANYONE WISHING TO SPEAK ON AN ITEM NOT ON THE AGENDA, MAY DO SO

* * * * * * * * * *

PENDING LIST:

1a. ~~*Change of Zone No. 11045, from R-2 Residential District, I-1 Industrial District, and R-5 Residential District to H-3 Highway Commercial District, on property generally located at N. 40th Street and Colfax Avenue.*~~
~~***(1-25-12: Planning Commission voted 7-0 to continue public hearing on April 18, 2012 at the request of the applicant.)***~~
***** WITHDRAWN BY THE APPLICANT ON MARCH 15, 2012***

1b. ~~*Preliminary Plat No. 11002, MJ Tent, for approximately 14 commercial lots, with requests to waive storm water detention facilities, sanitary sewer running opposite the street grades, and the centerline grade more than one foot below the 50 year flood elevation, on property generally located at N. 40th Street and Colfax Avenue.*~~
~~****** FINAL ACTION ******~~
~~***(1-25-12: Planning Commission voted 7-0 to continue public hearing on April 18, 2012 at the request of the applicant.)***~~
***** WITHDRAWN BY THE APPLICANT ON MARCH 15, 2012***

2. *Change of Zone No. 11028, amending Section 27.35.025 of the Lincoln Municipal Code to allow the sale of alcoholic beverages for consumption on the premises in the B-4 Lincoln Center Business District as a permitted conditional use; and repealing Section 27.35.025 of the Lincoln Municipal Code as hitherto existing.* ***(2-22-12: Planning Commission voted 7-0 to continue public hearing on May 16, 2012 at the request of the applicant.)***

Planning Dept. staff contacts:

Steve Henrichsen, *Development Review Manager* . . . 441-6374 . . shenrichsen@lincoln.ne.gov
Nicole Fleck-Tooze, *Long Range Planning Manager* . 441-6363 . . ntooze@lincoln.ne.gov
Mike Brienzo, *Transportation Planner* . . . . . 441-6369 . . mbrienzo@lincoln.ne.gov
Tom Cajka, *Planner* . . . . . 441-5662 . . tcajka@lincoln.ne.gov
David Cary, *Planner* . . . . . 441-6364 . . dcary@lincoln.ne.gov
Christy Eichorn, *Planner* . . . . . 441-7603 . . ceichorn@lincoln.ne.gov
Brandon Garrett, *Planner* . . . . . 441-6373 . . bgarrett@lincoln.ne.gov
Stacey Groshong Hageman, *Planner* . . . . . 441-6361 . . slhageman@lincoln.ne.gov
Sara Hartzell, *Planner* . . . . . 441-6371 . . shartzell@lincoln.ne.gov
Rashi Jain, *Planner* . . . . . 441-6372 . . rjain@lincoln.ne.gov
Brian Will, *Planner* . . . . . 441-6362 . . bwill@lincoln.ne.gov
Ed Zimmer, *Historic Preservation Planner* . . . . . 441-6360 . . ezimmer@lincoln.ne.gov

* * * * * *

The Planning Commission meeting
which is broadcast live at 1:00 p.m. every other Wednesday
will be rebroadcast on Sundays at 1:00 p.m. on 5 City TV, Cable Channel 5.

* * * * *

The Planning Commission agenda may be accessed on the Internet at
http://www.lincoln.ne.gov/city/plan/pcagenda/index.htm

PLANNING COMMISSION FINAL ACTION

NOTIFICATION

TO : Mayor Chris Beutler
Lincoln City Council

FROM : Jean Preister, Planning

DATE : March 21, 2012

RE : Notice of final action by Planning Commission: March 21, 2012

Please be advised that on March 21, 2012, the Lincoln City-Lancaster County Planning Commission adopted the following resolutions:

> **Resolution No. PC-01271,** approving Use Permit No. 82C, with conditions, requested by Bob Bennie Properties, LLC, to add Medical Office as a permitted land use to an existing Use Permit, on property generally located at South 14th Street and Old Cheney Road.
>
> **Resolution No. PC-01272**, approving Special Permit No. 06001A, with conditions, requested by Stephen Nickel and Dubois, LLC, for authority to expand the boundary of the existing Grand Terrace Community Unit Plan to add approximately 3.31 acres of property generally located at South 84th Street and Highway 2.

This is final action unless appealed to the City Council by filing a notice of appeal with the City Clerk within 14 days of the action by the Planning Commission.

The Planning Commission Resolution may be accessed on the internet at www.lincoln.ne.gov (Keyword = PATS). Use the "Search Selection" screen and search by application number (i.e. UP82C, SP06001A). The Resolution and Planning Department staff report are in the "Related Documents" under the application number.

Q:\shared\wp\jlu\2012 ccnotice\032112

Jean Preister

From: Michele M. Abendroth
Sent: Monday, March 19, 2012 1:43 PM
Subject: Announcement: LPlan 2040 Amendments

Six amendments to the **Lincoln/Lancaster County Comprehensive Plan (LPlan 2040)** were adopted by the City Council and County Board in January, 2012. LPlan 2040 is available on our website at http://lincoln.ne.gov/city/plan/lplan2040/plan.htm and has been updated the reflect the adopted amendments. In addition, an amendment packet is also available on the same page.

If you have questions regarding these amendments, please contact Nicole Fleck-Tooze at ntooze@lincoln.ne.gov or 402-441-6363.

Nicole Fleck-Tooze
Long Range Planning Manager
Lincoln/Lancaster County Planning Department
402.441.6363

Memorandum

Date: March 20, 2012

To: City Clerk

From: Teresa McKinstry, Planning Dept.

Re: Administrative Approvals

cc: Jean Preister

This is a list of the Administrative Amendments that were approved by the Planning Director from March 13, 2012 thru March 19, 2012:

Waiver No. 11025 to Final Plat No. 99039, approved by the Planning Director on March 13, 2012, requested by Quin-C, Inc., for a waiver to extend the time for two years to install the required paving in Crosscut Lane, in Black Forest Estates Addition. The improvements shall be completed by March 13, 2014. Property is generally located at S. 62nd St. and Old Cheney Rd.

Waiver No. 11013 to Final Plat No. 04093, approved by the Planning Director on March 14, 2012, requested by Manzitto, Inc., for a waiver to extend the time for two years to install the required sidewalks and street trees in Himark Estates 9th Addition. The improvements shall be completed by March 14, 2014. Property is generally located at S. 90th St. and Old Cheney Rd.

City/County Planning Department
555 S. 10th Street, Rm. 213
Lincoln NE 68508
(402) 441-7491

CITY OF LINCOLN
NEBRASKA

PUBLIC WORKS & UTILITIES ADVISORY

MAYOR CHRIS BEUTLER

lincoln.ne.gov

March 20, 2012

Stormwater Project #705326B
13th Street from 'G' to 'H' Street
'G' Street West of 13th Street

Next week the City of Lincoln Public Works and Utilities Department will begin construction of a Stormwater Project in 13th Street from 'G' to'H' Streets and in 'G' Street approximately one half block west of 13th Street.

Contractor and Schedule:
The Contractor for this project is Pavers Inc. The construction is scheduled to begin March 26, 2012 and will take approximately four weeks to complete (weather permitting and barring any unforeseen conditions.)

Construction Information:
This project consists of removing and replacing over 500' of storm sewer pipe and three manholes to help with the drainage in this area. In order to complete this work, a water main will need to be reconstructed which could mean some minimal disruption to your service. If temporary water shut downs are necessary, you will be notified in advance by the Lincoln Water System.

Temporary Inconvenience:
The Contractor will try to maintain access to your property, but at times may have to close the access during that portion of the project. If you need special access arrangements, please contact the Contractor to arrange those. If your driveway, sidewalk or yard is disrupted by this project, it will be restored at no cost to you.

Contacts for this project:

Pavers Inc. – Mike Tidball 402-875-1469

City of Lincoln – Brian Dittmann 402-525-5646

705326B Adv BKD tdq.wpd

Mary M. Meyer

From: Council Packet
Subject: Advisory - BPWe120322, Downtown Lincoln Resurfacing
Attachments: BPWe120322.pdf

Subject: Advisory - BPWe120322, Downtown Lincoln Resurfacing

For the Downtown Lincoln Street Resurfacing Project the City plans to post "Project Updates" on the project's website every week to two weeks depending on the nature of the work being completed. The updates will summarize what work has been completed and which areas the contractor will be working in next. To help spread the word when new updates are available, the City has added a feature to the website where anyone interested in receiving project updates can sign up to receive an email informing them that a new update has been posted. The second "Project Update" is now available and is attached to this notice. Please forward this email to your respective groups to let your members know how they can receive updates on the Downtown Lincoln Street Resurfacing Project. We will not be emailing future updates, all subsequent "Project Updates" will only be available on the project website. The City encourages everyone to visit the project website (lincoln.ne.gov, keyword: downtown) and click on the "Sign up for Notifications" link at the top of the page. Once registered, they will receive an email when any new updates are posted to the project website. Also, for those who follow the City on Twitter (@CityOfLincoln), we decided to post links to the updates on the City's Twitter feed. Thank you for your assistance as we try to keep the public informed on the progress of this project.

Erika Nunes, PE
City of Lincoln / PW&U
Engineering Services
901 W. Bond Street, Suite 100
Lincoln, NE 68521

Front Office (402) 441-7711
Cell (402) 326-1037
Fax (402) 441-6576

Roger & Betty Yant
5640 Hunts Dr.
Lincoln, Nebraska 68512
580-1402

FILED
CITY CLERK'S OFFICE
2012 MAR 22 AM 10 41
CITY OF LINCOLN
NEBRASKA

August 2, 2011
March 20, 2012

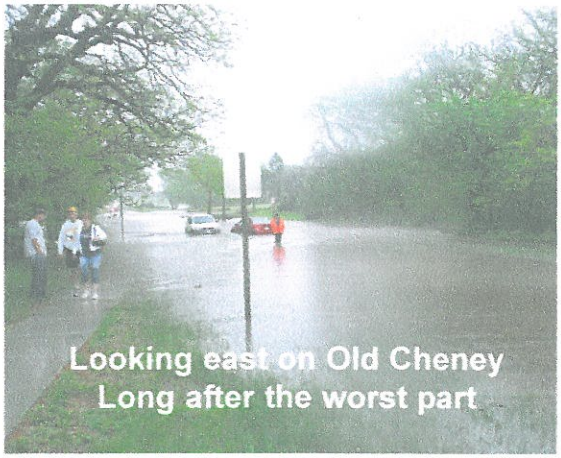
City of Lincoln Nebraska
5555 South 10th
Lincoln, Nebraska 68508

Please, before you spend time and money on protecting the State Penitentiary and fixing the Beal Slough, so maybe in the next 100 years it does not flood, maybe you should look at 6th and Old Cheney Rd. We have lived here now for 15 years and have been flooded over 20 times in those years. Six feet of water in our back yard. Up to 4' to 5' of rushing water down Old Cheney Rd. Many stalled cars and trucks in the road and lots of debris in all over. Our fence has been blown over about 10 times in those years. We have had to spend lots of money to configure our yard so as to help keep the water out of our home. We have given up fixing the fence until you do something about the situation. We have had to replace carpet, woodwork, drywall and padding, yes carpet padding, many times.

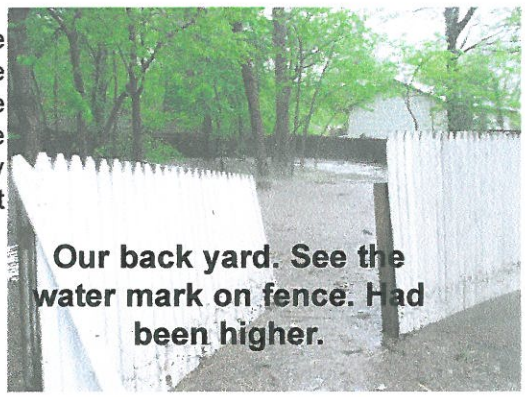
We have contacted the city many times over the years just to have someone come look at it and say we will get back to you. Nothing in 15 years. It is a simple fix, all the neighbors know what causes the problem and know what it would take to fix it, but still silence from the city. We are not the only ones effected, but we are the worst. Below are pictures of street, yard, fence and more. Please, let's get this fixed before you work by the Penitentiary.

Thanks, Roger Yant

From our deck


Looking east on Old Cheney
Long after the worst part

PS: During the last flood, there were three fire trucks at the scene and many law inforcement officers.


Our back yard. See the water mark on fence. Had been higher.

Our back yard, after it had started to recede.

What you have is a letter we sent to all city council members and the mayor last August. We are getting into another rainy season and want to send out a reminder, please, we have been fighting this for 16 years (we have spent close to $20,000), and have been calling the city and contacting the city for 16 years and all we have heard is one phone call from someone in the mayors office saying they got the letter. WOW now that is elected service. The city is replacing the waterway by the Pen at the tune of millions and we can't get a simple fix over here on Old Cheney Rd. Amazing how you say we are here to help. Are you waiting for more pictures, we have years and years of them if you want to see.

Thank you,

Roger Yant
5640 Hunts Dr

Please put one copy in each council members
One to mayors office
and one to City Attorney's office

Roger Yant

Mary M. Meyer

From: Council Packet
Subject: InterLinc: Council Feedback

InterLinc: City Council Feedback for
General Council

Name: Sharon Ten Hulzen
Address:
City: Lincoln, NE 68524

Comment or Question:
I am a student @ SCC in the BSAD program with an Entrepreneurship focus. I am doing some research for a class project for Business Plan class.

If I was looking at 158+ acres of land on NW 48th St just N of the interstate and it is zoned Retail & Commercial; what zoning changes would I need for a Water park/Amusement park combination indoor and outdoor and tour van and carriage rides and maybe in the future a hotel?

Also, what City or County ordinances would I be looking at?

I would appreciate any and all feedback - positive and negative. Thank you!

DIRECTORS' AGENDA
ADDENDUM
MONDAY, MARCH 26, 2012

I. CITY CLERK

II. CORRESPONDENCE FROM THE MAYOR & DIRECTORS

MAYOR

1. Mayor Beutler's public schedule for March 24, 2012 through March 30, 2012.

III. DIRECTORS

COMMISSION ON HUMAN RIGHTS

1. Commission on Human Rights meeting agenda for Thursday, March 29, 2012.

PLANNING DEPARTMENT

1. Administrative Amendment No. 11065 approved by the Planning Director on March 9, 2012.

PUBLIC WORKS & UTILITIES/ENGINEERING

1. ADVISORY. 27th Street and Bradfield Drive, Stormwater Project No. 705319.

IV. COUNCIL MEMBERS

V. CORRESPONDENCE FROM CITIZENS

Date: March 23, 2012
Contact: Diane Gonzolas, Citizen Information Center, 402-441-7831

Mayor Beutler's Public Schedule
Week of March 24 through 30, 2012
Schedule subject to change

Saturday, March 24
- AFL-CIO Committee on Political Education, remarks - 9 a.m., Holiday Inn Downtown, 141 N. 9th St.

Monday, March 26
- Fair Housing Month proclamation - 9 a.m., Mayor's Conference Room, County-City Building, 555 S. 10th St.
- Sally Gordon "Celebration of Life" - 4:30 p.m., UNL Van Brunt Visitors Center, 313 N. 13th St.

Tuesday, March 27
- Corrections Joint Public Agency - 9 a.m., Council Chambers, County-City Building
- KFOR - noon (previously recorded)
- Rotary Club annual Salute to Business, remarks - noon, Cornhusker Hotel, 333 S. 13th St.
- Fallbrook Homeowners Association, remarks - 7 p.m., Concordia University offices, 570 Building (Fallbrook Town Center)

Thursday, March 29
- Retirement open house for Vicki Huff, proclamation - 5 p.m., Union Bank and Trust, 6801 S. 27th St. (lower level)

CITY OF LINCOLN

COMMISSION ON HUMAN RIGHTS

Thursday, March 29, 2012, 4:00 p.m.

City Council Chambers, 555 South 10th Street

AGENDA

I. Roll Call

II. Approval of Minutes for February 23, 2012 Commission Meeting

III. Approval of Agenda for March 29, 2012 Commission Meeting

IV. Case Dispositions

A. Reasonable Cause/ No Reasonable Cause

1. LCHR No.: 11-0609-027-E-R
2. LCHR No.: 11-0627-029-E-R
3. LCHR No.: 11-0822-031-E-R
4. LCHR No.: 11-1014-023-H
5. LCHR No.: 11-1109-019-H

B. Pre-Determination Settlement Agreements

1. LCHR No.: 11-1027-018-H (To Be Handed Out)
2. LCHR No.: 12-0221-002-H
3. LCHR No.: 12-0221-003-H

V. Administrative Closures

A. Lack of Jurisdiction

1. LCHR No.: 12-0124-003-E-R

B. Notice of Right to Sue

2. LCHR No.: 10-1110-055-E-R

VI. Old Business

VII. New Business

A. Proposed Amendments to Commission Initiated Complaint Procedure

B. Awards Selections

VIII. Public Comment**

IX. Adjournment

Public comments are limited to 5 minutes per person. Members of the public may address any item of interest to the LCHR during this open session ***with the exception of LCHR cases.* Also, no member of the public who wishes to address the Commission will be allowed to examine any individual Commissioner or staff member on any item/question before the Commission unless invited to do so by the Chairperson.

Memorandum

Date: March 23, 2012

To: City Clerk

From: Teresa McKinstry, Planning Dept.

Re: Administrative Approvals

cc: Jean Preister

This is a list of the Administrative Amendments that were approved by the Planning Director from March 6, 2012 thru March 12, 2012
(this approval was inadvertently missed in previous notifications):

Administrative Amendment No. 11065 to Use Permit No. 149, Stone Ridge Estates, approved by the Planning Director on March 9, 2012, requested by Ridge Development Company and Northern Lights, LLC., to revise the site plan modifying the lot layout of Block 1 to show one large 133,000 square feet of grocery/retail use building instead of three smaller pad sites of commercial uses, on property generally located at S. 27th St. and Grainger Parkway.

City/County Planning Department
555 S. 10th Street, Rm. 213
Lincoln NE 68508
(402) 441-7491

CITY OF LINCOLN
NEBRASKA

PUBLIC WORKS & UTILITIES ADVISORY

MAYOR CHRIS BEUTLER

lincoln.ne.gov

March 26, 2012

27th Street and Bradfield Drive
Stormwater Project No. 705319

Next week the City of Lincoln Public Works and Utilities Department will begin construction of a storm water project in the 27th Street and Bradfield Drive intersection.

Contractor and Schedule:

The contractor for this project is Skoda Construction. The construction is scheduled to begin April 2, 2012 and will take approximately two weeks to complete (weather permitting and barring any unforeseen conditions.)

Construction Information:

This project consists of removing and replacing existing storm sewer pipe, installing seven new storm sewer inlets and one manhole all to help with the drainage in this area. In order to complete this work, two water mains will need to be reconstructed which could mean some minimal disruption to your service. If temporary water shut downs are necessary, you will be notified in advance by the Lincoln Water System.

Temporary Inconvenience:

27th Street from Van Dorn Street to Manse Avenue and Bradfield Drive from 27th Street to Manse Avenue will be closed. The contractor will try to maintain access to your property, but at times may have to close the access during that portion of the project. If you need special access arrangements, please contact the contractor. If your driveway, sidewalk or yard is disrupted by this project, it will be restored at no cost to you.

Contacts for this project:

Skoda Construction
Ron Skoda 402-560-5004

City of Lincoln
Brian Dittmann 402-525-5646

705319 Adv BKD tdq 2.wpd