

CITY OF LINCOLN, NEBRASKA



COMPREHENSIVE
ANNUAL FINANCIAL

R E P O R T

Fiscal Year Ended August 31, 1994

COMPREHENSIVE
ANNUAL FINANCIAL REPORT
OF THE
CITY OF LINCOLN, NEBRASKA
FOR THE FISCAL YEAR ENDED AUGUST 31, 1994

Prepared by:
The Auditing Division of the Finance Department

OFFICIALS OF THE CITY OF LINCOLN

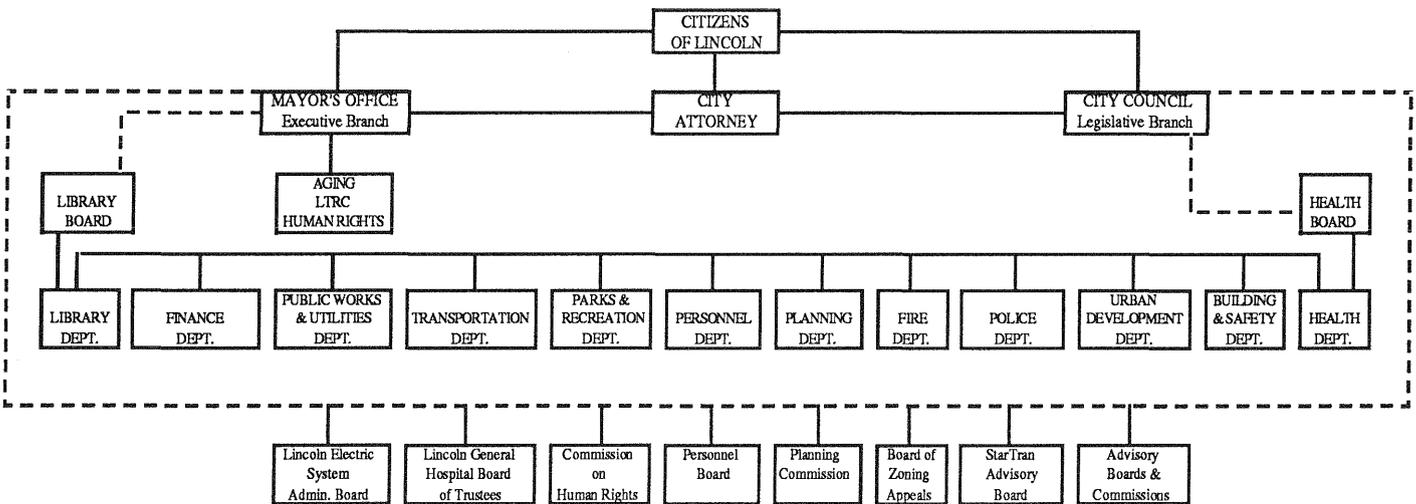
Mike Johanns Mayor
 Ken Haar Chair, City Council
 Cindy Johnson Vice Chair, City Council
 Curt Donaldson Council Member
 Coleen Seng Council Member
 Jerry Shoecraft Council Member
 Linda Wilson Council Member
 Dale Young Council Member

* * * * *

Jamie Warner Finance Director
 Timothy Stewart Planning Director
 James Morgan Parks And Recreation Director
 Walter Canney Lincoln Electric System Administrator
 George Chick Urban Development Director
 Carol Connor Library Director
 Richard Erixson Public Works Director
 And Acting Public Utilities Director
 Jerry McGinn Building And Safety Director
 Jane Ford Health Director
 Arlan Stromberg Hospital Administrator
 Rich Robinson Transportation Director
 Ron Todd Personnel Director
 William Austin City Attorney
 Thomas Casady Police Chief
 Mike Merwick Fire Chief

* * * * *

CITY OF LINCOLN ORGANIZATION CHART



CITY OF LINCOLN, NEBRASKA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED AUGUST 31, 1994
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LINCOLN



DEPARTMENT OF FINANCE
JAMIE WARNER, Director

NEBRASKA'S CAPITAL CITY

MIKE JOHANNIS, MAYOR

February 10, 1995

To The Honorable Mayor, Members Of The City Council, and Citizens Of The City Of Lincoln:

The Comprehensive Annual Financial Report (CAFR) of the City of Lincoln, Nebraska for the fiscal year ended August 31, 1994 is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with management. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the government. All disclosures necessary to enable the reader to gain an understanding of the government's financial activities including all currently effective statements of the Governmental Accounting Standards Board have been included.

The Comprehensive Annual Financial Report is presented in four sections: Introductory, Financial, Statistical, and Single Audit Sections.

- The Introductory Section, which is unaudited, contains a Listing of the Officials of the City of Lincoln, an Organization Chart, a Table of Contents, this Letter of Transmittal, and a Reproduction of the City's Certificate of Achievement for Excellence in Financial Reporting for the year preceding the report.
- The Financial Section includes an Independent Auditors' Report, General Purpose Financial Statements (including Notes to the Financial Statements), Combining, Individual Fund and Account Group Statements and Schedules, and narrative explanations which can be used in understanding combining, individual fund and account group statements and schedules.
- The Statistical Section, which is unaudited, presents comparative data for several periods of time or contains data from sources other than the accounting records. Statistical tables differ from financial statements because they usually cover more than 2 fiscal years and may present non-accounting data. Statistical tables reflect

social and economic data, financial trends, and the fiscal capacity of the government.

- The Single Audit Section contains information related to the City's annual single audit, which is required under the provisions of the Single Audit Act of 1984 and the U.S. Office of Management and Budget's Circular A-128, Audits of State and Local Governments, including a Schedule of Federal Financial Assistance, the Independent Auditors' Reports on Internal Controls and Compliance with Applicable Laws and Regulations, and a Schedule of Findings and Questioned Costs.

This report includes all funds and account groups of the City. 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 utility, water utility, wastewater 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), and Lincoln General Hospital (LGH), none of which are legally separate from the City and are thus included as part of the primary government. The Lincoln Water System, Lincoln Wastewater System, StarTran, 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 as part of the primary government. Separately audited financial statements are available for LES, LGH, Lincoln Water System, Lincoln Wastewater System, the parking facilities, and the golf courses.

Economic Condition And Outlook

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

The Lincoln metropolitan area population base (Lancaster County) continues to demonstrate a pattern of sustained growth. According to the U. S. Census figures, the Lincoln metropolitan area population grew by over 10.76% between 1980 and 1990, adding over 2,000 people to the community each year. The 1980 population of 192,884 reached 213,641 persons with the 1990 census.

While such a growth rate may be modest by some standards, this healthy pace of expansion places Lincoln as one of the fastest growing communities in this region. Most forecasters envision Lincoln to continue to grow at a rate near one percent per year throughout the remainder of the century.

Since the national recession of the early 1980's, Lincoln's employment has averaged an annual growth of approximately 3.5%. Unemployment at August 31, 1994 was 2.4%, well below the national average of 6.1%. This has been led by expansion in the service sector, as well as noteworthy growth in manufacturing. Lincoln is strongest in the categories of construction, services and wholesale and retail trade.

Lincoln's construction activity continues to demonstrate sustained growth. Permits for all forms of new construction have risen by 60% over the past 5 years with an increase in the value of construction permits of over \$117 million.

Sales and use tax revenue was up 14.7% for 1993-94.

Major Initiatives

The City's Redevelopment Plan, CDBG Program, and Capital Improvement Program anticipate public expenditures for revitalization/redevelopment projects and activities in the approximate amount of \$11,000,000 over the next three fiscal years. These projects and activities, as described below, cover the Haymarket, Northeast Radial Reuse, North 27th Street, and neighborhood residential/commercial areas.

The *Lincoln Center Redevelopment Plan* includes three projects:

- 1) The Q, O, P, R/Haymarket Redevelopment project which includes:
 - a) The Que Place sub-project - a housing development.
 - b) The Crossroads House sub-project - a parking garage.
 - c) The Journal-Star/Haymarket Square sub-project - streetscape/street improvements.

- 2) The 12th Street Revitalization Area project which includes:
 - a) The 11th/13th Street Core Area sub-project - rehabilitation, streetscape and two-way street improvements.
 - b) The Centerstone sub-project - streetscape, skywalk/corridor.
 - c) The Commerce Court-Lincoln Square Skywalk and Historic Facade Improvement sub-project.

- 3) The Haymarket Area Redevelopment project which includes:
 - a) The Hardy/Bucks Building sub-project - dock improvements.
 - b) "O" Street - 7th-9th Street sub-project - street/streetscape improvements.

The *Northeast Radial Reuse Redevelopment* project includes:

- 1) Malone Village - a housing development.
- 2) Scattered site land sales and development.
- 3) Industrial developments/expansions.
- 4) Parkway/bikeway landscape.
- 5) General revitalization - rehabilitation, landscape, sidewalk, etc.

The proposed *North 27th Street* project includes:

- 1) An area plan; a blight study.
- 2) A redevelopment plan amendment.
- 3) Street, land use and streetscape implementation.

The *Community Development - Enterprise Zone/Enterprise Community* project encompasses the following:

- 1) CDBG Four Target Area Plan implementation - Near South, South Salt Creek, Everett and Woods Park neighborhoods.
- 2) Hispanic Center funding.
- 3) Asian Center funding.
- 4) EZ/EC Area revitalization/development.
- 5) Lincoln Medial Education Foundation - housing project funding.
- 6) YWCA Housing project funding.
- 7) Housing development in connection with the Lincoln Community Development Partnership.
- 8) Consolidated Plan - plan preparation, project planning and implementation.

The *Real Estate/Property Management* projects include:

- 1) The Public Building Commission "K" Street Power Plant conversion.
- 2) The Public Building Commission co-location of Police, Sheriff and 911 Center.
- 3) The South Coalition Sanitary Trunk Sewer acquisition.
- 4) The South 27th Street widening acquisition.
- 5) The Cornhusker Hwy Salt Creek bridge replacement acquisition.
- 6) The expansion of District Heating and Cooling System.

Public financing of projects will be provided through a variety of sources, such as: advance acquisition funds, parking revenue/bonds, community improvement financing, community development block grant/HUD Section 108 Loan funds, downtown redevelopment bond funds, special assessments, street construction funds, State/Federal Highway funds, etc.

Proposed public involvement includes land assembly, rehabilitation/renovation financial assistance, housing development, commercial and entertainment development, parking facilities development, skywalk facilities development, historic restoration and pedestrian environmental improvement.

The Lincoln Wastewater System is projecting a capital improvements program in the amount of approximately \$36,543,000 over the 6-year period of 1994-1995 through 1999-2000. Of that total, approximately \$15,500,000 will be financed through revenue bonds and State revolving fund dollars, approximately \$233,000 from developer contributions, with the balance of the dollars coming from charges for services. The major portion of those dollars will be needed for nitrification and secondary treatment improvements at both the Theresa and Northeast treatment plants, trunk sewer extensions, general replacement of primary clarifier mechanisms, replacement of electrical equipment and controls at the Theresa Street Plant, an odor and corrosion control project at the Theresa Street Plant, and general replacement of sanitary sewer lines.

The Lincoln Water System is projecting a capital improvements program in the amount of \$46,074,500 over the 6-year period of 1994-1995 through 1999-2000. Of those dollars, approximately \$7,500,000 will be financed through revenue bonds,

approximately \$320,000 financed through developer contributions, with the balance of the dollars coming from charges for services. The major projects contributing to these total dollars include the installation of collector lines, construction of a new water transmission main between Lincoln and Ashland, additional ground storage reservoirs, and replacement mains.

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 dispositions, and the reliability of financial records for preparing financial statements in accordance with generally accepted accounting principles and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgements by management.

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 approved by the responsible department head. The City Auditor's office has a full-time Internal Auditor. The Internal Auditor reviews internal controls and conducts audits of all departments reporting to an audit committee consisting of the mayor, the finance director and two City Council members. 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 accounting controls, but serves to indicate that controls are adequate to safeguard assets and provide reasonable assurance of proper recording of financial transactions.

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

As part of the City's single audit, described earlier, tests were made of the City's internal control structure and of its compliance with applicable laws and regulations, including those related to federal financial assistance programs. Although this testing was not sufficient to support an opinion on the City's internal control system or its compliance with laws and regulations related to nonmajor federal financial assistance programs, the audit for the year ended August 31, 1994, disclosed no material internal control weaknesses or material violations of laws and regulations.

Accounting System And Budgetary Control

The accounts of the City are organized on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts that comprise its assets, liabilities, retained earnings/fund balances, revenues/receipts, and expenses/expenditures. Account groups are a reporting device to account for certain assets and liabilities of the governmental funds not recorded directly in those funds. More information on descriptions of each fund and the accounting principles applied to each fund type is included in the 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, 1994. Except for Capital Projects Funds, budgets for Governmental Type Funds are adopted annually. Capital Project Funds are budgeted by project and appropriations are continuing appropriations through completion of the project. Enterprise, Internal Service and Pension Trust Fund budgets are adopted annually.

General Governmental Functions

General governmental revenues (General, Special Revenue and Debt Service Funds) on a GAAP basis totaled \$114,015,894 in 1993-94, an increase of 11.8% from 1992-93. General property taxes produced 26.62% of General Governmental Revenues compared to 28.22% last year. The amount of revenues from various sources and the change from last year are shown in the following tabulation:

<u>Revenue Source</u>	<u>Amount</u>	<u>Percent Of Total</u>	<u>Increase (Decrease) From 1992-93</u>	<u>Percent Of Increase (Decrease)</u>
Taxes	\$ 72,266,306	63.4%	\$ 6,575,051	10.0%
Intergovernmental	24,954,144	21.9	795,244	3.3
Permits And Fees	4,164,959	3.7	839,922	25.3
Reimbursement For Services	1,946,264	1.7	563,958	40.8
Court Fees	124,275	0.1	7,818	6.7
Recreation Receipts	916,358	0.7	182,635	24.9
Interest	1,323,904	1.2	71,132	5.7
Other	<u>8,319,684</u>	<u>7.3</u>	<u>3,024,554</u>	<u>57.1</u>
	<u>\$114,015,894</u>	<u>100.0%</u>	<u>\$12,060,314</u>	<u>11.8</u>

Other revenue increased due to twelve months of Keno proceeds being reflected versus five months reflected in the prior year, developers' share of district special assessments, and State and private sector reimbursements for three major construction projects underway throughout the fiscal year (10th Street viaduct and pedestrian overpass, "L" Street by-pass and the North 27th Street project).

Assessed real property valuations at market value for 1993-94, totaled \$6,040,320,804.

As of August 31, 1994, current tax collections by the County Treasurer were 96.71% of the tax levy, up 1.37% from last year. Allocations of property tax levy by purpose for 1993-94, and the preceding two fiscal years are as follows:

City Tax Levy By Purpose

	<u>1993-94</u>	<u>1992-93</u>	<u>1991-92</u>
General Fund	.3477	.3410	.3223
Library	.0606	.0555	.0556
Social Security	.0210	.0200	.0194
Police And Fire Pension	.0068	.0071	.0121
General Obligation Debt	.0829	.0852	.0789
Property Tax Refund	<u>.0009</u>	<u>.0000</u>	<u>.0000</u>
	<u>.5199</u>	<u>.5088</u>	<u>.4883</u>

General governmental expenditures (General, Special Revenue and Debt Service Funds) on the GAAP basis of accounting totaled \$88,991,499 in 1993-94, a net increase of 4.0% over 1992-93. Increases and decreases in levels of expenditures by major functions of the City over the preceding year are shown in the following tabulation:

	<u>Amount</u>	<u>Percent Of Total</u>	<u>Increase (Decrease) From 1992-93</u>	<u>Percent Of Increase (Decrease)</u>
General Government	\$17,757,517	20.0%	\$2,196,255	14.1%
Public Safety	29,709,169	33.4	1,149,168	4.0
Streets And Highways	7,039,926	7.9	(684,469)	(8.9)
Culture And Recreation	10,313,064	11.6	310,720	3.1
Economic Opportunity	8,036,307	9.0	(6,157)	(.1)
Health And Welfare	7,019,362	7.9	951,516	15.7
Debt Service	<u>9,116,154</u>	<u>10.2</u>	<u>(531,239)</u>	<u>(5.5)</u>
	<u>\$88,991,499</u>	<u>100.0%</u>	<u>\$3,385,794</u>	<u>4.0</u>

As of August 31, 1994, general governmental fund balances (General, Special Revenue and Debt Service Funds) totaled approximately \$47.3 million, or in excess of 50% of current year general governmental expenditures.

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.

Parking Facilities

The City of Lincoln operates the 1,048 stall Centrum Parking Garage, which opened in November, 1978, the 405 stall Cornhusker Square Parking Garage, which opened in December, 1983, the 430 stall University Square, which opened in April, 1990 and the 598 stall Que Place, which opened in October, 1994. The City is in the process of constructing an additional garage, Carriage Park, which will have 710 stalls. University Square was built to serve the private industry in this area. The agreement includes right of first refusal on 301 parking spaces for monthly leases to Centerstone, NebHelp and Commercial Federal Savings and Loan. With the exception of Carriage Park, for which separate bonds were issued in August, 1994, the long-term debt for these facilities is covered under the same bond ordinance. Revenue generated by these 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>1993-94</u>	<u>1992-93</u>
Operating Revenue	\$1,481,086	1,450,030
Operating Income Before Depreciation	757,083	841,363
On-Street Parking Meter Revenue	673,216	603,675
Street Construction Revenue	1,101,781	
Revenue Available For Debt Service	2,532,080	1,445,038
Debt Service	1,266,040	557,222
Debt Service Coverage Ratio	2.00	2.59

Sanitary Landfill

The City of Lincoln owns and operates a solid waste disposal area and a construction and demolition disposal area which are subject to the U.S. Environmental Protection Agency rule "Solid Waste Disposal Facility Criteria", which establishes closure and postclosure care requirements. As of August 31, 1994, the City estimates that it will incur costs approximating \$17.5 million to adhere to such requirements (see Note 21 to the General Purpose Financial Statements).

Lincoln General Hospital (LGH)

The City owns and operates a licensed 307-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, 1994, was \$26,770,000. (See Note 9 to the Financial Statements.)

Water And Wastewater System

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

<u>Water System</u>	<u>1993-94</u>	<u>1992-93</u>
Operating Revenue	\$16,802,523	15,098,917
Operating Income	8,045,405	6,884,299
Revenue Available For Debt Service	13,397,359	11,507,260
Debt Service	5,181,215	4,326,495
Debt Service Coverage Ratio	2.59	2.66

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

<u>Wastewater System</u>	<u>1993-94</u>	<u>1992-93</u>
Operating Revenue	13,260,452	12,340,425
Operating Income	4,718,349	4,046,361
Revenue Available For Debt Service	7,827,973	6,746,427
Debt Service	1,746,009	1,731,593
Debt Service Coverage Ratio	4.48	3.90

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 as of and for LES' fiscal year ended December 31, 1993 is included in the City's August 31, 1994 financial statements.

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 police officers and firefighters.

Expendable Trust Funds And Agency 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.

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

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, 1994 the general fixed assets consisted of approximately 18,072 items totaling \$80,338,204, a net increase of \$1,300,047 over the prior year.

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. This data for the City of Lincoln at August 31, 1994 was as follows:

	<u>Outstanding Aug. 31, 1994</u>	<u>Debt Service Funds Aug. 31, 1994</u>	<u>Net Bonded Debt</u>	<u>Net Bonded Debt Per Capita</u>
General Obligation Bonds And Notes:				
General Bonds	\$30,872,000	3,841,986	27,030,014	135.59
Tax Allocation Bonds And Notes	<u>5,233,000</u>	<u>2,587,767</u>	<u>2,645,233</u>	<u>13.27</u>
Total General Bonds Including Tax Allocation Bonds And Notes	36,105,000	6,429,753	29,675,247	148.86
Special Assessment Bonds	<u>6,740,000</u>	<u>5,993,688</u>	<u>746,312</u>	<u>3.74</u>
	<u>\$42,845,000</u>	<u>12,423,441</u>	<u>30,421,559</u>	<u>152.60</u>

In addition to the general obligation bonded debt, the City recognizes a long-term liability for compensated absences of \$1,084,113 and an obligation under capital leases of \$230,914. Note 9 to the Combined Financial Statements presents more detailed information about the debt position of the City.

The following bonds/notes were issued during the year ended August 31, 1994:

<u>Date Issued</u>	<u>Issue</u>	<u>Average Interest Rate</u>	<u>When Due</u>	<u>Amount</u>
<u>General Obligation Bonds And Notes:</u>				
11/01/93	Cornhusker Square Refunding Bonds	3.46146	Ser. '94 to '97	\$ 1,410,000
03/07/94	Notes Payable	7.00000	1995 to 2004	8,000
<u>Revenue Bonds And Notes:</u>				
03/01/93	Electric Note Payable	11.32048	03/01/98	2,075,000
07/01/93	Electric Refunding '93 Series A	4.68942	Ser.'94 to '11	184,650,000
07/01/93	Electric Refunding '93 Series A	5.25000	Term 2015	62,005,000
03/01/94	Parking Revenue Series A	4.76833	Ser. '94 to '14	5,770,000
03/01/94	Parking Revenue Series B	5.48870	Ser. '94 to '99	1,080,000
08/15/94	Parking Revenue Series C	6.06332	Ser. '95 to '14	6,500,000

The Cornhusker Square Refunding Bonds were issued and used, together with certain other available funds, to pay, refund, redeem and retire all \$1,925,000 of the City's previously outstanding Cornhusker Square Redevelopment Project No. 1 Tax Allocation Refunding Bonds, Series 1985, dated April 1, 1985.

The Electric Refunding '93 Series A serial and term bonds were issued to finance facilities for the generation, transmission, distribution and sale of electric power and energy and to defease through an advance refunding certain outstanding bonds as follows: \$53,915,000 of Electric Power Supply, '77 Series A; \$40,490,000 of Electric Distribution Facilities, '77 Series A; \$49,170,000 of Electric Power Supply, '78 Series A; \$11,945,000 of Electric Distribution Facilities, '78 Series A; \$36,431,723 of Electric Power Supply, '86 Series A; \$40,440,000 of Electric Power Supply, '92 Series A; and \$4,245,000 of Electric Distribution Facilities, '92 Series A.

The Notes Payable were issued to finance the costs incident to the City's Apothecary and Ridnour Buildings sub-project. The loan was approved in the amount of \$160,000. Of that amount \$138,000 was borrowed prior to fiscal year 1994 and an additional \$8,000 during fiscal year 1994.

Parking Revenue Bonds Series 1994A and 1994B were issued to pay the cost of providing certain additional motor vehicle off-street parking structures in the City's central business district, and to defease through an advance refunding \$4,065,000 of the City's previously outstanding Parking Revenue Bonds, Series 1989A and 1989B.

Parking Revenue Bonds Series 1994C were issued to pay the cost of providing certain additional motor vehicle off-street parking structures in the City's central business district.

The City's General Obligation and Revenue Bonds continue to have excellent credit ratings. These ratings are as follows:

	Moody's Investors <u>Service</u>	Standard And <u>Poor's</u>	Fitch Investors <u>Service</u>
General Obligation Bonds	Aa	AAA	
Water And Sewer Revenue	Aa	AA	
Electric Revenue:			
Electric Power Supply	Aa	AA	AA-
Electric Distribution Facility	Aa	AA-	AA-
Commercial Paper Notes		A1+	
Lincoln General Hospital (Ser. 1993)		AAA	

The various bond indentures contain significant limitations and restrictions on annual debt service requirements, maintenance, 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, 98.7% of available funds were invested in interest-bearing deposits or government securities. Note 4 to the Combined Financial Statements discloses the City's investment policies and the manner in which these investments are held. The average yield on investments was 3.41% and the amount of interest earned was \$8,303,598.

Risk Management

The City's Risk Management Division is responsible for the administration of insurance and self-insurance programs, self-insured claims programs and the collecting of damages to City property. Responsibilities include researching insurance markets, preparing bid specifications and cost-effectively purchasing coverage; reviewing coverage, budgeting annual costs and maintaining actuarial soundness of self-insured claims funds; administering self-insured claims programs in a cost effective manner; and increasing City effectiveness in subrogation claims. The City is self-insured for workers' compensation, other property risks, law enforcement liability risks, public transportation liability risks, health benefits, and employee long-term disability. These programs remain successful for the City. Since implementation, the self-insurance programs have had favorable loss experience.

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. Through the efforts of the Finance Department staff and staff from the Transportation, Urban Development, Health, Aging, and Public Works Departments and the Lincoln Training Resource Center, 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) has awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Lincoln, Nebraska, for its comprehensive annual financial report for the fiscal year ended August 31, 1993. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

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. The City of Lincoln has received a Certificate of Achievement for the last eleven consecutive years (fiscal years ended 1983-1993). We believe our current report continues to conform to Certificate of Achievement program requirements, and we are submitting it to GFOA.

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,



Jamie Warner
Finance Director

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Certificate of Achievement for Excellence in Financial Reporting

Presented to

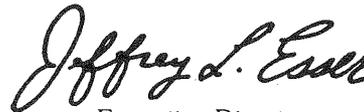
City of Lincoln,
Nebraska

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
August 31, 1993

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



President



Executive Director

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FINANCIAL SECTION

**INDEPENDENT AUDITORS' REPORT**

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

We have audited the accompanying general purpose financial statements of the City of Lincoln, Nebraska as of August 31, 1994, and for the year then ended, listed in the foregoing table of contents. These general purpose financial statements are the responsibility of the management of the City of Lincoln, Nebraska. Our responsibility is to express an opinion on these general purpose financial statements based on our audit. We did not audit the financial statements of Lincoln General Hospital, Lincoln Wastewater System, Lincoln Water System, and Lincoln Electric System, which represent 93% and 95% of the assets and revenues, respectively, of the enterprise funds. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Lincoln General Hospital, Lincoln Wastewater System, Lincoln Water System, and Lincoln Electric System, is based solely on the reports of the other auditors.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audit and the reports of other auditors, such general purpose financial statements present fairly, in all material respects, the financial position of the City of Lincoln, Nebraska as of August 31, 1994, and the results of its operations and the cash flows of its proprietary fund types and similar trust funds for the year then ended in conformity with generally accepted accounting principles.

As discussed in Note 21 to the general purpose financial statements, in 1994 the City changed its method of accounting for landfill closure and postclosure care costs to conform with GASB Statement No. 18, "Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Costs" and, retroactively, restated the 1993 comparative data for the change.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the foregoing table of contents, which are also the responsibility of the management of the City of Lincoln, Nebraska, are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the City of Lincoln, Nebraska. Such additional information has been subjected to the auditing procedures applied in our audit of the general purpose financial statements and, in our opinion, based on our audit of the general purpose financial statements and the reports of other auditors, is fairly presented in all material respects when considered in relation to the general purpose financial statements taken as a whole.

The statistical data on pages 118 - 123 is not a required part of the general purpose financial statements, and we did not audit or apply limited procedures to such information and we do not express any assurances on such information.

Deloitte & Touche LLP

Lincoln, Nebraska
February 9, 1995

CITY OF LINCOLN, NE
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
AUGUST 31, 1994
 With Comparative Totals For August 31, 1993

Exhibit 1

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Type	Account Groups		Totals (Memorandum Only)	
	General	Special Revenue	Debt Service	Capital Projects	Enterprise (Note 11)	Internal Service	Trust And Agency	General Fixed Assets	General Long-Term Liability	1994	1993
ASSETS AND OTHER DEBITS											
Cash Held By City Treasurer (Note 4)	\$ 12,871,871	7,596,462	4,658,169	2,056,053	3,975,247	4,098,146	6,338,209			41,594,157	41,044,797
Cash On Hand And In Other Accounts (Note 4)	15,254	5,197			789,967	224	1,153,954			1,964,596	1,474,038
Investments (Note 4)		9,202,113	6,143,589	5,619,537	41,130,765	6,286,086	85,586,343			153,968,433	154,257,385
Receivables (Notes 2 And 5)	3,901,848	1,958,843	5,953,277	551,675	33,695,026	380,548	1,324,624			47,765,841	45,121,527
Due From Other Funds (Note 17)	1,416,617	210,639	119,146	869,487	79,344	875,817	93,424			3,664,474	2,909,448
Due From Other Governments (Note 6)	2,882,516	2,412,069	49,255		118,811	271,440	4,010			5,738,101	5,287,632
Inventories	422,334				6,704,247	393,823				7,520,404	7,127,184
Plant Operation Assets					4,205,000					4,205,000	4,212,000
Prepaid Items	476,160				922,378					1,398,538	1,291,328
Reimbursements From Third Party Payors											186,000
Contractor Retainage							1,122,529			1,122,529	1,004,138
Unamortized Bond Issuance Expense (Note 3)					1,416,232					1,416,232	1,326,359
Deferred Charges And Other Assets (Notes 3 And 15)					52,357,000					52,357,000	38,834,000
Advance Payments For Nuclear Fuel					320,000					320,000	464,000
Restricted Assets:											
Cash (Note 4)					9,353,834					9,353,834	9,505,493
Cash On Hand And In Other Accounts (Note 4)					17,761					17,761	7,263
Cash Deposited With Bond Trustee (Note 4)					492,114					492,114	
Investments (Note 4)					89,763,408					89,763,408	95,369,736
Accrued Interest Receivable (Note 5)					570,794					570,794	526,533
Accounts Receivable (Note 5)					5,422					5,422	694
Due From Other Funds (Note 17)					7,457					7,457	21,228
Property, Plant, And Equipment (Net Of Accumulated Depreciation) (Note 7)					619,204,864	6,801,249		80,338,204		706,344,317	674,724,233
Insurance Contract (Note 15)							4,760,209			4,760,209	3,887,044
Amounts Available In Debt Service Funds									12,423,441	12,423,441	12,945,562
Amounts To Be Provided For Retirement Of General Long-Term Liabilities									31,736,586	31,736,586	36,164,026
Total Assets And Other Debits	21,986,600	21,385,323	16,923,436	9,096,752	865,129,671	19,107,333	100,383,302	80,338,204	44,160,027	1,178,510,648	1,137,691,648
LIABILITIES											
Warrants Payable							3,961,388			3,961,388	3,168,382
Vouchers Payable	33,899	360			16,249	1,510				52,018	1,293,621
Contracts Payable				1,280,730						1,280,730	1,683,374
Accounts Payable	307,052	493,292	1,800	3,039	13,971,887	311,050	100,561			15,188,681	11,799,875
Accrued Liabilities	1,965,469	909,906			10,661,443	336,776	252,194			14,125,788	13,053,227
Accrued Compensated Absences (Note 9)	1,318,161	472,619			723,072	333,322	2,510		1,084,113	3,933,797	4,969,003
Payable From Restricted Assets:											
Construction Contracts					2,790,523					2,790,523	5,740,314
Vouchers Payable											26,258
Accounts Payable					4,306					4,306	
Accrued Interest					7,196,748					7,196,748	5,988,173
Capital Lease (Note 9)					825,855					825,855	769,000
Revenue Bonds (Notes 3, 9 And 20)					11,295,000					11,295,000	11,695,000
Accreted Interest On Capital Appreciation Bonds											8,824,000
Due To Other Governments	97,778	8			77,716	20,135	1,071,664			1,267,301	1,369,828
Due To Contractor							1,274,257			1,274,257	1,131,267

(Continued)

(Exhibit 1, Continued)

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Type	Account Groups		Totals	
	General	Special Revenue	Debt Service	Capital Projects	Enterprise (Note 11)	Internal Service	Trust And Agency	General	General	(Memorandum Only)	
								Fixed Assets	Long-Term Liability	1994	1993
(LIABILITIES, Continued)											
Due To Plan Members (Note 15)					2,389,000		4,769,971			7,158,971	5,944,889
Due To Lincoln Joint Venture							252,836			252,836	
Due To Bondholders							10,078			10,078	2,127,545
Due To Other Funds (Note 17)	404,272	1,163,553		137,483	92,196	149,573	1,724,854			3,671,931	2,930,676
Arbitrage Rebate				191,308						191,308	220,848
Unearned Revenue	58,097									58,097	29,433
Deferred Revenues	1,054,307	236,939	4,446,841				47,920			5,786,007	6,587,962
Claims (Note 19)						3,346,222				3,346,222	3,030,000
Special Assessment Debt With Governmental Commitment (Note 9)									6,740,000	6,740,000	7,910,000
General Obligation Bonds Payable (Note 9)									30,872,000	30,872,000	33,534,000
Revenue Bonds And Notes (Notes 3, 9 And 20)					401,572,566					401,572,566	384,879,566
Tax Allocation Bonds (Notes 9 And 22)									5,087,000	5,087,000	6,372,000
Notes Payable (Note 9)									146,000	146,000	138,000
Bond Principal Payable			35,000							35,000	45,000
Bond Interest Payable			16,354							16,354	20,236
Landfill Closure/PostClosure Accrual (Note 21)					2,855,000					2,855,000	2,076,000
Deferred Credits And Other					397,000					397,000	1,008,000
Obligations Under Capital Leases (Note 9)					695,278				230,914	926,192	1,368,385
Other					3,939,780					3,939,780	3,693,858
Total Liabilities	5,239,035	3,276,677	4,499,995	1,612,560	459,503,619	4,498,588	13,468,233		44,160,027	536,258,734	533,427,720
EQUITY AND OTHER CREDITS											
Contributed Capital (Note 8)					76,923,440	410,809				77,334,249	69,965,002
Investment In General Fixed Assets								80,338,204		80,338,204	79,038,157
Retained Earnings (Note 21):											
Reserved For:											
Debt Service					25,965,945					25,965,945	28,552,341
Improvements					31,336,512					31,336,512	30,660,410
Restricted Funds					11,071,312					11,071,312	6,524,723
Unreserved					228,198,843	14,197,936				242,396,779	226,323,205
Fund Balances (Note 12):											
Reserved For:											
Encumbrances	421,895	4,482,054		1,507,531			4,336			6,415,816	6,404,261
Improvements					3,253,000					3,253,000	6,651,000
Inventories	422,334									422,334	411,094
Prepaid Items	476,160									476,160	432,675
Debt Service (Note 9)			8,949,882							8,949,882	9,335,395
Restricted Funds					239,000					239,000	215,000
Employee Retirement (Note 13)							86,015,434			86,015,434	81,582,173
Trust Donations							895,299			895,299	977,215
Unreserved:											
Designated For Debt Service			3,473,559							3,473,559	3,610,167
Designated For Subsequent Years' Expenditures	5,881,799	1,371,612		2,576,051						9,829,462	14,643,799
Undesignated	9,545,377	12,254,980		3,400,610	28,638,000					53,838,967	38,937,311
Total Retained Earnings/Fund Balances	16,747,565	18,108,646	12,423,441	7,484,192	328,702,612	14,197,936	86,915,069			484,579,461	455,260,769
Total Equity And Other Credits	16,747,565	18,108,646	12,423,441	7,484,192	405,626,052	14,608,745	86,915,069	80,338,204		642,251,914	604,263,928
Commitments And Contingent Liabilities (Notes 9, 13, 14, 21 And 22)											
Total Liabilities, Equity, And Other Credits	\$ 21,986,600	21,385,323	16,923,436	9,096,752	865,129,671	19,107,333	100,383,302	80,338,204	44,160,027	1,178,510,648	1,137,691,648

See Accompanying Notes To General Purpose 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, 1994

Exhibit 2

With Comparative Totals For Fiscal Year Ended August 31, 1993

	Governmental Fund Types				Fiduciary Fund Type	Totals (Memorandum Only)	
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust	1994	1993
Revenues:							
Taxes And Special Assessment (Note 2)	\$ 57,941,272	5,296,265	9,028,769	2,990,188		75,256,494	68,572,502
Intergovernmental	3,065,917	21,888,227		967,362		25,921,506	24,990,942
Permits And Fees	2,349,441	1,815,518				4,164,959	3,325,037
Reimbursement For Services	1,946,264					1,946,264	1,382,306
Court Fees	124,275					124,275	116,457
Recreation Receipts	832,801	83,557				916,358	733,723
Interest	490,075	511,890	321,939	478,344	28,218	1,830,466	1,944,710
Donations And Gifts					247,527	247,527	609,346
Miscellaneous	1,438,242	6,693,644	187,798	354,001	16,555	8,690,240	5,591,544
Total Revenues	68,188,287	36,289,101	9,538,506	4,789,895	292,300	119,098,089	107,266,567
Expenditures:							
Current:							
General Government	14,078,054	3,679,463				17,757,517	15,561,262
Public Safety	27,751,110	1,958,059				29,709,169	28,560,001
Streets And Highways	3,147,171	3,892,755				7,039,926	7,724,395
Culture And Recreation	6,043,724	4,269,340			298,712	10,611,776	10,355,012
Economic Opportunity	83,781	7,952,526			68,005	8,104,312	8,091,916
Health And Welfare	111,470	6,907,892				7,019,362	6,067,846
Debt Service:							
Principal Retirement			6,603,251			6,603,251	6,380,195
Interest And Fiscal Charges			2,359,517			2,359,517	3,104,393
Bond Issuance Costs			12,865			12,865	119,434
Capital Lease Principal			49,081			49,081	35,489
Capital Lease Interest			3,792			3,792	6,274
Miscellaneous			87,648			87,648	1,608
Capital Outlay				20,002,069		20,002,069	20,753,672
Total Expenditures	51,215,310	28,660,035	9,116,154	20,002,069	366,717	109,360,285	106,761,497
Excess (Deficiency) Of Revenues Over Expenditures	16,972,977	7,629,066	422,352	(15,212,174)	(74,417)	9,737,804	505,070
Other Financing Sources (Uses):							
Operating Transfers In	178,969	6,597,586	162,737	13,683,025		20,622,317	21,674,104
Operating Transfers Out	(8,590,617)	(11,246,968)	(548,157)	(3,296,125)	(12,193)	(23,694,060)	(25,102,267)
Proceeds Of Refunding Bonds							15,310,000
Payment To Refunded Bonds Escrow Agent							(15,170,833)
Transfer To Trustee			(141,384)			(141,384)	
Transfer From Escrow			150			150	920
Proceeds From Capital Leases		227,610				227,610	
Note Proceeds				8,274		8,274	12,000
Proceeds From Issuance Of Bonds			1,410,000			1,410,000	3,475,000
Total Other Financing Sources (Uses)	(8,411,648)	(4,421,772)	883,346	10,395,174	(12,193)	(1,567,093)	198,924
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures And Other Financing Uses	8,561,329	3,207,294	1,305,698	(4,817,000)	(86,610)	8,170,711	703,994
Fund Balances Beginning Of Year	8,398,330	12,901,352	12,945,562	17,715,428	986,245	52,946,917	52,242,923
Residual Equity Transfers In		2,000,000	172,181	39,913		2,212,094	1,000,000
Residual Equity Transfers Out	(212,094)		(2,000,000)	(5,454,149)		(7,666,243)	(1,000,000)
Fund Balances End Of Year	\$ 16,747,565	18,108,646	12,423,441	7,484,192	899,635	55,663,479	52,946,917

See Accompanying Notes To General Purpose 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, 1994

Exhibit 3

	General Fund			Special Revenue Funds			Debt Service Funds			Totals (Memorandum Only)		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:												
Taxes	\$ 50,538,836	57,086,773	6,547,937	4,781,647	5,243,000	461,353	5,337,162	6,436,925	1,099,763	60,657,645	68,766,698	8,109,053
Intergovernmental	3,020,943	3,485,297	464,354	18,240,435	21,565,879	3,325,444				21,261,378	25,051,176	3,789,798
Permits And Fees	1,716,299	2,349,445	633,146	1,887,233	1,815,498	(71,735)				3,603,532	4,164,943	561,411
Reimbursements For Services	2,049,242	1,963,719	(85,523)	42,054	17,068	(24,986)				2,091,296	1,980,787	(110,509)
Court Fees	212,863	124,859	(88,004)							212,863	124,859	(88,004)
Recreation Receipts	795,673	833,990	38,317	111,000	83,597	(27,403)				906,673	917,587	10,914
Interest	104,416	303,087	198,671	329,572	281,888	(47,684)	56,733	101,533	44,800	490,721	686,508	195,787
Keno Proceeds				920,700	1,566,420	645,720				920,700	1,566,420	645,720
Miscellaneous	850,318	1,456,049	605,731	1,652,211	3,007,462	1,355,251	231,502	187,798	(43,704)	2,734,031	4,651,309	1,917,278
Total Revenues	59,288,590	67,603,219	8,314,629	27,964,852	33,580,812	5,615,960	5,625,397	6,726,256	1,100,859	92,878,839	107,910,287	15,031,448
Expenditures:												
Current:												
General Government	14,129,636	14,079,797	49,839	2,287,164	3,015,304	(728,140)				16,416,800	17,095,101	(678,301)
Public Safety	28,233,407	28,101,756	131,651	1,780,674	1,971,883	(191,209)				30,014,081	30,073,639	(59,558)
Streets And Highways	3,321,900	3,229,563	92,337	4,409,047	4,052,584	356,463				7,730,947	7,282,147	448,800
Culture And Recreation	6,245,543	6,190,511	55,032	4,488,387	4,450,293	38,094				10,733,930	10,640,804	93,126
Economic Opportunity	75,697	75,697		9,606,786	8,096,048	1,510,738				9,682,483	8,171,745	1,510,738
Health And Welfare	112,129	112,129		7,131,013	6,843,869	287,144				7,243,142	6,955,998	287,144
Debt Service							5,975,330	7,445,750	(1,470,420)	5,975,330	7,445,750	(1,470,420)
Total Expenditures (Note 18)	52,118,312	51,789,453	328,859	29,703,071	28,429,981	1,273,090	5,975,330	7,445,750	(1,470,420)	87,796,713	87,665,184	131,529
Excess (Deficiency) Of Revenues Over Expenditures	7,170,278	15,813,766	8,643,488	(1,738,219)	5,150,831	6,889,050	(349,933)	(719,494)	(369,561)	5,082,126	20,245,103	15,162,977
Other Financing Sources (Uses):												
Operating Transfers In		167,327	167,327	5,256,847	5,711,082	454,235	162,737	162,737		5,419,584	6,041,146	621,562
Operating Transfers Out	(9,196,851)	(8,617,334)	579,517	(8,188,820)	(7,689,037)	499,783		(548,157)	(548,157)	(17,385,671)	(16,854,528)	531,143
Transfer To Trustee								(141,384)	(141,384)		(141,384)	(141,384)
Transfer From Escrow								150	150		150	150
Proceeds From Capital Leases				64,160	227,610	163,450				64,160	227,610	163,450
Proceeds From Issuance Of Bonds							1,410,000	1,410,000		1,410,000	1,410,000	
Total Other Financing Sources (Uses)	(9,196,851)	(8,450,007)	746,844	(2,867,813)	(1,750,345)	1,117,468	1,572,737	883,346	(689,391)	(10,491,927)	(9,317,006)	1,174,921
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures And Other Financing Uses	(2,026,573)	7,363,759	9,390,332	(4,606,032)	3,400,486	8,006,518	1,222,804	163,852	(1,058,952)	(5,409,801)	10,928,097	16,337,898
Fund Balances Beginning Of Year	7,978,861	7,978,861		7,879,543	7,879,543		5,408,842	5,408,842		21,267,246	21,267,246	
Residual Equity Transfers In							172,181	172,181		172,181	172,181	
Residual Equity Transfers Out	(212,094)	(212,094)								(212,094)	(212,094)	
Fund Balances End Of Year	\$ 5,740,194	15,130,526	9,390,332	3,273,511	11,280,029	8,006,518	6,803,827	5,744,875	(1,058,952)	15,817,532	32,155,430	16,337,898

See Accompanying Notes To General Purpose Financial Statements

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CITY OF LINCOLN, NE
COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN RETAINED EARNINGS/ FUND BALANCES -- ALL PROPRIETARY FUND TYPES
AND SIMILAR TRUST FUNDS
FISCAL YEAR ENDED AUGUST 31, 1994
With Comparative Totals For Fiscal Year Ended August 31, 1993

Exhibit 4

	Proprietary Fund Types		Fiduciary	Totals	
	Enterprise (Note 11)	Internal Service	Fund Type	(Memorandum Only)	
			Pension Trust	1994	1993
Operating Revenues:					
Charges For Services	\$ 209,756,409	20,308,749		230,065,158	223,253,458
Taxes (Note 2)			388,726	388,726	413,914
Employee Contributions (Note 13)			1,059,649	1,059,649	966,531
Employer Contributions (Note 13)					20,485
Investment Income			7,059,550	7,059,550	6,726,182
Other Operating Revenues	9,099,483		118	9,099,601	8,500,874
Total Operating Revenues	218,855,892	20,308,749	8,508,043	247,672,684	239,881,444
Operating Expenses:					
Personal Services	36,457,657	6,653,539		43,111,196	43,230,483
Contractual Services	1,624,053			1,624,053	2,064,589
Operation And Maintenance	45,428,640	12,577,791		58,006,431	50,381,938
Purchased Power	63,009,000			63,009,000	62,239,000
Refunds			1,506,258	1,506,258	1,234,450
Depreciation	22,837,640	1,639,644		24,477,284	22,647,666
Benefit Payments			2,398,986	2,398,986	2,210,491
Payments In Lieu Of Taxes (Note 2)	4,975,000			4,975,000	4,675,000
Administrative Costs	13,078,662		287,839	13,366,501	12,197,109
Total Operating Expenses	187,410,652	20,870,974	4,193,083	212,474,709	200,880,726
Operating Income (Loss)	31,445,240	(562,225)	4,314,960	35,197,975	39,000,718
Non-Operating Revenues (Expenses):					
Interest Revenue	6,117,169	355,963		6,473,132	7,973,542
Gain (Loss) On Disposal Of Assets	4,900		118,301	123,201	84,724
Operating Grants	951,270			951,270	1,149,160
Amortization Of Deferred Charges	(2,061,298)			(2,061,298)	(1,755,195)
Donations	201,000			201,000	202,000
Interest Expense And Fiscal Charges (Note 10)	(21,368,592)			(21,368,592)	(22,921,350)
Miscellaneous	1,874,647	(83,439)		1,791,208	1,336,755
Total Non-Operating Revenues (Expenses)	(14,280,904)	272,524	118,301	(13,890,079)	(13,930,364)
Net Income (Loss) Before Operating Transfers	17,164,336	(289,701)	4,433,261	21,307,896	25,070,354
Other Financing Sources (Uses):					
Operating Transfers In	3,409,178			3,409,178	3,823,270
Operating Transfers Out	(337,435)			(337,435)	(395,107)
Total Other Financing Sources (Uses)	3,071,743			3,071,743	3,428,163
Net Income (Loss) Before Extraordinary Items	20,236,079	(289,701)	4,433,261	24,379,639	28,498,517
Extraordinary Items:					
Loss From Early Extinguishment Of Debt (Note 3)	(134,188)			(134,188)	(7,790,961)
Net Income (Loss)	20,101,891	(289,701)	4,433,261	24,245,451	20,707,556
Depreciation Transfer On Contributed Capital (Note 8)	2,218,749	137,930		2,356,679	2,339,313
Increase (Decrease) In Retained Earnings/Fund Balances	22,320,640	(151,771)	4,433,261	26,602,130	23,046,869
Retained Earnings/Fund Balances Beginning Of Year As Restated (Note 21)	306,381,972	14,349,707	81,582,173	402,313,852	379,266,983
Retained Earnings/Fund Balances End Of Year	\$ 328,702,612	14,197,936	86,015,434	428,915,982	402,313,852

See Accompanying Notes To General Purpose Financial Statements

CITY OF LINCOLN, NE
COMBINED STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS
FISCAL YEAR ENDED AUGUST 31, 1994
With Comparative Totals For Fiscal Year Ended August 31, 1993

Exhibit 5

	Proprietary Fund Types		Fiduciary	Totals	
	Enterprise (Note 11)	Internal Service	Fund Type	(Memorandum Only)	
			Pension Trust	1994	1993
CASH FLOWS FROM OPERATING ACTIVITIES:					
Operating Income (Loss)	\$ 31,445,240	(562,225)	4,314,960	35,197,975	39,000,718
Adjustments To Reconcile Operating Income (Loss)					
To Net Cash From Operating Activities:					
Depreciation	22,837,640	1,639,644		24,477,284	22,647,666
Write-Off Of Deferred Financing Costs					794,000
Changes In Assets And Liabilities:					
Accounts Receivable	(1,829,523)	(143,376)		(1,972,899)	(1,682,402)
Unbilled Revenues	(280,000)			(280,000)	(3,865,435)
Taxes Receivable			11,652	11,652	46,138
Accrued Interest Receivable			94,748	94,748	123,573
Due From Other Funds	(30,825)	(33,647)	434	(64,038)	(125,474)
Due From Other Governments	(92,354)	518	(91)	(91,927)	(146,322)
Other Assets	(13,465,000)			(13,465,000)	(8,024,000)
Inventories	(319,363)	(62,617)		(381,980)	(421,307)
Plant Operation Assets	7,000			7,000	418,000
Prepaid Expenses	(63,725)			(63,725)	(283,628)
Reimbursement From Third Party Payors	186,000			186,000	(79,000)
Vouchers Payable	(48,465)	(109,643)		(158,108)	153,909
Accounts Payable	621,321	(46,787)	(1,259)	573,275	(765,886)
Accrued Liabilities	198,790	29,576	290	228,656	15,053
Due To Other Funds	66,371	124,144	349	190,864	17,341
Due To Other Governments	68,687	20,135		88,822	(13,469)
Accrued Compensated Absences	(166,670)	(82,415)	(953)	(250,038)	70,048
Deferred Revenues			(8,779)	(8,779)	(18,433)
Landfill Closure/PostClosure Accrual	779,000			779,000	401,000
Other Current Liabilities	1,427,922			1,427,922	741,894
Claims		316,222		316,222	248,000
Deferred Credits And Other Liabilities	(11,980,000)			(11,980,000)	(685,000)
Total Adjustments	(2,083,194)	1,651,754	96,391	(335,049)	9,566,266
Net Cash From Operating Activities	29,362,046	1,089,529	4,411,351	34,862,926	48,566,984
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:					
City Subsidy	3,388,951			3,388,951	3,063,951
Donations	205,000			205,000	202,000
Operating Grant	951,270			951,270	1,271,339
Recycling Subsidy	(273,638)			(273,638)	(392,707)
Net Cash From Non-Capital Financing Activities	4,271,583			4,271,583	4,144,583

(Continued)

(Exhibit 5, Continued)

	Proprietary Fund Types		Fiduciary	Totals	
	Enterprise (Note 11)	Internal Service	Fund Type	(Memorandum Only)	
			Pension Trust	1994	1993
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:					
Additions To Property, Plant, And Equipment	(29,242,056)	(1,778,452)		(31,020,508)	(42,896,250)
Capital Grants					153,959
Project Loan Advances					735,960
Payments On Contracts Used To Purchase Equipment					(8,000)
Proceeds From Sale Of Property, Plant, And Equipment	15,655	15,755		31,410	148,855
Bond Proceeds	254,435,000			254,435,000	179,650,000
Bond Issuance Costs	(242,297)			(242,297)	(3,381,766)
Other Funding Activities	21,843,000			21,843,000	
Expenditures For Utility Plant	(17,495,000)			(17,495,000)	(14,950,000)
Net Cost Of Retiring Plant	(183,000)			(183,000)	(195,000)
Capital Construction Transfer In	5,474,376			5,474,376	730,705
Capital Construction Transfer Out	(253,366)			(253,366)	(2,400)
Private Sector Share	534,587			534,587	
Principal Payments On Capital Lease	(773,867)			(773,867)	(725,000)
Principal Payments And Extinguishment Of Long-Term Debt	(262,119,189)			(262,119,189)	(174,040,961)
Interest Paid And Fiscal Charges	(20,134,890)			(20,134,890)	(24,430,977)
Net Cash From Capital Financing Activities	(48,141,047)	(1,762,697)		(49,903,744)	(79,210,875)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Proceeds From Sale And Maturities Of Investments	324,185,058	11,151,329	16,132,206	351,468,593	564,086,122
Purchases Of Investments	(318,179,112)	(12,483,965)	(20,883,034)	(351,546,111)	(545,258,624)
Interest And Other Revenues	8,035,342	344,639		8,379,981	9,385,143
Net Cash From Investing Activities	14,041,288	(987,997)	(4,750,828)	8,302,463	28,212,641
Net Increase (Decrease) In Cash	(466,130)	(1,661,165)	(339,477)	(2,466,772)	1,713,333
Cash Beginning Of Year	14,602,939	5,759,535	439,647	20,802,121	19,088,788
Cash End Of Year	\$ 14,136,809	4,098,370	100,170	18,335,349	20,802,121
Supplemental Disclosure of Noncash Investing And Financing Activities:					
Donation of Capital Assets	\$ 3,746,384	867		3,747,251	1,848,668
Acquisition Of Assets Through Capital Leases	210,000			210,000	
Acquisition Of Assets Through Note Payable	2,075,000			2,075,000	
	\$ 6,031,384	867		6,032,251	1,848,668
Reconciliation To Combined Balance Sheet:					
Cash Held By City Treasurer	\$ 3,975,247	4,098,146	6,338,209		
Cash On Hand And In Other Accounts	789,967	224	1,153,954		
Restricted Assets:					
Cash	9,353,834				
Cash On Hand And In Other Accounts	17,761				
Less:					
Cash End Of Year Expendable Trust Funds			(650,456)		
Cash End Of Year Agency Funds			(6,741,537)		
	14,136,809	4,098,370	100,170		

See Accompanying Notes To General Purpose Financial Statements

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**NOTES TO GENERAL PURPOSE
FINANCIAL STATEMENTS**

CITY OF LINCOLN, NEBRASKA
Notes to General Purpose Financial Statements
August 31, 1994

(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 7 members. Three Council members are elected at large and 4 by district on a nonpartisan basis for a term of 4 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 wastewater 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 general purpose financial statements present all the fund types and account groups of the City. Based upon the financial accountability criteria identified in GASB Statement 14, the Reporting Entity, none of the City's significant potential component units were required to be included as part of the reporting entity. Regarding related organizations, the City's mayor appoints and the City Council approves all of the board appointments of the Housing Authority of the City of Lincoln and the Lincoln Hospital Association. However, the City has no further accountability for either of these organizations.

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

FISCAL YEAR-END

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, 1994, with memorandum totals as of and for the year ended August 31, 1993. December 31st 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, 1993. The amounts included in the City's August 31, 1994 financial statements for LES are audited figures as of and for the year ended December 31, 1993. The 1993 memorandum totals include the December 31, 1992 audited financial statements of LES.

BASIS OF PRESENTATION - FUND ACCOUNTING

The accounts of the City are organized on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance/retained earnings, revenues, and expenditures/expenses. Account groups are a reporting device to account for certain assets and liabilities of the governmental funds not recorded directly in those funds. 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 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 and trust funds).

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 and trust 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, 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

CITY OF LINCOLN, NEBRASKA
Notes to General Purpose Financial Statements

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 and prepaid expenses 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 historical cost or estimated historical cost. Contributed fixed assets are recorded at estimated fair 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

In proprietary funds, grants, entitlements, or shared revenues received for operations and/or for either operations or capital acquisitions or construction are reported as "nonoperating" revenues. Such resources externally restricted for capital acquisitions or construction are reported as contributed capital. Operating expenses include depreciation on all depreciable fixed assets. Depreciation recognized on assets acquired or constructed through such resources externally restricted for capital acquisitions is transferred to

CITY OF LINCOLN, NEBRASKA
Notes to General Purpose Financial Statements

the appropriate contributed capital account and reported in the operating statement. The net income (loss) is adjusted by the amount of depreciation on fixed assets acquired or constructed through such resources externally restricted for this purpose and closed to Retained Earnings. Contributed capital at August 31, 1994 is net of accumulated depreciation.

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 which are measurable but not considered available are recorded as deferred revenues. Expenditures are recorded in the accounting period in which the related fund 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.

CITY OF LINCOLN, NEBRASKA
Notes to General Purpose Financial Statements

None of the Governmental Accounting Standards Board (GASB) pronouncements with effective dates beginning after August 31, 1994 have been implemented. The City has not determined the impact on the financial statements for pronouncements not implemented.

BUDGETARY DATA

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

- (1) At least 40 days prior to the end of the budget and fiscal year, the Mayor submits to the City Council a proposed annual budget for the ensuing year. The annual budget is a complete financial plan for the ensuing budget year and consists of an operating budget and a capital budget.
- (2) Public hearing on the proposed budget is scheduled for not later than 10 days prior to the budget adoption date.
- (3) Not later than 5 days prior to the end of the fiscal year, the budget is legally adopted by resolution of the City Council.
- (4) The Mayor is authorized to transfer unencumbered balances between appropriations of the same department or agency. The Mayor also has authority to lower appropriations in any fund where actual revenues are less than that appropriated, in order to avoid incurring a budget deficit for the year.

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

- (5) Budgets for all funds are adopted on a basis 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. Budget basis expenditures are presented on a cash basis plus encumbrances.

Amendments to the adopted budget were made this year and 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.

CITY OF LINCOLN, NEBRASKA
Notes to General Purpose Financial Statements

- (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 fund types: general, special revenue, debt service, capital projects, enterprise, internal service, and pension trust funds.~~

Legally adopted annual budgets are not established for certain special revenue (Advance Acquisition, Aviation Promotion, Cable Access Television, Tax Sales Revolving and Special Assessment) and debt service (Special Assessment) funds. In addition, capital project funds are not budgeted on an annual basis, but rather a project basis. As a result, budget to actual comparisons have not been presented for these funds.

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, 1994 encumbrances have been reported as expenditures on the budget basis statements.

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 is allocated to the individual funds at year end on the basis of average balances.

CASH AND CASH EQUIVALENTS

For purposes of the Statements of Cash Flows of its proprietary and similar trust funds, the City considers cash on hand and in the bank as well as cash held and invested by the City Treasurer on behalf of the funds which is readily convertible to known amounts of cash to be cash and cash equivalents.

Cash and Cash Equivalents as reported in the Statement of Cash Flows includes Cash held by City Treasurer, Cash on hand and in other accounts, Restricted cash and Restricted cash on hand and in other accounts.

INVESTMENTS

Investments, except for the deferred compensation insurance contract and mutual funds, are stated at cost or amortized cost. 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.

The Deferred Compensation Insurance contracts and mutual funds are carried at estimated fair value.

INVENTORIES

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

VACATION AND SICK LEAVE

City employees generally earn vacation days at specific rates during the periods of the first 5 years of service, from 5 to 15 years of service, and over 15 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 28 days. Employees earn sick leave at the rate of one day per month with a total accumulation of 200-216 days depending upon the employees' bargaining unit. Upon retirement, an employee is reimbursed for accumulated sick leave to a maximum of 40 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.

GASB Statement 16, Accounting for Compensated Absences, became effective and was adopted by the City during the fiscal year ended August 31, 1994. Restatement of beginning fund equity was not necessary as the cumulative effect of the change in accounting principle did not have a material impact on the financial statements.

Under GASB Statement 16, vacation leave and other compensated absences with similar characteristics are accrued as the benefits are earned if the leave is attributable to past service and it is probable that the City will compensate the employees for such benefits. Sick leave and other compensated absences with similar characteristics are accrued as the benefits are earned only to the extent it is probable that the City will compensate the employees for such benefits through cash payments conditioned on the employee's termination or retirement. Such accruals are based on current salary rates and include salary related payments directly and incrementally associated with payments made for compensated absences on termination.

In the governmental and similar trust funds, compensated absences expected to be liquidated with expendable available financial resources are recorded as a fund liability with the remainder being recorded in the general

long-term liability account group. The proprietary and similar trust funds recognize the entire compensated absence balance as a fund liability.

COMPARATIVE DATA

Comparative total data for the prior year has 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.

TOTAL COLUMNS ON COMBINED STATEMENTS

Total columns on the General Purpose Financial 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 cash flows 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.

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, tax exempt borrowings.

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 wastewater 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.

RESIDUAL EQUITY TRANSFERS

Residual equity transfers out of \$7,666,243 exceed residual equity transfers in of \$2,212,094 due to a transfer of \$5,454,149 for capital acquisition from the Downtown Redevelopment Project Capital Projects Fund to the Parking Facilities Enterprise Fund (see Note 8).

(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 6 months thereafter, as well as taxes authorized by state law. The 1993 tax levy, for the 1993-94 fiscal year, was \$19,956,882 below the legal limit, a tax rate per \$100 valuation of .5199. The assessed value upon which the 1993 levy was based was \$5,535,890,695.

The tax levies for all political subdivisions in Lancaster County are certified by the County Board on September 15th. Real estate taxes are due and become an enforceable lien on property on December 31st. Personal property taxes are due semi-annually on November 1 and June 1, though no lien is placed on such property. The first half of real estate taxes becomes delinquent on April 1st and the second half becomes delinquent August 1st following the levy date. Personal property taxes become delinquent December 1st and July 1st following the levy date. Delinquent taxes bear 14% interest.

Property taxes levied for 1993-94 are recorded as revenue when due or past due and when expected to be collected within 60 days after August 31, 1994. Prior-year levies were recorded using these same principles, and remaining receivables are re-evaluated annually. Property taxes expected to be collected after 60 days are recorded as deferred revenue on the balance sheet.

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

(3) IN-SUBSTANCE DEFEASANCE OF DEBT

During fiscal year 1994, the City defeased certain Revenue Bonds through an advance refunding by placing the proceeds of the refunding bonds in an irrevocable trust to provide for all future debt service payments on the defeased bonds (In-substance Defeasance). Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. Pertinent data regarding such current year defeasance activity is as follows:

<u>Description Of Defeased Bonds</u>	<u>Balance Of Defeased Bonds At Time Of Defeasance</u>	<u>Amount Of Refunding Issue</u>	<u>Amount Placed In Irrevocable Trust</u>	<u>Accounting (Loss)</u>	<u>Decrease In Cash Flow Requirements</u>	<u>Economic Gain</u>
Revenue Bonds:						
Various Lincoln Electric	236,637,000	246,655,000	271,274,000	N/A	32,482,750	19,130,000
08/15/89 Parking Revenue A	2,870,000	2,870,000	2,923,325	(94,740)	452,627	323,775
08/15/89 Parking Revenue B	1,195,000	1,080,000	1,220,932	(39,448)	225,073	108,938

In accordance with the provisions of generally accepted accounting principles for regulated entities, charges resulting from the issuance of Lincoln Electric's revenue bonds are deferred and amortized over the

CITY OF LINCOLN, NEBRASKA
Notes to General Purpose Financial Statements

repayment period of the bonds using the bonds outstanding method as opposed to recognizing an accounting loss in the year of issuance.

In prior years, the City defeased certain general obligation and other bonds by placing the proceeds of the refunding bonds in irrevocable trusts to provide for all future debt service payments on the defeased bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. On August 31, 1994, the following bonds outstanding, encompassing both current year and prior year in-substance defeasances, are considered defeased:

General Obligation Bonds:		
06/15/87	Downtown Redevelopment	\$ 9,825,000
Revenue Bonds:		
08/15/80	Lincoln Wastewater	5,000
Various	Lincoln Electric	139,041,200
10/01/88	Lincoln General	20,055,000
Various	Lincoln Water	<u>47,620,000</u>
Total Defeased Bonds Outstanding		<u>\$216,546,200</u>

(4) DEPOSITS AND INVESTMENTS

State Statute 14-563 R.R.S., 1943 authorizes funds of the City to be invested in "securities of the United States, the State of Nebraska, metropolitan city, county in which such metropolitan city is located or school district of such city, in the securities of municipally owned and operated public utility property and plants of such city, or in the same manner as funds of the State of Nebraska are invested, except that the city treasurer may purchase certificates of deposit from and make time deposits in banks selected as depositories of City funds." Additionally, State Statutes 15-846 and 15-847 R.R.S., 1943 require banks either to give bond or to pledge government securities (types of which are specifically identified in the Statutes) to the city treasurer in the amount of the City's deposits. The Statutes allow pledged securities to be reduced by the amount of the deposit which is insured by the Federal Deposit Insurance Corporation (FDIC).

In accordance with authorized investment laws, the Pension Trust Funds of the City are allowed to invest in various mortgage-backed securities, such as collateralized mortgage obligations. These securities are reported at amortized cost (including accrued interest) in the balance sheet. They are reported in aggregate as mortgage-backed securities in the disclosure of custodial credit risk.

DEPOSITS

For purposes of classifying categories of credit risk, the bank balances of the City's deposits as of August 31, 1994 are either entirely insured or collateralized with securities held by the City's agent in the City's name.

CITY OF LINCOLN, NEBRASKA
Notes to General Purpose Financial Statements

INVESTMENTS

For reporting purposes, the carrying amount of investments is classified into the following three categories of credit risk:

- (1) Insured or registered, or securities held by the City or its agent in the City's name.
- (2) Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the City's name.
- (3) Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent, but not in the City's name.

Pension Funds

At August 31, 1994, the pension trust funds had investments as follows:

	<u>Category</u>		Carrying Amount	Fair Value
	<u>1</u>	<u>3</u>		
<u>Fire Pension</u>				
Government Securities	\$ 676,358	173,960	850,318	882,605
Government Agencies	<u>250,000</u>		<u>250,000</u>	<u>247,969</u>
	<u>\$ 926,358</u>	<u>173,960</u>	<u>1,100,318</u>	<u>1,130,574</u>
<u>Police And Fire Pension</u>				
Mortgage Backed Securities	\$ 8,934,372	10,712,432	19,646,804	16,918,322
Government Securities	29,498,232	29,543,251	59,041,483	63,114,589
Repurchase Agreements		550,000	550,000	550,000
Common Stock		<u>639,346</u>	639,346	699,420
	<u>\$ 38,432,604</u>	<u>41,445,029</u>		
Open-end Mutual Funds			<u>4,358,392</u>	<u>4,358,392</u>
			<u>84,236,025</u>	<u>85,640,723</u>

Lincoln General Hospital (LGH)

At August 31, 1994, LGH had investments as follows:

	<u>Category</u>		Carrying Amount	Fair Value
	<u>2</u>	<u>3</u>		
Government Securities	\$3,223,000	15,551,000	18,774,000	18,679,000
Repurchase Agreements		<u>1,435,000</u>	<u>1,435,000</u>	<u>1,435,000</u>
	<u>\$3,223,000</u>	<u>16,986,000</u>	<u>20,209,000</u>	<u>20,114,000</u>

CITY OF LINCOLN, NEBRASKA
Notes to General Purpose Financial Statements

Lincoln Electric System (LES)

At December 31, 1993, LES had investments as follows:

	<u>Category</u> <u>2</u>	<u>Fair</u> <u>Value</u>
	<u>Carrying</u> <u>Amount</u>	
Government Securities	\$45,018,000	46,393,000
Repurchase Agreements	<u>700,000</u>	<u>700,000</u>
	<u>\$45,718,000</u>	<u>47,093,000</u>

Lincoln Wastewater System

At August 31, 1994, Lincoln Wastewater System had investments as shown below:

	<u>Category</u> <u>3</u>	<u>Fair</u> <u>Value</u>
	<u>Carrying</u> <u>Amount</u>	
Government Securities	<u>\$16,198,559</u>	<u>16,242,570</u>

Lincoln Water System

At August 31, 1994, Lincoln Water System had investments as follows:

	<u>Category</u>		<u>Carrying</u> <u>Amount</u>	<u>Fair</u> <u>Value</u>
	<u>2</u>	<u>3</u>		
Government Securities	\$	26,066,907	26,066,907	25,892,012
Repurchase Agreements	<u>336,385</u>	<u> </u>	<u>336,385</u>	<u>336,385</u>
	<u>\$ 336,385</u>	<u>26,066,907</u>	<u>26,403,292</u>	<u>26,228,397</u>

All Other City Funds

Investments of all other City funds do not vary significantly in either type or risk. These investments at August 31, 1994 were as follows:

	<u>Category</u>		<u>Carrying</u> <u>Amount</u>	<u>Fair</u> <u>Value</u>
	<u>1</u>	<u>3</u>		
Government Securities	\$14,882,668	12,127,839	27,010,507	27,049,133
Government Agencies	10,429,818	6,256,876	16,686,694	16,771,698
Repurchase Agreements	<u> </u>	<u>6,450,000</u>	<u>6,450,000</u>	<u>6,450,000</u>
	<u>\$25,312,486</u>	<u>24,834,715</u>	50,147,201	50,270,831
Interfund Investments			<u>666,500</u>	<u>666,500</u>
			<u>50,813,701</u>	<u>50,937,331</u>

CITY OF LINCOLN, NEBRASKA
Notes to General Purpose Financial Statements

Reconciliation to Exhibit 1

As of August 31, 1994, the deposits and investments of the City consisted of:

Fund	Carrying Amount
Investments:	
Fire Pension	\$ 1,100,318
Police And Fire Pension	84,236,025
Lincoln General Hospital	20,209,000
Lincoln Electric System	45,718,000
Lincoln Wastewater System	16,198,559
Lincoln Water System	26,403,292
All Other City Funds	<u>50,813,701</u>
Total Investments	<u>244,678,895</u>
Deposits And Cash:	
Certificates Of Deposit	45,200,000
Bank Accounts	6,001,966
Cash On Hand	<u>1,273,442</u>
	<u>\$297,154,303</u>
These assets are reflected on Exhibit 1 as follows:	
Cash Held By City Treasurer	\$ 41,594,157
Cash On Hand And In Other Accounts	1,964,596
Investments	153,968,433
Restricted Assets:	
Cash	9,353,834
Cash On Hand And In Other Accounts	17,761
Cash Deposited With Bond Trustee	492,114
Investments	<u>89,763,408</u>
	<u>\$297,154,303</u>

There were no investments that resulted in significantly greater credit risk during the period than that existing at August 31, 1994, the balance sheet date.

The City's Pension Trust Funds invest in collateralized mortgage obligations to maximize investment earnings. These securities are based on cash flows from principal and interest payments on underlying mortgages. Therefore, they are sensitive to prepayments by mortgagees, which may result from a decline in interest rates. For example, if interest rates decline and homeowners refinance mortgages, thereby prepaying the mortgages underlying these securities, the cash flows from interest payments are reduced and the value of these securities declines. Likewise, if homeowners pay on mortgages longer than anticipated, the cash flows are greater and the return on the initial investment would be higher than anticipated. Additionally, based upon market conditions, significant losses could result if such securities are sold prior to maturity.

CITY OF LINCOLN, NEBRASKA
Notes to General Purpose Financial Statements

(5) RECEIVABLES

Receivables at August 31, 1994 consist of the following (in thousands):

Fund	Taxes	Accounts	Special Assessments		Accrued Interest	Gross Receivables	Allowance For Uncollectibles	Net
			Current	Deferred				
General	\$ 3,608	246			48	3,902		3,902
Special Revenue	880	906			173	1,959		1,959
Debt Service	1,285	9	746	4,220	66	6,326	373	5,953
Capital Projects		478			74	552		552
Enterprise		37,911			1,724	39,635	5,364	34,271
Internal Service		296			85	381		381
Trust And Agency	77	697			550	1,324		1,324
	<u>\$ 5,850</u>	<u>40,543</u>	<u>746</u>	<u>4,220</u>	<u>2,720</u>	<u>54,079</u>	<u>5,737</u>	<u>48,342</u>

Enterprise customer accounts receivable include unbilled charges for services.

Delinquent Special Assessment Receivables at August 31, 1994 were \$313,225.

(6) DUE FROM OTHER GOVERNMENTS

The total of Due from Other Governments of \$5,738,101 includes the following significant items:

<u>Fund/Fund Type</u>	<u>Amount</u>	<u>Service</u>
General	\$2,662,408	State of Nebraska, July Sales and Use Tax
	206,587	August Motor Vehicle Taxes Collected by Lancaster County
Lincoln City Libraries/Special Revenue	36,006	August Motor Vehicle Taxes Collected by Lancaster County
	95,473	Lancaster County, Rural Library Reimbursement
Lincoln/Lancaster Co. Health/Special Revenue	253,278	Lancaster County, Cost Reimbursements
Street Construction/Special Revenue	847,964	State of Nebraska, July Highway User Fees
	474,179	State of Nebraska, Street Construction Project, Cost Reimbursementst
Federal Grants/Special Revenue	591,243	Federal Government, Cost Reimbursements
Bond Interest And Redemption/Debt Service	49,255	August Motor Vehicle Taxes Collected by Lancaster County
StarTran/Enterprise	68,315	Federal Share of Project Costs
	45,781	State of Nebraska, Cost Reimbursements
Data Processing/Internal Service	192,651	Lancaster County Billings

CITY OF LINCOLN, NEBRASKA
Notes to General Purpose Financial Statements

(7) FIXED ASSETS

GENERAL FIXED ASSETS

All items in the general fixed assets account group are valued at historical cost, or, if donated, estimated fair value at time of donation. The City has elected not to record infrastructure assets or to depreciate general fixed assets. Approximately 18,072 items comprise the general fixed assets. A summary of changes in general fixed assets since September 1, 1993 is as shown below:

	Balance <u>Sept. 1, 1993</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>August 31, 1994</u>
Land	\$13,719,436	46,811	25,407	13,740,840
Buildings	24,850,418	1,441,940	41,500	26,250,858
Improvements Other Than Buildings	17,134,487	515,304	231,631	17,418,160
Equipment	<u>23,333,816</u>	<u>1,009,963</u>	<u>1,415,433</u>	<u>22,928,346</u>
	<u>\$79,038,157</u>	<u>3,014,018</u>	<u>1,713,971</u>	<u>80,338,204</u>

PROPRIETARY FUND TYPES - PROPERTY, PLANT AND EQUIPMENT

A summary of Proprietary Fund Type property, plant, and equipment at August 31, 1994 follows:

	<u>Enterprise</u>	<u>Internal Service</u>
Land	\$ 13,358,021	48,250
Buildings	103,271,300	346,594
Improvements Other Than Buildings	150,967,300	516,478
Machinery And Equipment	43,308,819	17,010,496
Utility Plant	428,046,000	
Construction In Progress	<u>126,014,133</u>	
Total	864,965,573	17,921,818
Less Accumulated Depreciation	<u>(245,760,709)</u>	<u>(11,120,569)</u>
	<u>\$619,204,864</u>	<u>6,801,249</u>

Construction In Progress at August 31, 1994 is as follows:

Parking Facilities	\$ 8,150,867
Pershing Auditorium	54,583
Lincoln General Hospital	590,000
Lincoln Wastewater System	18,441,964
Lincoln Water System	78,036,719
Lincoln Electric System	<u>20,740,000</u>
	<u>\$126,014,133</u>

CITY OF LINCOLN, NEBRASKA
Notes to General Purpose Financial Statements

(8) CONTRIBUTED CAPITAL

The following are changes for the year ended August 31, 1994 in contributed capital for the proprietary funds:

	Contributed Capital	
	Enterprise Funds	Internal Service Funds
Balance, September 1, 1993	\$ 69,417,130	547,872
Donated Assets	3,746,384	867
Capital Construction Transfers	5,454,149	
Private Sector Contributions	534,587	
Less Donated Assets Deleted	(10,061)	
Less Depreciation On Assets Acquired With Contributed Capital	<u>(2,218,749)</u>	<u>(137,930)</u>
Balance, August 31, 1994	<u>\$ 76,923,440</u>	<u>410,809</u>

(9) LONG-TERM DEBT

The following is a summary of long-term debt transactions of the City for the year ended August 31, 1994 (in thousands of dollars):

	General Long-Term Liability Account Group				Proprietary Fund Long-Term Obligations		Total
	General And Tax Allocation Bonds And Notes	Special Assessment Debt With Governmental Commitment	Capital Leases	Accrued Compensated Absences	Revenue Bonds And Notes	Capital Leases	
Balances At September 1, 1993	\$ 40,044	7,910	53	1,103	396,565	2,085	447,760
Additions:							
New Bonds/Notes:							
08/15/94 Parking Revenue C					6,500		6,500
03/07/94 Notes Payable	8						8
Advance Refunding Bonds:							
11/01/93 Cornhusker Square	1,410						1,410
In-Substance Defeasance Refunding Bonds:							
07/01/93 Electric Revenue Term					62,005		62,005
07/01/93 Electric Revenue Serial					184,650		184,650
03/01/94 Parking Revenue A					5,770		5,770
03/01/94 Parking Revenue B					1,080		1,080
Other:							
New Notes Payable					2,075		2,075
New Accrued Compensated Absence Obligations				35			35
New Capital Leases			227			210	437
Deductions:							
In-Substance Defeasance					(240,702)		(240,702)
Advance Refundings	(1,925)						(1,925)
Serial Bonds	(2,662)	(1,170)			(5,085)		(8,917)
Tax Allocation Bond Antic. Notes	(770)						(770)
Capital Lease Payments			(49)			(774)	(823)
Accrued Compensated Absences				(54)			(54)
Balances At August 31, 1994	<u>\$ 36,105</u>	<u>6,740</u>	<u>231</u>	<u>1,084</u>	<u>412,858</u>	<u>1,521</u>	<u>458,539</u>

CITY OF LINCOLN, NEBRASKA
Notes to General Purpose Financial Statements

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

Original Amount	Issued	Issue	Average Interest Rate	When Due	Date Callable	Interest Date	Outstanding
General Obligation Bonds And Notes:							
General Bonds:							
3,400	03/01/78	Storm Sewer	4.88214	Ser. '79 to '98	1988	Semiannually	\$ 1,000
7,985	08/15/89	Various Purpose	6.52380	Ser. '90 to '09	1999	"	6,400
5,193	09/15/89	Sanitary Improvement District #7	5.00000	Ser. '91 to '10	1990	Annually	3,407
1,220	08/15/91	Storm Sewer	5.35116	Ser. '92 to '98	1995	Semiannually	685
5,580	12/15/91	Various Purpose	5.76450	Ser. '92 to '11	1996	"	5,040
4,570	06/01/93	Various Purpose Refunding	4.47364	Ser. '94 to '06	1998	"	4,180
475	07/01/93	Storm Sewer Refunding	2.93028	Ser. '94 to '95	NONE	"	235
10,740	07/01/93	Downtown Redev. Refunding	4.26203	Ser. '93 to '02	1998	"	9,925
		TOTAL GENERAL BONDS					\$ 30,872
Tax Allocation Bonds:							
1,410	11/01/93	Cornhusker Sq. Refunding Bonds	3.46146	Ser. '94 to '97	1996	Semiannually	\$ 1,160
620	01/01/89	Gold's Galleria Redevelopment	7.06100	Ser. '89 to '98	1993	"	155
880	01/17/90	Tax Allocation Bonds	7.90000	Oct. 1, 2004	Anytime	Annually	667
2,670	03/15/90	Northeast Radial Reuse Area Proj.#	6.49529	Ser. '90 to '98	1993	Semiannually	1,660
1,310	11/15/92	Tax Allocation Bonds	5.87280	Ser. '94 to '06	1997	"	1,260
105	11/15/92	Tax Allocation Bonds	6.35000	Term '93 to '06	1997	"	100
90	11/15/92	Tax Allocation Bonds	6.30000	Term '93 to '05	1997	"	85
		TOTAL TAX ALLOCATION BONDS					\$ 5,087
Notes Payable:							
146	07/28/92	Notes Payable	7.00000	1995 to 2004	Anytime	Annually	\$ 146
		TOTAL GENERAL AND TAX ALLOCATION BONDS AND NOTES					\$ 36,105
Special Assessment Bonds:							
6,000	03/01/78	Special Assessment Revolving	4.82530	Ser. '79 to '98	1988	Annually	1,200
6,000	09/01/79	Special Assessment Revolving	5.48328	Ser. '80 to '99	1989	"	1,800
3,860	11/15/89	Special Assessment Revolving	6.47384	Ser. '90 to '04	1996	"	2,465
1,495	07/01/93	Special Assessment Revolving	4.11627	Ser. '94 to '01	1998	"	1,275
		TOTAL SPECIAL ASSESSMENT BONDS					\$ 6,740
		TOTAL GENERAL OBLIGATION BONDS AND NOTES					\$ 42,845
Revenue Bonds And Notes:							
60,000	08/15/93	Water	5.13966	Ser. '94 to '12	2003	Semiannually	\$ 57,855
		TOTAL WATER REVENUE BONDS					\$ 57,855
4,000	08/15/77	Wastewater	5.19335	Ser. '80 to '95	1987	Semiannually	\$ 630
2,750	05/01/86	Wastewater	6.58180	Ser. '89 to '99	1991	"	2,520
8,948	08/01/90	Wastewater	5.00000	Ser. '90 to '06	1991	"	8,878
2,595	07/01/92	Wastewater	3.94000	Ser. '93 to '97	1995	"	2,100
		TOTAL WASTEWATER BONDS					\$ 14,128
13,455	01/15/93	Hospital Revenue Series A	5.96358	Ser. '93 to '08	2002	Semiannually	\$ 12,870
9,070	01/15/93	Hospital Revenue Series A	6.20000	Term '09 to '14	2002	"	9,070
2,970	01/15/93	Hospital Revenue Series B	5.96293	Ser. '93 to '08	2002	"	2,840
1,990	01/15/93	Hospital Revenue Series B	6.21000	Term '09 to '14	2002	"	1,990
		TOTAL HOSPITAL BONDS					\$ 26,770
5,770	03/01/94	Parking Revenue Series A	4.76833	Ser. '94 to '14	2001	Semiannually	\$ 5,750
1,080	03/01/94	Parking Revenue Series B Taxable	5.48870	Ser. '94 to '99	NA	"	990
6,500	08/15/94	Parking Revenue Series C	6.06332	Ser. '95 to '14	2001	"	6,500
		TOTAL PARKING BONDS					\$ 13,240
4,655	08/15/91	Golf Course Revenue	6.69210	Ser. '95 to '11	1998	"	\$ 4,655
		TOTAL GOLF BONDS					\$ 4,655
44,475	08/01/92	Electric Power Supply '92 Series A	5.26334	Ser. '95 to '03	2002	Semiannually	\$ 14,075
33,405	08/01/92	Electric Power Supply '92 Series A	5.75000	Term 2016	2012	"	33,405
184,650	07/01/93	Electric Refunding '93 Series A	4.68942	Ser. '94 to '11	2003	"	184,650
62,005	07/01/93	Electric Refunding '93 Series A	5.25000	Term 2015	2012	"	62,005
		TOTAL ELECTRIC BONDS					\$ 294,135
		TOTAL REVENUE BONDS					\$ 410,783
2,075	03/01/93	Electric Note Payable	11.32048	3/1/98	Anytime	Monthly	\$ 2,075
		TOTAL REVENUE BONDS AND NOTES					\$ 412,858

CITY OF LINCOLN, NEBRASKA
Notes to General Purpose Financial Statements

The annual requirements to pay principal and interest on all outstanding debt are as follows (in thousands of dollars):

Fiscal Year Ended August 31	General Obligations				Revenue		Capital Leases	
	Bonds And Notes		Special Assessments		Bonds And Notes		Capital Leases	
	Bonds And Notes	Interest	Bonds	Interest	Bonds And Notes	Interest	Principal	Interest
1995	\$ 3,666	1,755	1,150	345	11,285	20,345	912	76
1996	3,500	1,607	1,130	285	12,535	20,569	570	29
1997	3,656	1,458	1,115	226	13,005	20,178	51	17
1998	3,194	1,298	1,100	166	13,547	20,646	53	14
1999	2,869	1,147	785	108	16,280	19,838	12	12
2000-2004	12,054	3,874	1,360	159	78,358	83,107	76	45
2005 & Thereafter	7,166	1,380	100	3	267,848	103,483	78	12
	<u>\$ 36,105</u>	<u>12,519</u>	<u>6,740</u>	<u>1,292</u>	<u>412,858</u>	<u>288,166</u>	<u>1,752</u>	<u>205</u>

As of August 31, 1994 the Sanitary Sewer Revenue Bonds, Series 1977 had \$10,000 of bonds due and outstanding and were therefore excluded from the above presentations regarding long-term debt composition and annual debt service requirements.

Funds of \$3,841,986, \$2,587,767 and \$5,993,688 are available in the debt service funds to service the General Obligation Bonds, Tax Allocation Bonds, and Special Assessment Bonds, respectively. In the unlikely event special assessment collections are not sufficient to make debt payments, the responsibility rests with the City to meet that obligation.

Notes payable relate to a bank loan obtained in July 1992. The loan was obtained for construction related to the Apothecary and Ridnour Buildings sub-project. The amount of the loan was \$160,000 of which \$146,274 has been received. The loan will be repaid over an anticipated term of nine years through tax increment revenue.

Revenue Bonds are funded partially from reserve accounts set up for debt repayment and partially from proceeds of daily operations.

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. In the opinion of management, 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, 1994, 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	\$ 30,421,559	100.0	\$30,421,559
School District #1	67,500,000	97.2	65,610,000
Airport Authority	3,570,000	100.0	3,570,000
Lancaster County	None	None	None
Southeast Community College	None	35.9	None
	<u>\$101,491,559</u>		<u>\$99,601,559</u>

CITY OF LINCOLN, NEBRASKA
Notes to General Purpose Financial Statements

The City has no direct liability for the School District, Airport Authority, Lancaster County, or Southeast Community College debt summarized above. This results in a per capita direct City debt of \$152.60; a per capita direct and overlapping debt of \$499.63; a ratio of direct City debt to 1994 actual valuation of .43 percent; and a ratio of direct and overlapping debt to 1994 actual valuation of 1.41 percent.

(10) INTEREST COST

Total interest cost incurred, net of capitalized interest, in the Enterprise funds during the year ended August 31, 1994 was \$21,368,592. This amount 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, wastewater, water, landfill, electricity, and a city auditorium. Segment information for the year ended August 31, 1994 (December 31, 1993 for Lincoln Electric System) was as follows:

	Lincoln General Hospital	Lincoln Wastewater System	Lincoln Water System	Lincoln Electric System	Other	Total
Operating Revenues	\$ 62,322,000	13,260,452	16,802,523	116,552,000	9,918,917	218,855,892
Operating Expenses:						
Depreciation	3,826,000	2,003,951	1,898,341	13,000,000	2,109,348	22,837,640
Other	54,146,000	6,538,152	6,858,777	84,867,000	12,163,083	164,573,012
	57,972,000	8,542,103	8,757,118	97,867,000	14,272,431	187,410,652
Operating Income (Loss)	\$ 4,350,000	4,718,349	8,045,405	18,685,000	(4,353,514)	31,445,240
Operating Grants & Donations	\$ 201,000				951,270	1,152,270
Operating Transfers In	\$				3,409,178	3,409,178
Net Income (Loss)	\$ 3,459,000	5,030,819	8,429,547	4,009,000	(826,475)	20,101,891
Net Working Capital	\$ 26,399,000	2,579,847	4,232,707	24,974,000	3,952,888	62,138,442
Total Assets	\$ 67,177,000	108,283,364	191,650,909	438,650,000	59,368,398	865,129,671
Bonds And Notes Payable	\$ 26,770,000	14,137,566	57,855,000	296,210,000	17,895,000	412,867,566
Landfill Closure/PostClosure Accrual	\$				2,855,000	2,855,000
Current Capital Contributions	\$	976,223	1,470,983		7,287,914	9,735,120
Contributed Capital	\$	35,876,504	21,636,400		19,410,536	76,923,440
Fund Equity	\$ 32,130,000	93,076,242	129,595,517	115,367,000	35,457,293	405,626,052
Acquisition Of Property, Plant, And Equipment	\$ 4,155,000	3,915,926	15,394,489	17,495,000	9,523,025	50,483,440

The operating loss of \$4,353,514 in the "Other" column is primarily attributable to StarTran which incurred an operating loss of \$4,650,032, but received federal and state grants and local subsidies of \$3,951,270, which are included in non-operating revenues and operating transfers.

(12) DEFICIT BALANCES

The following special revenue funds had deficit fund balances as of August 31, 1994:

Northeast Radial	\$ (2,643)
911 Communication	(18,103)

(13) EMPLOYEES' RETIREMENT PLANS

The employees of the City are covered by several retirement plans. The Fire and Police Department Plan is administered by the City and is included in the Fiduciary Fund type. A second pension trust fund is included in the Fiduciary Fund type to account for the assets of the former Fire Pension Plan which has no active employees. All other plans are administered by outside trustees and are not included in the City's combined financial statements.

SINGLE-EMPLOYER DEFINED BENEFIT PLANS:

FIRE AND POLICE DEPARTMENT

Commissioned employees of the Police and Fire Departments were covered by a state-imposed, single employer, City administered retirement system through August 31, 1987. Beginning September 1, 1987, control of the plan transferred from the State legislature to the City Council. The most recent available actuarial study for the plan was as of August 31, 1994. Police officers and firefighters employed prior to May, 1984, contribute either 7% or 7.6% of their base salary based on a one-time determination made by the employee in May, 1984. Those employed subsequent to May, 1984, contribute 7.6% of their base salary. This contribution is authorized by City Ordinance #15728 dated September 24, 1990. The percentage of base salary paid upon retirement is dependent on the percentage of withholding selected by the employee. At August 31, 1994 there were 521 active members and 185 retirants and beneficiaries. Total payroll for the pension plan was \$18,786,700 and covered payroll was \$17,698,377.

Police officers and firefighters are eligible for regular retirement benefits when they: (a) have first served in the paid service of the fire or police department for a period of 21 years; (b) have attained the age of 53 years; and (c) elect to retire from active service and go on the retired list. The pension shall be a straight life pension of either 54% or 58% of the regular pay for such firefighter or police officer, paid monthly. The pension of a police officer or firefighter who elects to remain on active duty after becoming eligible for retirement shall be increased by 2% of his or her regular pay for each year of additional service, subject to a maximum increase of 10%. Any firefighter or police officer who retires on or after his or her 50th birthday, but prior to his or her 53rd birthday and who has completed at least 21 years of service shall receive the actuarial equivalent of the benefit which would otherwise be provided at age 53. The plan also has provisions for disability, death benefits and early retirement. Vesting occurs after 10 years of service. Of the 521 active members at August 31, 1994, 300 were vested and 221 were not vested. The plan has 119 age and service retirants, 34 disability

CITY OF LINCOLN, NEBRASKA
Notes to General Purpose Financial Statements

retirants, 32 survivor beneficiaries and 42 vested terminated members as of the August 31, 1994 actuarial valuation.

The amount shown below as the "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and any step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure is the actuarial present value of credited projected benefits and is intended to (i) help users assess the plan's funding status on a going-concern basis, (ii) assess progress being made in accumulating sufficient assets to pay benefits when due, and (iii) allow for comparisons among public employee retirement plans. The measure is independent of the actuarial funding method used to determine contributions to the plan.

The pension benefit obligation was determined as part of an actuarial valuation of the plan as of August 31, 1994. Significant actuarial assumptions used in determining the pension benefit obligation include (a) a rate of return on the investment of present and future assets of 7.0% per year compounded annually, (b) projected salary increases of 5.0% per year compounded annually, attributable to inflation, (c) additional projected salary increases ranging from 0.7% to 4.0% per year, depending on age, attributable to seniority/merit, and (d) the assumption that benefits will not increase after retirement.

At August 31, 1994, the assets in excess of the pension benefit obligation were \$14,061,597 determined as follows:

Pension Benefit Obligation:

Retirees and beneficiaries currently receiving benefits	\$21,626,088
Terminated employees not yet receiving benefits	1,172,491
Current employees:	
Accumulated employee contributions	22,799,466
Employer financed - Vested	20,350,888
Employer financed - Non-vested	<u>2,471,082</u>
Total Pension Benefit Obligation	\$68,420,015
Net assets available for benefits, at cost	<u>82,481,612</u>
Assets in excess of the Pension Benefit Obligation	<u>\$14,061,597</u>

During the year ended August 31, 1994, the plan experienced a net change of \$2,561,377 in the pension benefit obligation due to the normal accrual of benefits during the year.

Contributions Required And Contributions Made

The City's funding policy, as authorized by City Ordinance #15728 dated September 24, 1990, provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are designed to accumulate sufficient assets to pay benefits

CITY OF LINCOLN, NEBRASKA
Notes to General Purpose Financial Statements

when due. The normal cost and actuarial accrued liability for the year ended August 31, 1994 were determined using an entry-age actuarial funding method. Unfunded actuarial accrued liabilities were amortized as a level percent of payroll over a period of 10 years.

During the year ended August 31, 1994 contributions totaling \$1,448,462 -- \$388,813 employer (2.2% of covered payroll) and \$1,059,649 employee (6.0% of covered payroll) -- were made in accordance with contribution requirements determined by an actuarial valuation of the plan as of August 31, 1992. The actuarially required contributions consisted of \$3,100,502 for normal cost and (\$1,652,040) for amortization of the unfunded actuarial accrued liability.

Significant actuarial assumptions used to compute contribution requirements were the same as those used to compute the standardized measure of the pension benefit obligation.

Fiscal Year Ended August 31	Valuation Date	Computed	Valuation Payroll	Dollar Contribution For Fiscal Year	
		Rates As Percents Of Valuation Payroll		Computed*	Actual
1994	Aug. 31, 1992	3.60 %	\$ 15,364,976	\$ 571,448	\$ 388,813
1993	Aug. 31, 1991 #	7.50	15,157,150	1,174,414	434,438
1992	Dec. 31, 1990 @ #	6.65	15,014,896	1,031,541	657,148
1991	Dec. 31, 1989	9.27	13,742,308	1,316,078	762,897
1990	Dec. 31, 1988 @ #	10.06	12,937,333	1,487,511	562,445
1989	Dec. 31, 1987	10.53	12,948,660	1,478,982	541,013
1988	Dec. 31, 1986	10.65	11,737,859	1,355,964	528,985
1987	Dec. 31, 1985	11.04	11,265,219	1,349,020	1,032,222
1986	Dec. 31, 1984	12.13	10,841,626	1,426,477	676,940
1985	Dec. 31, 1983 #	13.53	10,435,738	1,531,548	1,427,390

@ After changes in actuarial assumptions or methods.

After changes in benefit provisions.

* Computed dollar contribution is equal to the contribution percent times the valuation payroll projected to the appropriate fiscal year. The current projection factor is equal to 1.0331.

Required Supplementary Information
Analysis Of Funding Progress
(Dollar Amounts In Thousands)

Year Ended	(1) Net Assets Available For Benefits	(2) Pension Benefit Obligation (PBO)	(3) Percent Funded (1)/(2)	(4) Assets In Excess Of PBO (1)-(2)	(5) Annual Covered Payroll	(6)
						Assets In Excess Of PBO As A Percentage Of Covered Payroll (4)/(5)
August 31, 1994	\$ 82,482	\$ 68,420	121 %	\$ 14,062	\$ 17,698	79 %
August 31, 1993	79,313	65,859	120	13,454	16,722	80
August 31, 1992	73,969	61,535	120	12,434	15,365	81
August 31, 1991 #	68,390	57,327	119	11,063	15,157	73
December 31, 1990 @ #	66,511	53,535	124	12,976	15,015	86
December 31, 1989	61,144	56,572	108	4,572	13,742	33
December 31, 1988	55,693	52,601	106	3,092	12,937	24
December 31, 1987	50,417	45,015	112	5,402	12,949	42
December 31, 1986	44,671	39,996	112	4,675	11,738	40
December 31, 1985	39,895	36,003	111	3,892	11,265	35

@ After changes in actuarial assumptions.

After changes in benefit provisions.

CITY OF LINCOLN, NEBRASKA
Notes to General Purpose Financial Statements

Required Supplementary Information
Asset Information Reported For Valuation
Comparative Statement
(Dollar Amounts In Thousands)

Year Ended	Revenues						
	Assets Beginning Of Year	Employee		Employer	% Of Covered	Investment	Total
		Contributions	Contributions	Payroll	Income		
August 31, 1994	\$ 79,313	\$ 1,060	\$ 389	2.2%	\$ 6,842	\$ 8,291	
August 31, 1993	73,969	967	434	2.6	7,602	9,003	
August 31, 1992	68,390	904	657	4.3	6,847	8,408	
August 31, 1991 @	66,511	543	594	3.9	4,175	5,312	
December 31, 1990	61,144	998	557	3.7	5,941	7,496	
December 31, 1989	55,693	1,002	555	4.0	5,377	6,934	
December 31, 1988	50,417	962	534	4.1	4,927	6,423	
December 31, 1987	44,671	922	1,040	8.0	4,774	6,736	
December 31, 1986	39,895	905	699	6.0	4,027	5,631	
December 31, 1985 *	34,318	842	1,560	13.8	3,798	6,200	

	Expenses					Assets Year-End
	Retirement Benefits	Contribution Refunds	Administrative Expenses	Allocation To Cola Pool	Total	
August 31, 1994	\$ 2,079	\$ 1,506	\$ 288	\$ 1,249	\$ 5,122	\$ 82,482
August 31, 1993	1,880	1,235	62	482	3,659	79,313
August 31, 1992	1,555	809	74	391	2,829	73,969
August 31, 1991 @	865	2,546	22	-	3,433	68,390
December 31, 1990	1,064	1,023	42	-	2,129	66,511
December 31, 1989	984	459	40	-	1,483	61,144
December 31, 1988	888	253	6	-	1,147	55,693
December 31, 1987	800	184	6	-	990	50,417
December 31, 1986	709	135	11	-	855	44,671
December 31, 1985 *	633	118	(128)	-	623	39,895

*Reflects special transactions resulting from court case.

@Beginning 1991 information is on a City fiscal year ended August 31 rather than a December 31 calendar year. 1991 figures reflect 8 months of activity.

Analysis of the dollar amounts of net assets available for benefits, pension benefit obligation, and unfunded pension benefit obligation in isolation can be misleading. Expressing the net assets available for benefits as a percentage of the pension benefit obligation provides one indication of the plan's funded status on a going-concern basis. Analysis of the percentage over time indicates whether the system is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the plan. The unfunded pension benefit obligation and annual covered payroll are both affected by inflation. Expressing the unfunded pension benefit obligation as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of the progress being made in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the plan.

GENERAL HOSPITAL

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

A. Plan Description:

The Hospital has a noncontributory, single employer defined benefit pension plan which covers substantially all full-time employees and all part-time employees who work at least 1,560 hours. Under the terms of the plan an employee shall become eligible for inclusion in the plan upon reaching the age of 30 and completion of one year of service or age 40 with no service requirement. Pension benefits vest after 5 years of credited service. Those employees who work more than 36 hours per week earn a full year of service and those who work from 30 to 36 hours per week earn one half year of service for each year worked. Upon retirement at age 65, a plan participant will receive 110% of the average monthly earnings divided by 60% of monthly earnings in excess of a specified level calculated in accordance with the Tax Reform Act of 1986. Also, the pension plan provides early retirement benefits at age 55 and 5 years of service, death benefits at age 30 and 5 years of service, and disability benefits at age 55 and 10 years of service or age 60 with no service requirement. All early retirement, death and disability benefits are based on a percentage of the vested accrued benefit at the applicable date. At July 1, 1994 (the date of the actuarial valuation) the Hospital's total payroll was \$22,921,000 and covered payroll was \$18,740,000.

Presented in Section B is the total pension benefit obligation of the Hospital pension plan. The total obligation is based on the projected unit credit cost method which is used as a substitute for the standardized measure which is required by the Governmental Accounting Standards Board.

The Projected Unit Credit Method develops a normal cost and a projected pension benefit obligation for each participant. A projected benefit at each anticipated future separation date is calculated and is allocated based on service. The present value of benefits allocated to the current year is the normal cost for an individual. The normal cost multiplied by the service to the valuation date gives the projected pension benefit obligation. For an inactive participant (pensioner or vested terminated employee), the projected pension benefit obligation is the entire present value of the benefit and there is no normal cost. The sum of these individual values gives the normal cost and the projected pension benefit obligation for the plan. PBO is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and any step-rate benefits, estimated to be payable in the future as a result of employee service to date.

CITY OF LINCOLN, NEBRASKA
Notes to General Purpose Financial Statements

A variety of significant actuarial assumptions are used to determine the projected unit credit measure of the projected pension benefit obligation and these assumptions are summarized below:

The present value of future pension payments was computed by using a discount rate of 8.5%.

Future pension payments reflect an assumption of a 6.5% (compounded annually) salary increase as a result of inflation.

Future pension payments reflect no salary increase as a result of seniority and/or merit adjustments or post retirement benefit increases, which is consistent with the terms of the pension agreement.

B. Funding Status:

The unfunded projected pension benefit obligation at July 1, 1994 and 1993, (the date of actuarial valuation) were as follows:

	<u>1994</u>	<u>1993</u>
Projected pension benefit obligation:		
Retirees and beneficiaries currently receiving benefits and terminated employees not yet receiving benefits	\$2,999,000	\$2,564,000
Current employees:		
Employer-financed vested retirement, disability and pre-retirement death benefit	6,484,000	6,029,000
Employer-financed nonvested	<u>783,000</u>	<u>727,000</u>
Total projected pension benefit obligation	10,266,000	9,320,000
Net assets available for benefits, at market	<u>9,466,000</u>	<u>9,185,000</u>
Unfunded projected pension benefit obligation	<u>\$ (800,000)</u>	<u>\$ (135,000)</u>

C. Contributions Required and Contributions Made:

The Hospital's funding policy is to annually contribute the normal cost plus a 20-year amortization of the unfunded (or assets in excess of) projected pension benefit obligation both of which are determined on an actuarial basis using the projected unit credit method described above.

The computation of the pension contribution requirements for 1994 was based on the same (a) actuarial assumptions, (b) benefit provisions, (c) actuarial funding method, and (d) other significant factors as used to determine pension contribution requirements in previous years.

CITY OF LINCOLN, NEBRASKA
Notes to General Purpose Financial Statements

Total required Hospital contributions to the pension plan during the years ended August 31, 1994 and 1993 were actuarially determined as described above and were based on an actuarial valuation as of July 1, 1993 and 1992 as follows:

	<u>Required During</u>	
	<u>1994</u>	<u>1993</u>
Normal cost	\$686,000	\$638,000
Amortization of unfunded projected pension benefit obligation	<u>62,000</u>	<u>67,000</u>
Total required contribution	<u>\$748,000</u>	<u>\$705,000</u>

Actual contributions to the plan by the Hospital totaled \$467,000 and \$506,000 during the years ended August 31, 1994 and 1993, respectively.

D. Trend information:

Historical trend information for the Hospital is presented below:

	<u>July 1</u>		
	<u>1994</u>	<u>1993</u>	<u>1992</u>
Net assets available for benefits as a percentage of the projected pension benefit obligation applicable to the Hospital's employees	92.2%	98.6%	96.9%
Unfunded projected pension benefit obligation as a percentage of the Hospital's annual covered payroll	(4.3%)	(0.7%)	(1.6%)
Hospital's required contributions to the pension plan as a percentage of annual covered payroll	4.2%	4.1%	4.2%

Ten-year historical trend information is available in Lincoln General Hospital internal reports. This information is useful in assessing the pension plan's accumulation of sufficient assets to pay pension benefits as they become due.

The combined total of all pension benefit obligation and net assets available for benefits under single-employer defined benefit plans is presented below:

<u>Plan</u>	<u>PBO</u>	<u>Net Assets Available</u>
Fire and Police Department	\$65,858,638	79,312,619
General Hospital	<u>10,266,000</u>	<u>9,466,000</u>
Total	<u>\$76,124,638</u>	<u>88,778,619</u>

DEFINED CONTRIBUTION PLANS:

ELECTRIC SYSTEM

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

LES has a contributory retirement plan covering all employees who have been employed for a continuous period of one year. The plan is a defined contribution, straight money purchase plan. LES's contribution is equal to 200% of the employees' contributions which range from 2-5% of gross wages. This contribution was authorized by the administrative board of directors under LES' retirement plan, on October 12, 1972 (latest restatement June 15, 1989). Vesting of LES contributions occurs over a five-year period. Employee forfeitures are used to reduce employer contributions. Vested benefits are fully funded. Payroll and contribution information is shown below.

Payroll and contribution information is as follows:

Fiscal Year	Total Payroll Expense	Covered Payroll	Employer Contribution		Employee Contribution	
			Amount	Percent Of Covered Payroll	Amount	Percent Of Covered Payroll
1993	\$15,934,000	15,496,000	1,510,000	9.75%	758,000	4.89%
1992	\$14,965,000	14,557,000	1,400,000	9.61%	716,000	4.92%
1991	14,239,000	13,748,000	1,292,000	9.40%	654,000	4.76%
1990	13,370,000	12,864,000	1,231,000	9.57%	617,000	4.80%
1989	12,711,000	12,177,000	1,141,000	9.37%	580,000	4.76%

DEPARTMENT DIRECTORS

Directors of City departments are eligible the first of the month following the date employed to be covered by the Director's Money Purchase Plan administered by an insurance company. The plan is established by City Ordinance. It is a defined contribution plan requiring the City to contribute 6% of the first \$4,800 of earned income in any one calendar year, plus 12% of earned income over \$4,800 in one calendar year. Employees covered by the plan may make voluntary contributions. At December 31, 1993 the account balance was \$2,385,228. Total and covered payroll for the year ended December 31, 1993 was \$828,980. During the year ended December 31, 1993, City contributions totaled \$113,615 or 13.7% of covered payroll.

ALL OTHER CITY EMPLOYEES

All other City employees are eligible after 6 months' service and age 21 to be covered under the City's Money Purchase Pension Plan, established by City Ordinance, and administered by an insurance company. Enrollment in the program is mandatory at age 40 with 5 years service. There are no unfunded liabilities. The plan is a defined contribution plan requiring 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. During the year ended December 31, 1993, City contributions totaled \$3,372,969 (12.5% of covered payroll). Vesting occurs in increments between 5 and 10 years of enrollment in the plan. Total payroll was \$39,589,395 and covered payroll was \$26,991,671. The total plan account balance as of December 31, 1993 was \$72,032,311.

(14) COMMITMENTS AND CONTINGENCIES

GENERAL

The City participates in a number of federally assisted grant programs, principally UMTA Capital, Planning and Operating Assistance; Section 108 Loan Guarantee Funds; Title III Aging; Community Development Block Grant (CDBG); Home Investment Partnership; Capitalization Grant Project Loan; and Emergency Management Assistance. Federal financial assistance programs are subject to financial and compliance audits. The amount of expenditures, if any, which may be disallowed by the granting agencies is not determinable at this time; however, City officials do not believe that such amounts would be significant.

The City is a defendant in a number of lawsuits in its normal course of operations and management is of the opinion that ultimate settlement of such lawsuits will not have a materially adverse effect on the financial statements. However, it should be noted that there is a tort claim pending against the City in which the prayer for relief is seeking damages in the approximate amount of \$1,100,000. The City intends to contest the issue of damages vigorously.

The City of Lincoln owns a solid waste disposal area which discontinued operations in 1990. Although exempt from the U.S. Environmental Protection Agency Solid Waste Disposal Facility Criteria issued October 9, 1991, the City must still adhere to certain closure and postclosure care requirements under prior legislation, including the installation of a gas control system and performance of ground water monitoring activities. No accrual of such closure and postclosure care costs has been reflected in the financial statements as the extent and form of closure and postclosure care requirements and timing thereof have not been finalized with regulatory officials.

LINCOLN GENERAL HOSPITAL

The Hospital has an agreement with Radiology Associates, P.C. (Radiology) 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, upon giving 240 days notice. As of the date of this report, the Hospital is negotiating the final terms of the purchase of the equipment to take place in January 1995. The purchase price is \$5 million to be paid in 60 equal monthly installments of \$83,333.

The Hospital has a similar agreement with Clinical Laboratories of Lincoln, Inc. for the provision of pathological laboratory management services. Conditions of the agreement provide for sale of all or part of the pathological laboratory 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, 1994 was approximately \$122,000.

The Hospital has an agreement with a local bank which provides for the placing of full recourse patient accounts receivable for those accounts requesting extended payment terms. The uncollected balance of such receivables held by the bank amounted to approximately \$1,160,000 at August 31, 1994.

The Hospital is currently insured for professional liability on a claims-made basis and total limits of coverage for malpractice claims under all policies is \$10,000,000. At August 31, 1994, there are no known unasserted or asserted claims in excess of insurance coverage.

The Hospital currently contracts with the State Department of Social Services to provide services to Medicaid patients. Legislation was passed which will a) further increase the reimbursement to the Hospital under the Medicaid Payment Plan and b) assess a tax to the Hospital to enable the State of Nebraska to pay the increase. The Hospital may be taxed or assessed at rates disproportionate to the amounts to be received by the Hospital.

Patient service revenues are recorded at the Hospital's established billing rates. Certain patient service revenues are subject to contracts with various third-party payors, whereby the services rendered may be paid at an amount different than the Hospital's established billing rates. The difference between the Hospital's rates and the estimated payments from third-party payors is recorded as a contractual allowance. These estimated amounts are subject to further adjustment upon examination by the third-party payors. Approximately 34% of patient service revenue for the year ended August 31, 1994 is subject to the provisions of Medicare which represents the largest third-party payor.

LINCOLN WASTEWATER SYSTEM

The Lincoln Wastewater System has commitments under major construction contracts in progress of approximately \$907,195 at August 31, 1994, which will be financed primarily through operations.

LINCOLN WATER SYSTEM

The Lincoln Water System has commitments under major construction contracts in progress of approximately \$4,723,006 at August 31, 1994, which will be financed primarily through revenue bond proceeds, operations and available funds.

The Lincoln Water System was awarded a grant in March 1993 by the Federal Emergency Management Agency. The grant will fund a portion of the restoration of the Lincoln Water System Ashland plant. The Federal grant amount is estimated to be \$3,200,000. As of August 31, 1994, Lincoln Water System has received approximately \$1,650,000.

LINCOLN ELECTRIC SYSTEM (LES)

Power Sales Contract

LES has a participation contract with Nebraska Public Power District (NPPD) which provides for the purchase of 12.5 percent 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 12.5 percent of all other costs of the facility. Fixed cost payments under the contract are on a participation basis whether or not the plant is operating or operable. LES recognized expense for its share of the total fixed demand costs of approximately \$17,736,000 in 1993.

The contract continues through September 22, 2003 and may be extended if NPPD intends to continue operating the facility after that date. The nuclear plant's operating license issued by the Nuclear Regulatory Commission has been extended to 2014. Upon expiration of the contract, if the facility is no longer operated, LES is also liable for 12.5 percent of the costs of decommissioning the plant. The most recent study indicates the total cost of decommissioning the facility would approximate \$316,000,000 in 1988 dollars. NPPD has informed LES that an updated study will be completed in 1994. Any increase in decommissioning costs will be recovered through future rates. The available cash balances of various NPPD funds at that time will be used to offset the total cost of decommissioning the nuclear facility. At December 31, 1993, the available cash balances approximated \$50,579,000. The additional funds required for decommissioning are billed to the participants and discounted at a rate of 8 percent to the year of collection. LES recognized expense for these associated costs of approximately \$1,580,000 in the year ended December 31, 1993.

Participants are also billed for disposal costs of nuclear fuel burned based on energy produced. LES recognized related costs of approximately \$424,000 in 1993.

LES is responsible for 12.5 percent of capital additions and improvements at the nuclear facility. These projects are also financed by NPPD and billed to LES over periods ranging from six to eight years. NPPD did not bill LES for any costs of this nature in 1993, therefore, no purchased power expense

was recognized in 1993 for these associated costs. LES's remaining obligation for its share of costs for capital additions and improvements incurred through December 31, 1993 is approximately \$4,900,000.

Internal financial statements of the nuclear facility reflect \$276,170,000 in revenue bonds outstanding at December 31, 1993. Fixed cost payments of LES include the debt service payments necessary to retire 12.5 percent of the principal and pay 12.5 percent of the interest on bonds issued by NPPD for the facility. LES's share of debt service payments was \$4,277,000 in 1993.

Expected fixed cost payments to NPPD under this contract including debt service payments, payments for decommissioning costs, other related fixed costs, and other costs as noted above, aggregate \$21,469,000, \$21,958,000, \$22,561,000, \$23,282,000 and \$27,523,000, respectively, in each of the five years subsequent to December 31, 1993.

Various lawsuits have been filed related to the construction of a low-level radioactive waste facility in Nebraska, which would be utilized by NPPD. LES is unable to predict the effect the lawsuits could have on the construction and operation of the waste facility, but the operation of the nuclear facility, as well as access to waste storage facilities, could be adversely affected.

Participation Agreements

LES has participating interests in the output of two existing NPPD power plants, a thirty percent (approximately 68 Mega Watts (MW)) and eight percent (approximately 102 MW) entitlement to the output of the Sheldon Station Power Plant (nominally rated 225 MW coal plant) and Gerald Gentleman Station Power plant (nominally rated 1,268 MW coal plant), respectively. 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 participation basis whether or not such plants are operating or operable. LES's share of the total fixed costs incurred, was \$11,200,000 in 1993. The expected fixed cost requirements aggregate approximately \$20,898,000, \$22,817,000, \$22,885,000, \$23,368,000, and \$24,683,000, respectively, in each of the five years subsequent to December 31, 1993.

Laramie River Station (LRS)

LES is an 11.09 percent co-owner of the Missouri Basin Power Project which includes LRS, a three-unit, 1,650 MW coal-fired power supply station in eastern Wyoming and a related transmission system. Costs associated with LRS of approximately \$171,500,000 are reflected in utility plant at December 31, 1993.

LES has a participation power sales agreement with the County of Los Alamos, New Mexico (the County) whereby the County purchases from LES

10 MW of LES's capacity interest in LRS. The agreement provides for the County to pay LES approximately \$113,000 per month through July 1, 1994 for demand charges. The amount is subject to change each July 1 until termination of the agreement. The agreement remains in effect until either the final maturity occurs on any LRS related debt, LRS is removed from commercial operation or the County gives LES notice to terminate the agreement. During 1993, LES billed the County approximately \$2,179,000 for demand and energy charges.

(15) DEFERRED COMPENSATION PLAN

ALL CITY EMPLOYEES (EXCEPT LGH)

The City of Lincoln and LES have separate deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans, available to all City employees except Lincoln General Hospital employees, permit them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, unforeseeable emergency, or permanent disability.

All amounts of compensation deferred under the plans, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the City (without being restricted to the provisions of benefits under the plans), subject only to the claims of the City's general creditors. Participants' rights under the plans are equal to those of general creditors of the City in an amount equal to the fair market value of the deferred account for each participant. The plans' assets are held in insurance contracts with an insurance company.

It is the opinion of the City's legal counsel that the City has no liability for losses which may arise under any legally permitted investment of funds under the plans, but does have the duty of due care that would be required of an ordinary prudent investor. The City believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future. The LES plan assets were approximately \$2,389,000 at December 31, 1993 and are included in the balance sheet as part of the Enterprise Fund with deferred charges and other assets. The balance in the City plan at August 31, 1994 was \$4,760,209.

(16) RECONCILIATION OF BUDGET BASIS TO GAAP

Amounts presented on a non-GAAP budget basis of accounting differ from those presented in accordance with GAAP due to the treatment afforded accruals, encumbrances, and funds for which legally adopted annual budgets are not established. A reconciliation for the year ended August 31, 1994, which discloses the nature and amount of the

CITY OF LINCOLN, NEBRASKA
Notes to General Purpose Financial Statements

adjustments necessary to convert the actual GAAP data to the Budgetary Basis, is presented below:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>
Excess Of Revenues And Other			
Financing Sources Over Expenditures And Other Financing Uses:			
Balance On A GAAP Basis	\$8,561,329	3,207,294	1,305,698
Timing Differences (Accruals)	(1,122,893)	(2,055,726)	(17,386)
Basis Differences (Encumbrances)	(74,677)	1,473,164	
Entity Differences (Non-budgeted funds)		<u>775,754</u>	<u>(1,124,460)</u>
Balance On Budget Basis	<u>\$7,363,759</u>	<u>3,400,486</u>	<u>163,852</u>

(17) INTERFUND RECEIVABLES AND PAYABLES BALANCES

Interfund receivables and payables balances at August 31, 1994 were as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	<u>\$ 1,416,617</u>	<u>404,272</u>
Special Revenue Funds:		
Advance Acquisition Fund	33,815	
Athletic Field & Facilities Improvement Fund	3,516	
Aviation Promotion Fund	9	
Cable Access Television Fund	2,671	
Lincoln City Libraries Fund	38,448	985
Lincoln Area Agency On Aging Fund	9,908	8,316
Tax Sales Revolving Fund	46,567	
Lincoln/Lancaster Co. Health Fund	14,263	19,680
Northeast Radial Fund		181
Snow Removal Fund	467	106
911 Communication Fund		5,306
Social Security Fund	4,366	480
Street Construction Fund	5,414	419,069
Unemployment Compensation Fund	17,400	
Property Tax Refunds Fund	1,439	
Keno Fund	8,019	58,210
Federal Grants Fund	13,751	248,826
Special Assessment Fund	<u>10,586</u>	<u>402,394</u>
Total Special Revenue Funds	<u>210,639</u>	<u>1,163,553</u>
Debt Service Funds:		
Tax Allocation Projects Debt Service Fund	38,166	
Bond Interest And Redemption Fund	67,073	
Special Assessment Fund	<u>13,907</u>	
Total Debt Service Funds	<u>119,146</u>	

CITY OF LINCOLN, NEBRASKA
Notes to General Purpose Financial Statements

Interfund Receivables and Payables Balances (Continued)

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Capital Projects Funds:		
Storm Sewer Construction Fund		1,553
Street Construction Fund	259,904	
Vehicle Tax Fund	701	7,605
1991 G.O. Various Purpose Bonds Fund	13,770	
Downtown Redevelopment Project Fund	36,629	116,055
1989 G.O. Various Purpose Bonds Fund	7,682	
Antelope Creek Storm Sewer Bond Issue Fund	380	12,270
Other Capital Projects Fund	168,660	
Special Assessment Fund	<u>381,761</u>	
Total Capital Projects Funds	<u>869,487</u>	<u>137,483</u>
Enterprise Funds:		
Parking Lot Revolving Fund	2,902	2,769
Golf Fund	19,943	17,384
Parking Facilities Fund	43,676	58,231
Sanitary Landfill Revenue Fund	<u>20,280</u>	<u>13,812</u>
Total Enterprise Funds	<u>86,801</u>	<u>92,196</u>
Internal Service Funds:		
Data Processing Fund	199,521	3,524
Engineering Revolving Fund	233,646	5,003
Insurance Revolving Fund	76,884	5,721
Public Works Equipment Management Fund	113,354	7,529
Police Garage Fund	179,664	94
Print Services Revolving Fund	44,479	24
Warehouse Revolving Fund	<u>28,269</u>	<u>127,678</u>
Total Internal Service Funds	<u>875,817</u>	<u>149,573</u>
Fiduciary Funds:		
Pension Trust Funds:		
Fire Pension Fund	1,559	
Police And Fire Pension Fund	<u>2,742</u>	<u>3,340</u>
Total Pension Trust Funds	<u>4,301</u>	<u>3,340</u>
Expendable Trust Funds:		
Parks And Recreation Special Projects Fund	6,804	2,080
Commission On Aging Gift Trust Fund	3,062	1,411
Library Special Trust Fund	<u>11,307</u>	
Total Expendable Trust Funds	<u>21,173</u>	<u>3,491</u>

Interfund Receivables and Payables Balances (Continued)

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Agency Funds:		
Collections Due Other Governments Fund	42,222	
Payroll Revolving Fund		889,983
Earnings On Pooled Investments Fund		828,040
Telephone Bill Suspense Fund	2,444	
Keno Escrow Fund	23,284	
Total Agency Funds	67,950	1,718,023
Total Fiduciary Funds	93,424	1,724,854
Total All Funds	\$3,671,931	\$3,671,931

(18) EXCESSES OF EXPENDITURES OVER APPROPRIATIONS

The 911 Communication special revenue fund had expenditures of \$191,209 for which there were no appropriations. The Social Security special revenue fund had expenditures of \$26,007 for which there were no appropriations. The Property Tax Refunds special revenue fund had expenditures of \$164,599 for which there were no appropriations. The Keno special revenue fund had expenditures and transfers of \$310,118 for which there were no appropriations. The Tax Allocation Projects debt service fund had expenditures and transfers of \$2,488,505 for which there were no appropriations. Per Council Budget Resolution, 911 Communication, Social Security, Property Tax Refunds, Keno, and Tax Allocation Projects Debt Service are among the funds allowed to spend any monies received without further Council action.

The Buildings And Plant and Miscellaneous general government divisions of the General Fund had expenditures of \$13,036 and \$44,693, respectively, for which there were no appropriations.

(19) SELF-INSURANCE

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God. The City is self-insured for workers' compensation risks up to \$300,000 per individual, \$500,000 per occurrence; other property risks (general liability) up to \$50,000 per occurrence; law enforcement liability risks up to \$100,000 per occurrence; public transportation liability risks up to \$100,000 per occurrence; health benefits; and employee long-term disability, all of which are covered under the Insurance Revolving Fund

which is included in the internal service funds. The self-insurance programs are administered through the risk management division. Auto liability risks continue to be insured through an A+ rated insurance company. Workers' compensation is covered by a policy which provides \$2,000,000 limits above the City's retention of \$300,000 per individual and \$500,000 per occurrence. Law Enforcement liability is covered by a policy which provides limits of \$2,000,000 per occurrence and \$4,000,000 in aggregate, above the City's retention of \$100,000 per occurrence. Public transportation liability is covered by a policy which provides \$5,000,000 limits above the City's retention of \$100,000 per occurrence. The Nebraska Political Tort Claims Act limits the City's liability for tort claims to \$1,000,000 per individual and \$5,000,000 for all individuals per occurrence. The governmental and proprietary funds pay budgeted premium amounts to the Insurance Revolving Funds.

The City retained the services of actuaries during 1994 to analyze the self-insured workers' compensation, general liability, public transportation liability, law enforcement liability, health benefits liability, and long-term disability risks. Such analysis was used to assist the City with its financial planning and management of the self-insurance program. Included in the specific objectives of the studies were to:

- Estimate the outstanding liabilities for the fiscal year ended August 31, 1994.
- Forecast ultimate incurred losses and incurred but not reported (IBNR) losses for future fiscal years.
- Estimate the required funding level for the City's self-insured liabilities.

The City funds its self-insurance program on an "incurred loss" basis. Annual premiums charged to the funds are based on past experience of incurred losses. Claims liabilities of \$3,346,222 were recorded at August 31, 1994. This is the actuarially estimated amount of claims based on an estimate of ultimate incurred and IBNR losses as of that date.

(20) FAIR VALUE OF FINANCIAL INSTRUMENTS

In the opinion of management, the carrying value of financial instruments of the City's proprietary funds was presented in the City's financial statements at values which approximated fair value at August 31, 1994 (December 31, 1993 for Lincoln Electric System), with the exception of investments for which fair value is disclosed in Note (4) and long-term debt of Lincoln Electric System for which the estimated fair value was \$299,645,000 at December 31, 1993.

(21) LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

Fund equity at September 1, 1992 has been restated in the enterprise fund as follows to reflect the adoption of GASB Statement 18, "Accounting For Municipal Solid Waste Landfill Closure And Postclosure Care Costs":

Retained Earnings at September 1, 1992 as previously reported	\$291,582,862
Cumulative Effect of Change in Accounting Principle to Recognize Cost of Landfill Closure and Postclosure Care	(1,675,000)
Retained Earnings at September 1, 1992 as Restated	\$289,907,862

As a result of the retroactive restatement, total liabilities increased and net income and retained earnings decreased by \$401,000 for the year ended August 31, 1993 for the landfill closure and postclosure care costs associated with the year then ended.

The City of Lincoln currently owns and operates a solid waste disposal area and a construction and demolition disposal area. State and federal laws require the City to close the landfills once capacity is reached and to monitor and maintain the site for thirty subsequent years on the solid waste disposal areas and five subsequent years on the construction and demolition disposal area. The City recognizes a portion of the closure and postclosure care costs in each operating period even though actual payouts will not occur until and subsequent to closure of the landfill. The amount recognized each year to date is based on the percentage of the landfill capacity used as of the balance sheet date.

As of August 31, 1994, the City had incurred a liability of \$2,507,000 for the solid waste disposal area which represents the amount of costs reported to date based on the approximately 17 percent of landfill capacity used to date. The remaining estimated liability for these costs is approximately \$12.5 million which will be recognized as the remaining capacity is used (estimated to be approximately 28 years).

As of August 31, 1994, the City had incurred a liability of \$348,000 for the construction and demolition disposal area which represents the amount of costs reported to date based on the approximately 14 percent of landfill capacity used to date. The remaining estimated liability for these costs is approximately \$2.1 million which will be recognized as the remaining capacity is used (estimated to be approximately 9 years).

The estimated costs of closure and postclosure care, as determined by an independent engineering consultant, are subject to changes such as the effects of inflation, revision of laws, changes in technology, and other variables. Effective April 9, 1995, based upon state and federal laws, the City will be required to demonstrate financial assurance regarding its ability

to finance the closure and postclosure care costs. The City anticipates meeting such requirements through a mechanism approved by the Nebraska Department of Environmental Quality which is similar in nature to the local government financial test method.

(22) SUBSEQUENT EVENTS

In December, 1994 the City of Lincoln issued \$303,065 of Tax Allocation Bonds, Series 1994. This issuance will be used to finance the cost of the "Q" Street Skywalk project. The Bonds have average interest rates of 8.00%. The Bonds are authorized under the provisions of Ordinance No. 16684 passed by the City Council on October 14, 1994.

**COMBINING, INDIVIDUAL FUND, AND ACCOUNT
GROUP STATEMENTS AND SCHEDULES**

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GENERAL FUND

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, 1994

A-1

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Real Estate And Personal Property Tax	\$ 17,323,462	19,781,572	2,458,110
Taxes Collected By Others	27,159,957	30,779,010	3,619,053
Sundry Taxes And In Lieu	945,869	936,782	(9,087)
Occupation Taxes	5,109,548	5,589,409	479,861
Intergovernmental	3,020,943	3,485,297	464,354
Permits And Fees	1,716,299	2,349,445	633,146
Reimbursement For Services	2,049,242	1,963,719	(85,523)
Court Fees	212,863	124,859	(88,004)
Recreation Receipts	795,673	833,990	38,317
Interest	104,416	303,087	198,671
Parking Meter	615,000	673,216	58,216
Miscellaneous	235,318	782,833	547,515
Total Revenues	<u>59,288,590</u>	<u>67,603,219</u>	<u>8,314,629</u>
Expenditures:			
General Government	14,129,636	14,079,797	49,839
Public Safety	28,233,407	28,101,756	131,651
Streets And Highways	3,321,900	3,229,563	92,337
Culture And Recreation	6,245,543	6,190,511	55,032
Economic Opportunity	75,697	75,697	
Health And Welfare	112,129	112,129	
Total Expenditures	<u>52,118,312</u>	<u>51,789,453</u>	<u>328,859</u>
Excess Of Revenues Over Expenditures	<u>7,170,278</u>	<u>15,813,766</u>	<u>8,643,488</u>
Other Financing Sources (Uses):			
Operating Transfers In		167,327	167,327
Operating Transfers Out	(9,196,851)	(8,617,334)	579,517
Total Other Financing Sources (Uses)	<u>(9,196,851)</u>	<u>(8,450,007)</u>	<u>746,844</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures And Other Financing Uses	(2,026,573)	7,363,759	9,390,332
Fund Balance Beginning Of Year	7,978,861	7,978,861	
Residual Equity Transfers Out	(212,094)	(212,094)	
Fund Balance End Of Year	<u>\$ 5,740,194</u>	<u>15,130,526</u>	<u>9,390,332</u>

CITY OF LINCOLN, NE
GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET
FISCAL YEAR ENDED AUGUST 31, 1994

A-2

	Budget	Actual	Variance Favorable (Unfavorable)
GENERAL GOVERNMENT:			
Legislative:			
Personal Services	\$ 85,904	87,516	(1,612)
Materials And Supplies	3,067	1,231	1,836
Other Services And Charges	53,175	50,388	2,787
Total Legislative	<u>142,146</u>	<u>139,135</u>	<u>3,011</u>
Executive:			
Personal Services	629,861	636,808	(6,947)
Materials And Supplies	15,329	1,583	13,746
Other Services And Charges	93,502	76,345	17,157
Capital Outlay	300	1,384	(1,084)
Total Executive	<u>738,992</u>	<u>716,120</u>	<u>22,872</u>
Financial Administration:			
Personal Services	1,049,802	1,053,516	(3,714)
Materials And Supplies	40,839	37,130	3,709
Other Services And Charges	394,053	387,178	6,875
Capital Outlay		5,646	(5,646)
Total Financial Administration	<u>1,484,694</u>	<u>1,483,470</u>	<u>1,224</u>
Law:			
Personal Services	959,797	958,757	1,040
Materials And Supplies	30,400	33,860	(3,460)
Other Services And Charges	84,625	80,322	4,303
Capital Outlay	1,000	1,895	(895)
Total Law	<u>1,075,822</u>	<u>1,074,834</u>	<u>988</u>
Personnel Administration:			
Personal Services	457,019	457,211	(192)
Materials And Supplies	21,620	16,433	5,187
Other Services And Charges	84,692	79,228	5,464
Capital Outlay		92	(92)
Total Personnel Administration	<u>563,331</u>	<u>552,964</u>	<u>10,367</u>
Planning And Zoning:			
Personal Services	728,733	722,254	6,479
Materials And Supplies	22,720	21,318	1,402
Other Services And Charges	201,740	197,970	3,770
Capital Outlay	7,600		7,600
Total Planning And Zoning	<u>960,793</u>	<u>941,542</u>	<u>19,251</u>
Buildings And Plant:			
Personal Services	417,169	393,999	23,170
Materials And Supplies	19,594	8,492	11,102
Other Services And Charges	53,017	98,903	(45,886)
Capital Outlay		1,422	(1,422)
Total Buildings And Plant	<u>489,780</u>	<u>502,816</u>	<u>(13,036)</u>

(Continued)

Urban Development:			
Personal Services	461,321	438,256	23,065
Materials And Supplies	6,679	4,656	2,023
Other Services And Charges	84,657	59,890	24,767
Total Urban Development	<u>552,657</u>	<u>502,802</u>	<u>49,855</u>
Miscellaneous:			
Personal Services	4,222,259	4,223,134	(875)
Materials And Supplies	50		50
Other Services And Charges	3,494,112	3,471,343	22,769
Capital Outlay	405,000	471,637	(66,637)
Total Miscellaneous	<u>8,121,421</u>	<u>8,166,114</u>	<u>(44,693)</u>
Total General Government	<u>14,129,636</u>	<u>14,079,797</u>	<u>49,839</u>
PUBLIC SAFETY:			
Police:			
Personal Services	11,946,937	11,995,441	(48,504)
Materials And Supplies	306,428	302,957	3,471
Other Services And Charges	1,974,793	1,920,007	54,786
Capital Outlay	36,022	38,528	(2,506)
Total Police	<u>14,264,180</u>	<u>14,256,933</u>	<u>7,247</u>
Fire:			
Personal Services	9,525,963	9,409,527	116,436
Materials And Supplies	245,107	274,734	(29,627)
Other Services And Charges	543,124	570,552	(27,428)
Capital Outlay	245,167	244,742	425
Total Fire	<u>10,559,361</u>	<u>10,499,555</u>	<u>59,806</u>
Building And Safety:			
Personal Services	1,692,910	1,687,420	5,490
Materials And Supplies	43,171	32,589	10,582
Other Services And Charges	229,620	229,860	(240)
Capital Outlay	30,490	26,334	4,156
Total Building And Safety	<u>1,996,191</u>	<u>1,976,203</u>	<u>19,988</u>
Transportation:			
Personal Services	896,749	886,197	10,552
Materials And Supplies	218,380	234,131	(15,751)
Other Services And Charges	292,446	242,298	50,148
Capital Outlay	6,100	6,439	(339)
Total Transportation	<u>1,413,675</u>	<u>1,369,065</u>	<u>44,610</u>
Total Public Safety	<u>28,233,407</u>	<u>28,101,756</u>	<u>131,651</u>

(Continued)

STREETS AND HIGHWAYS:

Street Maintenance:

Personal Services	785,854	737,267	48,587
Materials And Supplies	51,144	17,958	33,186
Other Services And Charges	407,102	396,791	10,311
Capital Outlay	1,300	3,075	(1,775)
Total Street Maintenance	1,245,400	1,155,091	90,309

Street Lighting:

Other Services And Charges	2,076,500	2,074,472	2,028
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Total Streets And Highways

3,321,900	3,229,563	92,337
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CULTURE AND RECREATION :

Parks And Recreation:

Personal Services	4,259,283	4,131,288	127,995
Materials And Supplies	362,878	399,746	(36,868)
Other Services And Charges	1,574,134	1,594,738	(20,604)
Capital Outlay	32,855	48,346	(15,491)
Total Parks And Recreation	6,229,150	6,174,118	55,032

Libraries:

Personal Services	16,038	16,038	
Capital Outlay	355	355	
Total Libraries	16,393	16,393	

Total Culture And Recreation

6,245,543	6,190,511	55,032
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ECONOMIC OPPORTUNITY:

Lincoln Area Agency On Aging:

Personal Services	24,826	24,826	
Materials And Supplies	464	464	
Other Services And Charges	26,193	26,193	
Capital Outlay	2,655	2,655	
Total Lincoln Area Agency On Aging	54,138	54,138	

Job Programs:

Personal Services	21,169	21,169	
Other Services And Charges	390	390	
Total Job Programs	21,559	21,559	

Total Economic Opportunity

75,697	75,697	
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HEALTH AND WELFARE:

Lincoln/Lancaster County Health:

Personal Services	67,010	67,010	
Materials And Supplies	6,282	6,282	
Other Services And Charges	30,766	30,766	
Capital Outlay	8,071	8,071	
Total Health And Welfare	112,129	112,129	

Total Expenditures

\$ 52,118,312	51,789,453	328,859
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SPECIAL REVENUE FUNDS

Special Revenue Funds are 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.

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

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.

Cable Access Television Fund - 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.

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 various services to senior citizens through the Lincoln/Lancaster Commission on Aging. Financing is provided by Federal, State, County, and City funds.

Tax Sales Revolving Fund - To provide working funds to acquire lots sold at tax sale for which any part of the taxes included in the decree of foreclosure is due to the City as well as to account for expenditures from this fund to purchase such lots and associated expenses, and to account for monies received from the sale of such lots. Financing is provided by a transfer from the Advance Acquisition Fund and monies received from the sale of lots.

Lincoln/Lancaster Co. 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 certain land is still to be resolved.

Snow Removal Fund - To account for the costs of providing snow and ice removal services for all streets in the City of Lincoln. Financing is provided by a percentage of wheel tax receipts and transfers from the Street Construction Fund.

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

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.

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.

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.

Property Tax Refunds Fund - To accumulate resources for reimbursement of taxes on centrally assessed property per court order. Resources are derived from a specific annual tax levy.

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

Federal Grants Funds - Includes four federal funds as follows:

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.

Job Training Programs Fund - To account for the cost of providing services under the Job Training and Partnership Act . Funding is provided by grants from the Department of Labor.

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

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

CITY OF LINCOLN, NE
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
AUGUST 31, 1994
 With Comparative Totals For August 31, 1993

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	Advance Acquisition	Athletic Field & Facilities Improvement	Aviation Promotion	Cable Access Television	Lincoln City Libraries	Lincoln Area Agency On Aging	Tax Sales Revolving	Lincoln/Lancaster Co. Health	Northeast Radial	Snow Removal	911 Communication	Social Security	Street Construction	Unemployment Compensation	Property Tax Refunds	Keno	Federal Grants	Special Assessment	Totals	
																			1994	1993
ASSETS																				
Cash Held By City Treasurer	\$ 1,307,311	164,600		28,871	1,542,207	271,357	1,724,050	473,652	2,286	185,707	77,426	232,338	96,118	569,268	14,818	410,303	28,504	467,646	7,596,462	6,524,840
Cash On Hand And In Other Accounts		35						4,902									260		5,197	474
Investments		96,826		421,424									7,653,380			333,852		696,631	9,202,113	6,883,377
Receivables:																				
Taxes			6,259		640,089							223,885		399	8,887				879,519	872,855
Accounts					5,646	5,115		7,587		78,403			525,636				181,310	101,986	23	905,706
Accrued Interest	4,991	3,186		6,652	5,138	1,877	6,533	2,174		250	379	709	128,240	2,187	21	6,605	2,402	2,274	173,618	107,419
Due From Other Funds	33,815	3,516	9	2,671	38,448	9,908	46,567	14,263		467		4,366	5,414	17,400	1,439	8,019	13,751	10,586	210,639	147,277
Due From Other Governments					131,479			258,202				12,477	1,322,143		535		687,233		2,412,069	2,235,362
Total Assets	1,346,117	268,163	6,268	459,618	2,363,007	288,257	1,777,150	760,780	2,286	264,827	77,805	473,775	9,730,931	589,254	25,700	940,089	834,136	1,177,160	21,385,323	17,011,772
LIABILITIES AND FUND BALANCE																				
Liabilities:																				
Vouchers Payable		100						260											360	162,185
Accounts Payable					13,535	57,593	240	65,572	424	964	13,807	253	25,378			38,074	277,452		493,292	327,804
Accrued Liabilities					121,199	82,802		212,043	4,324	8,326	54,542	160,206	103,320				163,144		909,906	796,238
Accrued Compensated Absences					85,693	54,037		138,091		6,346	22,253	5,706	72,291				88,202		472,619	707,803
Due To Other Governments								8											8	8
Due To Other Funds					985	8,316		19,680	181	106	5,306	480	419,069			58,210	248,826	402,394	1,163,553	1,828,047
Deferred Revenues					174,406							61,575			958				236,939	288,335
Total Liabilities	100	100	6,268	459,618	395,818	202,748	240	435,654	4,929	15,742	95,908	228,220	620,058	589,254	25,700	96,284	777,624	402,394	3,276,677	4,110,420
Fund Balances (Deficits):																				
Reserved For:																				
Encumbrances					217,703	35,351		47,940					1,643,549			249,272	907,868	1,380,371	4,482,054	4,976,969
Unreserved:																				
Designated For Subsequent Years' Expenditures																				
Undesignated	1,346,117	268,063	6,268	459,024	1,281,595	50,158	1,776,910	277,186	(2,643)	242,571	(18,103)	182,234	7,406,972	494,254	24,105	244,574	(851,356)	(605,605)	12,254,980	7,140,300
Total Fund Balances (Deficits)	1,346,117	268,063	6,268	459,618	1,967,189	85,509	1,776,910	325,126	(2,643)	249,085	(18,103)	245,555	9,110,873	589,254	24,742	843,805	56,512	774,766	18,108,646	12,901,352
Total Liabilities And Fund Balances (Deficits)	\$ 1,346,117	268,163	6,268	459,618	2,363,007	288,257	1,777,150	760,780	2,286	264,827	77,805	473,775	9,730,931	589,254	25,700	940,089	834,136	1,177,160	21,385,323	17,011,772

CITY OF LINCOLN, NE
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FISCAL YEAR ENDED AUGUST 31, 1994
With Comparative Totals For August 31, 1993

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	Advance Acquisition	Athletic Field & Facilities Improvement	Aviation Promotion	Cable Access Television	Lincoln City Libraries	Lincoln Area Agency On Aging	Tax Sales Revolving	Lincoln/Lancaster Co. Health	Northeast Radial	Snow Removal	911 Communication	Social Security	Street Construction	Unemployment Compensation	Property Tax Refunds	Keno	Federal Grants	Special Assessment	Totals	
																			1994	1993
Revenues:																				
Real Property And Personal Property Tax	\$				2,984,506			1,051,979							43,537				4,080,022	3,717,807
Motor Vehicle Tax					372,391							131,491			3,961				507,843	443,555
Wheel Tax									708,400										708,400	284,245
Intergovernmental Permits And Fees					374,023	869,681		1,533,313			66,040		11,522,662				7,522,508		21,888,227	20,664,378
Recreation Receipts		83,557						929,109			702,872		183,537						1,815,518	1,648,069
Interest	36,486	7,837	7	19,563	37,384	10,812	49,098	15,095		717	13	4,614	249,958	18,095	1,434	19,863	16,154	24,760	511,890	493,825
Keno Proceeds																1,650,542			1,650,542	320,663
Client Contributions						151,297											87,716		239,013	157,836
Rental Income		750					317		16,528										17,595	18,703
Program Income																			212,967	449,015
Sale of Land	375,725						572,670												948,395	
Developer's Share Of Districts																			582,000	582,000
Miscellaneous				400	203,557	61,482		79,619				363	1,884,701		21		775,265		37,724	2,862,755
Total Revenues	412,961	91,394	7	19,963	3,971,861	1,093,272	622,085	2,557,136	16,528	709,117	768,925	1,188,447	13,840,858	18,095	48,953	1,670,405	8,614,610	644,484	36,289,101	31,060,851
Expenditures:																				
Current:																				
General Government	1,321		665	246,483			450,793		37,355			1,155,829		17,682	209,439	965,310	319,809	274,777	3,679,463	2,056,651
Public Safety																	504,464		1,958,059	1,791,427
Streets And Highways										1,009,593	1,453,595								3,892,755	4,392,572
Culture And Recreation					3,627,501								2,621,526						641,839	4,269,340
Economic Opportunity						2,508,836													5,443,690	7,952,526
Health And Welfare								5,394,173											1,513,719	6,907,892
Total Expenditures	1,321		665	246,483	3,627,501	2,508,836	450,793	5,394,173	37,355	1,009,593	1,453,595	1,155,829	2,621,526	17,682	209,439	965,310	8,685,157	274,777	28,660,035	25,727,003
Excess (Deficiency) Of Revenues Over Expenditures	411,640	91,394	(658)	(226,520)	344,360	(1,415,564)	171,292	(2,837,037)	(20,827)	(300,476)	(684,670)	32,618	11,219,332	413	(160,486)	705,095	(70,547)	369,707	7,629,066	5,333,848
Other Financing Sources (Uses):																				
Operating Transfers In						1,456,562		2,888,427	21,558	571,881	526,378		170,000				76,276	886,504	6,597,586	7,433,090
Operating Transfers Out		(53,646)						(41,763)		(30,000)			(8,607,944)		(112,519)		(13,377)	(2,387,719)	(11,246,968)	(14,739,871)
Proceeds From Capital Leases											163,450						64,160		227,610	
Total Other Financing Sources (Uses)		(53,646)				1,456,562		2,846,664	21,558	541,881	689,828		(8,437,944)		(112,519)		127,059	(1,501,215)	(4,421,772)	(7,306,781)
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures And Other Financing Uses	411,640	37,748	(658)	(226,520)	344,360	40,998	171,292	9,627	731	241,405	5,158	32,618	2,781,388	413	(160,486)	592,576	56,512	(1,131,508)	3,207,294	(1,972,933)
Fund Balances (Deficits) Beginning Of Year	934,477	230,315	6,926	686,138	1,622,829	44,511	1,605,618	315,499	(3,374)	7,680	(23,261)	212,937	6,329,485	588,841	185,228	251,229		(93,726)	12,901,352	13,874,285
Residual Equity Transfers In																			2,000,000	2,000,000
Fund Balances (Deficits) End Of Year	\$ 1,346,117	268,063	6,268	459,618	1,967,189	85,509	1,776,910	325,126	(2,643)	249,085	(18,103)	245,555	9,110,873	589,254	24,742	843,805	56,512	774,766	18,108,646	12,901,352

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CITY OF LINCOLN, NE
ATHLETIC FIELD & FACILITIES IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
FISCAL YEAR ENDED AUGUST 31, 1994

B-3

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
Revenues:			
Recreation Receipts	\$ 111,000	83,597	(27,403)
Interest		4,638	4,638
Total Revenues	<u>111,000</u>	<u>88,235</u>	<u>(22,765)</u>
Other Financing Uses:			
Operating Transfers Out	<u>(200,343)</u>	<u>(53,646)</u>	<u>146,697</u>
Excess (Deficiency) Of Revenues Over Other Financing Uses	(89,343)	34,589	123,932
Fund Balance Beginning Of Year	<u>231,028</u>	<u>231,028</u>	
Fund Balance End Of Year	<u>\$ 141,685</u>	<u>265,617</u>	<u>123,932</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, 1994

B-4

	<u>Budget</u>	<u>Actual</u>	Variance <u>Favorable</u> <u>(Unfavorable)</u>
Revenues:			
Taxes:			
Real Estate And Personal Property	\$ 2,723,602	2,992,238	268,636
Motor Vehicle	295,672	369,754	74,082
Intergovernmental	340,587	275,229	(65,358)
Interest	25,850	26,756	906
Miscellaneous	166,174	197,911	31,737
Total Revenues	<u>3,551,885</u>	<u>3,861,888</u>	<u>310,003</u>
Expenditures -- Culture And Recreation:			
Personal Services	2,705,375	2,545,190	160,185
Materials And Supplies	116,701	128,940	(12,239)
Other Services And Charges	581,190	525,221	55,969
Capital Outlay	447,605	613,426	(165,821)
Total Expenditures	<u>3,850,871</u>	<u>3,812,777</u>	<u>38,094</u>
Excess (Deficiency) Of Revenues Over Expenditures	(298,986)	49,111	348,097
Fund Balance Beginning Of Year	<u>1,544,325</u>	<u>1,544,325</u>	
Fund Balance End Of Year	<u>\$ 1,245,339</u>	<u>1,593,436</u>	<u>348,097</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, 1994

B-5

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
Revenues:			
Intergovernmental	\$ 873,788	869,681	(4,107)
Interest		6,216	6,216
Client Contributions	199,965	148,636	(51,329)
Miscellaneous	77,315	60,042	(17,273)
Total Revenues	<u>1,151,068</u>	<u>1,084,575</u>	<u>(66,493)</u>
Expenditures -- Economic Opportunity:			
Personal Services	1,631,864	1,569,236	62,628
Materials And Supplies	271,341	241,635	29,706
Other Services And Charges	695,615	678,010	17,605
Capital Outlay	16,568	23,997	(7,429)
Total Expenditures	<u>2,615,388</u>	<u>2,512,878</u>	<u>102,510</u>
Deficiency Of Revenues Over Expenditures	(1,464,320)	(1,428,303)	36,017
Other Financing Sources:			
Operating Transfers In	<u>1,444,369</u>	<u>1,456,562</u>	<u>12,193</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures	(19,951)	28,259	48,210
Fund Balance Beginning Of Year	<u>194,894</u>	<u>194,894</u>	
Fund Balance End Of Year	<u>\$ 174,943</u>	<u>223,153</u>	<u>48,210</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, 1994

B-6

	<u>Budget</u>	<u>Actual</u>	Variance <u>Favorable</u> <u>(Unfavorable)</u>
Revenues:			
Intergovernmental	\$ 1,520,560	1,518,390	(2,170)
Permits And Fees	1,204,841	929,267	(275,574)
Interest		10,862	10,862
Miscellaneous		79,293	79,293
Total Revenues	<u>2,725,401</u>	<u>2,537,812</u>	<u>(187,589)</u>
Expenditures -- Health And Welfare:			
Personal Services	4,060,446	4,041,045	19,401
Materials And Supplies	211,001	169,328	41,673
Other Services And Charges	984,020	969,384	14,636
Capital Outlay	348,501	137,067	211,434
Total Expenditures	<u>5,603,968</u>	<u>5,316,824</u>	<u>287,144</u>
Deficiency Of Revenues Over Expenditures	(2,878,567)	(2,779,012)	99,555
Other Financing Sources (Uses):			
Operating Transfers In	2,615,289	2,888,427	273,138
Operating Transfers Out	(41,763)	(41,763)	
Total Other Financing Sources (Uses)	<u>2,573,526</u>	<u>2,846,664</u>	<u>273,138</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures And Other Financing Uses	(305,041)	67,652	372,693
Fund Balance Beginning Of Year	<u>349,905</u>	<u>349,905</u>	
Fund Balance End Of Year	<u>\$ 44,864</u>	<u>417,557</u>	<u>372,693</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, 1994

B-7

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
Revenues:			
Rental Income	\$ 42,054	17,068	(24,986)
Expenditures -- General Government:			
Personal Services	33,929	28,607	5,322
Materials And Supplies	1,852	2,107	(255)
Other Services And Charges	6,273	5,626	647
Total Expenditures	<u>42,054</u>	<u>36,340</u>	<u>5,714</u>
Deficiency Of Revenues Over Expenditures		(19,272)	(19,272)
Other Financing Sources:			
Operating Transfers In	<u>21,558</u>	<u>21,558</u>	
Excess Of Revenues And Other Financing Sources Over Expenditures	21,558	2,286	(19,272)
Fund Deficit Beginning Of Year	<u>(46,116)</u>	<u>(46,116)</u>	
Fund Deficit End Of Year	<u>\$ (24,558)</u>	<u>(43,830)</u>	<u>(19,272)</u>

CITY OF LINCOLN, NE
SNOW REMOVAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
FISCAL YEAR ENDED AUGUST 31, 1994

B-8

	<u>Budget</u>	<u>Actual</u>	Variance <u>Favorable</u> <u>(Unfavorable)</u>
Revenues:			
Wheel Tax	\$ 671,250	667,767	(3,483)
Expenditures -- Streets And Highways:			
Personal Services	652,099	461,795	190,304
Materials And Supplies	106,051	74,652	31,399
Other Services And Charges	421,381	440,195	(18,814)
Capital Outlay	33,600	26,504	7,096
Total Expenditures	<u>1,213,131</u>	<u>1,003,146</u>	<u>209,985</u>
Deficiency Of Revenues Over Expenditures	(541,881)	(335,379)	206,502
Other Financing Sources (Uses):			
Operating Transfers In	571,881	571,881	
Operating Transfers Out	(30,000)	(30,000)	
Total Other Financing Sources (Uses)	<u>541,881</u>	<u>541,881</u>	
Excess Of Revenues And Other Financing Sources Over Expenditures And Other Financing Uses		206,502	206,502
Fund Deficit Beginning Of Year	<u>(20,796)</u>	<u>(20,796)</u>	
Fund Balance (Deficit) End Of Year	<u>\$ (20,796)</u>	<u>185,706</u>	<u>206,502</u>

CITY OF LINCOLN, NE
 911 COMMUNICATION FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
 FISCAL YEAR ENDED AUGUST 31, 1994

B-9

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$ 65,438	66,040	602
Permits And Fees	682,392	702,872	20,480
Total Revenues	<u>747,830</u>	<u>768,912</u>	<u>21,082</u>
Expenditures -- Public Safety:			
Personal Services	1,095,002	1,116,572	(21,570)
Materials And Supplies	6,150	13,849	(7,699)
Other Services And Charges	173,056	169,159	3,897
Capital Outlay		165,837	(165,837)
Total Expenditures	<u>1,274,208</u>	<u>1,465,417</u>	<u>(191,209)</u>
Deficiency Of Revenues Over Expenditures	(526,378)	(696,505)	(170,127)
Other Financing Sources:			
Operating Transfers In	526,378	526,378	
Proceeds From Capital Lease		163,450	163,450
Total Other Financing Sources:	<u>526,378</u>	<u>689,828</u>	<u>163,450</u>
Deficiency Of Revenues And Other Financing Sources Over Expenditures		(6,677)	(6,677)
Fund Balance Beginning Of Year	<u>84,104</u>	<u>84,104</u>	
Fund Balance End Of Year	<u>\$ 84,104</u>	<u>77,427</u>	<u>(6,677)</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, 1994

B-10

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Taxes:			
Real Estate And Personal Property	\$ 943,823	1,044,153	100,330
Motor Vehicle	102,460	130,054	27,594
Interest	3,722	3,942	220
Miscellaneous	396	363	(33)
Total Revenues	<u>1,050,401</u>	<u>1,178,512</u>	<u>128,111</u>
Expenditures -- General Government:			
Personal Services	32,849	33,456	(607)
Employer's Share Social Security	1,078,624	1,089,908	(11,284)
Other Services & Charges	36	14,152	(14,116)
Total Expenditures	<u>1,111,509</u>	<u>1,137,516</u>	<u>(26,007)</u>
Excess (Deficiency) Of Revenues Over Expenditures	(61,108)	40,996	102,104
Fund Balance Beginning Of Year	<u>262,653</u>	<u>262,653</u>	
Fund Balance End Of Year	<u>\$ 201,545</u>	<u>303,649</u>	<u>102,104</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, 1994

B-11

	<u>Budget</u>	<u>Actual</u>	Variance <u>Favorable</u> <u>(Unfavorable)</u>
Revenues:			
Intergovernmental	\$ 7,852,000	11,777,585	3,925,585
Permits And Fees		183,359	183,359
Interest	300,000	207,112	(92,888)
Miscellaneous	479,896	1,435,118	955,222
Total Revenues	<u>8,631,896</u>	<u>13,603,174</u>	<u>4,971,278</u>
Expenditures -- Streets And Highways:			
Personal Services	1,815,154	1,955,190	(140,036)
Materials And Supplies	233,065	185,994	47,071
Other Services And Charges	873,489	634,235	239,254
Capital Outlay	2,650	2,461	189
Total Expenditures	<u>2,924,358</u>	<u>2,777,880</u>	<u>146,478</u>
Excess Of Revenues Over Expenditures	5,707,538	10,825,294	5,117,756
Other Financing Sources (Uses):			
Operating Transfers In		170,000	170,000
Operating Transfers Out	(7,449,374)	(7,449,374)	
Total Other Financing Sources (Uses)	<u>(7,449,374)</u>	<u>(7,279,374)</u>	<u>170,000</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures And Other Financing Uses	(1,741,836)	3,545,920	5,287,756
Fund Balance Beginning Of Year	<u>5,675,093</u>	<u>5,675,093</u>	
Fund Balance End Of Year	<u>\$ 3,933,257</u>	<u>9,221,013</u>	<u>5,287,756</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, 1994

B-12

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
Revenues:			
Interest	\$ _____	15,761	15,761
Expenditures -- General Government:			
Unemployment Compensation Payments	95,000	17,682	77,318
Deficiency Of Revenues Over Expenditures	(95,000)	(1,921)	93,079
Fund Balance Beginning Of Year	573,496	573,496	
Fund Balance End Of Year	\$ <u>478,496</u>	<u>571,575</u>	<u>93,079</u>

CITY OF LINCOLN, NE
PROPERTY TAX REFUNDS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
FISCAL YEAR ENDED AUGUST 31, 1994

B-13

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
Revenues:			
Taxes:			
Real Estate & Personal Property	40,449	35,608	(4,841)
Motor Vehicle	4,391	3,426	(965)
Interest		69	69
Miscellaneous		21	21
Total Revenues	<u>44,840</u>	<u>39,124</u>	<u>(5,716)</u>
Expenditures -- General Government:			
Other Services And Charges	<u>44,840</u>	<u>209,439</u>	<u>(164,599)</u>
Deficiency of Revenues Over Expenditures		(170,315)	(170,315)
Fund Balance Beginning Of Year	<u>185,133</u>	<u>185,133</u>	
Fund Balance End Of Year	<u>\$ 185,133</u>	<u>14,818</u>	<u>(170,315)</u>

CITY OF LINCOLN, NE
KENO FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
FISCAL YEAR ENDED AUGUST 31, 1994

B-14

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Interest	\$	6,532	6,532
Keno Proceeds	920,700	1,566,420	645,720
Total Revenues	<u>920,700</u>	<u>1,572,952</u>	<u>652,252</u>
Expenditures -- General Government:			
Materials And Supplies		8,249	(8,249)
Other Services And Charges	45,700	776,630	(730,930)
Capital Outlay	463,675	345,062	118,613
Total Expenditures	<u>509,375</u>	<u>1,129,941</u>	<u>(620,566)</u>
Excess Of Revenues Over Expenditures	411,325	443,011	31,686
Other Financing Uses:			
Operating Transfers Out	<u>(411,325)</u>	<u>(100,877)</u>	<u>310,448</u>
Excess Of Revenues Over Expenditures And Other Financing Uses		342,134	342,134
Fund Balance Beginning Of Year	<u>152,748</u>	<u>152,748</u>	
Fund Balance End Of Year	<u>\$ 152,748</u>	<u>494,882</u>	<u>342,134</u>

CITY OF LINCOLN, NE
FEDERAL GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
FISCAL YEAR ENDED AUGUST 31, 1994

B-15

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$ 7,588,062	7,058,954	(529,108)
Program Income	537,716	300,683	(237,033)
Miscellaneous	190,749	785,395	594,646
Total Revenues	<u>8,316,527</u>	<u>8,145,032</u>	<u>(171,495)</u>
Expenditures:			
General Government:			
Personal Services	110,779	110,779	
Materials And Supplies	2,056	2,056	
Other Services And Charges	219,320	219,320	
Capital Outlay	152,231	152,231	
Total General Government	<u>484,386</u>	<u>484,386</u>	
Public Safety:			
Personal Services	268,648	268,648	
Materials And Supplies	5,624	5,624	
Other Services And Charges	229,444	229,444	
Capital Outlay	2,750	2,750	
Total Public Safety	<u>506,466</u>	<u>506,466</u>	
Streets And Highways:			
Personal Services	71,994	71,994	
Materials And Supplies	2,605	2,605	
Other Services And Charges	132,799	132,799	
Capital Outlay	64,160	64,160	
Total Streets And Highways	<u>271,558</u>	<u>271,558</u>	
Culture And Recreation:			
Personal Services	5,104	5,104	
Materials And Supplies	1,669	1,669	
Other Services And Charges	579,327	579,327	
Capital Outlay	51,416	51,416	
Total Culture And Recreation	<u>637,516</u>	<u>637,516</u>	
Economic Opportunity:			
Personal Services	1,745,661	1,658,102	87,559
Materials And Supplies	80,468	81,081	(613)
Other Services And Charges	2,593,451	2,479,656	113,795
Capital Outlay	47,198	38,464	8,734
Loans And Grants	2,524,620	1,325,867	1,198,753
Total Economic Opportunity	<u>6,991,398</u>	<u>5,583,170</u>	<u>1,408,228</u>

(Continued)

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Health And Welfare:			
Personal Services	901,983	901,983	
Materials And Supplies	41,558	41,558	
Other Services And Charges	407,127	407,127	
Capital Outlay	176,377	176,377	
Total Health And Welfare	<u>1,527,045</u>	<u>1,527,045</u>	
 Total Expenditures	 <u>10,418,369</u>	 <u>9,010,141</u>	 <u>1,408,228</u>
 Deficiency of Revenues Over Expenditures	 (2,101,842)	 (865,109)	 1,236,733
Other Financing Sources (Uses):			
Operating Transfers In	77,372	76,276	(1,096)
Operating Transfers Out	(56,015)	(13,377)	42,638
Proceeds From Capital Leases	64,160	64,160	
Total Other Financing Sources (Uses)	<u>85,517</u>	<u>127,059</u>	<u>41,542</u>
 Deficiency Of Revenues And Other Financing Sources Over Expenditures And Other Financing Uses	 (2,016,325)	 (738,050)	 1,278,275
 Fund Deficit Beginning Of Year	 <u>(1,306,924)</u>	 <u>(1,306,924)</u>	
 Fund Deficit End Of Year	 \$ <u><u>(3,323,249)</u></u>	 <u><u>(2,044,974)</u></u>	 <u><u>1,278,275</u></u>

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DEBT SERVICE FUNDS

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

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

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

1978	Storm Sewer Construction Bonds
1989	Various Purpose Bonds
1989	Sanitary Improvement District #7
1990	Health - Capital Lease
1991	Storm Sewer Refunding Bonds
1991	Various Purpose Bonds
1993	Various Purpose Refunding Bonds
1993	Storm Sewer Refunding
1993	Downtown Redevelopment Refunding Bonds
1994	Hydraulic Boom Truck Lease Purchase
1994	Parking Lot Lease Purchase

Resources are derived from an annual tax levy.

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

CITY OF LINCOLN, NE
DEBT SERVICE FUNDS
COMBINING BALANCE SHEET
AUGUST 31, 1994
 With Comparative Totals For August 31, 1993

C-1

	Tax			Totals	
	Allocation Projects Debt Service	Bond Interest And Redemption	Special Assessment	1994	1993
ASSETS					
Cash Held By City Treasurer	\$ 1,124,570	3,006,570	527,029	4,658,169	4,510,309
Investments	1,088,454		5,055,135	6,143,589	6,700,731
Receivables:					
Taxes	314,015	970,742		1,284,757	1,382,773
Accounts		8,784		8,784	
Accrued Interest	22,562		43,521	66,083	46,289
Special Assessment			4,593,653	4,593,653	5,168,223
Due From Other Funds	38,166	67,073	13,907	119,146	94,469
Due From Other Governments		49,255		49,255	47,032
Total Assets	2,587,767	4,102,424	10,233,245	16,923,436	17,949,826
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable		1,800		1,800	39
Deferred Revenues		226,970	4,219,871	4,446,841	4,938,989
Bond Principal Payable		30,000	5,000	35,000	45,000
Bond Interest Payable		1,668	14,686	16,354	20,236
Total Liabilities		260,438	4,239,557	4,499,995	5,004,264
Fund Balances:					
Reserved For Debt Service	2,587,767	3,841,986	2,520,129	8,949,882	9,335,395
Unreserved - Designated For Debt Service			3,473,559	3,473,559	3,610,167
Total Fund Balances	2,587,767	3,841,986	5,993,688	12,423,441	12,945,562
Total Liabilities And Fund Balances	\$ 2,587,767	4,102,424	10,233,245	16,923,436	17,949,826

CITY OF LINCOLN, NE
DEBT SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
FISCAL YEAR ENDED AUGUST 31, 1994
With Comparative Totals For Fiscal Year Ended August 31, 1993

C-2

	Tax			Totals	
	Allocation Projects Debt Service	Bond Interest And Redemption	Special Assessment	1994	1993
Revenues:					
Real Estate And Personal Property Tax	\$ 1,709,973	4,690,806		6,400,779	6,133,940
Taxes Collected By Others		1,433		1,433	1,658
Special Assessment			2,067,518	2,067,518	2,252,048
Special Assessment Interest			559,039	559,039	553,627
Interest	72,716	70,672	178,551	321,939	320,198
Miscellaneous	187,798			187,798	458
Total Revenues	1,970,487	4,762,911	2,805,108	9,538,506	9,261,929
Expenditures -- Debt Service:					
Principal Retirement	2,610,000	2,767,151	1,226,100	6,603,251	6,380,195
Interest	379,184	1,576,012	394,378	2,349,574	3,093,979
Fiscal Charges	3,749	4,563	1,631	9,943	10,414
Bond Issuance Costs	12,865			12,865	119,434
Capital Lease Principal		49,081		49,081	35,489
Capital Lease Interest		3,792		3,792	6,274
Miscellaneous		29,109	58,539	87,648	1,608
Total Expenditures	3,005,798	4,429,708	1,680,648	9,116,154	9,647,393
Excess (Deficiency) Of Revenues Over Expenditures	(1,035,311)	333,203	1,124,460	422,352	(385,464)
Other Financing Sources (Uses):					
Operating Transfers In		162,737		162,737	118,891
Operating Transfers Out	(548,157)			(548,157)	(5,351)
Proceeds Of Refunding Bonds					15,310,000
Payment To Refunded Bonds Escrow Agent					(15,170,833)
Transfer To Trustee	(141,384)			(141,384)	
Transfer From Escrow	150			150	920
Proceeds From Issuance Of Bonds	1,410,000			1,410,000	2,114,752
Total Other Financing Sources (Uses)	720,609	162,737		883,346	2,368,379
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures And Other Financing Uses	(314,702)	495,940	1,124,460	1,305,698	1,982,915
Fund Balances Beginning Of Year	2,730,288	3,346,046	6,869,228	12,945,562	11,962,647
Residual Equity Transfers In	172,181			172,181	
Residual Equity Transfers Out			(2,000,000)	(2,000,000)	(1,000,000)
Fund Balances End Of Year	\$ 2,587,767	3,841,986	5,993,688	12,423,441	12,945,562

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, 1994

C-3

	Tax Allocation Projects Debt Service			Bond Interest And Redemption			Total		Variance Favorable (Unfavorable)
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	
Revenues:									
Real Estate And Personal Property Tax	\$ 1,206,834	1,722,264	515,430	4,130,328	4,713,228	582,900	5,337,162	6,435,492	1,098,330
Taxes Collected By Others					1,433	1,433		1,433	1,433
Interest		50,969	50,969	56,733	50,564	(6,169)	56,733	101,533	44,800
Miscellaneous		187,798	187,798	231,502		(231,502)	231,502	187,798	(43,704)
Total Revenues	1,206,834	1,961,031	754,197	4,418,563	4,765,225	346,662	5,625,397	6,726,256	1,100,859
Expenditures -- Debt Service:									
Principal Retirement	780,000	2,610,000	(1,830,000)	2,972,151	2,777,151	195,000	3,752,151	5,387,151	(1,635,000)
Interest	418,334	379,184	39,150	1,743,472	1,576,012	167,460	2,161,806	1,955,196	206,610
Fiscal Charges	4,500	3,749	751		6,568	(6,568)	4,500	10,317	(5,817)
Bond Issuance Costs	4,000	12,865	(8,865)				4,000	12,865	(8,865)
Capital Lease Principal				49,081	49,081		49,081	49,081	
Capital Lease Interest				3,792	3,792		3,792	3,792	
Miscellaneous					27,348	(27,348)		27,348	(27,348)
Total Expenditures	1,206,834	3,005,798	(1,798,964)	4,768,496	4,439,952	328,544	5,975,330	7,445,750	(1,470,420)
Excess (Deficiency) Of Revenues Over Expenditures		(1,044,767)	(1,044,767)	(349,933)	325,273	675,206	(349,933)	(719,494)	(369,561)
Other Financing Sources (Uses):									
Operating Transfers In				162,737	162,737		162,737	162,737	
Operating Transfers Out		(548,157)	(548,157)					(548,157)	(548,157)
Transfer To Trustee		(141,384)	(141,384)					(141,384)	(141,384)
Transfer From Escrow		150	150					150	150
Proceeds From Issuance Of Bonds	1,410,000	1,410,000					1,410,000	1,410,000	
Total Other Financing Sources (Uses)	1,410,000	720,609	(689,391)	162,737	162,737		1,572,737	883,346	(689,391)
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures And Other Financing Uses	1,410,000	(324,158)	(1,734,158)	(187,196)	488,010	675,206	1,222,804	163,852	(1,058,952)
Fund Balances Beginning Of Year	2,062,796	2,062,796		3,346,046	3,346,046		5,408,842	5,408,842	
Residual Equity Transfer In	172,181	172,181					172,181	172,181	
Fund Balances End Of Year	\$ 3,644,977	1,910,819	(1,734,158)	3,158,850	3,834,056	675,206	6,803,827	5,744,875	(1,058,952)

CAPITAL PROJECTS FUNDS

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 Construction Fund - To account for the cost of improving and extending storm sewers. 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.

Northeast Radial Tax Increment Bond Issue Fund - To account for the cost of acquiring real property and/or acquiring, constructing, reconstructing, improving, extending, equipping or furnishing any improvements within the area included in the City's Northeast Radial Reuse Area Redevelopment Plan. Financing is provided by Tax Allocation Bond Proceeds.

1991 G. O. Various Purpose Bonds Fund - To account for the cost of providing improvements to the City's existing library system, including the expansion and equipping of Gere Branch Library and to purchase and equip a new bookmobile; and providing improvements to the City's existing storm sewer and drainage system. Financing is provided by General Obligation Bonds.

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.

1989 G. O. Various Purpose Bonds Fund - To account for the cost of providing improvements to the parks and recreation facilities in the City, including the acquisition and/or development of a recreational trail system and the development and redevelopment of city park property and the Folsom Children's Zoo; acquiring Fire Department apparatus and equipment and constructing two additional fire stations for the Fire Department; and reconstructing, improving, equipping and furnishing the City's Pershing Municipal Auditorium. Financing is provided by General Obligation Bonds.

Antelope Creek Storm Sewer Bond Issue Fund - To account for the cost of reconstructing the Antelope Creek box culvert. Financing is to be provided by a combination of General Obligation Bond Issue, Tax Increment Financing and reimbursement funds from the Federal Emergency Management Agency.

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

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

CITY OF LINCOLN, NE
CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
AUGUST 31, 1994

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With Comparative Totals For August 31, 1993

	Storm Sewer Construction	Street Construction	Vehicle Tax	1991 G.O. Various Purpose Bonds	Downtown Redevelopment Project	1989 G.O. Various Purpose Bonds	Antelope Creek Storm Sewer Bond Issue	Other Capital Projects	Special Assessment	Totals		
										1994	1993	
ASSETS												
Cash Held By City Treasurer	\$ 20,783		54,813	358,218	1,232,755	263,377	37,193	88,914			2,056,053	4,990,434
Investments			1,164,354	297,100	3,445,669	97,541		614,873			5,619,537	13,232,116
Receivables:												
Accounts			282,236					195,593			477,829	271,822
Accrued Interest			4,648	4,258	59,109	1,490	192	4,149			73,846	97,937
Due From Other Funds		259,904	701	13,770	36,629	7,682	380	168,660	381,761		869,487	1,622,781
Total Assets	20,783	259,904	1,506,752	673,346	4,774,162	370,090	37,765	1,072,189	381,761		9,096,752	20,215,090
LIABILITIES AND FUND BALANCES												
Liabilities:												
Vouchers Payable												360,446
Contracts Payable		258,283	167,951	92,737		5,889	100	374,500	381,270		1,280,730	1,683,374
Accounts Payable		1,621	688					239	491		3,039	182,120
Due To Other Funds	1,553		7,605		116,055		12,270				137,483	52,874
Arbitrage Rebate								191,308			191,308	220,848
Total Liabilities	1,553	259,904	176,244	92,737	116,055	5,889	12,370	566,047	381,761		1,612,560	2,499,662
Fund Balances:												
Reserved For Encumbrances			624,891	54,076		32,016	11500	785,048			1,507,531	1,071,044
Unreserved:												
Designated For Subsequent Years' Expenditures				257,452	1,996,866	321,733					2,576,051	11,511,404
Undesignated	19,230		705,617	269,081	2,661,241	10,452	13,895	(278,906)			3,400,610	5,132,980
Total Fund Balances	19,230		1,330,508	580,609	4,658,107	364,201	25,395	506,142			7,484,192	17,715,428
Total Liabilities And Fund Balances	\$ 20,783	259,904	1,506,752	673,346	4,774,162	370,090	37,765	1,072,189	381,761		9,096,752	20,215,090

CITY OF LINCOLN, NE
CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
FISCAL YEAR ENDED AUGUST 31, 1994
 With Comparative Totals For Fiscal Year Ended August 31, 1993

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	Storm Sewer Construction	Street Construction	Vehicle Tax	Northeast Radial Tax Increment Bond Issue	1991 G.O. Various Purpose Bonds	Downtown Redevelopment Project	1989 G.O. Various Purpose Bonds	Antelope Creek Storm Sewer Bond Issue	Other Capital Projects	Special Assessment	Totals	
											1994	1993
Revenues:												
Wheel Tax	\$		2,990,188								2,990,188	2,881,247
Intergovernmental Interest			97,779						869,583		967,362	825,288
Miscellaneous			44,401		39,750	318,743	17,444	573	57,433		478,344	665,494
Total Revenues			3,132,368		41,166	318,743	17,444	573	1,279,601		4,789,895	4,649,658
Expenditures -- Capital Outlay:												
Note Principal												1,223,610
Note Interest												39,407
Capital Outlay					450,899						450,899	
Bond Issuance Costs												19,788
Construction Contracts	154,050	5,067,268	3,466,287		995,428		163,310	75,178	4,494,542	2,387,719	16,803,782	14,989,487
Engineering And Other		2,123,941	312	232			3,681		619,222		2,747,388	4,481,380
Total Expenditures	154,050	7,191,209	3,466,599	232	1,446,327		166,991	75,178	5,113,764	2,387,719	20,002,069	20,753,672
Excess (Deficiency) Of Revenues Over Expenditures	(154,050)	(7,191,209)	(334,231)	(232)	(1,405,161)	318,743	(149,547)	(74,605)	(3,834,163)	(2,387,719)	(15,212,174)	(16,104,014)
Other Financing Sources (Uses):												
Operating Transfers In	200,000	7,191,209		83,684				100,000	3,720,413	2,387,719	13,683,025	13,833,030
Operating Transfers Out	(41,649)			(122,000)		(2,934,847)	(140,000)		(57,629)		(3,296,125)	(1,889,048)
Note Proceeds									8,274		8,274	12,000
Proceeds From Issuance Of Bonds												1,360,248
Total Other Financing Sources (Uses)	158,351	7,191,209		(38,316)		(2,934,847)	(140,000)	100,000	3,671,058	2,387,719	10,395,174	13,316,230
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures And Other Financing Uses	4,301		(334,231)	(38,548)	(1,405,161)	(2,616,104)	(289,547)	25,395	(163,105)		(4,817,000)	(2,787,784)
Fund Balances Beginning Of Year	14,929		1,664,739	38,548	1,985,770	12,728,360	653,748		629,334		17,715,428	20,503,212
Residual Equity Transfers In									39,913		39,913	
Residual Equity Transfers Out						(5,454,149)					(5,454,149)	
Fund Balances End Of Year	\$ 19,230		1,330,508		580,609	4,658,107	364,201	25,395	506,142		7,484,192	17,715,428

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 four public adult golf courses and one youth golf course.

Parking Facilities Fund - To account for the revenues and expenses of five downtown parking garages, the Carriage Park Parking Facility, the Que Place Parking Facility, the Centrum Parking Facility, the Cornhusker Square Parking Facility and the University Square Parking Facility.

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

Sanitary Landfill Revenue Fund - 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.

StarTran Fund - To account for the revenues and expenses of the City-owned transit system.

Lincoln Wastewater 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, 1994
 With Comparative Totals For August 31, 1993

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	Parking Lot	Golf	Parking	Pershing	Sanitary	Lincoln General	StarTran	Lincoln	Lincoln Water	Lincoln	Totals	
	Revolving		Facilities	Municipal	Landfill			Wastewater	System	Electric	1994	1993
			Auditorium	Revenue	Hospital							
ASSETS												
Current Assets:												
Cash Held By City Treasurer	\$ 73,558	251,354	407,861	37,948	512,372	304,000	734,154	600,000	1,000,000	54,000	3,975,247	3,855,038
Cash On Hand And In Other Accounts	1,446	39,253	14,055	250,718	1,390	473,000	8,005		2,100		789,967	1,235,145
Investments	581,595	977,036			1,510,134	16,876,000				21,186,000	41,130,765	42,020,497
Receivables:												
Accounts		16,932		5,638	542,638	13,419,000	24,149	1,181,095	1,810,909	6,397,000	23,397,361	21,864,606
Accrued Interest	6,783	15,074	1,879	1,617	14,408	182,000	3,326			928,000	1,153,087	960,875
Unbilled Accounts								1,290,032	2,077,546	5,777,000	9,144,578	8,572,538
Due From Other Funds	2,902	12,486	43,676		20,280						79,344	34,748
Due From Other Governments					4,715		114,096				118,811	26,457
Inventories		73,381		9,795		1,557,000	537,354	173,620	814,097	3,539,000	6,704,247	6,384,884
Plant Operation Assets										4,205,000	4,205,000	4,212,000
Prepaid Items				3,254		549,000	6,815	7,239	5,070	351,000	922,378	858,653
Reimbursements From Third Party Payors												186,000
Total Current Assets	668,284	1,385,516	467,471	308,970	2,605,937	33,360,000	1,427,899	3,251,986	5,709,722	42,437,000	91,620,785	90,211,441
Other Assets:												
Unamortized Bond Issuance Expense		69,825	240,449					57,495	1,048,463		1,416,232	1,326,359
Deferred Charges And Other Assets						731,000				51,626,000	52,357,000	38,834,000
Advance Payments For Nuclear Fuel										320,000	320,000	464,000
Total Other Assets		69,825	240,449			731,000		57,495	1,048,463	51,946,000	54,093,232	40,624,359
Restricted Assets:												
Cash		314,820				126,000		5,026,454	3,885,560	1,000	9,353,834	9,505,493
Cash On Hand And In Other Accounts		15,761				2,000					17,761	7,263
Cash Deposited With Bond Trustee									492,114		492,114	
Investments		1,070,231	9,526,326			3,333,000		19,898,559	31,403,292	24,532,000	89,763,408	95,369,736
Accrued Interest Receivable		26,189				31,000		227,957	285,648		570,794	526,533
Accounts Receivable		5,422									5,422	694
Due From Other Funds		7,457									7,457	21,228
Total Restricted Assets		1,439,880	9,526,326			3,492,000		25,152,970	36,066,614	24,533,000	100,210,790	105,430,947
Property, Plant, And Equipment:												
Land	222,472	1,072,693	1,530,217	46,500	1,942,957	2,705,000	102,020	2,138,362	3,597,800		13,358,021	13,113,021
Buildings	277,917	1,776,669	11,206,532	4,155,793	640,724	33,324,000	2,078,524	24,469,436	25,341,705		103,271,300	99,327,969
Improvements Other Than Buildings		4,974,140		1,953	6,737,987	2,286,000	314,748	63,626,310	73,026,162		150,967,300	144,578,493
Machinery And Equipment	35,468	1,041,547	336,949	983,888	3,102,465	20,075,000	9,404,630	4,173,431	4,155,441		43,308,819	36,614,270
Utility Plant										428,046,000	428,046,000	410,866,000
Construction In Progress			8,150,867	54,583		590,000		18,441,964	78,036,719	20,740,000	126,014,133	110,690,951
Total	535,857	8,865,049	21,224,565	5,242,717	12,424,133	58,980,000	11,899,922	112,849,503	184,157,827	448,786,000	864,965,573	815,190,704
Less Accumulated Depreciation	(218,281)	(1,585,154)	(3,295,054)	(3,515,498)	(2,858,522)	(29,386,000)	(7,489,893)	(33,028,590)	(35,331,717)	(129,052,000)	(245,760,709)	(226,265,394)
Net Property, Plant, And Equipment	317,576	7,279,895	17,929,511	1,727,219	9,565,611	29,594,000	4,410,029	79,820,913	148,826,110	319,734,000	619,204,864	588,925,310
Total Assets	\$ 983,860	10,175,116	28,163,757	2,036,189	12,171,548	67,177,000	5,837,928	108,283,364	191,650,909	438,650,000	865,129,671	825,192,057

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	Parking Lot Revolving	Golf	Parking Facilities	Pershing Municipal Auditorium	Sanitary Landfill Revenue	Lincoln General Hospital	StarTran	Lincoln Wastewater System	Lincoln Water System	Lincoln Electric System	Totals	
											1994	1993
LIABILITIES AND FUND EQUITY												
Current Liabilities (Payable From Current Assets):												
Vouchers Payable			16,249								16,249	38,456
Accounts Payable	\$ 3,596	19,265	398,755	36,062	50,605	2,313,000	1,228,719	221,462	905,423	8,795,000	13,971,887	10,398,527
Accrued Liabilities	160	44,133	4,263	250,277	43,357	4,348,000	154,383	264,473	317,397	5,235,000	10,661,443	9,984,653
Accrued Compensated Absences	150	35,178	9,288		35,655						723,072	889,742
Due To Other Governments		16,375			61,341						77,716	20,352
Due To Other Funds	2,769	17,384	58,231		13,812						92,196	23,056
Other				18,538		300,000	188,242			3,433,000	3,939,780	3,693,858
Total Current Liabilities (Payable From Current Assets)	6,675	132,335	486,786	304,877	204,770	6,961,000	1,773,746	672,139	1,477,015	17,463,000	29,482,343	25,048,644
Current Liabilities (Payable From Restricted Assets):												
Construction Contracts								245,419	2,545,104		2,790,523	5,740,314
Vouchers Payable											4,306	26,258
Accounts Payable		1,200	3,106								7,196,748	5,988,173
Accrued Interest		13,237	29,240					151,998	178,273	6,824,000	825,855	769,000
Current Portion Of Capital Lease	8,855					817,000					11,295,000	11,695,000
Current Portion Of Revenue Bonds		160,000	400,000			740,000		1,025,000	2,195,000	6,775,000		
Accreted Interest On Capital Appreciation Bonds												8,824,000
Total Current Liabilities (Payable From Restricted Assets)	8,855	174,437	432,346			1,557,000		1,422,417	4,918,377	13,599,000	22,112,432	33,042,745
Long-Term Liabilities:												
Due To Plan Members										2,389,000	2,389,000	2,022,000
Revenue Bonds And Notes (Net Of Current Portion)		4,495,000	12,840,000			26,030,000		13,112,566	55,660,000	289,435,000	401,572,566	384,879,566
Landfill Closure/PostClosure Accrual					2,855,000						2,855,000	2,076,000
Deferred Credits And Other Obligations Under Capital Leases (Net Of Current Portion)	196,278					499,000					397,000	1,008,000
Total Long-Term Liabilities	196,278	4,495,000	12,840,000		2,855,000	26,529,000		13,112,566	55,660,000	292,221,000	407,908,844	391,301,566
Total Liabilities	211,808	4,801,772	13,759,132	304,877	3,059,770	35,047,000	1,773,746	15,207,122	62,055,392	323,283,000	459,503,619	449,392,955
Fund Equity:												
Contributed Capital	2,400	214,217	10,804,329	1,651,322	2,674,086		4,064,182	35,876,504	21,636,400		76,923,440	69,417,130
Retained Earnings:												
Reserved For:												
Debt Service		465,500	1,295,536					9,575,900	14,629,009		25,965,945	28,552,341
Improvements		756,348						14,154,653	16,425,511		31,336,512	30,660,410
Restricted Funds		43,595							93,717	10,934,000	11,071,312	6,524,723
Unreserved	769,652	3,893,684	2,304,760	79,990	6,437,692			33,469,185	76,810,880	104,433,000	228,198,843	211,973,498
Fund Balances:												
Reserved For:												
Improvements						3,253,000					3,253,000	6,651,000
Restricted Funds						239,000					239,000	215,000
Unreserved						28,638,000					28,638,000	21,805,000
Total Retained Earnings/ Fund Balances	769,652	5,159,127	3,600,296	79,990	6,437,692	32,130,000		57,199,738	107,959,117	115,367,000	328,702,612	306,381,972
Total Fund Equity	772,052	5,373,344	14,404,625	1,731,312	9,111,778	32,130,000	4,064,182	93,076,242	129,595,517	115,367,000	405,626,052	375,799,102
Total Liabilities And Fund Equity	\$ 983,860	10,175,116	28,163,757	2,036,189	12,171,548	67,177,000	5,837,928	108,283,364	191,650,909	438,650,000	865,129,671	825,192,057

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CITY OF LINCOLN, NE
ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN RETAINED EARNINGS/FUND BALANCE
FISCAL YEAR ENDED AUGUST 31, 1994
With Comparative Totals For Fiscal Year Ended August 31, 1993

	Parking Lot Revolving	Golf	Parking Facilities	Pershing Municipal Auditorium	Sanitary Landfill Revenue	Lincoln General Hospital	StarTran	Lincoln Wastewater System	Lincoln Water System	Lincoln Electric System	Totals	
											1994	1993
Operating Revenues:												
Charges For Services	\$					62,322,000	819,434	13,260,452	16,802,523	116,552,000	209,756,409	204,595,586
Fees		1,972,556			3,795,696						5,768,252	4,865,407
Parking Facility Revenue	312,317		1,481,086								1,793,403	1,732,022
Performance Revenue				920,295							920,295	1,525,668
Other Operating Revenue				560,300			57,233				617,533	377,639
Total Operating Revenues	312,317	1,972,556	1,481,086	1,480,595	3,795,696	62,322,000	876,667	13,260,452	16,802,523	116,552,000	218,855,892	213,096,322
Operating Expenses:												
Personal Services	6,437	732,349	79,207	664,853	872,298	30,709,000	3,393,513				36,457,657	36,837,110
Contractual Services			644,796	691,898			287,359				1,624,053	2,064,589
Operation And Maintenance	164,861	658,122		510,367	2,306,632	23,437,000	1,150,391	4,998,785	4,952,482	7,250,000	45,428,640	40,285,615
Purchased Power										63,009,000	63,009,000	62,239,000
Depreciation	31,190	293,983	308,358	226,941	553,440	3,826,000	695,436	2,003,951	1,898,341	13,000,000	22,837,640	21,027,882
Payments In Lieu Of Taxes										4,975,000	4,975,000	4,675,000
Administrative Costs								1,539,367	1,906,295	9,633,000	13,078,662	12,130,936
Total Operating Expenses	202,488	1,684,454	1,032,361	2,094,059	3,732,370	57,972,000	5,526,699	8,542,103	8,757,118	97,867,000	187,410,652	179,260,132
Operating Income (Loss)	109,829	288,102	448,725	(613,464)	63,326	4,350,000	(4,650,032)	4,718,349	8,045,405	18,685,000	31,445,240	33,836,190
Non-Operating Revenues (Expenses):												
Interest Revenue	21,788	81,525	88,533	1,476	73,882	731,000	3,326	919,164	1,503,475	2,693,000	6,117,169	7,620,535
Gain (Loss) On Disposal Of Assets		(755)			655	5,000					4,900	(873,292)
Operating Grants							951,270				951,270	1,149,160
Amortization Of Deferred Charges			(1,848)			(99,000)		(17,194)	(33,256)	(1,910,000)	(2,061,298)	(1,755,195)
Donations						201,000					201,000	202,000
Interest Expense And Fiscal Charges	(9,133)	(304,260)	(316,975)			(1,733,000)		(776,009)	(3,036,215)	(15,193,000)	(21,368,592)	(22,921,350)
Miscellaneous						4,000		186,509	1,950,138	(266,000)	1,874,647	1,395,799
Total Non-Operating Revenues (Expenses)	12,655	(223,490)	(230,290)	1,476	74,537	(891,000)	954,596	312,470	384,142	(14,676,000)	(14,280,904)	(15,182,343)
Net Income (Loss) Before Operating Transfers	122,484	64,612	218,435	(611,988)	137,863	3,459,000	(3,695,436)	5,030,819	8,429,547	4,009,000	17,164,336	18,653,847
Other Financing Sources (Uses):												
Operating Transfers In	20,227			388,951			3,000,000				3,409,178	3,823,270
Operating Transfers Out			(63,797)		(273,638)						(337,435)	(395,107)
Total Other Financing Sources (Uses)	20,227		(63,797)	388,951	(273,638)		3,000,000				3,071,743	3,428,163
Net Income (Loss) Before Extraord. Item	142,711	64,612	154,638	(223,037)	(135,775)	3,459,000	(695,436)	5,030,819	8,429,547	4,009,000	20,236,079	22,082,010
Extraordinary Items:												
Loss From Early Extinguishment Of Debt			(134,188)								(134,188)	(7,790,961)
Net Income (Loss)	142,711	64,612	20,450	(223,037)	(135,775)	3,459,000	(695,436)	5,030,819	8,429,547	4,009,000	20,101,891	14,291,049
Depreciation Transfer On Contributed Capital		1,404	154,944	222,030	71,594		695,436	719,629	353,712		2,218,749	2,183,061
Increase (Decrease) In Retained Earnings /Fund Balance	142,711	66,016	175,394	(1,007)	(64,181)	3,459,000		5,750,448	8,783,259	4,009,000	22,320,640	16,474,110
Retained Earnings/Fund Balance Beginning Of Year As Restated	626,941	5,093,111	3,424,902	80,997	6,501,873	28,671,000		51,449,290	99,175,858	111,358,000	306,381,972	289,907,862
Retained Earnings/Fund Balance End Of Year	\$ 769,652	5,159,127	3,600,296	79,990	6,437,692	32,130,000		57,199,738	107,959,117	115,367,000	328,702,612	306,381,972

CITY OF LINCOLN, NE
 ENTERPRISE FUNDS
 COMBINING STATEMENT OF CASH FLOWS
 FISCAL YEAR ENDED AUGUST 31, 1994
 With Comparative Totals For Fiscal Year Ended August 31, 1993

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CASH FLOWS FROM OPERATING ACTIVITIES:

	Parking Lot Revolving	Golf	Parking Facilities	Pershing Municipal Auditorium	Sanitary Landfill Revenue	Lincoln General Hospital	StarTran	Lincoln Wastewater System	Lincoln Water System	Lincoln Electric System	Totals	
											1994	1993
Operating Income (Loss)	\$ 109,829	288,102	448,725	(613,464)	63,326	4,350,000	(4,650,032)	4,718,349	8,045,405	18,685,000	31,445,240	33,836,190
Adjustments To Reconcile Operating Income (Loss)												
To Net Cash From Operating Activities:												
Depreciation	31,190	293,983	308,358	226,941	553,440	3,826,000	695,436	2,003,951	1,898,341	13,000,000	22,837,640	21,027,882
Write-Off Of Deferred Financing Costs												794,000
Changes In Assets And Liabilities:												
Accounts Receivable		(13,760)		7,747	(181)	(1,884,000)	(11,038)	2,639	(516,930)	586,000	(1,829,523)	(1,614,629)
Unbilled Revenues					(9,288)					(286,000)	(280,000)	(3,865,435)
Due From Other Funds	(215)	11,281	(32,603)		12,364						(30,825)	6,282
Due From Other Governments		9,378					(114,096)				(92,354)	(21,545)
Other Assets						(11,000)				(13,454,000)	(13,465,000)	(8,024,000)
Inventories		25,070		2,082		(137,000)	(11,258)	(12,822)	(24,435)	(161,000)	(319,363)	(375,701)
Plant Operation Assets										7,000	7,000	418,000
Prepaid Expenses				1,182		(30,000)	(18)	991	3,120	(39,000)	(63,725)	(283,628)
Reimbursement From Third Party Payors						186,000					186,000	(79,000)
Vouchers Payable	(848)	(28,088)	3,635		(23,164)						(48,465)	44,930
Accounts Payable	401	2,012	378,243	(18,882)	(257,111)	382,000	332,132	83,113	(2,743,587)	2,468,000	621,321	(838,986)
Accrued Liabilities	(459)	4,904	3,334	100,410	4,047	(48,000)	19,774	24,501	90,279		198,790	(26,392)
Due To Other Funds		4,729	58,164		3,478						66,371	4,208
Due To Other Governments	2,769	4,611			61,307						68,687	(2,045)
Accrued Compensated Absences	(270)	(7,293)	6,600		(8,440)		(36,897)	(68,792)	(51,578)		(166,670)	50,714
Landfill Closure/PostClosure Accrual					779,000						779,000	401,000
Other Current Liabilities				(9,461)		300,000	14,383			1,128,000	1,427,922	741,894
Deferred Credits And Other Liabilities										(11,980,000)	(11,980,000)	(685,000)
Total Adjustments	32,568	306,827	725,731	310,019	1,115,452	2,584,000	888,418	2,033,581	(1,344,790)	(8,735,000)	(2,083,194)	7,672,549
Net Cash From Operating Activities	142,397	594,929	1,174,456	(303,445)	1,178,778	6,934,000	(3,761,614)	6,751,930	6,700,615	9,950,000	29,362,046	41,508,739

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:

City Subsidy				388,951			3,000,000				3,388,951	3,063,951
Donations						205,000					205,000	202,000
Operating Grant							951,270				951,270	1,264,411
Recycling Subsidy					(273,638)						(273,638)	(392,707)
Net Cash From Non-Capital Financing Activities				388,951	(273,638)	205,000	3,951,270				4,271,583	4,137,655

(Continued)

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(Enterprise Funds, Continued)

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	Parking Lot Revolving	Golf	Parking Facilities	Pershing Municipal Auditorium	Sanitary Landfill Revenue	Lincoln General Hospital	StarTran	Lincoln Wastewater System	Lincoln Water System	Lincoln Electric System	Totals	
											1994	1993
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:												
Additions To Property, Plant, And Equipment		(109,643)	(7,420,162)	(54,583)	(639,459)	(4,155,000)		(2,939,703)	(13,923,506)		(29,242,056)	(41,205,169)
Capital Grants												153,959
Project Loan Advances												735,960
Payments On Contracts Used To Purchase Equipment												(8,000)
Proceeds From Sale Of Property, Plant, And Equipment					655	15,000					15,655	23,206
Bond Proceeds			13,350,000							241,085,000	254,435,000	179,650,000
Bond Issuance Costs			(242,297)								(242,297)	(3,381,766)
Other Funding Activities										21,843,000	21,843,000	
Expenditures For Utility Plant										(17,495,000)	(17,495,000)	(14,950,000)
Net Cost Of Retiring Plant										(183,000)	(183,000)	(195,000)
Capital Construction Transfer In	20,227		5,454,149								5,474,376	730,705
Capital Construction Transfer Out			(63,797)				(189,569)				(253,366)	(2,400)
Private Sector Share			534,587								534,587	
Principal Payments On Capital Lease	(4,867)					(769,000)					(773,867)	(725,000)
Principal Payments And Extinguishment Of Long-Term Debt			(4,234,189)			(715,000)		(970,000)	(2,145,000)	(254,055,000)	(262,119,189)	(174,040,961)
Interest Paid And Fiscal Charges	(9,133)	(304,260)	(300,562)			(1,733,000)		(779,330)	(3,001,605)	(14,007,000)	(20,134,890)	(24,430,977)
Net Cash From Capital Financing Activities	6,227	(413,903)	7,077,729	(54,583)	(638,804)	(7,357,000)	(189,569)	(4,689,033)	(19,070,111)	(22,812,000)	(48,141,047)	(77,645,443)
CASH FLOWS FROM INVESTING ACTIVITIES:												
Proceeds From Sale And Maturities Of Investments	924,959	1,918,978	10,782,900		3,682,531	47,879,000		34,807,964	75,058,726	149,139,000	324,185,058	519,644,437
Purchases Of Investments	(1,082,917)	(2,255,571)	(19,192,374)		(3,724,662)	(48,639,000)		(36,600,703)	(67,112,885)	(139,571,000)	(318,179,112)	(497,912,231)
Interest And Other Revenues	17,809	68,464	87,847	1,459	72,121	732,000	8,492	1,012,163	3,465,987	2,569,000	8,035,342	8,988,676
Net Cash From Investing Activities	(140,149)	(268,129)	(8,321,627)	1,459	29,990	(28,000)	8,492	(780,576)	11,411,828	12,128,000	14,041,288	30,720,882
Net Increase (Decrease) In Cash	8,475	(87,103)	(69,442)	32,382	296,326	(246,000)	8,579	1,282,321	(957,668)	(734,000)	(466,130)	(1,278,167)
Cash Beginning Of Year	66,529	708,291	491,358	256,284	217,436	1,151,000	733,580	4,344,133	5,845,328	789,000	14,602,939	15,881,106
Cash End Of Year	\$ 75,004	621,188	421,916	288,666	513,762	905,000	742,159	5,626,454	4,887,660	55,000	14,136,809	14,602,939
Supplemental Disclosure of Noncash Investing And Financing Activities:												
Donation of Capital Assets							1,299,178	976,223	1,470,983		3,746,384	1,780,283
Acquisition Of Assets Through Capital Leases	210,000										210,000	
Acquisition Of Assets Through Note Payable										2,075,000	2,075,000	
	\$ 210,000						1,299,178	976,223	1,470,983	2,075,000	6,031,384	1,780,283

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INTERNAL SERVICE FUNDS

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

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 workers' compensation, liability, property insurance, long-term disability and Blue Cross/Blue Shield Health Insurance Plan. 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 trucks, heavy equipment, and miscellaneous other equipment. Revenues are derived from billings to user departments.

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

Print Services Revolving Fund - To account for the operation of a centralized print shop. Revenues are derived from billings to user departments.

Warehouse 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, 1994
 With Comparative Totals For August 31, 1993

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	Data Processing	Engineering Revolving	Insurance Revolving	Public Works Equipment Management	Police Garage	Print Services Revolving	Warehouse Revolving	Totals	
								1994	1993
ASSETS									
Current Assets:									
Cash Held By City Treasurer	\$ 676,164	326,680	1,418,799	822,235	748,007	106,261		4,098,146	5,756,615
Cash On Hand And In Other Accounts			74		150			224	2,920
Investments	248,887		6,037,199					6,286,086	4,953,450
Receivables:									
Accounts	102,318	47,510	297	4,923	22,278	5,442	113,365	296,133	152,757
Accrued Interest	1,946	346	75,998	2,616	3,125	384		84,415	73,093
Due From Other Funds	199,521	233,646	76,884	113,354	179,664	44,479	28,269	875,817	842,170
Due From Other Governments	207,700	3,526		35,908	64	6,834	17,408	271,440	271,958
Inventories				203,713	45,589	12,987	131,534	393,823	331,206
Total Current Assets	1,436,536	611,708	7,609,251	1,182,749	998,877	176,387	290,576	12,306,084	12,384,169
Property, Plant, And Equipment	3,145,021	847,854	120,819	10,067,974	3,472,068	268,082		17,921,818	15,215,484
Less Accumulated Depreciation	(1,849,880)	(537,035)	(24,394)	(6,289,489)	(2,192,653)	(227,118)		(11,120,569)	(8,454,718)
Net Property, Plant, And Equipment	1,295,141	310,819	96,425	3,778,485	1,279,415	40,964		6,801,249	6,760,766
Total Assets	2,731,677	922,527	7,705,676	4,961,234	2,278,292	217,351	290,576	19,107,333	19,144,935
LIABILITIES AND FUND EQUITY									
Current Liabilities:									
Vouchers Payable	1,510							1,510	111,153
Accounts Payable	27,991	76,022	21,353	64,565	12,191	22,933	85,995	311,050	357,837
Accrued Liabilities	91,018	155,107	4,668	43,796	23,240	12,533	6,414	336,776	307,200
Accrued Compensated Absences	60,015	172,455	1,583	55,643	35,576	4,315	3,735	333,322	415,737
Due To Other Governments		194					19,941	20,135	
Due To Other Funds	3,524	5,003	5,721	7,529	94	24	127,678	149,573	25,429
Claims			1,047,162					1,047,162	1,014,000
Total Current Liabilities	184,058	408,781	1,080,487	171,533	71,101	39,805	243,763	2,199,528	2,231,356
Long-Term Liabilities:									
Claims			2,299,060					2,299,060	2,016,000
Total Liabilities	184,058	408,781	3,379,547	171,533	71,101	39,805	243,763	4,498,588	4,247,356
Fund Equity:									
Contributed Capital	270			357,769	52,770			410,809	547,872
Retained Earnings/Unreserved	2,547,349	513,746	4,326,129	4,431,932	2,154,421	177,546	46,813	14,197,936	14,349,707
Total Fund Equity	2,547,619	513,746	4,326,129	4,789,701	2,207,191	177,546	46,813	14,608,745	14,897,579
Total Liabilities And Fund Equity	\$ 2,731,677	922,527	7,705,676	4,961,234	2,278,292	217,351	290,576	19,107,333	19,144,935

CITY OF LINCOLN, NE
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN RETAINED EARNINGS
FISCAL YEAR ENDED AUGUST 31, 1994
 With Comparative Totals For Fiscal Year Ended August 31, 1993

	Data Processing	Engineering Revolving	Insurance Revolving	Public Works Equipment Management	Police Garage	Print Services Revolving	Warehouse Revolving	Totals	
								1994	1993
Operating Revenues:									
Charges For Services	\$ 3,783,977	4,005,646	7,356,257	2,339,413	1,594,812	542,758	685,886	20,308,749	18,657,872
Operating Expenses:									
Personal Services	1,725,386	3,080,383	162,288	865,028	488,497	253,662	78,295	6,653,539	6,393,373
Materials And Supplies	132,299	50,024	40,336	746,449	500,010	150,512	483,955	2,103,585	1,701,394
Other Services And Charges	2,167,076	757,587	6,612,049	441,914	182,092	181,042	132,446	10,474,206	8,394,929
Depreciation	347,241	81,196	14,611	871,513	315,477	9,606		1,639,644	1,619,784
Total Operating Expenses	4,372,002	3,969,190	6,829,284	2,924,904	1,486,076	594,822	694,696	20,870,974	18,109,480
Operating Income (Loss)	(588,025)	36,456	526,973	(585,491)	108,736	(52,064)	(8,810)	(562,225)	548,392
Non-Operating Revenues (Expenses):									
Interest Revenue	45,722	3,977	257,139	17,255	28,401	3,469		355,963	353,007
Miscellaneous	(62,082)	(350)	(1,778)	15,323	(34,552)			(83,439)	(59,044)
Total Non-Operating Revenues (Expenses)	(16,360)	3,627	255,361	32,578	(6,151)	3,469		272,524	293,963
Net Income (Loss)	(604,385)	40,083	782,334	(552,913)	102,585	(48,595)	(8,810)	(289,701)	842,355
Depreciation Transfer On Contributed Capital	3,282			130,739	3,909			137,930	156,252
Increase (Decrease) In Retained Earnings	(601,103)	40,083	782,334	(422,174)	106,494	(48,595)	(8,810)	(151,771)	998,607
Retained Earnings Beginning Of Year	3,148,452	473,663	3,543,795	4,854,106	2,047,927	226,141	55,623	14,349,707	13,351,100
Retained Earnings End Of Year	\$ 2,547,349	513,746	4,326,129	4,431,932	2,154,421	177,546	46,813	14,197,936	14,349,707

CITY OF LINCOLN, NE
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FISCAL YEAR ENDED AUGUST 31, 1994
With Comparative Totals For Fiscal Year Ended August 31, 1993

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	Data	Engineering	Insurance	Public Works	Police	Print	Warehouse	Totals	
	Processing	Revolving	Revolving	Equipment Management	Garage	Services Revolving	Revolving	1994	1993
Cash Flows From Operating Activities:									
Operating Income (Loss)	\$ (588,025)	36,456	526,973	(585,491)	108,736	(52,064)	(8,810)	(562,225)	548,392
Adjustments To Reconcile Operating Income (Loss)									
To Net Cash From Operating Activities:									
Depreciation	347,241	81,196	14,611	871,513	315,477	9,606		1,639,644	1,619,784
Changes In Assets And Liabilities:									
Accounts Receivable	(70,976)	4,984	2,421	44,297	(8,089)	(2,726)	(113,287)	(143,376)	(67,773)
Due From Other Funds	(24,069)	(99,757)	(32,036)	132,643	26,800	(12,184)	(25,044)	(33,647)	(183,164)
Due From Other Governments	44,174		1,064	(29,962)	58	1,187	(16,003)	513	(126,902)
Materials, Supplies And Fuel Inventories				30,699	5,724	25,520	(124,560)	(62,617)	(45,606)
Vouchers Payable	(80,747)	(10,529)	(555)	(13,364)	(130)	(3,718)	(600)	(109,643)	108,979
Accounts Payable	(70,649)	43,729	(50,507)	(55,592)	(9,811)	13,890	82,153	(46,787)	71,575
Accrued Liabilities	12,101	10,759	(4,048)	4,380	1,901	1,338	3,145	29,576	41,195
Due To Other Funds	2,861	(2,950)	5,101	(1,339)	(6,354)	(523)	127,348	124,144	16,644
Due To Other Governments		194					19,941	20,135	(165)
Accrued Compensated Absences	(24,435)	(31,817)	(4,424)	(14,013)	(7,804)	(3,146)	3,224	(82,415)	19,282
Claims			316,222					316,222	248,000
Total Adjustments	135,501	(4,191)	247,849	969,262	317,772	29,244	(43,683)	1,651,754	1,701,849
Net Cash From Operating Activities	(452,524)	32,265	774,822	383,771	426,508	(22,820)	(52,493)	1,089,529	2,250,241
Cash Flows From Non-Capital Financing Activities:									
Operating Grants									6,928
Net Cash From Non-Capital Financing Activities									6,928
Cash Flows From Capital Financing Activities:									
Additions To Property, Plant, And Equipment	(989,984)	(30,230)	(109,180)	(123,065)	(524,669)	(1,324)		(1,778,452)	(1,691,081)
Proceeds From Sale Of Property, Plant, And Equipment	24			15,731				15,735	125,649
Net Cash From Capital Financing Activities	(989,960)	(30,230)	(109,180)	(107,334)	(524,669)	(1,324)		(1,762,697)	(1,565,432)
Cash Flows From Investing Activities:									
Proceeds From Sale And Maturities Of Investments	6,018,084		5,133,245					11,151,329	11,321,673
Purchases Of Investments	(4,907,138)		(7,576,827)					(12,483,965)	(9,698,786)
Interest And Other Revenues	53,698	4,275	240,106	15,749	27,203	3,340	268	344,639	396,467
Net Cash From Investing Activities	1,164,644	4,275	(2,203,476)	15,749	27,203	3,340	268	(987,997)	2,019,354
Net Increase (Decrease) In Cash	(277,840)	6,310	(1,537,834)	292,186	(70,958)	(20,804)	(52,225)	(1,661,165)	2,711,091
Cash Beginning Of Year	954,004	320,370	2,956,707	530,049	819,115	127,065	52,225	5,759,535	3,048,444
Cash End Of Year	\$ 676,164	326,680	1,418,873	822,235	748,157	106,261		4,098,370	5,759,535
Supplemental Disclosure Of Noncash Investing And Financing Activities:									
Donation Of Capital Assets	\$ 867							867	68,385

FIDUCIARY FUNDS

Fiduciary Funds are established 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.

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 police officers and firefighters.

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

Lincoln Public Schools -	Fines, fees, licenses and permits collected on its behalf.
Department of Housing and Urban Development -	Various bank accounts used for Home Improvement Loans and Rental Rehabilitation programs. The City is the Fiduciary agent for these accounts.

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

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

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

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

Telephone Bill Suspense - To account for the accumulation of funds to pay Lancaster County for the City share of the telephone bill for the County-City building.

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

Defeased Bond Proceeds - To account for the proceeds from the 1993 Water Revenue Bonds, a portion of which were issued to defease the 1977 Water Revenue Bonds, and the 1992 Sanitary Sewer Revenue Bonds issued to defease the 1980 Sanitary Sewer Revenue Bonds. The City Treasurer is the Trustee for these bond defeasances.

Keno Escrow - To account for percentage of Keno revenues pending distribution to the State Thoroughbred Racing Assistance fund.

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

Deferred Compensation Plan - To account for balances deferred from employees' pay under the City's Section 457 Deferred Compensation Plan.

CITY OF LINCOLN, NE
FIDUCIARY FUNDS
COMBINING BALANCE SHEET
AUGUST 31, 1994
 With Comparative Totals For August 31, 1993

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	Pension Trust Funds		Expendable Trust Funds					Agency Funds							Totals		
	Fire Pension	Police And Fire Pension	Parks 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	Telephone Bill Suspense	Deceased Bond Proceeds	Keno Escrow	Gateway Center Joint Venture Escrow	Deferred Compensation Plan	1994	1993
ASSETS																	
Cash Held By City Treasurer	\$ 38,714	61,456	224,368	97,061	329,000	42,940			3,961,388	1,074,160		10,078	246,208	252,836		6,338,209	8,393,744
Cash In Other Accounts			27			113,573	151,728	888,626								1,153,954	210,994
Investments	1,100,318	84,236,025			250,000											85,586,343	80,467,214
Receivables:																	
Taxes	13,658	63,280														76,938	88,590
Accrued Interest	14,087	534,304	825	385	878											550,479	645,935
Other			168	16				696,697		326						697,207	681,865
Due From Other Funds	1,559	2,742	6,804	3,062	11,307	42,222				2,444		23,284				93,424	48,033
Due From Other Governments		4,010														4,010	3,919
Contractor Retainage							1,122,529									1,122,529	1,004,138
Insurance Contract														4,760,209		4,760,209	3,887,044
Total Assets	1,168,336	84,901,817	232,192	100,524	591,185	198,735	1,274,257	1,585,323	3,961,388	1,074,160	2,770	10,078	269,492	252,836	4,760,209	100,383,302	95,431,476
LIABILITIES AND FUND BALANCE																	
Liabilities:																	
Warrants Payable									3,961,388							3,961,388	3,168,382
Vouchers Payable																	363,449
Accounts Payable		540	12,730	978	1,396			82,147		2,770						100,561	157,432
Accrued Liabilities		2,151			3,923					246,120						252,194	216,052
Accrued Compensated Absences		768			1,742											2,510	4,968
Due To Other Governments			6			198,735		603,431				269,492				1,071,664	1,165,335
Due To Contractor							1,274,257									1,274,257	1,131,267
Due To Plan Members								9,762						4,760,209		4,769,971	3,922,889
Due To Lincoln Joint Venture													252,836			252,836	
Due To Bondholders											10,078					10,078	2,127,545
Due To Other Funds		3,340	2,080	1,411				889,983	828,040							1,724,854	549,040
Deferred Revenues	4,504	43,416														47,920	56,699
Total Liabilities	4,504	50,215	14,816	2,389	7,061	198,735	1,274,257	1,585,323	3,961,388	1,074,160	2,770	10,078	269,492	252,836	4,760,209	13,468,233	12,863,058
Fund Balances:																	
Reserved For:																	
Encumbrances			2,181		2,155											4,336	9,030
Employee Retirement	1,163,832	84,851,602														86,015,434	81,582,173
Trust Donations			215,195	98,135	581,969											895,299	977,215
Total Fund Balances	1,163,832	84,851,602	217,376	98,135	584,124											86,915,069	82,568,418
Total Liabilities And Fund Balances	\$ 1,168,336	84,901,817	232,192	100,524	591,185	198,735	1,274,257	1,585,323	3,961,388	1,074,160	2,770	10,078	269,492	252,836	4,760,209	100,383,302	95,431,476

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CITY OF LINCOLN, NE
PENSION TRUST FUNDS

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COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND BALANCES
FISCAL YEAR ENDED AUGUST 31, 1994
With Comparative Totals For Fiscal Year Ended August 31, 1993

	Fire Pension	Police And Fire Pension	Totals	
			1994	1993
Operating Revenues:				
Taxes:	\$			
Real Estate And Personal Property	31	344,929	344,960	363,132
Motor Vehicle		43,766	43,766	50,782
Employee Contributions		1,059,649	1,059,649	966,531
Employer Contributions				20,485
Investment Income	88,135	6,971,415	7,059,550	6,726,182
Intergovernmental		118	118	138
Total Operating Revenues	<u>88,166</u>	<u>8,419,877</u>	<u>8,508,043</u>	<u>8,127,250</u>
Operating Expenses:				
Refunds		1,506,258	1,506,258	1,234,450
Benefit Payments	320,503	2,078,483	2,398,986	2,210,491
Administrative Costs		287,839	287,839	66,173
Total Operating Expenses	<u>320,503</u>	<u>3,872,580</u>	<u>4,193,083</u>	<u>3,511,114</u>
Operating Income (Loss)	<u>(232,337)</u>	<u>4,547,297</u>	<u>4,314,960</u>	<u>4,616,136</u>
Non-Operating Revenues:				
Gain On Sale Of Investments		118,301	118,301	958,016
Net Income (Loss)	<u>(232,337)</u>	<u>4,665,598</u>	<u>4,433,261</u>	<u>5,574,152</u>
Fund Balances Beginning Of Year	<u>1,396,169</u>	<u>80,186,004</u>	<u>81,582,173</u>	<u>76,008,021</u>
Fund Balances End Of Year	<u>\$ 1,163,832</u>	<u>84,851,602</u>	<u>86,015,434</u>	<u>81,582,173</u>

CITY OF LINCOLN, NE
PENSION TRUST FUNDS
COMBINING STATEMENT OF CASH FLOWS

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FISCAL YEAR ENDED AUGUST 31, 1994
 With Comparative Totals For Fiscal Year Ended August 31, 1993

	<u>Fire</u>	<u>Police</u>	<u>Totals</u>	
	<u>Pension</u>	<u>And Fire</u>	<u>1994</u>	<u>1993</u>
		<u>Pension</u>		
Cash Flows From Operating Activities:				
Operating Income (Loss)	\$ (232,337)	4,547,297	4,314,960	4,616,136
Adjustments To Reconcile Operating Income (Loss)				
To Net Cash From Operating Activities:				
Changes In Assets And Liabilities:				
Taxes Receivable	24	11,628	11,652	46,138
Accrued Interest Receivable	22	94,726	94,748	123,573
Due From Other Funds	456	(22)	434	51,408
Due From Other Governments		(91)	(91)	2,125
Accounts Payable		(1,259)	(1,259)	1,525
Accrued Liabilities		290	290	250
Due To Other Funds		349	349	(3,511)
Due To Other Governments				(11,259)
Accrued Compensated Absences		(953)	(953)	52
Deferred Revenues	(31)	(8,748)	(8,779)	(18,433)
Total Adjustments	471	95,920	96,391	191,868
Net Cash From Operating Activities	(231,866)	4,643,217	4,411,351	4,808,004
Cash Flows From Investing Activities:				
Proceeds From Sale And Maturities Of Investments	850,093	15,282,113	16,132,206	33,120,012
Purchase Of Investments	(672,363)	(20,210,671)	(20,883,034)	(37,647,607)
Net Cash From Investing Activities	177,730	(4,928,558)	(4,750,828)	(4,527,595)
Net Increase (Decrease) In Cash	(54,136)	(285,341)	(339,477)	280,409
Cash Beginning Of Year	92,850	346,797	439,647	159,238
Cash End Of Year	\$ 38,714	61,456	100,170	439,647

CITY OF LINCOLN, NE
EXPENDABLE TRUST FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FISCAL YEAR ENDED AUGUST 31, 1994
 With Comparative Totals For Fiscal Year Ended August 31, 1993

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	Parks And Recreation Special Projects	Commission On Aging Gift Trust	Library Special Trust	Totals	
				1994	1993
Revenues:					
Intergovernmental	\$				6,754
Interest	7,060	3,173	17,985	28,218	26,444
Donations And Gifts	70,479	80,053	96,995	247,527	609,346
Miscellaneous	16,341		214	16,555	18,785
Total Revenues	93,880	83,226	115,194	292,300	661,329
Expenditures:					
Culture And Recreation:					
Personal Services			73,543	73,543	76,809
Materials And Supplies	18,651		320	18,971	19,485
Other Services And Charges	39,839		12,417	52,256	48,070
Construction Contracts	48,365			48,365	22,001
Equipment	1,716		103,861	105,577	186,303
Economic Opportunity:					
Materials And Supplies		13,326		13,326	12,075
Other Services And Charges		48,637		48,637	30,031
Equipment		6,042		6,042	7,346
Total Expenditures	108,571	68,005	190,141	366,717	402,120
Excess (Deficiency) Of Revenues Over Expenditures	(14,691)	15,221	(74,947)	(74,417)	259,209
Other Financing Uses:					
Operating Transfers Out		(12,193)		(12,193)	(12,830)
Excess (Deficiency) Of Revenues Over Expenditures And Other Financing Uses	(14,691)	3,028	(74,947)	(86,610)	246,379
Fund Balances Beginning Of Year	232,067	95,107	659,071	986,245	739,866
Fund Balances End Of Year	\$ 217,376	98,135	584,124	899,635	986,245

CITY OF LINCOLN, NE
AGENCY FUNDS

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COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FISCAL YEAR ENDED AUGUST 31, 1994

	Balance Sept. 1, 1993	Additions	Deductions	Balance Aug. 31, 1994
COLLECTIONS DUE OTHER GOVERNMENTS:				
Assets:				
Cash Held By City Treasurer	\$ 32,839	723,735	713,634	42,940
Cash In Other Accounts	78,458	1,343,381	1,308,266	113,573
Due From Other Funds	15,729	42,222	15,729	42,222
	<u>127,026</u>	<u>2,109,338</u>	<u>2,037,629</u>	<u>198,735</u>
Liabilities:				
Due To Other Governments	127,026	2,093,609	2,021,900	198,735
	<u>\$ 127,026</u>	<u>2,093,609</u>	<u>2,021,900</u>	<u>198,735</u>
CONTRACTOR DEPOSITS:				
Assets:				
Cash In Other Accounts	\$ 127,129	184,222	159,623	151,728
Contractor Retainage	1,004,138	461,298	342,907	1,122,529
	<u>1,131,267</u>	<u>645,520</u>	<u>502,530</u>	<u>1,274,257</u>
Liabilities:				
Due To Contractor	\$ 1,131,267	645,520	502,530	1,274,257
	<u>\$ 1,131,267</u>	<u>645,520</u>	<u>502,530</u>	<u>1,274,257</u>
PAYROLL REVOLVING:				
Assets:				
Cash	\$ 710,582	48,178,378	48,888,960	
Cash In Other Accounts	5,262	22,167,908	21,284,544	888,626
Receivables	680,347	696,697	680,347	696,697
Due From Other Funds		48,178,378	48,178,378	
	<u>1,396,191</u>	<u>119,221,361</u>	<u>119,032,229</u>	<u>1,585,323</u>
Liabilities:				
Vouchers Payable	363,194	67,784,027	68,147,221	
Accounts Payable	160,384	17,559,043	17,637,280	82,147
Due To Other Governments	864,957	28,679,363	28,940,889	603,431
Due To Plan Members	7,656	158,428	156,322	9,762
Due To Other Funds		889,983		889,983
	<u>\$ 1,396,191</u>	<u>115,070,844</u>	<u>114,881,712</u>	<u>1,585,323</u>
OUTSTANDING WARRANTS:				
Assets:				
Cash Held By City Treasurer	\$ 3,168,382	395,972,534	395,179,528	3,961,388
	<u>\$ 3,168,382</u>	<u>395,972,534</u>	<u>395,179,528</u>	<u>3,961,388</u>
Liabilities:				
Warrants Payable	\$ 3,168,382	395,972,534	395,179,528	3,961,388
	<u>\$ 3,168,382</u>	<u>395,972,534</u>	<u>395,179,528</u>	<u>3,961,388</u>
EARNINGS ON POOLED INVESTMENTS:				
Assets:				
Cash Held By City Treasurer	\$ 756,531	1,074,160	756,531	1,074,160
	<u>\$ 756,531</u>	<u>1,074,160</u>	<u>756,531</u>	<u>1,074,160</u>
Liabilities:				
Accrued Liabilities	210,627	246,120	210,627	246,120
Due To Other Funds	545,904	828,040	545,904	828,040
	<u>\$ 756,531</u>	<u>1,074,160</u>	<u>756,531</u>	<u>1,074,160</u>

(Continued)

	Balance Sept. 1, 1993	Additions	Deductions	Balance Aug. 31, 1994
TELEPHONE BILL SUSPENSE:				
Assets:				
Cash Held By City Treasurer	\$	425,975	425,975	
Receivables	350	326	350	326
Due From Other Funds	2,685	425,734	425,975	2,444
	<u>3,035</u>	<u>852,035</u>	<u>852,300</u>	<u>2,770</u>
Liabilities:				
Accounts Payable	3,035	425,710	425,975	2,770
	<u>\$ 3,035</u>	<u>425,710</u>	<u>425,975</u>	<u>2,770</u>
UNDISTRIBUTED PROPERTY TAX:				
Assets:				
Cash Held By City Treasurer	\$	37,834,175	37,834,175	
Liabilities:				
Due To Other Funds	\$	37,834,175	37,834,175	
DEFEASED BOND PROCEEDS:				
Assets:				
Cash Held By City Treasurer	\$ 2,127,545		2,117,467	10,078
Liabilities:				
Due To Bondholders	\$ 2,127,545		2,117,467	10,078
KENO ESCROW:				
Assets:				
Cash Held By City Treasurer	\$ 41,152	205,056		246,208
Due From Other Funds		23,284		23,284
	<u>41,152</u>	<u>228,340</u>		<u>269,492</u>
Liabilities:				
Due To Other Governments	\$ 41,152	228,340		269,492
GATEWAY CENTER JOINT VENTURE ESCROW				
Assets:				
Cash Held By City Treasurer	\$	252,836		252,836
Liabilities:				
Due To Lincoln Joint Venture	\$	252,836		252,836
DEFERRED COMPENSATION PLAN:				
Assets:				
Insurance Contract	\$ 3,887,044	900,442	27,277	4,760,209
Liabilities:				
Due To Plan Members	\$ 3,887,044	900,442	27,277	4,760,209
AGENCY FUND TOTALS:				
Total Assets	\$ 12,638,173	559,090,741	558,339,666	13,389,248
Total Liabilities	\$ 12,638,173	554,498,170	553,747,095	13,389,248

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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 SOURCE
FISCAL YEAR ENDED AUGUST 31, 1994

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General Fixed Assets August 31, 1982*	\$ 46,978,145
Additions To General Fixed Assets By Source -- September 1, 1982 Through August 31, 1993	
General Fund Revenues	11,408,548
Federal Funds	1,066,113
Capital Projects Funds	22,921,147
Special Revenue Funds	7,910,672
Donations	1,246,215
	44,552,695
Deletions	(12,492,683)
General Fixed Assets August 31, 1993	79,038,157
Additions To General Fixed Assets By Source -- September 1, 1993 Through August 31, 1994	
General Fund Revenues	547,877
Federal Funds	8,358
Capital Projects Funds	1,368,770
Special Revenue Funds	1,050,995
Donations	38,018
	3,014,018
Deletions	(1,713,971)
General Fixed Assets August 31, 1994	\$ 80,338,204

*The 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
AUGUST 31, 1994

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	<u>Total</u>	<u>Land</u>	<u>Buildings</u>	<u>Improvements Other Than Buildings</u>	<u>Machinery And Equipment</u>
GENERAL GOVERNMENT					
Legislative	\$ 66,672				66,672
Executive, Including Human Rights, Economic Development, Word Processing, CIRC, And Administrative Services	351,919				351,919
Financial Administration	304,396				304,396
Law	253,254				253,254
Personnel Administration	45,894				45,894
Planning And Zoning	72,940				72,940
Buildings And Plant	7,230,155	941,178	6,125,261	163,716	
Urban Development	2,824,158	2,644,934	32,731		146,493
Total General Government	11,149,388	3,586,112	6,157,992	163,716	1,241,568
PUBLIC SAFETY					
Police	1,870,072				1,870,072
Fire	6,972,091	284,810	1,386,428	83,906	5,216,947
Building And Safety	339,042				339,042
Communications	800,831				800,831
Transportation	1,341,993	60,066	477,563	64,202	740,162
Total Public Safety	11,324,029	344,876	1,863,991	148,108	8,967,054
STREETS AND HIGHWAYS					
Street Maintenance	5,290,102	2,359,635	1,969,262	528,018	433,187
CULTURE AND RECREATION					
Parks And Recreation	34,172,829	6,859,627	9,843,074	16,437,803	1,032,325
Libraries	14,541,181	144,554	4,166,729	140,515	10,089,383
Cornhusker Convention Center	2,870,683	446,036	2,248,715		175,932
Total Culture And Recreation	51,584,693	7,450,217	16,258,518	16,578,318	11,297,640
ECONOMIC OPPORTUNITY					
Lincoln Area Agency On Aging Job Programs	366,599		1,095		365,504
	25,267				25,267
Total Economic Opportunity	391,866		1,095		390,771
HEALTH AND WELFARE					
Lincoln/Lancaster County Health	598,126				598,126
Total General Fixed Assets	\$ 80,338,204	13,740,840	26,250,858	17,418,160	22,928,346

CITY OF LINCOLN, NE
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS
BY FUNCTION AND ACTIVITY
FISCAL YEAR ENDED AUGUST 31, 1994

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	General Fixed Assets			General Fixed Assets
	Sept. 1, 1993	Additions*	Deductions	Aug. 31, 1994
GENERAL GOVERNMENT				
Legislative	\$ 65,222	1,450		66,672
Executive, Including Human Rights, Economic Development, Word Processing, CIRC, And Administrative Services	679,610	24,528	352,219	351,919
Financial Administration	255,939	49,726	1,269	304,396
Law	250,055	7,531	4,332	253,254
Personnel Administration	51,581	662	6,349	45,894
Planning And Zoning	65,318	7,622		72,940
Buildings And Plant	7,230,155			7,230,155
Urban Development	2,845,804	3,761	25,407	2,824,158
Total General Government	<u>11,443,684</u>	<u>95,280</u>	<u>389,576</u>	<u>11,149,388</u>
PUBLIC SAFETY				
Police	1,868,617	52,127	50,672	1,870,072
Fire	7,010,334	258,245	296,488	6,972,091
Building And Safety	320,968	67,813	49,739	339,042
Communications	800,831			800,831
Transportation	1,710,263	1,640	369,910	1,341,993
Total Public Safety	<u>11,711,013</u>	<u>379,825</u>	<u>766,809</u>	<u>11,324,029</u>
STREETS AND HIGHWAYS				
Street Maintenance	<u>5,290,772</u>		670	<u>5,290,102</u>
CULTURE AND RECREATION				
Parks And Recreation	32,990,886	1,483,242	301,299	34,172,829
Libraries	13,885,156	885,355	229,330	14,541,181
Cornhusker Convention Center	2,870,683			2,870,683
Total Culture And Recreation	<u>49,746,725</u>	<u>2,368,597</u>	<u>530,629</u>	<u>51,584,693</u>
ECONOMIC OPPORTUNITY				
Lincoln Area Agency On Aging	364,245	13,379	11,025	366,599
Job Programs	22,889	3,300	922	25,267
Total Economic Opportunity	<u>387,134</u>	<u>16,679</u>	<u>11,947</u>	<u>391,866</u>
HEALTH AND WELFARE				
Lincoln/Lancaster County Health	458,829	153,637	14,340	598,126
Total General Fixed Assets	<u>\$ 79,038,157</u>	<u>3,014,018</u>	<u>1,713,971</u>	<u>80,338,204</u>

*The 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.

**STATISTICAL SECTION
(UNAUDITED)**

**CITY OF LINCOLN, NE
GENERAL INFORMATION**

Table 1

**GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION
LAST TEN FISCAL YEARS¹**

Fiscal Year	General Government ³	Public Safety	Streets And Highways	Culture And Recreation	Economic Opportunity	Health And Welfare	Sanitation ²	Debt Service ³	Totals
1994	\$ 17,757,517	29,709,169	7,039,926	10,313,064	8,036,307	7,019,362		9,116,154	88,991,499
1993	15,561,262	28,560,001	7,724,395	10,002,344	8,042,464	6,067,846		9,647,993	85,605,705
1992	14,359,558	27,458,036	6,745,007	9,570,033	7,029,374	5,277,565		9,862,524	80,302,097
1991	14,922,461	26,579,461	6,761,346	9,514,317	6,140,782	4,993,576		9,569,083	78,481,026
1990	14,216,069	25,267,865	6,324,609	9,169,606	5,942,691	4,716,120		7,319,885	72,956,845
1989	11,972,664	21,415,917	5,878,224	8,200,666	8,293,286	3,972,901		6,648,372	66,382,030
1988	11,227,562	21,217,662	5,987,512	8,054,651	6,201,422	3,616,964		6,809,178	63,114,951
1987	10,345,196	20,041,053	5,455,931	7,842,716	5,319,400	3,504,832		3,969,066	56,478,194
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	2,428,216	53,338,069

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

²At August 1, 1986 Sanitary Landfill became an Enterprise Fund. The figure for 1986 includes only eleven months of expenditures. For years after 1986, all sanitation expenditures are included with the Enterprise Funds.

³The figures for 1988 include Special Assessment amounts of \$81,084 in General Government and \$3,005,494 in Debt Service reported as General Governmental Expenditures for the first time due to Statement 6 of the Governmental Accounting Standards Board.

Table 2

**GENERAL GOVERNMENTAL REVENUES BY SOURCE
LAST TEN FISCAL YEARS¹**

Fiscal Year	Taxes ²	Inter-Governmental	Permits And Fees	Reimbursement For Services	Court Fees	Recreation Receipts	Interest ²	Other	Totals
1994	\$ 72,266,306	24,954,144	4,164,959	1,946,264	124,275	916,358	1,323,904	8,319,684	114,015,894
1993	65,691,255	24,158,900	3,325,037	1,382,306	116,457	733,723	1,252,772	5,295,130	101,955,580
1992	61,520,132	18,822,780	2,940,003	1,129,027	98,009	682,245	1,236,569	3,389,998	89,818,763
1991	58,095,595	17,950,671	2,581,777	1,155,385	95,847	718,076	2,182,268	6,882,597	89,662,216
1990	56,156,855	17,375,366	1,988,001	985,677	115,813	655,981	2,622,889	3,906,041	83,806,623
1989	52,780,348	19,853,034	1,701,082	1,004,843	109,806	593,461	2,838,448	3,524,567	82,405,589
1988	47,992,603	16,357,404	1,603,158	1,048,138	116,859	590,809	3,588,413	2,631,228	73,928,612
1987	43,360,446	15,733,000	1,496,422	1,270,069	119,721	526,598	1,657,124	2,386,740	66,550,120
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

¹Includes General, Special Revenue and Debt Service Funds.

²General Revenues - Taxes includes \$1,356,218 of Special Assessments in 1988 and interest includes \$1,079,095 of Special Assessment Interest in 1988 as a result of implementation of Statement 6 of the Governmental Accounting Standards Board.

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 installments of real estate taxes are delinquent the following April 1, second installments delinquent August 1; personal property taxes are delinquent December 1 and July 1. Delinquent taxes bear 14 percent interest. The figures below include interest and penalties. The full amount of the taxes levied for 1990 and prior, with the exception of 1984, 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		Accumulated Collections	
		After Levy		As Of August 31, 1994	
		Amount	Percent	Amount	Percent
1993	\$ 25,962,618	\$ 25,108,543	96.71 %	\$ 25,108,543	96.71 %
1992	24,951,389	23,789,500	95.34	24,866,007	99.66
1991	24,086,774	22,331,375	92.71	23,859,956	99.06
1990	22,712,308	21,472,586	94.54	22,798,697	100.38
1989	21,897,845	20,940,705	95.63	22,010,671	100.52
1988	19,838,326	18,892,824	95.23	19,953,752	100.58
1987	18,547,425	17,483,064	94.26	18,657,175	100.59
1986	18,634,563	17,563,423	94.25	18,701,233	100.36
1985	14,820,947	13,930,925	93.99	14,907,885	100.59
1984	21,679,327	20,063,968	92.55	21,669,995	99.96

Table 4

TAXABLE ASSESSED VALUATION
LAST TEN YEARS¹

Tax Year	Real Estate	All Other	Motor Vehicle	Total
1994	\$ 6,040,320,804	431,628,371	598,259,561	7,070,208,736
1993	4,569,474,800	424,296,765	542,119,130	5,535,890,695
1992	4,546,536,977	357,430,964	539,257,371	5,443,225,312
1991	4,281,739,381	651,042,612	532,313,665	5,465,095,658
1990	4,167,361,438	646,608,031	505,195,126	5,319,164,595
1989	3,885,292,752	613,031,929	444,477,863	4,942,802,544
1988	3,609,376,307	522,747,416	416,921,473	4,549,045,196
1987	3,526,918,806	499,004,211	397,669,695	4,423,592,712
1986	3,314,107,283	504,450,612	370,099,785	4,188,657,680
1985	3,258,644,926	408,998,541	341,007,685	4,008,651,152

¹Assessment is at 100% of actual.

Table 5

TOTAL PROPERTY TAX LEVIES
ALL DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN YEARS¹

	Tax Year									
	1994	1993	1992	1991	1990	1989	1988	1987	1986	1985
City Of Lincoln	0.4062	0.5199	0.5088	0.4883	0.4718	0.4868	0.4801	0.4607	0.4903	0.4041
School District No. 1	1.6084	1.9098	1.7543	1.7680	1.7928	1.6898	1.4544	1.4038	1.4075	1.4069
Airport Authority	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0103
Lancaster County	0.3051	0.3584	0.3382	0.3402	0.3244	0.3221	0.3441	0.3353	0.3353	0.2928
Educational Service Unit #18	0.0082	0.0078	0.0076	0.0072	0.0071	0.0071	0.0080	0.0080	0.0076	0.0079
Community Technical College	0.0843	0.0917	0.0903	0.0830	0.0789	0.0785	0.0855	0.0690	0.0690	0.0660
Lower Platte South Natural Res. Dist.	0.0293	0.0349	0.0357	0.0364	0.0321	0.0350	0.0405	0.0314	0.0311	0.0319
Railroad Transportation Safety Dist.	0.0096	0.0130	0.0000	0.0132	0.0136	0.0140	0.0160	0.0164	0.0174	0.0176
Agricultural Society Of Lancaster County	0.0014	0.0017	0.0018	0.0018	0.0046	0.0015	0.0010	0.0010	0.0011	0.0013
Public Building Commission	<u>0.0127</u>	<u>0.0170</u>	<u>0.0169</u>	<u>0.0109</u>	<u>0.0000</u>	<u>0.0000</u>	<u>0.0000</u>	<u>0.0000</u>	<u>0.0000</u>	<u>0.0000</u>
	<u>2.4652</u>	<u>2.9542</u>	<u>2.7536</u>	<u>2.7490</u>	<u>2.7253</u>	<u>2.6348</u>	<u>2.4296</u>	<u>2.3256</u>	<u>2.3593</u>	<u>2.2388</u>

¹The assessment rate is 100% of market and the levy is expressed as the tax per \$100 of estimated market value.

Table 6

SPECIAL ASSESSMENT COLLECTIONS
LAST TEN FISCAL YEARS¹

Fiscal Year Ended August 31	Special Assessment Collections Including Interest
1994	\$2,770,059
1993	\$2,903,065
1992	2,845,980
1991	3,061,525
1990	2,869,010
1989	3,236,586
1988	3,565,274
1987	4,759,761
1986	5,522,732
1985	3,992,243

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. Special assessment billings by year are not available.

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 a sales tax since 1969.

SALES AND USE TAX COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended August 31	Amount
1994	\$29,739,476
1993	25,920,431
1992	24,572,746
1991	24,079,362
1990	23,189,515
1989	22,765,376
1988	21,592,027
1987	19,381,135
1986	17,810,917
1985	11,773,664

Table 8

SCHEDULE OF NET GENERAL OBLIGATION BONDED DEBT IN RELATION TO POPULATION,
TOTAL ASSESSED VALUATION, AND REAL PROPERTY VALUATION
LAST TEN FISCAL YEARS

Fiscal 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 ²	Ratio Of Net Debt To Assessed Valuation Real & Personal	Assessed Valuation Of Taxable Real Property ²	Ratio Of Net Debt To Estimated Valuation Of Taxable Real Property
1994	\$ 42,845,000	\$ 12,423,441	\$ 30,421,559	199,350	\$ 152.60	\$ 7,070,208,736	0.43 %	\$ 6,040,320,804	0.50 %
1993	47,954,000	12,945,562	35,008,438	197,482	177.27	5,535,890,695	0.63	4,569,474,800	0.77
1992	51,099,000	11,962,647	39,136,353	195,168	200.53	5,443,225,312	0.72	4,546,536,977	0.86
1991	49,190,000	9,958,461	39,231,539	193,335	202.92	5,465,095,658	0.72	4,281,739,381	0.92
1990	53,351,000	12,322,225	41,028,775	191,972	213.72	5,319,164,595	0.77	4,167,361,438	0.98
1989	49,132,200	11,815,674	37,316,526	188,680	197.78	4,942,802,544	0.75	3,885,292,752	0.96
1988	44,175,000	12,268,405	31,906,595	185,620	171.89	4,549,045,196	0.70	3,609,376,307	0.88
1987	47,775,000	6,169,064	41,605,936	184,500	225.51	4,423,592,712	0.94	3,526,918,806	1.18
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	166.74	4,008,651,152	0.75	3,258,644,926	0.93

¹Source: Lincoln/Lancaster Planning Department.

²Assessed valuation is 100% of actual.

Table 9

COMPUTATION OF DIRECT AND OVERLAPPING DEBT
AUGUST 31, 1994

Units	Net Debt Outstanding	Percentage Applicable To The City	Direct And Overlapping Debt
City	\$ 30,421,559	100.00	\$ 30,421,559
School District #1	67,500,000	97.2	65,610,000
Airport Authority	3,570,000	100.0	3,570,000
Lancaster County	None	None	None
Southeast Community College	None	35.9	None
Total	<u>\$ 101,491,559</u>		<u>\$ 99,601,559</u>

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR
GENERAL BONDED DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES
LAST TEN FISCAL YEARS ²

Fiscal Year	Principal	Interest ³	Total Debt Service	Total General Governmental Expenditures ¹	Ratio Of
					Debt Service To Total General Expenditures
1994	\$ 6,603,251	2,349,574	\$ 8,952,825	\$ 88,991,499	10.06 %
1993	6,380,195	3,093,979	9,474,174	85,605,705	11.07
1992	6,409,476	3,184,607	9,594,083	80,302,097	11.95
1991	5,906,493	3,455,384	9,361,877	78,481,026	11.93
1990	3,793,637	3,274,390	7,068,027	72,956,845	9.69
1989	3,670,000	2,942,326	6,612,326	66,382,030	9.96
1988 ⁴	3,600,000	3,199,184	6,799,184	63,114,951	10.77
1987	1,480,000	2,438,712	3,918,712	56,478,194	6.94
1986	1,050,000	1,027,119	2,077,119	54,539,995	3.81
1985	1,140,000	1,165,805	2,305,805	53,338,069	4.32

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

²In-substance defeasances are excluded from this table.

³Does not include fiscal and miscellaneous charges.

⁴1988 includes Special Assessment Bonds for the first time due to implementation of Statement 6 of the Governmental Accounting Standards Board.

REVENUE BOND COVERAGE
LAST TEN FISCAL YEARS

	Gross Revenue	Direct Operating Expenses	Net Revenue Available For Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
<u>Wastewater System</u>							
1994	\$ 14,366,125	6,538,152	7,827,973	970,000	776,009	1,746,009	4.48
1993	13,145,256	6,398,829	6,746,427	910,000	821,593	1,731,593	3.90
1992	12,712,957	6,285,596	6,427,361	590,000	742,022	1,332,022	4.83
1991	12,339,062	5,759,667	6,579,395	705,000	592,332	1,297,332	5.07
1990	11,690,862	5,508,080	6,182,782	690,000	585,728	1,275,728	4.85
1989	10,360,369	5,199,623	5,160,746	655,000	614,102	1,269,102	4.07
1988	9,054,861	4,742,531	4,312,330	605,000	443,587	1,048,587	4.11
1987	8,221,313	4,621,155	3,600,158	595,000	517,027	1,112,027	3.24
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
<u>Water System</u>							
1994	\$ 20,256,136	6,858,777	13,397,359	2,145,000	3,036,215	5,181,215	2.59
1993	17,866,972	6,359,712	11,507,260	1,230,000	3,096,495	4,326,495	2.66
1992	21,106,800	6,391,486	14,715,314	1,170,000	3,287,250	4,457,250	3.30
1991	22,314,434	5,945,212	16,369,222	1,045,000	2,787,571	3,832,571	4.27
1990	17,891,336	5,729,234	12,162,102	820,000	688,814	1,508,814	8.06
1989	16,936,162	5,802,088	11,134,074	925,000	807,231	1,732,231	6.43
1988	14,528,993	5,291,453	9,237,540	890,000	845,249	1,735,249	5.32
1987	11,493,534	5,089,423	6,404,111	890,000	770,566	1,660,566	3.86
1986	10,251,993	4,921,406	5,330,587	854,000	595,606	1,449,606	3.68
1985	9,683,368	4,710,451	4,972,917	765,000	623,502	1,388,502	3.58
<u>Parking Facilities ²</u>							
1994	\$ 2,242,835 ¹	724,003	1,518,832	110,000	316,975	426,975	3.56
1993	2,101,383 ¹	608,667	1,492,716	220,000	331,262	551,262	2.71
1992	1,831,601	589,578	1,242,023	205,000	350,594	555,594	2.24
1991	1,603,052 ¹	861,278	741,774	185,000	363,714	548,714	1.35
1990 ³	1,550,937 ¹	396,725	1,154,212	175,000	377,148	552,148	2.09
1989	1,396,081 ¹	393,691	1,002,390	130,000	233,560	363,560	2.76
1988	1,386,144	367,478	1,018,666	120,000	279,149	399,149	2.55
1987	1,341,888 ¹	330,951	1,010,937	110,000	285,785	395,785	2.55
1986	1,274,710 ¹	287,755	986,955	110,000	292,568	402,568	2.45
1985	1,210,250 ¹	347,145	863,105	105,000	295,891	400,891	2.15

¹ Includes parking meter revenues which were deposited to the General Fund but are pledged per bond ordinance.

² Information in this table does not agree with information in transmittal letter because transmittal letter information is calculated in accordance with specific requirements of the bond covenants.

³ Third facility (University Square Parking Garage) opened in April, 1990.

Table 12

DEMOGRAPHIC STATISTICS
LAST TEN YEARS

Year	City Of Lincoln Population ¹	Per Capita Income ²	School Enrollment ³	Unemployment Rate ⁴
1994	199,350	\$	30,041	2.4 %
1993	197,482		29,943	2.4
1992	195,168	18,995	29,743	3.1
1991	193,335	18,429	28,806	2.4
1990	191,972	17,816	27,990	1.9
1989	188,680	16,699	27,367	2.5
1988	185,620	15,489	26,567	2.3
1987	184,500	14,217	25,982	3.4
1986	184,500	13,731	25,462	2.7
1985	181,500	13,113	25,209	3.2

Sources:

¹Lincoln/Lancaster Planning Department.²University of Nebraska Bureau of Business Research. Per Capita Income for 1993 and 1994 is unavailable.³Lincoln Public Schools.⁴State of Nebraska, Department of Labor.

Median age from 1990 census was 30.3. Education statistics per the 1990 Census indicate that 88.3% of the population 25 years and older has a high school degree or greater with 28.5% of the same population holding a Bachelor's degree or greater.

Table 13

PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS
LAST TEN FISCAL YEARS

Fiscal Year	Commercial Construction ¹		Residential Construction ¹		Bank Deposits In Millions ²	Property Value ³		Totals
	Number Of Permits	Value	Number Of Permits	Value		Commercial	Residential	
1994	1,117	\$ 136,104,897	3,114	\$ 156,183,375	2,257.3	1,703,370,467	4,336,950,337	\$ 6,040,320,804
1993	1,027	105,463,763	2,528	129,375,506	2,252.8	1,359,824,873	3,209,649,927	4,569,474,800
1992	1,037	97,404,261	2,368	112,917,088	2,156.1	1,059,803,513	3,486,733,464	4,546,536,977
1991	1,258	68,441,436	1,497	91,566,856	2,051.4	916,414,341	3,365,325,040	4,281,739,381
1990	886	60,945,476	2,015	117,163,649	1,809.5	891,530,453	3,275,830,985	4,167,361,438
1989	1,051	75,174,361	1,585	100,097,540	1,761.2	923,467,750	2,961,825,002	3,885,292,752
1988	863	59,063,356	1,759	78,047,673	1,670.8	977,003,150	2,632,373,157	3,609,376,307
1987	822	64,774,857	1,624	69,088,218	1,632.6	943,517,080	2,583,401,726	3,526,918,806
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

Sources:

¹City of Lincoln, Department of Building and Safety.²Lincoln Chamber of Commerce.³Lancaster County Assessor.

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 five percent of the total taxes levied.

<u>Taxpayers</u>	<u>Type Of Business</u>	<u>1994 Assessed Valuations</u>	<u>Percentage Of Total Assessed Valuation</u>
Lincoln Telephone & Telegraph	Telecommunications	\$ 59,817,944	.85%
SmithKline Beecham	Animal Health	33,843,093	.48
Peoples Natural Gas	Gas Utility	27,380,834	.39
Goodyear Tire & Rubber Co.	Manufacturing	24,187,516	.34
Ameritas Financial Services	Financial Services	23,658,108	.33
Otto Gaspar	Real Estate Developer	22,553,236	.32
State Farm	Insurance	18,693,288	.27
Burlington Northern	Railroad	17,628,522	.25
Cornhusker Square Land Co.	Hotel/Office/Conf Ctr Mgmt	15,801,940	.22
First National Bank & Trust	Banking	<u>14,271,011</u>	<u>.20</u>
		<u>\$257,835,492</u>	<u>3.65%</u>

Table 15

MISCELLANEOUS STATISTICS
AUGUST 31, 1994

Date of Incorporation: 1869
 Form of Government: Mayor-Council, Home Rule Charter
 Area: 66.05 square miles
 Lane Miles of Streets: 1,967.0 miles
 Number of Street Lights: 20,459

Culture And Recreation

Park System: 89 parks & playgrounds/5,841 acres
 Libraries: 7
 Recreation Centers: 7
 Swimming Pools (Public): 9
 Golf Courses (Public): 5

Fire Protection

Number of Stations: 13
 Number of Firefighters: 247

Police Protection

Number of Stations: 1
 Number of Police Officers: 262

Water Department

Number of Consumers: 61,047
 Average Daily Consumption: 31,000,000 gallons
 Miles of Water Mains: 945.29 miles

Sanitary Sewer

Number of Consumers: 60,301
 Miles: 769.77

Education

Public Schools:
 Senior High Schools: 4
 Middle Schools: 9
 Elementary Schools: 34
 Number of Students: 30,041

Private and Parochial Schools:
 Number of Schools: 31
 Number of Students: 5,394

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SINGLE AUDIT SECTION



**INDEPENDENT AUDITORS' REPORT ON THE SUPPLEMENTARY SCHEDULE OF
FEDERAL FINANCIAL ASSISTANCE**

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

We have audited the general purpose financial statements of the City of Lincoln, Nebraska, as of and for the year ended August 31, 1994, and have issued our report thereon dated February 9, 1995. These general purpose financial statements are the responsibility of the management of the City of Lincoln, Nebraska. Our responsibility is to express an opinion on these general purpose financial statements based on our audit. We did not audit the financial statements of Lincoln General Hospital, Lincoln Wastewater System, Lincoln Water System, and Lincoln Electric System, which represent 93% and 95% of the assets and revenues, respectively, of the enterprise funds. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Lincoln General Hospital, Lincoln Wastewater System, Lincoln Water System, and Lincoln Electric System, is based solely on the reports of the other auditors.

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

Our audit was made for the purpose of forming an opinion on the general purpose financial statements of the City of Lincoln, Nebraska taken as a whole. The accompanying Schedule of Federal Financial Assistance, which is also the responsibility of the management of the City of Lincoln, Nebraska, is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. The information in that schedule has been subjected to the auditing procedures applied in our audit of the general purpose financial statements and the audit of Lincoln Wastewater System Grant No. C317008-01 and Lincoln Water and Wastewater Systems Grant No. FEMA 983 DR NE conducted by other auditors and, in our opinion, based on our audit of the general purpose financial statements and the report of other auditors, is fairly presented in all material respects when considered in relation to the general purpose financial statements taken as a whole.

This report is intended for the information of the mayor and city council members, management, and others within the City of Lincoln, Nebraska, and officials of the cognizant agency and other appropriate regulatory agencies. However, this report is a matter of public record and its distribution is not limited.

Deloitte & Touche LLP

Lincoln, Nebraska
February 9, 1995

CITY OF LINCOLN, NE
SUPPLEMENTARY SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
FISCAL YEAR ENDED AUGUST 31, 1994

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Number</u>	<u>Accrued (Deferred) Grant Revenues Sept. 1, 1993</u>	<u>Grant Revenues Received</u>	<u>Grantee Matching Contributions & Misc. Revenues</u>	<u>Expenditures</u>	<u>Accrued (Deferred) Grant Revenues Aug. 31, 1994</u>
U.S. DEPARTMENT OF AGRICULTURE							
Direct Programs:							
Summer Food Service Program	10.559	6/94-8/94	\$	26,209	5,325	23,204	(8,330)
Summer Food Service Program	10.559	6/93-8/93	20,954	22,826	1,379	3,251	
Pass-Through State Department of Health							
Women, Infants & Children	10.557	1994		58,566		65,032	6,466
Women, Infants & Children	10.557	1993	4,626	21,228		16,602	
Total U.S. Department Of Agriculture			\$ 25,580	128,829	6,704	108,089	(1,864)
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT							
Direct Programs:							
HDAG	14.174	NE-003H-G601	\$ (1,471)				(1,471)
Community Development Block Grant	14.218 *	B-92 & 93 MC-31-0001	630	1,533,700	807,613	2,414,276	73,593
Rental Rehabilitation Loan Program	14.230	R-90 & 91 MC-31-0201	(30,314)	39,093	50,889	76,320	(43,976)
HOME Investment Partnership	14.239 *	M-92 93 SG31-0110		230,000		230,000	
HOME Investment Partnership	14.239 *	M-92 93 94-MC-31-0202	14,032	846,700		854,751	22,083
HOPE 3 Implementation	14.240	H393NE00041A		31,141		33,943	2,802
HOPE 3 Planning Grant	14.240	H392NE0008PA	(2,320)	2,993	76	5,389	
Pass-Through State Department Of Social Services:							
Emergency Shelter Grant Program	14.231	92 93 94-ESGP-11-01		37,961		37,961	
Total U.S. Department Of Housing And Urban Development			\$ (19,443)	2,721,588	858,578	3,652,640	53,031
U.S. DEPARTMENT OF INTERIOR							
Pass-Through State Historical Society:							
Historical Preservation Fund	15.904	94/95	\$		6,864	17,161	10,297
Historical Preservation Fund	15.904	93/94	11,045	18,406	16,556	23,917	
Pass-Through State Game And Parks Commission:							
Holmes Lake Handicapped Fishing Pier	15.605			2,887		2,887	
Pine Lake Road Ballfield Development	15.916	31-00850		8,139	5,316	13,455	
Total U.S. Department Of Interior			\$ 11,045	29,432	28,736	57,420	10,297

(Continued)

(Federal Financial Assistance, Continued)

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<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Number</u>	<u>Accrued (Deferred) Grant Revenues Sept. 1, 1993</u>	<u>Grant Revenues Received</u>	<u>Grantee Matching Contributions & Misc. Revenues</u>	<u>Expenditures</u>	<u>Accrued (Deferred) Grant Revenues Aug. 31, 1994</u>
U.S. DEPARTMENT OF JUSTICE							
Pass-Through State Comm. On Law Enforcement And Criminal Justice:							
Victim Witness Unit	16.575	93-VA-219/901	\$	47,000	4,968	51,968	
Victim Witness Unit	16.575	92-VA-215/901	(2,227)			2,227	
Linc./Lanc. Co. Coop. Street Drug Dealer Apprehension Program	16.579	92-DA-303/324	112,418	112,418			
Linc./Lanc. Co. Coop. Street Drug Dealer Apprehension Program	16.579	93/92-DA-303/319		318,850	106,283	425,133	
Total U.S. Department Of Justice			\$ 110,191	478,268	111,251	479,328	
U.S. DEPARTMENT OF LABOR							
Pass-Through State Department Of Aging:							
Title V (SCSEP)	17.235	NGA-95-051	\$		5,901	9,145	3,244
Title V (SCSEP)	17.235	NGA-94-129	3,595	42,000	37,358	79,308	3,545
Title V (SCSEP)	17.235	NGA-93-128	3,757	3,757			
Pass-Through State Department Of Labor:							
JTPA Title III Disaster	17.246	31-31-12		25,663		29,757	4,094
JTPA Title III Dislocated Worker	17.246	31-31-12	(15,039)	58,384		51,890	(21,533)
JTPA Title III Reserve	17.246	31-31-12	1,661	48,358		47,376	679
JTPA Title IIA Older Worker	17.250			5,160		6,470	1,310
JTPA Title IIA Program	17.250		7,672	138,335		139,340	8,677
JTPA Title IIB Summer SYETP	17.250		44,206	111,603		123,294	55,897
JTPA Title IIC	17.250		8,125	94,334		111,638	25,429
Total U.S. Department Of Labor			\$ 53,977	527,594	43,259	598,218	81,342
U.S. DEPARTMENT OF TRANSPORTATION							
Direct Programs:							
UMTA Section 9 Capital Assistance	20.507 *	NE-90-X014	\$	43	11	54	
UMTA Section 3 Capital Assistance	20.507 *	NE-90-X025	5,834	5,834			
UMTA Section 3 Capital Assistance	20.507 *	NE-03-X026		816,337	272,113	1,088,450	
UMTA Section 9 Capital Assistance	20.507 *	NE-90-X032	(52,800)	228,681	31,752	313,405	172
FTA Transit Planning	20.507 *	NE-90-X032	30,613	30,612	1		
FTA Transit Planning	20.507 *	NE-90-X035			5,703	19,659	13,956
FTA Section 9 Operating Assistance	20.507 *	NE-90-X035		1,126,200	3,808,246	4,934,446	
FTA Section 9 Capital Assistance	20.507 *	NE-90-X035		26,880	23,755	118,780	68,145
Youth Worksite Traffic Safety	20.600	DTNH22-94-2-05208		3,634		11,812	8,178
Pass-Through State Department Of Roads:							
Planning Grant	20.205	HPR-PL1(32)			4,075	20,375	16,300
Planning Grant	20.205	HPR-PL1(31)	17,049	157,757	35,177	175,885	
Lancaster County Rural Transit	20.205	RPT-C551(195)-1995			2,254	4,345	2,091
Lancaster County Rural Transit	20.205	RPT-C551(194)-1994	2,077	9,503	27,581	35,007	
Bridge Replacement & Rehabilitation	20.205		528,800	528,800			
Superior Street 29th to 52nd	20.205				113,428	567,141	453,713
FTA Transit Planning	20.507 *	NE-08-0002		7,197	10,707	53,532	35,628

(Continued)

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Number</u>	<u>Accrued (Deferred) Grant Revenues Sept. 1, 1993</u>	<u>Grant Revenues Received</u>	<u>Grantee Matching Contributions & Misc. Revenues</u>	<u>Expenditures</u>	<u>Accrued (Deferred) Grant Revenues Aug. 31, 1994</u>
Pass-Through State Department of Highway & Safety:							
DWI Prosecution Enhancement	20.504	93-504 340-01	\$ 3,351	20,900	8,021	26,735	1,165
DWI Enforcement	20.504	93-604	7,941	7,941			
Traffic Safety DWI Enforcement	20.601	410-94-109		35,481	4,195	41,883	2,207
Pass-Through State Department Of Motor Vehicles:							
Traffic Safety	20.600	94-408		52,789		71,445	18,656
Traffic Safety	20.600	93-408	13,176	36,359		23,183	
Total U.S. Department Of Transportation			\$ 556,041	3,094,948	4,347,019	7,506,137	620,211
U.S. ENVIRONMENTAL PROTECTION AGENCY							
Pass-Through State Department Of Environmental Quality:							
Air Pollution Control	66.001	M-007056(94)	\$	84,135	71,852	153,525	(2,462)
Air Pollution Control	66.001	M-007056(93)	2,301	10,310	12,921	20,930	
Stormwater Awareness	66.463	CP997-069-01-0				2,719	2,719
Wellhead Protection Demo Project	66.465	X007808-01-0	13,661	33,244		27,421	7,838
Household Hazardous Waste Hotline	66.808	X007482-01	(2,500)			2,059	(441)
Household Hazardous Waste Pub Ed	66.808	X007482-01	(5,000)			5,000	
Household Hazardous Waste Used Oil Collection	66.808	X007482-01	(7,500)			5,778	(1,722)
Total U.S. Environmental Protection Agency			\$ 962	127,689	84,773	217,432	5,932
ACTION							
Direct Programs:							
RSVP	72.002	440-8621/12	\$	57,062	130,739	187,801	
RSVP	72.002	440-8621/11	(3,772)		16,363	20,135	
Senior Companion	72.008	436-8022/07			4,031	14,515	10,484
Senior Companion	72.008	436-8022/06	(13,891)	97,826	50,973	162,690	
Total Action			\$ (17,663)	154,888	202,106	385,141	10,484
FEMA							
Pass-Through State Civil Defense:							
Emergency Management Assistance (Public Utilities - Flood)	83.516 *	FEMA 983 DR NE	\$ 537,763	1,650,207	528,520	2,114,079	473,115
Emergency Management Assistance (Public Utilities - Storm)	83.516 *	FEMA 983 DR NE	55,617	118,893	7,238	73,630	3,116
Emergency Management Assistance (City - Storm)	83.516 *	FEMA 998 DR NE	592,846	1,088,695	71,529	717,160	149,782
Emergency Management Assistance	83.516 *	EMK-88-K-0146	21,005		21,005		
Total FEMA			\$ 1,207,231	2,857,795	628,292	2,904,869	626,013

(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant Number	Accrued (Deferred) Grant Revenues Sept. 1, 1993	Grant Revenues Received	Grantee Matching Contributions & Misc. Revenues	Expenditures	Accrued (Deferred) Grant Revenues Aug. 31, 1994
U.S. DEPARTMENT OF EDUCATION							
Pass-Through State Library Commission:							
Urban Library System Project	84.034	90/91	\$ (24)			24	
Urban Library System Plan	84.034	89/90	(37)			37	
Urban Library System Signage	84.034	90/91	(14,600)				(14,600)
Urban Library System Internet	84.034	92/93	(17,150)			13,568	(3,582)
Major Urban Library Resource Grant	84.039	93/94		16,313		10,398	(5,915)
Major Urban Library Resource Grant	84.039	92/93	(6,916)			6,916	
LSCA Title II Library Tech	84.154	1994			33,000	48,000	15,000
Net Lender Contract	84.167	93/94		8,135		2,298	(5,837)
Net Lender Contract	84.167	92/93	(4,295)			4,295	
Pass-Through State Department of Public Institutions:							
YMCA - MADDADS Teen Night	84.186A	HR-5-03		4,871		4,871	
Total U.S. Department Of Education			\$ (43,022)	29,319	33,000	90,407	(14,934)
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES							
Direct Programs:							
Healthy Homes 94	93.110	MCJ-31K709-02-0	\$	134,992		195,561	60,569
Healthy Homes	93.110	MCJ-31K709-01-0	51,362	86,295		34,933	
Pass-Through State Department Of Health:							
TB Prevention & Control	93.116	94-95				6,408	6,408
TB Prevention & Control	93.116	93-94		6,565		12,000	5,435
Aids/CTRPN	93.118	1994		31,046	7	38,952	7,899
Aids/CTRPN	93.118	1993	12,878	33,164		20,286	
Aids/Prevention	93.118	1994		4,931	3,324	3,198	(5,057)
Aids/Prevention	93.118	1993	(869)	13,183		14,052	
Aids/ETR	93.118	1993	(2,009)				(2,009)
Aids/STD	93.118	1994		210		1,054	844
Aids/STD	93.118	May-92	(6,290)			6,290	
Hepatitis B	93.268	1994		4,122		7,678	3,556
NE Immunization Action Plan	93.268	1994		15,916		33,788	17,872
NE Immunization Action Plan	93.268	1993	9,731	12,608		2,877	
Aids/ETR	93.325	1993	(7,483)	6,374		13,857	
Child Development Disabilities	93.630	94-07		17,831		21,088	3,257
Child Development Disabilities	93.630	93-07	11,302	21,943		10,641	
Breast & Cervical Cancer	93.919	94		22,071	40	27,029	4,918
Breast & Cervical Cancer	93.919	93	6,859	20,357		13,498	
STD	93.977	May-93	133	2,454		2,331	10
High Risk Newborn	93.991	95M-071C				11,537	11,537
High Risk Newborn	93.991	94M-071C		53,558		69,499	15,941
High Risk Newborn	93.991	93M-071C	(5,488)	10,156		21,598	5,954
Injury Prevention	93.991	95-PHHS-10-LHD-C				1,227	1,227
Rural/Urban Youth Injury Prevention	93.991	95-PHHS-06-LHD-SI				67	67

(Continued)

(Federal Financial Assistance, Continued)

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Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant Number	Accrued (Deferred) Grant Revenues	Grant Revenues Received	Grantee Matching Contributions & Misc. Revenues	Expenditures	Accrued (Deferred) Grant Revenues
			Sept. 1, 1993				Aug. 31, 1994
Injury Control	93.991	94-P-15/C	\$	7,296		7,604	308
Injury Control	93.991	93-P-15/C	2,827		2,827		
Cardiovascular	93.991	95-PHHS-08-LHD-C				2,267	2,267
Cardiovascular	93.991	94-P-18/C	4,200	26,770	9,385	35,533	3,578
Cardiovascular	93.991	93-P-18/C	3,808	15,857	950	12,999	
Agricultural Injury	93.991	93-P-61	4,617	14,594		13,661	3,684
Behavioral Risk Minority Survey	93.991	93-P-77	25,361	37,098		43,168	31,431
Diabetes	93.991	94		6,153		9,444	3,291
Diabetes	93.991	93		5,205		5,205	
Epidemiology 95	93.991	95-PHHS-09-LHD-C				2,544	2,544
Epidemiology 94	93.991/93.994	94-P-17/C				785	785
Epidemiology 93	93.991/93.994	93-P-17/C	196		196		
Pass-Through State Department Of Aging:							
Title IIIF	93.043	NGA-95-018			20,061	20,132	71
Title IIIF	93.043	NGA-94-030	186	19,220	61,760	81,556	762
Title VII	93.552	NGA-94-061		6,000	858	6,858	
Title IIIB	93.633 *	NGA-95-014			351,429	369,674	18,245
Title IIIB	93.633 *	NGA-94-125	19,800	340,203	1,383,615	1,705,518	1,500
Title IIIB	93.633 *	NGA-93-125	2,339	2,339			
Title IIIC (1)	93.635 *	NGA-95-015			93,311	103,301	9,990
Title IIIC(1)	93.635 *	NGA-94-126	8,082	370,910	200,735	564,004	441
Title IIIC(1)	93.635 *	NGA-93-126	200	200			
Title IIIC(2)	93.635 *	NGA-95-016			16,642	20,083	3,441
Title IIIC(2)	93.635 *	NGA-94-127	3,137	89,064	235,802	322,893	1,164
Title IIIC(2)	93.635 *	NGA-93-127	602	602			
Title IIID	93.641	NGA-95-017			2,573	4,031	1,458
Title IIID	93.641	NGA-94-029	1,595	7,717	24,209	30,965	634
Title XX	93.667			22,860		22,860	
Title IV - Eldercare	93.668	NGA-94-130	253	17,301	21,650	39,530	832
Title IV - Eldercare	93.668	NGA-93-049	416	416			
Title IV - 1993 Staff Retreat	93.668		150	600	165	615	
Title IV - AGA Seminar	93.668			130		130	
Title IV -Disaster Relief	93.668	94.079		2,470		2,470	
Title IV - Building Successful Coalitions	93.668		465	656		191	
Title IV - NE Generations United	93.668		300	300			
Pass-Through State Department Of Social Services:							
Targeted Assistance High Impact	93.038		19,991	19,991			
Targeted Assistance High Impact	93.038	91-2-TI-NE-024				15,721	15,721
Child Care Registration	93.575	47-0-49-1233	(151)			151	
Total U.S. Department Of Health And Human Services			\$ 168,500	1,511,728	2,429,539	4,013,342	240,575

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<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Number</u>	<u>Accrued (Deferred) Grant Revenues Sept. 1, 1993</u>	<u>Grant Revenues Received</u>	<u>Grantee Matching Contributions & Misc. Revenues</u>	<u>Expenditures</u>	<u>Accrued (Deferred) Grant Revenues Aug. 31, 1994</u>
OTHER FEDERAL ASSISTANCE							
Pass-Through State Department Of Aging: USDA Cash In Lieu Of Commodities	10.550		\$ 15,398	202,242		203,486	16,642
Pass-Through State Patrol Gang Resistance Education & Training	-----	94-GT-06		3,840		13,786	9,946
Total Other Federal Assistance			\$ 15,398	206,082		217,272	26,588
Total Cash Assistance			\$ 2,068,797	11,868,160	8,773,257	20,230,295	1,657,675
NON-CASH AWARDS							
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT							
Direct Programs:							
Section 108 Loan Guarantee Funds	14.218 *					389,480	
U.S. ENVIRONMENTAL PROTECTION AGENCY							
Pass-Through State Department of Environmental Quality: Capitalization Grant Project Loan	66.458 *	C317008-01				8,877,566	
Total Federal Assistance						29,497,341	

* - Denotes "Major" Program

CITY OF LINCOLN, NEBRASKA
Notes to Supplementary Schedule of Federal Financial Assistance
August 31, 1994

(1) BASIS OF ACCOUNTING

The Supplementary Schedule of Federal Financial Assistance, with the exception of Lincoln Water and Wastewater Systems Grant No. FEMA 983 DR NE and Lincoln Wastewater System Grant No. C317008-01, is not prepared on the accrual basis of accounting. Revenues are recognized when received, while expenditures are recognized when they become a demand on current available financial resources. Federal expenditures per this Schedule are considered to be total expenditures less grantee matching contributions and miscellaneous revenues. Encumbrances are used during the year for budgetary control purposes and do not lapse at fiscal year-end.

Federal financial assistance provided to subrecipients is treated as an expenditure when it is paid to the subrecipient.

(2) REPORTING ENTITY

The City of Lincoln, Nebraska for purposes of the Supplementary Schedule of Federal Financial Assistance includes all funds of the oversight unit as defined in Note 1 of the Notes to General Purpose Financial Statements, including Lincoln General Hospital, Lincoln Electric System, Lincoln Water System, and Lincoln Wastewater System. These entities are audited by other auditors; and, with the exception of Lincoln Water and Wastewater Systems Grant No. FEMA 983 DR NE and Lincoln Wastewater System Grant No. C317008-01 which were subject to an audit conducted by other auditors, did not receive federal financial assistance either directly or passed-through another agency for the fiscal year ended August 31, 1994.

Lincoln Electric System (LES) operates on a calendar year basis for reporting purposes as opposed to the August 31 fiscal year basis of the City. As a result, the amounts included in the City's August 31, 1994 general purpose financial statements for LES are audited figures as of and for the year ended December 31, 1993. During January, 1994 LES received federal financial assistance from the Federal Emergency Management Agency which triggered audit requirements under Government Auditing Standards issued by the Comptroller General of the United States and Office of Management and Budget Circular A-128, Audits of State and Local Governments. Accordingly, this activity will be subjected to audit procedures conducted by other auditors and included in the City's Supplementary Schedule of Federal Financial Assistance for the year ended August 31, 1995.

(3) PASS-THROUGH AWARDS

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

(4) NON-CASH AWARDS

Certain federal financial assistance programs do not involve cash awards to the City of Lincoln. These programs include loans as follows:

U.S. Department of Housing and Urban Development

Loans CFDA No. 14.218 - Section 108-2

Value of new loans made plus the balance
of loans for which the Federal government
is at risk

\$ 74,480

Loans CFDA No. 14.218 - Section 108-4

Value of new loans made plus the balance
of loans for which the Federal government
is at risk

315,000
\$389,480

U.S. Environmental Protection Agency

Capitalization Grant Project Loan - CFDA No. 66.458

Balance of loans for which the Federal
government is at risk

\$8,877,566



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE BASED ON THE AUDIT OF
FINANCIAL STATEMENTS**

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

We have audited the general purpose financial statements of the City of Lincoln, Nebraska as of August 31, 1994 and for the year then ended, and have issued our report thereon dated February 9, 1995. We did not audit the financial statements of Lincoln General Hospital, Lincoln Wastewater System, Lincoln Water System, and Lincoln Electric System, which represent 93% and 95% of the assets and revenues, respectively, of the enterprise funds. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Lincoln General Hospital, Lincoln Wastewater System, Lincoln Water System, and Lincoln Electric System, is based solely on the reports of the other auditors.

We conducted our audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the City of Lincoln, Nebraska, is the responsibility of the management of the City of Lincoln, Nebraska. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, we performed tests of the City's compliance with certain provisions of laws, regulations, contracts, and grants, excluding those applicable to Lincoln Wastewater System Grant No. C317008-01 and Lincoln Water and Wastewater Systems Grant No. FEMA 983 DR NE which were subject to an audit conducted by other auditors. However, the objective of our audit was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests indicate that, with respect to the items tested, the City of Lincoln, Nebraska complied, in all material respects, with the provisions referred to in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that the City had not complied, in all material respects, with those provisions.

We noted certain immaterial instances of noncompliance that we have reported to the management of the City in a separate letter dated February 9, 1995.

We also noted matters involving compliance with laws and regulations related to federal financial assistance which we reported to the City of Lincoln, Nebraska management in our reports dated February 9, 1995 on general requirements and on specific requirements for major programs.

This report is intended for the information of the mayor and city council members, management, and others within the City of Lincoln, Nebraska, and officials of the cognizant agency and other appropriate regulatory agencies. However, this report is a matter of public record and its distribution is not limited.

Deloitte ? Touche LP

Lincoln, Nebraska
February 9, 1995

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH THE GENERAL
REQUIREMENTS APPLICABLE TO FEDERAL FINANCIAL ASSISTANCE**

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

We have audited the general purpose financial statements of the City of Lincoln, Nebraska as of and for the year ended August 31, 1994, and have issued our report thereon dated February 9, 1995. We have also audited the City of Lincoln, Nebraska's compliance applicable to requirements of major federal financial assistance programs and have issued our report thereon dated February 9, 1995. We did not audit Lincoln Water and Wastewater Systems Grant No. FEMA 983 DR NE and Lincoln Wastewater System Grant No. C317008-01's compliance applicable to requirements of those grants nor did we apply procedures to test compliance with such requirements. Compliance with the requirements relative to those grants was the subject of an audit conducted by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to compliance with such requirements applicable to those grants, is based solely on the report of other auditors.

We have applied procedures to test the City of Lincoln, Nebraska's compliance with the following requirements applicable to its federal financial assistance programs, excluding Lincoln Wastewater System Grant No. C317008-01 and Lincoln Water and Wastewater Systems Grant No. FEMA 983 DR NE, which are identified in the Schedule of Federal Financial Assistance, for the year ended August 31, 1994:

- Political activity (Hatch Act and Intergovernmental Personnel Act of 1970, as amended)
- Davis-Bacon Act
- Civil rights
- Cash management
- Relocation assistance and real property acquisition
- Federal financial reports
- Allowable costs/cost principles
- Drug-free Workplace Act
- Administrative requirements

Our procedures were limited to the applicable procedures described in Office of Management and Budget's *Compliance Supplement for Single Audits of State and Local Governments*. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the City of Lincoln, Nebraska's compliance with the requirements listed in the preceding paragraph. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that the City of Lincoln, Nebraska had not complied, in all material respects, with those requirements. However, the results of our procedures disclosed immaterial instances of noncompliance with those requirements, which are described in the accompanying Schedule of Findings and Questioned Costs.

We also noted matters involving compliance with laws and regulations related to our audit of the general purpose financial statements and with requirements related to major federal financial assistance programs which we reported to the City of Lincoln, Nebraska management in our reports dated February 9, 1995.

This report is intended for the information of the mayor and city council members, management, and others within the City of Lincoln, Nebraska, and officials of the cognizant agency and other appropriate regulatory agencies. However, this report is a matter of public record and its distribution is not limited.

Deloitte & Touche LLP

Lincoln, Nebraska
February 9, 1995



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH SPECIFIC
REQUIREMENTS APPLICABLE TO MAJOR FEDERAL FINANCIAL ASSISTANCE
PROGRAMS**

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

We have audited the general purpose financial statements of the City of Lincoln, Nebraska as of and for the year ended August 31, 1994, and have issued our report thereon dated February 9, 1995.

We have also audited the City of Lincoln, Nebraska's compliance with the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort or earmarking; reporting; cost allocation; monitoring subrecipients; special tests and provisions related to the major federal financial assistance programs; claims for advances and reimbursements; and amounts claimed or used for matching that are applicable to each of its major federal financial assistance programs, which are identified in the accompanying Schedule of Federal Financial Assistance, for the year ended August 31, 1994. The management of the City of Lincoln, Nebraska is responsible for the City of Lincoln, Nebraska's compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements based on our audit. We did not audit Lincoln Water and Wastewater Systems Grant No. FEMA 983 DR NE and Lincoln Wastewater System Grant No. C317008-01's compliance applicable to requirements of those grants nor did we apply procedures to test compliance with such requirements. Compliance with the requirements relative to those grants was the subject of an audit conducted by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to compliance with such requirements applicable to those grants, is based solely on the report of other auditors.

We conducted our audit of compliance with these requirements in accordance with generally accepted auditing standards, *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget Circular A-128, *Audits of State and Local Governments*. Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the City of Lincoln, Nebraska's compliance with those requirements. We believe that our audit and the report of other auditors provide a reasonable basis for our opinion.

The results of our audit procedures disclosed immaterial instances of noncompliance with the requirements referred to above, which are described in the accompanying Schedule of Findings and Questioned Costs. We considered these instances of noncompliance in forming our opinion on compliance, which is expressed in the following paragraph.

In our opinion, based on our audit and the report of other auditors, the City of Lincoln, Nebraska complied, in all material respects, with the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort or earmarking; reporting; cost allocation; monitoring subrecipients; special tests and provisions related to major federal financial assistance programs and requirements governing Lincoln Water and Wastewater Systems Grant No. FEMA 983 DR NE and Lincoln Wastewater System Grant No. C317008-01; claims for advances and reimbursements; and amounts claimed or used for matching that are applicable to each of its major federal financial assistance programs for the year ended August 31, 1994.

This report is intended for the information of the mayor and city council members, management, and others within the City of Lincoln, Nebraska, and officials of the cognizant agency and other appropriate regulatory agencies. However, this report is a matter of public record and its distribution is not limited.

Deloitte & Touche LP

Lincoln, Nebraska
February 9, 1995



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO NONMAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAM
TRANSACTIONS**

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

We have audited the general purpose financial statements of the City of Lincoln, Nebraska as of and for the year ended August 31, 1994, and have issued our report thereon dated February 9, 1995. We have also audited the City of Lincoln, Nebraska's compliance applicable to requirements of major federal financial assistance programs and applied procedures to test compliance with general requirements applicable to federal financial assistance programs and have issued our reports thereon dated February 9, 1995. We did not audit Lincoln Water and Wastewater Systems Grant No. FEMA 983 DR NE and Lincoln Wastewater System Grant No. C317008-01's compliance applicable to requirements of those grants nor did we apply procedures to test compliance with such requirements or with the general requirements applicable to Lincoln Wastewater System Grant No. C317008-01 and Lincoln Water and Wastewater Systems Grant No. FEMA 983 DR NE. Compliance with such requirements relative to those grants was subject to an audit conducted by other auditors whose report has been furnished to us, and our opinion and report, insofar as they relate to compliance with such requirements applicable to those grants, are based solely on the report of other auditors.

In connection with our audit of the 1994 general purpose financial statements of the City of Lincoln, Nebraska and with our consideration of the City of Lincoln, Nebraska's control structure used to administer federal financial assistance programs, and assessment of control risk as required by Office of Management and Budget Circular A-128, *Audits of State and Local Governments*, we selected certain transactions applicable to certain nonmajor federal financial assistance programs for the year ended August 31, 1994.

As required by OMB Circular A-128, we have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed, eligibility, and monitoring subrecipients that are applicable to those transactions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the City of Lincoln, Nebraska's compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that the City of Lincoln, Nebraska had not complied, in all material respects, with those requirements.

This report is intended for the information of the mayor and city council members, management, and others within the City of Lincoln, Nebraska, and officials of the cognizant agency and other appropriate regulatory agencies. However, this report is a matter of public record and its distribution is not limited.

Deloitte & Touche LLP

Lincoln, Nebraska
February 9, 1995

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CITY OF LINCOLN, NEBRASKA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED AUGUST 31, 1994

HOME Investment Partnership (CFDA #14.239)

- A. Condition - On one of five project completion reports submitted to the Department of Housing and Urban Development (HUD) subjected to testing, total private funds utilized in the project were inaccurately stated.
- B. Criteria - Project totals should accurately reflect the activity of the project.
- C. Effect - Total private funds utilized in the project were understated by \$1.
- D. Cause - Clerical error in preparing the report.
- E. Recommendation - Finding does not represent questioned costs reimbursed with federal funds which need to be remitted to the funding agency; however, the project completion report should be revised and re-submitted to HUD for the project. Since a similar finding was also noted in the prior year, management should review federal report preparation procedures currently in place and modify as considered necessary so as to ensure the accurate presentation of federal grant activity.

HOME Investment Partnership (CFDA #14.239)

- A. Condition - In a sample of 25 expenditures tested, one expenditure for administrative charges amounting to \$75 was charged to the HOME Investment Partnership (HOME) Program which should have been charged to the Community Block Development Grant (CDBG) Program.
- B. Criteria - Administrative costs charged to HOME are to be incurred as the result of activities pertaining to the HOME Program.
- C. Effect - Since certain other HOME administrative expenses above the HOME administrative expense percentage limitations were charged to the CDBG Program in accordance with CDBG provisions, the improper charge had no impact on total HOME Investment Partnership or CDBG expenditures. If the \$75 had been properly charged to the CDBG Program, the unallowed administrative costs of the HOME program which were charged to the CDBG would have been \$75 less.
- D. Cause - Clerical error in the charging of administrative expenses to the various programs.
- E. Recommendation - Since total HOME Investment Partnership and Community Block Development Grant expenditures were not impacted by the error, no corrective action is necessary.

CITY OF LINCOLN, NEBRASKA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED AUGUST 31, 1994
(Continued)

Urban Mass Transportation (CFDA #20.507)

- A. Condition - On the UMTA Financial Status Report for Federal grant #NE-90-X035 for the quarter ended June 30, 1994, net outlays for the period for shop tools were misstated.
- B. Criteria - Net outlays for the quarter should be equal to total outlays for the quarter less program income credits.
- C. Effect - Net outlays for the quarter for shop tools were overstated by \$11,253.
- D. Cause - Clerical error in preparing the report.
- E. Recommendation - Finding does not represent questioned costs reimbursed with federal funds which need to be remitted to the funding agency; however, the UMTA Financial Status Report for Federal Grant #NE-90-X035 for the quarter ended June 30, 1994 should be revised to accurately reflect net outlays for shop tools for the quarter and be resubmitted to the Federal Transit Administration. Since similar findings were also noted in the prior year, management should review federal report preparation procedures currently in place and modify as deemed necessary so as to ensure the accurate presentation of federal grant activity.

Urban Mass Transportation (CFDA #20.507)

- A. Condition - On the UMTA Financial Status Report for Federal grant #NE-03-X026 for the quarter ended March 31, 1994, net outlays previously reported, total outlays for the quarter, and net outlays for the quarter were misstated.
- B. Criteria - Net outlays previously reported should equal the prior quarter's UMTA Financial Status Report. Total outlays should equal amounts actually expended during the reporting period and net outlays should equal total outlays less program income credits.
- C. Effect - Net outlays previously reported were understated by \$3,669, total outlays for the quarter were overstated by \$3,669, and net outlays for the quarter were overstated by \$3,669 on the UMTA Financial Status Report for the quarter ended March 31, 1994.
- D. Cause - Clerical error in preparing the report.
- E. Recommendation - Finding does not represent questioned costs reimbursed with federal funds which need to be remitted to the funding agency; however, the UMTA Financial Status Report for Federal Grant #NE-03-0026 for the quarter ended March 31, 1994 should be revised to accurately reflect net outlays previously reported, total outlays for the current quarter, and net outlays for the current quarter and be resubmitted to the Federal Transit Administration. Since similar findings were also noted in the prior year, management should review federal report preparation procedures currently in place and modify as deemed necessary so as to ensure the accurate presentation of federal grant activity.

CITY OF LINCOLN, NEBRASKA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED AUGUST 31, 1994
(Continued)

Urban Mass Transportation (CFDA #20.507)

- A. Condition - On the UMTA Financial Status Report for Federal grant #NE-90-X032 for the quarter ended December 31, 1993, net outlays previously reported, total outlays for the quarter, and net outlays for the quarter were misstated.
- B. Criteria - Net outlays previously reported should equal the prior quarter's UMTA Financial Status Report. Total outlays should equal amounts actually expended during the reporting period and net outlays should equal total outlays less program income credits.
- C. Effect - Net outlays previously reported were understated by \$13, total outlays for the quarter were overstated by \$13, and net outlays for the quarter were overstated by \$13 on the UMTA Financial Status Report for the quarter ended December 31, 1993.
- D. Cause - Clerical error in preparing the report.
- E. Recommendation - Finding does not represent questioned costs reimbursed with federal funds which need to be remitted to the funding agency; however, the UMTA Financial Status Report for Federal Grant #NE-90-X032 for the quarter ended December 31, 1993 should be revised to accurately reflect net outlays previously reported, total outlays for the current quarter, and net outlays for the current quarter and be resubmitted to the Federal Transit Administration. Since similar findings were noted in the prior year, management should review federal report preparation procedures currently in place and modify as deemed necessary so as to ensure the accurate presentation of federal grant activity.

**INDEPENDENT AUDITORS' REPORT ON THE INTERNAL CONTROL STRUCTURE
BASED ON THE AUDIT OF THE FINANCIAL STATEMENTS**

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

We have audited the general purpose financial statements of the City of Lincoln, Nebraska as of and for the year ended August 31, 1994, and have issued our report thereon dated February 9, 1995. We did not audit the financial statements of Lincoln General Hospital, Lincoln Wastewater System, Lincoln Water System, and Lincoln Electric System, which represent 93% and 95% of the assets and revenues, respectively, of the enterprise funds. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Lincoln General Hospital, Lincoln Wastewater System, Lincoln Water System, and Lincoln Electric System, is based solely on the reports of the other auditors.

We conducted our audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

In planning and performing our audit of the general purpose financial statements of the City of Lincoln, Nebraska for the year ended August 31, 1994, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control structure.

The management of the City of Lincoln, Nebraska, is responsible for establishing and maintaining the internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, we have classified the significant internal control structure policies and procedures in the following categories:

Accounting Applications

- Billings
- Cash receipts
- Purchasing and receiving
- Cash disbursements
- Payroll
- General ledger

Controls used in administering compliance with laws and regulations

- General requirements
- Specific requirements

For all of the internal control structure categories listed above, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

However, we noted certain matters involving the internal control structure and its operation that we have reported to the management of the City of Lincoln, Nebraska, in a separate letter dated February 9, 1995.

We also noted matters involving the internal control structure and its operation used to administer federal financial assistance programs which we reported to management of the City of Lincoln, Nebraska, in a report dated February 9, 1995.

This report is intended for the information of the mayor and city council members, management, and others within the City of Lincoln, Nebraska, and officials of the cognizant agency and other appropriate regulatory agencies. However, this report is a matter of public record and its distribution is not limited.

Dyboitte & Touche LLP

Lincoln, Nebraska
February 9, 1995



**INDEPENDENT AUDITORS' REPORT ON THE INTERNAL CONTROL STRUCTURE
USED IN ADMINISTERING FEDERAL FINANCIAL ASSISTANCE**

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

We have audited the general purpose financial statements of the City of Lincoln, Nebraska as of and for the year ended August 31, 1994, and have issued our report thereon dated February 9, 1995. We have also audited the City of Lincoln, Nebraska's compliance with requirements applicable to major federal financial assistance programs and have issued our report thereon dated February 9, 1995. We did not audit Lincoln Water and Wastewater Systems Grant No. FEMA 983 DR NE and Lincoln Wastewater System Grant No. C317008-01; these grants were the subject of an audit conducted by other auditors whose report has been furnished to us, and our report, insofar as it relates to these grants, is based solely on the report of other auditors.

We conducted our audits in accordance with generally accepted auditing standards; *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-128, *Audits of State and Local Governments*. Those standards and OMB Circular A-128 require that we plan and perform the audits to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement and about whether the City of Lincoln, Nebraska, complied with laws and regulations, noncompliance with which would be material to a major federal financial assistance program.

In planning and performing our audits for the year ended August 31, 1994, we considered the City's internal control structure, excluding Lincoln Wastewater System Grant No. C317008-01 and Lincoln Water and Wastewater Systems Grant No. FEMA 983 DR NE, and assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinions on the City's general purpose financial statements and on its compliance with requirements applicable to major programs and to report on the internal control structure in accordance with OMB Circular A-128. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. We have addressed internal control structure policies and procedures relevant to our audit of the general purpose financial statements in a separate report dated February 9, 1995.

The management of the City of Lincoln, Nebraska, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. ~~The objectives of an internal control structure are to provide management with~~ reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles, and that federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, we have classified the significant internal control structure policies and procedures used in administering federal financial assistance programs, excluding Lincoln Wastewater System Grant No. C317008-01 and Lincoln Water and Wastewater Systems Grant No. FEMA 983 DR NE, in the following categories:

General Requirements

- Political activity (Hatch Act and Intergovernmental Personnel Act of 1970, as amended)
- Davis-Bacon Act
- Civil rights
- Cash management
- Relocation assistance and real property management
- Federal financial reports
- Allowable costs/cost principles
- Drug-free Workplace Act
- Administrative requirements

Specific Requirements

- Types of services
- Eligibility
- Matching, level of effort, or earmarking
- Reporting
- Cost allocation
- Monitoring subrecipients
- Special requirements

Claims for Advances and Reimbursements

Amounts Claimed or Used for Matching

Accounting Applications

- Billings
- Cash receipts
- Purchasing and receiving
- Cash disbursements
- FEMA disaster assistance cost accumulation
- Payroll
- General ledger

For all of the internal control structure categories listed above, except as they relate to Lincoln Water and Wastewater Systems Grant No. FEMA 983 DR NE and Lincoln Wastewater System Grant No. C317008-01, we obtained an understanding of the design of relevant policies and procedures and determined whether they have been placed in operation, and we assessed control risk.

During the year ended August 31, 1994 the City of Lincoln, Nebraska, expended 86 percent of its total federal financial assistance under major federal financial assistance programs.

We performed tests of controls, as required by OMB Circular A-128, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements and amounts claimed or used for matching that are applicable to each of the City's major federal financial assistance programs, excluding Lincoln Water and Wastewater Systems Grant No. FEMA 983 DR NE and Lincoln Wastewater System Grant No. C317008-01, which are identified in the accompanying Schedule of Federal Financial Assistance. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure policies and procedures used in administering federal financial assistance would not necessarily disclose all matters in the internal control structure that might constitute material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material to a federal financial assistance program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure used in administering federal financial assistance programs and its operations that we consider to be material weaknesses as defined above.

We also noted matters involving the internal control structure and its operation based on our audit of the general purpose financial statements which we reported to management of the City of Lincoln, Nebraska, in a report dated February 9, 1995.

However, we noted other matters involving the internal control structure and its operation that we have reported to the management of the City of Lincoln, Nebraska, in a separate letter dated February 9, 1995.

This report is intended for the information of the mayor and city council members, management, and others within the City of Lincoln, Nebraska, and officials of the cognizant agency and other appropriate regulatory agencies. However, this report is a matter of public record and its distribution is not limited.

Deloitte & Touche LLP

Lincoln, Nebraska
February 9, 1995