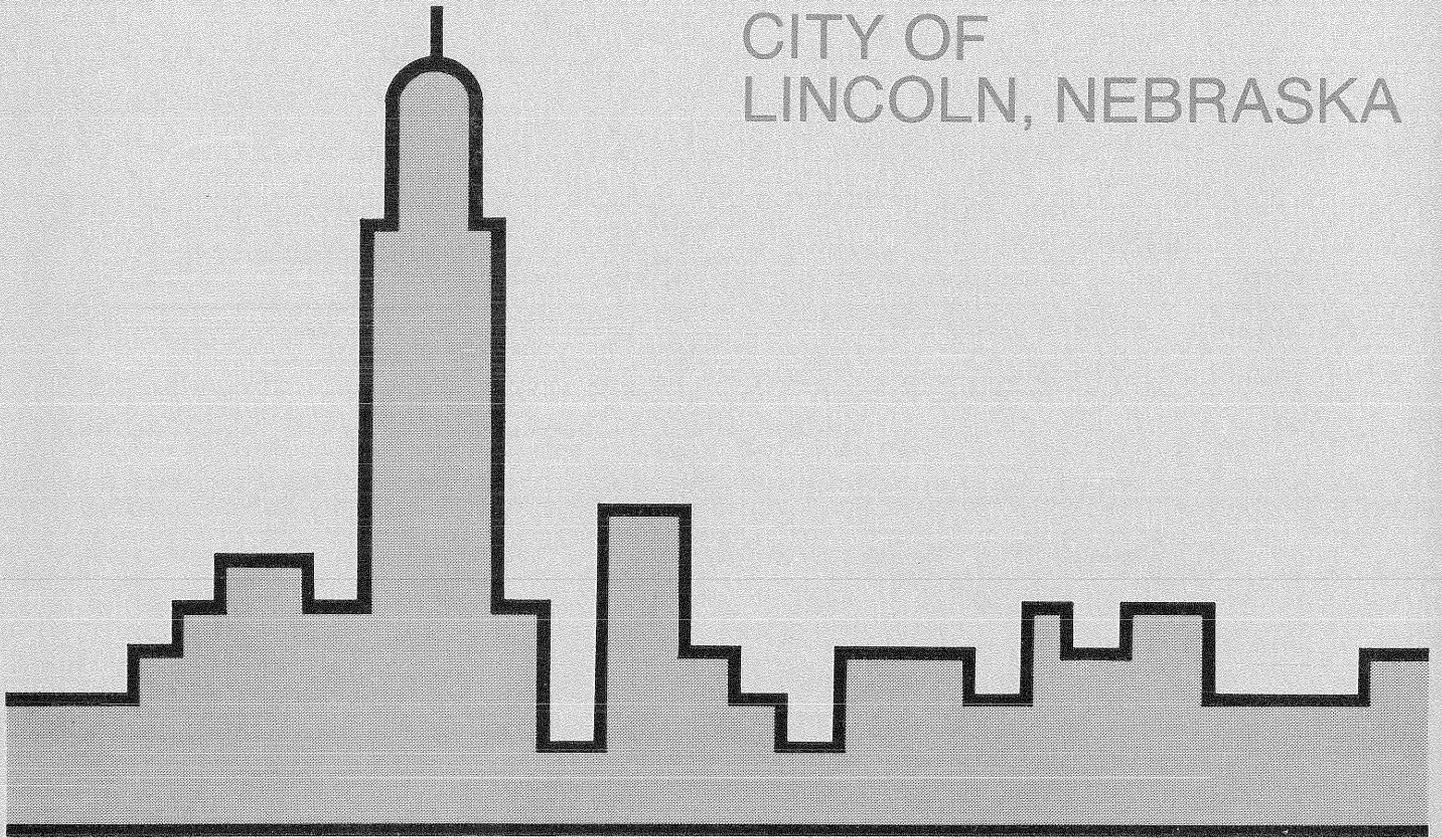


CITY OF
LINCOLN, NEBRASKA



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED AUGUST 31, 1986

COMPREHENSIVE
ANNUAL FINANCIAL REPORT

OF THE

CITY OF LINCOLN, NEBRASKA

FOR THE YEAR ENDED AUGUST 31, 1986

Prepared By:

The Auditing Division/Finance Department

OFFICIALS OF THE CITY OF LINCOLN

Roland A. Luedtke.....Mayor
 Joseph R. Hampton.....Chairman, City Council
 Dick Johnson.....Vice Chairman, City Council
 Margrethe Ahlschwede.....Council Member
 Bill Danley.....Council Member
 Donna Gayley.....Council Member
 Bill Hoffman.....Council Member
 J. Gates Minnick.....Council Member

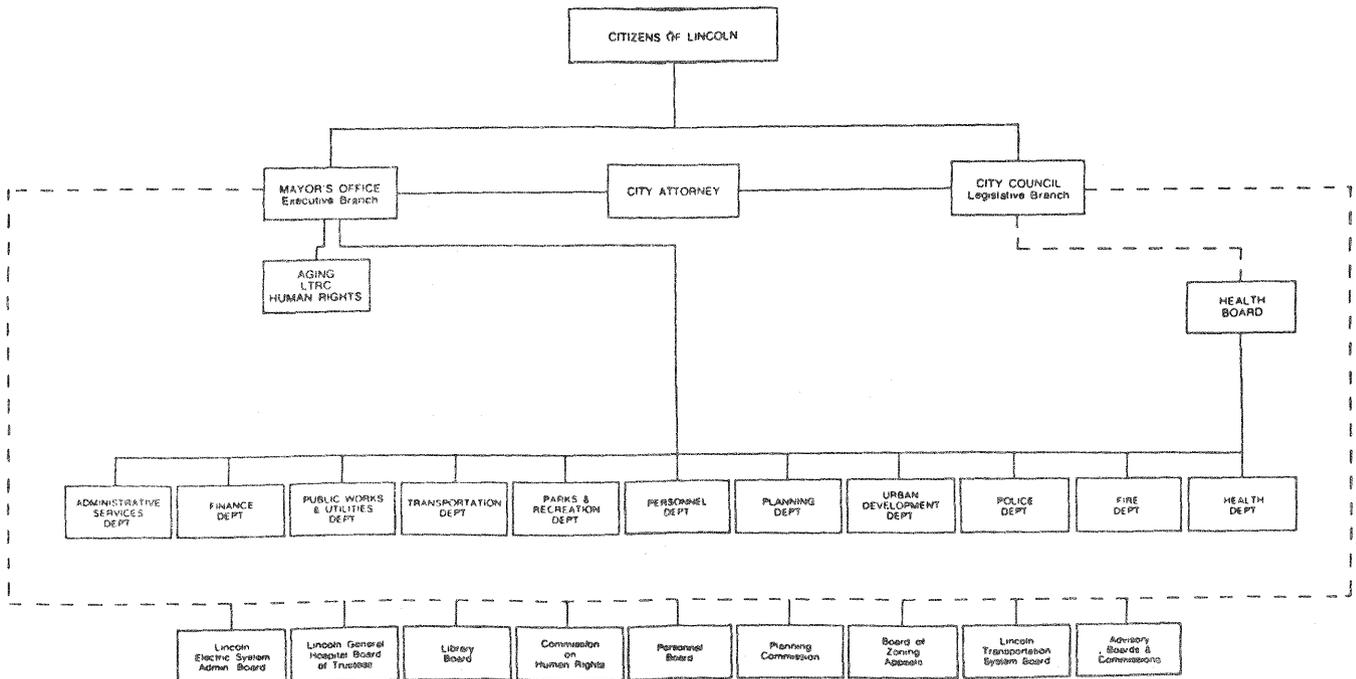
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Eugene Armstead.....Administrative Services Director
 Jack Vavra.....Finance Director
 Garner Stoll.....Planning Director
 Donald Smith.....Parks and Recreation Director
 Walter A. Canney.....LES Administrator
 George Chick.....Urban Development Director
 Carol Connor.....Library Director
 Richard A. Erixson.....Public Works Director
 and Acting Public Utilities Director
 M. Jane Ford.....Health Director
 Arlan Stromberg.....Hospital Administrator
 George Williamson.....Transportation Director
 Ron Todd.....Personnel Director
 William F. Austin.....City Attorney
 B. Dean Leitner.....Police Chief
 Mike Merwick.....Fire Chief

* * * * *

Bond Counsel.....Cline, Williams, Wright, Johnson & Oldfather

CITY OF LINCOLN ORGANIZATION CHART



CITY OF LINCOLN, NEBRASKA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 YEAR ENDED AUGUST 31, 1986

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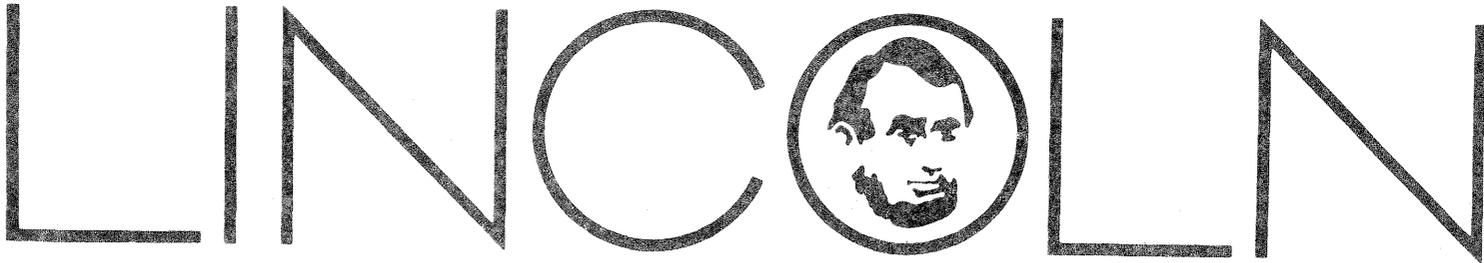
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LINCOLN

**Department of Finance**

JACK VAVRA, Director

February 6, 1987

Auditor
Auditorium
Budget
City Clerk
Purchasing
TreasurerThe Honorable City Council
City of Lincoln
Lincoln, NE 68508

The Comprehensive Annual Financial Report of the City of Lincoln, Nebraska, for the fiscal year ended August 31, 1986, is submitted herewith. Shown in detail are the financial transactions during the fiscal year, together with pertinent general information.

Internal Accounting Controls

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 from unauthorized use or disposition; and the reliability of financial records for preparing financial statements and maintaining accountability for assets.

Several major internal controls within the Finance Department affect transactions from all City departments. The City Charter requires the City Auditor to audit all departmental expenditures as to documentation, coding, etc., after they have been signed by the responsible department head. A monthly reconciliation is made between the City's accounting system and the Treasurer's office. The Purchasing Ordinance requires that all purchase requisitions must include certification by the Director of the ordering department that money has been appropriated for that purpose. The City has a fixed asset system which includes monitoring acquisition and disposition of fixed assets. In addition to these major controls, there are numerous controls within the various departments.

The above is not all-inclusive of the City's internal control, but serves to indicate that controls are adequate to safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Accounting System and Budgetary Control

The accounts of the City are organized on the basis of funds or account groups, each of which is considered a separate accounting entity; the operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenses/expenditures. More information on descriptions of each fund and the accounting principles applied to each fund type are included in the Notes to Combined Financial Statements and Financial Section.

Budgetary control is maintained at the department level by the encumbrance of balances with purchase orders prior to their release to vendors. Purchase orders which result in an overrun of department balances are not released until additional appropriations are made available. Open encumbrances are reported as reservations of fund balance at August 31, 1986.

The Reporting Entity and Its Services

This report includes all component units, functions, programs, and activities in which the City exercises oversight authority. Services are provided to residents in many areas, including public safety (police - fire), highways and streets, health, planning and zoning, parks, recreation, urban development, courts, mass transportation, electric utility, water utility, sanitary sewer utility, hospital, golf courses, auditorium, parking facilities, and general administrative services. The City Council exercises budgetary and/or rate setting authority over the City Library, Lincoln Electric System (LES), Lincoln General Hospital (LGH), and Lincoln Transportation System (LTS), all of which are included in this report. The Lincoln Water System, Lincoln Sanitary Sewer System, parking lots, parking facilities, golf courses and Pershing Municipal Auditorium are all part of administrative departments under the direction of the Mayor and are included in this report. The following entities are not included in this report because the City does not exercise oversight authority:

Housing Authority of the City of Lincoln
Lincoln Public Schools
Lincoln Airport Authority
Lincoln Hospital Association

Separate audited financial statements are available from these organizations.

General Governmental Functions

General Governmental Revenues (General, Special Revenue and Debt Service Funds) on the GAAP basis totaled \$63,036,036 in 1985-86, an increase of 2.25% from 1984-85. General property taxes produced 25.7% of General Governmental Revenues compared to 33.1% last year. This decrease is primarily due to the Sales and Use Tax increase of 0.5% effective July 1, 1985 which was used to reduce property taxes. The amount of revenues from various sources and the change from last year are shown in the following tabulation:

Revenue Source	Amount	Percent of Total	Increase (Decrease) from 1984-85
Taxes	\$39,051,866	61.9%	\$ 1,375,026
Intergovernmental	16,577,869	26.3	75,902
Permits and Fees	1,375,019	2.2	291,057
Reimbursement for Services	950,162	1.5	99,985
Court Costs	125,824	.2	(434,871)
Recreational Receipts	498,394	.8	41,674
Interest	1,898,364	3.0	(72,537)
Other	2,558,538	4.1	12,991
	<u>\$63,036,036</u>	<u>100.0%</u>	<u>\$ 1,389,227</u>

Assessed valuations for 1985-86, totaled \$4,008,651,152. Property was assessed at market value.

As of August 31, 1986, current tax collections by the County Treasurer were 93.93% of the tax levy, up 1.38% from last year. Allocations of property tax levy by purpose for 1985-86, and the preceding two fiscal years are as follows:

City Tax Levy by Purpose

	1985-86	1984-85	1983-84
General Fund	.2445	.4568	.4684
Library	.0528	.0549	.0550
Social Security	.0198	.0251	.0163
Police and Fire Pension	.0221	.0478	.0503
General Obligation Debt	.0649	.0478	.0467
	<u>.4041</u>	<u>.6324</u>	<u>.6367</u>

General governmental expenditures on the GAAP basis of accounting totaled \$54,539,995 in 1985-86, a decrease of 4.4% over 1984-85. Increases and decreases in levels of expenditures by major functions of the City over the preceding year are shown in the following tabulation:

	Amount	Percent of Total	Increase (Decrease) from 1984-85
General Government	\$10,868,367	19.9%	\$ (735,335)
Public Safety	19,493,668	35.8	1,553,003
Streets and Highways	5,520,065	10.1	202,607
Culture - Recreation	7,576,486	13.9	342,197
Economic Opportunity	5,033,019	9.2	(124,798)
Health and Welfare	3,444,554	6.3	331,736
Sanitation	525,967	1.0	(17,137)
Debt Service	2,077,869	3.8	(4,080,347)
	<u>\$54,539,995</u>	<u>100.0%</u>	<u>\$(2,528,074)</u>

Parking Facilities

The City of Lincoln operates the 1,048 stall Centrum Parking Garage which opened in November, 1978, and the 405 stall Cornhusker Square Parking Garage, which opened in December, 1983. Long-term debt for both facilities is covered under the same bond ordinance. Revenue generated by both facilities and the on-street parking meters is pledged for debt service of both series of bonds. Comparative data for the past two fiscal years are presented in the following table:

	<u>1985-86</u>	<u>1984-85</u>
Operating Revenue	\$887,271	\$837,488
Operating Income Before Depreciation	599,516	490,343
On-Street Parking Meter Revenue	288,520	282,272
Revenue Available for Debt Service	983,299	925,087
Debt Service	402,568	400,891
Debt Service Coverage Ratio	2.44	2.31

Lincoln General Hospital (LGH)

The City owns and operates a licensed 314-bed general hospital. It is controlled and managed by an administrative board and is not supported by general tax revenue. The actions of the board are subject to final action by the City Council in regard to rates and charges, budgets, and long-term financing. The total outstanding bonded debt of LGH at August 31, 1986, was \$18,990,000. (See Note 9 to the Financial Statements.)

Lincoln Electric System (LES)

The City owns and operates its own electric utility system which, like LGH, 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 2.55.090 of the Lincoln Municipal Code, LES operates on a January 1 - December 31 fiscal year. Audited financial information is included in this report as of and for the twelve-month period ended December 31, 1985.

Debt and Cash Management

The ratio of net direct bonded debt to assessed valuation and the amount of bonded debt per capita are useful indicators of the City's debt position to municipal management, citizens, and investors. These data for the City of Lincoln at August 31, 1986, were as follows:

	<u>Outstanding 8-31-86</u>	<u>Sinking Funds 8-31-86</u>	<u>Net Bonded Debt</u>	<u>Net Bonded Debt Per Capita</u>
General Obligation:				
General Bonds	\$27,240,000	2,292,344	24,947,656	135.22
Tax Allocation				
Bonds	<u>4,610,000</u>	<u>870,275</u>	<u>3,739,725</u>	<u>20.27</u>
Total General				
Bonds Including				
Tax Allocation	31,850,000	3,162,619	28,687,381	155.49
Special Assessment				
Bonds	<u>19,430,000</u>	<u>3,223,215</u>	<u>16,206,785</u>	<u>87.84</u>
	<u>\$51,280,000</u>	<u>6,385,834</u>	<u>44,894,166</u>	<u>243.33</u>

In addition to the general obligation bonded debt, the City recognizes a liability for compensated absences of \$969,234 and an obligation under capital leases of \$155,762. Note 9 to the Combined Financial Statements presents more detailed information about the debt position of the City.

The following bonds were issued during the year ended August 31, 1986:

<u>Date Issued</u>	<u>Issue</u>	<u>Average Interest Rate</u>	<u>When Due</u>	<u>Amount</u>
<u>GENERAL OBLIGATION BONDS</u>				
12-15-85	Downtown Redevelopment	8.0232	Ser. '87 to '02	\$12,000,000
05-01-86	Various Purpose	6.6789	Ser. '87 to '06	6,815,000
<u>REVENUE BONDS</u>				
05-01-86	Sanitary Sewer Revenue	6.5818	Ser. '89 to '99	2,750,000

On November 24, 1987, LES issued \$93,126,723 of refunding bonds at an average interest rate of 7.25%. The City's General Obligation and Revenue Bonds continue to have excellent credit ratings. These ratings are as follows:

	<u>Moody's Investors Service</u>	<u>Standard & Poor's</u>
General Obligation Bonds	Aa	AAA
Water and Sewer Revenue	Aa	AA
Electric Revenue:		
Electric Power Supply	A1	AA
Electric Distribution Facility	A1	A+
Commercial Paper Notes		A1+
Lincoln General Hospital (Ser. 1982)	A	Ap

The various bond indentures contain significant limitations and restrictions on annual debt service requirements, maintenance, and flow of monies through various restricted accounts, minimum amounts to be maintained in various bond reserve funds, and minimum revenue bond coverages. The City is in compliance with all such significant limitations and restrictions.

Cash temporarily idle during the year was invested in interest-bearing deposits or U.S. government securities. Over the year, 98.52% of available funds were invested in interest-bearing deposits. The average yield on investments was 6.55% and the amount of interest earned was \$13,160,647.

Capital Projects Funds

Proceeds of general obligation bond issues are accounted for in Capital Projects funds until improvement projects are completed. Some capital improvement projects are accounted for in the general fixed asset account group upon completion. Since the City does not capitalize infrastructure items, such items are not included in the general fixed asset account group. Items which are purchased or constructed with Capital Projects funds and, upon completion or purchase, become part of the operation of an Internal Service fund or Enterprise fund, are capitalized as contributed capital in those funds.

General Fixed Assets

The general fixed assets of the City are those fixed assets used in the performance of general governmental functions and exclude the fixed assets of the Enterprise and Internal Service funds. As of August 31, 1986, the general fixed assets consisted of over 12,400 items totaling \$52,550,183, a net decrease of \$607,895 over the prior year.

Water and Sewer System

The City's Water and Sewer Utility System showed increases in operating revenue and operating income. Comparative data for the past two fiscal years are presented in the following tables:

<u>Water System</u>	<u>1985-86</u>	<u>1984-85</u>
Operating Revenue	\$9,535,383	\$8,811,157
Operating Income	3,313,354	2,822,224
Revenue Available for Debt Service	5,095,243	4,960,077
Debt Service	1,449,606	1,388,502
Debt Service Coverage Ratio ¹	2.69	2.39

<u>Sewer System</u>		
Operating Revenue	\$7,169,620	\$6,673,986
Operating Income	1,200,229	1,028,994
Revenue Available for Debt Service	3,142,161	3,036,955
Debt Service	1,085,405	1,085,758
Debt Service Coverage Ratio ¹	2.08	2.38

¹Coverage ratios are based on maximum annual debt service and other requirements of the bond covenants.

Significant Local Economic Events

At the election of May 7, 1985, the voters approved an additional .5% Sales and Use Tax, effective July 1, 1985. Fiscal Year 1986 reflects the first year's impact of the Sales Tax increase, resulting in a reduction of the Property Tax appropriation from \$21.3 million in fiscal year 1985 to \$14.5 million in fiscal year 1986.

Federal Revenue Sharing ended on October 1, 1986, which will result in a loss of approximately \$2.1 million in revenues for the City. The loss of Revenue Sharing funds coupled with increased personnel costs resulted in cuts in programs, and an increase in the property tax appropriation to \$18.4 million for fiscal year 1987.

Of concern to the City of Lincoln, as well as other sectors of the economy, is the depressed agricultural economy, although this has not had a significant effect on the City's economy. Farm income makes up only .7% of the personal income in Lincoln.

Prospects for the Future

The University of Nebraska (UNL) is in the construction stage of the \$20 million "Lieds" Performing Arts Center adjacent to the downtown area and UNL campus. Cook Family Foods started operations in December, 1985, in the facilities of the former American Stores Packing Plant and anticipates ultimately employing 250 employees. Lincoln's August, 1986, unemployment rate was 2.7%, down .5% from last year. The City has a Lincoln Center Redevelopment Plan, and the outside developer is presently negotiating with an anchor department store. The City and developer are working on a Development and Disposition Agreement.

Independent Audit

The City Charter requires an annual audit to be made of all City funds and accounts by independent certified public accountants selected by the City Council. The Federal government, under OMB Circular A-128, which was issued to implement the Single Audit Act of 1984, requires local governments that receive \$100,000 or more in Federal funds in any fiscal year to have a financial and compliance audit performed. The City's fiscal year ended August 31, 1986, was the first year subject to these requirements. Through the efforts of the Finance Department staff and staff from the Transportation, Health, Aging, and Public Works Departments, the City was able to comply with the Federal government's single audit requirements for grants.

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 (formerly Certificate of Conformance) to the City of Lincoln, Nebraska, for its comprehensive annual financial reports for the fiscal years ended August 31, 1985, 1984 and 1983.

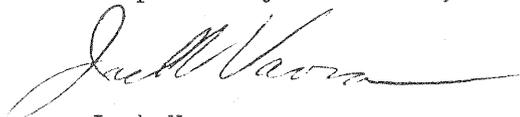
In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to Certificate of Achievement program requirements, and we are submitting it to GFOA to determine its eligibility.

Acknowledgements

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,



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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, 1985

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to governmental units and public employee retirement systems whose comprehensive annual financial reports (CAFR's) are judged to substantially conform to program standards.



Betty Jo Harker
President

Jeffrey L. Esser
Executive Director

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FINANCIAL SECTION

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Peat, Marwick, Mitchell & Co.
Certified Public Accountants

1600 First Tier Bank Building
Lincoln, Nebraska 68508

600 Kiewit Plaza
Omaha, Nebraska 68131

AUDITORS' REPORT

The Honorable Members of the City Council
City of Lincoln, Nebraska:

We have examined the general purpose financial statements of the City of Lincoln, Nebraska, as of and for the year ended August 31, 1986 as listed in the Table of Contents. Our examination was made in accordance with generally accepted auditing standards and the standards for financial and compliance audits contained in the Standards for Audit of Governmental Organizations, Programs, Activities, and Functions, issued by the U.S. General Accounting Office, and, accordingly, included such tests of the accounting records and other such auditing procedures as we considered necessary in the circumstances. We did not examine the financial statements of the Lincoln Water System, Lincoln General Hospital or the Lincoln Sanitary Sewer System which are included in the enterprise fund types, which statements reflect total assets constituting 31% and total revenues constituting 32% of the related totals of the enterprise fund types. These statements were examined by other auditors whose reports thereon have been furnished to us and our opinion expressed herein, insofar as it relates to such amounts included in the City's financial statements, is based solely upon the reports of the other auditors.

In our opinion, based upon our examination and the reports of other auditors, the aforementioned general purpose financial statements, present fairly the financial position of the City of Lincoln, Nebraska at August 31, 1986 and the results of its operations and the changes in financial position of its proprietary fund types for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Our examination was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund financial statements and schedules listed in the Table of Contents are presented for the purpose of additional analysis. They are not a required part of the general purpose financial statements of the City of Lincoln, Nebraska and, accordingly, our opinion does not relate to the fairness of presentation of the financial position and results of operations of such funds or the changes in financial position of individual proprietary funds.

The information in the combining and individual fund financial statements and schedules has been subjected to the auditing procedures applied in the examination of the general purpose financial statements and, in our opinion, based upon our examination and the reports of other auditors, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

Leat Marwick, Mitchell & Co.

Lincoln, Nebraska
January 23, 1987

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CITY OF LINCOLN, NE
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
AUGUST 31, 1986

Exhibit 1

With Comparative Totals For August 31, 1985

	Governmental Fund Types					Proprietary Fund Types		Fiduciary	Account Groups		Totals	
	General	Special Revenue	Debt Service	Capital Projects	Special Assessment	Enterprise (Note 1)	Internal Service	Trust and Agency	General Fixed Assets	Long-Term Liability	(Memorandum Only)	
											1986	1985
ASSETS AND OTHER DEBITS												
Cash Held by City Treasurer	\$ 9,871,744	4,662,207	2,165,547	614,705	904,507	3,302,209	3,683,819	6,152,438			31,357,176	26,578,228
Cash on Hand and In Other Accounts	1,949	16,298				2,252,288		67,819			2,338,354	1,429,281
Investments (At Cost or Amortized Cost) (Note 4)		5,780,437	491,619	18,384,928	8,917,917	39,273,873	1,513,403	45,544,143			119,906,320	93,723,766
Receivables (Notes 2 and 5)	2,627,208	813,215	538,321	266,971	12,336,475	24,082,939	540,707	1,297,913			42,503,749	46,758,852
Due From Other Funds (Note 17)	878,525	293,602	138,386	932,996	64,966	36,760	844,897	212,184			3,402,316	3,723,628
Due From Other Governments (Note 6)	1,680,917	1,369,652	22,915			9,486	248,126	7,800			3,338,896	4,496,365
Inventories	92,192	91,457				3,755,321	267,271				4,206,241	4,554,333
Plant Operation Assets						6,703,178					6,703,178	8,511,702
Prepaid Expenses						398,112					398,112	305,772
Unamortized Bond Issuance Expense						377,164					377,164	334,260
Deferred Charges						7,752,172					7,752,172	7,818,273
Advance Payments for Nuclear Fuel						6,467,168					6,467,168	7,169,971
Restricted Assets:												
Cash						3,367,000					3,367,000	3,507,782
Cash on Hand and In Other Accounts						2,393					2,393	2,259
Investments at Cost or Amortized Cost						48,777,000					48,777,000	47,644,029
Accrued Interest Receivable (Note 5)						403,710					403,710	534,205
Student Loans Receivable												14,649
Due From Other Funds (Note 17)						5,306					5,306	1,696
Property, Plant, and Equipment (Net of Accumulated Depreciation (Note 7))						473,265,334	5,146,633	52,350,183			530,962,150	526,936,737
Installment Purchase Agreement		149,859									149,859	176,657
Amount Available in Debt Service Funds										3,162,619	3,162,619	1,875,711
Amount to be Provided for Retirement of General Long-Term Liabilities										29,812,377	29,812,377	13,384,906
Total Assets and Other Debits	\$15,152,535	13,176,727	3,356,788	20,199,600	22,223,865	620,231,413	12,244,856	53,282,297	52,550,183	32,974,996	845,393,260	799,483,062

LIABILITIES

Cash Overdraft		145,015									145,015	755,177
Warrants Payable								2,395,210			2,395,210	2,674,219
Vouchers Payable	70,173	32,425		225,050	60,211	4,465	60,185	1,232,102			1,684,611	405,800
Contracts Payable				923,626	261,637						1,185,263	1,762,076
Accounts Payable	413,549	158,308		75,247	45,992	8,487,035	268,965	29,763			9,478,859	8,948,200
Accrued Liabilities	652,643	188,308			1,259	6,927,964	100,847	463,196			8,334,217	8,185,390
Interest Payable on Capital Leases							8,518				8,518	21,069
Accrued Compensated Absences	1,380,489	421,313			1,836	701,755	377,907	2,751		969,234	3,855,285	3,645,339
Payable from Restricted Assets:												
Construction Contracts						936,728					936,728	1,449,797
Accounts Payable												19
Accrued Interest						7,891,425					7,891,425	7,781,518
Fuel Credit Obligation Notes (Note 9)						1,140,000					1,140,000	1,640,000
Revenue Bonds (Note 9)						5,009,000					5,009,000	4,590,000
Advance From Federal Government												95,001
Due to Other Governments	1,335							206,074			207,409	954,342
Due to Contractor								64,930			64,930	46,208
Due to Other Funds (Note 17)	542,647	950,103		127,584	14,252	13,145	30,910	1,728,981			3,407,622	3,723,324
Notes Payable (Note 8)						5,000,000					5,000,000	5,000,000

(Continued)

(Exhibit 1, Continued)

	Governmental Fund Types					Proprietary Fund Types		Fiduciary	Account Groups		Totals	
	General	Special Revenue	Debt Service	Capital Projects	Special Assessment	Enterprise (Note 1)	Internal Service	Trust and Agency	General Fixed Assets	Long-Term Liability	(Memorandum Only)	
											1986	1985
(Liabilities, Continued)												
Unearned Advances		77,903									77,903	
Deferred Revenues	861,731	318,198	151,038		8,380,402			84,769			9,796,138	11,250,707
Open Workers' Compensation Claims							685,696				685,696	535,596
Special Assessment Bonds Payable (Note 9)					19,430,000						19,430,000	21,535,000
General Obligation Bonds Payable (Note 9)									31,850,000		31,850,000	14,055,000
Revenue Bonds and Notes (Notes 9 and 12)						350,265,000					350,265,000	352,524,000
Fuel Credit Obligation Notes (Note 9)						2,710,000					2,710,000	3,850,000
Bond Principal Payable			35,000								35,000	5,000
Bond Interest Payable			8,131		11,622						19,753	12,893
Deferred Credits						2,691,063					2,691,063	2,240,732
Obligations Under Capital Leases							1,199,631			155,762	1,355,393	1,661,845
Amounts Held Under State Lease Agreement (Note 12)								1,247,340			1,247,340	1,271,050
Other						2,555,636					2,555,636	1,229,581
Total Liabilities	3,922,567	2,291,573	194,169	1,351,507	28,207,211	394,333,216	2,732,659	7,455,116		32,974,996	473,463,014	461,850,883
FUND EQUITY												
Contributed Capital						60,892,417	1,516,641				62,409,058	62,799,665
Investment in General Fixed Assets									52,550,183		52,550,183	53,158,078
Retained Earnings:												
Reserved For:												
Debt Service						9,949,206					9,949,206	9,237,232
Improvements						3,530,687					3,530,687	4,189,967
Restricted Funds						24,098,363					24,098,363	21,894,463
Unreserved:												
Designated for Subsequent Years Expenditures								43,219			43,219	29,067
Designated for Replacement and Improvements										2,791,382	2,791,382	2,372,004
Undesignated						127,427,524	5,160,955				132,588,479	122,888,729
Fund Balances:												
Reserved For:												
Encumbrances	543,958	2,652,598		1,191,243	164,825			6,092			4,558,716	3,935,194
Inventories	92,192	91,457									183,649	183,038
Debt Service			3,162,619								3,162,619	1,875,711
Employee Retirement								45,392,291			45,392,291	40,253,084
Unreserved:												
Designated for Subsequent Year's Expenditures	5,948,633	3,838,348		4,620,156							14,407,137	10,144,542
Designated for Future Debt Service					3,223,215						3,223,215	3,451,683
Undesignated	4,645,185	4,302,751		13,036,694	(9,371,386)			428,798			13,042,042	1,219,722
Total Retained Earnings/												
Fund Balances	11,229,968	10,885,154	3,162,619	18,848,093	(5,983,346)	165,005,780	7,995,556	45,827,181			256,971,005	221,674,436
Total Fund Equity	11,229,968	10,885,154	3,162,619	18,848,093	(5,983,346)	225,898,197	9,512,197	45,827,181	52,550,183		371,930,246	337,632,179
Commitments and Contingent Liabilities (Notes 9, 13 and 14)												
Total Liabilities and Fund Equity	\$ 15,152,535	13,176,727	3,356,788	20,199,600	22,223,865	620,231,413	12,244,856	53,282,297	52,550,183	32,974,996	845,393,260	799,483,062

See Accompanying Notes to Combined Financial Statements

CITY OF LINCOLN, NE
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS
 FISCAL YEAR ENDED AUGUST 31, 1986
 With Comparative Totals for Fiscal Year Ended August 31, 1985

	Governmental Fund Types					Fiduciary Fund Type	Totals (Memorandum Only)	
	General	Special Revenue	Debt Service	Capital Projects	Special Assessment	Expendable Trust	1986	1985
Revenues:								
Taxes & Special Assessments (Note 2)	32,468,767	3,359,505	3,223,594	2,176,746	2,172,655		43,401,267	42,348,550
Intergovernmental	2,394,755	14,182,051	1,063	296,378		1,809	16,876,056	17,510,465
Permits and Fees	885,100	489,919					1,375,019	1,083,962
Reimbursement for Services		950,162					950,162	850,177
Court Fees		125,824					125,824	560,695
Recreation		498,394					498,394	456,720
Interest	1,049,081	709,163	140,120	700,208	2,477,072	22,315	5,097,959	4,518,006
Donations and Gifts		260,715		180,000		214,762	655,477	435,005
Miscellaneous	578,700	1,719,123		69,209	138,238	17,610	2,522,880	1,926,873
Total Revenues	38,950,783	20,720,476	3,364,777	3,422,541	4,787,965	256,496	71,503,038	69,690,453
Expenditures:								
Current:								
General Government	9,564,302	1,304,065			112,524		10,980,891	11,825,107
Public Safety	19,298,364	195,304					19,493,668	17,940,665
Streets and Highways	3,663,226	1,856,839					5,520,065	5,317,458
Culture--Recreation	4,939,723	2,636,763				136,517	7,713,003	7,341,687
Economic Opportunity		5,033,019				37,472	5,070,491	5,171,906
Health and Welfare		3,444,554					3,444,554	3,112,818
Sanitation	525,967						525,967	543,104
Debt Service:								
Principal Retirement			1,050,000				1,050,000	4,870,000
Interest and Fiscal Charges			1,027,869	468,725	1,347,114		2,843,708	2,754,837
Capital Outlay				11,707,087	1,889,928		13,597,015	13,510,329
Total Expenditures	37,991,582	14,470,544	2,077,869	12,175,812	3,349,566	173,989	70,239,562	72,387,911
Excess (Deficiency) of Revenues Over Expenditures	959,201	6,249,932	1,286,908	(8,753,271)	1,438,399	82,507	1,263,676	(2,697,458)
Other Financing Sources (Uses):								
Operating Transfers In	24,994	3,030,770		6,352,278	26,283		9,434,325	11,253,161
Operating Transfers Out	(3,333,669)	(8,136,673)		(261,486)	(13,685)		(11,745,513)	(12,436,586)
Tax Allocation Bond Proceeds								3,970,000
Bond Anticipation Note Proceeds				2,675,000			2,675,000	
Bond Anticipation Notes Paid				(2,675,000)			(2,675,000)	
General Obligation Bond Proceeds				18,815,000			18,815,000	
Total Other Financing Sources (Uses)	(3,308,675)	(5,105,903)		24,905,792	12,598		16,503,812	2,786,575
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses Before Extraordinary Item	(2,349,474)	1,144,029	1,286,908	16,152,521	1,450,997	82,507	17,767,488	89,117
Extraordinary Item, Loss on Early Extinguishment of Debt (Note 15)								(320,709)
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	(2,349,474)	1,144,029	1,286,908	16,152,521	1,450,997	82,507	17,767,488	(231,592)
Fund Balances Beginning of Year	13,579,442	9,741,125	1,875,711	2,695,572	(7,434,343)	352,383	20,809,890	21,041,482
Residual Equity Transfers In								1,133,693
Residual Equity Transfers Out								(1,133,693)
Fund Balances End of Year (Note 16)	\$11,229,968	10,885,154	3,162,619	18,848,093	(5,983,346)	434,890	38,577,378	20,809,890

See Accompanying Notes to Combined Financial Statements

CITY OF LINCOLN, NE
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES--BUDGET AND ACTUAL--GENERAL, SPECIAL REVENUE,
 AND DEBT SERVICE FUNDS (BUDGET BASIS)
 FISCAL YEAR ENDED AUGUST 31, 1986

Exhibit 3

	General Fund			Special Revenue Funds			Debt Service Funds			Totals (Memorandum Only)		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
			Favorable (Unfavorable)			Favorable (Unfavorable)			Favorable (Unfavorable)			
Revenues:												
Taxes	\$32,414,807	36,094,249	3,679,442	2,735,493	3,583,278	847,785	2,992,752	3,475,385	482,633	38,143,052	43,152,912	5,009,860
Intergovernmental	2,613,560	2,394,755	(218,805)	14,500,054	14,684,214	184,160		1,063	1,063	17,113,614	17,080,032	(33,582)
Permits and Fees	734,487	882,138	147,651	422,785	492,039	69,254				1,157,272	1,374,177	216,905
Reimbursements for Services	906,497	832,625	(73,872)							906,497	832,625	(73,872)
Court Costs	100,000	127,218	27,218							100,000	127,218	27,218
Recreation Receipts	557,229	496,715	(60,514)							557,229	496,715	(60,514)
Interest	946,500	985,643	39,143	608,000	734,097	126,097	50,000	49,695	(305)	1,604,500	1,769,435	164,935
Miscellaneous	492,450	667,150	174,700	2,425,548	1,972,982	(452,566)				2,917,998	2,640,132	(277,866)
Total Revenues	38,765,530	42,480,493	3,714,963	20,691,880	21,466,610	774,730	3,042,752	3,526,143	483,391	62,500,162	67,473,246	4,973,084
Expenditures:												
General Government	9,763,304	9,372,049	391,255	2,033,875	1,346,343	687,532				11,797,179	10,718,392	1,078,787
Public Safety	19,128,380	18,991,318	137,062	198,961	196,184	2,777				19,327,341	19,187,502	139,839
Streets and Highways	3,727,276	3,638,645	88,631	2,106,739	2,020,100	86,639				5,834,015	5,658,745	175,270
Culture-Recreation	5,280,720	4,870,587	410,133	2,703,673	2,645,916	57,757				7,984,393	7,516,503	467,890
Economic Opportunity				5,705,332	5,351,044	354,288				5,705,332	5,351,044	354,288
Health and Welfare				3,241,879	3,228,853	13,026				3,241,879	3,228,853	13,026
Sanitation	564,566	529,357	35,209	173,000	173,000					737,566	702,357	35,209
Debt Service							2,116,344	2,044,994	71,350	2,116,344	2,044,994	71,350
Total Expenditures	38,464,246	37,401,956	1,062,290	16,163,459	14,961,440	1,202,019	2,116,344	2,044,994	71,350	56,744,049	54,408,390	2,335,659
Excess of Revenues Over Expenditures	301,284	5,078,537	4,777,253	4,528,421	6,505,170	1,976,749	926,408	1,481,149	554,741	5,756,113	13,064,856	7,308,743
Other Financing Sources (Uses):												
Operating Transfers In		24,994	24,994	2,880,817	3,035,260	154,443				2,880,817	3,060,254	179,437
Operating Transfers Out	(5,303,363)	(3,352,667)	1,950,696	(8,687,909)	(8,581,410)	106,499				(13,991,272)	(11,934,077)	2,057,195
Total	(5,303,363)	(3,327,673)	1,975,690	(5,807,092)	(5,546,150)	260,942				(11,110,455)	(8,873,823)	2,236,632
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	(5,002,079)	1,750,864	6,752,943	(1,278,671)	959,020	2,237,691	926,408	1,481,149	554,741	(5,354,342)	4,191,033	9,545,375
Fund Balances Beginning of Year	9,019,131	9,019,131		7,830,926	7,830,926		1,747,983	1,747,983		18,598,040	18,598,040	
Fund Balances End of Year (Note 16)	\$4,017,052	10,769,995	6,752,943	6,552,255	8,789,946	2,237,691	2,674,391	3,229,132	554,741	13,243,698	22,789,073	9,545,375

See Accompanying Notes to Combined Financial Statements

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CITY OF LINCOLN, NE
 COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES
 IN RETAINED EARNINGS/FUND BALANCE -- ALL PROPRIETARY FUND TYPES
 AND SIMILAR TRUST FUNDS
 FISCAL YEAR ENDED AUGUST 31, 1986
 With Comparative Totals For Fiscal Year Ended August 31, 1985

	Proprietary Fund Types		Fiduciary	Totals	
	Enterprise Funds (Note 1)	Internal Service Funds	Fund Type	(Memorandum Only)	
			Pension Trust Funds	1986	1985
Operating Revenues:					
Charges for Services	\$144,824,281	12,071,774		156,896,055	158,581,699
Taxes			938,443	938,443	1,698,786
Interest			4,353,050	4,353,050	3,816,317
Employee Contributions			984,509	984,509	809,227
Other Operating Revenues	4,296,269		363	4,296,632	4,056,132
Total Operating Revenues	<u>149,120,550</u>	<u>12,071,774</u>	<u>6,276,365</u>	<u>167,468,689</u>	<u>168,962,161</u>
Operating Expenses:					
Personal Services	3,565,267	4,390,551		7,955,818	7,645,666
Contractual Services	1,460,992			1,460,992	1,312,631
Operation and Maintenance	36,613,766	5,843,517		42,457,283	40,491,223
Purchased Power	48,615,106			48,615,106	50,745,016
Refunds			125,001	125,001	381,607
Depreciation	16,176,559	1,333,428		17,509,987	16,279,981
Benefit Payments			998,131	998,131	874,639
Payments In Lieu of Taxes (Note 2)	3,955,607			3,955,607	3,847,778
Administrative	12,586,874		14,026	12,600,900	11,928,452
Total Operating Expenses	<u>122,974,171</u>	<u>11,567,496</u>	<u>1,137,158</u>	<u>135,678,825</u>	<u>133,506,993</u>
Net Operating Income	<u>26,146,379</u>	<u>504,278</u>	<u>5,139,207</u>	<u>31,789,864</u>	<u>35,455,168</u>
Non-Operating Revenue (Expense):					
Interest	7,859,773	202,915		8,062,688	8,864,963
Gain (Loss) on Disposal of Assets	(144,838)			(144,838)	13,893
Operating Grants	873,920			873,920	1,711,140
Amortization of Deferred Charges	(1,629,810)			(1,629,810)	(2,256,744)
Donations	218,853			218,853	83,091
Interest and Fiscal Charges	(25,786,188)			(25,786,188)	(25,301,638)
Miscellaneous	47,860	7,939		55,799	4,987
Total Non-Operating Revenue (Expense)	<u>(18,560,430)</u>	<u>210,854</u>		<u>(18,349,576)</u>	<u>(16,880,308)</u>
Other Financing Sources --					
Operating Transfers In	2,311,188			2,311,188	1,183,425
Net Income	<u>9,897,137</u>	<u>715,132</u>	<u>5,139,207</u>	<u>15,751,476</u>	<u>19,758,285</u>
Depreciation Transfer on Contributed Capital	1,566,301	292,770		1,859,071	1,835,728
Increase In Retained Earnings/ Fund Balance	<u>11,463,438</u>	<u>1,007,902</u>	<u>5,139,207</u>	<u>17,610,547</u>	<u>21,594,013</u>
Retained Earnings/Fund Balance Beginning of Year	<u>153,542,342</u>	<u>6,987,654</u>	<u>40,253,084</u>	<u>200,783,080</u>	<u>179,270,533</u>
Retained Earnings/Fund Balance End of Year	<u>\$165,005,780</u>	<u>7,995,556</u>	<u>45,392,291</u>	<u>218,393,627</u>	<u>200,864,546</u>

See Accompanying Notes to Combined Financial Statements

CITY OF LINCOLN, NE
 COMBINED STATEMENT OF CHANGES IN FINANCIAL POSITION --
 ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS
 FISCAL YEAR ENDED AUGUST 31, 1986
 With Comparative Totals For Fiscal Year Ended August 31, 1985

	Proprietary Fund Types		Fiduciary Fund Type	Totals (Memorandum Only)	
	Enterprise Funds (Note 1)	Internal Service Funds	Pension Trust Funds	1986	1985
Sources of Working Capital:					
Operations:					
Net Income	\$ 9,897,137	715,132	5,139,207	15,751,476	19,758,285
Items Which Do Not Use (Provide) Working Capital:					
Depreciation	16,410,016	1,333,428		17,743,444	16,505,029
Amortization	1,667,015			1,667,015	2,256,744
Loss (Gain) on Disposal of Fixed Assets	144,838	(20,529)		124,309	28,137
Allowance for Funds Used During Construction and for Advance Payments for Nuclear Fuel	(304,568)			(304,568)	(493,244)
Write-Off of Power Study Costs					23,087
Working Capital Provided by Operations	27,814,438	2,028,031	5,139,207	34,981,676	38,078,038
Increase In Accrued Comp. Absences Obligation Under Capital Leases	11,171	761		11,932	52,598
Dec. In Assets Held Under Bond Ord.	100,136	199,814		299,950	978,096
Proceeds From Sale of Fixed Assets	303,011	32,412		335,423	10,682
Issuance of Revenue Bonds	2,750,000			2,750,000	274,565
Contributions In Aid of Construction and Existing Plant	703,902			703,902	654,453
Decrease In Restricted Assets	2,051,766			2,051,766	3,908,734
Increase In Liabilities Payable From Restricted Assets	110,330			110,330	344,683
Contributed Capital	370,275	304,739		675,014	1,706,336
Increase In Open Workers' Compensation Claims		103,768		103,768	
Increase In Deferred Credits and Other	450,431			450,431	369,677
Other Sources					90,494
Net Decrease In Working Capital	85,035	215,930	543,735	844,700	549,532
Total Sources	\$ 34,750,495	2,885,455	5,682,942	43,318,892	47,017,888
Uses of Working Capital:					
Acquisition of Property, Plant, and Equipment	21,714,681	1,406,880		23,121,561	27,147,359
Dec. In Acc. Long-Term Comp. Absences	166	835		1,001	2,003
Increase In Board Designated Funds	1,323,324			1,323,324	378,216
Decrease In Current Liabilities (Payable from Restricted Assets)	19			19	34,898
Payments on Oblig. Under Cap. Leases		488,554		488,554	165,561
Investments Purchased			5,682,942	5,682,942	4,865,779
Inc. In Rest. Assets and Spec. Deposits	3,533,160			3,533,160	281,602
Retirement of Long Term Debt	6,192,443			6,192,443	6,269,230
Increase In Deferred Charges	409,587			409,587	
Reduction In Long Term Open Workers' Compensation Claims					12,233
Other Uses					
Net Increase In Working Capital	1,577,115	989,186		2,566,301	7,861,007
Total Uses	\$ 34,750,495	2,885,455	5,682,942	43,318,892	47,017,888

(Continued)

(EXHIBIT 5, Continued)

	Proprietary Fund Types		Fiduciary	Totals	
	Enterprise Funds (Note 1)	Internal Service Funds	Fund Type	(Memorandum Only)	
			Pension Trust Funds	1986	1985
Elements of Net Increase (Decrease) In Working Capital:					
Cash	\$ 1,181,451	599,072	(67,870)	1,712,653	1,865,871
Investments	763,803	280,404		1,044,207	475,044
Receivables (Accounts, Unbilled Accounts, Taxes)	3,174,280	152,999	(462,568)	2,864,711	1,207,681
Accrued Interest Receivable	39,364	5,876	(18,987)	26,253	142,673
Due From Other Funds	(11,408)	58,135	(9,182)	37,545	(425,391)
Due From Other Governments	(1,110,131)	(175,077)	7,800	(1,277,408)	(84,078)
Inventories	(284,002)	(64,701)		(348,703)	(89,719)
Plant Operation Assets	(1,808,524)			(1,808,524)	1,271,525
Prepaid Expenses	92,340			92,340	797
Unamortized Debt Issuance Expense	66,057			66,057	
Restricted Assets Required for Current Liabilities	(459,443)			(459,443)	(245,643)
Funds and Restricted Assets	1,559,649			1,559,649	3,261,313
Current Installment - Long Term Debt	224,721			224,721	(45,000)
Cash Overdraft					10,097
Vouchers Payable	11,500	127,523		139,023	(155,481)
Accounts Payable	(350,650)	(1,463)	(4,600)	(356,713)	(60,405)
Accrued Liabilities	(241,220)	889		(240,331)	(311,939)
Interest Payable	(64,951)	12,551		(52,400)	40,236
Due to Other Funds	(1,222)	3,412	(198)	1,992	61,137
Accrued Compensated Absences	(29,098)	(12,382)		(41,480)	(74,344)
Open Workers' Compensation Claims		(46,332)		(46,332)	(102,214)
Unearned Advances					790,700
Obligation Under Capital Leases		(167,650)		(167,650)	130,448
Deferred Revenue			11,870	11,870	(96,639)
Overpayment from Third Party Payors	(1,092,179)			(1,092,179)	
Other	(168,257)			(168,257)	(255,194)
Net Increase (Decrease) In Working Capital	\$ 1,492,080	773,256	(543,735)	1,721,601	7,311,475

See Accompanying Notes to Combined Financial Statements

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NOTES TO COMBINED
FINANCIAL STATEMENTS

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CITY OF LINCOLN, NEBRASKA

Notes to Combined Financial Statements

August 31, 1986

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Lincoln, Nebraska (City) was originally incorporated on April 7, 1869. 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. The administration of City government is performed under the direction of the Mayor through administrative departments. Services are provided to residents in many areas, including public safety (Police-Fire), highways and streets, health, planning and zoning, parks, recreation, urban development, mass transportation, electric system, water and sanitary sewer system, hospital, golf courses, auditorium, and general administrative services. Education, housing, and airport services are provided by the Lincoln Public Schools, the Lincoln Housing Authority, and Lincoln Airport Authority, respectively.

Reporting Entity

The City of Lincoln's combined financial statements include the financial statements of those separately administered component units that are included in the City of Lincoln's oversight responsibility. City oversight responsibility is determined on the basis of budget adoption, funding and selection of governing authority. Based on the foregoing criteria, the financial statements of the following component units are included in the accompanying combined financial statements:

Lincoln General Hospital - The Lincoln General Hospital Board is appointed by the Mayor and confirmed by the City Council. The City council exercises budgetary authority. Funding is provided by charges for hospital services, rates for which require approval of the City Council. Issuance of long-term debt requires approval of the City Council. Operations of the Lincoln General Hospital are included with the Enterprise fund amounts in the combined financial statements.

Lincoln Electric System - The Lincoln Electric Administrative Board is appointed by the Mayor and confirmed by the City Council. The City Council exercises budgetary authority. Funding is provided by charges to electrical consumers, rates for which require approval of the City Council. Issuance of long-term debt requires approval of the City Council. Operations of the Lincoln Electric System are included with the Enterprise fund amounts in the combined financial statements.

The following entities are not included in the combined financial statements because the City does not exercise oversight authority:

The Housing Authority of the City of Lincoln

The Housing Authority was authorized by state statute and, pursuant to such statute, came into existence as a result of the passage of a resolution declaring the need for an authority within the City. Thereafter, the Housing Authority became an independent body corporate and politic. The board members are appointed by the Mayor, subject to Council approval; however, there is no continuing relationship. The Authority has control over operations and fiscal matters and holds title to the assets. Revenues are derived from rents, interest income, and H.U.D. subsidies. The Authority has the ability to issue its own debt, which is not an obligation of the City.

Lincoln Public Schools

The School District was created by state statute as a Class IV District. Thereafter, the School District became a body corporate and politic. The members of the Board of Education are elected by the voters of the district. The Board of Education has control over operations and fiscal matters and holds title to the assets. Revenues are derived from property tax, public power district sales tax, interest income, fines and licenses, state aid, and federal grants. The Board has the ability to issue its own debt, which is not an obligation of the City, but general obligation debt is disclosed in a note to the City's financial statements as overlapping debt.

Airport Authority

The Airport Authority was authorized by state statute and, pursuant to such statutes, was activated as the result of the passage of a City resolution appointing the original board members. Thereafter, the Airport Authority became a body corporate and politic. The board members are elected by the voters in the City. The Authority has control over operations and fiscal matters and holds title to personal property. The Authority has the use and occupancy of real property so long as the corporate existence shall continue. Revenues are derived from property taxes, rentals, leases, etc. The Authority has the ability to issue its own debt, which is not an obligation of the City, but general obligation debt is disclosed in a note to the City's financial statements as overlapping debt. It should be specifically noted that the real property of the Authority is held in the name of the City and would revert to the City if the Authority's corporate existence ceases, which would occur when all liabilities incurred by the Authority have been met and all its bonds have been paid in full.

Lincoln Hospital Association

Lincoln Hospital Association is a nonprofit corporation which administers funds for its stated purpose to build, equip, endow, operate, and maintain a hospital for the sick and disabled. These funds are basically donor restricted endowment funds and related undistributed income. Both the Articles of Incorporation and provisions of the principal endowment funds provide that the Board of Directors shall be confirmed by the City Council of Lincoln,

Nebraska. However, there is no continuing relationship. The Board of Directors has control over the affairs of the corporation and holds title to the assets. The Association has the ability to issue its own debt which is not an obligation of the City.

All fund types and account groups of the City, with the exception of Lincoln Electric System (LES), are reported as of and for the year ended August 31, 1986, with memorandum totals as of and for the year ended August 31, 1985. December 31 is the fiscal year end of LES as established by the City Charter, and the last separate audit was as of and for the year ended December 31, 1985. The amounts included in the City's August 31, 1986 financial statements for LES are audited figures as of and for the year ended December 31, 1985. The 1985 memorandum totals include the December 31, 1984 audited financial statements of LES.

The following is a summary of the more significant accounting policies:

(A) BASIS OF PRESENTATION - FUND ACCOUNTING

The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance/retained earnings, revenues, and expenditures/expenses. The various funds are summarized by type in the financial statements. The following fund types and account groups are used by the City:

GOVERNMENTAL FUND TYPES

Governmental funds are those through which most general governmental functions of the City are financed. The acquisition, use, and balances of the City's expendable financial resources and the related liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of changes in financial position, rather than upon net income.

The following are the City's governmental fund types:

General Fund - The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.

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

Capital Projects Funds - Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds, special assessments, and trust funds).

Special Assessment Funds - Special Assessment Funds are used to account for the financing of public improvements or services deemed to benefit the properties against which special assessments are levied.

PROPRIETARY FUND TYPES

Proprietary funds are used to account for the City's ongoing organizations and activities which are similar to those often found in the private sector. The measurement focus is upon determination of net income and capital maintenance. The following are the City's proprietary fund types:

Enterprise Funds - Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, (a) where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

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

FIDUCIARY FUND TYPES

Fiduciary funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds.

Trust and Agency Funds - Trust and Agency Funds include expendable, pension trust, and agency funds. Pension trust funds are accounted for and reported essentially in the same manner as proprietary funds. Expendable trust funds are accounted for and reported essentially in the same manner as governmental funds. Agency funds are custodial in nature and do not involve measurement of results of operations.

ACCOUNT GROUPS

Account groups are used to establish accounting control and accountability for the City's general fixed assets and general long-term liabilities. They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations. The following are the City's account groups:

General Fixed Assets Account Group - This account group is established to account for all fixed assets of the City, other than those accounted for in the proprietary funds and trust funds.

General Long-Term Liability Account Group - This account group is established to account for all long-term liabilities of the City except those accounted for in the proprietary funds, trust funds, and special assessment funds.

Fixed assets used in governmental fund type operations are accounted for in the general fixed assets account group. Assets purchased are recorded as expenditures in the governmental funds and capitalized at cost in the general fixed assets account group. Public domain (infrastructure) general fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are not accounted for with general fixed assets. Such assets normally are immovable and of value only to the City. Therefore, the purpose of stewardship for capital expenditures is satisfied without recording these assets. No depreciation has been provided for on general fixed assets nor has interest been capitalized. All general fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated general fixed assets are valued at their estimated fair value on the date donated.

Noncurrent portions of long-term receivables due to governmental funds are reported on their balance sheets, in spite of their spending measurement focus. Special reporting treatments are used to indicate, however, that they should not be considered "available spendable resources", since they do not represent net current assets. Recognition of governmental fund type revenues represented by noncurrent receivables generally is deferred until they become current receivables.

Special reporting treatments are also applied to governmental fund inventories to indicate that they do not represent "available spendable resources", even though they are a component of net current assets. Such amounts are offset by a fund balance reserve account.

Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the General Long Term Liability Account Group.

All proprietary funds and Pension Trust Funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities (whether

current or noncurrent) associated with their activity are included on their balance sheets. Their reported fund equity (net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

Property, plant, and equipment owned by the proprietary funds is stated at cost or estimated historical cost. Contributed fixed assets are recorded at fair market value at the time received. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Buildings	10 - 43 years
Improvements	5 - 20 years
Equipment	2 - 10 years
Utility Plant	30 - 40 years

Contributed capital at August 31, 1986 and 1985 is net of accumulated depreciation. Depreciation on contributed assets is recorded as an expense in the statement of operations, and then transferred to the related contributed capital account.

(B) BASIS OF ACCOUNTING

Governmental fund types, expendable trust funds and agency funds use the modified accrual basis of accounting. Revenues are recorded when they become both measurable and available. Sales Tax and Highway User fees are two major revenues considered measurable when in the hands of the collecting agency and recognized as revenue at that time. Other major revenues that are determined to be susceptible to accrual include interdepartmental charges, grants-in-aid, earned interest, rentals, and other intergovernmental revenues. Major revenues not susceptible to accrual because they are either not available soon enough to pay liabilities from the current period or are not measurable include sundry taxes and in lieu of tax payments, occupation taxes, permits and fees, parking meter collections and motor vehicle taxes. Revenues not considered available are recorded as deferred revenues. Expenditures are recorded in the accounting period in which the liability is incurred, if measurable, except for unmatured interest and principal on general long-term obligations which is recorded when due.

In applying the measurable and available concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. For one type, monies must be expended on the specific purposes or project before any amounts will be paid to the City; therefore, revenues are recorded based upon expenditures incurred. For the other type, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for

failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the measurable and available criteria are met.

Licenses and permits, charges for services, fines and forfeits, and miscellaneous revenues (except investment earnings) are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are measurable (See Note 2 for property tax accrual policy).

Special assessments are recorded as revenues in the year the assessments become current; those amounts receivable after one year are recorded as deferred revenue. Annual installments not yet due are reflected as special assessment receivables and deferred revenues.

The accrual basis of accounting is used by proprietary funds and pension trust funds.

(C) 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 ten days prior to the budget adoption date.
- (3) Not later than five 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 that appropriated, in order to avoid incurring a budget deficit for the year.
- (5) Budgets for the general, special revenue, capital projects, and debt service funds are adopted on a basis not consistent with generally accepted accounting principles (GAAP). Since encumbrances are included in the City's budget accounting, year-end encumbrances are reappropriated to the next year in the budget process, and certain GAAP accruals are not recognized on the budget basis. The special assessment fund is not specifically budgeted.

Amendments to the adopted budget result 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 revision 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) 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 funds: General, special revenue, debt service, enterprise, pension trusts, and capital projects funds. Capital project funds are not budgeted on an annual basis and, therefore, a budget to actual comparison has not been presented.

(D) ENCUMBRANCES

Encumbrance accounting is employed in the governmental funds. Under encumbrance accounting, purchase orders, contracts, and other commitments for the expenditures of funds are recorded in order to reserve that portion of the applicable appropriation. Encumbrances are reported as reservations of fund balances, since they do not constitute liabilities. As explained in the budget footnote above, August 31, 1986 encumbrances have been reported as expenditures on the budget basis statements.

(E) CASH HELD BY CITY TREASURER

Cash held by the City Treasurer includes the available cash funds that have been invested in short-term interest-bearing securities. These investments are not specifically identified with any one fund. Interest on fund investments are allocated to the individual funds at year end on the basis of aggregate monthly balances.

(F) INVESTMENTS

Investments are stated at cost or amortized cost, which approximates market. Income from investments held by the individual funds is recorded in the respective funds as it is earned. Also, see Cash Held By City Treasurer, above.

(G) INVENTORY

Inventory is valued at the lower of cost (first-in, first-out) or market. Inventory in the governmental type funds consists of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are consumed. The reserve for inventory is equal to the amount of inventory to indicate that a portion of the fund balance is not available for future expenditures.

(H) VACATION AND SICK LEAVE

City employees generally earn vacation days at specific rates during the periods of the first five years of service, from five to fifteen years of service, and over fifteen 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 five weeks. Employees earn sick leave at the rate of one day per month with a total accumulation of 192 days. Upon retirement, an employee is reimbursed for accumulated sick leave to a maximum of 30 days. LES and LGH are covered by separate personnel plans regarding vacation and sick leave. The liabilities for these benefits for LES and LGH are recorded in Accrued Liabilities.

Vacation and sick leave are accrued as earned. In the governmental fund types, vacation and sick leave expected to be used within one year are recorded as a short term liability. Vacation and sick leave not expected to be used within a year are recorded in the General Long Term Liability Account Group. Both the short and long term portions of vacation and sick leave in the proprietary funds are recorded in the funds themselves.

(I) SELF-INSURANCE

The City is self-insured for worker's compensation risk up to \$300,000 per occurrence, other property risks up to \$25,000 per occurrence and Employee Long Term Disability under the Insurance Revolving Fund which is included in the internal service funds. The City is also self-insured for its General Liability risk and Lincoln Transportation System liability exposures. These funds are administered by the City's Risk Management Division. The governmental and proprietary funds pay budgeted premium amounts to these insurance revolving funds. The liability for open Workers' Compensation claims represents an estimate of the liability for the claims incurred as of the year end.

(J) COMPARATIVE DATA

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the City's financial position and operations. However, comparative (i.e., presentation of prior year totals by fund type) data has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

(K) TOTAL COLUMNS ON COMBINED STATEMENTS

Total columns on the Combined Statements are captioned Memorandum Only to indicate they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles, nor is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

(L) CAPITALIZATION OF INTEREST COST

Interest cost incurred during the construction of proprietary fund property, plant, and equipment is capitalized, net of any interest earned on investment of construction-related borrowings.

(M) UTILITY REVENUES

Billings for electric revenues are rendered on a monthly cycle basis. Unbilled electric revenues, representing estimated consumer usage for the period between the last billing date and the end of the period, are accrued in the period of consumption.

Billings for water and sewer revenues are rendered on a two-month billing cycle; unbilled revenues at the end of the fiscal year are accrued in the period of consumption.

(2) 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 also has the power to levy taxes each year sufficient to pay any judgment existing against the City and the interest on the bonded debt and the principal on any bonded debt maturing during the fiscal year or within six months thereafter, as well as taxes authorized by state law. The 1985 tax levy, for the 1985-86 fiscal year, was \$14,221,838 below the legal limit, a tax rate per \$100 valuation of .2973. The assessed value upon which the 1985 levy was based was \$4,008,651,152.

The tax levies for all political subdivisions in Lancaster County are certified by the County Board on September 15. Real estate taxes are due and become an enforceable lien on property on December 31. The first half of real estate taxes become delinquent on April 1 and the second half becomes delinquent August 1 following the levy date. Personal property taxes are due December 1 and July 1 following the levy date. Delinquent taxes bear 14% interest.

Property taxes levied for 1985-86 are recorded as revenue when due or past due and when expected to be collected within 60 days after August 31, 1986. Prior-year levies were recorded using these same principles, and remaining receivables are re-evaluated annually.

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

(3) SPECIAL ASSESSMENT FUND DEFICIT

The deficit of the Special Assessment Fund arises because of the application of generally accepted accounting principles to the financial reporting for Special Assessment Funds. Bond proceeds used to finance

construction of Special Assessment projects are not recognized as an "Other Financing Source", but rather as a liability in the Special Assessment Fund. Special Assessments are recognized as revenue only to the extent that individual installments are considered current assets. The deficit will be reduced as deferred Special Assessment installments become current assets.

(4) INVESTMENTS

Investments of the City (excluding pension trust funds) are comprised primarily of time deposits and other securities guaranteed by the United States government or its agencies and are carried at cost which approximates market.

Investments in the pension trust funds are long-term investments carried at book value (amortized cost - cost minus amortized premium or plus accreted discount) at August 31, 1986 and are as follows (See Note 13):

	<u>Fire Pension</u>		<u>Police and Fire Pension</u>	
	<u>Book Value</u>	<u>Market</u>	<u>Book Value</u>	<u>Market</u>
U.S. Government	\$1,572,260	1,754,549	39,039,799	46,010,686
U.S. Gov. Agencies	306,566	305,607	2,968,312	3,001,875
Other	60,000	60,000	497,182	441,094
	<u>1,938,826</u>	<u>2,120,156</u>	<u>42,505,293</u>	<u>49,453,655</u>

The investments held in the Fiduciary Fund Type in the combined financial statements at August 31, 1986 are as follows:

Fire Pension	\$ 1,938,826
Police and Fire Pension	42,505,293
Public Office Building Revenue Bonds (State of Nebraska, Lessee)	1,100,024
Total Investments - Fiduciary Fund Type	<u>\$45,544,143</u>

Management plans to hold the investments held by the pension trust funds until maturity.

(5) RECEIVABLES

Receivables at August 31, 1986 consist of the following (in thousands):

<u>FUND</u>	<u>TAXES</u>	<u>ACCOUNTS</u>	<u>SPECIAL ASSESSMENTS</u>		<u>ACCRUED INTEREST</u>	<u>GROSS RECEIVABLES</u>	<u>ALLOWANCE FOR UNCOLLECTIBLES</u>	<u>NET</u>
			<u>CURRENT</u>	<u>DEFERRED</u>				
General	\$ 2,243	339			45	2,627		2,627
Special Revenue	595	114			104	813		813
Debt Service	515				23	538		538
Capital Projects		197			70	267		267
Special Assessments		22	4,086	9,060	155	13,323	986	12,337
Enterprise		25,102			573	25,675	1,188	24,487
Internal Service		504			37	541		541
Trust and Agency	218	358			722	1,298		1,298
	<u>\$ 3,571</u>	<u>26,636</u>	<u>4,086</u>	<u>9,060</u>	<u>1,729</u>	<u>45,082</u>	<u>2,174</u>	<u>42,908</u>

Enterprise customer accounts receivable include unbilled charges for services.

(6) DUE FROM OTHER GOVERNMENTS

The total of Due from Other Governments of \$3,338,896 includes the following significant items:

<u>Fund/Fund Type</u>	<u>Amount</u>	<u>Service</u>
General	\$1,594,584	State of Nebr., July Sales and Use Tax
Street Const./ Special Revenue	526,988	State of Nebr., August Highway User Fees
	263,265	State of Nebr., Contract Reimbursement
	68,483	Railroad Transportation Safety Dist., Contract Reimbursement
Data Processing/ Internal Service	248,126	Lancaster County Billings

(7) FIXED ASSETS

(A) GENERAL FIXED ASSETS

The City of Lincoln established a general fixed assets account group during the year ended August 31, 1982. All items are valued at historical cost or, if donated, estimated value at time of donation. The City has elected not to record infrastructure assets or to depreciate general fixed assets. Approximately 12,400 items comprise the general fixed assets. A summary of changes in general fixed assets since September 1, 1985 follows:

	<u>Balance Sept. 1, 1985</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance August 31, 1986</u>
Land	\$10,612,135	91,855	402,074	10,301,916
Buildings	18,876,590	35,090	97,221	18,814,459
Improvements Other Than Buildings	10,106,151	157,259	32,567	10,230,843
Equipment	13,563,202	341,821	702,058	13,202,965
	<u>\$53,158,078</u>	<u>626,025</u>	<u>1,233,920</u>	<u>52,550,183</u>

(B) PROPRIETARY FUND TYPES - PROPERTY, PLANT, AND EQUIPMENT

A summary of Proprietary Fund Type property, plant, and equipment at August 31, 1986 follows:

	<u>Enterprise</u>	<u>Internal Service</u>
Land	\$ 8,825,274	48,250
Buildings	78,311,811	346,594
Improvements Other Than Buildings	108,362,645	337,076
Equipment	17,579,544	11,090,930
Utility Plant	356,037,699	
Construction in Progress	26,853,735	
Total	<u>595,970,708</u>	<u>11,822,850</u>
Less Accumulated Depreciation	<u>(122,705,374)</u>	<u>(6,676,217)</u>
	<u>\$473,265,334</u>	<u>5,146,633</u>

Construction in Progress at August 31, 1986 is as follows:

Parking Lot Revolving	\$ 11,448
Lincoln Transportation System	15,661
Lincoln Sanitary Sewer System	3,136,022
Lincoln Water System	11,092,959
Lincoln Electric System	12,597,645
	<u>\$26,853,735</u>

(8) NOTES PAYABLE

At December 31, 1985, the City had outstanding \$5,000,000 in Lincoln Electric System commercial paper notes which were paid February 26, 1986.

(9) LONG-TERM DEBT

The following is a summary of long-term debt transactions of the City for the year ended August 31, 1986 (in thousands of dollars):

	<u>General Obligation</u>					
	<u>General</u>					
	<u>Long-Term</u>	<u>Special</u>	<u>Revenue</u>		<u>Capital</u>	
	<u>Liability</u>	<u>Assessment</u>	<u>Bonds</u>	<u>Notes</u>	<u>Leases</u>	<u>Total</u>
	<u>Account</u>	<u>Funds</u>				
	<u>Group</u>					
Balances at Aug. 31, 1985	\$14,055	21,535	357,114	10,490	1,662	404,856
New Debt Issued:						
02-15-85 Commercial Paper Notes				5,000		5,000
12-15-85 Downtown Redevelopment	12,000					12,000
05-01-86 Various Purpose	6,815					6,815
05-01-86 Sanitary Sewer Revenue			2,750			2,750
Storm Sewer Construction Bond Anticipation Notes				2,200		2,200
Sanitary Landfill Bond Anticipation Notes				475		475
New Capital Leases					260	260
Debt Retired:						
Commercial Paper Notes				5,000		5,000
Serial Bonds	1,020	2,105	4,590			7,715
Bond Anticipation Notes				2,675		2,675
Electric Revenue Fuel Credit Obligation Notes				1,640		1,640
Capital Lease Payments					567	567
Balances at August 31, 1986	<u>\$31,850</u>	<u>19,430</u>	<u>355,274</u>	<u>8,850</u>	<u>1,355</u>	<u>416,759</u>

Long-Term Debt is comprised of the following individual issues (in thousands of dollars):

<u>ORIGINAL</u> <u>AMOUNT</u>	<u>ISSUED</u>	<u>ISSUE</u>	<u>AVERAGE</u> <u>INTEREST</u> <u>RATE</u>	<u>WHEN DUE</u>	<u>DATE</u> <u>CALLABLE</u>	<u>INTEREST</u> <u>DATE</u>	<u>OUT-</u> <u>STANDING</u>
<u>General Obligation Bonds:</u>							
<u>General Bonds:</u>							
2,350	01-01-71	Various Purpose	4.77292	Ser. '72 to '90	1981	Semiannually	\$ 730
3,400	03-01-78	Storm Sewer	4.88214	Ser. '79 to '98	1988	"	2,450
262	09-01-79	Swimming Pool	5.34496	Ser. '80 to '89	None	"	125
3,455	07-01-80	Storm Sewer	6.44007	Ser. '81 to '95	1988	"	2,080
600	08-01-81	Transit System Improvement	8.90000	Ser. '82 to '92	1987	"	300
985	05-01-83	Auditorium & Fire Dept.	7.02416	Ser. '84 to '93	1988	"	700
2,550	06-15-83	Storm Sewer	8.17875	Ser. '84 to '98	1991	"	2,040
12,000	12-15-85	Downtown Redevelopment	8.02320	Ser. '87 to '02	1987	"	12,000
6,815	05-01-86	Various Purpose	6.67888	Ser. '87 to '06	1991	"	6,815
TOTAL GENERAL BONDS							<u>27,240</u>
<u>Tax Allocation Bonds:</u>							
295	08-01-84	Gold's Galleria Redev.	11.48583	Ser. '86 to '93	1990	Semiannually	270
505	08-01-84	Gold's Galleria Redev.	11.50000	Term '98	1994	"	505
3,970	04-01-85	Cornhusker Square	9.85770	Ser. '86 to '97	1990	"	3,835
TOTAL TAX ALLOCATION BONDS							<u>4,610</u>
TOTAL GENERAL BONDS INCLUDING TAX ALLOCATION							<u>\$ 31,850</u>
<u>Special Assessment Bonds:</u>							
2,000	05-01-67	Special Assessment Revolv.	3.39253	Ser. '68 to '87	1972	Semiannually	100
3,000	01-01-71	Special Assessment Revolv.	4.70642	Ser. '72 to '91	1981	"	750
6,000	11-15-75	Special Assessment Revolv.	5.72240	Ser. '76 to '90	1985	"	2,000
4,000	11-15-76	Special Assessment Revolv.	4.89073	Ser. '77 to '91	1986	"	1,590
6,000	03-01-78	Special Assessment Revolv.	4.82530	Ser. '79 to '98	1988	"	3,600
6,000	09-01-79	Special Assessment Revolv.	5.48328	Ser. '80 to '99	1989	"	4,200
3,500	08-01-81	Special Assessment Revolv.	9.82290	Ser. '82 to '99	1992	"	2,535
3,200	05-01-83	Special Assessment Revolv.	7.71430	Ser. '84 to '01	1993	"	2,675
2,200	04-04-84	Special Assessment Revolv.	8.99820	Ser. '85 to '04	1991	"	1,980
TOTAL SPECIAL ASSESSMENT BONDS							<u>19,430</u>
TOTAL GENERAL OBLIGATION BONDS							<u>\$ 51,280</u>
<u>Revenue Bonds:</u>							
2,500	12-01-56	Water	3.11900	Ser. '59 to '86	1961	Semiannually	129
900	09-01-62	Water	3.30650	Ser. '65 to '87	1967	"	325
3,500	04-01-65	Water	3.24258	Ser. '80 to '95	1987	"	2,325
6,500	02-01-77	Water	5.20000	Ser. '80 to '95	1987	"	5,235
3,000	08-15-80	Water	8.09290	Ser. '83 to '97	1991	"	2,810
3,500	04-01-84	Water	9.29779	Ser. '87 to '99	1991	"	3,500
TOTAL WATER REVENUE BONDS							<u>14,324</u>

(9) Continued

ORIGINAL AMOUNT	ISSUED	ISSUE	AVERAGE INTEREST RATE	WHEN DUE	DATE CALLABLE	INTEREST DATE	OUTSTANDING	
3,695	11-15-63	Sanitary Sewer	3.47870	Ser. '64 to '87	1968	Semiannually	435	
700	05-15-66	Sanitary Sewer	3.72290	Ser. '69 to '88	1971	"	95	
1,325	06-01-72	Sanitary Sewer	4.68460	Ser. '75 to '89	1982	"	550	
4,000	08-15-77	Sanitary Sewer	5.19335	Ser. '80 to '95	1987	"	3,565	
4,000	08-15-80	Sanitary Sewer	7.88890	Ser. '83 to '97	1991	"	3,510	
2,750	05-01-86	Sanitary Sewer	6.58180	Ser. '89 to '99	1991	"	2,750	
TOTAL SANITARY SEWER BONDS								<u>10,905</u>
2,555	12-01-82	Hospital Revenue	9.74800	Ser. '86 to '97	1992	Semiannually	2,555	
1,820	12-01-82	Hospital Revenue	11.00000	Term 2002	1992	"	1,820	
14,615	12-01-82	Hospital Revenue	11.25000	Term 2014	1992	"	14,615	
TOTAL HOSPITAL BONDS								<u>18,990</u>
2,300	01-01-78	Parking (Centrum)	6.57450	Ser. '80 to '98	1983	Semiannually	1,705	
320	06-01-83	Parking (Cornhusker)	9.90200	Ser. '85 to '98	1993	"	305	
1,530	06-01-83	Parking (Cornhusker)	10.00000	Term '99 to '03	N/A	"	1,530	
TOTAL PARKING BONDS								<u>3,540</u>
24,410	03-30-77	Electric Power Supply '77 Series A	5.55041	Ser. '78 to '98	1987	Semiannually	\$ 20,290	
42,790	03-30-77	"	6.10000	Term 2011	1987	"	42,790	
8,215	03-01-78	Electric Power Supply '78 Series A	5.93065	Ser. '79 to '00	1988	"	7,115	
44,685	03-01-78	"	5.90000	Term 2014	1988	"	44,685	
47,000	02-01-79	Electric Power Supply '79 Series A	7.72640	Ser. '80 to '99	1989	"	9,785	
		"	7.60000	Term 2004	1989	"	6,460	
		"	7.75000	Term 2015	1989	"	24,885	
20,630	03-30-77	Electric Dist. Facility '77 Series A	5.60611	Ser. '78 to '98	1987	"	15,135	
32,170	03-30-77	"	6.12520	Term 2011	1987	"	32,170	
15,100	03-01-78	Electric Dist. Facility '78 Series A	5.85855	Ser. '77 to '98	1988	"	4,075	
		"	6.00000	Term 2012	1999	"	9,710	
5,000	12-01-79	Electric Dist. Facility '79 Series A	7.00392	Ser. '80 to '99	1989	"	1,270	
		"	7.87500	Term 2013	1989	"	3,450	
10,995	10-01-80	Electric Power Supply	9.46900	Ser. '84 to '00	1990	"	10,390	
7,700	10-01-80	Electric Power Supply	9.20000	Term 2005	1990	"	7,700	
11,770	10-01-80	Electric Power Supply	9.37500	Term 2010	1990	"	11,770	
55,835	10-01-80	Electric Power Supply	9.50000	Term 2016	1990	"	55,835	
TOTAL ELECTRIC BONDS								<u>307,515</u>
TOTAL REVENUE BONDS								<u>\$355,274</u>

Notes:

11,430	Various	Electric Fuel Credit Oblig. Note	Lesser of 8.00% or 62.5% of Prime	Various	Any Time	Quarterly	\$ 3,850
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The annual requirements to pay principal and interest on all outstanding debt are as follows (in thousands of dollars):

YEAR ENDING AUGUST 31	GENERAL OBLIGATIONS				REVENUE BONDS AND NOTES		CAPITAL LEASES	
	GENERAL BONDS		SPECIAL ASSESSMENTS		BONDS & NOTES	INTEREST	PRINCIPAL	INTEREST
	BONDS	INTEREST	BONDS	INTEREST				
1987	\$ 1,520	2,315	1,995	1,240	11,149	26,274	593	105
1988	1,725	2,218	1,895	1,110	6,035	25,655	496	47
1989	1,770	2,113	1,895	994	6,190	25,341	266	9
1990	1,820	2,003	1,895	881	6,510	24,997		
1991	1,560	1,892	1,895	767	7,030	24,639		
1992-1996	10,505	7,354	5,690	2,587	37,575	116,796		
1997 and thereafter	12,950	3,911	4,165	863	289,635	292,274		
	<u>\$ 31,850</u>	<u>21,806</u>	<u>19,430</u>	<u>8,442</u>	<u>364,124</u>	<u>535,976</u>	<u>1,355</u>	<u>161</u>

Funds of \$2,292,344 and \$870,275 are available in the debt service funds to service the General Obligation Bonds, and Tax Allocation Bonds, respectively.

Under the City's Home Rule Charter, there is no legal debt margin. The various bond indentures contain significant limitations and restrictions on annual debt service requirements, maintenance of and flow of monies through various restricted accounts, minimum amounts to be maintained in various bond reserve funds, and minimum revenue bond coverages. The City is in compliance with all such significant limitations and restrictions.

The general obligation debt of all local governmental units which provide services within the City's boundaries and which debt must be borne by properties in the City (commonly called overlapping debt) as of August 31, 1986, is summarized below (unaudited):

<u>Units</u>	<u>Net Debt Outstanding</u>	<u>Percentage Applicable To the City</u>	<u>Direct and Overlapping Debt</u>
City	\$44,894,166	100.0%	44,894,166
School District #1	None		None
Airport Authority	2,300,000 ¹	100.0	2,300,000
Lancaster County	None	83.7	None
Southeast Com. College	None	35.9	None

¹Does not include Special Obligation Bonds of \$1,350,000 payable from lease rentals.

The City has no direct liability for the School District, Lancaster County, Airport Authority, or Southeast Community College debt summarized above. This results in a per capita direct City debt of \$243.33, a per capita direct and overlapping debt of \$255.79, a ratio of direct City debt to 1986 actual valuation of 1.12 percent, and a ratio of direct and overlapping debt to 1986 actual valuation of 1.18 percent.

(10) INTEREST COST

Total interest cost incurred in the Enterprise funds during the year ended August 31, 1986 was \$26,367,126, of which \$396,938 was capitalized net of investment earnings of \$184,000. The amount of \$25,786,188 was charged to earnings.

(11) SEGMENTS OF OTHER ENTERPRISE ACTIVITIES

Various services provided by the City are financed by user charges. These include parking, golf, hospital, transportation, sewer, water, electricity, and a city auditorium.

	Lincoln General Hospital	Lincoln Sanitary Sewer Sys.	Lincoln Water System	Lincoln Electric System	Other	Total
Operating Revenues	\$31,013,373	7,169,620	9,535,383	96,743,729	4,658,445	149,120,550
Operating Expenses:						
Depreciation	2,167,655	1,493,934	1,300,623	10,351,053	863,294	16,176,599
Other	27,646,713	4,475,457	4,921,406	62,892,627	6,861,409	106,797,612
	29,814,368	5,969,391	6,222,029	73,243,680	7,724,703	122,974,171
Operating Income (Loss)	\$ 1,199,005	1,200,229	3,313,354	23,500,049	(3,066,258)	25,146,379
Operating Grants, Operating Transfers In, Donations	\$ 218,853				3,185,108	3,403,961
Net Income (Loss)	\$ (38,842)	1,132,822	3,199,014	5,432,881	171,262	9,897,137
Net Working Capital	\$ 9,392,509	1,649,165	3,322,877	40,456,950	2,601,365	57,422,866
Total Assets	\$43,646,091	70,124,570	78,859,523	406,779,987	20,821,242	620,231,413
Bonds and Notes Payable	\$18,990,000	10,905,000	14,324,000	316,365,000	3,540,000	364,124,000
Contributed Capital	\$	33,526,231	17,376,859		9,989,327	60,892,417
Fund Equity	\$19,360,891	58,444,613	62,857,111	69,984,652	15,250,930	225,898,197
Acquisition of Property, Plant, & Equipment	\$ 1,213,633	1,927,756	5,376,288	12,419,520	777,484	21,714,681

The operating loss of \$3,066,258 in the "Other" column is primarily attributable to the Lincoln Transportation System which incurred an operating loss of \$3,344,579, but received federal and state grants and local subsidies of \$2,892,134, which are included in non-operating revenues and operating transfers.

(12) LEASE AGREEMENTS WITH STATE OF NEBRASKA (STATE)

The City has assisted the State by issuing revenue bonds on behalf of the State to build the State ETV Building and the State Game and Parks Commission Building. The leases and related financing agreements provide for the State to reimburse the City for debt service and other costs incurred by the City. The City records the amounts collected and held under the respective lease agreements in the trust and agency funds.

The revenue bonds outstanding at August 31, 1986 related to these projects are as follows:

State ETV Refunding	\$1,255,000
State Game and Parks Commission Refunding	500,000
	<u>\$1,755,000</u>

The City has entered into these lease agreements solely for the purpose of assisting the state in providing office buildings for use exclusively by the State and at no greater cost to the State than the cost thereof to the City. The bonds constitute special obligations of the City, payable solely from revenues derived by the City under the lease agreement with the State. The bonds are not a debt of the City within the meaning of any constitutional, statutory or charter limitation upon the creation of general obligation indebtedness of the City. Therefore, the cost of these State buildings and the related revenue bonds outstanding have been excluded from the City's financial statements.

(13) EMPLOYEES' RETIREMENT PLANS

The employees of the City are covered by several retirement plans. The Fire and Police Department Plans are administered by the City and are included in the fiduciary fund type. All other plans are administered by outside trustees and are not included in the City's combined financial statements. A summary of the Plans follows:

FIRE AND POLICE DEPARTMENT

The Fire and Police Department employees are covered by a State-imposed, City-administered retirement system. This plan replaces Social Security and during 1985-86 required the City to contribute approximately 11.04% of pay while the employees contributed 7.41% of pay. The City's annual contribution was \$701,511 which includes amortization of prior service cost over a remaining 19-year period. The latest actuarial study was as of December 31, 1985.

In addition, the City is funding retirements for firemen hired under "old" State laws and employed prior to 1947. The City's annual contribution for the year was \$271,489, which includes amortization of the prior service costs over nine years for unfunded retiree and beneficiary liabilities, and four years for unfunded accrued active member liabilities. The latest actuarial study was as of December 31, 1984.

The City's policy for both of these plans is to fund pension costs accrued. Actuarial and net asset information of employee's retirement plans as of the latest actuarial studies are as follows:

Actuarial present value of accumulated plan benefits as of the dates of the latest actuarial valuations:

	<u>Fire Pension (Old)</u>	<u>Police and Fire Pension</u>
Vested Benefits	\$2,734,529	19,705,159
Non-Vested Benefits	<u>165,221</u>	<u>2,297,270</u>
Total Accumulated Plan Benefits	2,899,750	22,002,429
Net Plan Assets	<u>1,717,754</u>	<u>39,894,912</u>
Unfunded Liabilities	<u>\$1,181,996</u>	<u>---</u>

The assumed rate of return used in determining the actuarial present value of accumulated benefits was 6% for the Fire Pension (Old) and ranged from 9.1% in the first year, down to 6% in the eleventh and later years decreasing uniformly for interim years, for the Police and Fire Pension.

ELECTRIC SYSTEM AND GENERAL HOSPITAL

The City owns and operates its own electric system and general hospital which are included in enterprise funds in the accompanying financial statements. Each of these entities are controlled and managed by an administrative board and are not supported by the City's general tax revenues. Both systems provide retirement benefits to their employees under their own separate plans, such benefits being funded solely from revenues derived from the operation of each of the respective facilities. A summary of the electric system and general hospital plans is as follows:

ELECTRIC SYSTEM

LES has a contributory retirement plan covering all employees who have been employed for a continuous period of two years. The plan is a straight money purchase plan. The total retirement expense, net of employee forfeitures, was \$836,000 for each of the years ended December 31, 1985 and 1984. LES's contribution is equal to 200% of the employees' contributions which range from 2-5% of gross wages. Vesting of LES contributions occurs over a ten-year period. Employee forfeitures are used to reduce employer contributions. Vested benefits are fully funded.

GENERAL HOSPITAL

The Hospital has a noncontributory pension plan which covers substantially all full-time employees over 30 years of age. Pension expense for the year ended August 31, 1986 was \$235,832, including amortization of prior service costs over a period of 20 years. The Hospital funds pension costs accrued. A comparison of accumulated plan benefits and plan net assets as of July 1, 1986 (the date of the actuarial valuation) is as follows:

Actuarial present value of accumulated plan benefits:

Vested Benefits:	
Participants Currently Receiving Benefits	\$ 784,116
Other Participants	<u>1,112,104</u>
	1,896,220
Non-Vested Benefits	<u>166,785</u>
	<u>\$2,063,005</u>
Net Assets Available for Benefits	<u>\$4,091,363</u>

The assumed rate of return used in determining the actuarial present value of accumulated plan benefits was 8%.

ALL OTHER CITY EMPLOYEES

All other City employees are eligible after six months' service and age 21 to be covered under the City's Money Purchase Pension Plan administered by Bankers Life Nebraska. Enrollment in the program is mandatory at age 40 with five years service. There are no unfunded liabilities. The plan requires employees to contribute 3% of earnings on the first \$4,800 and 6% on the balance of earnings. Currently, the City contributes 200% of the employees' contribution. The total plan account balance as of December 31, 1985 was \$23,615,312.

(14) COMMITMENTS AND CONTINGENCIES

The City participates in a number of federally assisted grant programs, principally General Revenue Sharing, Community Development Block Grant (CDBG), Job Training Partnership Act (JTPA), and local public works programs. The 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.

The Hospital has an agreement with Radiology Associates, P.C. for the provision of diagnostic and therapeutic radiological services. As part of the agreement, each party may take unilateral action to initiate the sale to the Hospital of part or all of the radiological equipment in the Hospital, which is owned by Radiology Associates, P.C., upon giving 240 days notice. The estimated market value of such equipment at August 31, 1986 was approximately \$6,140,000.

The Hospital has a similar agreement with Pathology Medical Services, P.C. for the provision of pathological services. Conditions of the agreement provide for sale of all or part of the pathological equipment to the Hospital at the original cost, less straight-line depreciation to date based on eight-year asset lives. This net book value at August 31, 1986 was approximately \$186,000.

The Lincoln Sanitary Sewer System has commitments under major construction contracts in progress of approximately \$2,000,000 at August 31, 1986.

The Lincoln Water System has commitments under major construction contracts of approximately \$1,000,000 at August 31, 1986.

The City is a defendant in a number of lawsuits in its normal course of operations. The majority of these lawsuits relate to condemnations for street and utility construction projects which are not included in tax supported funds. The City Attorney is of the opinion that there is a reasonable possibility that the City will incur losses on such lawsuits not to exceed \$350,000.

LES has the following commitments:

Power Sales Contract:

LES has a Power Sales Contract with Nebraska Public Power District (NPPD) which provides for the purchase of 12-1/2% of the output of NPPD's nominally rated 800 megawatt nuclear plant. The contract provides that the City will pay a proportionate share of the nuclear fuel costs (based on energy actually delivered) plus 12-1/2% of all other costs of the facility. Fixed cost payments under the contract are on a take-or-pay basis whether or not the plant is operating or operable.

The contract continues through September 22, 2003 and may be extended if NPPD intends to continue operating the facility after that date. Upon expiration of the contract, if the facility is no longer operated, LES is also liable for 12-1/2% of the costs of decommissioning the plant. Preliminary studies indicate the total cost of decommissioning the facility would approximate \$89,500,000 in 1983 dollars. The 1983 estimated decommissioning costs have been escalated at a rate of 6% per year to the year 2004, the year the facility is estimated to be decommissioned. The available cash balances of various NPPD funds at that time will be used to offset the total cost of decommissioning the facility. The additional funds required for decommissioning will be billed to the participants and discounted at a rate of 7% to the year of collection. Billing to the participants for required decommissioning funds began in 1984 with LES incurring associated costs of \$239,000 and \$227,000 in 1985 and 1984, respectively.

In 1983 cracks were discovered in the pressure piping system of the nuclear facility. Replacement of the pressure piping system was completed in 1985 and cost \$48,254,000. NPPD has agreed to provide the financing for LES's share of these costs and the costs of installation of a plant management information system (approximately \$17,000,000). Amortization of the costs over an eight-year period began in 1984. LES's share of the costs in 1985 and 1984 was \$1,184,000 and \$899,000, respectively.

Internal financial statements of the nuclear facility reflect \$390,340,000 in revenue bonds outstanding at December 31, 1985. Fixed cost payments of LES include the debt service payments necessary to retire 12-1/2% of the principal and pay 12-1/2% of the interest on bonds issued by NPPD for the facility. LES's share of debt service payments was \$4,524,000 and \$4,523,000 in 1985 and 1984, respectively.

Expected fixed cost payments to NPPD under this contract including debt service payments, payments for decommissioning costs and replacement of the pressure piping system of the nuclear facility aggregate \$12,497,000, \$12,252,000, \$15,695,000, \$14,046,000 and \$14,267,000, respectively, in each of the five years subsequent to December 31, 1985.

Participation Agreements:

LES has participating interests in the output of two existing NPPD power plants, a 30% (approximately 65 MW) and 8% (approximately 100 MW) entitlement to the output of the Sheldon Station Power Plant and Gerald Gentleman Station Power Plant, respectively. The participation agreements 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. Fixed cost payments under the agreements are on a take-or-pay basis whether or not such plants are operating or operable. LES's share of the total fixed costs incurred, were \$8,449,000 and \$8,682,000 in 1985 and 1984, respectively. The expected fixed cost requirements aggregate \$9,545,000, \$9,700,000, \$9,991,000, \$9,797,000, and \$9,641,000, respectively, in each of the five years subsequent to December 31, 1985.

Laramie River Station:

LES is a tenant in common in the Laramie River Station Project (project) with the following undivided joint ownership interests as of December 31, 1985, the date of the last audit:

	<u>Ownership Interest</u>
Basin Electric Power Cooperative	42.27%
Tri-State Generation and Transmission Assn., Inc.	24.13
Western Minnesota Municipal Power Agency	16.47
City of Lincoln, Nebraska (LES)	13.13
Heartland Consumers Power District	3.00
Wyoming Municipal Power Agency	1.00

LES accounts for its participation in the project using the proportionate share method. In general, each participant is responsible for funding its ownership interest share of the assets and operating costs of the project and is entitled to Station capacity and energy output based on its individual ownership interest. LES is funding its entire commitment through long-term financing. Each participant has the right to mortgage its ownership interest in the project without the consent of the other participants. Debt instruments issued by participants to finance their participation do not obligate or encumber the other participants' ownership interests.

The project is administered by a Management Committee comprised of the participants. Basin Electric is the Project Manager and Operating Agent for the project.

The project consists of the Laramie River Electric Generating Station which includes three 550 megawatt coal-fired, steam generation units and associated transmission facilities, and the Grayrocks Dam and Reservoir. Unit 1, Unit 2, and Unit 3 began commercial operations on July 1, 1980 and 1981, and November 1, 1982, respectively.

Some significant information from the project's December 31, 1985 audited financial statements follows:

Total Electric Plant	\$1,244,417,327
Total Assets	1,391,524,967
Total Liabilities	25,836,363
Total Owner's Investment	1,365,688,604
LES Investment	179,314,913
Total Operating Costs, Net of Investment Income	129,443,782
LES Share of Operating Costs, Net of Investment Income	16,995,968

Under the participating interest agreements, monthly fixed cost payments made to LES are on a take-or-pay basis whether or not such plants are operating or operable. Fixed cost payments received in 1985 approximated \$3,364,000. During 1985, LES received notice that the participant would cease payments under their agreement as of October 1, 1985. LES filed a lawsuit seeking damages from the participant for failure to perform under the agreement. The lawsuit was settled out of court. Basin Electric agreed to pay LES, on or before March 31, 1988, \$1,300,000 plus interest from January 1, 1986, at 8%. LES gained the right to sell their 34MW of capacity interest to other power companies. The Municipal Energy Agency of Nebraska has purchased 18 MW and the Wyoming Municipal Power Agency has purchased 6MW.

LES is in the process of negotiating an agreement with the County of Los Alamos, New Mexico (the County) for the sale of the remaining 10 MW of capacity interest. During negotiation of this agreement, Basin Electric has paid LES \$60,000 in six monthly payments. If this agreement cannot be finalized, Basin Electric must pay LES \$1,380,000 in three equal annual installments beginning January 1, 1988 under the terms of the settlement of the lawsuit.

The Data Processing Division has the following commitment:

Beginning September 1, 1984, the City entered into a three-year contract with System and Computer Technology Corporation for data processing management services. Maximum annual payments under this agreement are as follows:

<u>FISCAL YEAR</u> <u>ENDING AUGUST 31</u>	<u>AMOUNT</u>
1987	\$1,139,944

The City's costs under this contract are partially offset by County reimbursements for data processing services provided to them by the City.

(15) EARLY EXTINGUISHMENT OF DEBT

On April 1, 1985 the City issued \$3,970,000 of Cornhusker Square Redevelopment Project No. 1 Tax Allocation Refunding Bonds, Series 1985. The City combined the proceeds from that issue with existing fund balances and deposited \$4,050,709 with the Lancaster County Treasurer, the paying

agent of the Cornhusker Square Redevelopment Project No. 1 Tax Allocation Bonds Series 1982 (the Bonds), for the purpose of defeasance of these bonds. The funds deposited together with interest earned thereon is deemed sufficient to pay the principal of and interest and premium on the Bonds to the earlier of their maturity or redemption dates. The amount of outstanding principal defeased was \$3,730,000 as of August 31, 1985. The difference between the reacquisition price and the net carrying amount of the extinguished debt was recognized as an extraordinary loss. The City anticipates saving approximately \$463,700 from this defeasance.

(16) RECONCILIATION OF BUDGET BASIS REVENUES AND EXPENDITURES TO GAAP

Revenues and expenditures presented on a non-GAAP budget basis of accounting differ from the revenues and expenditures presented in accordance with GAAP because of the different treatment of encumbrances and accruals. A reconciliation of the revenues and expenditures for the year ended August 31, 1986 is presented below:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>
Revenues and Other Sources:			
GAAP Basis	\$38,975,727	23,751,246	3,364,777
Add: Prior Year Accrual Adjustments ¹	8,221,328	3,084,412	810,413
Less: Current Year Accrual Adjustments ¹	4,691,568	2,333,788	649,047
Budget Basis	<u>\$42,505,487</u>	<u>24,501,870</u>	<u>3,526,143</u>
Expenditures and Other Uses:			
GAAP Basis	\$41,325,251	22,607,217	2,077,869
Add: Prior Year Accrual Adjustments ¹	2,656,391	2,205,116	10,256
Current Year Encumbrances ²	543,958	2,652,598	
Less: Current Year Accrual Adjustments ¹	2,926,175	1,599,945	43,131
Prior year Encumbrances ²	844,802	2,322,136	
Budget Basis	<u>\$40,754,623</u>	<u>23,542,850</u>	<u>2,044,994</u>

¹Timing Difference

²Basis Difference

(17) INTERFUND RECEIVABLES AND PAYABLES BALANCES

Interfund receivables and payables balances at August 31, 1986 were as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	<u>\$878,525</u>	<u>542,647</u>
Special Revenue Funds:		
Advance Acquisition Fund	39,363	
Aviation Promotion Fund	1,518	
Civil Defense Fund		783
Lincoln City Libraries Fund	97,529	20,898
Lincoln Area Agency on Aging Fund		10,057
Lincoln/Lancaster County Health Fund	18,267	26,558
Northeast Radial Fund	3,308	808
Social Security Fund	64,107	65,427
Unemployment Compensation Fund	28,980	
Community Development Block Grant Fund	1,264	9,644
Grants-In-Aid Fund		5,298
Revenue Sharing Fund	6,288	
Job Training Programs Funds		566
Street Construction Fund	3,766	810,064
Athletic Field & Facility Improvement Fund	1,913	
Cable Access Television Fund	27,299	
Total Special Revenue Funds	<u>293,602</u>	<u>950,103</u>
Debt Service Funds:		
Tax Allocation Projects Debt Service	9,718	
Bond Interest & Redemption Fund	128,668	
Total Debt Service Funds	<u>138,386</u>	
Capital Projects Funds:		
Storm Sewer Bond Construction Fund		10,194
Storm Sewer Construction Fund	102	
Street Construction Fund	804,159	107,081
Vehicle Tax Fund	5,167	10,309
Sanitary Landfill Purchase & Const. Fund	1,153	
Downtown Redevelopment Fund	1,769	
Other Capital Projects Fund	120,646	
Total Capital Projects Funds	<u>932,996</u>	<u>127,584</u>
Special Assessment Fund	<u>64,966</u>	<u>14,252</u>
Enterprise Funds:		
Parking Lot Revolving Fund	11,131	66
Golf Fund	19,168	11,672
Parking Facilities Fund	10,096	
Sanitary Landfill Fund	1,671	1,407
Total Enterprise Funds	<u>42,066</u>	<u>13,145</u>

(Continued)

Interfund Receivables and Payable Balances (Continued)

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Internal Service Funds:		
Data Processing Fund	113,858	4,096
Engineering Revolving Fund	159,917	22,523
Insurance Revolving Fund	20,639	382
Public Works Equipment Management Fund	418,402	3,596
Police Garage Fund	117,800	228
Stores Revolving Fund	14,281	85
Total Internal Service Funds	<u>844,897</u>	<u>30,910</u>
Fiduciary Funds:		
Pension Trust Funds:		
Fire Pension Fund	6,191	
Police and Fire Pension Fund	15,905	198
Total Pension Trust Funds	<u>22,096</u>	<u>198</u>
Expendable Trust Funds:		
Park & Recreation Special Projects Fund	3,445	13
Commission on Aging Gift Trust Fund	1,857	186
Library Special Trust Funds	16,998	
Total Expendable Trust Funds	<u>22,300</u>	<u>199</u>
Agency Funds:		
Collections Due to Other Governments Fund	8,263	
Payroll Revolving Fund	134,989	
Earnings on Pooled Investments Fund		1,400,584
Utilities and Telephone Suspense Fund	14,160	
Public Office Building Revenue Bonds (State of Nebraska Lessee) Fund	10,376	
Undistributed Property Tax Fund		328,000
Total Agency Funds	<u>167,788</u>	<u>1,728,584</u>
Total Fiduciary Funds	<u>212,184</u>	<u>1,728,981</u>
TOTAL ALL FUNDS	<u>\$3,407,622</u>	<u>3,407,622</u>

(18) EXCESSES OF EXPENDITURES OVER APPROPRIATIONS IN INDIVIDUAL FUNDS

Advance Acquisition Fund expenditures of \$2,673 exceed appropriations of \$0 by \$2,673. Social Security fund expenditures of \$824,273 exceed appropriations of \$814,690 by \$9,583.

(19) RECLASSIFICATIONS

Certain reclassifications have been made in the 1985 totals columns to conform to the 1986 financial statement presentation.

COMBINING AND INDIVIDUAL
FUND STATEMENTS
AND SCHEDULES

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G E N E R A L F U N D

This fund accounts for all financial resources not accounted for in other funds. It finances the regular day-to-day operation of the basic governmental activities, such as legislative, judicial, administration, police protection, fire protection, legal services, planning, property management, and parks and recreation. Appropriations are made from the fund annually. The fund's existence is perpetual.

CITY OF LINCOLN, NE
 GENERAL FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
 FISCAL YEAR ENDED AUGUST 31, 1986

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Real Estate and Personal Property Tax	\$ 8,817,964	14,285,491	5,467,527
Taxes Collected by Others	19,246,705	18,422,654	(824,051)
Sundry Taxes and In Lieu	1,170,116	840,342	(329,774)
Occupation Taxes	3,180,022	2,545,762	(634,260)
Intergovernmental	2,613,560	2,394,755	(218,805)
Permits and Fees	734,487	882,138	147,651
Reimbursement for Services	906,497	832,625	(73,872)
Court Costs	100,000	127,218	27,218
Recreation Receipts	557,229	496,715	(60,514)
Interest	946,500	985,643	39,143
Parking Meter	275,000	288,520	13,520
Miscellaneous	<u>217,450</u>	<u>378,630</u>	<u>161,180</u>
 Total Revenues	 <u>38,765,530</u>	 <u>42,480,493</u>	 <u>3,714,963</u>
 Expenditures:			
General Government	9,763,304	9,372,049	391,255
Public Safety	19,128,380	18,991,318	137,062
Streets and Highways	3,727,276	3,638,645	88,631
Culture -- Recreation	5,280,720	4,870,587	410,133
Sanitation	<u>564,566</u>	<u>529,357</u>	<u>35,209</u>
 Total Expenditures	 <u>38,464,246</u>	 <u>37,401,956</u>	 <u>1,062,290</u>
 Excess of Revenues Over Expenditures	 301,284	 5,078,537	 4,777,253
 Other Financing Sources (Uses):			
Operating Transfers In		24,994	24,994
Operating Transfers Out	<u>(5,303,363)</u>	<u>(3,352,667)</u>	<u>1,950,696</u>
 Total	 <u>(5,303,363)</u>	 <u>(3,327,673)</u>	 <u>1,975,690</u>
 Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	 <u>(5,002,079)</u>	 <u>1,750,864</u>	 <u>6,752,943</u>
 Fund Balance Beginning of Year	 <u>9,019,131</u>	 <u>9,019,131</u>	 _____
 Fund Balance End of Year	 <u>\$ 4,017,052</u>	 <u>10,769,995</u>	 <u>6,752,943</u>

CITY OF LINCOLN, NE
GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET
FISCAL YEAR ENDED AUGUST 31, 1986

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>GENERAL GOVERNMENT:</u>			
Legislative:			
Personal Services	\$ 74,268	74,400	(132)
Supplies	1,916	963	953
Other Services and Charges	46,691	30,795	15,896
Capital Outlay	<u>1,409</u>	<u>1,139</u>	<u>270</u>
Total Legislative	<u>124,284</u>	<u>107,297</u>	<u>16,987</u>
Executive:			
Personal Services	570,346	576,410	(6,064)
Supplies	21,892	20,401	1,491
Other Services and Charges	101,946	96,126	5,820
Capital Outlay	<u>130,246</u>	<u>125,891</u>	<u>4,355</u>
Total Executive	<u>824,430</u>	<u>818,828</u>	<u>5,602</u>
Financial Administration:			
Personal Services	762,142	751,967	10,175
Supplies	36,254	28,316	7,938
Other Services and Charges	339,191	295,921	43,270
Capital Outlay	<u>3,190</u>	<u>2,397</u>	<u>793</u>
Total Financial Administration	<u>1,140,777</u>	<u>1,078,601</u>	<u>62,176</u>
Law:			
Personal Services	634,372	628,576	5,796
Supplies	22,750	21,937	813
Other Services and Charges	50,828	39,207	11,621
Capital Outlay	<u>5,510</u>	<u>5,081</u>	<u>429</u>
Total Law	<u>713,460</u>	<u>694,801</u>	<u>18,659</u>
Personnel Administration:			
Personal Services	308,151	305,358	2,793
Supplies	16,145	9,385	6,760
Other Services and Charges	76,067	63,298	12,769
Capital Outlay	<u>1,273</u>	<u>1,273</u>	<u>(1,273)</u>
Total Personnel Administration	<u>400,363</u>	<u>379,314</u>	<u>21,049</u>
Planning and Zoning:			
Personal Services	580,406	580,879	(473)
Supplies	14,800	11,531	3,269
Other Services and Charges	109,750	99,443	10,307
Capital Outlay	<u>1,450</u>	<u>1,460</u>	<u>(10)</u>
Total Planning and Zoning	<u>706,406</u>	<u>693,313</u>	<u>13,093</u>

(Continued)

(GENERAL FUND, Continued)

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
Buildings and Plant:			
Personal Services	\$ 161,384	169,067	(7,683)
Supplies	22,860	22,800	60
Other Services and Charges	541,681	498,658	43,023
Capital Outlay	<u>550</u>	<u>550</u>	<u>(550)</u>
Total Buildings and Plant	<u>725,925</u>	<u>691,075</u>	<u>34,850</u>
Urban Development:			
Personal Services	310,030	304,802	5,228
Supplies	5,410	2,990	2,420
Other Services and Charges	97,868	84,367	13,501
Capital Outlay	<u>19,620</u>	<u>28,365</u>	<u>(8,745)</u>
Total Urban Development	<u>432,928</u>	<u>420,524</u>	<u>12,404</u>
Miscellaneous:			
Personal Services	1,829,252	1,739,670	89,582
Other Services and Charges	2,580,479	2,326,322	254,157
Capital Outlay	<u>285,000</u>	<u>422,304</u>	<u>(137,304)</u>
Total Miscellaneous	<u>4,694,731</u>	<u>4,488,296</u>	<u>206,435</u>
Total General Government	<u>9,763,304</u>	<u>9,372,049</u>	<u>391,255</u>
<u>PUBLIC SAFETY:</u>			
Police:			
Personal Services	7,401,849	7,330,389	71,460
Supplies	157,332	133,236	24,096
Other Services and Charges	1,484,712	1,476,653	8,059
Capital Outlay	<u>35,258</u>	<u>32,416</u>	<u>2,842</u>
Total Police	<u>9,079,151</u>	<u>8,972,694</u>	<u>106,457</u>
Fire:			
Personal Services	6,262,276	6,257,414	4,862
Supplies	252,095	259,260	(7,165)
Other Services and Charges	226,366	251,010	(24,644)
Capital Outlay	<u>147,817</u>	<u>168,351</u>	<u>(20,534)</u>
Total Fire	<u>6,888,554</u>	<u>6,936,035</u>	<u>(47,481)</u>
Codes Administration:			
Personal Services	1,098,537	1,082,272	16,265
Supplies	49,227	43,767	5,460
Other Services and Charges	124,408	140,145	(15,737)
Capital Outlay	<u>1,915</u>	<u>3,575</u>	<u>(1,660)</u>
Total Codes Administration	<u>1,274,087</u>	<u>1,269,759</u>	<u>4,328</u>

(Continued)

(GENERAL FUND, Continued)

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Communications:			
Personal Services	\$ 629,516	623,964	5,552
Supplies	9,760	6,291	3,469
Other Services and Charges	88,475	76,930	11,545
Capital Outlay	220	220	
Total Communications	<u>727,971</u>	<u>707,405</u>	<u>20,566</u>
Transportation:			
Personal Services	731,083	718,370	12,713
Supplies	125,935	125,776	159
Other Services and Charges	296,699	256,379	40,320
Capital Outlay	4,900	4,900	
Total Transportation	<u>1,158,617</u>	<u>1,105,425</u>	<u>53,192</u>
Total Public Safety	<u>19,128,380</u>	<u>18,991,318</u>	<u>137,062</u>
<u>STREETS AND HIGHWAYS:</u>			
Street Maintenance:			
Personal Services	1,110,058	1,124,347	(14,289)
Supplies	212,345	197,887	14,458
Other Services and Charges	788,577	822,167	(33,590)
Capital Outlay	316,246	316,407	(161)
Total Street Maintenance	<u>2,427,226</u>	<u>2,460,808</u>	<u>(33,582)</u>
Street Lighting:			
Other Services and Charges	<u>1,300,050</u>	<u>1,177,837</u>	<u>122,213</u>
Total Streets and Highways	<u>3,727,276</u>	<u>3,638,645</u>	<u>88,631</u>
<u>CULTURE--RECREATION:</u>			
Parks and Recreation:			
Personal Services	3,360,896	3,210,464	150,432
Supplies	323,843	298,481	25,362
Other Services and Charges	1,547,213	1,309,471	237,742
Capital Outlay	48,768	52,171	(3,403)
Total Culture--Recreation	<u>5,280,720</u>	<u>4,870,587</u>	<u>410,133</u>
<u>SANITATION:</u>			
Sanitary Landfill:			
Personal Services	255,170	240,103	15,067
Supplies	118,755	150,530	(31,775)
Other Services and Charges	190,641	137,107	53,534
Capital Outlay		1,617	(1,617)
Total Sanitation	<u>564,566</u>	<u>529,357</u>	<u>35,209</u>
TOTAL EXPENDITURES	<u>\$38,464,246</u>	<u>37,401,956</u>	<u>1,062,290</u>

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SPECIAL REVENUE FUNDS

A special revenue fund is established to account for the proceeds from a specific revenue source that is legally 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.

Aviation Promotion Fund - To account for monies received from a tax levied specifically for the purpose of promoting air transportation in and out of Lincoln.

Civil Defense Fund - To account for the costs of operating the City of Lincoln/Lancaster County Civil Defense Department. Financing is provided by Federal, City, and County funds.

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 Area Agency on Aging Fund - To account for the cost of providing health services to the citizens of the City of Lincoln and Lancaster County. Financing is provided by State, County, and City funds.

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

Northeast Radial Fund - To account for rental receipts from and the maintenance of various properties purchased for the eventual construction of a radial access to the northeast part of the City. Actual construction of the radial has been defeated by the voters and disposition of the land is still to be resolved.

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.

Unemployment Compensation Fund - To account for the cost of unemployment insurance for 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 is provided by a specific annual property tax levy. Such property taxes may only be used for this purpose.

Community Development Block Grant Fund - To account for the cost of providing services under the City's Community Development Block Grant Program. Funding is provided by grants from the Department of Housing and Urban Development (HUD).

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.

Revenue Sharing Fund - To account for the City of Lincoln's Federal Revenue Sharing allocation.

Job Training Programs Fund - To account for the cost of providing services under the Job Training and Partnership Act which began on October 1, 1983. Funding is provided by grants from the Department of Labor.

Street Construction Fund - To account for the receipt and disbursement of highway allocation fees received from the State of Nebraska. By State law these monies are restricted to construction and maintenance of streets and highways and appurtenances thereto.

Athletic Field and Facility Improvement Fund - To account for proceeds from a surcharge applied to registration fees charged by the Recreation Division for various athletic activities. These monies must be used for improvements to athletic field and facilities.

Sanitary District Fund - To account for the proceeds from Sanitary District #1. When Sanitary District #1 went out of existence in 1956, all of the District's assets and liabilities were transferred to the City of Lincoln. The balance on hand was derived from special assessments which had been levied by the District prior to the City's takeover. This money is restricted for emergencies or contingency and must be used on main trunk line sewers or the disposal plant.

Cable Access Television - To account for receipt and disbursement of educational and governmental access capital equipment and facilities grants. The Franchise Agreement between the City and Lincoln Cablevision, effective August 5, 1985, required Cablevision to deposit \$400,000 in such a fund. Cablevision is required to match, one for one, any contributions by the City for such purposes up to \$100,000.

CITY OF LINCOLN, NE
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
AUGUST 31, 1986
With Comparative Totals for August 31, 1985

	Advance Acquisition	Aviation Promotion	Civil Defense	Lincoln City Libraries	Lincoln Area Agency on Aging	Lincoln/Lancaster County Health	Northeast Radial	Social Security	Unemployment Compensation	Community Development Grant	Grants-In-Aid	Revenue Sharing	Job Training Programs	Street Construction	Athletic Field & Facilities Improvement	Sanitary District	Cable Access Television	Totals		
																		1986	1985	
ASSETS																				
Cash Held by City Treasurer	\$ 667,681	20,378		1,035,053	197,424	160,187	168,133	814,960	438,866	80,988	2,813	85,618		408,661	46,138	35,307	500,000	4,662,207	2,775,122	
Cash on Hand and In Other Accounts				5,268						11,030								16,298	14,606	
Investments (At Cost)														5,682,611	97,926			5,780,437	6,537,903	
Receivables:																				
Taxes		6,366		412,019			16,356	159,887	511										595,119	1,119,761
Accounts	16,027			1,662	49,522	7,655	1,211			22,768	5,630			9,464	39			113,778	79,535	
Accrued Interest	2,822	88		3,765		1,011	411	3,337	1,891	150		264		86,326	2,270		2,003	104,318	137,943	
Due From Other Funds	39,363	1,518		97,529		18,267	3,508	64,107	28,980	1,264		6,288		3,766	1,913		27,299	293,602	264,001	
Due From Other Governments			19,979	55,911		139,660		6,995			74,832		207,760	864,515				1,369,652	1,517,912	
Inventories														91,457				91,457	23,932	
Installment Purchase Agreement with Lancaster County																				
	149,859																	149,859	176,657	
Total Assets	\$ 875,752	28,350	19,979	1,611,207	246,746	326,780	189,399	1,049,286	470,248	116,180	83,275	92,170	207,760	7,146,800	148,186	35,307	529,302	13,176,727	12,647,372	
LIABILITIES AND FUND BALANCES																				
Liabilities:																				
Cash Overdraft			7,117																145,015	374,620
Vouchers Payable			232		1,192	16,611	1,253			1,923	1,584			1,329	8,301			32,425	14,908	
Accounts Payable			1,978	8,776	37,527	18,356	6,400			8,798	23,519			34,041	18,913			158,308	182,762	
Accrued Liabilities			2,181	37,944	23,347	52,895	3,612	512		6,118	20,279			11,006	30,414			188,308	193,344	
Due to Other Funds			783	20,898	10,057	26,558	808	65,427		9,644	5,298		566	810,064				950,103	1,410,387	
Deferred Revenues	121,123			139,842				57,233										318,198	311,599	
Unearned Advance										77,903								77,903	77,903	
Accrued Compensated Absences			3,516	99,969	55,313	126,038	7,467	3,660		11,794	32,595		22,920	58,041				421,313	418,627	
Total Liabilities	121,123		15,807	307,429	127,436	240,458	19,540	126,832	470,248	116,180	83,275		207,760	925,733				2,291,573	2,906,247	
Fund Balances:																				
Reserved for:																				
Encumbrances			3,764	190,660	24,819	17,713				329,937	15,865			2,069,840				2,652,598	1,910,869	
Inventories														91,457				91,457	23,932	
Unreserved:																				
Designated for Subsequent Year's Expenditures																				
Undesignated	754,629	28,350	(527)	699,190	84,485	(5,672)	107,979	722,093	350,248	(329,937)	(46,986)	92,170		1,194,879	125,886	(3,338)	529,302	4,302,751	2,967,188	
Total Fund Balances	754,629	28,350	4,172	1,303,778	119,310	86,322	169,859	922,454	470,248	116,180	83,275	92,170	207,760	6,221,067	148,186	35,307	529,302	10,885,154	9,741,125	
Total Liabilities & Fund Balances	\$ 875,752	28,350	19,979	1,611,207	246,746	326,780	189,399	1,049,286	470,248	116,180	83,275	92,170	207,760	7,146,800	148,186	35,307	529,302	13,176,727	12,647,372	

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CITY OF LINCOLN, NE
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FISCAL YEAR ENDED AUGUST 31, 1986
With Comparative Totals for Fiscal Year Ended August 31, 1985

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	Advance Acquisition	Aviation Promotion	Civil Defense	Lincoln City Libraries	Lincoln Area Agency on Aging	Lincoln/ Lancaster County Health	Northeast Radio	Social Security	Unem- plovment Compen- sation	Community Develop- ment Block Grant	Grants- in- Aid	Revenue Sharing	Job Training Programs	Street Construc- tion	Athletic Field & Facilities Improve- ment	Sanitary District	Cable Access Television	Totals		
																		1986	1985	
Revenues:																				
Real Estate and Personal Property Tax	\$			2,174,594			132,579	712,768											3,019,941	2,628,109
Motor Vehicle Tax				244,475				95,091											339,564	268,582
Intergovernmental			85,243		770,162	902,632				1,208,965	1,175,491	2,316,566	1,221,817	6,501,175					14,182,051	15,187,567
Permits and Fees						373,633								116,286					489,919	455,752
Interest	50,776	1,477		55,411		17,638	3,312	48,618	28,644			25,112		424,968	10,382	13,523	29,302	709,163	902,712	
Client Contributions					140,713						120,002							260,715	237,168	
Rental Income							78,201											78,201	129,392	
Program Income																		109,622	114,662	
Miscellaneous	159,282		15	57,065	15,419	42,254	417,832			47,109	111,270			215,906	65,135	13	400,000	1,531,300	922,799	
Total Revenues	210,058	1,477	85,258	2,531,543	926,294	1,336,157	631,924	856,477	28,644	1,365,696	1,406,763	2,341,678	1,221,817	7,258,335	75,517	13,536	429,302	20,720,476	20,846,743	
Expenditures:																				
General Government	2,673	6,469					473,111	797,656	10,994		12,943							1,304,065	1,476,400	
Public Safety			118,170								77,134							195,304	144,949	
Streets and Highways											125,638	850		1,730,351				1,856,839	1,999,886	
Culture -- Recreation				2,570,127							66,636							2,636,763	2,516,130	
Economic Opportunity					1,634,236					1,334,331	842,635		1,221,817					5,033,019	5,157,817	
Health and Welfare						2,848,412					385,920	37,222					173,000	3,444,554	3,112,818	
Total Expenditures	2,673	6,469	118,170	2,570,127	1,634,236	2,848,412	473,330	797,656	10,994	1,334,331	1,510,906	38,072	1,221,817	1,730,351			173,000	14,470,544	14,408,000	
Excess (Deficiency) of Revenues Over Expenditures	207,385	(4,992)	(32,912)	(38,584)	(707,942)	(1,512,255)	158,594	58,821	17,650	31,365	(104,143)	2,303,606		5,527,984	75,517	(159,464)	429,302	6,249,932	6,438,743	
Other Financing Sources (Uses):																				
Operating Transfers In			32,122		827,252	1,547,372	55,000				118,042	4,473		346,509			100,000	3,030,770	2,373,809	
Operating Transfers Out	(50,000)			(19,899)			(93,426)			(31,365)	(13,899)	(2,431,669)		(5,428,899)	(67,516)			(8,136,673)	(10,127,618)	
Total Other Financing Sources (Uses)	(50,000)		32,122	(19,899)	827,252	1,547,372	(38,426)			(31,365)	104,143	(2,427,196)		(5,082,390)	(67,516)		100,000	(5,105,903)	(7,753,809)	
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	157,385	(4,992)	(790)	(58,483)	119,310	35,117	120,168	58,821	17,650			(123,590)		445,594	8,001	(159,464)	529,302	1,144,029	(1,315,066)	
Fund Balance Beginning of Year	597,244	33,342	4,962	1,362,261		51,205	49,691	863,633	452,598			215,760		5,775,473	140,185	194,771		9,741,125	10,156,174	
Residual Equity Transfers In																			900,017	
Fund Balances End of Year	\$ 754,629	28,350	4,172	1,303,778	119,310	86,322	169,859	922,454	470,248			92,170		6,221,067	148,186	35,307	529,302	10,885,154	9,741,125	

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CITY OF LINCOLN, NE
 ADVANCE ACQUISITION FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
 FISCAL YEAR ENDED AUGUST 31, 1986

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Interest	\$	46,914	46,914
Miscellaneous	<u>128,736</u>	<u>143,255</u>	<u>14,519</u>
Total Revenues	<u>128,736</u>	<u>190,169</u>	<u>61,433</u>
Expenditures -- General Government:			
Other Services and Charges		673	(673)
Capital Outlay		<u>2,000</u>	<u>(2,000)</u>
Total Expenditures		<u>2,673</u>	<u>(2,673)</u>
Excess of Revenues Over Expenditures	128,736	187,496	58,760
Other Financing Uses --			
Operating Transfers Out	<u>(50,000)</u>	<u>(50,000)</u>	
Excess of Revenues Over Expenditures and Other Financing Uses	78,736	137,496	58,760
Fund Balance Beginning of Year	<u>441,817</u>	<u>441,817</u>	
Fund Balance End of Year	<u><u>\$520,553</u></u>	<u><u>579,313</u></u>	<u><u>58,760</u></u>

CITY OF LINCOLN, NE
 AVIATION PROMOTION FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
 FISCAL YEAR ENDED AUGUST 31, 1986

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Real Estate and Personal Property Tax	\$	122	122
Interest	<u>35,000</u>	<u>2,577</u>	<u>(32,423)</u>
Total Revenues	<u>35,000</u>	<u>2,699</u>	<u>(32,301)</u>
Expenditures -- General Government:			
Other Services and Charges	<u>35,000</u>	<u>6,469</u>	<u>28,531</u>
Total Expenditures	<u>35,000</u>	<u>6,469</u>	<u>28,531</u>
Excess of Expenditures Over Revenues		(3,770)	(3,770)
Fund Balance Beginning of Year	<u>39,869</u>	<u>39,869</u>	-----
Fund Balance End of Year	<u><u>\$39,869</u></u>	<u><u>36,099</u></u>	<u><u>(3,770)</u></u>

CITY OF LINCOLN, NE
 CIVIL DEFENSE FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
 FISCAL YEAR ENDED AUGUST 31, 1986

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues -- Intergovernmental	\$ 85,896	<u>85,891</u>	<u>(5)</u>
Expenditures -- Public Safety:			
Personal Services	99,450	96,681	2,769
Materials and Supplies	3,625	3,414	211
Other Services and Charges	17,295	17,273	22
Capital Outlay	<u> </u>	<u>225</u>	<u>(225)</u>
Total Expenditures	<u>120,370</u>	<u>117,593</u>	<u>2,777</u>
Excess of Expenditures Over Revenues	(34,474)	(31,702)	2,772
Other Financing Sources -- Operating Transfers In	<u>34,474</u>	<u>32,122</u>	<u>(2,352)</u>
Excess of Revenues and Other Financing Sources Over Expenditures		420	420
Fund Balance Beginning of Year	<u>(3,685)</u>	<u>(3,685)</u>	<u> </u>
Fund Balance End of Year	<u>\$ (3,685)</u>	<u>(3,265)</u>	<u>420</u>

CITY OF LINCOLN, NE
 LINCOLN CITY LIBRARIES FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
 FISCAL YEAR ENDED AUGUST 31, 1986

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Taxes:			
Real Estate and Personal Property	\$1,742,864	2,259,121	516,257
Motor Vehicle	162,046	223,974	61,928
Intergovernmental	233,175	250,019	16,844
Interest	78,000	66,158	(11,842)
Miscellaneous	<u>45,200</u>	<u>55,650</u>	<u>10,450</u>
Total Revenues	<u>2,261,285</u>	<u>2,854,922</u>	<u>593,637</u>
Expenditures -- Culture and Recreation:			
Personal Services	1,800,124	1,729,998	70,126
Materials and Supplies	66,517	62,525	3,992
Other Services and Charges	403,402	387,158	16,244
Capital Outlay	<u>392,373</u>	<u>424,978</u>	<u>(32,605)</u>
Total Expenditures	<u>2,662,416</u>	<u>2,604,659</u>	<u>57,757</u>
Excess (Deficiency) of Revenues Over Expenditures	(401,131)	250,263	651,394
Other Financing Uses -- Operating Transfers Out	<u>(44,499)</u>	<u>(19,899)</u>	<u>24,600</u>
Excess (Deficiency) of Revenues Over Expenditures and Other Financing Uses	(445,630)	230,364	675,994
Fund Balance Beginning of Year	<u>890,651</u>	<u>890,651</u>	<u> </u>
Fund Balance End of Year	<u>\$ 445,021</u>	<u>1,121,015</u>	<u>675,994</u>

CITY OF LINCOLN, NE
 LINCOLN AREA AGENCY ON AGING FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
 FISCAL YEAR ENDED AUGUST 31, 1986

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental	\$ 823,691	757,906	(65,785)
Client Contributions	184,822	143,039	(41,783)
Interest		3,102	3,102
Miscellaneous		<u>16,060</u>	<u>16,060</u>
 Total Revenues	 <u>1,008,513</u>	 <u>920,107</u>	 <u>(88,406)</u>
 Expenditures -- Economic Opportunity:			
Personal Services	963,142	908,735	54,407
Materials and Supplies	324,135	261,838	62,297
Other Services and Charges	547,298	456,980	90,318
Capital Outlay	<u>1,190</u>	<u>13,728</u>	<u>(12,538)</u>
 Total Expenditures	 <u>1,835,765</u>	 <u>1,641,281</u>	 <u>194,484</u>
 Excess of Expenditures Over Revenues	 (827,252)	 (721,174)	 106,078
 Other Financing Sources:			
Operating Transfers In	<u>827,252</u>	<u>827,252</u>	<u> </u>
 Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses		 106,078	 106,078
 Fund Balance Beginning of Year	 <u>52,486</u>	 <u>52,486</u>	 <u> </u>
 Fund Balance End of Year	 <u>\$ 52,486</u>	 <u>158,564</u>	 <u>106,078</u>

CITY OF LINCOLN, NE
 LINCOLN/LANCASTER COUNTY HEALTH FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
 FISCAL YEAR ENDED AUGUST 31, 1986

	<u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Revenues:			
Intergovernmental	\$ 808,132	763,502	(44,630)
Permits and Fees	422,785	374,246	(48,539)
Interest		25,022	25,022
Miscellaneous		<u>42,326</u>	<u>42,326</u>
Total Revenues	<u>1,230,917</u>	<u>1,205,096</u>	<u>(25,821)</u>
Expenditures -- Health and Welfare:			
Personal Services	2,182,652	2,186,151	(3,499)
Materials and Supplies	85,183	93,979	(8,796)
Other Services and Charges	490,273	448,960	41,313
Capital Outlay	<u>94,275</u>	<u>110,587</u>	<u>(16,312)</u>
Total Expenditures	<u>2,852,383</u>	<u>2,839,677</u>	<u>12,706</u>
Excess of Expenditures Over Revenues	(1,621,466)	(1,634,581)	(13,115)
Other Financing Sources-- Operating Transfers In	<u>1,550,050</u>	<u>1,547,372</u>	<u>(2,678)</u>
Excess of Expenditures And Other Financing Uses Over Revenues	(71,416)	(87,209)	(15,793)
Fund Balance Beginning of Year	<u>205,189</u>	<u>205,189</u>	<u> </u>
Fund Balance End of Year	<u>\$ 133,773</u>	<u>117,980</u>	<u>(15,793)</u>

CITY OF LINCOLN, NE
 NORTHEAST RADIAL FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
 FISCAL YEAR ENDED AUGUST 31, 1986

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Real Estate and Personal Property Tax	\$ 116,243	116,243	
Rentals	205,820	78,201	(127,619)
Miscellaneous	<u> </u>	<u>418,746</u>	<u>418,746</u>
Total Revenues	<u>322,063</u>	<u>613,190</u>	<u>291,127</u>
Expenditures -- General Government:			
Personal Services	150,286	137,380	12,906
Materials and Supplies	16,741	15,645	1,096
Other Services and Charges	324,293	323,802	491
Capital Outlay	<u> </u>	<u>12,242</u>	<u>(12,242)</u>
Total Expenditures	<u>491,320</u>	<u>489,069</u>	<u>2,251</u>
Excess (Deficiency) of Revenues Over Expenditures	(169,257)	124,121	293,378
Other Financing Sources (Uses):			
Operating Transfers In		55,000	55,000
Operating Transfers Out	<u>(93,426)</u>	<u>(93,426)</u>	<u> </u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	(262,683)	85,695	348,378
Fund Balance Beginning of Year	<u>35,069</u>	<u>35,069</u>	<u> </u>
Fund Balance End of Year	<u>\$(227,614)</u>	<u>120,764</u>	<u>348,378</u>

CITY OF LINCOLN, NE
 SOCIAL SECURITY FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
 FISCAL YEAR ENDED AUGUST 31, 1986

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Taxes:			
Real Estate and Personal Property	\$653,574	895,565	241,991
Motor Vehicle	60,766	88,097	27,331
Interest	<u> </u>	<u>45,470</u>	<u>45,470</u>
Total Revenues	<u>714,340</u>	<u>1,029,132</u>	<u>314,792</u>
Expenditures -- General Government:			
Personal Services	18,998	19,053	(55)
Employer's Share Social Security	<u>795,692</u>	<u>805,220</u>	<u>(9,528)</u>
Total Expenditures	<u>814,690</u>	<u>824,273</u>	<u>(9,583)</u>
Excess (Deficiency) of Revenues Over Expenditures	(100,350)	204,859	305,209
Fund Balance Beginning of Year	<u>681,410</u>	<u>681,410</u>	<u> </u>
Fund Balance End of Year	<u>\$581,060</u>	<u>886,269</u>	<u>305,209</u>

CITY OF LINCOLN, NE
 UNEMPLOYMENT COMPENSATION FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
 FISCAL YEAR ENDED AUGUST 31, 1986

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Real Estate and Personal Property Tax	\$	156	156
Interest	_____	<u>36,160</u>	<u>36,160</u>
Total Revenues	_____	<u>36,316</u>	<u>36,316</u>
Expenditures -- General Government --			
Unemployment Compensation Payments	<u>80,000</u>	<u>10,994</u>	<u>69,006</u>
Excess (Deficiency) of Revenues Over Expenditures	(80,000)	25,322	105,322
Fund Balance Beginning of Year	<u>415,851</u>	<u>415,851</u>	_____
Fund Balance End of Year	<u>\$335,851</u>	<u>441,173</u>	<u>105,322</u>

CITY OF LINCOLN, NE
 COMMUNITY DEVELOPMENT BLOCK GRANT FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
 FISCAL YEAR ENDED AUGUST 31, 1986

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$1,408,249	1,330,000	(78,249)
Program Income	100,000	81,336	(18,664)
Miscellaneous	<u> </u>	<u>47,109</u>	<u>47,109</u>
Total Revenues	<u>1,508,249</u>	<u>1,458,445</u>	<u>(49,804)</u>
Expenditures -- Economic Opportunity:			
Personal Services	419,602	413,484	6,118
Materials and Supplies	19,496	12,086	7,410
Other Services and Charges	423,504	503,145	(79,641)
Loans and Grants	345,093	373,514	(28,421)
Capital Outlay	<u>574,940</u>	<u>330,809</u>	<u>244,131</u>
Total Expenditures	<u>1,782,635</u>	<u>1,633,038</u>	<u>149,597</u>
Excess of Expenditures Over Revenues	(274,386)	(174,593)	99,793
Other Financing Uses --			
Operating Transfers Out	<u>(60,300)</u>	<u>(31,365)</u>	<u>28,935</u>
Excess of Expenditures and Other Financing Uses Over Revenues	(334,686)	(205,958)	128,728
Fund Balance Beginning of Year	<u>(452,223)</u>	<u>(452,223)</u>	<u> </u>
Fund Balance End of Year	<u>\$ (786,909)</u>	<u>(658,181)</u>	<u>128,728</u>

CITY OF LINCOLN, NE
GRANTS-IN-AID FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
FISCAL YEAR ENDED AUGUST 31, 1986

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental	\$1,216,856	1,216,856	
Client Contributions	120,002	120,002	
Miscellaneous	<u>111,270</u>	<u>111,270</u>	
Total Revenues	<u>1,448,128</u>	<u>1,448,128</u>	
Expenditures:			
General Government:			
Personal Services	314	314	
Materials and Supplies	348	348	
Other Services and Charges	<u>12,203</u>	<u>12,203</u>	
Total General Government	12,865	12,865	
Public Safety:			
Personal Services	41,728	41,728	
Materials and Supplies	515	515	
Other Services and Charges	6,617	6,617	
Capital Outlay	<u>29,731</u>	<u>29,731</u>	
Total Public Safety	78,591	78,591	
Streets and Highways:			
Personal Services	72,710	72,710	
Materials and Supplies	288	288	
Other Services and Charges	<u>53,004</u>	<u>53,004</u>	
Total Streets and Highways	126,002	126,002	
Culture and Recreation:			
Personal Services	38,055	38,055	
Materials and Supplies	1,066	1,066	
Other Services and Charges	1,364	1,364	
Capital Outlay	<u>772</u>	<u>772</u>	
Total Culture and Recreation	41,257	41,257	

(Continued)

(Continued)

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	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Economic Opportunity:			
Personal Services	\$ 442,796	442,796	
Materials and Supplies	80,692	80,692	
Other Services and Charges	325,738	325,738	
Capital Outlay	<u>3,702</u>	<u>3,702</u>	
Total Economic Opportunity	852,928	852,928	
Health and Welfare:			
Personal Services	224,892	224,892	
Materials and Supplies	23,730	23,730	
Other Services and Charges	61,032	61,032	
Capital Outlay	<u>42,300</u>	<u>42,300</u>	
Total Health and Welfare	<u>351,954</u>	<u>351,954</u>	
Total Expenditures	<u>1,463,597</u>	<u>1,463,597</u>	
Excess of Expenditures Over Revenues	(15,469)	(15,469)	
Other Financing Sources (Uses):			
Operating Transfers In	118,042	118,042	
Operating Transfers Out	<u>(13,899)</u>	<u>(13,899)</u>	
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	88,674	88,674	
Fund Balance Beginning of Year	<u>(568,087)</u>	<u>(568,087)</u>	
Fund Balance End of Year	<u>\$ (479,413)</u>	<u>(479,413)</u>	

CITY OF LINCOLN, NE
REVENUE SHARING FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
FISCAL YEAR ENDED AUGUST 31, 1986

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Revenue Sharing Allocation	\$2,477,932	2,316,566	(161,366)
Interest	<u> </u>	<u>29,248</u>	<u>29,248</u>
Total Revenues	<u>2,477,932</u>	<u>2,345,814</u>	<u>(132,118)</u>
Streets and Highways --			
Capital Outlay	939	850	89
Economic Opportunity --			
Other Services and Charges	10,207		10,207
Health and Welfare --			
Other Services and Charges	<u>37,542</u>	<u>37,222</u>	<u>320</u>
Total Expenditures	<u>48,688</u>	<u>38,072</u>	<u>10,616</u>
Excess of Revenues Over Expenditures	2,429,244	2,307,742	(121,502)
Other Financing Sources (Uses):			
Operating Transfers In		4,473	4,473
Operating Transfers Out	<u>(2,433,717)</u>	<u>(2,431,669)</u>	<u>2,048</u>
Excess of Expenditures and Other Financing Uses Over Revenues and Other Financing Sources	(4,473)	(119,454)	(114,981)
Fund Balance Beginning of Year	<u>222,179</u>	<u>222,179</u>	<u> </u>
Fund Balance End of Year	<u>\$ 217,706</u>	<u>102,725</u>	<u>(114,981)</u>

CITY OF LINCOLN, NE
 JOB TRAINING PROGRAMS FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
 FISCAL YEAR ENDED AUGUST 31, 1986

	<u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Revenues -- Intergovernmental	<u>\$1,231,123</u>	<u>1,231,123</u>	_____
Expenditures -- Economic Opportunity:			
Personal Services	672,214	672,214	
Materials and Supplies	10,415	10,415	
Other Services and Charges	539,128	539,128	
Capital Outlay	<u>2,040</u>	<u>2,040</u>	_____
Total Expenditures	<u>1,223,797</u>	<u>1,223,797</u>	_____
Excess of Revenues Over Expenditures	7,326	7,326	
Fund Balance Beginning of Year	<u>(173,211)</u>	<u>(173,211)</u>	_____
Fund Balance End of Year	<u>\$ (165,885)</u>	<u>(165,885)</u>	=====

CITY OF LINCOLN, NE
 STREET CONSTRUCTION FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
 FISCAL YEAR ENDED AUGUST 31, 1986

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$6,215,000	6,732,351	517,351
Permits and Fees		117,793	117,793
Interest	480,000	452,023	(27,977)
Miscellaneous	<u>869,398</u>	<u>250,813</u>	<u>(618,585)</u>
 Total Revenues	 <u>7,564,398</u>	 <u>7,552,980</u>	 <u>(11,418)</u>
 Expenditures -- Streets and Highways:			
Personal Services	1,196,233	1,107,472	88,761
Materials and Supplies	219,574	186,506	33,068
Other Services and Charges	553,935	593,806	(39,871)
Capital Outlay -- Equipment	<u>10,056</u>	<u>5,464</u>	<u>4,592</u>
 Total Expenditures	 <u>1,979,798</u>	 <u>1,893,248</u>	 <u>86,550</u>
 Excess of Revenues Over Expenditures	 5,584,600	 5,659,732	 75,132
 Other Financing Sources (Uses):			
Operating Transfers In	350,999	350,999	
Operating Transfers Out	<u>(5,873,636)</u>	<u>(5,873,636)</u>	
 Excess of Expenditures and Other Financing Uses Over Revenues and Other Financing Sources	 61,963	 137,095	 75,132
 Fund Balance Beginning of Year	 <u>5,807,975</u>	 <u>5,807,975</u>	
 Fund Balance End of Year	 <u>\$5,869,938</u>	 <u>5,945,070</u>	 <u>75,132</u>

CITY OF LINCOLN, NE
 ATHLETIC FIELD AND FACILITIES IMPROVEMENT FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
 FISCAL YEAR ENDED AUGUST 31, 1986

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Interest	\$	9,667	9,667
Miscellaneous	<u>60,300</u>	<u>65,162</u>	<u>4,862</u>
Total Revenues	<u>60,300</u>	<u>74,829</u>	<u>14,529</u>
Other Financing Uses --			
Operating Transfers Out	<u>(118,432)</u>	<u>(67,516)</u>	<u>50,916</u>
Excess (Deficiency) of Revenues Over Other Financing Uses	(58,132)	7,313	65,445
Fund Balance Beginning of Year	<u>141,121</u>	<u>141,121</u>	-----
Fund Balance End of Year	<u>\$ 82,989</u>	<u>148,434</u>	<u>65,445</u>

CITY OF LINCOLN, NE
 SANITARY DISTRICT FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
 FISCAL YEAR ENDED AUGUST 31, 1985

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues -- Interest and Miscellaneous	\$ <u>15,000</u>	<u>17,769</u>	<u>2,769</u>
Expenditures -- Sanitation -- Capital Outlay	<u>173,000</u>	<u>173,000</u>	_____
Excess of Expenditures Over Revenues	(158,000)	(155,231)	2,769
Fund Balance Beginning of Year	<u>94,515</u>	<u>94,515</u>	_____
Fund Balance End of Year	<u><u>\$(63,485)</u></u>	<u><u>(60,716)</u></u>	<u><u>2,769</u></u>

CITY OF LINCOLN, NE
 CABLE ACCESS TELEVISION
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
 FISCAL YEAR ENDED AUGUST 31, 1986

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues-Miscellaneous	\$ 600,000	400,000	(200,000)
Expenditures-General Government- Other Services and Charges	<u>600,000</u>	_____	<u>600,000</u>
Excess of Revenues Over Expenditures		400,000	400,000
Other Financing Sources- Operating Transfers In	_____	<u>100,000</u>	<u>100,000</u>
Excess of Revenues and Other Financing Sources over Expenditures		500,000	500,000
Fund Balance Beginning of Year	_____	_____	_____
Fund Balance End of Year	<u>\$ _____</u>	<u>500,000</u>	<u>500,000</u>

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D E B T S E R V I C E F U N D S

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 1985 Cornhusker Square tax allocation bonds and the 1984 Gold's Galleria tax allocation bonds. Resources are derived from additional taxes generated by the above properties upon completion of the Redevelopment Projects.

Bond Interest and Redemption Fund - To accumulate resources for payment of principal and interest on the several general obligation bond issues outstanding as follows:

1971	Various Purpose Bonds
1978	Storm Sewer Construction Bonds
1979	Swimming Pool Construction Bonds
1980	Storm Sewer Construction Bonds
1981	Transit System Improvement Bonds
1983	Storm Sewer Construction Bonds
1983	Auditorium and Fire Department Capital Improvement Bonds
1985	Downtown Redevelopment Bonds
1986	Various Purpose Bonds

Resources are derived from an annual tax levy.

CITY OF LINCOLN, NE
DEBT SERVICE FUNDS
COMBINING BALANCE SHEET
AUGUST 31, 1986
With Comparative Totals for August 31, 1985

	Tax Allocation Projects Debt Service	Bond Interest and Redemption	Totals	
			1986	1985
<u>ASSETS</u>				
Cash Held by City Treasurer	\$ 314,103	1,851,444	2,165,547	810,640
Investments (At Cost)	491,619		491,619	365,377
Receivables:				
Taxes	45,426	469,992	515,418	708,783
Accrued Interest	15,834	7,069	22,903	16,727
Due From Other Funds	9,718	128,668	138,386	81,079
Due From Other Governments		22,915	22,915	
 Total Assets	 \$ 876,700	 2,480,088	 3,356,788	 1,982,606
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Bond Principal Payable	5,000	30,000	35,000	5,000
Bond Interest Payable	1,425	6,706	8,131	5,256
Deferred Revenues		151,038	151,038	96,639
Total Liabilities	6,425	187,744	194,169	106,895
 Fund Balances -- Reserved for Debt Service	 870,275	 2,292,344	 3,162,619	 1,875,711
 Total Liabilities and Fund Balances	 \$ 876,700	 2,480,088	 3,356,788	 1,982,606

CITY OF LINCOLN, NE
DEBT SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
FISCAL YEAR ENDED AUGUST 31, 1986
With Comparative Totals for Fiscal Year Ended August 31, 1985

	Tax Allocation Projects <u>Debt Service</u>	Bond Interest and <u>Redemption</u>	<u>Totals</u>	
			1986	1985
Revenues:				
Real Estate and Personal Property Tax	\$ 641,175	2,302,114	2,943,289	2,078,742
Taxes Collected by Others		280,305	280,305	165,654
Intergovernmental		1,063	1,063	588
Interest	57,744	82,376	140,120	118,582
	<hr/>			
Total Revenues	698,919	2,665,858	3,364,777	2,363,566
Expenditures:				
Principal Retirement	160,000	890,000	1,050,000	4,870,000
Interest	449,125	577,994	1,027,119	1,165,805
Fiscal Charges		750	750	122,411
	<hr/>			
Total Expenditures	609,125	1,468,744	2,077,869	6,158,216
Excess (Deficiency) of Revenues Over Expenditures	89,794	1,197,114	1,286,908	(3,794,650)
Other Financing Sources (Uses):				
Tax Allocation Bond Proceeds				3,970,000
	<hr/>			
Total Other Financing Sources:				3,970,000
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses Before Extraordinary Item	89,794	1,197,114	1,286,908	175,350
Extraordinary Item, Loss on Extinguishment of Debt				(320,709)
<hr/>				
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	89,794	1,197,114	1,286,908	(145,359)
Fund Balances Beginning of Year	780,481	1,095,230	1,875,711	1,793,612
<hr/>				
Residual Equity Transfers In				227,458
<hr/>				
Fund Balances End of Year	\$ 870,275	2,292,344	3,162,619	1,875,711

CITY OF LINCOLN, NE
DEBT SERVICE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
FISCAL YEAR ENDED AUGUST 31, 1986

	Tax Allocation Projects Debt Service			Bond Interest and Redemption			Totals		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:									
Real Estate and Personal Property Tax	\$ 651,300	640,212	(11,088)	2,142,270	2,519,909	377,639	2,793,570	3,160,121	366,551
Taxes Collected by Others		57,874	57,874	199,182	257,390	58,208	199,182	315,264	116,082
Intergovernmental					1,063	1,063		1,063	1,063
Interest				50,000	49,695	(305)	50,000	49,695	(305)
Total Revenues	651,300	698,086	46,786	2,391,452	2,828,057	436,605	3,042,752	3,526,143	483,391
Expenditures:									
Principal Retirement	160,000	160,000		890,000	860,000	30,000	1,050,000	1,020,000	30,000
Interest	491,300	450,006	41,294	575,044	574,238	806	1,066,344	1,024,244	42,100
Fiscal Charges					750	(750)		750	(750)
Total Expenditures	651,300	610,006	41,294	1,465,044	1,434,988	30,056	2,116,344	2,044,994	71,350
Excess of Revenues Over Expenditures		88,080	88,080	926,408	1,393,069	466,661	926,408	1,481,149	554,741
Fund Balances Beginning of Year	703,915	703,915		1,044,068	1,044,068		1,747,983	1,747,983	
Fund Balances End of Year	\$ 703,915	791,995	88,080	1,970,476	2,437,137	466,661	2,674,391	3,229,132	554,741

C A P I T A L P R O J E C T S F U N D S

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, special assessments, and trust funds).

Storm Sewer Bond Construction Fund - To account for the cost of improving and extending storm sewers. Financing is provided by General Obligation Bond proceeds.

Storm Sewer Construction Fund - To account for the cost of improving and extending the storm sewer system within the City. Financing is provided through property tax revenue.

Street Construction Fund - To account for the cost of constructing and improving streets and highways in the City. Financing is provided from Highway Allocation fees.

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.

Sanitary Landfill Purchase and Construction - To account for the cost of acquiring and preparing a new sanitary landfill site for the City of Lincoln. Financing is to be provided by General Obligation Bond proceeds.

Downtown Redevelopment Project Fund - To account for the cost of acquiring real property and development within the area included in the Lincoln Center Retail Revitalization/Redevelopment Project.

Other Capital Project Funds - 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.

CITY OF LINCOLN, NE
CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
AUGUST 31, 1986
With Comparative Totals for August 31, 1985

	Storm	Storm	Street	Vehicle	Sanitary	Downtown	Other	Totals	
	Sewer Bond	Sewer			Landfill			Capital	1986
	Construction	Construction	Construction	Tax	Purchase and	Redevelopment	Projects		
<u>ASSETS</u>									
Cash Held by City Treasurer	\$ 69,324	38,440		127,746	131,886	51,417	195,892	614,705	729,524
Investments (At Cost)	4,380,760	118,000		965,000	1,399,000	11,522,168		18,384,928	2,171,709
Receivables:									
Accounts	4,758			192,413				197,171	184,087
Accrued Interest	64,320	56		4,515		278	631	69,800	30,077
Due From Other Funds		102	804,159	5,167	1,153	1,769	120,646	932,996	1,287,153
Due From Other Governments									89,219
Total Assets	\$ 4,519,162	156,598	804,159	1,294,841	1,532,039	11,575,632	317,169	20,199,600	4,491,769
<u>LIABILITIES AND FUND BALANCES</u>									
<u>Liabilities:</u>									
Vouchers Payable			182,310	38,401			4,339	225,050	51,975
Contracts Payable	122,392		478,510	284,109			38,615	923,626	1,616,582
Accounts Payable	20,705	425	36,258	1,556	1,172		15,131	75,247	28,234
Due to Other Funds	10,194		107,081	10,309				127,584	99,406
Total Liabilities	153,291	425	804,159	334,375	1,172		58,085	1,351,507	1,796,197
<u>Fund Balances:</u>									
Reserved for Encumbrances	885,771			143,705	63,774		97,993	1,191,243	1,063,240
Unreserved:									
Designated for Subsequent									
Year's Expenditures	3,347,389	60,000		99,385	952,291		161,091	4,620,156	770,076
Undesignated	132,711	96,173		717,376	514,802	11,575,632		13,036,694	862,256
Total Fund Balances	4,365,871	156,173		960,466	1,530,867	11,575,632	259,084	18,848,093	2,695,572
Total Liabilities and									
Fund Balances	\$ 4,519,162	156,598	804,159	1,294,841	1,532,039	11,575,632	317,169	20,199,600	4,491,769

CITY OF LINCOLN, NE
 CAPITAL PROJECTS FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES
 FISCAL YEAR ENDED AUGUST 31, 1986
 With Comparative Totals for Fiscal Year Ended August 31, 1985

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	Storm	Storm	Street	Vehicle	Downtown	Sanitary	Other	Totals	
	Sewer Bond Construction	Sewer Construction	Construction	Tax	Redevelopment	Landfill Purchase & Construction	Capital Projects	1986	1985
Revenues:									
Wheel Tax	\$			2,176,746				2,176,746	2,144,186
Intergovernmental	78,655			215,982			1,741	296,378	357,008
Interest	201,538	3,073		141,496	294,713	45,449	13,939	700,208	379,239
Donations							180,000	180,000	46,779
Miscellaneous	20,638	195		10,884	20,832		16,660	69,209	126,859
Total Revenues	300,831	3,268		2,545,108	315,545	45,449	212,340	3,422,541	3,054,071
Expenditures -- Capital Outlay:									
Construction Contracts	1,001,280	30,513	3,698,240	3,069,999			742,698	8,542,730	8,868,038
Engineering and Other	634,999	10,690	1,726,169	311,015	271,188	147,646	62,650	3,164,357	3,352,501
Interest and Fiscal Charges					468,725			468,725	
Total Expenditures	1,636,279	41,203	5,424,409	3,381,014	739,913	147,646	805,348	12,175,812	12,220,539
Excess (Deficiency) of Revenues Over Expenditures	(1,335,448)	(37,935)	(5,424,409)	(835,906)	(424,368)	(102,197)	(593,008)	(8,753,271)	(9,166,468)
Other Financing Sources (Uses):									
Operating Transfers In	78,000	138,000	5,424,409	4,490		60,000	647,379	6,352,278	8,683,977
Operating Transfers Out				(261,000)			(486)	(261,486)	(290,610)
Bond Anticipation Note Proceeds	2,200,000					475,000		2,675,000	
Bond Anticipation Notes Paid	(2,200,000)					(475,000)		(2,675,000)	
General Obligation Bond Proceeds	5,355,000				12,000,000	1,460,000		18,815,000	
Total Other Financing Sources (Uses)	5,433,000	138,000	5,424,409	(256,510)	12,000,000	1,520,000	646,893	24,905,792	8,393,367
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	4,097,552	100,065		(1,092,416)	11,575,632	1,417,803	53,885	16,152,521	(773,101)
Fund Balances Beginning of Year	268,319	56,108		2,052,882		113,064	205,199	2,695,572	4,602,366
Residual Equity Transfers Out									(1,133,693)
Fund Balances End of Year	\$ 4,365,871	156,173		960,466	11,575,632	1,530,867	259,084	18,848,093	2,695,572

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SPECIAL ASSESSMENT FUND

This special assessment fund was established to account for the financing of public improvements or services deemed to benefit the properties against which special assessments are levied. Costs assessed to benefited properties are payable in annual installments over a specified period. Annual installment payments are used to pay principal and interest on long-term debt. Working capital is provided through the issuance of special assessment bonds.

CITY OF LINCOLN, NE
SPECIAL ASSESSMENT FUND
BALANCE SHEETS
AUGUST 31, 1986 and 1985

	<u>1986</u>	<u>1985</u>
<u>ASSETS</u>		
Cash Held by City Treasurer	\$ 904,507	1,881,947
Investments (At Cost)	8,917,917	6,899,781
Receivables:		
Special Assessments (Net of Allowance for Estimated Uncollectable Assessments of \$985,957 in 1986 and \$1,223,520 in 1985):		
Current	969,918	2,600,000
Delinquent	2,809,813	2,667,779
Deferred	<u>8,380,402</u>	<u>9,822,300</u>
	12,160,133	15,090,079
Accounts	21,524	33,307
Accrued Interest	<u>154,818</u>	<u>102,767</u>
Total Receivables	<u>12,336,475</u>	<u>15,226,153</u>
Due From Other Funds	<u>64,966</u>	<u>99,871</u>
Total Assets	<u><u>\$22,223,865</u></u>	<u><u>\$24,107,752</u></u>
<u>LIABILITIES AND FUND BALANCES</u>		
Liabilities:		
Vouchers Payable	60,211	
Contracts Payable	261,637	145,494
Accounts Payable	45,992	17,476
Accrued Compensated Absences	1,836	2,357
Accrued Liabilities	1,259	1,543
Due to Other Funds	14,252	10,288
Deferred Revenues	8,380,402	9,822,300
Bonds Payable	19,430,000	21,535,000
Bond Interest Payable	<u>11,622</u>	<u>7,637</u>
Total Liabilities	<u>28,207,211</u>	<u>31,542,095</u>
Fund Balance:		
Reserved for:		
Encumbrances	164,825	108,369
Unreserved:		
Designated for Future Debt Service	3,223,215	3,451,683
Undesignated	<u>(9,371,386)</u>	<u>(10,994,395)</u>
Total Fund Balance	<u>(5,983,346)</u>	<u>(7,434,343)</u>
Total Liabilities and Fund Balance	<u><u>\$22,223,865</u></u>	<u><u>24,107,752</u></u>

CITY OF LINCOLN, NE
SPECIAL ASSESSMENT FUND
STATEMENTS OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
FISCAL YEARS ENDED AUGUST 31, 1986 and 1985

	<u>1986</u>	<u>1985</u>
Revenues:		
Special Assessments	\$ 2,172,655	2,527,524
Special Assessment Interest	1,862,029	1,392,063
Interest on Investments	615,043	753,012
Miscellaneous	63,876	121,279
Developers' Share of Districts	<u>74,362</u>	<u>20,359</u>
Total Revenues	<u>4,787,965</u>	<u>4,814,237</u>
Expenditures:		
Administrative Costs	112,524	71,546
Interest and Fiscal Charges	1,347,114	1,466,621
Capital Projects	<u>1,889,928</u>	<u>1,289,790</u>
Total Expenditures	<u>3,349,566</u>	<u>2,827,957</u>
Excess of Revenues Over Expenditures	1,438,399	1,986,280
Other Financing Sources (Uses):		
Operating Transfers In	26,283	192,159
Operating Transfers Out	<u>(13,685)</u>	<u>(3,943)</u>
Total Other Financing Sources	12,598	188,216
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	1,450,997	2,174,496
Fund Balance Beginning of Year	<u>(7,434,343)</u>	<u>(9,608,839)</u>
Fund Balance End of Year	<u><u>\$(5,983,346)</u></u>	<u><u>(7,434,343)</u></u>

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PROPRIETARY FUNDS

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ENTERPRISE FUNDS

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

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

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

Parking Facilities Fund - To account for the revenues and expenses of two downtown parking garages, the Centrum Parking facility and the Cornhusker Square parking facility.

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

Sanitary Landfill - To account for the revenues and expenses of the City owned landfill.

Lincoln General Hospital Fund - To account for the revenues and expenses of the City-owned general hospital.

Lincoln Transportation System Fund - To account for the revenues and expenses of the City-owned transit system.

Lincoln Sanitary Sewer System Fund - To account for the revenues and expenses of the City-owned wastewater utility.

Lincoln Water System Fund - To account for the revenues and expenses of the City-owned water utility.

Lincoln Electric System Fund - To account for the revenues and expenses of the City-owned electric utility.

CITY OF LINCOLN, NE
ENTERPRISE FUNDS
COMBINING BALANCE SHEET
AUGUST 31, 1986
With Comparative Totals for August 31, 1985

	Parking Lot Revolving	Golf	Parking Facilities	Pershing Municipal Auditorium	Sanitary Landfill	Lincoln General Hospital	Lincoln Transpor- tation System	Lincoln Sanitary Sewer System	Lincoln Water System	Lincoln Electric System	Totals	
											1986	1985
ASSETS												
Current Assets:												
Cash Held by City Treasurer	\$ 64,347	329,644	193,929	31,784	160,909	149,890	1,636,706	345,000	390,000		3,302,209	1,991,877
Cash on Hand and in Other Accounts		28,727	7,411	28,418		157,038	31,144		2,100	1,997,450	2,252,288	1,366,183
Investments (At Cost)	240,000	489,243				5,766,689	358,920			32,419,021	39,273,873	37,001,568
Receivables:												
Accounts	1,140	4,745	8,055	3,143	155,310	6,986,781	163,860	666,091	1,190,195	8,881,611	18,060,931	14,894,988
Accrued Interest	1,653	9,254	736		438	119,931	37,160				169,172	101,286
Unbilled Accounts								801,394	1,299,124	3,752,318	5,852,836	5,844,499
Due From Other Funds	11,131	13,862	10,096		1,671						36,760	48,168
Due From Other Governments							9,486				9,486	1,119,617
Inventory (At Cost)		38,380		9,636		690,272	371,729	75,365	861,075	1,708,864	3,755,321	4,039,323
Plant Operation Assets										6,703,178	6,703,178	8,511,702
Prepaid Expenses				108		145,581	8,400	9,967	19,383	214,673	398,112	305,772
Unamortized Bond Issuance Expense			49,140					149,520	178,504		377,164	334,260
Deferred Charges						647,269					647,269	687,365
Total Current Assets	\$318,271	913,855	269,367	73,089	318,328	14,663,451	2,617,405	2,047,337	3,940,381	55,677,115	80,838,599	76,246,608
Other Assets:												
Deferred Charges										7,104,903	7,104,903	7,130,908
Advance Payments on Nuclear Fuel										6,467,168	6,467,168	7,169,971
Total Other Assets										13,572,071	13,572,071	14,300,879
Restricted Assets:												
Cash		42,894	129			46,092		1,459,573	1,809,454	8,858	3,367,000	3,507,782
Cash on Hand and in Other Accounts		2,393									2,393	2,259
Investments (At Cost)		146,931	1,088,259			3,624,991		7,391,510	5,266,363	31,258,946	48,777,000	47,644,029
Receivables:												
Accrued Interest		2,244				39,632		167,307	194,527		403,710	534,205
Due From Other Funds		5,306									5,306	1,696
Student Loans Receivable												14,649
Total Restricted Assets		199,768	1,088,388			3,710,715		9,018,390	7,270,344	31,267,804	52,555,409	51,704,620
Property, Plant, and Equipment:												
Land	2,400	670,800	1,246,730	46,500		1,651,838	102,020	2,005,973	3,099,013		8,825,274	8,826,651
Buildings		712,707	7,387,418	2,868,178	35,090	26,642,881	1,842,026	20,606,733	18,216,778		78,311,811	78,058,162
Improvements Other Than Buildings		1,260,246	27,100	32,608		1,776,560	284,470	49,655,940	55,325,721		108,362,645	106,687,560
Machinery and Equipment		449,619	136,250	685,137	406,847	7,050,778	4,869,251	2,233,006	1,748,656		17,579,544	15,685,473
Utility Plant										356,037,699	356,037,699	343,620,043
Construction in Progress	11,448						15,661	3,136,022	11,092,959	12,597,645	26,853,735	24,246,203
Total	13,848	3,093,372	8,797,498	3,632,423	441,937	37,122,057	7,113,428	77,637,674	89,483,127	368,635,344	595,970,708	577,124,092
Less Accumulated Depreciation		(694,230)	(1,243,134)	(2,059,077)	(314,585)	(11,850,132)	(3,758,709)	(18,578,831)	(21,834,329)	(62,372,347)	(122,705,374)	(108,463,657)
Net Property, Plant, and Equipment	13,848	2,399,142	7,554,364	1,573,346	127,352	25,271,925	3,354,719	59,058,843	67,648,798	306,262,997	473,265,334	468,660,435
Total Assets	\$332,119	3,512,765	8,912,119	1,646,435	445,680	43,646,091	5,972,124	70,124,570	78,859,523	406,779,987	620,231,413	610,912,542

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	Parking Lot Revolving	Golf	Parking Facilities	Pershing Municipal Auditorium	Sanitary Landfill	Lincoln General Hospital	Lincoln Transpor- tation System	Lincoln Sanitary Sewer System	Lincoln Water System	Lincoln Electric System	Totals	
											1986	1985
LIABILITIES AND FUND BALANCE												
Liabilities:												
Current Liabilities (Payable from Current Assets):												
Cash Overdraft	\$											380,557
Equipment Contracts Payable												24,721
Vouchers Payable		3,750		715							4,465	15,965
Accounts Payable	1,254	38,692	7,536	31,289	17,200	1,490,246	1,425,501	198,595	407,529	4,869,193	8,487,035	7,801,248
Accrued Liabilities		11,200		14,664	9,071	2,524,827	76,052	76,023	71,137	4,144,990	6,927,964	6,686,744
Due to Other Funds	66	11,672			1,407						13,145	11,923
Notes Payable										5,000,000	5,000,000	5,000,000
Accrued Compensated Absences		27,443		18,252	16,310		103,091	123,554	138,838		427,488	398,390
Other				14,079		1,255,869	79,706			1,205,982	2,555,636	1,229,581
Total Current Liabilities (Payable from Current Assets)	1,320	92,757	7,536	78,999	43,988	5,270,942	1,684,350	398,172	617,504	15,220,165	23,415,733	21,549,129
Current Liabilities (Payable from Restricted Assets):												
Construction Contracts						24,258		204,055	708,415		936,728	1,449,797
Accounts Payable												19
Accrued Interest			63,283					98,039	210,996	7,519,107	7,891,425	7,781,518
Fuel Credit Obligation Notes										1,140,000	1,140,000	1,640,000
Current Portion of Revenue Bonds			110,000			125,000		570,000	854,000	3,350,000	5,009,000	4,590,000
Advance from Federal Government												95,001
Total Current Liabilities (Payable from Restricted Assets):			173,283			149,258		872,094	1,773,411	12,009,107	14,977,153	15,556,335
Long Term Liabilities:												
Accrued Compensated Absences		11,329		911			45,839	74,691	141,497		274,267	263,262
Deferred Credits and Other										2,691,063	2,691,063	2,240,732
Equipment Contracts												43,443
Fuel Credit Obligation Notes (Net of Current Portion)										2,710,000	2,710,000	3,850,000
Revenue Bonds (Net of Current Portion)			3,430,000			18,865,000		10,335,000	13,470,000	304,165,000	350,265,000	352,524,000
Total Long Term Liabilities		11,329	3,430,000	911		18,865,000	45,839	10,409,691	13,611,497	309,566,063	355,940,330	358,921,437
Total Liabilities	1,320	104,086	3,610,819	79,910	43,988	24,285,200	1,730,189	11,679,957	16,002,412	336,795,335	394,333,216	396,026,901
Fund Equity:												
Contributed Capital	2,400	226,104	3,847,159	1,544,377	127,352		4,241,935	33,526,231	17,376,859		60,892,417	61,343,299
Retained Earnings:												
Reserved For:												
Debt Service			915,105					3,345,215	5,688,886		9,949,206	9,237,232
Improvements						3,530,687					3,530,687	4,189,967
Restricted Funds		199,768				30,770		4,801,081	(191,953)	19,258,697	24,098,363	21,894,463
Unreserved	328,399	2,982,807	539,036	22,148	274,340	15,799,434		16,772,086	39,983,319	50,725,955	127,427,524	118,220,680
Total Retained Earnings	328,399	3,182,575	1,454,141	22,148	274,340	19,360,891		24,918,382	45,480,252	69,984,652	165,005,780	153,542,342
Total Fund Equity	330,799	3,408,679	5,301,300	1,566,525	401,692	19,360,891	4,241,935	58,444,613	62,857,111	69,984,652	225,898,197	214,885,641
Total Liabilities and Fund Equity	\$332,119	3,512,765	8,912,119	1,646,435	445,680	43,646,091	5,972,124	70,124,570	78,859,523	406,779,987	620,231,413	610,912,542

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CITY OF LINCOLN, NE
ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN RETAINED EARNINGS
FISCAL YEAR ENDED AUGUST 31, 1986
With Comparative Totals for Fiscal Year Ended August 31, 1985

	Parking Lot Revolving	Golf	Parking Facilities	Pershing Municipal Auditorium	Sanitary Landfill	Lincoln General Hospital	Lincoln Transport- ation System	Lincoln Sanitary Sewer System	Lincoln Water System	Lincoln Electric System	Totals	
											1986	1985
Operating Revenues:												
Charges for Services	\$					30,300,249	1,219,632	7,169,620	9,391,051	96,743,729	144,824,281	147,228,084
Fees		999,340			171,119						1,170,459	977,127
Parking Facility Revenue	33,033		887,271								920,304	873,353
Performance Revenue				1,112,108							1,112,108	1,003,431
Other Operating Revenue				235,942		713,124			144,332		1,093,398	1,201,633
Total Operating Revenue	33,033	999,340	887,271	1,348,050	171,119	31,013,373	1,219,632	7,169,620	9,535,383	96,743,729	149,120,550	151,283,628
Operating Expenses:												
Personal Services	1,461	407,491		452,591	25,381		2,678,343				3,565,267	3,457,496
Contractual Services			287,755	847,862			325,375				1,460,992	1,312,631
Operation and Maintenance	6,835	339,755		335,540	18,607	22,678,473	1,134,413	3,699,496	3,707,233	4,693,414	36,613,766	34,814,574
Purchased Power										48,615,106	48,615,106	50,745,016
Depreciation		69,262	210,935	152,450	4,567	2,167,655	426,080	1,493,934	1,300,623	10,351,053	16,176,559	15,072,899
Payments in Lieu of Taxes										3,955,607	3,955,607	3,847,778
Administrative						4,968,240		775,961	1,214,173	5,628,500	12,586,874	11,924,432
Total Operating Expenses	8,296	816,508	498,690	1,788,443	48,555	29,814,368	4,564,211	5,969,391	6,222,029	73,243,680	122,974,171	121,174,826
Operating Income (loss)	24,737	182,832	388,581	(440,393)	122,564	1,199,005	(3,344,579)	1,200,229	3,313,354	23,500,049	26,146,379	30,108,802
Non-Operating Revenues (Expenses):												
Interest	18,005	57,373	98,919		2,109	675,578	18,944	510,848	696,679	5,781,318	7,859,773	8,579,267
Gain (Loss) on Disposal of Assets					145,100	5,611		(73,045)	(222,504)		(144,838)	13,893
Operating Grants							873,920				873,920	1,711,140
Amortization of Deferred Charges			(2,891)					(10,313)	(12,840)	(1,603,766)	(1,629,810)	(2,256,744)
Donations						218,853					218,853	83,091
Interest and Fiscal Charges			(292,568)			(2,137,889)		(515,405)	(595,606)	(22,244,720)	(25,786,188)	(25,301,638)
Miscellaneous							7,421	20,508	19,931		47,860	46,235
Total Non-Operating Revenues (Expenses)	18,005	57,373	(196,540)		147,209	(1,237,847)	900,285	(67,407)	(114,340)	(18,067,168)	(18,560,430)	(17,124,756)
Other Financing Sources —												
Operating Transfers in				292,974			2,018,214				2,311,188	1,183,425
Net Income (Loss)	42,742	240,205	192,041	(147,419)	269,773	(38,842)	(426,080)	1,132,822	3,199,014	5,432,881	9,897,137	14,167,471
Depreciation Transfer on Contributed Capital												
		1,307	111,015	137,153	4,567		426,080	610,435	275,744		1,566,301	1,543,147
Increase (Decrease) in Retained Earnings	42,742	241,512	303,056	(10,266)	274,340	(38,842)		1,743,257	3,474,758	5,432,881	11,463,438	15,710,618
Retained Earnings Beginning of Year	285,657	2,941,063	1,151,085	32,414		19,399,733		23,175,125	42,005,494	64,551,771	153,542,342	137,831,724
Retained Earnings End of Year	\$328,399	3,182,575	1,454,141	22,148	274,340	19,360,891		24,918,382	45,480,252	69,984,652	165,005,780	153,542,342

CITY OF LINCOLN, NE
 ENTERPRISE FUNDS
 COMBINING STATEMENT OF CHANGES IN FINANCIAL POSITION
 FISCAL YEAR ENDED AUGUST 31, 1986
 With Comparative Totals For Fiscal Year Ended August 31, 1985

	Parking Lot Revolving	Golf	Parking Facilities	Pershing Municipal Auditorium	Sanitary Landfill	Lincoln General Hospital	Lincoln Transport- ation System	Lincoln Sanitary Sewer System	Lincoln Water System	Lincoln Electric System	Totals	
											1986	1985
Sources of Working Capital:												
Net Income (Loss)	\$42,742	240,205	192,041	(147,419)	269,773	(38,842)	(426,080)	1,132,822	3,199,014	5,432,881	9,897,137	14,167,471
Items Which Do Not Use (Provide)												
Working Capital:												
Depreciation		69,262	210,935	152,450	4,567	2,167,655	426,080	1,619,240	1,408,774	10,351,053	16,410,016	15,286,229
Amortization						40,096		10,313	12,840	1,603,766	1,667,015	2,256,744
(Gain) Loss on Disposal of Assets					(145,100)	(5,611)		73,045	222,504		144,838	(13,111)
Allowance for Funds Used During Construction and for Advance Payment for Nuclear Fuel Write-off of Power Study Costs										(304,568)	(304,568)	(493,244)
												23,087
Working Capital Provided by Operations	42,742	309,467	402,976	5,031	129,240	2,163,298		2,835,420	4,843,132	17,083,132	27,814,438	31,227,176
Increase in Accrued Compensated Absences		225		8			231	10,707			11,171	47,489
Decrease in Assets Held Under Bond Ord.										100,136	100,136	10,682
Proceeds From Sale of Fixed Assets					145,100	58,896		15,451	83,564		303,011	14,771
Issuance of Revenue Bonds								2,750,000			2,750,000	
Contribution in Aid of Construction and Existing Plant								294,954	408,948		703,902	654,453
Decrease in Restricted Assets		128,702				817,994			1,105,070		2,051,766	3,908,734
Increase in Liabilities Payable From Restricted Assets			4,536					23,627	82,167		110,330	344,683
Contributed Capital				88,813	127,352		154,110				370,275	1,344,651
Increase in Deferred Credits and Other Other Sources										450,431	450,431	369,677
Net Decrease in Working Capital			17,636				67,399				85,035	500,406
	\$42,742	438,394	425,148	93,852	401,692	3,040,188	221,740	5,930,159	6,522,881	17,633,699	34,750,495	38,513,216

(Cont Inued)

	Parking Lot Revolving	Golf	Parking Facilities	Pershing Municipal Auditorium	Sanitary Landfill	Lincoln General Hospital	Lincoln Transport- ation System	Lincoln Sanitary Sewer System	Lincoln Water System	Lincoln Electric System	Totals	
											1986	1985
Uses of Working Capital:												
Acquisition of Property, Plant, and Equipment	\$ 9,702	274,644	54,968	88,878	127,352	1,213,633	221,740	1,927,756	5,376,288	12,419,520	21,714,681	24,606,121
Decrease in Accrued Long Term Compensated Absences									166		166	
Increase in Board Designated Funds						1,323,324					1,323,324	378,216
Decrease in Current Liabilities (Payable From Restricted Assets)		19									19	34,898
Increase in Restricted Assets and Special Deposits			260,180					3,272,980			3,533,160	281,602
Retirement of Long Term Debt			110,000			168,443		570,000	854,000	4,490,000	6,192,443	6,269,230
Increase in Deferred Charges										409,587	409,587	
Net Increase in Working Capital	33,040	163,531		4,974	274,340	334,788		159,423	292,427	314,592	1,577,115	6,943,149
	\$ 42,742	438,394	425,148	93,852	401,692	3,040,188	221,740	5,930,159	6,522,881	17,633,699	34,750,495	38,513,216

Elements of Net Increase (Decrease)**In Working Capital:**

Cash	(197,120)	144,859	61,148	37,655	160,909	(255,762)	1,219,662	20,000	(9,900)		1,181,451	484,974
Investments	240,000	27,683	(95,713)			704,003	(112,170)				763,803	476,064
Receivables (Accounts, Unbilled Accounts)	1,140	(173)	8,055	(21,051)	155,310	1,634,935	140,462	117,555	344,210	793,837	3,174,280	1,071,022
Accrued Interest Receivable	271	1,610	(4,047)		438	11,882	29,210				39,364	(28,837)
Due From Other Funds	(9,981)	(1,803)	(1,295)		1,671						(11,408)	(44,859)
Due From Other Governments							(1,110,131)				(1,110,131)	(77,974)
Inventories		(4,227)		995		(151,390)	33,166	(7,593)	(24,859)	(130,094)	(284,002)	(180,805)
Plant Operation Assets										(1,808,524)	(1,808,524)	1,271,525
Prepaid Expenses				24		41,497	(32,517)	1,983	1,482	79,871	92,340	797
Unamortized Debt Issuance Expense			(2,891)					68,948			66,057	
Restricted Assets Required For Current Liabilities						(459,443)					(459,443)	(245,643)
Funds and Restricted Assets										1,559,649	1,559,649	3,261,313
Current Installment--Long Term Debt						(100,279)				325,000	224,721	(45,000)
Current Install--Equip. Contracts Pay Vouchers Payable		5,168		6,332							11,500	(7,643)
Accounts Payable	(1,254)	(5,087)	17,107	(10,952)	(17,200)	69,983	(242,166)	(44,554)	(17,185)	(99,342)	(350,650)	103,381
Accrued Liabilities		733		(1,633)	(9,071)	(134,078)	14,092	2,770	4,766	(118,799)	(241,220)	(305,993)
Due to Other Funds	(16)	201			(1,407)						(1,222)	1,393
Accrued Compensated Absences		(5,433)		1,962	(16,310)		(3,544)	314	(6,087)		(29,098)	(48,540)
Unearned Advances--Local												790,700
Accrued Interest Payable										(64,951)	(64,951)	44,987
Overpayment from Third Party Payors						(1,092,179)					(1,092,179)	
Other				(8,358)		65,619	(3,463)			(222,055)	(168,257)	(255,194)
Net Increase (Decrease) in Working Capital	\$33,040	163,531	(17,636)	4,974	274,340	334,788	(67,399)	159,423	292,427	314,592	1,492,080	6,442,743

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I N T E R N A L S E R V I C E F U N D S

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.

Data Processing 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. Resources used are billed at cost plus an administrative overhead.

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 worker's compensation, liability and property insurance. Revenues are derived from billings to operating departments.

Public Works Equipment Management Fund - To account for the operation of a centralized maintenance facility for equipment used by other City departments, such as autos, trucks, heavy equipment, and miscellaneous other equipment. Revenue is derived from billings to user departments.

Police Garage Fund - To account for the operation of a maintenance facility for the Police fleet. Revenue is derived from billings to the Police Department.

Stores Revolving Fund - To account for the operation of a centralized office supply facility. Revenues are derived from billings to user departments.

CITY OF LINCOLN, NE
INTERNAL SERVICE FUNDS
COMBINING BALANCE SHEET
AUGUST 31, 1986
With Comparative Totals for August 31, 1985

	Data Processing	Engineering Revolving	Insurance Revolving	Public Works Equipment Management	Police Garage	Stores Revolving	Totals	
							1986	1985
ASSETS								
Current Assets:								
Cash Held by City Treasurer	\$ 225,591	196,977	230,435	2,368,739	471,005	191,072	3,683,819	3,084,747
Investments (At Cost)			1,513,403				1,513,403	1,232,999
Receivables:								
Accounts	134,575	239,052	2,111	125,264	40	2,909	503,951	350,952
Accrued Interest	1,025	991	22,259	9,834	1,897	750	36,756	30,880
Due from Other Funds	113,858	159,917	20,639	418,402	117,800	14,281	844,897	786,762
Due from Other Governments	248,126						248,126	423,203
Inventories				224,289	34,644	8,338	267,271	331,972
Total Current Assets	723,175	596,937	1,788,847	3,146,528	625,386	217,350	7,098,223	6,241,515
Fixed Assets								
Less Accumulated Depreciation	(1,409,197)	(175,074)	(9,211)	(3,754,470)	(1,187,224)	(141,041)	(6,676,217)	(5,614,539)
Net Fixed Assets	1,452,698	79,256	4,530	2,472,208	1,049,582	88,359	5,146,633	5,118,224
Total Assets	\$ 2,175,873	676,193	1,793,377	5,618,736	1,674,968	305,709	12,244,856	11,359,739
LIABILITIES AND FUND EQUITY								
Current Liabilities:								
Vouchers Payable	22,435	4,772	56	28,459	2,524	1,939	60,185	187,708
Accounts Payable	146,299	34,413	37,411	32,675	17,749	418	268,965	267,502
Interest Payable on Capital Leases	8,518						8,518	21,069
Accrued Liabilities	19,157	54,904	2,010	16,606	7,729	441	100,847	101,736
Due to Other Funds	4,096	22,523	382	3,596	228	85	30,910	34,322
Accrued Compensated Absences	43,730	137,054	5,258	41,804	19,398	1,190	248,434	236,052
Open Workers' Compensation Claims			287,628				287,628	241,296
Obligation Under Capital Leases	489,581					7,865	497,446	329,796
Total Current Liabilities	733,816	253,666	332,745	123,140	47,628	11,938	1,502,933	1,419,481
Long Term Liabilities:								
Accrued Compensated Absences	3,844	61,187	158	38,909	25,375		129,473	129,547
Open Workers' Compensation Claims			398,068				398,068	294,300
Obligation Under Capital Leases	697,222					4,963	702,185	990,925
Total Liabilities	1,434,882	314,853	730,971	162,049	73,003	16,901	2,732,659	2,834,253
Fund Equity:								
Contributed Capital	68,444			1,322,208	125,989		1,516,641	1,456,366
Retained Earnings:								
Designated For:								
Subsequent Year's Expenditures	8,210	23,530	861	7,117	3,312	189	43,219	29,067
Replacement and Improvements				2,319,199	472,183		2,791,382	2,372,004
Undesignated	664,337	337,810	1,061,545	1,808,163	1,000,481	288,619	5,160,955	4,668,049
Total Retained Earnings	672,547	361,340	1,062,406	4,134,479	1,475,976	288,808	7,995,556	7,069,120
Total Fund Equity	740,991	361,340	1,062,406	5,456,687	1,601,965	288,808	9,512,197	8,525,486
Total Liabilities and Fund Equity	\$ 2,175,873	676,193	1,793,377	5,618,736	1,674,968	305,709	12,244,856	11,359,739

CITY OF LINCOLN, NE
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN RETAINED EARNINGS
FISCAL YEAR ENDED AUGUST 31, 1986
With Comparative Totals for Fiscal Year Ended August 31, 1985

	Data Processing	Engineering Revolving	Insurance Revolving	Public Works Equipment Management	Police Garage	Stores Revolving	Totals	
							1986	1985
Operating Revenues, Charges for Services	\$ 3,860,290	3,268,832	959,478	2,583,088	1,021,576	378,510	12,071,774	11,353,615
Operating Expenses:								
Personal Services	806,678	2,377,181	81,253	774,700	309,400	41,339	4,390,551	4,188,170
Supplies and Materials	99,905	34,362	40,122	927,514	238,709	114,280	1,454,892	1,385,901
Other Services and Charges	2,358,404	654,725	795,248	338,526	88,702	153,020	4,388,625	4,290,748
Depreciation	474,885	18,987	1,561	486,995	332,863	18,137	1,333,428	1,207,082
Total Operating Expense	3,739,872	3,085,255	918,184	2,527,735	969,674	326,776	11,567,496	11,071,901
Operating Income	120,418	183,577	41,294	55,353	51,902	51,734	504,278	281,714
Non-Operating Revenues (Expenses):								
Interest	(128,369)	13,093	126,834	153,554	29,329	8,474	202,915	285,696
Miscellaneous	(2,352)	(165)		16,751	(6,295)		7,939	(41,248)
Total Non-Operating Revenues (Expenses)	(130,721)	12,928	126,834	170,305	23,034	8,474	210,854	244,448
Net Income (Loss)	(10,303)	196,505	168,128	225,658	74,936	60,208	715,132	526,162
Depreciation Transfer on Contributed Capital	20,545			259,974	12,251		292,770	292,581
Increase in Retained Earnings	10,242	196,505	168,128	485,632	87,187	60,208	1,007,902	818,743
Retained Earnings Beginning of Year	662,305	164,835	894,278	3,648,847	1,388,789	228,600	6,987,654	6,250,377
Retained Earnings End of Year	\$ 672,547	361,340	1,062,406	4,134,479	1,475,976	288,808	7,995,556	7,069,120

INTERNAL SERVICE FUNDS
 COMBINING STATEMENT OF CHANGES IN FINANCIAL POSITION
 FISCAL YEAR ENDED AUGUST 31, 1986
 With Comparative Totals For Fiscal Year Ended August 31, 1985

	Data Processing	Engineering Revolving	Insurance Revolving	Public Works Equipment Management	Police Garage	Stores Revolving	Totals	
							1986	1985
Sources of Working Capital:								
Net Income (Loss)	\$ (10,303)	196,505	168,128	225,658	74,936	60,208	715,132	526,162
Items Which Do Not Use (Provide)								
Working Capital:								
Depreciation	474,885	18,987	1,561	486,995	332,863	18,137	1,333,428	1,218,800
Loss (Gain) on Disposal of Fixed Assets	2,352	165		(16,751)	(6,295)		(20,529)	41,248
Working Capital Provided by Operations	466,934	215,657	169,689	695,902	401,504	78,345	2,028,031	1,786,210
Increase in Accrued Compensated Absences	40			493	228		761	5,109
Obligations Under Capital Leases	199,814						199,814	978,096
Proceeds from Sale of Fixed Assets				16,973	15,439		32,412	259,794
Contributed Capital	8,060			230,747	65,932		304,739	361,685
Increase in Open Workers' Compensation Claims			103,768				103,768	
Net Decrease in Working Capital	150,536				65,394		215,930	49,126
Total Sources	\$ 825,384	215,657	273,457	944,115	548,497	78,345	2,885,455	3,440,020
Uses of Working Capital:								
Acquisition of Property, Plant, and Equipment	344,695	17,559		496,129	548,497		1,406,880	2,541,238
Payments and Current Installments Under Capital Leases	480,689					7,865	488,554	165,561
Current Portion of Open Workers' Compensation Claims								12,233
Decrease in Accrued Compensated Absences		835					835	2,003
Net Increase in Working Capital		197,263	273,457	447,986		70,480	989,186	718,985
Total Uses	\$ 825,384	215,657	273,457	944,115	548,497	78,345	2,885,455	3,440,020
Elements of Net Increase (Decrease) in Working Capital:								
Cash	2,027	55,535	120,672	406,878	(53,954)	67,914	599,072	1,230,426
Investments			280,404				280,404	(1,020)
Accounts Receivable	46,530	86,685	(84,018)	105,120	(372)	(946)	152,999	22,940
Accrued Interest Receivable	(285)	927	5,093	840	(730)	31	5,876	(9,041)
Due from Other Funds	490	53,876	5,895	3,052	(3,909)	(1,269)	58,135	(157,462)
Due from Other Governments	(175,077)						(175,077)	(6,104)
Inventory				(63,629)	(138)	(934)	(64,701)	91,086
Vouchers Payable	123,844	(2,524)	(44)	5,901	1,577	(1,231)	127,523	(147,838)
Accounts Payable	9,841	1,712	(8,213)	(4,425)	(7,704)	7,326	(1,463)	(165,986)
Interest Payable on Capital Lease	12,551						12,551	(4,751)
Accrued Liabilities	(124)	4,989	(127)	(3,245)	(1,174)	570	889	(5,946)
Due to Other Funds	2,664	(2,186)	298	436	1,984	216	3,412	(1,800)
Accrued Compensated Absences	(6,091)	(1,751)	(171)	(2,942)	(974)	(453)	(12,382)	(25,804)
Open Workers' Compensation Claims			(46,332)				(46,332)	(102,214)
Obligation Under Capital Lease	(166,906)					(744)	(167,650)	(46,627)
Net Increase (Decrease) in Working Capital	\$ (150,536)	197,263	273,457	447,986	(65,394)	70,480	773,256	669,859

F I D U C I A R Y F U N D S

PENSION TRUST FUNDS

The City maintains two retirement funds which account for the receipt, investment, and distribution of retirement contributions made for the benefit of policemen and firemen.

EXPENDABLE TRUST FUNDS

Expendable Trust funds are used to account for resources received and held by the City as trustee and are to be expended in accordance with the conditions of the respective trust.

Parks and 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.

Commission on Aging Gift Trust 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 Funds - To account for the receipt of investment earnings from the following trusts:

Joseph J. Hompes Trust - To be used to buy books as stipulated by the trust.

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

AGENCY FUNDS

Agency funds are used to account for assets held for other funds, governments, or others.

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 to be remitted to the State.

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

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.

Earnings on Pooled Investments - To account for interest received from pooled idle fund investments pending distribution to the various City funds.

Utilities and Telephone Suspense - To account for receipts from water and sanitary sewer billings pending distribution to the Water and Sewer Utility Funds and for the accumulation of funds to pay Lancaster County for the City share of the telephone bill for the County-City Building.

Public Office Building Revenue Bonds Fund - To account for rental payments received from the State of Nebraska as per the following: The City has assisted the State by issuing revenue bonds on behalf of the State to build the State ETV Building and the State Game and Parks Commission Building. The lease and related financing agreements provide for the State to reimburse the City for debt service and other costs incurred by the City. The City records the amounts collected and held under the respective lease agreements in the trust and agency funds. The City has entered into these lease agreements solely for the purpose of assisting the State in providing office buildings for use exclusively by the State and at no greater cost to the State than the cost thereof to the City. The obligation to retire the revenue bonds is an obligation of the State and not the City. The State is meeting this obligation through lease payments.

Undistributed Property Tax - To account for tax collections received from the County Treasurer pending distribution to the various tax supported funds.

CITY OF LINCOLN, NE
FIDUCIARY FUNDS
COMBINING BALANCE SHEET
AUGUST 31, 1986
With Comparative Totals For August 31, 1985

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	Pension Trust Funds		Expendable Trust Funds				Agency Funds						Totals		
	Fire Pension	Police and Fire Pension	Park and Recreation Special Projects	Commission on Aging Gift Trust	Library Special Trust	Collections Due Other Governments	Contractor Deposits	Payroll Revolving	Outstanding Warrants	Earnings on Pooled Investments	Utilities & Telephone Suspense	Pub. Off. Bldg. Rev. Bonds (St. of Neb. Lessee)	Undistributed Property Tax	1986	1985
ASSETS															
Cash Held by City Treasurer	\$ 14,151	70,370	75,939	28,745	310,680	2,388		944,163	2,395,210	1,860,785	1,801	122,206	328,000	6,152,438	7,009,488
Cash in Other Accounts							64,930	2,889						67,819	48,492
Investments (At Cost or Amortized Cost)	1,938,826	42,505,293										1,100,024		45,544,143	59,514,429
Receivables:															
Taxes	64,938	153,252												218,170	680,738
Accrued Interest	33,448	671,704	278	121	1,218						14,734			721,503	749,834
Other			1,599	2,565		7,948		336,884		9,244				358,240	69,758
Due From Other Funds	6,191	15,905	3,445	1,857	16,998	8,265		134,989		14,160	10,376			212,184	269,554
Due From Other Governments	2,254	3,546												7,800	
Total Assets	\$2,059,808	43,422,050	79,261	33,288	328,896	18,599	64,930	1,418,925	2,395,210	1,860,785	25,205	1,247,340	328,000	53,282,297	48,342,293
LIABILITIES AND FUND BALANCES															
Liabilities:															
Accounts Payable		4,600	921	607	231						23,404			29,763	393,550
Warrants Payable									2,395,210					2,395,210	2,674,219
Vouchers Payable			652					1,231,450						1,232,102	35,903
Accrued Compensated Absences					2,751									2,751	2,158
Accrued Liabilities					1,194									463,196	573,754
Due to Other Funds		198	13	186						1,400,584	1,801		328,000	1,728,981	1,690,504
Due to Other Governments						18,599		187,475						206,074	952,841
Due to Contractor							64,930							64,930	46,208
Deferred Revenues	17,945	66,824												84,769	96,639
Amount Held Under State Lease Agreement												1,247,340		1,247,340	1,271,050
Total Liabilities	17,945	71,622	1,586	793	4,176	18,599	64,930	1,418,925	2,395,210	1,860,785	25,205	1,247,340	328,000	7,455,116	7,736,826
Fund Balances:															
Reserved For:															
Employee Retirement	2,041,863	43,350,428												45,392,291	40,253,084
Encumbrances			2,736		3,356									6,092	7,914
Undesignated			74,939	32,495	321,364									428,798	344,469
Total Fund Balances	2,041,863	43,350,428	77,675	32,495	324,720									45,827,181	40,605,467
Total Liabilities and Fund Balances	\$2,059,808	43,422,050	79,261	33,288	328,896	18,599	64,930	1,418,925	2,395,210	1,860,785	25,205	1,247,340	328,000	53,282,297	48,342,293

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CITY OF LINCOLN, NE
PENSION TRUST FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND BALANCES
FISCAL YEAR ENDED AUGUST 31, 1986
With Comparative Totals for Fiscal Year Ended August 31, 1985

	<u>Fire Pension</u>	<u>Police and Fire Pension</u>	<u>Totals</u>	
			<u>1986</u>	<u>1985</u>
Operating Revenues:				
Employee Contributions	\$	984,509	984,509	809,227
Taxes:				
Real Estate and Personal Property	231,104	583,207	814,311	1,528,576
Motor Vehicle	30,399	93,733	124,132	170,210
Interest	176,432	4,176,618	4,353,050	3,816,317
Intergovernmental	106	257	363	588
Total Operating Revenues	<u>438,041</u>	<u>5,838,324</u>	<u>6,276,365</u>	<u>6,324,918</u>
Operating Expenses:				
Benefit Payments	316,753	681,378	998,131	874,639
Refunds		125,001	125,001	381,607
Administrative Costs		14,026	14,026	4,020
Total Operating Expenses	<u>316,753</u>	<u>820,405</u>	<u>1,137,158</u>	<u>1,260,266</u>
Net Income	121,288	5,017,919	5,139,207	5,064,652
Fund Balances Beginning of Year	<u>1,920,575</u>	<u>38,332,509</u>	<u>40,253,084</u>	<u>35,188,432</u>
Fund Balances End of Year	<u>\$2,041,863</u>	<u>43,350,428</u>	<u>45,392,291</u>	<u>40,253,084</u>

CITY OF LINCOLN, NE
PENSION TRUST FUNDS
COMBINING STATEMENT OF CHANGES IN FINANCIAL POSITION
FISCAL YEAR ENDED AUGUST 31, 1986
With Comparative Totals For Fiscal Year Ended August 31, 1985

	<u>Fire Pension</u>	<u>Police and Fire Pension</u>	<u>Totals</u>	
			<u>1986</u>	<u>1985</u>
Sources of Working Capital:				
Operations--Net Income	\$ 121,288	5,017,919	5,139,207	5,064,652
Net Decrease In Working Capital	66,038	477,697	543,735	
Total Sources	<u>\$ 187,326</u>	<u>5,495,616</u>	<u>5,682,942</u>	<u>5,064,652</u>
 Uses of Working Capital:				
Purchase of Investments	187,326	5,495,616	5,682,942	4,865,779
Net Increase In Working Capital				198,873
Total Uses	<u>\$ 187,326</u>	<u>5,495,616</u>	<u>5,682,942</u>	<u>5,064,652</u>
 Elements of Net Increase (Decrease) In Working Capital:				
Cash	(7,659)	(60,211)	(67,870)	150,471
Taxes Receivable	(56,564)	(406,004)	(462,568)	113,719
Accrued Interest Receivable	(1,565)	(17,422)	(18,987)	180,551
Due From Other Funds	(2)	(9,180)	(9,182)	(223,070)
Due From Other Governments	2,254	5,546	7,800	
Cash Overdraft				10,097
Accounts Payable		(4,600)	(4,600)	2,200
Due to Other Funds		(198)	(198)	61,544
Deferred Revenues	(2,502)	14,372	11,870	(96,639)
Net Increase (Decrease) In Working Capital	<u>\$ (66,038)</u>	<u>(477,697)</u>	<u>(543,735)</u>	<u>198,873</u>

CITY OF LINCOLN, NE
EXPENDABLE TRUST FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FISCAL YEAR ENDED AUGUST 31, 1986
With Comparative Totals For Fiscal Year Ended August 31, 1985

	Park and Recreation Special Projects	Commission On Aging Gift Trust	Library Special Trust	Totals	
				1986	1985
Revenues:					
Intergovernmental	\$ 1,809			1,809	
Donations and Gifts	76,162	35,187	103,413	214,762	151,058
Interest	3,511	1,848	16,956	22,315	22,791
Miscellaneous	15,510	2,100		17,610	1,487
Total Revenues	96,992	39,135	120,369	256,496	175,336
Expenditures:					
Culture and Recreation:					
Personal Services	1,796		47,007	48,803	39,127
Supplies and Materials	16,165		363	16,528	4,915
Other Services and Charges	7,390		12,738	20,128	20,635
Construction Contracts	31,579			31,579	8,303
Equipment	6,470		13,009	19,479	34,418
Economic Opportunity:					
Supplies and Materials		5,659		5,659	6,051
Other Services and Charges		31,254		31,254	7,489
Equipment		559		559	549
Total Expenditures	63,400	37,472	73,117	173,989	121,487
Excess of Revenues Over Expenditures	33,592	1,663	47,252	82,507	53,849
Other Financing Sources, Operating Transfers In					261
Excess of Revenues and Other Financing Sources Over Expenditures	33,592	1,663	47,252	82,507	54,110
Fund Balances Beginning of Year	44,083	30,832	277,468	352,383	298,273
Fund Balances End of Year	\$77,675	32,495	324,720	434,890	352,383

CITY OF LINCOLN, NE
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FISCAL YEAR ENDED AUGUST 31, 1986

	Balance Sept. 1, 1985	Additions	Deductions	Balance Aug. 31, 1986
<u>COLLECTIONS DUE OTHER GOVERNMENTS:</u>				
Assets:				
Cash	\$ 182,829	894,599	1,075,040	2,388
Receivables		7,948		7,948
Due From Other Funds	14,644	8,263	14,644	8,263
	<u>\$ 197,473</u>	<u>910,810</u>	<u>1,089,684</u>	<u>18,599</u>
Liabilities:				
Due to Other Governments	\$ 197,473	896,166	1,075,040	18,599
<u>CONTRACTOR DEPOSITS:</u>				
Assets:				
Cash and Investments	\$ 46,208	33,153	14,431	64,930
Liabilities:				
Due to Contractor	\$ 46,208	33,153	14,431	64,930
<u>PAYROLL REVOLVING:</u>				
Assets:				
Cash	920,714	29,211,909	29,185,571	947,052
Receivables	58,645	336,884	58,645	336,884
Due From Other Funds	174,971	29,171,927	29,211,909	134,989
	<u>\$ 1,154,330</u>	<u>58,720,720</u>	<u>58,456,125</u>	<u>1,418,925</u>
Liabilities:				
Accounts Payable	363,463		363,463	
Vouchers Payable	35,499	29,768,312	28,572,361	1,231,450
Due to Other Governments	755,368	29,450,166	30,018,059	187,475
	<u>\$ 1,154,330</u>	<u>59,218,478</u>	<u>58,953,883</u>	<u>1,418,925</u>
<u>OUTSTANDING WARRANTS:</u>				
Assets:				
Cash	\$ 2,674,219	235,487,420	235,766,429	2,395,210
Liabilities:				
Warrants Payable	\$ 2,674,219	235,487,420	235,766,429	2,395,210
<u>EARNINGS ON POOLED INVESTMENTS:</u>				
Assets:				
Cash	\$ 1,986,050	1,860,802	1,986,067	1,860,785
Liabilities:				
Accrued Liabilities	570,546	460,201	570,546	460,201
Due to Other Funds	1,415,504	1,400,584	1,415,504	1,400,584
	<u>\$ 1,986,050</u>	<u>1,860,785</u>	<u>1,986,050</u>	<u>1,860,785</u>

(continued)

	Balance Sept. 1, 1985	Additions	Deductions	Balance Aug. 31, 1986
<u>UTILITIES AND TELEPHONE SUSPENSE:</u>				
Assets:				
Cash	\$ 5,182	17,699,732	17,703,113	1,801
Receivables	10,435	9,244	10,435	9,244
Due From Other Funds	16,070	17,701,203	17,703,113	14,160
	<u>\$ 31,687</u>	<u>35,410,179</u>	<u>35,416,661</u>	<u>25,205</u>
Liabilities:				
Accounts Payable	29,446	292,026	298,068	23,404
Accrued Liabilities	2,241	17,404,605	17,405,045	1,801
	<u>\$ 31,687</u>	<u>17,696,631</u>	<u>17,703,113</u>	<u>25,205</u>
<u>PUBLIC OFFICE BUILDING REVENUE BONDS (STATE OF NEBRASKA, LESSEE):</u>				
Assets:				
Cash and Investments	1,237,924	596,977	612,671	1,222,230
Cash and Investments with Fiscal Agent				
Accrued Interest	24,093	14,734	24,093	14,734
Due From Other Funds	9,033	10,376	9,033	10,376
	<u>\$ 1,271,050</u>	<u>622,087</u>	<u>645,797</u>	<u>1,247,340</u>
Liabilities:				
Amount Held Under State Lease Agreement	<u>\$ 1,271,050</u>	<u>588,961</u>	<u>612,671</u>	<u>1,247,340</u>
<u>UNDISTRIBUTED PROPERTY TAX:</u>				
Assets:				
Cash	\$ 275,000	25,865,567	25,812,567	328,000
Liabilities:				
Due to Other Funds	\$ 275,000	25,865,567	25,812,567	328,000
<u>AGENCY FUND TOTALS:</u>				
Total Assets	<u>\$ 7,636,017</u>	<u>358,895,958</u>	<u>359,172,981</u>	<u>7,358,994</u>
Total Liabilities	<u>\$ 7,636,017</u>	<u>341,632,381</u>	<u>341,909,404</u>	<u>7,358,994</u>

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GENERAL FIXED ASSETS

ACCOUNT GROUP

To account for fixed assets not used in
proprietary fund operations or accounted for in
Trust funds.

CITY OF LINCOLN, NE
 SCHEDULE OF GENERAL FIXED ASSETS ADDITIONS
 BY SOURCES
 FOR THE YEAR ENDED AUGUST 31, 1986

General Fixed Assets August 31, 1982 ¹	<u>\$46,978,145</u>
Additions to General Fixed Assets by Source - September 1, 1982 through August 31, 1985	
General Fund Revenues	3,251,704
Federal Funds	116,579
Capital Projects Funds	4,671,822
Special Revenue Funds	572,192
Donations	<u>475,021</u>
	<u>9,087,318</u>
Deletions	<u>(2,907,385)</u>
General Fixed Assets August 31, 1985	<u>\$53,158,078</u>
Additions to General Fixed Assets by Source - September 1, 1985 through August 31, 1986	
General Fund Revenues	350,036
Federal Funds	61,635
Capital Projects Funds	157,258
Special Revenue Funds	54,203
Donations	<u>2,893</u>
	<u>626,025</u>
Deletions	<u>(1,233,920)</u>
General Fixed Assets August 31, 1986	<u>\$52,550,183</u>

¹The City's first inventory was completed at August 31, 1982. General fixed assets by source was not available for assets acquired prior to August 31, 1982.

CITY OF LINCOLN, NE
 SCHEDULE OF GENERAL FIXED ASSETS
 BY FUNCTION AND ACTIVITY
 Year Ended August 31, 1986

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<u>FUNCTION AND ACTIVITY</u>	<u>TOTAL</u>	<u>LAND</u>	<u>BUILDINGS</u>	<u>IMPROVEMENTS OTHER THAN BUILDINGS</u>	<u>MACHINERY AND EQUIPMENT</u>
<u>GENERAL GOVERNMENT</u>					
Legislative	\$ 9,815				9,815
Executive, Including Human Rights, Economic Development, Word Processing, CIRC, and Administrative Services	558,938				558,938
Financial Administration	103,927				103,927
Law	198,251				198,251
Personnel Administration	39,570				39,570
Planning and Zoning	36,740				36,740
Buildings and Plant	7,060,821	941,178	5,955,927	163,716	
Urban Development	2,950,566	2,861,501			89,065
Total General Government	<u>10,958,628</u>	<u>3,802,679</u>	<u>5,955,927</u>	<u>163,716</u>	<u>1,036,306</u>
<u>PUBLIC SAFETY</u>					
Police	614,416				614,416
Fire	3,604,981	463,578	1,172,055	101,883	1,867,465
Codes	209,086				209,086
Communications	170,067				170,067
Civil Defense	34,922				34,922
Transportation	1,351,299	60,066	436,677	64,202	790,354
Total Public Safety	<u>5,984,771</u>	<u>523,644</u>	<u>1,608,732</u>	<u>166,085</u>	<u>3,686,310</u>
<u>STREETS AND HIGHWAYS</u>					
Street Maintenance	5,444,430	2,359,635	1,969,262	505,992	609,541
<u>CULTURE -- RECREATION</u>					
Parks and Recreation	17,923,652	3,025,378	4,890,306	9,254,535	753,433
Libraries	8,743,686	144,544	2,141,517	140,515	6,317,110
Cornhusker Convention Center	2,871,728	446,036	2,248,715		176,977
Total Culture--Recreation	<u>29,539,066</u>	<u>3,615,958</u>	<u>9,280,538</u>	<u>9,395,050</u>	<u>7,247,520</u>
<u>ECONOMIC OPPORTUNITY</u>					
Lincoln Area Agency on Aging	163,233				163,233
Job Programs	26,179				26,179
Total Economic Opportunity	<u>189,412</u>				<u>189,412</u>
<u>HEALTH AND WELFARE</u>					
Lincoln-Lancaster Co. Health	433,876				433,876
Total General Fixed Assets	<u>\$52,550,183</u>	<u>10,301,916</u>	<u>18,814,459</u>	<u>10,230,843</u>	<u>13,202,965</u>

CITY OF LINCOLN, NE
 SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS
 BY FUNCTION AND ACTIVITY
 Year Ended August 31, 1986

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<u>FUNCTION AND ACTIVITY</u>	<u>GENERAL FIXED ASSETS SEPT 1 1985</u>	<u>ADDITIONS¹</u>	<u>DEDUCTIONS</u>	<u>GENERAL FIXED ASSETS AUG 31, 1986</u>
<u>GENERAL GOVERNMENT</u>				
Legislative	\$ 9,815			9,815
Executive, Including Mayor, Human Rights, Economic Development, Word Processing, CIRC, and Administrative Services	518,268	40,670		558,938
Financial Administration	109,225	2,255	7,553	103,927
Law	215,847	8,307	25,903	198,251
Personnel Administration	36,599	2,971		39,570
Planning and Zoning	36,740			36,740
Buildings and Plant	7,101,372		40,551	7,060,821
Urban Development	3,259,624	93,234	402,292	2,950,566
Total General Government	<u>11,287,490</u>	<u>147,437</u>	<u>476,299</u>	<u>10,958,628</u>
<u>PUBLIC SAFETY</u>				
Police	574,080	103,363	63,027	614,416
Fire	3,573,417	78,316	46,752	3,604,981
Codes	203,784	5,302		209,086
Communications	168,704	15,027	13,664	170,067
Civil Defense	34,922			34,922
Transportation	1,340,564	10,735		1,351,299
Total Public Safety	<u>5,895,471</u>	<u>212,743</u>	<u>123,443</u>	<u>5,984,771</u>
<u>STREETS AND HIGHWAYS</u>				
Street Maintenance	5,442,336	2,149	55	5,444,430
<u>CULTURE -- RECREATION</u>				
Parks and Recreation	17,754,048	174,863	5,259	17,923,652
Libraries	8,710,950	32,736		8,743,686
Cornhusker Convention Center	2,871,758		30	2,871,728
Total Culture--Recreation	<u>29,336,756</u>	<u>207,599</u>	<u>5,289</u>	<u>29,539,066</u>
<u>SANITATION</u>				
Sanitary Landfill	614,760		614,760	
<u>ECONOMIC OPPORTUNITY</u>				
Lincoln Area Agency on Aging	154,224	9,009		163,233
Job Programs	24,207	1,972		26,179
Total Economic Opportunity	<u>178,431</u>	<u>10,981</u>		<u>189,412</u>
<u>HEALTH AND WELFARE</u>				
Lincoln-Lancaster Co. Health	402,834	45,116	14,074	433,876
TOTAL GENERAL FIXED ASSETS	<u>\$53,158,078</u>	<u>626,025</u>	<u>1,233,920</u>	<u>52,550,183</u>

¹The figures in this column do not necessarily agree with the other financial statements for capital outlay in the governmental funds. This is because expenditures made by some funds for building improvements are shown here under Buildings and Plant. Also, infrastructure items are not capitalized under the City's capitalization policies.

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

CITY OF LINCOLN, NE
 SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE (ALL FUNDS)
 YEAR ENDED AUGUST 31, 1986

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant Number	Accrued (Deferred) Grant Revenues Sept. 1, 1985	Grant Revenues Received	Grantee Matching Contributions & Misc. Revenues	Expenditures	Accrued (Deferred) Grant Revenues Aug. 31, 1986
<u>U.S. Department of Transportation</u>							
Direct Programs:							
UMTA Section 9 Capital, Planning and Operating Assistance	20.507	NE-90-0002	\$ 1,324	11,711	3,353	16,764	3,024
UMTA Section 9 Capital, Planning and Operating Assistance	20.507	NE-90-X004	5,409	92,423	22,139	110,693	1,540
UMTA Section 9 Capital, Planning and Operating Assistance	20.507	NE-90-X007	919,882	942,087	6,748	33,740	4,787
UMTA Section 9 Capital, Planning and Operating Assistance	20.507	NE-90-X009		919,882	3,218,250	4,138,132	
UMTA Section 5 Capital Assistance	20.507	NE-05-0010		1,005	285	1,426	136
UMTA Transit Planning	20.507	NE-90-0002		14,044	3,511	17,555	
UMTA Transit Planning	20.507	NE-90-X004	12,821	47,463	12,594	64,875	17,639
UMTA Transit Planning	20.507	NE-08-0029			2,419	12,096	9,677
Pass-Through State Department of Roads:							
Pavement Marking Project	20.205	PMS-0005(38)	23,502				23,502
Carpool/Vanpool 1985	20.205	M-8031(32)	3,627	3,627			
Carpool/Vanpool 1986	20.205	M-8031(32)		2,859	5,817	23,269	14,593
Planning Grant	20.205	HPR-PL1(24)			239	1,593	1,354
Planning Grant	20.205	HPR-PL1(23)	2,841	43,268	7,134	47,561	
City-Wide Traffic System	20.205	M-8031(31)	11,671				11,671
City-Wide Traffic System	20.205	M-8031(30)	51				51
Obsolete Controllers	20.205	M-5244(4)	64,858			10,834	75,692
Pole Relocation-"0" Street	20.205	HES-34-6(120)			97,623	155,412	57,789
West "0" Widening	20.205	F-BHF-6-6(113)		45,150	1,678	51,678	4,850
LMATS	20.205		5,426	22,464	4,959	21,997	
Lancaster County Rural Transit	20.205	RPT-C551(187)-1987			1,427	3,952	2,525
Lancaster County Rural Transit	20.205	RPT-C551(186)-1986	1,879	16,261	11,209	27,733	2,142
Lancaster County Rural Transit	20.205	RPT-C551(185)-1985	1,818	1,818			
48th & Leighton	20.205	M-5239(3)	471,237	60,602		14,150	424,785
70th & Pioneers	20.205	M-5247(1) & (4)	22,584	21,562	516	488	994
27th, Parkway to "0"	20.205	M-5053(1)	34,170				34,170
N. 27th, RR Overpass & Loup	20.205	RR6970(7)	307,004	344,853	89,270	141,906	14,787
Mathes Street	20.205	BR0-7055(70)			11,313	11,809	496
Cummings Street	20.205	BR0-7055(71)			22,626	33,863	11,237
Old Cheney, 52nd to 56th	20.205	M-5202(5)	365	138	227		
27th, Potter to I-80	20.205	M-5231(3)	331,682	364,795	347,878	448,077	67,086
Harris Overpass	20.205	Maint. Agree. #2 (3)	24,872	24,872		64,031	64,031
16th & Holdrege	20.205	HES-5244(5)	26,849		6,756	17,109	37,202
Asphalt Bridge, West "0" & 2nd	20.205	Maint. Agree. #2 (4)	3,436	3,436	7,617	7,617	
Bridge, 27th & Salt Creek	20.205	BRM 5231 (2)	22,703		311,357	330,548	41,894
Pass-Through State Department of Motor Vehicles:							
Seatbelt Safety Program	20.600	86-304		28,516	12,680	59,567	18,371
Seatbelt Safety Program	20.600	85-304	5,561	17,615		15,715	3,661
Total Department of Transportation			\$2,305,572	3,030,451	4,209,625	5,884,190	949,686
<u>U.S. Department of Health and Human Services:</u>							
Direct Programs:							
RSVP Aging	13.633	440-8621(3)	\$ (8,139)		1,211	9,350	
RSVP Aging	13.633	440-8621(4)		34,083	59,666	100,841	7,092

(Continued)

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Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant Number	Accrued (Deferred) Grant Revenues Sept. 1, 1985	Grant Revenues Received	Grantee Matching Contributions & Misc. Revenues	Expenditures	Accrued (Deferred) Grant Revenues Aug. 31, 1986
<u>Pass-Through State Department of Aging:</u>							
Title III B	13.633	NGA-86-116	\$ 30,454	285,217	955,137	1,209,900	
Title III B	13.633	NGA-87-018			205,419	225,069	19,650
Title III C(1)	13.635	NGA-87-019			28,646	51,380	22,734
Title III C(1)	13.635	NGA-86-117	18,346	316,088	290,147	579,874	(8,015)
Title III C(1)	13.635	NGA-85-081	5,720	5,720			
Title III C(2)	13.635	NGA-86-118	8,474	61,000	323,234	372,793	(2,967)
Title III C(2)	13.635	NGA-85-082	4,471	4,471			
Title III C(2)	13.635	NGA-87-020			11,355	17,492	6,137
Community Service Block Grant	13.665	84-11-01	13,927	18,232		4,305	
Community Service Block Grant	13.665	86-11-01		10,662		22,795	12,133
<u>Pass-Through State Department of Health:</u>							
Hypertension Grant 85/86	13.991	0986 BINEPRVS		18,400	9,225	28,709	1,084
Hypertension Grant 84/85	13.991	0985 BINEPRVS	2,750	4,600		2,874	1,024
Risk Reduction	13.991	09883 BINEPRVS	(129)				(129)
Epidemiologist 86	13.994/13.991			14,138		22,679	8,541
Epidemiologist 85	13.994/13.991		(22,405)			1,617	(20,788)
Aids	13.118			359		1,361	1,002
<u>Total Department of Health and Human Services</u>			<u>\$ 53,469</u>	<u>772,970</u>	<u>1,884,040</u>	<u>2,651,039</u>	<u>47,498</u>
<u>U.S. Department of Housing and Urban Development</u>							
<u>Direct Programs:</u>							
Community Development Block Grant	14.219	B-83 & 84-MC-31-0001	\$ 30,369	1,084,000	128,445	1,101,078	(80,998)
Community Development Block Grant Section '08	14.219	B-82-MC-31-0001	(17,226)		111	17,337	
Community Development Block Grant Section '08	14.219	B-84-MC-31-0001		246,000		227,216	(18,784)
Fair Housing Assistance Section 312 Rehabilitation Loan Program	14.146		5,146	13,100		18,828	10,874
Rental Rehabilitation Loan Program	14.220			58,887		58,887	
Rental Rehabilitation Loan Program	14.230	R-84/85-MC-31-0201		109,258		109,258	
<u>Pass-Through State Department of Energy:</u>							
Lincoln Energy Conservation Loan Program	14.550		5,836	118,642		124,850	12,044
<u>Total Department of Housing and Urban Development</u>			<u>\$ 24,125</u>	<u>1,629,887</u>	<u>128,556</u>	<u>1,657,454</u>	<u>(76,864)</u>
<u>U.S. Department of the Treasury</u>							
<u>Direct Programs:</u>							
Revenue Sharing Trust Fund Entitlements #16 & #17	21.300	28-2-0-055-007	\$ (205,072)	2,316,566	34,042	2,470,062	(85,618)
Pass-Through Lancaster County Lincoln-Lancaster Health Dept.	21.300			769,432		769,432	
<u>Total Department of the Treasury</u>			<u>\$ (205,072)</u>	<u>3,085,998</u>	<u>34,042</u>	<u>3,239,494</u>	<u>(85,618)</u>
<u>National Foundation on the Arts and the Humanities:</u>							
<u>Direct Programs:</u>							
Art in Public Places	45.023	R70-41-64	\$ (17,605)	20,000		40,615	3,010
<u>National Aeronautics and Space Administration:</u>							
<u>Direct Programs:</u>							
Hyde Memorial Observatory Solar Unit	43.002	01-776-21-12-9904- FA-9-974-000-2511	\$ (542)				(542)

(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant Number	Accrued (Deferred) Grant Revenues Sept. 1, 1985	Grant Revenues Received	Grantee Matching Contributions & Misc. Revenues	Expenditures	Accrued (Deferred) Grant Revenues Aug. 31, 1986
<u>U.S. Department of Agriculture:</u>							
Direct Programs:							
Summer Food Service Program	10.559	6/86-8/86	\$	16,526		15,276	(1,250)
Summer Food Service Program	10.559	6/85-8/85	(1,370)	10,210		10,523	(1,057)
Summer Food Service Program	10.559	6/84-8/84	(1,994)				(1,994)
Total Department of Agriculture:			\$ (3,364)	26,736		25,799	(4,301)
<u>U.S. Department of Education:</u>							
Pass-Through State Library Commission:							
State Resource Center Contract	84.015	84/85	\$ (14,005)	3,864		5,944	(11,925)
State Resource Center Contract	84.015	83/84	(3,733)			3,733	
Urban Libraries Technology Grant	84.039			15,408		6,811	(8,597)
Retrospective Conversion	84.039	84/85	(2)			2	
Major Urban Library Resource Grant	84.039			13,623		10,903	(2,720)
Net Lender Contract	84.167			11,549			(11,549)
Total Department of Education			\$ (17,740)	44,444		27,393	(34,791)
<u>U.S. Department of Labor</u>							
Pass-Through State Department of Labor:							
JTPA Title I Administration	17.250		\$ 10,918	134,370		134,266	10,814
JTPA Title IIA Program	17.250		30,533	603,836		592,099	18,796
JTPA Title IIB Summer SYETP	17.250		101,484	400,912		420,645	121,217
JTPA Title III Dislocated Worker	17.246	31-31-12	3,618	63,635		64,406	4,389
JTPA for Older Workers 85/86	17.250	NGA-86-087	6,194	46,032		48,839	9,001
JTPA for Older Workers 84/85	17.250	NGA-85-079	11,402	11,402			
Title V (SCSEP)	17.235	NGA-86-001	5,021	42,000	14,139	52,161	1,043
Title V (SCSEP)	17.235	NGA-85-024	3,463	3,463			
Title V (SCSEP)	17.235	NGA-87-001			3,803	10,698	6,895
JTPA for Older Workers	17.250	NGA-87-005				790	790
Total Department of Labor			\$ 172,633	1,305,650	17,942	1,323,904	172,945
<u>U.S. Department of Interior</u>							
Pass-Through State Game and Parks Commission:							
Briarhurst Park Development	15.919	31-00588	\$ 13,846	13,846			
Park Nodes	15.919	31-00671	500				500
Total Department of Interior			\$ 14,346	13,846			500
<u>U.S. Environmental Protection Agency</u>							
Pass-Through State Department of Environmental Control:							
Air Pollution	66.001	M-007056(86)	\$	56,436	37,871	104,512	10,205
Air Pollution	66.001	M-007056(85)	33,247	27,769		7,765	13,243
Air Pollution	66.001	M-007056(84)	3,714				3,714
Hazardous Waste	66.418					1,131	1,131
Total Environmental Protection Agency			\$ 36,961	84,205	37,871	113,408	28,293
<u>FEMA</u>							
Pass-Through State Civil Defense:							
Recurring Charges for Maintenance and Service and Emergency Management Assistance	83.516	NE-MS-85-11/	\$ 22,577	51,506	68,821	118,164	20,414
Disaster Relief	83.516	NE-MS-84-03	12,210	12,210			
Total FEMA			\$ 34,787	63,716	68,821	118,164	20,414
Total Federal Assistance			\$2,397,570	10,077,903	6,380,897	15,081,460	1,020,230

S T A T I S T I C A L S E C T I O N

CITY OF LINCOLN, NE

GENERAL INFORMATION

Table 1

GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION¹
LAST SIX FISCAL YEARS

FISCAL ² YEAR	GENERAL GOVERNMENT	PUBLIC SAFETY	STREETS AND HIGHWAYS	CULTURE - RECREATION	ECONOMIC OPPORTUNITY	HEALTH AND WELFARE	SANITATION	DEBT SERIVCE	TOTALS
1986	\$10,868,367	19,493,668	5,520,065	7,576,486	5,033,019	3,444,554	525,967	2,077,869	54,539,995
1985	11,603,702	17,940,665	5,317,458	7,234,289	5,157,817	3,112,818	543,104	6,158,216	57,068,069
1984	11,193,643	17,595,508	6,114,230	7,146,990	6,165,295	2,934,664	381,221	2,208,098	53,739,649
1983	9,960,617	18,368,526	5,211,782	6,857,185	5,345,982	2,839,462	699,871	1,823,062	51,106,487
1982	8,331,599	16,547,254	5,046,850	6,247,068	5,441,512	2,383,232	497,522	1,305,398	45,800,435
1981	7,789,748	15,648,019	3,732,062	6,198,121	5,981,318	2,486,461	600,378	1,300,819	43,736,926

¹Includes General, Special Revenue, and Debt Service Funds.

²General Government Expenditures by function for years prior to 1981 is not available.

Table 2

GENERAL REVENUES BY SOURCE¹
LAST SIX FISCAL YEARS

FISCAL ² YEAR	TAXES	INTER- GOVERNMENTAL	PERMITS AND FEES	REIMBURSEMENT FOR SERVICES	COURT COSTS	RECREATION RECEIPTS	INTEREST	OTHER	TOTALS
1986	\$39,051,866	16,577,869	1,375,019	950,162	125,824	498,394	1,898,364	2,558,538	63,036,036
1985	37,676,840	16,501,967	1,083,962	850,177	560,695	456,720	1,970,901	2,545,547	61,646,809
1984	36,866,028	18,575,500	1,026,175	734,807	757,051	490,091	2,078,631	2,909,561	63,437,844
1983	34,928,715	17,073,128	882,565	744,948	788,002	489,893	1,915,578	1,629,508	58,452,337
1982	32,385,108	16,343,095	672,914	773,486	563,990	419,847	2,547,362	1,638,171	55,343,973
1981	27,815,767	17,084,833	752,488	1,219,596	406,099	380,631	1,731,412	1,335,369	50,726,195

¹Includes General, Special Revenue and Debt Service Funds.

²Revenues by source for years prior to 1981 is not available.

Table 3

PROPERTY TAX LEVIED AND COLLECTED
LAST TEN YEARS

The fiscal year of the City begins September 1 and ends August 31. Taxes are levied in September. First installment of Real Estate Taxes are due the following April 1, second installment due August 1; personal taxes are due December and July 1. Delinquent taxes bear 14 percent interest. The figures below include interest and penalties. The full amount of the taxes levied for 1977 and prior has been collected. The figures below do not include motor vehicle in lieu of ad valorem taxes.

TAX YEAR	TAXES LEVIED	COLLECTED AS OF AUGUST 31 AFTER LEVY		ACCUMULATED COLLECTIONS AS OF AUGUST 31, 1986	
		AMOUNT	PERCENT	AMOUNT	PERCENT
1985	\$14,820,947	\$13,921,822	93.93%	\$13,921,822	93.93%
1984	21,679,327	20,063,968	92.55	21,112,174	97.38
1983	21,154,814	19,448,543	91.93	21,035,066	99.43
1982	20,019,695	18,429,271	92.06	20,048,853	100.15
1981	18,851,556	17,479,454	92.72	18,835,455	99.91
1980	17,228,254	16,145,975	93.72	17,430,801	101.18
1979	14,465,162 ¹	13,943,456	96.39	14,741,778	101.91
1978	13,070,258	12,455,113	95.29	13,089,687	100.15
1977	13,511,542	12,921,918	95.64	13,584,993	100.54
1976	13,409,982	12,489,580	93.14	13,444,113	100.25

¹Tax levy reduced \$199,775 during year by County Board of Equalization.

Financial Statistics - Continued

Table 4

YEAR	TAXABLE ASSESSED AND ESTIMATED ACTUAL VALUATION LAST TEN YEARS ¹								RATIO OF TOTAL ASSESSED TO TOTAL ESTIMATED ACTUAL VALUE
	REAL ESTATE		ALL OTHER		MOTOR VEHICLE		TOTALS		
	ASSESSED VALUE	ESTIMATED VALUE	ASSESSED VALUE	ESTIMATED VALUE	ASSESSED VALUE	ESTIMATED VALUE	ASSESSED VALUE	ESTIMATED VALUE	
1986	\$3,314,107,283	3,314,107,283	504,450,612	504,450,612	370,099,785	370,099,785	4,188,657,680	4,188,657,680	100%
1985	3,258,644,926	3,258,644,926	408,998,541	408,998,541	341,007,685	341,007,685	4,008,651,152	4,008,651,152	100
1984	2,984,694,981	2,984,694,981	443,408,593	443,408,593	323,626,975	323,626,975	3,751,730,549	3,751,730,549	100
1983	2,934,191,285	2,934,191,285	388,380,465	388,380,465	273,406,700	273,406,700	3,595,978,450	3,595,978,450	100
1982	2,584,857,645	2,584,857,645	371,824,615	371,824,615	255,350,485	255,350,485	3,212,032,745	3,212,032,745	100
1981	2,548,392,720	2,548,392,720	334,108,160	334,108,160	222,107,655	222,107,655	3,104,608,535	3,104,608,535	100
1980	883,163,211	2,523,323,460	113,842,179	325,263,369	71,910,030	205,457,229	1,068,915,420	3,054,044,058	35
1979	865,159,960	2,471,885,600	100,909,875	288,313,929	69,331,920	198,091,200	1,035,401,755	2,958,290,729	35
1978	424,211,430	1,212,032,657	99,017,460	282,907,029	61,124,045	174,640,129	584,352,935	1,669,579,815	35
1977	399,995,760	1,142,845,029	116,500,485	332,858,529	56,402,370	161,149,629	572,898,615	1,636,853,187	35

¹All property up to and inclusive of 1980 was assessed at 35% of actual value; in 1981, assessment was at 100% of actual.

TOTAL PROPERTY TAX LEVIES
ALL OVERLAPPING GOVERNMENTS
LAST TEN YEARS¹

Table 5

	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986
City of Lincoln	26.160	24.980	15.180	17.280	.6540	.6771	.6367	.6324	.4041	.4903
School District No. 1	57.369	57.975	36.104	35.789	1.3186	1.3435	1.3234	1.4034	1.4069	1.4075
Airport Authority	1.050	1.050	.651	.426	.0132	.0128	.0114	.0109	.0103	.0000
Lancaster County	14.181	14.285	8.593	9.230	.3387	.3385	.3134	.2928	.2928	.3353
Educational Serv. Unit #18	.197	.350	.210	.217	.0072	.0076	.0073	.0075	.0079	.0076
Community Technical College	2.500	2.350	1.680	1.600	.0617	.0660	.0660	.0660	.0660	.0690
Lower Platte South Natural Resources District	1.000	1.000	1.000	.620	.0227	.0233	.0227	.0231	.0319	.0311
Railroad Transportation Safety District	.750	.750	.448	.454	.0165	.0171	.0165	.0167	.0176	.0174
Agricultural Society of Lancaster County				.322	.0011	.0046	.0014	.0011	.0013	.0011
TOTAL	<u>103.207</u>	<u>102.740</u>	<u>63.866</u>	<u>65.938</u>	<u>2.4337</u>	<u>2.4905</u>	<u>2.3988</u>	<u>2.4539</u>	<u>2.2388</u>	<u>2.3593</u>

¹For years 1980 and prior years, the assessment rate was 35% of actual value and the levy expressed in mills (tax per \$1,000 of assessed value). Beginning in 1981, the assessment rate is 100% of market and the levy expressed as the tax per \$100 of estimated market value.

SPECIAL ASSESSMENT COLLECTIONS
LAST TEN YEARS¹

Table 6

YEAR ENDED AUGUST 31	SPECIAL ASSESSMENT COLLECTIONS INCLUDING INTEREST
1986	\$5,522,732
1985	3,992,243
1984	4,416,000
1983	3,402,508
1982	2,853,068
1981	3,075,172
1980	3,127,726
1979	3,539,695
1978	3,653,822
1977	3,929,376

¹Special assessment collections are not tracked by levy year, therefore the portion of collections during any year which apply to any particular levy cannot be determined.

Financial Statistics - Continued

Table 7

CITY SALES TAX INFORMATION

The City had a one percent (1%) sales and use tax through June 30, 1985. Effective July 1, 1985 the sales and use tax was raised to one and one half percent (1.5%). These taxes are administered and collected for the City by the State of Nebraska. The State receives three percent (3%) for their service. The City has had sales tax since 1969.

SALES AND USE TAX COLLECTIONS
LAST TEN YEARS

Year Ended August 31	Amount
1986	\$17,810,917
1985	11,773,664
1984	11,263,100
1983	11,111,390
1982	10,266,167
1981	9,992,849
1980	9,224,115
1979	8,604,921
1978	7,867,501
1977	6,963,317

Table 8

DEBT RATIOS

SCHEDULE OF GENERAL OBLIGATION DEBT IN RELATION TO PER CAPITA
TOTAL ASSESSED VALUATION, TRUE VALUE OF REAL ESTATE
AND TO PER CAPITA INCOME
LAST TEN YEARS

YEAR	GENERAL OBLIGATION BONDED DEBT	SINKING FUNDS	NET GENERAL OBLIGATION BONDED DEBT	POPULATION ¹	NET G.O. BONDED DEBT PER CAPITA	ASSESSED VALUATION REAL AND PERSONAL	RATIO OF NET DEBT TO ASSESSED VALUATION REAL & PERSONAL	ASSESSED VALUATION OF TAXABLE REAL PROPERTY	RATIO OF NET DEBT TO ESTIMATED VALUATION OF TAXABLE REAL PROPERTY
1986	\$51,280,000	6,385,834	44,894,166	184,500	\$243.33	4,188,657,680	1.07%	\$3,314,107,283	1.35%
1985	35,590,000	5,327,394	30,262,606	181,500	166.73	4,008,651,152	.75	3,258,644,926	.93
1984	38,595,000	5,363,715	33,231,285	180,200	184.41	3,751,730,549	.89	2,984,694,981	1.11
1983	38,700,000	5,349,362	33,350,638	175,000	190.58	3,595,978,450	.93	2,934,191,285	1.14
1982	37,216,000	5,576,237	31,639,763	175,000	180.80	3,212,032,745	.99	2,584,857,645	1.22
1981	35,632,000	3,873,157	31,758,843	174,000	182.52	3,104,608,535	1.02	2,548,392,720	1.25
1980	34,082,000	4,225,000	29,857,000	172,000	173.59	1,068,915,420	2.79	2,523,323,460	1.18
1979	24,405,000	3,043,186	21,361,814	170,000	125.66	1,035,401,755	2.06	2,471,885,600	.86
1978	26,420,000	2,559,878	23,860,122	168,800	141.35	584,352,935	4.08	1,212,032,655	1.97
1977	18,685,000	2,092,282	16,592,718	167,800	98.88	572,989,615	2.90	1,143,845,030	1.45

¹Source: Lincoln-Lancaster Planning Department.

For years 1980 and prior, assessed valuation was 35% of actual; beginning in 1981, assessed valuation is 100% of actual.

Table 9

COMPUTATION OF DIRECT AND OVERLAPPING DEBT
AUGUST 31, 1986

UNITS	NET DEBT OUTSTANDING	PERCENTAGE APPLICABLE TO THE CITY	DIRECT AND OVERLAPPING DEBT
City	\$ 44,894,166	100.0%	\$ 44,894,166
School District #1	None		None
Airport Authority	2,300,000 ¹	100.0	2,300,000
Lancaster County	None	83.7	None
Southeast Community College	None	35.9	None
Total	<u>\$ 47,194,166</u>		<u>\$ 47,194,166</u>

¹Does not include Special Obligation Bonds of \$1,350,000 payable from lease rentals.

Financial Statistics - Continued

Table 10

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR
GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES
LAST SIX FISCAL YEARS

FISCAL ² YEAR	PRINCIPAL	INTEREST ⁴	TOTAL DEBT SERVICE	TOTAL GENERAL EXPENDITURES ¹	RATIO OF DEBT SERVICE TO TOTAL GENERAL EXPENDITURES
1986	\$1,050,000	1,027,119	2,077,119	54,539,995	3.81%
1985	4,870,000 ³	1,165,805	6,035,805	57,068,069	10.58
1984	1,070,000	1,138,098	2,208,098	53,739,649	4.11
1983	895,000	928,062	1,823,062	51,106,487	3.57
1982	795,000	510,398	1,305,398	45,800,435	2.85
1981	777,000	523,819	1,300,819	43,736,926	2.97

¹Includes: General, Special Revenue, and Debt Service Funds.

²Information for years prior to 1981 is not available.

³Includes \$3,730,000 of refunded Cornhusker Square Redevelopment Project No. 1 Tax Allocation Bonds, Series 1982.

⁴Does not include fiscal charges.

Table 11

REVENUE BOND COVERAGE
LAST TEN FISCAL YEARS

	GROSS REVENUE	DIRECT OPERATING EXPENSES	NET REVENUE AVAILABLE FOR DEBT SERVICE	DEBT SERVICE REQUIREMENTS			COVERAGE ³
				PRINCIPAL	INTEREST	TOTAL	
<u>Sanitary Sewer System</u>							
1986	\$7,700,976	4,475,457	3,225,519	570,000	515,405	1,085,405	2.97
1985	7,295,060	4,249,434	3,045,626	545,000	540,758	1,085,758	2.81
1984	6,724,807	3,980,896	2,743,911	495,000	566,109	1,061,109	2.59
1983	6,162,396	3,625,573	2,536,823	470,000	587,559	1,057,559	2.40
1982	6,129,442	3,514,623	2,614,819	365,000	601,553	966,553	2.71
1981	6,055,697	3,062,234	2,993,463	335,000	613,629	948,629	3.16
1980	4,632,383	2,451,917	2,180,466	320,000	321,220	641,220	3.40
1979	4,518,324	2,170,065	2,348,259	260,000	331,013	591,013	3.97
1978	4,098,914	2,024,408	2,074,506	250,000	340,401	590,401	3.51
1977	3,731,302	1,853,702	1,877,600	240,000	148,495	388,495	4.83
<u>Water System</u>							
1986	10,251,993	4,921,406	5,330,587	854,000	595,606	1,449,606	3.67
1985	9,683,368	4,710,451	4,972,917	765,000	623,502	1,388,502	3.58
1984	9,095,475	4,696,115	4,399,360	710,000	654,606	1,364,606	3.22
1983	8,068,564	4,346,427	3,722,137	689,000	678,601	1,367,601	2.72
1982	7,061,707	3,875,804	3,185,903	622,000	699,172	1,321,172	2.41
1981	7,772,601	3,761,102	4,011,499	600,000	718,966	1,318,966	3.04
1980	6,643,998	3,408,678	3,240,320	579,000	502,825	1,081,825	3.00
1979	5,701,920	3,030,525	2,671,395	413,000	517,531	930,531	2.87
1978	5,039,649	2,547,333	2,492,316	403,000	528,330	931,330	2.68
1977	5,501,246	2,388,177	3,113,069	393,000	373,791	766,791	4.06
<u>Parking Facilities</u>							
1986	1,175,791 ²	287,755	888,036	110,000	292,568	402,568	2.20
1985	1,210,250 ²	347,145	863,105	105,000	295,891	400,891	2.15
1984 ¹	1,155,292 ²	362,755	792,537	90,000	169,469	259,469	3.05
1983	847,070 ²	203,306	643,764	85,000	128,250	213,250	3.02
1982	749,876 ²	174,635	575,241	80,000	132,944	212,944	2.70
1981	740,075 ²	184,156	555,919	80,000	137,444	217,444	2.56

¹Second facility (Cornhusker Parking Garage) opened in December, 1983.

²Includes parking meter revenues which were deposited to the General Fund but are pledged per bond ordinance.

³Coverage ratios on this table do not agree with ratios in transmittal letter because those ratios are calculated in accordance with specific requirements of the bond covenants.

Financial Statistics - Continued

Table 12

DEMOGRAPHIC STATISTICS
LAST TEN YEARS

YEAR	POPULATION	PER CAPITA INCOME ³	SCHOOL ENROLLMENT ⁴	UNEMPLOYMENT RATE ⁵
1986	184,500 ¹	\$	25,462	2.7%
1985	181,500 ¹		25,209	3.2
1984	180,200 ¹	11,849	24,874	2.5
1983	175,000 ¹	11,219	24,675	3.3
1982	175,000 ¹	10,450	25,017	5.9
1981	174,000 ¹	10,328	25,489	4.0
1980	171,932 ²	9,829	25,758	3.3
1979	170,000 ¹	9,032	26,215	2.7
1978	168,800 ¹	8,170	26,993	3.1
1977	167,800 ¹	7,455	27,600	3.2

Sources:

¹Lincoln/Lancaster Planning Department

²1980 Census

³University of Nebraska Bureau of Business Research. Per Capita Income for 1985 and 1986 is unavailable.

⁴Lincoln Public Schools

⁵State of Nebraska, Department of Labor

Median age from 1980 census was 27.2. Education level in years of formal schooling from 1980 census was 12.9 years.

Table 13

PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS
LAST TEN YEARS

FISCAL YEAR	COMMERCIAL ² CONSTRUCTION		RESIDENTIAL ² CONSTRUCTION		BANK ³ DEPOSITS IN MILLIONS	PROPERTY VALUE ^{1,4}		TOTALS
	NUMBER OF PERMITS	VALUE	NUMBER OF PERMITS	VALUE		COMMERCIAL	RESIDENTIAL	
1986	832	\$57,681,113	1,759	\$68,144,887	1,592.8	789,751,765	2,524,355,518	\$3,314,107,283
1985	837	69,232,353	1,721	58,636,876	1,228.0	776,600,000	2,482,044,926	3,258,644,926
1984	720	56,310,073	1,734	56,474,850	1,244.0	664,955,718	2,319,739,263	2,984,694,981
1983	706	62,675,694	1,534	37,876,203	1,098.0	653,704,075	2,280,487,210	2,934,191,285
1982	625	45,746,743	1,202	13,653,142	1,025.1	629,089,057	1,955,768,588	2,584,857,645
1981	650	31,927,896	1,898	37,941,593	927.5	620,214,416	1,928,178,304	2,548,392,720
1980	552	37,932,834	2,088	38,862,945	999.6			2,523,323,460
1979	638	49,802,736	2,241	38,992,754	882.4			2,471,885,600
1978	576	36,069,112	2,592	34,062,515	846.0			1,212,032,657
1977	580	24,134,696	2,548	36,926,946	764.1			1,142,845,029

¹The breakdown of property value between Commercial and Residential is not available for years 1980 and prior.

Sources:

²City of Lincoln Codes Administration

³Lincoln Chamber of Commerce

⁴Lancaster County Assessor

Financial Statistics - Continued

Table 14

TEN LARGEST TAXPAYERS

Listed below are the ten largest taxpayers in the City of Lincoln as reported by the County Assessor. These taxpayers each pay less than 5 percent of the total taxes levied.

<u>TAXPAYERS</u>	<u>TYPE OF BUSINESS</u>	1985 <u>ASSESSED VALUATIONS</u>	<u>PERCENTAGE OF TOTAL ASSESSED VALUATION</u>
Lincoln Telephone & Telegraph	Telecommunications	\$95,572,603	2.28%
Burlington Northern, Inc.	Railroad	29,584,607	.71
Cornhusker Land Co.	Developers	25,242,877	.60
Bankers Life Nebraska	Insurance	24,607,037	.59
Firstier	Banking	24,155,055	.58
National Bank of Commerce	Banking	22,560,457	.53
International Business Machines	Business Machines/ Computers	21,669,218	.52
Goodyear Tire & Rubber Co.	Manufacturing	21,607,700	.52
Jacobs, Visconsi & Jacobs Co.	Shopping Center	17,523,132	.41
General Services Admin.	Government/Leased Facilities	15,499,772	.37
		<u>\$ 298,022,458</u>	<u>7.11%</u>

Table 15

MISCELLANEOUS STATISTICS
AUGUST 31, 1986

Date of Incorporation: 1869	<u>Water Department</u>
Form of Government: Mayor-Council, Home Rule Charter	Number of Consumers: 54,340
Area: 60 Square Miles	Average Daily Consumption: 28,825,000 gal.
Miles of Streets: 780 miles	Miles of Water Mains: 866 miles
Number of Street Lights: 16,211	<u>Sanitary Sewer</u>
	Miles: 703
<u>Recreation and Culture</u>	<u>Education</u>
Park System: 71 Parks & Playgrounds/ 5,000 Acres	Public Schools:
Libraries: 7	Senior High Schools: 4
Recreation Centers: 5	Junior High Schools: 9
Swimming Pools (Public): 9	Elementary Schools: 33
Golf Courses (Public): 4	Number of Students: 25,462
<u>Fire Protection</u>	Private and Parochial Schools:
Number of Stations: 11	Number of Schools: 25
Number of Firefighters: 232	Number of Students: 4,200
<u>Police Protection</u>	
Number of Stations: 1	
Number of Police Officers: 229	

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S I N G L E A U D I T R E P O R T S



Peat, Marwick, Mitchell & Co.
Certified Public Accountants

1600 First Tier Bank Building
Lincoln, Nebraska 68508

600 Kiewit Plaza
Omaha, Nebraska 68131

COMBINED AUDITORS' REPORT ON COMPLIANCE AT THE GENERAL
PURPOSE FINANCIAL STATEMENT LEVEL AND THE FEDERAL
FINANCIAL ASSISTANCE PROGRAM LEVEL

The Honorable Members of the City Council
City of Lincoln, Nebraska:

We have examined the general purpose financial statements of the City of Lincoln, Nebraska, for the year ended August 31, 1986, and have issued our report thereon dated January 23, 1987. Our report was based partially on the reports of other auditors who examined the financial statements of Lincoln Water System, Lincoln General Hospital and Lincoln Sanitary Sewer System which are included in the proprietary fund types. Our examination, except as noted in the following paragraph, was made in accordance with generally accepted auditing standards; the standards for financial and compliance audits contained in the Standards for Audit of Governmental Organizations, Programs, Activities, and Functions, issued by the U.S. General Accounting Office; the Single Audit Act of 1984; and the provisions of OMB Circular A-128, Audits of State and Local Governments, and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Our engagement by the City of Lincoln, Nebraska, was one of such nature that our examination of the financial statements of Lincoln Electric System, which are included in the proprietary fund types, was made in accordance with generally accepted auditing standards and did not encompass the provisions of the other publications referred to in the preceding paragraph. In addition, the financial statements of Lincoln Water System, Lincoln General Hospital and Lincoln Sanitary Sewer System were examined by other auditors and we performed no additional procedures beyond those required by generally accepted auditing standards which did not encompass the provisions of the other publications referred to in the preceding paragraph.

The management of the City of Lincoln, Nebraska, is responsible for the City's compliance with laws and regulations. In connection with the examination referred to above, we selected and tested transactions and records that included, but were not limited to, transactions and records relating to each major Federal financial assistance program and certain nonmajor Federal financial assistance programs. The purpose of our testing of transactions and records was to obtain reasonable assurance that the City of Lincoln, Nebraska, had, in all material respects, administered its major Federal

financial assistance programs and executed the tested transactions in compliance with those laws and regulations for which noncompliance could have a material effect on the allowability of program expenditures or on the City's general purpose financial statements. Such laws and regulations include those pertaining to Federal financial reports and claims for advances and reimbursements.

Our testing of transactions and records selected from major Federal financial assistance programs disclosed an instance of noncompliance with certain laws and regulations. The instance of noncompliance that we found, and the program to which it relates, are identified in the accompanying schedule of findings and questioned costs.

In our opinion, except for the matters that might have come to our attention had our examination encompassed the funds referred to in the third preceding paragraph, and, subject to the effect of the ultimate resolution of this instance of noncompliance referred to in the preceding paragraph, for the year ended August 31, 1986, the City of Lincoln, Nebraska, administered each of its major Federal financial assistance programs in compliance, in all material respects, with those laws and regulations for which noncompliance could have a material effect on the allowability of program expenditures.

Further, the results of our testing of transactions and records referred to in the third paragraph of this report indicate that for the transactions and records tested the City of Lincoln, Nebraska, complied with those laws and regulations for which noncompliance could have a material effect on the allowability of program expenditures or on the City's general purpose financial statements, except as described in the accompanying schedule of findings and questioned costs. This instance of noncompliance was considered by us in evaluating whether the general purpose financial statements are presented fairly in conformity with generally accepted accounting principles. Our testing was more limited than would be necessary to express an opinion on whether the City of Lincoln, Nebraska, administered the nonmajor Federal financial assistance programs in compliance, in all material respects, with those laws and regulations for which noncompliance could have a material effect on the allowability of program expenditures. With respect to the transactions and records that were not tested by us, nothing came to our attention to indicate that the City of Lincoln, Nebraska, had not complied with laws and regulations other than those laws and regulations for which we noted violations in our testing referred to above.

Peat, Marwick, Mitchell & Co.

Lincoln, Nebraska
January 23, 1987

CITY OF LINCOLN, NEBRASKA

Schedule of Findings and Questioned Costs

For the Year Ended August 31, 1986

<u>Program</u>	<u>Findings/Noncompliance</u>	<u>Questioned Costs</u>
Revenue Sharing	The City did not publish, in a newspaper of general circulation, within 30 days following its completion, the availability of the audit report for year ended August 31, 1985, as required by 31 CFR 51.108(a)(b)	<u><u>-</u></u>

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Peat, Marwick, Mitchell & Co.
Certified Public Accountants

1600 First Tier Bank Building
Lincoln, Nebraska 68508

600 Kiewit Plaza
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COMBINED AUDITORS' REPORT ON INTERNAL ACCOUNTING AND ADMINISTRATIVE
CONTROLS AT THE GENERAL PURPOSE FINANCIAL STATEMENT LEVEL AND THE
FEDERAL FINANCIAL ASSISTANCE PROGRAM LEVEL

The Honorable Members of the City Council
City of Lincoln, Nebraska:

We have examined the general purpose financial statements of the City of Lincoln, Nebraska as of August 31, 1986 and have issued our report thereon dated January 23, 1987. Our report was based partially on the reports of other auditors who examined the financial statements of Lincoln Water System, Lincoln General Hospital and Lincoln Sanitary Sewer System which are included in the proprietary fund types. As part of our examination we made a study and evaluation of the internal accounting and administrative controls described below to the extent we considered necessary to evaluate the systems as required by generally accepted auditing standards; the standards for financial and compliance audits contained in the Standards for Audit of Governmental Organizations, Programs, Activities, and Functions, issued by the U.S. General Accounting Office; the Single Audit Act of 1984; and the provisions of OMB Circular A-128, Audits of State and Local Governments.

The management of the City of Lincoln, Nebraska is responsible for establishing and maintaining internal control systems. In fulfilling that responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control procedures. The objectives of internal control systems are to provide management with reasonable, but not absolute, assurance that resource use is consistent with laws, regulations, and policies; resources are safeguarded against waste, loss, and misuse; that transactions are executed in accordance with management's authorization; and that data are obtained, recorded, and maintained properly to permit the preparation of financial statements in accordance with generally accepted accounting principles and the preparation of Federal reports in accordance with Federal requirements. Because of inherent limitations in any system of internal accounting and administrative controls, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the systems to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the degree of compliance with the procedures may deteriorate.

The significant internal accounting and administrative control categories, and the extent of our study and evaluation of these categories, are as shown on the following page.

- . Control categories for which our study was extended beyond the preliminary review phase:

Accounting Applications

- . Cash disbursements
- . Cash receipts
- . Payroll

General Requirements

- . Political activity
- . Federal financial reports
- . Civil rights
- . Cash management
- . Davis-Bacon Act
- . Relocation assistance and real property acquisition
- . Monitoring of subrecipients

Specific Requirements

- . Types of services
- . Eligibility
- . Matching level of efforts
- . Cost allocation
- . Monitoring subrecipients
- . Property and equipment management

With respect to internal control systems for which our study was extended beyond the preliminary review phase, our study and evaluation included considering the types of errors and irregularities that could occur, determining the internal control procedures that should prevent or detect such errors and irregularities, determining whether necessary procedures are prescribed and are being followed satisfactorily, and evaluating any weaknesses. Such study and evaluation included the significant internal accounting and administrative controls used in administering the major Federal assistance programs. During the year ended August 31, 1986, the City of Lincoln, Nebraska expended 87 percent of its Federal financial assistance under these major Federal financial assistance programs.

Our study and evaluation described in the preceding paragraph were more limited than would be necessary to express an opinion on the internal control systems of the City of Lincoln, Nebraska. Accordingly, we do not express an opinion on the internal control systems of the City of Lincoln, Nebraska, taken as a whole, or on any of the control categories identified above. However, our study and evaluation and our examination disclosed no condition that we believe to be a material weakness. In our letter to management dated January 23, 1987, we have separately communicated our observations and recommendations regarding other matters.

This report is intended solely for the use of management and the cognizant and other regulatory agencies and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report, which upon acceptance by the City of Lincoln, Nebraska, is a matter of public record.

Beal, Marwick, Mitchell & Co.

Lincoln, Nebraska
January 23, 1987

