

City of Beatrice, Nebraska

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the fiscal year ended September 30, 2020

Prepared by: Administration & Finance
Tobias J. Tempelmeyer
City Administrator & General Manager

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CITY OF BEATRICE, NEBRASKA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2020
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SECTION 1

INTRODUCTORY SECTION

**CITY HALL**

400 Ella Street | Beatrice, NE 68310

Phone: 402.228.5200 Fax: 402.228.2312

SERVICE CENTER

500 North Commerce Street | Beatrice, NE 68310

Phone: 402.228.5211 Fax: 402.223.5181

March 8, 2021

To the Honorable Mayor, City Council and
Citizens of the City of Beatrice, Nebraska:

The Revised Statutes of Nebraska, Chapter 19, require that all cities of the first-class publish within six months of the close of each fiscal year a complete set of financial statements. These financial statements shall be audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants and shall be presented in conformity with accounting principles generally accepted in the United States of America. Therefore, we hereby issue the comprehensive annual financial report of the City of Beatrice for the fiscal year ended September 30, 2020.

This report consists of management's representation concerning the finances of the City of Beatrice. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Beatrice has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the City of Beatrice's financial statements in conformity with accounting principles generally accepted in the United States of America. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

BKD, LLP, a firm of licensed certified public accountants, has audited the City of Beatrice's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Beatrice for the fiscal year ended September 30, 2020 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified ("clean") opinion that the City of Beatrice's financial statements for the fiscal year ended September 30, 2020 are fairly presented in accordance with accounting principles generally accepted in the United States of America. The independent auditors' report is presented as the first component of the financial section of this report.

Honorable Mayor, City Council and
Citizens of the City of Beatrice, Nebraska
March 8, 2021

The independent audit of the financial statements of the City of Beatrice was a part of a broader, federally mandated "Single Audit" designed to meet the special needs of Federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of Federal awards. The City's federal expenditures for the fiscal year ended September 30, 2020 were under \$750,000, therefore a Single Audit was not required.

Accounting principles generally accepted in the United States of America require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussions and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Beatrice's MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE GOVERNMENT

The City of Beatrice, founded in 1857 and incorporated in 1873, is located in Southeast Nebraska, just 39 miles south of Lincoln, the State Capital. The City of Beatrice is the county seat for Gage County and provides some county-wide services. The City of Beatrice currently occupies a land area of eight square miles and serves a population of 12,669. The City of Beatrice is empowered to levy a property tax on both real and personal properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing council.

The City of Beatrice, is a City of the First-Class, and operates under the Mayor-Council form of government. Policy-making and legislative authority are vested in a governing council consisting of the mayor and eight council members. The governing council is responsible for legislative and policy making decisions including passing ordinances, adopting the budget and approving appointments by the Mayor for those positions of the city whom he is directed to appoint by ordinance, resolution or general law. The council members are elected on a nonpartisan basis and serve four-year staggered terms with four council members elected every two years. The Mayor is elected to serve a four-year term. A City Administrator is appointed by the Mayor and confirmed by the City Council.

The City provides a full range of municipal services including police and fire protection; rescue, including confined space and hazardous materials, and ambulance services; construction and maintenance of streets and infrastructure; electric, water and water pollution control utilities; a free public library; a system of parks; solid waste management; planning and zoning; and administrative services. The governing body oversees the City's various employee retirement systems and these activities are included in this report. The City also provides for a municipal airport which is governed by a separately elected board.

The biennial budget serves as the foundation for the City of Beatrice's financial planning and control. All departments of the City of Beatrice are required to submit requests for appropriation to the City Administrator by June 1st prior to the start of the next biennial budget cycle. Management uses these requests as the starting point for developing the proposed budget. The proposed budget is then presented to the Mayor and City Council for review prior to August 31st. The Council is required to hold a public hearing on the proposed budget and to adopt the final budget by September 20th. The appropriated budget is adopted on a per fund basis and budgetary control for internal purposes is exercised at the department level. Budget-to-actual comparisons are provided in this report for each fund for which an appropriated annual budget has been adopted. This information can be found in the attached schedules for each fund starting on page 73.

FACTORS AFFECTING FINANCIAL CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Beatrice operates.

Local Economy

The City of Beatrice is located on a four-lane expressway just 39 miles south of Nebraska's state capital, Lincoln, and is the site of the Homestead National Monument of America. Beatrice continues to provide a diverse economical mix of agriculture, light industry, health-related services, and general government for the retail area of Southeast Nebraska. The City unemployment rate at September 30, 2020 was 3.2%, which is slightly lower than the State of Nebraska rate of 3.5% and continued to be lower than the national rate of 7.8%.

Tax revenues in 2020 were up 11.1% from 2019. The property tax levy for fiscal year 2020 was 0.02898 cent lower than the property tax levy in 2019. Despite an increase of assessed valuation for Real Property of \$44,585,533 or 7.5% total assessed valuations, including personal property, decreased \$2,678,049 in 2020. This resulted in an increase in property tax revenue of 6.9%. Sales tax revenues reflect an increase of 18.1% from 2019. This increase was due to a new voted approved ½ cent sales tax for the construction of a new fire station and an increase of 5% on taxable sales. Occupation tax revenue decreased 10% in 2020.

The City Council continues to support economic development efforts to promote and market the industrial climate for Beatrice and Gage County. The City of Beatrice maintains a Local Economic Development Plan, funded with one-half of the proceeds from an additional half-cent sales and use tax, up to a maximum of \$250,000, as approved by the voters. This plan was extended to 2023 by a vote of the citizens of Beatrice in May 2012.

The City has been active in developing the Gage County Industrial Park which has 17 manufacturing and commercial industries. Two other major manufacturing companies are located within the City. The area's top private industries are manufacturing, trade, and utilities and makeup over one-third of the area's employment, totaling 3,000 employees. The largest non-manufacturers include government, education, and healthcare services, employing 2,500.

Like most communities, 2020 was a difficult year for economic growth. The City did see expansions by Nebraska Machine and Landmark Snacks in 2020. Also, the City started a significant upgrade to the wastewater treatment facility and the construction of a new fire station. The City continues to progressively recruit new businesses and developments to town while working with existing businesses to grow and expand.

Financial Planning and Initiatives

The City Council annually prepares the financial budget which includes projected annual capital improvements for the succeeding 5 year period. The Council participates in goal-setting sessions and sets strategic objectives for the coming year. The goals and objectives relate to the organization structure, services being provided to the patrons of the City, examining revenue changes, public communications and capital projects.

Honorable Mayor, City Council and
Citizens of the City of Beatrice, Nebraska
March 8, 2021

The City of Beatrice approves and submits a one and six year street improvement plan to the State of Nebraska. This plan has enabled the City to maintain an excellent infrastructure of streets, bridges and storm sewers. Thirty percent (30%) of the City's 1% sales tax is allocated each year to the Street fund to be combined with state highway allocation dollars for funding these improvements.

In 2020 the City took another step in the shift of how the City purchases electrical energy. The City shifted another 30% of its electrical purchases from NPPD to AEP and NextEra. This shift in energy supplier resulted in a 16.05% savings in 2020. The City will continue shifting more of its electrical purchased away from NPPD in the upcoming years.

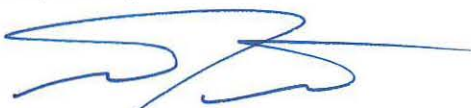
Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Beatrice, Nebraska, for its comprehensive annual financial report for the fiscal year ended September 30, 2019. This was the 29th consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

The preparation and completion of this report on a timely basis could not have been accomplished without the dedication and efficiency of the entire staff of the Finance and Administration Department. I would also like to thank the Mayor and City Council for their support in planning and conducting the financial operations of the City of Beatrice in a responsible and progressive manner.

Respectfully submitted,



Tobias J. Tempelmeyer
City Administrator and General Manager



Government Finance Officers Association

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

Presented to

**City of Beatrice
Nebraska**

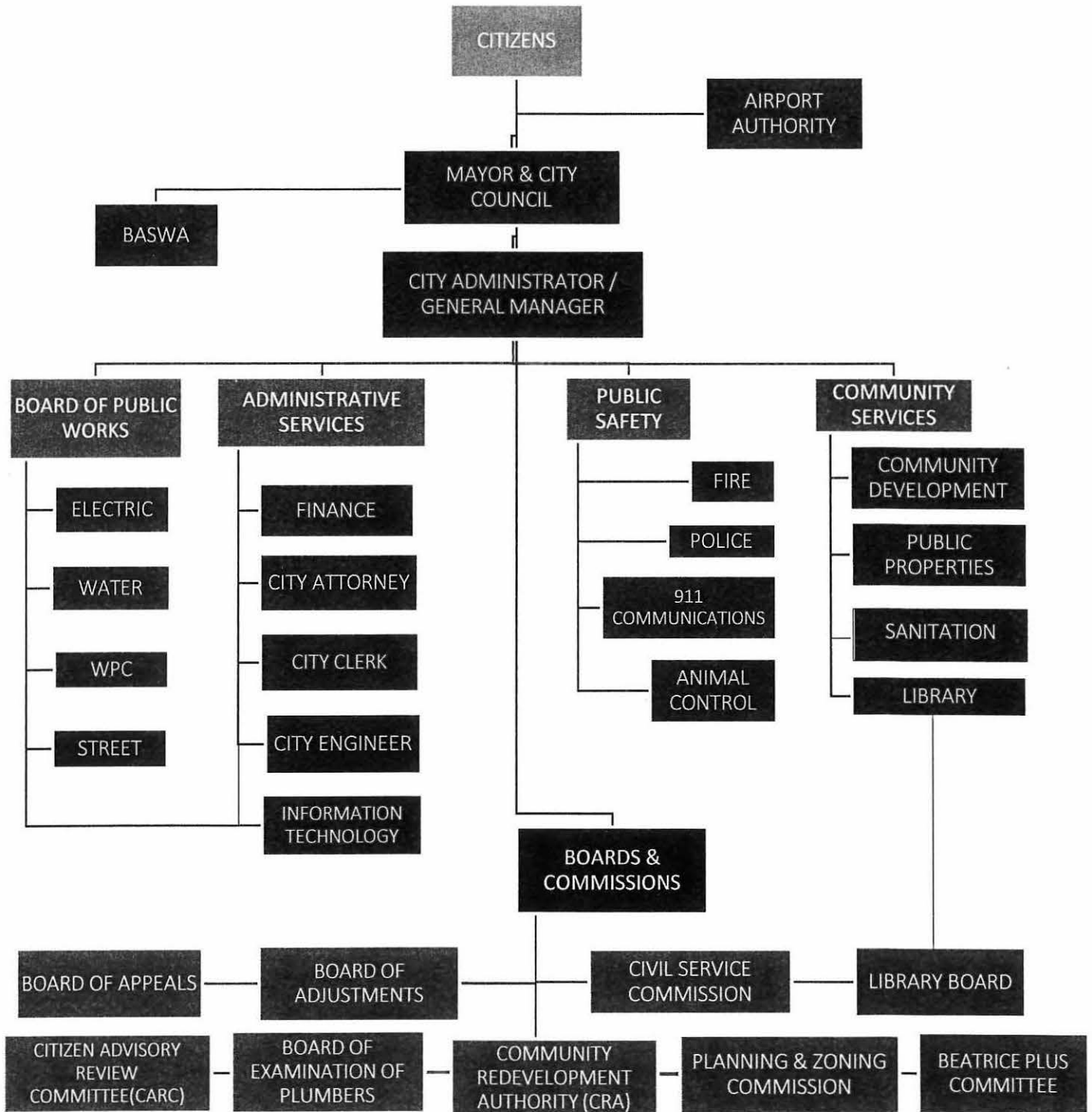
For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

September 30, 2019

Christopher P. Morill

Executive Director/CEO

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**CITY OF BEATRICE, NEBRASKA
OFFICIALS
2020**

MAYOR
Stan Wirth

CITY COUNCILMEMBERS

Phil Cook	Robert Morgan
Ted Fairbanks	Richard Clabaugh
Rich Kerr	Michael McLain
David "Pede" Catlin	Joe Billesbach

CITY ADMINISTRATOR & GENERAL MANAGER
Tobias Tempelmeyer

CITY OFFICIALS

Linda Koch	Finance Director
Erin Saathoff	City Clerk
Bruce Lang	Police Chief
Brian Daake	Fire Chief
Mark Pethoud	Director of Public Properties
Laureen Riedesel	Library Director
Richard T Rivera	City Attorney
Rob Mierau	Community Development Director
James Burroughs	City Engineer
Jason Moore	Street Superintendent
Pat Feist	Electric Superintendent
Steve Kelley	Water Superintendent
Dean Kelch	WPC Chief Plant Operator

SECTION 2

FINANCIAL SECTION

Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Beatrice, Nebraska (the City), as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Beatrice Public Library Foundation, which represent 16%, 16% and 8%, respectively, of the assets, net position and revenues of the discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Beatrice Public Library Foundation, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the Beatrice Public Library Foundation, a component unit included in the financial statements of the aggregate discretely presented component units, were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Beatrice, Nebraska, as of September 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the 2019 financial statements, and we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information in our report dated March 20, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying supplementary and other information, consisting of combining and individual fund statements and schedules, capital asset schedules, and the introductory and statistical sections, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The combining and individual fund statements and schedules and capital asset schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statements and schedules and capital asset schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole. Additionally, the combining and individual fund statements and schedules for the Beatrice Public Library Foundation were audited by other auditors, and our opinion, insofar as it relates to the amounts included for the Beatrice Public Library Foundation, is based solely on the report of the other auditors.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we also have issued our report dated March 8, 2021, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

BKD, LLP

Lincoln, Nebraska
March 8, 2021

City of Beatrice, Nebraska
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2020

As management of the City of Beatrice, Nebraska, we offer readers of the City of Beatrice's financial statements this narrative overview and analysis of the financial activities of the City of Beatrice for the fiscal year ended September 30, 2020. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the Introductory Section on pages ix to xvi of this report.

FINANCIAL HIGHLIGHTS

The City of Beatrice's assets exceeded its liabilities at the close of the most recent year by \$89,824,814. Of this amount, \$16,634,077 may be used to meet the City's ongoing obligations to citizens and creditors. The City of Beatrice's total net position increased \$6,507,927 or 7.8%.

As of the close of the current fiscal year, the City of Beatrice's governmental funds reported combined ending fund balances of \$12,332,613, an increase of \$5,268,611 in comparison with the prior year. At the end of the current fiscal year, unrestricted fund balance for the General Fund was \$3,133,062, or 33.9% of total General Fund expenditures.

The City of Beatrice's total long-term obligations, not including component units, increased \$6,592,954 during the current fiscal year. The City issued debt during the year totaling \$7,372,068 and annual debt obligations of \$1,197,205 were paid. Obligations for compensated absences and closure and post-closure costs recognized a net increase of \$418,091.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-Wide Financial Statements

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

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

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

Both of the government-wide financial statements distinguish functions of the City of Beatrice that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Beatrice include general government, public safety, highways and streets, and culture and recreation. The business-type activities of the City of Beatrice include electric distribution, water pumping and distribution, sewage collection and treatment, solid waste management, and sanitation.

The government-wide financial statements include not only the City of Beatrice itself (known as the primary government), but also the Beatrice Area Solid Waste Agency, a legally separate entity. The Beatrice Area Solid Waste Agency, although legally separate, functions for all practical purposes as a department of the City of Beatrice, and therefore has been included as an integral part of the primary government. The Beatrice Airport Authority and the Community Redevelopment Authority are determined to be discretely presented component units and included due to the fiscal dependency on the City for any allocation

City of Beatrice, Nebraska
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2020

of tax revenues. The Beatrice Library Foundation, also a discretely presented component unit, is included due to the financial support it provides the Beatrice Public Library. The government-wide financial statements can be found on pages 13 to 15 of this report.

Fund Financial Statements

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

Governmental Funds

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

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

The City maintains thirteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the General Fund, Street Fund, and Public Safety Capital Improvements Fund, which are considered to be major funds. Data from the other ten governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the supplemental information section of this report.

The City of Beatrice adopts an annual appropriated budget using the General All-Purpose Fund tool for all governmental funds. A budgetary comparison statement has been provided for to demonstrate compliance with this budget. The basic governmental fund financial statements can be found on pages 16 to 19 of this report.

Proprietary Funds

The City of Beatrice maintains six different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Beatrice uses enterprise funds to account for its electric, water, and water pollution control utilities and its solid waste management and sanitation services. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City of Beatrice's various functions. The City of Beatrice uses internal service funds to account for its self-insured employee benefits. Because this service predominately benefits governmental rather than business-type functions, it has been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Electric, Water, Water Pollution Control, and Beatrice Area Solid Waste Agency funds which are considered to be major funds of the City of Beatrice. The proprietary fund financial statements also show the data for the two nonmajor funds: the Sanitation Fund (an enterprise fund) and the Self-Insured Group Insurance Fund (an internal service fund). The basic proprietary fund financial statements can be found on pages 20 to 24 of this report.

City of Beatrice, Nebraska
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2020

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City of Beatrice's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 25 to 26 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 27 to 70 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. Required supplementary information can be found on pages 71 to 72 of this report, followed by other supplementary information including nonmajor combining balance sheets and statements and schedules of individual fund information in further detail.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Beatrice, assets exceeded liabilities by \$89,824,814 at the close of the most recent fiscal year. By far the largest portion of the City of Beatrice's net position (71%) reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The City of Beatrice uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Beatrice's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of Beatrice's Net Position
(expressed in thousands)
September 30, 2020 and 2019

	Governmental activities		Business-type activities		Total	
	2020	2019	2020	2019	2020	2019
ASSETS						
Current and other assets	\$ 15,761	\$ 8,168	\$ 20,038	\$ 18,990	\$ 35,799	\$ 27,158
Capital assets	42,788	37,364	34,545	33,293	77,333	70,657
TOTAL ASSETS	<u>58,549</u>	<u>45,532</u>	<u>54,583</u>	<u>52,283</u>	<u>113,132</u>	<u>97,815</u>
LIABILITIES						
Long-term liabilities noncurrent	7,631	1,170	7,990	8,563	15,621	9,733
Other liabilities	3,697	1,427	3,989	3,338	7,686	4,765
TOTAL LIABILITIES	<u>11,328</u>	<u>2,597</u>	<u>11,979</u>	<u>11,901</u>	<u>23,307</u>	<u>14,498</u>
NET POSITION						
Net investment in capital assets	33,165	36,322	30,577	29,208	63,742	65,530
Restricted	8,705	3,754	744	725	9,449	4,479
Unrestricted	5,351	2,859	11,283	10,449	16,634	13,308
TOTAL NET POSITION	<u>\$ 47,221</u>	<u>\$ 42,935</u>	<u>\$ 42,604</u>	<u>\$ 40,382</u>	<u>\$ 89,825</u>	<u>\$ 83,317</u>

City of Beatrice, Nebraska
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2020

An additional portion of the City of Beatrice's net position (10.5%) represents resources that are subject to external restrictions on how they may be used for specific purposes. The remaining balance of unrestricted net position \$16,634,077 may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City of Beatrice is able to report positive balances in all three categories of net position for the government as a whole.

There was an increase of \$4,286,065 in net position reported in connection with the City of Beatrice's governmental activities. Business-type activities increased the City of Beatrice's net position by \$2,221,862. A breakdown of these activities is as follows:

City of Beatrice's Changes in Net Position
(expressed in thousands)
For the years ended September 30, 2020 and 2019

	Governmental activities		Business-type activities		Total	
	2020	2019	2020	2019	2020	2019
REVENUES						
Program Revenues						
Charges for services	\$ 5,840	\$ 5,369	\$ 24,528	\$ 25,921	\$ 30,368	\$ 31,290
Operating grants and contributions	1,871	1,974	-	-	1,871	1,974
Capital grants and contributions	3,236	1,861	161	-	3,397	1,861
General revenues						
Taxes	8,020	7,221	-	-	8,020	7,221
Unrestricted intergovernmental	969	823	-	-	969	823
Other revenue	221	191	567	621	788	812
TOTAL REVENUES	<u>20,157</u>	<u>17,439</u>	<u>25,256</u>	<u>26,542</u>	<u>45,413</u>	<u>43,981</u>
EXPENSES						
General government	4,378	5,228	-	-	4,378	5,228
Public safety	7,241	6,958	-	-	7,241	6,958
Highways and streets	2,438	2,459	-	-	2,438	2,459
Culture and recreation	1,688	1,736	-	-	1,688	1,736
Interest on long-term debt	126	9	-	-	126	9
Electric	-	-	15,850	17,355	15,850	17,355
Water	-	-	2,380	2,315	2,380	2,315
Water pollution control (WPC)	-	-	1,691	1,633	1,691	1,633
Solid waste management	-	-	1,554	1,680	1,554	1,680
Sanitation	-	-	1,559	1,562	1,559	1,562
TOTAL EXPENSES	<u>15,871</u>	<u>16,390</u>	<u>23,034</u>	<u>24,545</u>	<u>38,905</u>	<u>40,935</u>
CHANGE IN NET POSITION	4,286	1,049	2,222	1,997	6,508	3,046
NET POSITION, Beginning of Year	<u>42,935</u>	<u>41,886</u>	<u>40,382</u>	<u>38,385</u>	<u>83,317</u>	<u>80,271</u>
NET POSITION, End of Year	<u>\$ 47,221</u>	<u>\$ 42,935</u>	<u>\$ 42,604</u>	<u>\$ 40,382</u>	<u>\$ 89,825</u>	<u>\$ 83,317</u>

City of Beatrice, Nebraska
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2020

Governmental Activities

Tax revenues increased 11.1% in 2020 from the previous year. This includes property tax, sales tax, and occupation tax revenues. The property tax levy to fund the necessary operations of the government and capital projects for 2020 decreased slightly, however property valuations increased 6.33%, resulting in an increase in property tax revenue recognized of 5.7%. Sales tax revenues collected increased \$715,522 in 2020 as compared to 2019, partially due a new ½ cent sales tax designated for a new fire station that went into effect in April of 2019 and brought in \$588,570 in 2019 as compared to \$1,166,303 in 2020, and an increase of 4.1% in sales. Occupation taxes from utilities, which are based upon gross sales, decreased 10% in 2020. The lodging occupation tax brought in \$86,610 in 2020 as compared to \$98,535 in 2019. More information on tax revenue history can be found in Table 3 of the Statistical Section.

Unrestricted intergovernmental revenues, which include county motor vehicle taxes, state aid, and municipal equalization funding (MEF), increased \$146,373 in 2020. The formula to calculate MEF aid figures the City's need, based upon population, less resources however that aid is reduced 20% for each cent the city's non-bond levy is less than the state-wide average levy, making this a funding source that can vary greatly from year to year. In 2020 the City's MEF revenue was \$688,068 as compared to \$554,399 in 2019; the City's calculation was above the state-wide average for both fiscal years. County motor vehicle taxes increased 4.5% in 2020 from the previous year.

Operating grants continued to fund important public safety programs, culture and recreation programs, and provide for street maintenance. Highway allocation dollars, which are a major funding source to maintain the street fund, decreased slightly in 2020 from 2019; a portion of these funds are also allocated for capital projects. The police department operates a victim assistance program and school resource program with matching assistance from the local school district. Interlocal agreements also provide funding for the 911 communications center and ambulance services. The library continues to receive funding assistance from the county and state aid. There were no major changes or increases to these funding sources in 2020.

Capital grants and contributions vary from year to year. During 2020 the City continued to receive grant funding through the Mutual Finance Organization (MFO) Assistance Act for fire and EMS equipment and facility improvements, and various smaller grants for public safety equipment. State funding and sales tax provided for street improvements. The City received payments from the Federal Emergency Management Agency for disaster assistance for the 2019 flood and CARES grant funding for EMS assistance and police equipment. A joint project with the state department of transportation provided for the construction of a new trail in 2020 with the City responsible for 20% of the cost. Private contributions assisted towards park recreational improvements, the purchase of library materials and building improvements.

Expenses decreased 3.2% in 2020 as compared to 2019. Changes in General Government can vary from year to year due to changes in economic development and grant expenses, and Internal Service Funds activity. Changes to expenses for other activities in 2020 as compared to 2019 are as follows: public safety increased 4.1% as compared to the prior year, streets decreased 0.9%, culture and recreation decreased 2.8%, and interest on long-term debt increased due to the issuance of new debt.

Business-Type Activities

Charges for services for business-type activities decreased 5.4% in 2020 from 2019. The Electric fund, which distributes purchased power, did not increase rates during 2020, and revenue decreased 7.2% due to a decrease in industrial customer sales with the shut-down of a large plant in July 2019. The Electric fund expenses also decreased due to less power purchased and new purchased power arrangements, which resulted in an 8.1% savings in overall purchased power costs in 2020. The Water and Water Pollution Control funds also did not increase rates during 2020; revenue in those funds decreased 0.1% and 2.7% respectively; expenses were slightly higher at 3.1%. Garbage service fees, which are accounted for in the Sanitation fund to fund the cost of the hauler contract and landfill disposal fee, did not increase in 2020. The Beatrice Area Solid Waste Agency fund revenues decreased 3.3% in 2020 due to decreased commercial service fees; expenses decreased 7.5%.

City of Beatrice, Nebraska
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2020

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental Funds

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

As of the end of the current fiscal year, the City of Beatrice's governmental funds reported a combined ending fund balance of \$12,332,613, which is an increase of \$5,268,611 in comparison with the prior year. Of this amount, 21.3% of this balance is unassigned and is available for spending at the City's discretion (\$2,622,196). The City's unassigned balance increased \$590,126 from the prior year. The remainder of the fund balance is either restricted, committed, or assigned to indicate that it is restricted for particular purposes (\$8,755,897), committed for particular purposes (\$391,945), or assigned by management for particular purposes (\$562,575). Restricted fund balance increased \$4,997,901, which can be attributed to the funds restricted for the new fire station construction and fire station debt service.

The General fund is the chief operating fund of the City of Beatrice. At the end of the current fiscal year, the unrestricted fund balance (made up of unassigned and assigned balances) of the General Fund was \$3,133,062; an increase from 2019 of \$676,769. As a measure of the General Fund's liquidity, it may be useful to compare both unrestricted fund balance to total fund expenditures. Unrestricted fund balance represents 33.9% of total General fund expenditures.

General fund revenues increased 5.8% from the previous year. Tax revenues increased 8.5% due to an increase in sales tax and property tax revenue, as discussed on page 8. Intergovernmental revenue available to fund general operations increased 16.2%, and includes interlocal agreements to provide 911 and EMS services, state aid, and federal grant assistance funding, which increased in 2020 for the victim assistance program, and disaster assistance and CARES grant funding received. Charges for services decreased just 0.7% and licenses and permits revenue in 2020 was down \$76,903 from 2019 due to the lower value of building permits issued. Other revenues decreased \$102,920 from 2019 due to fewer donations for park improvements and police equipment.

General fund expenditures in 2020 decreased 0.8% from the previous year due to less capital outlay expenditures. Non-capital operational costs increased 0.6% from 2019. Transfers in for 2020 were \$72,270 as compared to \$141,259 in 2019, which is from the 911 surcharge and E911 wireless funds collected and distributed to the General fund for the operation of the 911 communications center. Transfers out to fund capital projects in 2020 were \$363,873, as compared to \$436,854 in 2019.

The fund balance restricted for the Street fund at year end was \$1,743,311, a decrease of \$120,377 from 2019. In 2020 total revenues increased 4.8% from 2019. Sales tax revenues increased 5.2%, total state aid increased just 1.1% due to lower highway allocation funds with less travel during the pandemic, and the street fund received \$56,287 in federal disaster assistance payments to repair street damage due to the 2019 flood. Expenditures increased 31.1% from the previous year. Non-capital operational expenditures increased 2.2% from 2019, while capital outlay expenditures in 2020 were higher at \$1,709,869 as compared to \$1,030,592 in 2019.

The fund balance in the Public Safety capital improvements capital projects fund at year end was \$4,848,688, which included \$4,458,231 restricted for the new fire station and \$390,457 committed for public safety equipment. The expenditures in this fund increased from \$954,736 in 2019 to \$3,616,213 in 2020 due to the beginning construction of a new fire station. Bonds were issued in the amount of \$7,075,000 in 2020 for this project. This fund also accounts for the expenditure of major public safety equipment purchased with bond proceeds, MFO state funding and other available grants.

City of Beatrice, Nebraska
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2020

Nonmajor governmental funds include five special revenue funds, three debt service funds, and two capital project funds. The combined fund balance for these funds at the end of the fiscal year was \$2,607,552 which was restricted, committed, or assigned for each fund's specific purposes. The Economic Development fund, which had a restricted fund balance of \$1,271,139, an increase of \$62,867 from 2019, received \$271,211 in revenue to support the local economic development plan and expenditures included funding towards a joint economic development organization, land purchase, and professional services for land development; economic development loans were awarded in the amount of \$20,000 with \$90,920 paid back or forgiven during the fiscal year. The Community Development Block Grant fund balance restricted for Revolving Loans of \$370,894 increased \$2,289 from 2019 due to loan repayments. The Keno fund balance decreased to \$1,472 as compared to \$213,568 in 2019, due to a transfer out of \$275,387 for community better projects in 2020, keno proceeds increased 4.5% in 2020. The Storm Water Management fund accounts for the costs associated with the implementation of the plan and the revenue sources, including grant specific funds, and had a fund balance of \$4,161 at year end. The 911 Surcharge fund had a fund balance of \$73,652 at the end of 2020 and accounts for the collection of local 911 surcharge taxes and the collection of state wireless E911 funds, which must be expended on specific associated costs, in 2020 \$72,270 was transferred to the General fund for support of the 911 communications center operations. The debt service funds balance at year-end of \$834,206 is restricted for the respective debt service requirements funded with either a special levy or voter-approved sales tax. Capital Improvement funds fund balances at year end are restricted, committed or assigned for specific purposes: \$319 for library improvements, and \$51,709 for park improvement projects to be completed in the future fiscal year. Capital expenditures totaling \$1,038,899 in 2020 were funded with various revenue sources including grants, private donations, lease proceeds, and a transfer in of general fund revenues. More information on these capital assets is discussed later in this report.

Proprietary Funds

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

The unrestricted net position of the Electric, Water, Water Pollution Control, Beatrice Area Solid Waste Agency (BASWA), and Sanitation enterprise funds at the end of the year amounted to \$11,282,871, which is an increase of \$834,309 from 2019. The Electric fund decreased \$91,544; the Water Fund increased \$188,106; the Water Pollution Control fund increased \$658,921; and the BASWA fund increased \$78,826. Restricted net position for debt service was \$743,580 at year end as compared to \$724,649 in 2019. Net investment in capital assets increased from \$29,208,662 in FY2019 to \$30,577,284 in FY2020. Extension and replacement of capital assets is discussed later in this report. Other factors concerning the finances of these funds have already been addressed in the discussion of the City of Beatrice's business-type activities.

GOVERNMENTAL FUND BUDGETARY HIGHLIGHTS

Differences between the original budget and the final amended budget of expenditures for governmental funds amounted to an increase in appropriations of \$2,692,721 and can be briefly summarized as follows: \$796,034 in the Street fund for street improvement projects not completed in FY2019 and therefore paid in FY2020; \$64,953 in the Debt Service fund for the interest on the new fire station bonds; in the Library Capital Improvements fund \$5,000 for library equipment; and in the Capital Improvements fund \$1,826,734 to account for the total cost of the trail project. All governmental funds reported a positive variance of total expenditures as compared to total budget, except for the General Obligation Debt Service fund that reported a negative variance due to year end accrued interest payable. Large variances are further explained here; in the Street fund the capital outlay was under budget by \$774,480 however there were \$558,461 in obligated expenditures for projects that were not completed until after the fiscal year end; the Capital Improvements fund was under budget by \$1,991,163 largely due to the trail project, for which it was determined that the state agency that funded 80% of the project was responsible for reporting that cost in their financials; the Public Safety Capital Improvements fund was under budget by \$3,129,313 due to the new fire station project that was not completed and will be carried forward to the next fiscal year; and both the Economic Development fund and the Community Development Block Grant funds must budget for possible development projects, which can vary greatly from year to year, and for FY2020 were under budget \$1,688,855 and \$320,699 respectively.

City of Beatrice, Nebraska
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2020

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The City of Beatrice's investment in capital assets for its governmental and business type activities as of September 30, 2020, amounts to capital assets (net of accumulated depreciation) of \$71,390,277, and land of \$5,942,417. This investment in capital assets includes land, buildings and park facilities, improvements other than buildings, machinery and equipment, a system of roads, highways, bridges, storm sewers, sanitary sewers, water mains, and an electrical system. The total increase in the City of Beatrice's investment in capital assets for the current fiscal year was 9.4% percent (a 14.5% increase for governmental activities and a 3.8% increase for business-type activities).

City of Beatrice's Capital Assets (net of depreciation, except land)

(expressed in thousands)

September 30, 2020 and 2019

	Governmental activities		Business-Type activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 5,805	\$ 5,054	\$ 137	\$ 137	\$ 5,942	\$ 5,191
Buildings and system	12,040	9,708	12,981	12,037	25,021	21,745
Improvements other than bldgs	5,930	5,255	66,778	65,684	72,708	70,939
Machinery and equipment	12,708	12,678	10,436	9,720	23,144	22,398
Infrastructure	38,856	35,793	-	-	38,856	35,793
Construction in progress	-	-	-	57	-	57
Less accumulated depreciation	(32,551)	(31,124)	(55,787)	(54,342)	(88,338)	(85,466)
TOTAL	<u>\$ 42,788</u>	<u>\$ 37,364</u>	<u>\$ 34,545</u>	<u>\$ 33,293</u>	<u>\$ 77,333</u>	<u>\$ 70,657</u>

Major changes in capital assets in the governmental activities during fiscal year 2020 include land acquisition and construction costs for a new fire station, a new roof for the police station, masonry restoration to the Carnegie building, a restroom for the splash pad park, infrastructure improvements for streets, including a city-wide mill & overlay project and Sargent Street concrete reconstruction, new bridge railings, a new trail connection from the water park to Hannibal park, ballfield lighting and other park improvements. Equipment purchases included EMS equipment, new defibrillators, rescue boat, radios, police car equipment, new tasers, computer equipment for all departments, a street sweeper, skid-steer, mowers, and a pickup.

Major changes in capital assets in the business-type activities during fiscal year 2020 include: in the Electric Fund continuation of 12.5 KV conversions, replacement of underground cable, new transformers, completion of improvements to substation #6, college campus rebuild and other new services and extensions for residential and commercial developments, a new aerial truck, a hydro-excavation truck, a pickup, engineering survey equipment, computer equipment, and website design; in the Water Fund water main projects in 2020 included replacement of old mains in the areas of Hoyt 26th to BSDC, S 5th Market to Perkins, Park St 11th to 12th, and W Hoyt and Railroad St, engineering services for the Big Blue River water transmission line crossing, metering, a vac trailer, new pickup, and SCADA computer upgrade; in the Water Pollution Control Fund projects included beginning construction costs of the dewatering project at the disposal plant, design of lift station #5 generator, a new pickup, tractor, and Bobcat UTV; and in the BASWA fund began incurring costs for the site investigation for a future MSW landfill site.

Additional information on the City of Beatrice's capital assets can be found in note E on pages 55 to 56 of this report.

Long-Term Obligations

At the end of the current fiscal year the City of Beatrice, not including component units, had total bonded debt outstanding of \$9,930,000. Of this amount, \$7,565,000 comprises debt backed by the full faith and credit of the government. The remainder of the City of Beatrice's bonded debt represents bonds secured solely by specified revenue sources (i.e., revenue bonds). Other long-term obligations included \$1,087,586 in lease payables, \$2,121,161 for compensated absences, and \$5,115,000 for closure post-closure costs.

City of Beatrice, Nebraska
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2020

During the current fiscal year, the City of Beatrice issued \$7,075,000 in Fire Station Bonds, and paid annual bond maturities of \$845,000 thereby increasing the bonded debt \$6,230,000. New leases were issued for the new ballfield lights in the amount of \$275,000 and a street skid-loader in the amount of \$22,068.

The Beatrice Airport Authority, a component unit of the City of Beatrice, had outstanding debt of \$155,000 at September 30, 2020; this amount comprises bonded debt paid through a special levy approved by the City of Beatrice.

Additional information on the City of Beatrice's long-term debt can be found on pages 58 to 62 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

As a result of the COVID-19 outbreak in the United States, economic uncertainties have arisen, the extent of the financial impact and other possible impacting matters are not fully known at this time. Some loss of utilities revenue was recognized during the early months of 2020, however, was not a major impact on the current financials or the proposed budget for the coming year. In Beatrice, industrial customers have resumed production, schools are open, and the effect on retail and small businesses is stable for now.

The unemployment rate for the City of Beatrice for September 2020 is 2.9%, which compares favorably to the state average unemployment rate of 3.6% and the national average of 7.9%.

Sales tax revenue can be affected year to year by tax incentives offered to local business that receive tax credits, thereby reducing the sales tax remitted to the City. Sales tax revenue prior to any tax credits better reflects the retail economy, which for the calendar year 2020 increased 1.4% when compared to 2019. During the year 2020 when many communities were facing a reduction in sales tax due to the impact of the COVID-19 outbreak, Beatrice was fortunate to report some stability.

City and County officials provide combined support for an economic development organization, Gage Area Growth Enterprises (NGage), to promote Beatrice and the surrounding area. In July 2019 the City was impacted by the shut-down of a biodiesel plant, however a year later in 2020 the facility has been purchased by an oil refinery company. Land was sold in the industrial park for a tower installation company to build a new facility and a large manufacturing company completed a major expansion.

The City of Beatrice approved a budget plan that included both fiscal year 2020 and fiscal year 2021. That budget presented a balanced budget of operating revenues to meet expenditure needs and fund various capital projects, along with a plan to replenish general fund cash reserves. For fiscal year 2021 general fund tax revenue projections included no increase in the sales tax revenue or general property tax requirements. The general fund levy decreased from .360211 to .355378 and the debt service levy decreased from .0360623 to .0359421 to make required bond maturities in 2021. State aid allocations decreased 3.7% due to reduced highway allocation fund projections as impacted by COVID-19 reduced fuel sales. Other operating grants remained the same.

Major capital projects for the 2021 fiscal year include: completion of construction of a new fire station, various street and bridge rail improvements, new ballfields and ballfield improvements, a kayak launch, facilities at the Standing Bear trailhead, Carnegie roof repair, a street dump truck, parks bobcat and mower, a new ambulance and other public safety equipment, and computer equipment. Some projects are contingent upon receiving grant or donation funding. In 2021 the City continued budgeting dollars for the demolition of a large dilapidated vacant industrial structure, which could take up to five years.

In fiscal year 2021, the City proposed a zero rate increase for all three utility funds, Electric, Water, and Water Pollution Control, and projected revenues should be sufficient to fund operations, capital costs, and maintain prudent reserves for cash flow and emergencies. The new power arrangements should continue to provide increased savings in purchased power.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of Beatrice's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Beatrice, 400 Ella Street, Beatrice, NE 68310.

City of Beatrice, Nebraska
STATEMENT OF NET POSITION
September 30, 2020
With comparative totals for September 30, 2019

	Primary Government				2020
	Governmental Activities	Business-Type Activities	2020 Total	2019 Total	Component Units
Assets					
Current Assets					
Cash and cash equivalents	\$ 11,930,903	\$ 8,868,868	\$ 20,799,771	\$ 11,291,998	\$ 517,344
Cash on deposit - county treasurer	167,133	-	167,133	116,287	9,868
Accounts receivable	652,077	1,713,880	2,365,957	2,196,756	4,114
Interest receivable	-	3,725	3,725	6,422	-
Unbilled and accrued revenues	-	999,950	999,950	1,027,842	-
Due from other governments	1,011,393	-	1,011,393	961,350	-
Inventories	-	1,048,919	1,048,919	1,000,260	46,878
Prepaid expenses	-	17,675	17,675	16,147	-
In-lieu-of assessments receivable	10,105	-	10,105	10,105	-
Taxes receivable	135,534	-	135,534	119,505	12,364
Loans receivable	86,151	-	86,151	38,982	-
Total Current Assets	13,993,296	12,653,017	26,646,313	16,785,654	590,568
Noncurrent Assets					
Investments	1,250,668	3,265,795	4,516,463	5,967,025	1,477,939
Collateral deposit	-	150,000	150,000	150,000	-
Restricted Cash and Cash Equivalents					
Cash on deposit - county treasurer	-	-	-	-	118,609
Debt service reserve account	-	-	-	-	53,514
Customer and developer deposits	-	139,976	139,976	123,072	10,000
Grants and capital projects	-	-	-	-	71,132
Restricted Investments					
Debt service reserve account	-	771,906	771,906	759,851	-
Customer deposits	-	300,820	300,820	299,515	-
Grants and capital projects	-	-	-	-	116,008
Closure and post-closure account	-	2,755,852	2,755,852	2,428,472	-
Total Restricted Assets	-	3,968,554	3,968,554	3,610,910	369,263
Capital Assets					
Land	5,805,313	137,104	5,942,417	5,191,095	1,321,356
Construction in progress	-	-	-	57,147	-
Capital assets, net of accumulated depreciation	36,982,211	34,408,066	71,390,277	65,408,402	8,038,723
Net Capital Assets	42,787,524	34,545,170	77,332,694	70,656,644	9,360,079
Other Assets					
Loans receivable, net of current portion	517,844	-	517,844	645,244	-
Total Noncurrent Assets	44,556,036	41,929,519	86,485,555	81,029,823	11,207,281
Total Assets	\$ 58,549,332	\$ 54,582,536	\$113,131,868	\$ 97,815,477	\$ 11,797,849

See accompanying notes and independent auditor's report.

City of Beatrice, Nebraska
 STATEMENT OF NET POSITION - CONTINUED
 September 30, 2020
 With comparative totals for September 30, 2019

	Primary Government				2020
	Governmental	Business-Type	2020	2019	Component
	Activities	Activities	Total	Total	Units
Liabilities					
Current Liabilities					
Accounts payable	\$ 2,107,382	\$ 2,146,252	\$ 4,253,634	\$ 2,100,856	\$ 11,513
Claims incurred but not reported	135,626	-	135,626	157,795	-
Accrued compensated absences	448,459	324,487	772,946	729,221	20,662
Sales tax payable	-	476	476	-	-
Accrued interest payable	51,295	28,326	79,621	39,356	1,408
Accrued payroll	-	140,997	140,997	115,006	-
Other accrued liabilities	-	23,278	23,278	22,334	-
Customer and developer deposits	-	419,675	419,675	402,450	10,000
Due to developer	-	-	-	-	124,701
Current maturities of lease obligation	54,898	290,163	345,061	352,684	-
Current maturities of bonds and notes	900,000	615,000	1,515,000	845,000	75,000
Total Current Liabilities	3,697,660	3,988,654	7,686,314	4,764,702	243,284
Noncurrent Liabilities, Net of Current Portion					
Compensated absences	723,423	624,792	1,348,215	1,283,849	64,600
Revenue bonds	-	1,750,000	1,750,000	2,365,000	-
General obligation bonds	6,665,000	-	6,665,000	490,000	80,000
Lease obligation	242,170	500,355	742,525	790,039	-
Closure and post-closure costs	-	5,115,000	5,115,000	4,805,000	-
Total Noncurrent Liabilities	7,630,593	7,990,147	15,620,740	9,733,888	144,600
Total Liabilities	11,328,253	11,978,801	23,307,054	14,498,590	387,884
Net Position					
Net investment in capital assets	33,165,271	30,577,284	63,742,555	65,530,417	9,205,079
Restricted net position					
Restricted for economic development	1,271,139	-	1,271,139	1,208,272	-
Restricted for library capital improvements	303	-	303	303	-
Restricted for new fire station	4,458,231	-	4,458,231	172,583	-
Restricted for debt service	782,911	743,580	1,526,491	795,799	52,106
Restricted revolving loan fund	370,894	-	370,894	368,605	-
Restricted for E911 public safety	73,652	-	73,652	48,980	-
Restricted for streets	1,743,311	-	1,743,311	1,863,688	-
Restricted for storm water management	4,161	-	4,161	20,261	-
Restricted for Library Foundation	-	-	-	-	206,339
Unrestricted net position	5,351,206	11,282,871	16,634,077	13,307,979	1,946,441
Total Net Position	\$ 47,221,079	\$ 42,603,735	\$ 89,824,814	\$ 83,316,887	\$ 11,409,965

See accompanying notes and independent auditor's report.

City of Beatrice, Nebraska
STATEMENT OF ACTIVITIES
For the year ended September 30, 2020
8With comparative totals for the year ended September 30, 2019

Functions/Programs	Expenses	Program Revenues			Net Revenue (Expense) and Changes in Net Position				2020 Component Units
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	2020 Total	2019 Total	
Primary Government:									
Governmental Activities									
General government	\$ 4,377,767	\$ 4,233,398	\$ -	\$ 5,443	\$ (138,926)	\$ -	\$ (138,926)	\$ (1,048,187)	\$ -
Public safety	7,240,985	1,319,437	1,119,254	152,270	(4,650,024)	-	(4,650,024)	(4,434,099)	-
Highways and streets	2,437,775	33,251	726,784	1,337,375	(340,365)	-	(340,365)	(469,927)	-
Culture and recreation	1,687,784	252,716	25,253	1,741,010	331,195	-	331,195	(1,224,350)	-
Interest on long-term debt	126,354	-	-	-	(126,354)	-	(126,354)	(9,124)	-
Total Governmental Activities	15,870,665	5,838,802	1,871,291	3,236,098	(4,924,474)	-	(4,924,474)	(7,185,687)	-
Business-type Activities									
Electric	15,849,735	16,356,112	-	70,463	-	576,840	576,840	264,477	-
Water	2,380,242	2,646,957	-	90,300	-	357,015	357,015	335,868	-
Water pollution control	1,691,413	2,183,811	-	-	-	492,398	492,398	611,168	-
BASWA	1,554,219	1,783,181	-	-	-	228,962	228,962	164,499	-
Sanitation	1,558,616	1,558,616	-	-	-	-	-	-	-
Total Business-type Activities	23,034,225	24,528,677	-	160,763	-	1,655,215	1,655,215	1,376,012	-
Total Primary Government	38,904,890	30,367,479	1,871,291	3,396,861	(4,924,474)	1,655,215	(3,269,259)	(5,809,675)	-
Component Units:									
Beatrice Airport Authority	760,816	386,145	30,000	10,036					(334,635)
Community Redevelopment Authority	637,217	-	-	-					(637,217)
Beatrice Public Library Foundation	51,592	-	-	-					(51,592)
Total Component Units	\$ 1,449,625	\$ 386,145	\$ 30,000	\$ 10,036					(1,023,444)
General Revenues									
Taxes									
Property tax					2,769,725	-	2,769,725	2,621,375	188,063
Tax increment financing					-	-	-	-	637,217
Sales tax					4,665,213	-	4,665,213	3,949,691	-
Occupation tax					585,051	-	585,051	649,757	-
Unrestricted intergovernmental					969,073	-	969,073	822,700	498
Miscellaneous revenues					171,618	338,715	510,333	488,367	9,334
Unrestricted investment earnings					49,859	227,932	277,791	323,231	107,583
Total General Revenues					9,210,539	566,647	9,777,186	8,855,121	942,695
Change in Net Position					4,286,065	2,221,862	6,507,927	3,045,446	(80,749)
Net Position, Beginning of Year					42,935,014	40,381,873	83,316,887	80,271,441	11,490,714
Net Position, End of Year					\$ 47,221,079	\$ 42,603,735	\$ 89,824,814	\$ 83,316,887	\$ 11,409,965

See accompanying notes and independent auditor's report.

City of Beatrice, Nebraska
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2020
With comparative totals for September 30, 2019

	2020					2019
	General Fund	Streets Fund	Public Safety Capital Improvements Fund	Other Governmental Funds	Total	Total
Assets						
Cash and cash equivalents	\$ 1,186,283	\$ 2,025,375	\$ 5,933,708	\$ 1,876,160	\$ 11,021,526	\$ 4,377,976
Investments	1,250,668	-	-	-	1,250,668	1,237,499
Cash on deposit - county treasurer	153,863	-	-	13,270	167,133	116,287
Accounts receivable	515,288	378	-	90,000	605,666	465,442
Due from other funds	-	-	-	-	-	31,690
Taxes receivable	115,838	-	-	19,696	135,534	119,505
Due from other governments	489,172	318,399	-	203,822	1,011,393	961,350
Loans receivable	-	-	-	603,995	603,995	684,226
In-lieu of assessments receivable	-	-	-	10,105	10,105	10,105
Total Assets	\$ 3,711,112	\$ 2,344,152	\$ 5,933,708	\$ 2,817,048	\$ 14,806,020	\$ 8,004,080
Liabilities, Deferred Inflows of Resources and Fund Balance						
Liabilities						
Accounts payable and accrued expenses	\$ 320,983	\$ 600,841	\$ 1,085,020	\$ 100,538	\$ 2,107,382	\$ 542,748
Due to other funds	-	-	-	-	-	31,690
Accrued interest payable	-	-	-	41,959	41,959	2,122
Total Liabilities	320,983	600,841	1,085,020	142,497	2,149,341	576,560
Deferred Inflows of Resources						
Unavailable revenue	257,067	-	-	66,999	324,066	363,518
Fund Balance						
Restricted for:						
Economic development	-	-	-	1,271,139	1,271,139	1,208,272
Library capital improvements	-	-	-	303	303	303
New fire station	-	-	4,458,231	-	4,458,231	172,583
Debt service	-	-	-	834,206	834,206	75,304
Revolving loan fund	-	-	-	370,894	370,894	368,605
E911 public safety	-	-	-	73,652	73,652	48,980
Streets	-	1,743,311	-	-	1,743,311	1,863,688
Storm water management	-	-	-	4,161	4,161	20,261
Committed for:						
Library capital improvements	-	-	-	16	16	27,579
Public safety equipment	-	-	390,457	-	390,457	634,559
Community betterment	-	-	-	1,472	1,472	213,568
Assigned for:						
Subsequent years' expenditures	510,866	-	-	51,709	562,575	398,230
Unassigned, reported in:						
General fund	2,622,196	-	-	-	2,622,196	2,058,063
Capital projects funds	-	-	-	-	-	(25,993)
Total Fund Balance	3,133,062	1,743,311	4,848,688	2,607,552	12,332,613	7,064,002
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 3,711,112	\$ 2,344,152	\$ 5,933,708	\$ 2,817,048		

See accompanying notes and independent auditor's report.

City of Beatrice, Nebraska
BALANCE SHEET - CONTINUED
GOVERNMENTAL FUNDS
September 30, 2020
With comparative totals for September 30, 2019

	2020 Total	2019 Total
Fund Balance Governmental Funds	\$ 12,332,613	\$ 7,064,002
Amounts reported for Governmental Activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore, are not reported in the funds.	\$ 42,787,524	\$ 37,363,766
Internal service funds are used by management to charge the costs for fleet management and management information systems to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	820,162	38,712
Unavailable revenues that are not current financial resources are recognized in the government-wide financial statements.	324,066	363,518
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds as follows:		
Accrued interest on long-term debt	(9,336)	(2,032)
Bonds payable	(7,565,000)	(730,000)
Lease obligation	(297,068)	(68,640)
Compensated absences	(1,171,882)	(1,094,312)
Net Position of Governmental Activities	<u>\$ 47,221,079</u>	<u>\$ 42,935,014</u>

See accompanying notes and independent auditor's report.

City of Beatrice, Nebraska
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 GOVERNMENTAL FUNDS
 For the year ended September 30, 2020
 With comparative totals for the year ended September 30, 2019

	2020					
	General Fund	Streets Fund	Public Safety Capital Improvements Fund	Other Governmental Funds	Total Governmental Funds	2019 Total
Revenues						
Taxes						
Property tax	\$ 2,529,835	\$ -	\$ -	\$ 256,042	\$ 2,785,877	\$ 2,607,239
Sales tax	2,791,745	707,165	307,815	858,488	4,665,213	3,949,691
Occupation tax	585,051	-	-	-	585,051	649,757
Licenses and permits	153,011	-	-	-	153,011	229,914
Intergovernmental	2,038,122	2,043,459	233,180	33,961	4,348,722	4,407,030
Charges for services	1,879,545	33,251	-	96,942	2,009,738	2,017,530
Keno proceeds	-	-	-	77,096	77,096	73,767
Interest	32,005	-	14,856	3,953	50,814	40,774
Miscellaneous	171,455	20,700	24,259	413,674	630,088	405,357
Total Revenues	<u>10,180,769</u>	<u>2,804,575</u>	<u>580,110</u>	<u>1,740,156</u>	<u>15,305,610</u>	<u>14,381,059</u>
Expenditures						
Current						
General government	1,485,623	-	-	235,584	1,721,207	2,152,961
Public safety	6,398,839	-	-	-	6,398,839	6,303,902
Highways and streets	-	1,268,246	-	-	1,268,246	1,241,076
Culture and recreation	1,089,024	-	-	-	1,089,024	1,106,505
Debt Service						
Principal	-	-	-	240,000	240,000	250,000
Interest	-	-	-	116,289	116,289	5,533
Bond issuance costs	-	-	74,288	-	74,288	6,000
Capital outlay	263,216	1,709,869	3,414,976	1,041,564	6,429,625	2,932,540
MFO payments - other entities	-	-	126,949	-	126,949	114,975
Total Expenditures	<u>9,236,702</u>	<u>2,978,115</u>	<u>3,616,213</u>	<u>1,633,437</u>	<u>17,464,467</u>	<u>14,113,492</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	944,067	(173,540)	(3,036,103)	106,719	(2,158,857)	267,567
Other Financing Sources (Uses)						
Sale of capital assets	18,141	31,095	-	-	49,236	4,837
Insurance and settlement recoveries	6,164	-	-	-	6,164	-
Bond and lease issuances	-	22,068	7,075,000	275,000	7,372,068	615,000
Transfers in	72,270	-	2,649	636,611	711,530	578,583
Transfers out	(363,873)	-	-	(347,657)	(711,530)	(578,583)
Total Other Financing Sources	<u>(267,298)</u>	<u>53,163</u>	<u>7,077,649</u>	<u>563,954</u>	<u>7,427,468</u>	<u>619,837</u>
Net Change in Fund Balance	676,769	(120,377)	4,041,546	670,673	5,268,611	887,404
Fund Balance, Beginning of Year	<u>2,456,293</u>	<u>1,863,688</u>	<u>807,142</u>	<u>1,936,879</u>	<u>7,064,002</u>	<u>6,176,598</u>
Fund Balance, End of Year	<u>\$ 3,133,062</u>	<u>\$ 1,743,311</u>	<u>\$ 4,848,688</u>	<u>\$ 2,607,552</u>	<u>\$ 12,332,613</u>	<u>\$ 7,064,002</u>

See accompanying notes and independent auditor's report.

City of Beatrice, Nebraska
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO
 THE STATEMENT OF ACTIVITIES
 For the year ended September 30, 2020
 With comparative totals for September 30, 2019

	<u>2020</u>	<u>2019</u>
Amounts reported for Governmental Activities in the Statement of Activities are different because:		
Net change in fund balance - total governmental funds	\$ 5,268,611	\$ 887,404
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period as follows:		
Capital outlays	7,700,129	2,660,676
Depreciation expense	(2,242,828)	(2,156,152)
Change in unavailable revenues that are not current financial resources but that are recognized in the government-wide statements.	(39,452)	(36,180)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal long-term debt consumes the current financial resources of the governmental funds. This amount is the net effect of these differences in the treatment of long-term debt.	(7,070,732)	(287,452)
Some expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in the governmental funds. This includes the increase in compensated absences.	(77,570)	(104,849)
The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, and donations) is to decrease net position.	(33,543)	(10,101)
The net revenue of certain activities of internal service funds is reported with governmental activities.	<u>781,450</u>	<u>95,660</u>
Change in Net Position of Governmental Activities	<u>\$ 4,286,065</u>	<u>\$ 1,049,006</u>

See accompanying notes and independent auditor's report.

City of Beatrice, Nebraska
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2020
With comparative totals for September 30, 2019

	Business-Type Activities Enterprise Funds						Governmental Activities Internal Service Fund		
	Electric	Water	Water Pollution Control	BASWA	Nonmajor Sanitation	2020 Total	2019 Total	2020 Total	2019 Total
Current Assets									
Cash and cash equivalents	\$ 2,541,960	\$ 1,728,892	\$ 4,003,960	\$ 518,794	\$ 75,262	\$ 8,868,868	\$ 6,740,557	\$ 909,377	\$ 173,465
Accounts receivable	1,233,667	137,029	98,127	185,902	59,155	1,713,880	1,708,272	46,411	23,042
Unbilled and accrued revenues	708,253	173,184	118,513	-	-	999,950	1,027,842	-	-
Inventories	729,257	319,662	-	-	-	1,048,919	1,000,260	-	-
Prepaid expenses	7,780	6,290	3,605	-	-	17,675	16,147	-	-
Interest receivable	602	751	2,372	-	-	3,725	6,422	-	-
Total Current Assets	5,221,519	2,365,808	4,226,577	704,696	134,417	12,653,017	10,499,500	955,788	196,507
Noncurrent Assets									
Investments	1,999,401	500,000	766,394	-	-	3,265,795	4,729,526	-	-
Collateral deposit	150,000	-	-	-	-	150,000	150,000	-	-
Restricted Cash and Cash Equivalents									
Customer deposits	139,976	-	-	-	-	139,976	123,072	-	-
Restricted Investments									
Debt service reserve account	75,181	136,845	193,098	366,782	-	771,906	759,851	-	-
Customer deposits	300,820	-	-	-	-	300,820	299,515	-	-
Closure and post-closure costs	-	-	-	2,755,852	-	2,755,852	2,428,472	-	-
Total Restricted Cash, Cash Equivalents and Investments	515,977	136,845	193,098	3,122,634	-	3,968,554	3,610,910	-	-
Capital Assets									
Land	65,058	55,458	16,588	-	-	137,104	137,104	-	-
Construction in progress	-	-	-	-	-	-	57,147	-	-
Buildings and improvements	1,429,550	140,988	11,410,985	-	-	12,981,523	12,036,594	-	-
Improvements other than buildings	30,279,094	19,405,312	9,260,446	7,832,751	-	66,777,603	65,683,366	-	-
Machinery and equipment	4,633,268	1,166,136	2,212,581	2,423,831	-	10,435,816	9,720,438	-	-
Total Capital Assets	36,406,970	20,767,894	22,900,600	10,256,582	-	90,332,046	87,634,649	-	-
Less accumulated depreciation	(20,391,625)	(13,492,883)	(16,245,456)	(5,656,912)	-	(55,786,876)	(54,341,771)	-	-
Net Capital Assets	16,015,345	7,275,011	6,655,144	4,599,670	-	34,545,170	33,292,878	-	-
Total Noncurrent Assets	18,680,723	7,911,856	7,614,636	7,722,304	-	41,929,519	41,783,314	-	-
Total Assets	\$ 23,902,242	\$ 10,277,664	\$ 11,841,213	\$ 8,427,000	\$ 134,417	\$ 54,582,536	\$ 52,282,814	\$ 955,788	\$ 196,507

See accompanying notes and independent auditor's report.

City of Beatrice, Nebraska
STATEMENT OF NET POSITION - CONTINUED
PROPRIETARY FUNDS
September 30, 2020
With comparative totals for September 30, 2019

	Business-Type Activities Enterprise Funds							Governmental Activities Internal Service Fund	
	Electric	Water	Water Pollution Control	BASWA	Nonmajor Sanitation	2020 Total	2019 Total	2020 Total	2019 Total
Liabilities									
Current Liabilities									
Accounts payable	\$ 1,181,702	\$ 16,681	\$ 794,387	\$ 19,065	\$ 134,417	\$ 2,146,252	\$ 1,558,108	\$ -	\$ -
Claims incurred but not reported	-	-	-	-	-	-	-	135,626	157,795
Accrued compensated absences	156,049	98,574	47,751	22,113	-	324,487	315,381	-	-
Accrued payroll	75,503	34,972	20,914	9,608	-	140,997	115,006	-	-
Sales tax payable	476	-	-	-	-	476	-	-	-
Accrued interest payable	1,600	2,898	4,078	19,750	-	28,326	35,202	-	-
Other accrued liabilities	14,718	6,022	2,538	-	-	23,278	22,334	-	-
Customer and developer deposits	419,675	-	-	-	-	419,675	402,450	-	-
Current maturities of lease obligation	-	-	-	290,163	-	290,163	284,044	-	-
Current maturities of long-term debt	66,500	118,340	165,160	265,000	-	615,000	605,000	-	-
Total Current Liabilities	1,916,223	277,487	1,034,828	625,699	134,417	3,988,654	3,337,525	135,626	157,795
Noncurrent Liabilities, Net of Current Portion									
Compensated absences	314,126	227,437	63,591	19,638	-	624,792	603,377	-	-
Revenue bonds	206,500	315,040	403,460	825,000	-	1,750,000	2,365,000	-	-
Lease obligation	-	-	-	500,355	-	500,355	790,039	-	-
Closure and post-closure cost	-	-	-	5,115,000	-	5,115,000	4,805,000	-	-
Total Noncurrent Liabilities	520,626	542,477	467,051	6,459,993	-	7,990,147	8,563,416	-	-
Total Liabilities	2,436,849	819,964	1,501,879	7,085,692	134,417	11,978,801	11,900,941	135,626	157,795
Net Position									
Net investment in capital assets	15,714,823	6,837,041	5,306,268	2,719,152	-	30,577,284	29,208,662	-	-
Restricted for debt service	73,581	133,947	189,020	347,032	-	743,580	724,649	-	-
Unrestricted	5,676,989	2,486,712	4,844,046	(1,724,876)	-	11,282,871	10,448,562	820,162	38,712
Total Net Position	\$ 21,465,393	\$ 9,457,700	\$ 10,339,334	\$ 1,341,308	\$ -	\$ 42,603,735	\$ 40,381,873	\$ 820,162	\$ 38,712

See accompanying notes and independent auditor's report.

City of Beatrice, Nebraska
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the year ended September 30, 2020
With comparative totals for the year ended September 30, 2019

	Business-Type Activities Enterprise Funds						Governmental Activities Internal Service Fund		
	Electric	Water	Water Pollution Control	BASWA	Nonmajor Sanitation	2020 Total	2019 Total	2020 Total	2019 Total
Operating Revenues									
Charges for services	\$ 16,356,112	\$ 2,646,957	\$ 2,183,811	\$ 1,783,181	\$ 1,558,616	\$ 24,528,677	\$ 25,921,475	\$ 3,328,927	\$ 3,056,546
Reinsurance coverage reimbursements	-	-	-	-	-	-	-	62,115	37,066
Total Operating Revenues	16,356,112	2,646,957	2,183,811	1,783,181	1,558,616	24,528,677	25,921,475	3,391,042	3,093,612
Operating Expenses									
Electric energy purchased	10,942,105	-	-	-	-	10,942,105	12,849,975	-	-
Operating and maintenance expenses	1,371,265	1,103,655	671,441	-	1,558,616	4,704,977	4,541,384	-	-
Customer accounting expenses	218,874	121,333	82,362	-	-	422,569	459,934	-	-
Engineering services	343,124	33,372	33,372	-	-	409,868	400,302	-	-
Administrative and general expense	895,402	490,889	313,124	635,123	-	2,334,538	2,338,144	-	-
Depreciation	1,356,856	559,300	552,785	441,154	-	2,910,095	2,810,498	-	-
Municipal expenses	727,006	57,873	17,835	-	-	802,714	546,457	-	-
Landfill operating contracts	-	-	-	429,330	-	429,330	518,001	-	-
Health insurance claims paid	-	-	-	-	-	-	-	1,811,504	2,185,961
Insurance premiums	-	-	-	-	-	-	-	484,107	488,501
Payflex expenses	-	-	-	-	-	-	-	217,527	222,933
Other services and charges	-	-	-	-	-	-	-	97,133	101,072
Total Operating Expenses	15,854,632	2,366,422	1,670,919	1,505,607	1,558,616	22,956,196	24,464,695	2,610,271	2,998,467
Operating Income	501,480	280,535	512,892	277,574	-	1,572,481	1,456,780	780,771	95,145
Nonoperating Revenues (Expenses)									
Investment earnings	79,252	31,249	61,108	56,323	-	227,932	285,300	679	515
Gain (loss) on disposal of capital asset	10,558	(3,464)	(5,849)	-	-	1,245	9,001	-	-
Miscellaneous revenues	185,942	124,607	27,495	671	-	338,715	335,128	-	-
Interest expense	(5,661)	(10,356)	(14,645)	(48,612)	-	(79,274)	(89,769)	-	-
Total Nonoperating Revenues (Expenses)	270,091	142,036	68,109	8,382	-	488,618	539,660	679	515
Income Before Contributions and Transfers	771,571	422,571	581,001	285,956	-	2,061,099	1,996,440	781,450	95,660
Transfers (out) in from other City Funds	(13,161)	(7,897)	(5,264)	26,322	-	-	-	-	-
Capital Contributions	70,463	90,300	-	-	-	160,763	-	-	-
Change in Net Position	828,873	504,974	575,737	312,278	-	2,221,862	1,996,440	781,450	95,660
Net Position, Beginning of Year	20,636,520	8,952,726	9,763,597	1,029,030	-	40,381,873	38,385,433	38,712	(56,948)
Net Position, End of Year	\$ 21,465,393	\$ 9,457,700	\$ 10,339,334	\$ 1,341,308	\$ -	\$ 42,603,735	\$ 40,381,873	\$ 820,162	\$ 38,712

See accompanying notes and independent auditor's report.

City of Beatrice, Nebraska
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the year ended September 30, 2020
With comparative totals for September 30, 2019

	Business-Type Activities Enterprise Funds							Governmental Activities Internal Service Fund	
	Electric	Water	Water Pollution Control	BASWA	Nonmajor Sanitation	2020 Total	2019 Total	2020 Total	2019 Total
Cash Flows From Operating Activities									
Cash received from customers	\$ 16,420,025	\$ 2,610,334	\$ 2,187,680	\$ 1,776,208	\$ 1,556,714	\$ 24,550,961	\$ 26,188,510	\$ 3,367,673	\$ 3,070,570
Cash paid to suppliers for goods and services	(13,106,228)	(964,357)	(553,512)	(437,297)	(1,560,795)	(16,622,189)	(18,156,149)	(2,632,440)	(2,958,806)
Cash paid for collateral deposit	-	-	-	-	-	-	(150,000)	-	-
Cash paid to employees for services	(1,565,927)	(867,033)	(550,148)	(289,925)	-	(3,273,033)	(3,232,743)	-	-
Net cash provided by (used in) operating activities	1,747,870	778,944	1,084,020	1,048,986	(4,081)	4,655,739	4,649,618	735,233	111,764
Cash Flows from Noncapital Financing Activities									
Other miscellaneous receipts	172,781	116,710	22,231	26,993	-	338,715	335,128	-	-
Cash Flows from Capital and Related Financing Activities									
Principal payments on long-term debt	(64,750)	(114,970)	(160,280)	(548,565)	-	(888,565)	(822,367)	-	-
Proceeds from long-term debt	-	-	-	-	-	-	283,378	-	-
Interest paid on long-term debt	(5,925)	(10,979)	(15,623)	(53,623)	-	(86,150)	(88,319)	-	-
Capital contributions	70,463	90,300	-	-	-	160,763	-	-	-
Proceeds from sales of capital assets	-	-	-	-	-	-	9,001	-	-
Purchases of capital assets	(2,200,029)	(760,583)	(309,036)	(119,259)	-	(3,388,907)	(3,048,072)	-	-
Net cash used in capital and related financing activities	(2,200,241)	(796,232)	(484,939)	(721,447)	-	(4,202,859)	(3,666,379)	-	-
Cash Flows From Investing Activities									
Purchases of investments	(332,978)	(303,456)	(211,286)	(553,631)	-	(1,401,351)	(2,114,725)	-	-
Sales and maturities of investments	1,289,659	306,122	704,081	224,480	-	2,524,342	767,803	-	-
Interest received	80,617	31,531	62,158	56,323	-	230,629	284,471	679	515
Net cash provided by (used in) investing activities	1,037,298	34,197	554,953	(272,828)	-	1,353,620	(1,062,451)	679	515
Net Change in Cash and Cash Equivalents	757,708	133,619	1,176,265	81,704	(4,081)	2,145,215	255,916	735,912	112,279
Cash and Cash Equivalents, Beginning of Year	1,924,228	1,595,273	2,827,695	437,090	79,343	6,863,629	6,607,713	173,465	61,186
Cash and Cash Equivalents, End of Year	\$ 2,681,936	\$ 1,728,892	\$ 4,003,960	\$ 518,794	\$ 75,262	\$ 9,008,844	\$ 6,863,629	\$ 909,377	\$ 173,465
Composition of Cash and Cash Equivalents									
Cash and cash equivalents	\$ 2,541,960	\$ 1,728,892	\$ 4,003,960	\$ 518,794	\$ 75,262	\$ 8,868,868	\$ 6,740,557	\$ 909,377	\$ 173,465
Restricted cash and cash equivalents	139,976	-	-	-	-	139,976	123,072	-	-
Total Cash and Cash Equivalents	\$ 2,681,936	\$ 1,728,892	\$ 4,003,960	\$ 518,794	\$ 75,262	\$ 9,008,844	\$ 6,863,629	\$ 909,377	\$ 173,465

See accompanying notes and independent auditor's report.

City of Beatrice, Nebraska
STATEMENT OF CASH FLOWS - CONTINUED
PROPRIETARY FUNDS
For the year ended September 30, 2020
With comparative totals for September 30, 2019

	Business-Type Activities Enterprise Funds							Governmental Activities Internal Service Fund	
			Water Pollution Control		Nonmajor Sanitation	2020 Total	2019 Total	2020 Total	2019 Total
	Electric	Water		BASWA					
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities:									
Operating income	\$ 501,480	\$ 280,535	\$ 512,892	\$ 277,574	\$ -	\$ 1,572,481	\$ 1,456,780	\$ 780,771	\$ 95,145
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:									
Depreciation	1,356,856	559,300	552,785	441,154	-	2,910,095	2,810,498	-	-
Changes in operating assets and liabilities:									
Accounts receivable	5,644	(6,132)	3,755	(6,973)	(1,902)	(5,608)	299,912	(23,369)	(23,042)
Unbilled and accrued revenues	58,269	(30,491)	114	-	-	27,892	(32,877)	-	-
Materials and supplies inventory	(16,330)	(32,329)	-	-	-	(48,659)	(49,964)	-	-
Prepaid expenses	(625)	(426)	(477)	-	-	(1,528)	(854)	-	-
Collateral deposit	-	-	-	-	-	-	(150,000)	-	-
Accounts payable	(188,694)	(5,487)	8,758	3,511	(2,179)	(184,091)	(188,386)	-	-
Accrued compensated absences	370	7,158	2,095	-	-	9,623	75,784	-	-
Customer and developer deposits	17,225	-	-	-	-	17,225	330	-	-
Closure and post-closure care	-	-	-	310,000	-	310,000	409,000	-	-
Other accrued liabilities	13,675	6,816	4,098	23,720	-	48,309	19,395	(22,169)	39,661
Total adjustments	1,246,390	498,409	571,128	771,412	(4,081)	3,083,258	3,192,838	(45,538)	16,619
Net cash provided by (used in) operating activities	<u>\$ 1,747,870</u>	<u>\$ 778,944</u>	<u>\$ 1,084,020</u>	<u>\$ 1,048,986</u>	<u>\$ (4,081)</u>	<u>\$ 4,655,739</u>	<u>\$ 4,649,618</u>	<u>\$ 735,233</u>	<u>\$ 111,764</u>
Supplemental Disclosure for NonCash Capital Activities:									
Purchase of capital assets on account	\$ 27,522	\$ 4,590	\$ 780,256	\$ -	\$ -	\$ 812,368	\$ 40,133	\$ -	\$ -
Trade-in value for purchase of capital asset	\$ 15,000	\$ -	\$ -	\$ -	\$ -	\$ 15,000	\$ -	\$ -	\$ -

See accompanying notes and independent auditor's report.

City of Beatrice, Nebraska
 STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 September 30, 2020
 With comparative totals for September 30, 2019

	Pension Trust Fund	
	2020	2019
Assets		
Investments with fiscal agent:		
Guaranteed interest accounts	\$ 8,552,026	\$ 7,264,449
Publicly traded mutual funds	<u>18,066,330</u>	<u>16,501,713</u>
Total Assets	<u>\$ 26,618,356</u>	<u>\$ 23,766,162</u>
Net Position		
Net position restricted for pensions	<u>\$ 26,618,356</u>	<u>\$ 23,766,162</u>

See accompanying notes and independent auditor's report.

City of Beatrice, Nebraska
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 For the years ended September 30, 2020
 With comparative totals for September 30, 2019

	Pension Trust Fund	
	2020	2019
Additions		
Contributions		
Employer	\$ 533,697	\$ 546,007
Employee	482,838	476,044
Total Contributions	<u>1,016,535</u>	<u>1,022,051</u>
Investment earnings		
Net change in the fair value of investments	<u>2,509,680</u>	<u>813,595</u>
Total Additions	<u>3,526,215</u>	<u>1,835,646</u>
Deductions		
Benefits	673,221	1,006,569
Administrative expenses	800	765
Total Deductions	<u>674,021</u>	<u>1,007,334</u>
Change in Net Position	<u>2,852,194</u>	<u>828,312</u>
Net Position Restricted for Pensions, Beginning of Year	<u>23,766,162</u>	<u>22,937,850</u>
Net Position Restricted for Pensions, End of Year	<u>\$ 26,618,356</u>	<u>\$ 23,766,162</u>

See accompanying notes and independent auditor's report.

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of the City of Beatrice (the "City") is presented to assist in understanding the City's financial statements. The financial statements and notes are representations of the City's management, which is responsible for their integrity and objectivity. The accounting and reporting framework and the more significant accounting principles and practices are discussed in subsequent sections of this Note.

The City of Beatrice was founded in 1857, incorporated in 1873, was chartered as a first-class city in 1893, and since 1957 has operated under the Mayor-Council form of government to provide the following services as authorized by its charter: public safety, highways and streets, sanitation, health and social services, parks, recreation, public improvements, planning and zoning, electric service, water service, water pollution control, and general administrative services. The City is a municipal corporation governed by an elected mayor and eight-member council.

1. Financial Reporting Entity

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

The City's financial reporting entity is comprised as follows:

Primary Government:	City of Beatrice
Blended Component Unit:	Beatrice Area Solid Waste Agency
Discretely Presented Component Units:	Beatrice Airport Authority
	Community Redevelopment Authority
	Beatrice Public Library Foundation, Inc.

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

1. Financial Reporting Entity – Continued

Blended Component Unit

Blended component units are separate legal entities that meet the component unit criteria as set forth by GASB. Blended component units either (1) have a governing body that is the same or substantially the same as the primary government and there is a financial benefit or burden between the primary government and the component unit or management of the primary government have operational responsibility for the activities of the component unit, or (2) the total debt outstanding of the component unit is expected to be repaid entirely or almost entirely with the resources of the primary government. The City has one blended component unit, as follows, which is blended into the financial statements of the City by appropriate activity type to compose the primary government presentation.

Beatrice Area Solid Waste Agency – The Beatrice Area Solid Waste Agency (“BASWA”) is a joint entity between the City of Beatrice, Gage County, Nebraska, and seven smaller communities whose purpose is to provide for operation of a solid waste disposal facility. The BASWA governing body is substantively the same as the City’s primary government and includes the Mayor, eight City Council members, and two Gage County Board members, with the City holding the voting majority. A management agreement exists between BASWA and the City in which the City undertakes the operation and management of the facilities, as agent acting on behalf of the Agency. BASWA has a September 30 fiscal year end.

Discretely Presented Component Units

Discretely presented component units are separate legal entities that meet the component unit criteria as stated by GASB. The following are the discretely presented component units:

Beatrice Airport Authority – The Beatrice Airport Authority was established to provide for the operations of the Beatrice Airport. The governing body is elected by voters of the City. The City is considered financially accountable for the Airport, as the City approves the Airport Authority’s annual budgetary request for tax levies and debt issuances, and the City would ultimately be responsible for the debt of the Airport Authority if such revenues are insufficient to meet the Airport Authority’s obligations. Information included in this financial statement is from the Airport Authority’s fiscal year end of September 30.

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

1. Financial Reporting Entity – Continued

Discretely Presented Component Units – Continued

Community Redevelopment Authority – The Community Redevelopment Authority (“CRA”) receives and distributes tax increment financing funds. These funds are deposited with the City Treasurer as ex-officio treasurer of the authority without any commingling of the money with other City funds. The CRA has a separate governing body that is appointed by the City. The City does not have fiduciary responsibility for the CRA, however, the potential exists for the authority to request tax levies from the City. Information included in this financial statement is from the CRA’s fiscal year end of September 30.

Beatrice Public Library Foundation, Inc. – The Beatrice Public Library Foundation, Inc. (the “Foundation”) has a separate governing body and is not fiscally dependent upon the City; however, the sole purpose of the entity is to provide funds for the financial support of the Beatrice Public Library. The Foundation makes an annual contribution from its investment earnings to the City for the purchase of library materials and remits any bequests for specific projects to benefit the library. The Foundation also donates money for certain capital improvement projects of the library. The amounts included in the City’s 2020 financial statements are amounts as of and for the Foundation’s fiscal year ended July 31, 2020.

Complete financial statements for the Beatrice Airport Authority and Beatrice Public Library Foundation, Inc. may be obtained from the City Finance Director, City of Beatrice, 400 Ella Street, Beatrice, NE 68310. The Community Redevelopment Authority does not issue separate financial statements.

2. Financial Statement Presentation

Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. Eliminations have been made to minimize interfund activities. All interfund services provided and used are not eliminated in the process of consolidation. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely, to a significant extent, on fees and charges for support.

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2. Financial Statement Presentation - Continued

Government-wide Financial Statements - Continued

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of the City. *General revenues* of the City include taxes and other items which are properly excluded from the program revenues.

Fund Financial Statements

Separate financial statements are provided for governmental and proprietary funds, which are comprised of individual funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflows and inflows of resources, liabilities, fund balance or net position, revenues, and expenditures/expenses. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City (i.e. General Fund) or meets the following criteria:

- a. Total assets and deferred outflows, liabilities and deferred inflows, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets and deferred outflows, liabilities and deferred inflows, revenues, or expenditures/expenses of that individual governmental fund or enterprise fund are at least five percent of the corresponding total for all governmental and enterprise funds combined.

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2. Financial Statement Presentation - Continued

Governmental Funds

The City reports the following major governmental funds:

General Fund – The General Fund is the general operating fund of the City and is always classified as a major fund. It is used to account for all financial resources except those legally or administratively required to be accounted for in another fund. Revenues are derived primarily from property and other local taxes, intergovernmental revenues, licenses, permits, charges for services and interest income.

Street Fund – The Street Fund is a special revenue fund used to account for operation of the street department. Revenues are provided by the City's share of state gasoline taxes, in addition to the required match from the City. State law requires these taxes to be used to construct and maintain roads, streets and improvements, and for the street program administration.

Public Safety Capital Improvements Fund – The Public Safety Capital Improvements Fund is a capital projects fund used to account for and report financial resources that are restricted or committed to expenditures for the acquisition of fixed assets or construction of major capital facilities for police, fire and rescue services.

Additionally, the City reports the following non-major fund types:

Special Revenue Funds – The Special Revenue Funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. These nonmajor funds consist of the Community Development Block Grant (CDBG), economic development, keno, 911 surcharges, and storm water management funds.

Debt Service Funds – The Debt Service Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. These nonmajor funds consist of general obligation, bonded districts, and unbonded assessment debt service.

Capital Projects Funds – The Capital Projects Funds account for and report financial resources that are restricted, committed, or assigned to expenditure for the acquisition of fixed assets or construction of major capital facilities not being financed by proprietary funds. These nonmajor funds consist of library capital improvements and capital improvements.

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2. Financial Statement Presentation - Continued

Proprietary Funds

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

Enterprise Funds – Enterprise Funds are used to account for operations for which a fee is charged to external users. It is required to be used to account for operations that are either (a) financed with debt that is secured solely by a pledge of the net revenues from the fees or charges of the activity; or (b) required by laws or regulations stipulating that the activity's costs of providing services, including capital costs, be recovered with fees and charges, rather than taxes or similar revenues; or (c) where pricing policies of the activity establish fees and charges designed to recover its costs.

Internal Service Funds – Internal Service Funds account for operations that provide services to other departments of the City, or to other governmental units on a cost reimbursement basis. The City's internal service fund consists of a self-insured health care fund which provides insurance to the employees of the City's other departments.

The City reports the following major proprietary funds:

Electric Fund – The Electric Fund accounts for the revenues and expenses of the electric utility. The electric utility purchases electricity wholesale and retails it to the residents of the City.

Water Fund – The Water Fund accounts for the revenues and expenses of the water utility. The water utility pumps, transmits, stores, and distributes water to the residents of the City.

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2. Financial Statement Presentation - Continued

Water Pollution Control Fund – The Water Pollution Control Fund is used to account for the revenues and expenses of the water pollution control utility. The water pollution control utility provides for the collection and treatment services of waste water for the residents of the City.

Beatrice Area Solid Waste Agency Fund – The Beatrice Area Solid Waste Agency Fund accounts for revenues and expenses for the maintenance and operation of a solid waste facility servicing Beatrice, Gage County, and surrounding cities and villages that enter into service agreements with the Agency. The City of Beatrice undertakes to operate and manage the facilities, as agent acting on behalf of the Agency. The City contracts with a private contractor for operation of the recycling center.

Additionally, the City reports the following nonmajor enterprise fund:

Sanitation Fund – This enterprise fund accounts for the collection of residential and commercial garbage service fees of the City. The City utilizes the services of a contracted hauler for this commercial garbage service.

Fiduciary Funds

Trust Funds – Trust funds account for assets held by the City for the members and beneficiaries of defined benefit and contribution pension plans. The reporting entity includes the following trust funds:

Firefighters Pension - Accounts for the administration for the firefighters' pension funds under the defined contribution plan.

Police Pension - Accounts for the administration of the police pension fund under the defined contribution plan.

General Government Pension - Accounts for the administration of the non-uniformed employees' pension funds under the defined contribution plan.

Board of Public Works Pension - Accounts for the administration of the Board of Public Works employees' pension funds under the defined contribution plan.

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2. Financial Statement Presentation - Continued

Prior-Year Summarized Financial Information

The basic financial statements include certain prior-year summarized comparative information in total but not at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the government's financial statements for the year ended September 30, 2019, from which the summarized information was derived.

3. Measurement Focus and Basis of Accounting

The government-wide financial statements include governmental and business-type activities which are reported using the *total economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as the eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are prepared on the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when measurable and available. Revenues are considered to be *available* when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting; however, debt service expenditures, including interest on long-term debt, as well as expenditures on other long-term liabilities (i.e. accrued compensated absences, registered warrants, etc.) are only recorded when payment is due. Capital assets are recognized as expenditures in the period incurred.

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

3. Measurement Focus and Basis of Accounting - Continued

Property taxes, sales taxes, highway user fees, interdepartmental charges, and interdepartmental revenues are all considered to be susceptible to accrual. Special assessments are recorded as revenues in the year the assessment become current. Annual installments not yet due are reflected as special assessment receivables and deferred inflows of resources.

4. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows/inflows of resources, and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

5. Income Taxes

The Internal Revenue Service has determined that the Beatrice Public Library Foundation, Inc. is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Foundation's tax-exempt purpose is subject to taxation as unrelated business income. In addition, the Foundation qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2).

The Beatrice Public Library Foundation has adopted the provisions of FASB ASC 740-10, *Accounting for Uncertain Tax Positions*. The Beatrice Public Library Foundation continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax laws, and new authoritative rulings.

6. Cash and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, equity in pooled cash, and original investments with maturities of three months or less from the date of acquisition. The County Treasurer's cash represents revenues collected by Gage County but not yet remitted to the City at September 30, 2020.

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

6. Cash and Investments – Continued

The City may invest in certificates of deposits, money market funds, and U.S. treasury bills, notes, or bonds, at financial institutions which are insured by the Federal Deposit Insurance Corporation ("FDIC") or collateralized by securities held in the City's name in the form of pledged securities, guaranteed by the full faith and credit of the U.S. Government and other similar obligations of the U.S. Government or its agencies.

Investments in the government and enterprise funds are carried at fair value based on quoted market prices. The investments held by the Pension Trust Fund do not have a readily determinable fair value and are recorded at their net asset values, which approximates fair value.

7. Receivables

In the financial statements, receivables consist of all revenues earned at year end and not yet received. Receivables not received within 60 days of fiscal year end in the governmental funds are deferred as unavailable revenues. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivable balances for the governmental activities include ambulance billings, CDBG loans, economic development loans, sales tax, highway user fees, and property taxes. Business-type activities report utility billings as their major receivable.

8. Inventories and Prepaid Items

Inventories are stated at cost. Cost is determined by the first-in, first-out (FIFO) method. The costs of inventory items are recognized as expenditures in governmental funds when purchased and as expenses in proprietary funds when used.

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

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

9. Restricted Assets

Restricted assets include cash and investments that are legally restricted as to their use. Restricted assets are primarily related to debt service and proceeds of specific revenue sources that are legally restricted to expenditures for certain purposes.

10. Collateral Deposit

The Electric fund of the City is a transmission dependent utility of certain regional transmission organizations. The collateral deposit represents funds remitted to a regional transmission organization as a form of financial assurance to secure the City's performance under the terms and conditions of the respective tariffs related to the purchase of transmission service, market services, ancillary services and related products or services.

11. Capital Assets

The accounting treatment over property, plant, and equipment (capital assets) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements. Capital assets include property, plant, equipment, and infrastructure assets (i.e. roads, bridges, drainage systems, street lights, and similar items).

Government-wide Statements

In the government-wide financial statements, capital assets are capitalized, whether owned by governmental activities or business-type activities, and depreciated in the government-wide financial statements. Capital assets, including infrastructure are defined as assets with an initial cost of \$500 or more and an estimated useful life of more than five years.

Capital assets are stated at cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement, if any, are reported at acquisition value. The accounting for property, plant, and equipment and accumulated depreciation in the Electric, Water, and Water Pollution Control enterprise funds is recorded at cost less retirements in the manner prescribed by the Federal Energy Regulatory Commission and/or the National Association of Railroad and Utilities Commissioners.

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

11. Capital Assets - Continued

The City's policy is to capitalize interest on proprietary fund construction projects until substantially completed. Major expenditures for capital assets which substantially extend the useful lives of the asset are capitalized. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the assets lives are not capitalized. When capital assets are retired or otherwise disposed of, their costs and related accumulated depreciation are removed from the accounts and any resulting gains or losses are included in income.

Property, plant, equipment, and infrastructure are depreciated using the straight-line method over the following estimated useful lives:

Vehicles	5 - 10 years
Office and computer equipment	5 - 10 years
Tools and work equipment	5 - 15 years
Electric load management system	10 years
Electric distribution system	25 years
Water wells and transmission	25 years
Water storage and distribution	25 years
Water pollution control disposal plant	25 years
Sewer collection lines and lift stations	25 years
Buildings	15 - 50 years
Infrastructure	5 - 50 years

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for as in the government-wide statements.

12. Compensated Absences

City and Beatrice Public Works employees earn sick leave at the rate of one day per month, except fire captains and fire union employees that earn 16 hours per month, and earn hours of vacation per pay period based on years of service. Vacation and sick leave accumulate on a monthly basis and are fully vested when earned. Non-union city employees, union police employees, and Beatrice Public Works employees will be paid 50% of any unused sick leave hours in excess of 1,040 (maximum) on January 1 of each year. Fire captains and union fire employees will be paid 25% of any unused sick leave

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

12. Compensated Absences - Continued

hours in excess of 1,460 (maximum) on January 1 of each year, up to a maximum of 48 hours. Non-union city and Beatrice Public Works employees can carry up to 240 hours in vacation leave at calendar year end and fire captains and union employees (police and fire) can carry over the amount they earned in the previous year based on their years of service. Non-union and Beatrice Public Works employees are allowed to sell back 80 hours of vacation at calendar year end.

All accumulated vacation is payable upon separation from the City, as long as written notice is given two weeks prior to separation. Upon separation from employment, non-union city employees and Beatrice Public Works employees will receive 50% of any accumulated unused sick leave hours, and upon death or reaching the age of 55, employees shall be compensated for 75% of any accumulated unused sick leave. Fire captains, union police and fire employees, and Beatrice Public Works employees hired after October 1, 2008, do not receive any payout of sick leave upon separation from employment. For fire captains and union police and fire employees hired before October 1, 2008, they will be paid out as follows: fire captains and union fire employees upon separation from employment will receive 50% of any accumulated unused sick leave hours, up to maximum of 540 hours, and upon retirement or death shall be compensated for 75% of any accumulated unused sick leave hours, up to a maximum of 780 hours; union police employees, which have been employed at least five years, will receive 50% of any accumulated unused sick leave hours, up to a maximum of 360 hours upon separation or 520 hours upon death or retirement upon the age of 60 years or older.

Compensatory time rather than overtime compensation may be given. No employee shall accrue more than 120 hours of compensatory time for hours worked. All accumulated compensatory time is paid to the employee upon his or her termination.

The amounts of unpaid vacation and compensatory time accumulated by City employees are accrued as expenses when incurred in proprietary funds and reported as a fund liability. In the governmental funds the amount expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts not expected to be liquidated with expendable available financial resources, are reported as long-term liabilities in the Statement of Net Position and an expense in the Statement of Activities for these amounts.

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

13. Long-Term Obligations

The accounting treatment of long-term obligations depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

Government-wide Statements

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term obligations of the City consist primarily of accrued compensated absences, leases payable, bonds payable, and closure/post-closure costs.

Fund Financial Statements

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest on other long-term obligation is reported as expenditures. The accounting for the proprietary funds is the same as is in the government-wide statements.

14. Net Position and Fund Balance Classification

Net Position Classification

Net Position is shown in the government-wide, proprietary, and fiduciary fund financial statements. Net position is required to be classified into three components as follows:

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

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

14. Net Position and Fund Balance Classification - Continued

Net Position Classification - Continued

Restricted net position – This component of net position consists of restricted assets, reduced by liabilities related to those assets, with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted net position – This component of net position consists of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the “restricted” or “net investment in capital assets” components of net position.

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

Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The City has classified inventories and prepaid items within this classification as they are not in spendable form.

Restricted – This classification includes amounts for which constraints have been placed on the use of the resources by either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

14. Net Position and Fund Balance Classification - Continued

Fund Balance Classification – Continued

Committed – This classification includes amounts that can be used only for specific purposes pursuant to ordinances adopted by the City Council. These amounts cannot be used for any other purpose unless the Council removes or changes the specified use by taking the same action employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned – This classification includes amounts that are constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the City Council or through the Council delegating this responsibility to the City Treasurer through the budgetary process.

Unassigned – This classification includes the residual fund balance. Only the General Fund can report a positive unassigned balance.

The City would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

The City records encumbrances in the form of an approved purchase order when the item is ordered or a contract is entered into. Those encumbrances outstanding at year end are included in restricted, committed, or assigned fund balances, as appropriate. Encumbrances can be made in any fund and do not lapse at year end.

15. Interfund Transactions

During the course of normal operations the City has numerous transactions between funds, including expenditures and transfers of resources to provide services, construct assets, and service debt. The accompanying financial statements generally reflect such transactions as operating transfers. Operating subsidies are also recorded as operating transfers. The classification of amounts recorded as subsidies, advances, or equity contributions is determined by City management. External transactions and

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

15. Interfund Transactions – Continued

reimbursements are appropriately accounted for as fund revenues and expenditures/expenses, or adjustments thereto, in the funds involved.

The General Fund and enterprise funds provide services for each other. Amounts charged for these services are recorded as revenue and expenditures/operating expenses in the respective funds.

16. Property Taxes

Property taxes are recorded as a receivable when levied. Based on past experience, the uncollected portion has been deemed immaterial to the City's financial statements. The portion of the taxes not collected within 60 days after fiscal period end is recorded as unavailable revenue, a deferred inflow of resources, in the governmental fund financials.

Property tax revenues are recognized in the accounting period when they become susceptible to accrual; that is, when they become both "measurable" and "available" to finance expenditures.

Property tax calendar:

Levy date	October 15
Tax bills mailed	December 1
Due date	December 31
First installment payment delinquent	May 1
Second installment payment delinquent	September 1
Lien date	January 1

Property taxes are billed and collected by the County Treasurer of Gage County, Nebraska. The City is permitted to levy taxes up to \$0.499934 per \$100 of assessed valuation for general governmental services other than the payment of principal and interest on long-term debt. The tax rate to finance general government services other than the payment of principal and interest on long-term debt for the year ended September 30, 2020 was \$.360211 per \$100 of assessed valuation. The City has a tax margin of \$0.139723 per \$100 of assessed valuation and could raise taxes by \$982,214, based on the present assessed valuation of \$702,972,547, before the limit is reached.

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

17. Sales and Use Tax

On November 4, 1986, the citizens of the City voted in favor of a 1% city sales tax, effective April 1, 1987. A resolution adopted by the City Council stated that 30% of the sales tax revenue was to be used for street improvements and maintenance, and 70% for property tax relief. As of October 1, 2006, sales tax collected on the sale of motor vehicles is reserved for street fund expenditures as required by LB904.

On November 3, 1992, the citizens of the City voted in favor of an additional 1/2% City sales tax, effective April 1, 1993. A resolution adopted by the City Council stated that 50% of the proceeds up to a maximum annual amount of \$250,000 was to be used for the purpose of financing the economic development program to create jobs and ensure the economic stability and vitality for a ten-year period ending March 31, 2003, and the remainder of the proceeds derived on and before March 30, 2003, and 100% of the proceeds derived after March 31, 2003, was to be used for property tax relief. On November 3, 1998, voters approved to extend the effective dates of this resolution to March 31, 2013. On May 15, 2012, voters approved to continue the economic development program, to be funded \$250,000 annually from the General Fund, and the 1/2% sales tax collected after March 31, 2013, is 100% for property tax relief.

On November 6, 2018, the citizens of the City voted in favor of an additional 1/2% City sales tax, effective April 1, 2019, to be used solely for the purposes of financing, refinancing, acquiring, constructing, improving, equipping, furnishing, operating and maintaining a new fire station. The additional 1/2% tax shall be imposed for not more than ten years or until the final payment of bonds, including refunding bonds, to which such tax is pledged, whichever is later.

The local merchants collect the sales tax and remit it to the Nebraska Department of Revenue by the 25th of the following month. The Department of Revenue remits the sales tax to the City of Beatrice (net of a collection fee) within 30 days after they receive it.

18. Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities. In the fund financial statements, expenditures are classified by character and function for the governmental funds and by operating and non-operating for the proprietary funds. In the fund financial statements, governmental funds report expenditures of financial resources. Proprietary funds report expenses relating to use of economic resources.

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE B. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

By its nature as a local government unit, the City and its component units are subject to various federal, state, and local laws and contractual regulations. An analysis of the City's compliance with significant laws and regulations and demonstration of its stewardship over City resources follows:

1. Fund Accounting Requirements

The City complies with all state and local laws and regulations requiring the use of separate funds. The legally required funds used by the City include: Special Revenue, Capital Projects, Debt Service, and Trust Funds.

2. Deposit Laws and Regulations

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

State law requires collateralization of all deposits with federal depository insurance or with pledged securities, the types of which are specifically identified in the Statutes, having an aggregate value at least equal to the amount of the deposits. Any cash deposits or certificates of deposit in excess of the Federal Deposit Insurance Corporation (FDIC) limits are insured by collateral held by the pledging institution in the City's name.

Statutes authorize the City Treasurer (Finance Director) to deposit all money collected, received, or held by the Treasurer in state and national banks of approved and responsible standing. Statutes also authorize the City Treasurer to purchase certificates of deposit from banks selected as depositories of City funds.

For the security of the funds so deposited, the City Treasurer shall require each depository bank to give bond for the safekeeping and payment of such deposits and the accretions thereof, which bond shall run to the City and be approved by the Mayor. Such bond shall be deposited with the City Finance Director.

In-lieu-of the bond requirement, any bank making application to become a depository of the City may deposit security with the City Finance Director as provided in State Statute 16-715. Provided, that the penal sum of said bond of the sum of said pledge of assets shall be of the value equal to or greater than the amount of the deposit in excess of that portion of said deposit insured by the FDIC.

The City Treasurer shall not have on deposit in any bank at any time more than either (1) the maximum amount of the bond given by said bank if the bank gives a surety bond, nor

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE B. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY – CONTINUED

2. Deposit Laws and Regulations - Continued

in any bank giving a personal bond, more than one-half of the amount of the bond of such bank, and the amounts on deposit any time with any such bank shall not in either case exceed the paid-up capital stock and surplus of such bank; or (2) ninety percent of the par value of the securities furnished by said bank in cases where the bank deposits securities approved by the City Treasurer in-lieu-of a bond.

The Statutes in the preceding four paragraphs do not apply to Pension Trust Funds of the City.

3. Revenue Restrictions

The City has various restrictions placed over certain revenue sources by state or local requirements.

4. Debt Restrictions and Covenants

Bonds Payable – The various bond ordinances relating to the bonds payable contain some restrictions or covenants that are financial-related. These include covenants such as debt service coverage requirements and required reserve account balances.

5. Budgetary Data

An appropriated budget is adopted each fiscal period for the General, Special Revenue, Debt Service, and Capital Projects Funds on the modified accrual basis, further modified by the encumbrance method of accounting to provide a meaningful comparison of actual results with the budgets. Commitments such as purchase orders and contracts, in addition to disbursements and accounts payable, are recorded as expenditures. An appropriated budget is adopted each fiscal period for each Enterprise Fund and Internal Service Fund on the accrual basis which is consistent with GAAP.

There were no differences between the City's budgetary basis and GAAP basis for the governmental funds as of September 30, 2020.

The City follows these procedures in establishing the budgetary data reflected in the financial statements: 1) Prior to September 10, the City Administrator submitted to the Mayor and City Council a proposed operating budget for the fiscal period commencing October 1, 2019, and ending September 30, 2020 that includes proposed expenditures and the means of financing them; 2) Public hearings are conducted to obtain

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE B. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY - CONTINUED

5. Budgetary Data - Continued

taxpayer comments; 3) Prior to September 20, the budget is legally enacted through passage of an ordinance.

The City Council approves, by ordinance, total budget appropriations for the General, Special Revenue, Debt Service, and Capital Project funds. The City Administrator is authorized to transfer budget amounts between departments within any fund; however, any revisions that alter total appropriations of any fund must be approved by the City Council.

The City Council adopts by ordinance the total City budget; by resolution, on a fund basis; and the budgetary control for internal purposes is exercised at the department level. The City Council must approve any supplemental appropriations to a fund. Unused appropriations lapse at period end.

The budget amounts shown in the financial statements are the final authorized amounts as revised during the fiscal period.

NOTE C. CASH AND INVESTMENTS

The City maintains a cash and investment pool that is available for use by all funds except the Board of Public Works, Beatrice Area Solid Waste Agency, Beatrice Airport Authority, and the Pension Trust Fund. Each fund's portion of this pool is displayed on their respective combining balance sheets as "Cash and cash equivalents" and "Investments." The deposits and investments of the aforementioned funds are held separately from those of other City funds. The City's funds are deposited in non-interest bearing accounts, interest bearing accounts, and non-negotiable certificates of deposit at state and national banks.

The Board of Public Works maintains certificates of deposits, money market accounts for restricted assets for customer deposits and its various debt accounts including the Bond Payment Account and the Debt Service Reserve Account. The Airport Authority maintains restricted cash and cash equivalents to be used for future debt service. These accounts are identified on the balance sheet as "Restricted Cash and Cash Equivalents" or "Restricted Investments" in the financial statements.

The Pension Trust Funds of the City's and Beatrice Public Works' employees are managed by Ameritas Investment Company. Ameritas is not required to insure the funds entrusted to them.

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE C. CASH AND INVESTMENTS - CONTINUED

State Statutes require that not more than 50% of the pension funds be held in equity accounts. The investments of the City's pension trust funds are pooled with those of other trust funds and they are separated by bookkeeping entries only. Investments in the Pension Trust Funds are made up of various types of mutual funds. All securities in the Pension Trust Fund are held by Ameritas, not in the City's name.

1. Custodial Credit Risk

Deposits

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's cash deposits, including certificates of deposit, are insured up to \$250,000 for each depositor (City and Beatrice Public Works), per insured financial institution, for each ownership category by the Federal Deposit Insurance Corporation (FDIC). As of September 30, 2020, all of the City's deposits with financial institutions were fully insured or collateralized by securities held in the City's name in the form of pledged securities.

Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. All of the underlying securities for the City's investments at September 30, 2020, are held by the counterparties not in the name of the City. The underlying securities consist of cash, direct obligations of or guaranteed by the full faith and credit of the U.S. Government, and other similar obligations of the U.S. Government or its agencies.

Beatrice Public Library Foundation

At July 31, 2020, the amount the Beatrice Public Library Foundation held in cash and certificates of deposits at banks, financial institutions, and brokerage accounts was \$198,713, which equals the amount included in the financial statements. The Federal Deposit Insurance Corporation insures amounts up to \$250,000 at each financial institution. At July 31, 2020, all cash and certificates of deposit held at banks, financial institutions, and brokerage accounts were fully insured.

At July 31, 2020, money market accounts held in brokerage accounts were \$121,435.

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE C. CASH AND INVESTMENTS – CONTINUED

2. Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from interest rates, the City's investment policy requires that market conditions and investment securities be analyzed to determine the maximum yield to be obtained and to minimize the impact of rising interest rates.

3. Credit Risk

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. The City of Beatrice controls this risk by adopting a policy that establishes requirements for the investment of City funds that the City invest its surplus funds only in certificates of deposit in local financial institutions, which have a place of business in Beatrice, Nebraska, and in securities of the United States government.

4. Concentration of Credit Risk

The City's investment policy places no limit on the amount that may be invested in any one issuer. At September 30, 2020, the City's investments significant investment concentrations are as follows:

Certificates of deposit	
Pinnacle Bank	10.83%
Security First Bank	7.40%
Mutual Funds - Ameritas Investment Company	
Stable Value/ Guaranteed	25.83%
Large Equity	10.96%
Balanced	7.22%
Mid-Equity	5.81%
Small Equity	5.03%
Target Date	7.28%
Technology	8.26%

5. Foreign Currency Risk

This risk relates to adverse effects on the fair value of an investment from changes in exchange rates. The City has no investments denominated in foreign currency at September 30, 2020.

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE C. CASH AND INVESTMENTS – CONTINUED

6. Summary of Deposit and Investment Balances

Following is a reconciliation of the City's deposits and investment balances as of September 30, 2020:

	Primary Government	Fiduciary Funds	Totals	Component Units
Cash on deposit	\$ 167,133	\$ -	\$ 167,133	\$ 128,477
Demand deposits	21,306,529	-	21,306,529	453,277
Time deposits	7,787,939	-	7,787,939	198,713
Investments	190,320	26,618,356	26,808,676	1,593,947
Totals	<u>\$ 29,451,921</u>	<u>\$ 26,618,356</u>	<u>\$ 56,070,277</u>	<u>\$ 2,374,414</u>

	Government- Wide Statement of Net Position	Fiduciary Funds Statement of Net Position	Totals	Component Units
Cash and cash equivalents	\$ 20,799,771	\$ -	\$ 20,799,771	\$ 517,344
Cash on deposit	167,133	-	167,133	9,868
Investments	4,516,463	-	4,516,463	1,477,939
Restricted Assets:				
Cash and cash equivalents	139,976	-	139,976	134,646
Cash on deposit	-	-	-	118,609
Investments	3,828,578	26,618,356	30,446,934	116,008
	<u>\$ 29,451,921</u>	<u>\$ 26,618,356</u>	<u>\$ 56,070,277</u>	<u>\$ 2,374,414</u>

As of September 30, 2020, the Beatrice Airport Authority had cash on deposit with the Gage County Treasurer of \$9,868 and demand deposits of \$447,185. As of September 30, 2020, the Community Redevelopment Authority had cash on deposit with the Gage County Treasurer of \$118,609 and demand deposits of \$6,092. The Beatrice Public Library Foundation, Inc. had time deposits of \$198,713; and investments of \$1,593,947 as of July 31, 2020.

See further information on the City's and Foundation's investments on the following pages.

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE C. CASH AND INVESTMENTS – CONTINUED

6. Summary of Deposit and Investment Balances - Continued

Investments

At September 30, 2020, the City had the following investments, maturities, and credit ratings:

September 30, 2020							
Type	Carrying Value	Maturities in Years			Ratings		Fair Value
		Less than 1	1 - 5	6 - 10	Moody's	S&P	Hierarchy Level
Primary Government:							
U.S. Treasury Note	\$ 190,320	\$ -	\$ 190,320	\$ -	N/A	N/A	Level 2
Certificates of Deposit	7,787,939	2,513,366	5,274,573	-	Not rated	Not rated	N/A
Total Primary Government	7,978,259	2,513,366	5,464,893	-			
Pension Trust Funds:							
Mutual Funds							
Stable Value/ Guaranteed	8,937,982	8,937,982	-	-	Not rated	Not rated	NAV
Investment Grade Bond	455,048	455,048	-	-	Not rated	Not rated	NAV
Short-Term Bond	50,705	50,705	-	-	Not rated	Not rated	NAV
High Yield/ Multisector Bond	78,659	78,659	-	-	Not rated	Not rated	NAV
Real Estate	667,920	667,920	-	-	Not rated	Not rated	NAV
Large Equity	3,790,141	3,790,141	-	-	Not rated	Not rated	NAV
Mid Equity	2,010,528	2,010,528	-	-	Not rated	Not rated	NAV
Small Equity	1,741,557	1,741,557	-	-	Not rated	Not rated	NAV
International Equity	842,214	842,214	-	-	Not rated	Not rated	NAV
Emerging Markets	170,098	170,098	-	-	Not rated	Not rated	NAV
Balanced	2,499,418	2,499,418	-	-	Not rated	Not rated	NAV
World Bond	-	-	-	-	Not rated	Not rated	NAV
World Stock	-	-	-	-	Not rated	Not rated	NAV
Utilities	-	-	-	-	Not rated	Not rated	NAV
Technology	2,856,994	2,856,994	-	-	Not rated	Not rated	NAV
Target Date	2,517,092	2,517,092	-	-	Not rated	Not rated	NAV
Total Pension Funds	26,618,356	26,618,356	-	-			
Total	\$ 34,596,615	\$ 29,131,722	\$ 5,464,893	\$ -			

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE C. CASH AND INVESTMENTS - CONTINUED

7. Library Foundation Investments

The carrying amounts, market value, unrealized gains, and unrealized losses for the Beatrice Public Library Foundation at July 31, 2020, were as follows:

	<u>Cost</u>	<u>Gain</u>	<u>Loss</u>	<u>Fair Value</u>	<u>Fair Value Hierarchy Level</u>
Investments Stated at Fair Value					
Unrestricted					
Governmental agencies	\$ 13,732	\$ -	\$ 6,029	\$ 7,703	Level 1
Common stock	574,485	305,298	-	879,783	Level 1
Corporate bonds	284,941	9,611	-	294,552	Level 1
Foreign bonds	7,983	425	-	8,408	Level 1
Government bonds	73,182	7,043	-	80,225	Level 1
Mutual Funds	172,181	-	10,138	162,043	Level 1
Preferred stock	50,182	-	4,957	45,225	Level 1
Total unrestricted	<u>1,176,686</u>	<u>322,377</u>	<u>21,124</u>	<u>1,477,939</u>	
Restricted					
Governmental agencies					
Government Asset Backed/ CMO	2,461	-	72	2,389	Level 1
Corporate bonds	49,542	1,835	-	51,377	Level 1
Mutual funds	37,128	-	5,639	31,489	Level 1
Preferred stock	34,476	-	3,723	30,753	Level 1
Total restricted	<u>123,607</u>	<u>1,835</u>	<u>9,434</u>	<u>116,008</u>	
Total	<u>\$ 1,300,293</u>	<u>\$ 324,212</u>	<u>\$ 30,558</u>	<u>\$ 1,593,947</u>	

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE C. CASH AND INVESTMENTS - CONTINUED

8. Fair Value Measurements

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

Level 1 Quoted prices in active markets for identical assets or liabilities

Level 2 Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities

Level 3 Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities

The tables displayed on pages 51-52 present the fair value measurements of assets recognized in the accompanying financial statements measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at year-end.

The City's investment in certificates of deposit are carried at cost, and thus are not included within the fair value hierarchy. Certain investments that are measured using the net asset value per share (or its equivalent practical expedient) have also not been classified within the fair value hierarchy, and are noted with NAV in the table on page 51. These investments carried using the net asset value per share have no unfunded commitments and can be redeemed at any time.

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE D. RECEIVABLES AND DUE FROM OTHER GOVERNMENTS

Receivables and Due from Other Governments at September 30, 2020, consist of the following:

Fund	Taxes	Accounts	Loans Receivable	Accrued Interest	Gross Receivables	Allowance	Net
General	\$ 659,258	\$ 568,742	\$ -	\$ -	\$ 1,228,000	\$ (107,702)	\$ 1,120,298
Street	122,293	196,484	-	-	318,777	-	318,777
Electric	-	1,960,963	-	602	1,961,565	(19,043)	1,942,522
Water	-	322,777	-	751	323,528	(12,564)	310,964
WPC	-	221,986	-	2,372	224,358	(5,346)	219,012
BASWA	-	185,902	-	-	185,902	-	185,902
Nonmajor							
Special Revenue	-	-	1,048,778	-	1,048,778	(444,783)	603,995
Debt Service	223,518	10,105	-	-	233,623	-	233,623
Capital Projects	-	90,000	-	-	90,000	-	90,000
Sanitation	-	59,155	-	-	59,155	-	59,155
Internal Service	-	46,411	-	-	46,411	-	46,411
Total Primary Government	<u>\$1,005,069</u>	<u>\$ 3,662,525</u>	<u>\$ 1,048,778</u>	<u>\$ 3,725</u>	<u>\$ 5,720,097</u>	<u>\$ (589,438)</u>	<u>\$ 5,130,659</u>
Beatrice Airport Authority	12,364	4,114	-	-	16,478	-	16,478
Total Component Units	<u>\$ 12,364</u>	<u>\$ 4,114</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,478</u>	<u>\$ -</u>	<u>\$ 16,478</u>

The General Fund's accounts receivables are primarily made up of ambulance service receivables from numerous individuals; the Street Fund's accounts receivables are grant funds and highway user fees from the State of Nebraska; the enterprise fund's (Electric, Water, Water Pollution Control, BASWA, and Sanitation) accounts receivables are primarily made up of charges for services provided to external customers and an accrual for estimated customer usage for the period between the last billing date and the end of the period. The accounts receivable above also include interfund receivables. See footnote G for further information on these interfund receivables/ payables. The Beatrice Airport Authority's accounts receivable is made up of customer charges for fuel and facility rents.

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE E. CAPITAL ASSETS AND DEPRECIATION

Capital assets activity for the year ended September 30, 2020, was as follows:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balances</u>
Governmental Activities:					
Capital assets, not being depreciated:					
Land and land rights	\$ 5,053,991	\$ 751,322	\$ -	\$ -	\$ 5,805,313
Total capital assets, not being depreciated	<u>5,053,991</u>	<u>751,322</u>	<u>-</u>	<u>-</u>	<u>5,805,313</u>
Capital assets, being depreciated:					
Buildings and improvements	9,708,358	2,331,440	-	-	12,039,798
Improvements other than buildings	5,255,268	674,367	-	-	5,929,635
Machinery and equipment	12,677,888	879,776	(849,408)	-	12,708,256
Infrastructure	35,792,524	3,063,224	-	-	38,855,748
Total capital assets, being depreciated	<u>63,434,038</u>	<u>6,948,807</u>	<u>(849,408)</u>	<u>-</u>	<u>69,533,437</u>
Less: accumulated depreciation					
Buildings and improvements	(3,897,940)	(267,866)	-	-	(4,165,806)
Improvements other than buildings	(3,717,258)	(125,210)	-	-	(3,842,468)
Machinery and equipment	(7,813,702)	(817,085)	815,865	-	(7,814,922)
Infrastructure	(15,695,363)	(1,032,667)	-	-	(16,728,030)
Total accumulated depreciation	<u>(31,124,263)</u>	<u>(2,242,828)</u>	<u>815,865</u>	<u>-</u>	<u>(32,551,226)</u>
Total capital assets, being depreciated, net	<u>32,309,775</u>	<u>4,705,979</u>	<u>(33,543)</u>	<u>-</u>	<u>36,982,211</u>
Governmental activities capital assets, net	<u>\$ 37,363,766</u>	<u>\$ 5,457,301</u>	<u>\$ (33,543)</u>	<u>\$ -</u>	<u>\$ 42,787,524</u>
Business-Type Activities:					
Capital assets, not being depreciated:					
Land and land rights	\$ 137,104	\$ -	\$ -	\$ -	137,104
Construction in progress	57,147	-	-	(57,147)	-
Total capital assets, not being depreciated	<u>194,251</u>	<u>-</u>	<u>-</u>	<u>(57,147)</u>	<u>137,104</u>
Capital assets, being depreciated:					
Buildings and improvements	12,036,594	969,312	(24,383)	-	12,981,523
Improvements other than buildings	65,683,366	2,022,659	(985,569)	57,147	66,777,603
Machinery and equipment	9,720,438	1,184,171	(468,793)	-	10,435,816
Total capital assets, being depreciated	<u>87,440,398</u>	<u>4,176,142</u>	<u>(1,478,745)</u>	<u>57,147</u>	<u>90,194,942</u>
Less: accumulated depreciation					
Buildings and improvements	(9,811,322)	(305,695)	19,940	-	(10,097,077)
Improvements other than buildings	(38,693,460)	(1,978,788)	979,720	-	(39,692,528)
Machinery and equipment	(5,836,989)	(625,612)	465,330	-	(5,997,271)
Total accumulated depreciation	<u>(54,341,771)</u>	<u>(2,910,095)</u>	<u>1,464,990</u>	<u>-</u>	<u>(55,786,876)</u>
Total capital assets, being depreciated, net	<u>33,098,627</u>	<u>1,266,047</u>	<u>(13,755)</u>	<u>57,147</u>	<u>34,408,066</u>
Business-type activities capital assets, net	<u>\$ 33,292,878</u>	<u>\$ 1,266,047</u>	<u>\$ (13,755)</u>	<u>\$ -</u>	<u>\$ 34,545,170</u>

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE E. CAPITAL ASSETS AND DEPRECIATION - CONTINUED

Depreciation expense was charged to functions/programs as follows for the year ended September 30, 2020:

Governmental Activities:

General government	\$ 42,945
Public safety	508,554
Highway and streets	1,211,620
Culture and recreation	479,709
Total depreciation expense	<u>\$ 2,242,828</u>

Business-Type Activities:

Electric	\$ 1,356,856
Water	559,300
Water Pollution Control	552,785
Sanitation	-
BASWA	441,154
Total depreciation expense	<u>\$ 2,910,095</u>

Capital assets activity for the Beatrice Airport Authority for the year ended September 30, 2020, was as follows:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Beatrice Airport Authority:				
Capital assets, not being depreciated:				
Land and land rights	<u>\$1,321,356</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$1,321,356</u>
Capital assets, being depreciated:				
Buildings and improvements	1,789,250	15,920	-	1,805,170
Improvements other than buildings	12,904,517	8,404	-	12,912,921
Machinery and equipment	<u>403,854</u>	<u>56,638</u>	<u>(42,708)</u>	<u>417,784</u>
Total capital assets, being depreciated	15,097,621	80,962	(42,708)	15,135,875
Less: accumulated depreciation				
Buildings and improvements	(1,505,982)	(31,586)	-	(1,537,568)
Improvements other than buildings	(5,070,346)	(246,885)	-	(5,317,231)
Machinery and equipment	<u>(319,297)</u>	<u>(14,362)</u>	<u>42,708</u>	<u>(290,951)</u>
Total accumulated depreciation	(6,895,625)	(292,833)	42,708	(7,145,750)
Total capital assets, being depreciated, net	<u>8,201,996</u>	<u>(211,871)</u>	<u>-</u>	<u>7,990,125</u>
Beatrice Airport Authority capital assets, net	<u>\$9,523,352</u>	<u>\$ (211,871)</u>	<u>\$ -</u>	<u>\$9,311,481</u>

The Beatrice Public Library Foundation, Inc. had capital assets of \$48,598 as of July 31, 2020.

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE F. RESTRICTED ASSETS

Certain assets of the City's enterprise funds and component units have constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. These assets are reported as restricted assets. The following table summarizes the restricted assets by purpose for each fund or component unit as of September 30, 2020, except for the Foundation which are as of July 31, 2020.

	Customer and Developer Deposits	Debt Service Reserve	Closure and Postclosure Account	Donor/ Grantor Restrictions	Developer Tax Increment Financing	Total
Enterprise Funds						
Electric	\$ 440,796	\$ 75,181	\$ -	\$ -	\$ -	\$ 515,977
Water	-	136,845	-	-	-	136,845
Water Pollution Control	-	193,098	-	-	-	193,098
BASWA	-	366,782	2,755,852	-	-	3,122,634
Total Enterprise Funds	<u>\$ 440,796</u>	<u>\$ 771,906</u>	<u>\$ 2,755,852</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,968,554</u>
Component Units						
Beatrice Airport Authority	\$ -	\$ 63,514	\$ -	\$ -	\$ -	\$ 63,514
Community Redevelopment Authority	-	-	-	-	124,701	124,701
Beatrice Library Foundation, Inc.	-	-	-	181,048	-	181,048
Total Component Units	<u>\$ -</u>	<u>\$ 63,514</u>	<u>\$ -</u>	<u>\$ 181,048</u>	<u>\$ 124,701</u>	<u>\$ 369,263</u>

NOTE G. INTERFUND ACTIVITY

Interfund transfers were as follows for the year ended September 30, 2020:

Transfers Out	Transfers In				
	General Fund	Public Safety Cap. Imp. Fund	Other Governmental Funds	BASWA Fund	Total
General Fund	\$ -	\$ 2,649	\$ 361,224	\$ -	\$ 363,873
Keno Fund	-	-	275,387	-	275,387
Other Governmental Funds	72,270	-	-	-	72,270
Electric Fund	-	-	-	13,161	13,161
Water Fund	-	-	-	7,897	7,897
Water Pollution Control Fund	-	-	-	5,264	5,264
Total	<u>\$ 72,270</u>	<u>\$ 2,649</u>	<u>\$ 636,611</u>	<u>\$ 26,322</u>	<u>\$ 737,852</u>

During the year ended September 30, 2020, the 911 surcharge fund transferred \$72,270 to the general fund; the keno fund transferred \$275,387 to the capital improvements fund; the general fund transferred \$361,224 to the capital improvements fund and \$2,649 to the public safety

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE G. INTERFUND ACTIVITY - CONTINUED

capital improvements fund. The electric, water, and water pollution control funds transferred \$13,161, \$7,897, and \$5,264, respectively to the BASWA fund.

NOTE H. DEFICIT FUND BALANCES

There were no deficit balances as of September 30, 2020.

NOTE I. LONG-TERM OBLIGATIONS

The City issues tax anticipation and revenue bonds to finance the acquisition and construction of major capital assets. Bonded indebtedness is also entered into to advance refund revenue bonds. The tax anticipation bonds are repaid with property taxes recorded in the debt service fund and the revenue bonds are repaid from pledged revenues derived from the acquired or constructed assets. The City has pledged its full faith and credit as collateral for the bonds.

The City has entered into three separate lease agreements, as lessee, to finance the acquisition of a large equipment for use by the Beatrice Area Solid Waste Agency ("BASWA"); a Caterpillar 826K compactor, a Caterpillar dozer and a John Deere 755K loader. All three leases qualify as a capital lease for accounting purposes and the cost of the equipment obtained through this lease was capitalized in machinery and equipment. The compactor had an original cost of \$772,500, and has a remaining net book value of \$577,929 at September 30, 2020, the dozer had an original cost of \$412,750, and has a remaining net book value of \$327,825 at September 30, 2020, and the lease entered into March 2019 for a loader had an original cost of \$283,378 and has a remaining net book value of \$253,358 at September 30, 2020.

The City entered into a lease agreement in October 2019 to finance the acquisition of a skid loader for use by the Street Fund. This lease qualifies as a capital lease for accounting purposes and the cost of the equipment obtained was capitalized in machinery and equipment. The equipment had an original cost of \$53,145, and has a remaining net book value of \$49,239 at September 30, 2020.

The City entered into a lease agreement in March 2020 to finance the installation of overhead field lighting for two softball fields. This lease agreement qualifies as a capital lease for accounting purposes and the cost of the improvements was capitalized in improvements other than buildings. The original cost of these improvements was \$275,000, and these assets have a remaining net book value of \$265,376 at September 30, 2020.

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE I. LONG-TERM OBLIGATIONS - CONTINUED

In December 2019, the City issued \$7,075,000 of Sales Tax and General Obligation Fire Station Bonds, Series 2019, for the purpose of paying the costs of constructing, improving and equipping a fire station for the City's fire department.

The Beatrice Airport Authority, a component unit of the City, issues bonds to finance the purchase of land, construction of improvements to the airport facility, and construction of certain runway extension improvements. These bonds are payable from property taxes, together with revenues from the rental property of the Airport Authority.

Long-term bonded debt of the City's primary government and its component units was comprised of the following individual issues:

Amount	Issued ¹	Issue	Rates	Due ¹	Callable ¹	Outstanding
Governmental Activities:						
Tax Supported Bonds:						
\$ 615,000	2019	Public Safety Tax Obligation Bonds	1.75 - 1.85%	2020 to 2022	---	\$ 430,000
\$ 170,000	2018	Public Safety Tax Obligation Bonds	1.65 - 2.00%	2019 to 2021	---	60,000
\$ 7,075,000	2020	Fire Station Bonds	1.55 - 2.30%	2021 to 2030	2024	7,075,000
		Total Public Safety Bonds				<u>\$ 7,565,000</u>
Business-Type Activities:						
Combined Utilities Bonds:						
\$ 1,725,000	2011	Combined Utilities Revenue Refunding Bonds	0.45 - 2.80%	2012 to 2021	2016	\$ 495,000
\$ 2,040,000	2013	Combined Utilities Revenue Refunding Bonds	0.40 - 2.30%	2013 to 2023	2018	780,000
		Total Combined Utilities Bonds				<u>\$ 1,275,000</u>
Beatrice Area Solid Waste Agency (BASWA):						
\$ 1,250,000	2017	BASWA Facilities Revenue Bonds	1.10 - 2.55%	2017 to 2024	2023	\$ 895,000
\$ 825,000	2016	BASWA Disposal Facilities Rev Refunding Bonds	0.75 - 1.75%	2017 to 2024	2021	195,000
		Total BASWA Bonds				<u>\$ 1,090,000</u>
Component Units:						
Beatrice Airport Authority:						
\$ 230,000	2018	Airport Authority Bonds	2.40 - 2.80%	2020 to 2022	2021	\$ 155,000
		Total Airport Authority Bonds				<u>\$ 155,000</u>

¹ Fiscal year

All of the long-term bond issues of the City's primary government and its component units are serial bonds with principal due annually and interest due semi-annually.

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE I. LONG-TERM OBLIGATIONS - CONTINUED

Long-term obligations activity for the year ended September 30, 2020, for the City and its component units was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds payable	\$ 730,000	\$ 7,075,000	\$ (240,000)	\$ 7,565,000	\$ 900,000
Lease payable-Direct borrowing	68,640	297,068	(68,640)	297,068	54,898
Compensated absences	1,094,312	510,580	(433,010)	1,171,882	448,459
	<u>1,892,952</u>	<u>7,882,648</u>	<u>(741,650)</u>	<u>9,033,950</u>	<u>1,403,357</u>
Business-Type Activities:					
Revenue bonds payable	2,970,000	-	(605,000)	2,365,000	615,000
Lease payable-Direct borrowing	1,074,083	-	(283,565)	790,518	290,163
Compensated absences	918,758	313,823	(283,302)	949,279	324,487
Closure and post-closure costs	4,805,000	310,000	-	5,115,000	-
	<u>9,767,841</u>	<u>623,823</u>	<u>(1,171,867)</u>	<u>9,219,797</u>	<u>1,229,650</u>
Primary Government	<u>\$11,660,793</u>	<u>\$8,506,471</u>	<u>\$ (1,913,517)</u>	<u>\$18,253,747</u>	<u>\$2,633,007</u>
Component Units:					
Airport Authority:					
Bonds payable	\$ 230,000	\$ -	\$ (75,000)	\$ 155,000	\$ 75,000
Compensated absences	82,672	18,104	(15,514)	85,262	20,662
Component Units	<u>\$ 312,672</u>	<u>\$ 18,104</u>	<u>\$ (90,514)</u>	<u>\$ 240,262</u>	<u>\$ 95,662</u>

The City's governmental funds' compensated absences will be liquidated primarily by the General Fund and the proprietary funds' compensated absences will be liquidated by the fund where the personnel costs are incurred. The Beatrice Airport Authority's compensated absences will be liquidated by its general fund. See footnote L for information about the City's closure and post-closure costs.

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE I. LONG-TERM OBLIGATIONS - CONTINUED

Annual requirements to pay principal and interest to maturity on outstanding long-term obligations are as follows:

Fiscal Year Ending September 30	Governmental Activities			
	Tax Allocation Bonds		Capital Lease-Direct Borrowing	
	Principal	Interest	Principal	Interest
2021	\$ 900,000	\$ 136,094	\$ 54,898	\$ 11,744
2022	910,000	121,167	57,069	9,573
2023	675,000	105,746	59,324	7,317
2024	685,000	94,355	61,671	4,972
2025	700,000	82,408	64,106	2,534
2026-2030	3,695,000	201,951	-	-
	<u>\$ 7,565,000</u>	<u>\$ 741,721</u>	<u>\$ 297,068</u>	<u>\$ 36,140</u>

Fiscal Year Ending September 30	Business-Type Activities			
	Revenue Bonds		Capital Lease-Direct Borrowing	
	Principal	Interest	Principal	Interest
2021	\$ 615,000	\$ 48,085	\$ 290,163	\$ 20,531
2022	800,000	33,320	296,640	13,896
2023	470,000	19,446	143,100	7,087
2024	480,000	9,040	60,615	2,124
	<u>\$ 2,365,000</u>	<u>\$ 109,891</u>	<u>\$ 790,518</u>	<u>\$ 43,638</u>

Fiscal Year Ending September 30	Component Units	
	Airport Authority Bonds	
	Principal	Interest
2021	\$ 75,000	\$ 4,190
2022	80,000	2,240
	<u>\$ 155,000</u>	<u>\$ 6,430</u>

The capital leases are all collateralized by the equipment financed with the borrowing. The agreements include several instances which would constitute an event of default under the agreement, including, but not limited to, payment or other defaults, insolvency, and material adverse change in the City's financial condition. Under the agreements, in the event of such default, the lender has the ability to take possession of the collateral or also declare any outstanding indebtedness immediately due and payable.

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE I. LONG-TERM OBLIGATIONS - CONTINUED

Community Redevelopment Authority – Developer ‘Purchased’ Tax Increment Financing

Developer purchased special tax increment financing allows the CRA, with approval from the affected tax jurisdictions, to create special districts to enable public / private improvements within those districts that will generate public/ private-sector development. The CRA has entered into agreements with developers, which freezes the tax base at the predevelopment level, and the taxes generated from the incremental increases in assessed value are remitted to the developer. The agreements between the CRA and the developers expressly limit the CRA’s commitment for debt repayment to the incremental tax collected during the specified term. At the end of the term, the tax jurisdiction (i.e. City, County, School District, etc.) collects on the increased property values.

The CRA’s responsibility for this liability is limited only to the remittance of paid taxes, thus these notes and bonds are not reflected in the CRA’s financial statements. The developer financing can be either CRA issued bonds, for which the CRA is only liable for remittance of paid taxes in the special district, or privately issued debt of the developer. At September 30, 2020, there were approximately \$6,140,715 of developer purchased tax increment financing notes and bonds outstanding.

NOTE J. EMPLOYEES’ RETIREMENT PLANS

The employees of the City are covered by several retirement plans. The City participates in the following employee retirement plans:

<u>Name of Plan</u>	<u>Type of Plan</u>
Police and Firefighters	Defined Contribution Plan
Non-Uniformed Employees	Defined Contribution Plan
Board of Public Works	Defined Contribution Plan
Deferred Compensation Plan	Qualified Deferred Compensation Plan

The Police and Firefighters plan, the Non-Uniformed Employees plan, and the Board of Public Works plan are administered by the City, and are included within the City’s Pension Trust Funds. The Deferred Compensation plans are administered by trustees independent of the City, thus the assets and liabilities related to these plans are not included in the financial statements. The City does not issue separate, audited financial reports of the retirement plans noted above.

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE J. EMPLOYEES' RETIREMENT PLANS - CONTINUED

1. Police and Firefighters

Plan Description

On December 20, 1965, the City of Beatrice adopted a contributory pension plan to provide retirement benefits for regularly employed police officers and firefighters. The plan was originally created as a defined benefit plan, but was converted to a defined contribution plan on January 1, 1984. City Code assigns the authority to establish and amend benefit provisions of the plan to the City Council.

Police – Members of the Police can retire at age 60 and above with 21 or more years of service if employed prior to November 18, 1965. Members, aged 55 to 59 and those over the age of 60 employed on or after November 18, 1965, can retire with 25 or more years of service. The plan also provides death and disability benefits. A member is 40% vested after two years of service, 60% after four years, 80% after five years, and 100% after seven years. At September 30, 2020, there were 25 total participants (active and inactive) in this portion of the plan.

Firefighters – Firefighters can retire at age 55 with 21 or more years of service. Their plan also provides for death and disability benefits. A member is 40% vested after 4 years of service, plus 20% for each year thereafter up to 100%. At September 30, 2020, there were 27 total participants (active and inactive) in this portion of the plan.

Pre-1984 – Police and firefighters hired prior to January 1, 1984, participate in the defined contribution plan, but are entitled to receive either their benefit from the defined contribution plan or defined benefit plan, whichever is greater. There are no active participants in this plan however five retired firefighters, or their beneficiary, continue to receive monthly benefit payments under this arrangement as of September 30, 2020. The City obtained an actuarial study for this arrangement, as of October 1, 2020, which noted the assets held for future benefit payments for these individuals exceeded the actuarial value of projected future benefit payments, thus no obligation exists for the City as of September 30, 2020.

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE J. EMPLOYEES' RETIREMENT PLANS - CONTINUED

1. Police and Firefighters - Continued

Contribution Requirements and Contributions Made

Police – The contribution rate for police employees is 7% of gross compensation, with the City also providing a 7% matching contribution. Both the City and covered employees made the required contributions, amounting to \$91,595 for the City and use of \$9,193 in forfeitures, and \$100,788 for the employees, for 2020.

Firefighters – The contribution rate for firefighter employees is 6.5% of base pay, with the City also providing a 13.0% matching contribution. Both the City and the covered employees made the required contributions, amounting to \$159,512 for the City and use of \$18,656 in forfeitures, and \$89,085 for the employees, for 2020.

2. Non-Uniformed Employees

Plan Description

On August 1, 1967, the City of Beatrice adopted a contributory pension plan to provide retirement benefits for regularly employed and appointed employees of the City. City Code assigns the authority to establish and amend benefit provisions of the various plans to the City Council. This plan also covers employees of the Airport Authority of the City of Beatrice. The plan is a defined contribution plan. The employees are eligible to participate in the plan after completing six months of full-time service and reaching age 19. The employee is always 100% vested in his or her plan contributions, plus any earnings. Employer contributions plus any earnings generated shall be vested with the employee at a rate of 25% each year, with 100% vesting upon completion of 4 or more years of plan participation. At September 30, 2020, there were 41 participants (active and inactive) in this plan.

Contribution Requirements and Contributions Made

The contribution rate for the non-uniformed employees is 6.0% of base pay, with the City also providing a 6.0% matching contribution. Both the City and the covered employees made the required contributions, amounting to \$99,596 for the City and use of \$10,375 in forfeitures, and \$109,971 for the employees, for 2020.

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE J. EMPLOYEES' RETIREMENT PLANS - CONTINUED

3. Board of Public Works

Plan Description

The City of Beatrice Board of Public Works (BPW) has adopted a defined contribution plan available to all employees with six months of service and who have attained the age of 19. Eligible employees are required to join the Plan on the first day of the month coinciding with or next following the date on which the eligibility requirements are met. The employee is always 100% vested in his or her plan contributions, plus any earnings. Employer contributions plus any earnings generated shall be vested with the employee at a rate of 25% each year, with 100% vesting upon completion of 4 or more years of plan participation. At September 30, 2020, there were 52 participants (active and inactive) in this plan. Plan provisions and contribution requirements are established by and may be amended by the Board of Public Works.

Contribution Requirements and Contributions Made

Through payroll deductions, the employee is required to make pre-tax contributions of 6% of compensation, as a condition of participating in the Plan. The Board of Public Works will make a contribution of 6% of the employee's annual compensation to the Plan. Both the Board of Public Works and covered employees made the required contributions, amounting to \$182,994 for the Board of Public Works, and \$182,994 for the employees, for 2020.

4. Deferred Compensation Plan

City and Board of Public Works employees have the option of participating in a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The deferred compensation plan allows employees to defer a portion of current salary to future years, but the deferred balance is not available to employees until termination, retirement, death, unforeseeable emergency, or permanent disability. All amounts of compensation deferred under the plan, including income attributed to such amounts, are placed in a trust which is not the property of the City or Board of Public Works. Employees made contributions of \$149,394 to the plan in 2020.

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE K. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; injuries to employees and the public; or acts of God. These liability exposures continue to be insured through an A+ rated insurance company. Settled claims in the past three years have not exceeded the commercial coverages.

The City is exposed to various risks of loss related to medical claims of employees and dependents. The City established a Self-Insured Group Insurance Fund (an internal service fund) to account for and finance its uninsured risks of loss. Under this program, the Self-Insured Group Insurance Fund provides coverage for up to a maximum of \$100,000 per person annually for medical claims.

The City funds its self-insurance program on an "incurred loss" basis. All funds of the City participate in the program and make payments to the Self-Insured Group Insurance Fund based on actuarial estimates of the amounts needed to pay prior- and current-period claims. The Fund has a claims liability of \$135,626 reported at September 30, 2020.

The change in the Fund's claims liability amount in fiscal 2020 was as follows:

	<u>2020</u>
Beginning claims liability	\$ 157,795
Charges	1,789,335
Claims paid and changes in estimate	<u>(1,811,504)</u>
Ending claims liability	<u>\$ 135,626</u>

NOTE L. COMMITMENTS AND CONTINGENCIES

1. General

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

At September 30, 2020, approximately 85% of the full-time, regular City's employees are represented by a Union. All existing labor contracts involving City employees have been negotiated to cover a period through September 2021.

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE L. COMMITMENTS AND CONTINGENCIES - CONTINUED

1. General - Continued

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

The City of Beatrice is identified as a Potentially Responsible Party as defined by the Comprehensive Environmental Compensation and Liability Act of 1980 by reason of current ownership of property with the presence of contamination. The City's exposure was up to 25% of the total clean-up costs, with the City incurring approximately \$2 million in costs, plus other professional services and legal fees for a total overall cost of \$2.5 million. In 2018, the City reached a settlement agreement with the previous owner and the engineering firm that performed the environmental assessment prior to purchase of the property to reimburse the City \$650,000 for costs previously incurred by the City. The cleanup was completed in 2019 and the property is now subject to an Environmental Covenant limiting the use and activity and shall be inspected annually until August 26, 2050. The City has accepted responsibility to perform the long-term obligations, for which costs are not known and are not estimable, and in January 2021 reached a settlement with Centel Corporation to pay to the City \$700,000, to be placed in a dedicated and segregated fund for the sole use of maintaining compliance with the Environmental Covenant until the allocation agreement is terminated.

2. Closure and Postclosure Care Cost

The Beatrice Area Solid Waste Agency, a fund of the City, owns and operates both a municipal solid waste landfill and a construction and demolition debris landfill. State and federal laws and regulations require the City to close the landfills once capacity is reached and to monitor and maintain the site for thirty subsequent years on the municipal solid waste landfill and five subsequent years on the construction and demolition debris landfill. Although certain closure and postclosure care costs will be paid only near or after the date that the landfills stop accepting waste, the City reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of September 30, 2020.

At September 30, 2020, the City incurred a liability of approximately \$5,035,000 for the municipal solid waste landfill which represents the costs reported to date based on the approximately 71.6% of the landfill capacity used to date. The remaining estimated liability for these costs is approximately \$1,998,000, which will be recognized as the remaining capacity is used (estimated to be over approximately 8 years).

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE L. COMMITMENTS AND CONTINGENCIES – CONTINUED

2. Closure and Postclosure Care Cost – Continued

At September 30, 2020, the City incurred a liability of approximately \$80,000 for the construction and demolition debris landfill which represents the costs reported to date based on approximately 7.5% of the landfill capacity used to date. The remaining estimated liability for these costs is approximately \$996,000, which will be recognized as the remaining capacity is used (estimated to be over approximately 80 years). The estimated costs of closure and postclosure care, as determined by an independent engineering consultant, are subject to changes including the effects of inflation, revisions of laws, changes in technology, actual sequence of landfill development and closure, and other variables.

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

The City also owns a municipal solid waste disposal area which discontinued operations in 1998, but still requires certain closure and postclosure care, including the construction of final cover, monitoring of groundwater conditions and landfill gas mitigation, and general site maintenance. In 2017, when cell 5 was constructed between this area and the current solid waste landfill the cost for closure and postclosure care were combined into the current landfill liability. Any unanticipated corrective action costs related to landfill gas migration or groundwater contamination, if identified through current monitoring procedures, may be recorded when incurred.

The City is required by state and federal laws and regulations to make annual contributions to a trust to finance closure and postclosure care. At September 30, 2020, the City holds investments of \$2,755,852 for these purposes. These are reported as restricted assets on the balance sheet. The City expects interest earnings to cover future inflation costs, however if any additional postclosure care requirements are determined, they may need to be covered by charges to future landfill users or future tax revenue.

3. Power Purchase Agreement

During 2018, the City entered into a power purchase agreement to purchase energy from the Cottonwood Wind Project (the Project). The Project is currently rated to produce approximately 16.1 megawatts of energy, and the power purchase agreement requires the City to purchase the entire output from the Project over a period of 25 years. Payments made under the agreement during 2020 totaled \$1,243,580.

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE M. TAX ABATEMENTS

The Tax Increment Financing Law allows for the increased property taxes generated by the improvement of blighted property to be used to pay for the financing of community redevelopment/TIF projects. The statutes for community redevelopment/TIF are found in Neb.Rev.Stat. SS 18-2101 through 18-2150. The City must declare the area as substandard, blighted, and in need of redevelopment. The City is required to prepare a redevelopment plan. TIF bonds may be issued for the acquisition of property, site preparation, and public improvements. An agreement is entered into between the City and the Developer and a base valuation is established. The base property valuation remains accessible to all taxing entities. Any increase in value and resulting taxes are used to pay off the debt incurred for the redevelopment project, which must not exceed a 15-year period. For the ended September 30, 2020, the City abated \$127,632 in property tax revenue under the tax increment financing program.

The Employment and Investment Growth Act and the Nebraska Advantage Act provide benefits in the form of sales tax rebates for businesses which invest and/or increase employment by specified amounts. The statute for these Acts are found in Neb. Rev. Stat. SS 77-4101. Businesses that qualify must be involved in research, data processing, finance or insurance, manufacturing, technology-related services or a headquarters operation. The Act is available to businesses transporting, wholesaling, storing, or selling products, but not to retailers who do not make their own products. Businesses must propose a qualifying project and be approved by the State of Nebraska Department of Revenue. The obligations of each party are set out in a contract with the State. If the project qualifies for benefits, but later falls below the required levels of jobs or investment, the company receives no benefits for that year and one-seventh of the benefits already received are recaptured for each year the company fails to requalify. For the year ended September 30, 2020, the City abated \$28,439 in sales tax revenue under these two programs.

NOTE N. SUBSEQUENT EVENTS

In the spring of 2021, the City plans to issue the second set of Fire Station Bonds (Sales Tax and General Obligation), to pay the final costs of constructing and equipping a new fire station to be used jointly by the City and the Beatrice Rural Fire Protection District. At the time of this report the City estimated this issue to be approximately \$2,700,000.

After reviewing the bids for garbage collection services and examining the possibility of the City providing such services, the City determined that providing garbage collection services itself is in the best interest of the City and therefore, in December 2020, the City entered into an agreement with Sanitary Garbage Co., Inc. to purchase the business assets of Sanitary Garbage for a total price of \$1,400,000. The City put together a business plan,

City of Beatrice, Nebraska
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020

NOTE N. SUBSEQUENT EVENTS - CONTINUED

including purchasing of new equipment, and in January 2021 adopted an ordinance authorizing the issuance of \$2,800,000 of Revenue Bonds, Series 2021, for the purpose of acquiring a waste disposal company.

As a result of the COVID-19 outbreak in the United States, economic uncertainties have arisen that are likely to negatively impact gross revenues. Voluntary, and then subsequently mandatory, shelter-in-place orders necessitated temporary business closings. The extent of the financial impact and other possible impacting matters are not fully known at this time. City facilities were closed to the public but all services remained operational during the past year. Some loss of sales tax and utilities revenue was recognized during the initial months, however, was not a major impact on the financials or the budget for the coming year. The City did not obtain any loans or defer the payment of federal employment taxes. In December 2020, the City was awarded and received \$1,159,765 in Coronavirus Relief funding for reimbursement of necessary COVID-19 related expenditures incurred for presumptive payroll expenses for public safety employees for the period March 1, 2020 through May 31, 2020.

The City invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying statements of financial position.

In February 2021, a polar vortex brought prolonged frigid temperatures to the midwestern United States. These prolonged frigid temperatures created a significant increase in energy demand while also posing some operating challenges to certain generating facilities. As a result, the supply of energy was projected to fall short of the demand and many utilities were asked to shed load during intermittent intervals throughout the affected period. Additionally, this imbalance caused considerable volatility in the energy markets resulting in rapid and often substantial fluctuations in the price of energy purchased and sold by numerous utilities. The City is still evaluating the effects of the polar vortex and the overall impact on the financial statements cannot be reasonably estimated at this time.

REQUIRED SUPPLEMENTARY INFORMATION

City of Beatrice, Nebraska
GENERAL FUND
MAJOR FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the year ended September 30, 2020
With comparative totals for September 30, 2019

	2020			
	Original Budget	Final Budget	Actual	Variance Positive (Negative)
				2019 Actual
Revenues				
Taxes				
Property tax	\$ 2,513,113	\$ 2,513,113	\$ 2,529,835	\$ 16,722
Sales tax	2,600,000	2,600,000	2,791,745	191,745
Occupation tax	673,000	673,000	585,051	(87,949)
Licenses and permits	180,100	180,100	153,011	(27,089)
Intergovernmental	1,891,949	1,891,949	2,038,122	146,173
Charges for services	2,027,892	2,027,892	1,879,545	(148,347)
Interest	35,000	35,000	32,005	(2,995)
Miscellaneous	164,628	164,628	171,455	6,827
Total Revenues	10,085,682	10,085,682	10,180,769	95,087
Expenditures				
General government	1,762,715	1,762,715	1,500,003	262,712
Public safety	6,537,091	6,537,091	6,490,540	46,551
Culture and recreation	1,350,056	1,350,056	1,246,159	103,897
Total Expenditures	9,649,862	9,649,862	9,236,702	413,160
Excess of Revenues Over Expenditures	435,820	435,820	944,067	508,247
Other Financing Sources (Uses)				
Insurance and settlement recoveries	2,000	2,000	6,164	4,164
Sales of capital assets	2,000	2,000	18,141	16,141
Transfers in	72,500	72,500	72,270	(230)
Transfers out	(409,820)	(409,820)	(363,873)	45,947
Total Other Financing Sources (Uses)	(333,320)	(333,320)	(267,298)	66,022
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ 102,500	\$ 102,500	\$ 676,769	\$ 574,269
				\$ 21,331

See independent auditor's report.

City of Beatrice, Nebraska
STREETS SPECIAL REVENUE FUND
MAJOR FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the year ended September 30, 2020
With comparative totals for September 30, 2019

	2020				
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	2019 Actual
Revenues					
Taxes					
Sales tax	\$ 645,000	\$ 645,000	\$ 707,165	\$ 62,165	\$ 672,224
Intergovernmental:					
State shared revenue	1,995,308	1,995,308	1,987,172	(8,136)	1,965,578
Federal grants	-	-	56,287	56,287	-
Total Intergovernmental	1,995,308	1,995,308	2,043,459	48,151	1,965,578
Charges for services	32,330	32,330	33,251	921	23,313
Miscellaneous	-	-	20,700	20,700	14,041
Total Revenues	2,672,638	2,672,638	2,804,575	131,937	2,675,156
Expenditures					
Personal services	883,024	883,024	895,125	(12,101)	867,661
Other services and charges	104,200	104,200	111,866	(7,666)	89,165
Supplies	288,000	288,000	261,255	26,745	284,250
Capital outlay	1,688,315	2,484,349	1,709,869	774,480	1,030,592
Total Expenditures	2,963,539	3,759,573	2,978,115	781,458	2,271,668
Other Financing Sources					
Lease issuance	-	-	22,068	22,068	-
Sales of capital assets	-	-	31,095	31,095	-
Total Other Financing Sources	-	-	53,163	53,163	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (290,901)	\$ (1,086,935)	\$ (120,377)	\$ 966,558	\$ 403,488

See independent auditor's report.

SUPPLEMENTARY INFORMATION

City of Beatrice
GENERAL FUND
BALANCE SHEET
September 30, 2020
With comparative totals for September 30, 2019

	2020	2019
Assets		
Cash and cash equivalents	\$ 1,186,283	\$ 675,268
Investments	1,250,668	1,237,499
Cash on deposit - county treasurer	153,863	106,744
Accounts receivable	515,288	395,355
Taxes receivable	115,838	102,670
Due from other governments	489,172	473,641
Total Assets	<u>\$ 3,711,112</u>	<u>\$ 2,991,177</u>
Liabilities, Deferred Inflows of Resources and Fund Balance		
Liabilities		
Accounts payable	<u>\$ 320,983</u>	<u>\$ 256,307</u>
Deferred Inflows of Resources		
Unavailable revenues	<u>257,067</u>	<u>278,577</u>
Fund Balance		
Assigned for subsequent years' expenditures	510,866	398,230
Unassigned	<u>2,622,196</u>	<u>2,058,063</u>
Total Fund Balance	<u>3,133,062</u>	<u>2,456,293</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 3,711,112</u>	<u>\$ 2,991,177</u>

See independent auditor's report.

City of Beatrice, Nebraska
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the year ended September 30, 2020
With comparative totals for September 30, 2019

	2020				2019
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Taxes					
Property tax	\$ 2,267,113	\$ 2,267,113	\$ 2,253,965	\$ (13,148)	\$ 2,109,145
Homestead exemption allocation	140,000	140,000	147,805	7,805	143,216
Property tax credit	100,000	100,000	119,642	19,642	94,420
Interest on delinquent taxes	6,000	6,000	8,423	2,423	7,922
City sales tax	2,600,000	2,600,000	2,791,745	191,745	2,438,897
Utilities occupation tax	550,000	550,000	475,381	(74,619)	528,359
Beer and liquor occupation tax	20,000	20,000	20,255	255	20,140
Lodging occupation tax	100,000	100,000	86,610	(13,390)	98,535
Miscellaneous occupation tax	3,000	3,000	2,805	(195)	2,723
Total Taxes	5,786,113	5,786,113	5,906,631	120,518	5,443,357
Licenses and Permits					
Bicycle licenses	100	100	20	(80)	50
Pet licenses	5,000	5,000	4,191	(809)	4,861
Plumbers' licenses	1,000	1,000	731	(269)	50
Building permits	160,000	160,000	135,237	(24,763)	211,649
Plumbing permits	6,000	6,000	6,043	43	4,479
Mechanical permits	3,000	3,000	1,949	(1,051)	3,115
Miscellaneous permits	5,000	5,000	4,840	(160)	5,710
Total Licenses and Permits	180,100	180,100	153,011	(27,089)	229,914
Intergovernmental					
Motor vehicle tax	245,000	245,000	273,790	28,790	261,937
County library aid	23,000	23,000	23,000	-	23,000
Interlocal 911 dispatch aid	525,479	525,479	527,315	1,836	520,133
County ambulance service	180,000	180,000	180,000	-	180,000
Intergovernmental-school officer	83,870	83,870	83,871	1	78,535
Other intergovernmental	7,000	7,000	11,630	4,630	7,000
Municipal equalization funds	684,810	684,810	688,068	3,258	554,399
Victim assistance grants	115,290	115,290	128,402	13,112	99,923
Library state aid	2,500	2,500	2,253	(247)	2,222
Pro-Rate motor vehicle	6,000	6,000	6,554	554	5,695
Other federal grants	-	-	42,667	42,667	-
Federal - CARES grants	-	-	66,956	66,956	1,198
Federal funds police assistance	4,000	4,000	3,616	(384)	2,484
Hazard mitigation grant	-	-	-	-	17,420
CDBG downtown revitalization	15,000	15,000	-	(15,000)	-
Total Intergovernmental	1,891,949	1,891,949	2,038,122	146,173	1,753,946
Charges for Services					
Publication cost income	500	500	458	(42)	478
Administration miscellaneous charges	1,500	1,500	1,125	(375)	68
Accounting services	37,500	37,500	37,476	(24)	36,771
BASWA management services	25,956	25,956	26,256	300	25,200
Administration and legal services	350,346	350,346	339,303	(11,043)	336,660

See independent auditor's report.

City of Beatrice, Nebraska
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CONTINUED
For the year ended September 30, 2020
With comparative totals for September 30, 2019

	2020				2019 Actual
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	
Charges for Services (Continued)					
CDBG administration fees	\$ 1,000	\$ 1,000	\$ -	\$ (1,000)	\$ 1,068
Recycling agreement fees	2,000	2,000	2,314	314	1,296
Restitution - fees and damages	2,500	2,500	3,135	635	1,513
Community development miscellaneous charges	2,000	2,000	905	(1,095)	1,344
Recover demolition charges	5,000	5,000	6,663	1,663	10,026
Police charges	3,000	3,000	3,331	331	2,453
Fire charges	11,000	11,000	9,074	(1,926)	13,202
Ambulance charges	1,959,000	1,959,000	1,916,698	(42,302)	1,875,776
Ambulance contracted adjustments	(665,000)	(665,000)	(730,608)	(65,608)	(675,448)
Public safety miscellaneous charges	18,440	18,440	7,450	(10,990)	36,252
Stop program charges	2,000	2,000	800	(1,200)	1,160
Land use agreements	16,850	16,850	16,951	101	16,457
Auditorium use fee	33,000	33,000	27,679	(5,321)	32,137
Water park admissions	88,000	88,000	53,426	(34,574)	69,922
Water park concessions and sales	31,500	31,500	23,120	(8,380)	25,879
Swim lessons	5,000	5,000	1,764	(3,236)	3,555
Mowing fees	9,500	9,500	10,504	1,004	1,257
Camping receipts	49,000	49,000	94,371	45,371	40,845
Farm income	19,500	19,500	13,397	(6,103)	18,986
Public properties miscellaneous charges	3,500	3,500	1,045	(2,455)	880
Library use fees	5,500	5,500	3,660	(1,840)	4,909
Library copying fees	3,500	3,500	3,536	36	3,777
Library miscellaneous charges	2,000	2,000	3,262	1,262	3,442
Parking fines and rents	1,500	1,500	1,080	(420)	1,270
School fines and fees	2,800	2,800	1,370	(1,430)	2,063
Total Charges for Services	<u>2,027,892</u>	<u>2,027,892</u>	<u>1,879,545</u>	<u>(148,347)</u>	<u>1,893,198</u>
Interest					
Interest earnings	35,000	35,000	32,005	(2,995)	33,955
Miscellaneous					
Lease income - BASWA	64,928	64,928	64,920	(8)	63,036
Donations	100	100	-	(100)	-
Donations - Beatrice plus program	25,000	25,000	25,567	567	25,723
Police donations	7,000	7,000	12,663	5,663	49,567
Fire donations	5,000	5,000	5,500	500	6,845
Water park donations	2,000	2,000	2,005	5	1,894
Public properties donations	25,000	25,000	19,540	(5,460)	85,802
Library donations	10,000	10,000	17,641	7,641	10,117
Library donations - foundation	25,000	25,000	22,188	(2,812)	29,188
Sidewalk program	600	600	1,431	831	253
Total Miscellaneous	<u>164,628</u>	<u>164,628</u>	<u>171,455</u>	<u>6,827</u>	<u>272,425</u>
Total Revenues	<u>\$ 10,085,682</u>	<u>\$ 10,085,682</u>	<u>\$ 10,180,769</u>	<u>\$ 95,087</u>	<u>\$ 9,626,795</u>

See independent auditor's report.

City of Beatrice, Nebraska
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CONTINUED
For the year ended September 30, 2020
With comparative totals for September 30, 2019

	2020			Variance Positive (Negative)	2019 Actual
	Original Budget	Final Budget	Actual		
General Government					
Administration					
Personal services	\$ 841,953	\$ 841,953	\$ 858,273	\$ (16,320)	\$ 839,943
Other services and charges	127,575	127,575	125,261	2,314	133,353
Supplies	7,000	7,000	8,562	(1,562)	6,320
Capital outlay	2,800	2,800	10,171	(7,371)	4,397
Contingency	247,032	247,032	35,237	211,795	79,950
Contractual services	198,865	198,865	137,957	60,908	149,699
Total Administration	1,425,225	1,425,225	1,175,461	249,764	1,213,662
Community Development					
Personal services	222,240	222,240	215,517	6,723	220,151
Other services and charges	102,850	102,850	101,555	1,295	75,199
Supplies	8,400	8,400	3,261	5,139	4,289
Capital outlay	4,000	4,000	4,209	(209)	660
Total Community Development	337,490	337,490	324,542	12,948	300,299
Total General Government	1,762,715	1,762,715	1,500,003	262,712	1,513,961
Public Safety					
Police					
Personal services	3,103,475	3,103,475	3,157,726	(54,251)	3,013,800
Other services and charges	316,034	316,034	281,622	34,412	272,539
Supplies	78,800	78,800	65,094	13,706	65,401
Capital outlay	27,650	27,650	81,031	(53,381)	120,659
Contractual services	60,000	60,000	60,810	-	60,000
Contingencies	3,000	3,000	3,000	-	2,600
Total Police	3,588,959	3,588,959	3,649,283	(59,514)	3,534,999
Fire and Rescue					
Personal services	2,521,277	2,521,277	2,446,489	74,788	2,507,965
Other services and charges	293,455	293,455	274,698	18,757	272,812
Supplies	118,800	118,800	109,400	9,400	108,785
Capital outlay	14,600	14,600	10,670	3,930	14,375
Total Fire and Rescue	2,948,132	2,948,132	2,841,257	106,875	2,903,937
Total Public Safety	6,537,091	6,537,091	6,490,540	47,361	6,438,936

See independent auditor's report.

City of Beatrice, Nebraska
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CONTINUED
For the year ended September 30, 2020
With comparative totals for September 30, 2019

	2020				2019
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Totals
Culture and Recreation					
Public Properties					
Personal services	\$ 455,077	\$ 455,077	\$ 429,983	\$ 25,094	\$ 436,211
Other services and charges	105,815	105,815	94,811	11,004	104,454
Supplies	140,950	140,950	126,399	14,551	122,105
Capital outlay	58,600	58,600	44,418	14,182	139,237
Contractual services	55,000	55,000	47,167	7,833	48,657
Total Public Properties	815,442	815,442	742,778	72,664	850,664
Library					
Personal services	355,292	355,292	327,543	27,749	333,479
Other services and charges	56,940	56,940	53,508	3,432	51,399
Supplies	10,400	10,400	9,613	787	10,200
Capital outlay	111,982	111,982	112,717	(735)	116,067
Total Library	534,614	534,614	503,381	31,233	511,145
Total Culture and Recreation	1,350,056	1,350,056	1,246,159	103,897	1,361,809
Total Expenditures	9,649,862	9,649,862	9,236,702	413,970	9,314,706
Excess of Revenues Over Expenditures	435,820	435,820	944,067	509,057	312,089
Other Financing Sources (Uses)					
Insurance and settlement recoveries	2,000	2,000	6,164	4,164	-
Sale of capital assets	2,000	2,000	18,141	16,141	4,837
Transfers in	72,500	72,500	72,270	(230)	141,259
Transfers out	(409,820)	(409,820)	(363,873)	45,947	(436,854)
Total Other Financing Sources (Uses)	(333,320)	(333,320)	(267,298)	66,022	(290,758)
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ 102,500	\$ 102,500	676,769	\$ 575,079	21,331
Fund Balance, Beginning of Year			2,456,293		2,434,962
Fund Balance, End of Year			\$ 3,133,062		\$ 2,456,293

See independent auditor's report.

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City of Beatrice, Nebraska
STREETS SPECIAL REVENUE FUND
BALANCE SHEET
September 30, 2020
With comparative totals for September 30, 2019

	<u>2020</u>	<u>2019</u>
Assets		
Cash and cash equivalents	\$ 2,025,375	\$ 1,814,441
Accounts receivable	378	1,177
Due from other governments	<u>318,399</u>	<u>290,358</u>
Total Assets	<u>\$ 2,344,152</u>	<u>\$ 2,105,976</u>
Liabilities and Fund Balance		
Liabilities		
Accounts payable	<u>\$ 600,841</u>	<u>\$ 242,288</u>
Fund Balance		
Restricted for Streets	<u>1,743,311</u>	<u>1,863,688</u>
Total Liabilities and Fund Balance	<u>\$ 2,344,152</u>	<u>\$ 2,105,976</u>

See independent auditor's report.

City of Beatrice, Nebraska
STREETS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the year ended September 30, 2020
With comparative totals for September 30, 2019

	2020				
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	2019 Actual
Revenues					
Taxes					
Sales tax	\$ 645,000	\$ 645,000	\$ 707,165	\$ 62,165	\$ 672,224
Intergovernmental					
State shared revenue	1,995,308	1,995,308	1,987,172	(8,136)	1,965,578
Federal grants	-	-	56,287	56,287	-
Total Intergovernmental	1,995,308	1,995,308	2,043,459	48,151	1,965,578
Charges for services	32,330	32,330	33,251	921	23,313
Miscellaneous	-	-	20,700	20,700	14,041
Total Revenues	2,672,638	2,672,638	2,804,575	131,937	2,675,156
Expenditures					
Personal Services					
Salaries	594,201	594,201	600,819	(6,618)	586,210
Social security	36,981	36,981	38,808	(1,827)	37,719
Retirement	27,094	27,094	26,098	996	27,021
Health and life insurance	186,300	186,300	186,300	-	178,200
Workmen's compensation	38,448	38,448	43,100	(4,652)	38,511
Total Personal Services	883,024	883,024	895,125	(12,101)	867,661
Other Services and Charges					
Insurance	21,000	21,000	21,976	(976)	20,420
Maintenance and repairs	27,000	27,000	27,377	(377)	30,760
Rentals	15,500	15,500	12,643	2,857	13,899
Training and transportation	3,000	3,000	3,479	(479)	2,135
Communications	3,000	3,000	3,215	(215)	2,893
Miscellaneous	34,700	34,700	43,176	(8,476)	19,058
Total Other Services and Charges	104,200	104,200	111,866	(7,666)	89,165
Supplies					
Operating supplies	95,000	95,000	75,811	19,189	93,220
Repairs and maintenance supplies	193,000	193,000	185,444	7,556	191,030
Total Supplies	288,000	288,000	261,255	26,745	284,250
Capital Outlay					
Land	-	-	5,765	(5,765)	-
Buildings	95,000	95,000	10,158	84,842	10,033
Improvements other than buildings	1,288,315	2,084,349	1,316,675	767,674	788,602
Machinery and equipment	305,000	305,000	377,271	(72,271)	231,957
Total Capital Outlay	1,688,315	2,484,349	1,709,869	774,480	1,030,592
Total Expenditures	\$ 2,963,539	\$ 3,759,573	\$ 2,978,115	\$ 781,458	\$ 2,271,668

See independent auditor's report.

City of Beatrice, Nebraska
STREETS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CONTINUED
For the year ended September 30, 2020
With comparative totals for September 30, 2019

	2020				
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	2019 Actual
Other Financing Sources					
Lease issuance	\$ -	\$ -	\$ 22,068	\$ 22,068	\$ -
Sales of capital assets	-	-	31,095	31,095	-
Total Other Financing Sources	-	-	53,163	53,163	-
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures	<u>\$ (290,901)</u>	<u>\$ (1,086,935)</u>	(120,377)	<u>\$ 966,558</u>	403,488
Fund Balance, Beginning of Year			<u>1,863,688</u>		<u>1,460,200</u>
Fund Balance, End of Year			<u>\$ 1,743,311</u>		<u>\$ 1,863,688</u>

See independent auditor's report.

City of Beatrice, Nebraska
PUBLIC SAFETY CAPITAL IMPROVEMENTS CAPITAL PROJECTS FUND
BALANCE SHEET
September 30, 2020
With comparative totals for September 30, 2019

	<u>2020</u>	<u>2019</u>
Assets		
Cash and cash equivalents	\$ 5,933,708	\$ 619,358
Due from other funds	-	31,690
Due from other governments	<u>-</u>	<u>197,351</u>
Total Assets	<u>\$ 5,933,708</u>	<u>\$ 848,399</u>
Liabilities and Fund Balance		
Liabilities		
Accounts payable	<u>\$ 1,085,020</u>	<u>\$ 41,257</u>
Fund Balance		
Restricted for New fire station	4,458,231	172,583
Committed for Public safety equipment	<u>390,457</u>	<u>634,559</u>
Total Fund Balance	<u>4,848,688</u>	<u>807,142</u>
Total Liabilities and Fund Balance	<u>\$ 5,933,708</u>	<u>\$ 848,399</u>

See independent auditor's report.

City of Beatrice, Nebraska
PUBLIC SAFETY CAPITAL IMPROVEMENTS CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the year ended September 30, 2020
With comparative totals for September 30, 2019

	2020				
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	2019 Actual
Revenues					
Taxes					
Sales Tax	\$ 1,000,000	\$ 1,000,000	\$ 307,815	\$ (692,185)	\$ 588,570
Intergovernmental	216,680	216,680	233,180	16,500	206,615
Interest earnings	-	-	14,856	14,856	-
Donations and other revenue	-	-	24,259	24,259	-
Total Revenues	<u>1,216,680</u>	<u>1,216,680</u>	<u>580,110</u>	<u>(636,570)</u>	<u>795,185</u>
Expenditures					
Capital Projects					
Police facility improvements	86,000	86,000	91,860	(5,860)	-
New fire station	6,000,000	6,000,000	3,037,734	2,962,266	386,103
Police equipment	21,000	21,000	13,202	7,798	122,831
Fire equipment	510,600	510,600	272,180	238,420	324,827
MFO payments - other entities	127,925	127,925	126,949	976	114,975
Debt service					
Bond issuance cost	-	-	74,288	(74,288)	6,000
Total Expenditures	<u>6,745,525</u>	<u>6,745,525</u>	<u>3,616,213</u>	<u>3,129,313</u>	<u>954,736</u>
Deficiency of Revenues Under Expenditures	<u>(5,528,845)</u>	<u>(5,528,845)</u>	<u>(3,036,103)</u>	<u>2,492,742</u>	<u>(159,551)</u>
Other Financing Sources					
Bond issuance	5,050,000	5,050,000	7,075,000	2,025,000	615,000
Transfers in	10,000	10,000	2,649	(7,351)	258,967
Total Other Financing Sources	<u>5,060,000</u>	<u>5,060,000</u>	<u>7,077,649</u>	<u>2,017,649</u>	<u>873,967</u>
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures	<u>\$ (468,845)</u>	<u>\$ (468,845)</u>	<u>4,041,546</u>	<u>\$ 4,510,391</u>	<u>714,416</u>
Fund Balance, Beginning of Year			<u>807,142</u>		<u>92,726</u>
Fund Balance, End of Year			<u>\$ 4,848,688</u>		<u>\$ 807,142</u>

See independent auditor's report.

City of Beatrice, Nebraska
 COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
 September 30, 2020
 With comparative totals for September 30, 2019

	2020				2019
	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds	Total
Assets					
Cash and cash equivalents	\$ 1,121,926	\$ 650,271	\$ 103,963	\$ 1,876,160	\$ 1,268,909
Cash on deposit - county treasurer	-	13,270	-	13,270	9,543
Accounts receivable	-	-	90,000	90,000	68,910
Due from other governments	-	203,822	-	203,822	-
Taxes receivable	-	19,696	-	19,696	16,835
Loans receivable	603,995	-	-	603,995	684,226
In-lieu-of assessments	-	10,105	-	10,105	10,105
Total Assets	\$ 1,725,921	\$ 897,164	\$ 193,963	\$ 2,817,048	\$ 2,058,528
Liabilities, Deferred Inflows of Resources and Fund Balance					
Liabilities					
Accounts payable	\$ 4,603	\$ -	\$ 95,935	\$ 100,538	\$ 2,896
Due to other funds	-	-	-	-	31,690
Accrued interest payable	-	41,959	-	41,959	2,122
Total Liabilities	4,603	41,959	95,935	142,497	36,708
Deferred Inflows of Resources					
Unavailable revenue	-	20,999	46,000	66,999	84,941
Fund Balance					
Restricted for:					
Economic development	1,271,139	-	-	1,271,139	1,208,272
Library capital improvements	-	-	303	303	303
Debt service	-	834,206	-	834,206	75,304
Revolving loan fund	370,894	-	-	370,894	368,605
Storm water management	4,161	-	-	4,161	20,261
E-911 public safety	73,652	-	-	73,652	48,980
Committed for:					
Library capital improvements	-	-	16	16	27,579
Community betterment	1,472	-	-	1,472	213,568
Assigned for:					
Subsequent years' expenditures	-	-	51,709	51,709	-
Unassigned	-	-	-	-	(25,993)
Total Fund Balance	1,721,318	834,206	52,028	2,607,552	1,936,879
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 1,725,921	\$ 897,164	\$ 193,963	\$ 2,817,048	\$ 2,058,528

See independent auditor's report.

City of Beatrice, Nebraska
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the year ended September 30, 2020
With comparative totals for September 30, 2019

	2020				2019
	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds	Total
Revenues					
Taxes					
Property tax	\$ -	\$ 256,042	\$ -	\$ 256,042	\$ 252,536
Sales tax	-	858,488	-	858,488	250,000
Intergovernmental	-	661	33,300	33,961	480,891
Charges for services	96,942	-	-	96,942	101,019
Keno proceeds	77,096	-	-	77,096	73,767
Interest	3,908	-	45	3,953	6,819
Donations and other revenue	269,592	-	144,082	413,674	118,891
Total Revenues	<u>447,538</u>	<u>1,115,191</u>	<u>177,427</u>	<u>1,740,156</u>	<u>1,283,923</u>
Expenditures					
General government	235,584	-	-	235,584	644,057
Capital outlay	2,665	-	1,038,899	1,041,564	672,792
Debt Service:					
Principal	-	240,000	-	240,000	250,000
Interest	-	116,289	-	116,289	5,533
Total Expenditures	<u>238,249</u>	<u>356,289</u>	<u>1,038,899</u>	<u>1,633,437</u>	<u>1,572,382</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>209,289</u>	<u>758,902</u>	<u>(861,472)</u>	<u>106,719</u>	<u>(288,459)</u>
Other Financing Sources (Uses)					
Bond and lease issuances	-	-	275,000	275,000	-
Transfers in	-	-	636,611	636,611	178,357
Transfers out	(347,657)	-	-	(347,657)	(141,729)
Total Other Financing Sources (Uses)	<u>(347,657)</u>	<u>-</u>	<u>911,611</u>	<u>563,954</u>	<u>36,628</u>
Net Change in Fund Balance	<u>(138,368)</u>	<u>758,902</u>	<u>50,139</u>	<u>670,673</u>	<u>(251,831)</u>
Fund Balance, Beginning of Year	<u>1,859,686</u>	<u>75,304</u>	<u>1,889</u>	<u>1,936,879</u>	<u>2,188,710</u>
Fund Balance, End of Year	<u>\$ 1,721,318</u>	<u>\$ 834,206</u>	<u>\$ 52,028</u>	<u>\$ 2,607,552</u>	<u>\$ 1,936,879</u>

See independent auditor's report.

City of Beatrice, Nebraska
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
September 30, 2020
with comparative totals for September 30, 2019

	2020					2019
	Economic Development	Community Development Block Grant	Keno	911 Surcharge	Storm Water Management	Total
Assets						
Cash and cash equivalents	\$ 718,396	\$ 319,642	\$ 5,880	\$ 73,652	\$ 4,356	\$ 1,121,926
Accounts receivable	-	-	-	-	-	910
Loans receivable	552,743	51,252	-	-	-	603,995
Total Assets	<u>\$ 1,271,139</u>	<u>\$ 370,894</u>	<u>\$ 5,880</u>	<u>\$ 73,652</u>	<u>\$ 4,356</u>	<u>\$ 1,725,921</u>
Liabilities and Fund Balance						
Accounts payable	\$ -	\$ -	\$ 4,408	\$ -	\$ 195	\$ 4,603
Fund Balance						
Restricted for:						
Economic development	1,271,139	-	-	-	-	1,271,139
Revolving loan fund	-	370,894	-	-	-	370,894
Storm water management	-	-	-	-	4,161	4,161
E911 public safety	-	-	-	73,652	-	73,652
Committed for:						
Community betterment	-	-	1,472	-	-	1,472
Total Fund Balance	<u>1,271,139</u>	<u>370,894</u>	<u>1,472</u>	<u>73,652</u>	<u>4,161</u>	<u>1,721,318</u>
Total Liabilities and Fund Balance	<u>\$ 1,271,139</u>	<u>\$ 370,894</u>	<u>\$ 5,880</u>	<u>\$ 73,652</u>	<u>\$ 4,356</u>	<u>\$ 1,725,921</u>

See independent auditor's report.

City of Beatrice, Nebraska
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
For the year ended September 30, 2020
With comparative totals for September 30, 2019

	2020						2019
	Economic Development	Community Development Block Grant	Keno	911 Surcharge	Storm Water Management	Total	Total
Revenues							
Taxes							
Sales tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,000
Intergovernmental	-	-	-	-	-	-	363,037
Charges for services	-	-	-	96,942	-	96,942	101,019
Keno proceeds	-	-	77,096	-	-	77,096	73,767
Interest	1,619	2,289	-	-	-	3,908	6,728
Miscellaneous	269,592	-	-	-	-	269,592	20,372
Total Revenues	<u>271,211</u>	<u>2,289</u>	<u>77,096</u>	<u>96,942</u>	<u>-</u>	<u>447,538</u>	<u>814,923</u>
Expenditures							
General government	205,679	-	13,805	-	16,100	235,584	644,057
Capital outlay	2,665	-	-	-	-	2,665	-
Total Expenditures	<u>208,344</u>	<u>-</u>	<u>13,805</u>	<u>-</u>	<u>16,100</u>	<u>238,249</u>	<u>644,057</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	62,867	2,289	63,291	96,942	(16,100)	209,289	170,866
Other Financing Sources (Uses)							
Transfers out	-	-	(275,387)	(72,270)	-	(347,657)	(141,729)
Total Other Financing Uses	<u>-</u>	<u>-</u>	<u>(275,387)</u>	<u>(72,270)</u>	<u>-</u>	<u>(347,657)</u>	<u>(141,729)</u>
Net Change in Fund Balance	62,867	2,289	(212,096)	24,672	(16,100)	(138,368)	29,137
Fund Balance, Beginning of Year	<u>1,208,272</u>	<u>368,605</u>	<u>213,568</u>	<u>48,980</u>	<u>20,261</u>	<u>1,859,686</u>	<u>1,830,549</u>
Fund Balance, End of Year	<u>\$ 1,271,139</u>	<u>\$ 370,894</u>	<u>\$ 1,472</u>	<u>\$ 73,652</u>	<u>\$ 4,161</u>	<u>\$ 1,721,318</u>	<u>\$ 1,859,686</u>

See independent auditor's report.

City of Beatrice, Nebraska
 ECONOMIC DEVELOPMENT SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 For the year ended September 30, 2020
 With comparative totals for September 30, 2019

	2020				
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	2019 Actual
Revenues					
Taxes					
Sales tax	\$ -	\$ -	\$ -	\$ -	\$ 250,000
Intergovernmental	-	-	-	-	250,000
Interest	-	-	1,619	1,619	2,242
Loans/rents revenue	264,500	264,500	269,592	5,092	20,372
Total Revenues	264,500	264,500	271,211	6,711	522,614
Expenditures					
Economic development	250,000	250,000	205,679	44,321	489,420
Capital outlay	1,647,199	1,647,199	2,665	1,644,534	-
Total Expenditures	1,897,199	1,897,199	208,344	1,688,855	489,420
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,632,699)	(1,632,699)	62,867	1,695,566	33,194
Other Financing Sources					
Sale of capital assets	20,000	20,000	-	(20,000)	-
Bond issuance	1,000,000	1,000,000	-	(1,000,000)	-
Total Other Financing Sources	1,020,000	1,020,000	-	(1,020,000)	-
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures	\$ (612,699)	\$ (612,699)	62,867	\$ 675,566	33,194
Fund Balance, Beginning of Year			1,208,272		1,175,078
Fund Balance, End of Year			<u>\$ 1,271,139</u>		<u>\$ 1,208,272</u>

See independent auditor's report.

City of Beatrice, Nebraska
 COMMUNITY DEVELOPMENT BLOCK GRANT SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 For the year ended September 30, 2020
 With comparative totals for September 30, 2019

	2020				
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	2019 Actual
Revenues					
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 113,037
Interest	1,000	1,000	656	(344)	1,128
Interest on loans	1,640	1,640	1,633	(7)	3,358
Total Revenues	<u>2,640</u>	<u>2,640</u>	<u>2,289</u>	<u>(351)</u>	<u>117,523</u>
Expenditures					
Administration	-	-	-	-	1,068
Grant distributions	-	-	-	-	113,037
Re-use loans	320,699	320,699	-	320,699	-
Total Expenditures	<u>320,699</u>	<u>320,699</u>	<u>-</u>	<u>320,701</u>	<u>114,105</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ (318,059)</u>	<u>\$ (318,059)</u>	2,289	<u>\$ 320,350</u>	3,418
Fund Balance, Beginning of Year			<u>368,605</u>		<u>365,187</u>
Fund Balance, End of Year			<u>\$ 370,894</u>		<u>\$ 368,605</u>

See independent auditor's report.

City of Beatrice, Nebraska
 KENO/LOTTERY SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 For the year ended September 30, 2020
 With comparative totals for September 30, 2019

	2020				
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	2019 Actual
Revenues					
Keno/lottery proceeds	\$ 90,000	\$ 90,000	\$ 77,096	\$ (12,904)	\$ 73,767
Expenditures					
Other services and charges	16,000	16,000	13,805	2,195	13,114
Excess of Revenues Over Expenditures	74,000	74,000	63,291	(10,709)	60,653
Other Financing Uses					
Transfers out	(290,000)	(290,000)	(275,387)	14,613	(470)
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Uses	<u>\$ (216,000)</u>	<u>\$ (216,000)</u>	(212,096)	<u>\$ 3,904</u>	60,183
Fund Balance, Beginning of Year			213,568		153,385
Fund Balance, End of Year			<u>\$ 1,472</u>		<u>\$ 213,568</u>

See independent auditor's report.

City of Beatrice, Nebraska
 911 SURCHARGE SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 For the year ended September 30, 2020
 With comparative totals for September 30, 2019

	2020			
	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				2019 Actual
911 service surcharge	\$ 30,000	\$ 30,000	\$ 24,672	\$ (5,328)
E911 wireless surcharge	72,500	72,500	72,270	(230)
Total Revenues	<u>102,500</u>	<u>102,500</u>	<u>96,942</u>	<u>(5,558)</u>
Other Financing Uses				
Transfers out	<u>(72,500)</u>	<u>(72,500)</u>	<u>(72,270)</u>	<u>230</u>
Excess (Deficiency) of Revenues Over (Under)				
Other Financing Uses	<u>\$ (24,896)</u>	<u>\$ (24,896)</u>	24,672	<u>\$ 49,568</u>
Fund Balance, Beginning of Year			<u>48,980</u>	<u>89,220</u>
Fund Balance, End of Year			<u>\$ 73,652</u>	<u>\$ 48,980</u>

See independent auditor's report.

City of Beatrice, Nebraska
 STORM WATER MANAGEMENT PLAN SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 For the year ended September 30, 2020
 With comparative totals for September 30, 2019

	2020			
	Original Budget	Final Budget	Actual	Variance Positive (Negative)
				2019 Totals
Revenues				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-
Expenditures				
Other services and charges	21,089	21,089	16,100	4,989
Total Expenditures	21,089	21,089	16,100	4,989
Deficiency of Revenues Under Expenditures	<u>\$ (21,089)</u>	<u>\$ (21,089)</u>	(16,100)	<u>\$ 4,989</u>
Fund Balance, Beginning of Year			20,261	47,679
Fund Balance, End of Year			<u>\$ 4,161</u>	<u>\$ 20,261</u>

See independent auditor's report.

City of Beatrice, Nebraska
NONMAJOR DEBT SERVICE FUNDS
COMBINING BALANCE SHEET
September 30, 2020
With comparative totals for September 30, 2019

	2020			2019
	General Obligation	Bonded Districts	Total	Total
Assets				
Cash and cash equivalents	\$ 650,271	\$ -	\$ 650,271	\$ 63,884
Cash on deposit - county treasurer	13,270	-	13,270	9,543
Taxes receivable	19,696	-	19,696	16,835
In-lieu-of assessments	-	10,105	10,105	10,105
Due from other governments	203,822	-	203,822	-
Total Assets	<u>\$ 887,059</u>	<u>\$ 10,105</u>	<u>\$ 897,164</u>	<u>\$ 100,367</u>
Liabilities, Deferred Inflows of Resources and Fund Balance				
Liabilities				
Accrued interest payable	\$ 41,959	\$ -	\$ 41,959	\$ 2,122
Deferred Inflows of Resources				
Unavailable revenue	10,894	10,105	20,999	22,941
Fund Balance				
Restricted for debt service	834,206	-	834,206	75,304
Total Fund Balance	<u>834,206</u>	<u>-</u>	<u>834,206</u>	<u>75,304</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 887,059</u>	<u>\$ 10,105</u>	<u>\$ 897,164</u>	<u>\$ 100,367</u>

See independent auditor's report.

City of Beatrice, Nebraska
NONMAJOR DEBT SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the year ended September 30, 2020
With comparative totals for September 30, 2019

	2020			2019
	General Obligation	Bonded Districts	Total	Totals
Revenues				
Taxes				
Property taxes	\$ 256,042	\$ -	\$ 256,042	\$ 252,536
Sales taxes	858,488	-	858,488	-
Intergovernmental	661	-	661	669
Total Revenues	<u>1,115,191</u>	<u>-</u>	<u>1,115,191</u>	<u>253,205</u>
Expenditures				
Capital projects:				
Streets and highways	-	-	-	14,041
Debt service:				
Interest	116,289	-	116,289	5,533
Principal	240,000	-	240,000	250,000
Total Expenditures	<u>356,289</u>	<u>-</u>	<u>356,289</u>	<u>269,574</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>758,902</u>	<u>-</u>	<u>758,902</u>	<u>(16,369)</u>
Fund Balance, Beginning of Year	<u>75,304</u>	<u>-</u>	<u>75,304</u>	<u>91,673</u>
Fund Balance, End of Year	<u>\$ 834,206</u>	<u>\$ -</u>	<u>\$ 834,206</u>	<u>\$ 75,304</u>

See independent auditor's report.

City of Beatrice, Nebraska
 GENERAL OBLIGATION DEBT SERVICE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 For the year ended September 30, 2020
 With comparative totals for September 30, 2019

	2020				2019
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Revenues					
Property taxes	\$ 250,998	\$ 250,998	\$ 256,042	\$ 5,044	\$ 252,536
Sales taxes	-	800,000	858,488	58,488	-
Intergovernmental	500	500	661	161	669
Total Revenues	<u>251,498</u>	<u>1,051,498</u>	<u>1,115,191</u>	<u>63,693</u>	<u>253,205</u>
Expenditures					
Debt Service:					
Interest	11,498	76,451	116,289	(39,838)	5,533
Principal	240,000	240,000	240,000	-	250,000
Total Expenditures	<u>251,498</u>	<u>316,451</u>	<u>356,289</u>	<u>(39,838)</u>	<u>255,533</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 735,047</u>	758,902	<u>\$ 23,855</u>	(2,328)
Fund Balance, Beginning of Year			<u>75,304</u>		<u>77,632</u>
Fund Balance, End of Year			<u>\$ 834,206</u>		<u>\$ 75,304</u>

See independent auditor's report.

City of Beatrice, Nebraska
 UNBONDED ASSESSMENTS DEBT SERVICE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 For the year ended September 30, 2020
 With comparative totals for September 30, 2019

	2020				
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	2019 Actual
Revenues					
Special assessments	\$ -	\$ -	\$ -	\$ -	\$ -
Interest on assessments	-	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures					
Capital outlay	-	-	-	-	14,041
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,041</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	(14,041)
Fund Balance, Beginning of Year			-		14,041
Fund Balance, End of Year			<u>\$ -</u>		<u>\$ -</u>

See independent auditor's report.

City of Beatrice, Nebraska
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
September 30, 2020
With comparative totals for September 30, 2019

	2020			2019
	Library Capital Improvements	Capital Improvements	Total	Total
Assets				
Cash and cash equivalents	\$ 16	\$ 103,947	\$ 103,963	\$ 27,579
Accounts receivable	-	90,000	90,000	68,000
Total Assets	<u>\$ 16</u>	<u>\$ 193,947</u>	<u>\$ 193,963</u>	<u>\$ 95,579</u>
Liabilities, Deferred Inflows of Resources, and Fund Balance				
Liabilities				
Accounts payable	\$ -	\$ 95,935	\$ 95,935	\$ -
Due to other funds	-	-	-	31,690
Total Liabilities	<u>-</u>	<u>95,935</u>	<u>95,935</u>	<u>31,690</u>
Deferred Inflows of Resources				
Unavailable revenues	<u>-</u>	<u>46,000</u>	<u>46,000</u>	<u>62,000</u>
Fund Balance				
Restricted for:				
Library capital improvements	-	303	303	303
Committed for:				
Library capital improvements	16	-	16	27,579
Assigned for:				
Subsequent years' expenditures	-	51,709	51,709	-
Unassigned	-	-	-	(25,993)
Total Fund Balance	<u>16</u>	<u>52,012</u>	<u>52,028</u>	<u>1,889</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 16</u>	<u>\$ 193,947</u>	<u>\$ 193,963</u>	<u>\$ 95,579</u>

See independent auditor's report.

City of Beatrice, Nebraska
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the year ended September 30, 2020
With comparative totals for September 30, 2019

	2020			2019
	Library Capital Improvements	Capital Improvements	Total	Total
Revenues				
Intergovernmental	\$ -	\$ 33,300	\$ 33,300	\$ 117,185
Interest	45	-	45	91
Donations and other revenue	-	144,082	144,082	98,519
Total Revenues	<u>45</u>	<u>177,382</u>	<u>177,427</u>	<u>215,795</u>
Expenditures				
Capital outlay	<u>27,608</u>	<u>1,011,291</u>	<u>1,038,899</u>	<u>658,751</u>
Total Expenditures	<u>27,608</u>	<u>1,011,291</u>	<u>1,038,899</u>	<u>658,751</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(27,563)</u>	<u>(833,909)</u>	<u>(861,472)</u>	<u>(442,956)</u>
Other Financing Sources				
Bond and lease proceeds	-	275,000	275,000	-
Transfers in	-	636,611	636,611	178,357
Total Other Financing Sources	<u>-</u>	<u>911,611</u>	<u>911,611</u>	<u>178,357</u>
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>(27,563)</u>	<u>77,702</u>	<u>50,139</u>	<u>(264,599)</u>
Fund Balances, Beginning of Year	<u>27,579</u>	<u>(25,690)</u>	<u>1,889</u>	<u>266,488</u>
Fund Balances, End of Year	<u>\$ 16</u>	<u>\$ 52,012</u>	<u>\$ 52,028</u>	<u>\$ 1,889</u>

See independent auditor's report.

City of Beatrice, Nebraska
 LIBRARY CAPITAL IMPROVEMENTS CAPITAL PROJECTS FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 For the year ended September 30, 2020
 With comparative totals for September 30, 2019

	2020			
	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				2019 Actual
Interest	\$ 20	\$ 20	\$ 45	\$ 25
Total Revenues	<u>20</u>	<u>20</u>	<u>45</u>	<u>25</u>
Expenditures				
Capital outlay	<u>23,000</u>	<u>28,000</u>	<u>27,608</u>	<u>392</u>
Total Expenditures	<u>23,000</u>	<u>28,000</u>	<u>27,608</u>	<u>392</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ (22,980)</u>	<u>\$ (27,980)</u>	(27,563)	<u>\$ 417</u>
Fund Balance, Beginning of Year			<u>27,579</u>	<u>27,488</u>
Fund Balance, End of Year			<u>\$ 16</u>	<u>\$ 27,579</u>

See independent auditor's report.

City of Beatrice, Nebraska
 CAPITAL IMPROVEMENTS CAPITAL PROJECTS FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 For the year ended September 30, 2020
 With comparative totals for September 30, 2019

	2020				
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	2019 Actual
Revenues					
Intergovernmental	\$ 30,000	\$ 1,821,348	\$ 33,300	\$ (1,788,048)	\$ 117,185
Donations and other revenue	178,900	178,900	144,082	(34,818)	98,519
Total Revenues	<u>208,900</u>	<u>2,000,248</u>	<u>177,382</u>	<u>(1,822,866)</u>	<u>215,704</u>
Expenditures					
Capital Projects					
Public building improvements	171,000	171,000	211,910	(40,910)	214,318
Police facility improvements	-	-	-	-	14,061
Library renovation	90,000	90,000	-	90,000	-
Community revitalization	100,000	100,000	14,201	85,799	-
Trail improvements	290,000	2,116,734	250,722	1,866,012	155,453
Park other improvements	378,400	378,400	390,944	(12,544)	71,401
Ball field improvements	15,000	15,000	10,584	4,416	4,275
Lodging tax projects	-	-	1,731	(1,731)	81,526
Other vehicles and equipment	32,000	32,000	27,765	4,235	28,357
Public properties equipment	16,300	16,300	16,250	50	44,998
Computer equipment	83,020	83,020	87,184	(4,164)	44,362
Total Expenditures	<u>1,175,720</u>	<u>3,002,454</u>	<u>1,011,291</u>	<u>1,991,163</u>	<u>658,751</u>
Deficiency of Revenues Under Expenditures	<u>(966,820)</u>	<u>(1,002,206)</u>	<u>(833,909)</u>	<u>168,297</u>	<u>(443,047)</u>
Other Financing Sources					
Lease proceeds	247,000	247,000	275,000	28,000	-
Transfers in	689,820	725,206	636,611	(88,595)	178,357
Total Other Financing Sources	<u>936,820</u>	<u>972,206</u>	<u>911,611</u>	<u>(60,595)</u>	<u>178,357</u>
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures	<u>\$ (30,000)</u>	<u>\$ (30,000)</u>	77,702	<u>\$ 107,702</u>	(264,690)
Fund Balance, Beginning of Year			<u>(25,690)</u>		<u>239,000</u>
Fund Balance, End of Year			<u>\$ 52,012</u>		<u>\$ (25,690)</u>

See independent auditor's report.

City of Beatrice, Nebraska
ELECTRIC ENTERPRISE FUND
BALANCE SHEET
September 30, 2020
With comparative totals for September 30, 2019

	2020	2019
Assets		
Current Assets		
Cash and cash equivalents	\$ 2,541,960	\$ 1,801,156
Accounts receivable	1,233,667	1,239,311
Unbilled and accrued revenues	708,253	766,522
Inventories	729,257	712,927
Prepaid expenses	7,780	7,155
Interest receivable	602	1,967
Total Current Assets	<u>5,221,519</u>	<u>4,529,038</u>
Noncurrent Assets		
Investments	1,999,401	2,959,059
Collateral deposit	<u>150,000</u>	<u>150,000</u>
Restricted cash and cash equivalents		
Customer deposits	<u>139,976</u>	<u>123,072</u>
Total Restricted Cash and Cash Equivalents	<u>139,976</u>	<u>123,072</u>
Restricted investments		
Debt service reserve account	75,181	73,509
Customer deposits	<u>300,820</u>	<u>299,515</u>
Total Restricted Investments	<u>376,001</u>	<u>373,024</u>
Capital Assets		
Land	65,058	65,058
Construction in progress	-	57,147
Buildings and improvements	1,429,550	1,419,819
Improvements other than building	30,279,094	29,867,881
Machinery and equipment	<u>4,633,268</u>	<u>4,137,634</u>
	36,406,970	35,547,539
Less accumulated depreciation	<u>(20,391,625)</u>	<u>(20,395,604)</u>
Net Capital Assets	<u>16,015,345</u>	<u>15,151,935</u>
Total Noncurrent Assets	<u>18,680,723</u>	<u>18,757,090</u>
Total Assets	<u><u>\$23,902,242</u></u>	<u><u>\$23,286,128</u></u>

See independent auditor's report.

City of Beatrice, Nebraska
ELECTRIC ENTERPRISE FUND
BALANCE SHEET - CONTINUED
September 30, 2020
With comparative totals for September 30, 2019

	2020	2019
Liabilities and Net Position		
Current Liabilities		
Accounts payable	\$ 1,181,702	\$ 1,360,717
Accrued compensated absences	156,049	154,205
Accrued payroll	75,503	62,908
Sales tax payable	476	-
Accrued interest payable	1,600	1,864
Other accrued liabilities	14,718	14,114
Customer deposits	419,675	402,450
Current portion of long-term debt	66,500	64,750
Total Current Liabilities	<u>1,916,223</u>	<u>2,061,008</u>
Noncurrent Liabilities, Net of Current Portion		
Compensated absences	314,126	315,600
Revenue bonds	<u>206,500</u>	<u>273,000</u>
Total noncurrent liabilities	<u>520,626</u>	<u>588,600</u>
Total Liabilities	<u>2,436,849</u>	<u>2,649,608</u>
Net Position		
Net investment in capital assets	15,714,823	14,796,342
Restricted for debt service	73,581	71,645
Unrestricted	<u>5,676,989</u>	<u>5,768,533</u>
Total Net Position	<u>21,465,393</u>	<u>20,636,520</u>
Total Liabilities and Net Position	<u>\$ 23,902,242</u>	<u>\$ 23,286,128</u>

See independent auditor's report.

City of Beatrice, Nebraska
ELECTRIC ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
For the year ended September 30, 2020
With comparative totals for September 30, 2019

	2020				
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	2019 Totals
Operating Revenues					
Charges for services	\$ 17,069,530	\$ 17,069,530	\$ 16,356,112	\$ (713,418)	\$ 17,619,594
Operating Expenses					
Electric energy purchased	12,000,000	12,000,000	10,942,105	1,057,895	12,849,975
Operating and maintenance expense	1,441,888	1,441,888	1,371,265	70,623	1,290,718
Customer accounting expenses	259,256	259,256	218,874	40,382	239,204
Engineering services	324,140	324,140	343,124	(18,984)	335,502
Administrative and general expense	983,747	983,747	895,402	88,345	919,345
Municipal expenses	767,500	767,500	727,006	40,494	467,594
Depreciation	1,250,000	1,250,000	1,356,856	(106,856)	1,246,252
Total operating expenses	<u>17,026,531</u>	<u>17,026,531</u>	<u>15,854,632</u>	<u>1,171,899</u>	<u>17,348,590</u>
Operating Income (Loss)	42,999	42,999	501,480	458,481	271,004
Nonoperating Revenues (Expenses)					
Investment earnings	91,600	91,600	79,252	(12,348)	104,257
Miscellaneous revenues	202,200	202,200	185,942	(16,258)	208,013
Gain on disposal of capital asset	-	-	10,558	10,558	-
Interest expense	<u>(5,925)</u>	<u>(5,925)</u>	<u>(5,661)</u>	<u>264</u>	<u>(6,527)</u>
Total Nonoperating Revenues	<u>287,875</u>	<u>287,875</u>	<u>270,091</u>	<u>(17,784)</u>	<u>305,743</u>
Income Before Contributions and Transfers	330,874	330,874	771,571	440,697	576,747
Transfers out to other City Funds	-	-	(13,161)	(13,161)	-
Capital Contributions	<u>-</u>	<u>-</u>	<u>70,463</u>	<u>70,463</u>	<u>-</u>
Change in Net Position	<u>\$ 330,874</u>	<u>\$ 330,874</u>	828,873	<u>\$ 497,999</u>	576,747
Net Position, Beginning of Year			<u>20,636,520</u>		<u>20,059,773</u>
Net Position, End of Year			<u>\$ 21,465,393</u>		<u>\$ 20,636,520</u>

See independent auditor's report.

City of Beatrice, Nebraska
ELECTRIC ENTERPRISE FUND
STATEMENT OF CASH FLOWS
For the year ended September 30, 2020
With comparative totals for September 30, 2019

	2020	2019
Cash Flows From Operating Activities		
Cash received from customers	\$ 16,420,025	\$ 17,737,702
Cash paid to suppliers for goods and services	(13,106,228)	(14,675,774)
Cash paid for collateral deposit	-	(150,000)
Cash paid to employees for services	(1,565,927)	(1,546,870)
Net cash provided by operating activities	<u>1,747,870</u>	<u>1,365,058</u>
Cash Flows From Noncapital Financing Activities		
Other miscellaneous receipts	<u>172,781</u>	<u>208,013</u>
Cash Flows From Capital and Related Financing Activities		
Principal payments on long-term debt	(64,750)	(63,000)
Interest paid on long-term debt	(5,925)	(6,740)
Capital contributions	70,463	-
Purchases of capital assets	(2,200,029)	(1,683,234)
Net cash used in capital and related financing activities	<u>(2,200,241)</u>	<u>(1,752,974)</u>
Cash Flows From Investing Activities		
Purchases of investments	(332,978)	(1,092,090)
Sales and maturities of investments	1,289,659	560,053
Interest received	80,617	104,302
Net cash provided by (used in) investing activities	<u>1,037,298</u>	<u>(427,735)</u>
Net Change in Cash and Cash Equivalents	757,708	(607,638)
Cash and Cash Equivalents, Beginning of Year	1,924,228	2,531,866
Cash and Cash Equivalents, End of Year	<u>\$ 2,681,936</u>	<u>\$ 1,924,228</u>
Composition of Cash and Cash Equivalents		
Cash and cash equivalents	\$ 2,541,960	\$ 1,801,156
Restricted cash and cash equivalents	139,976	123,072
Total cash and cash equivalents	<u>\$ 2,681,936</u>	<u>\$ 1,924,228</u>
Reconciliation of Operating Income to Net Cash		
Provided by Operating Activities		
Operating Income	\$ 501,480	\$ 271,004
Adjustments to reconcile operating income to net cash provided		
by operating activities:		
Depreciation	1,356,856	1,246,252
Changes in operating assets and liabilities:		
Accounts receivable	5,644	156,554
Unbilled and accrued revenues	58,269	(38,446)
Materials and supplies inventory	(16,330)	(54,604)
Prepaid expenses	(625)	(633)
Collateral deposit	-	(150,000)
Accounts payable	(188,694)	(107,758)
Compensated absences	370	34,029
Customer and development deposits	17,225	330
Other accrued liabilities	13,675	8,330
Total adjustments	<u>1,246,390</u>	<u>1,094,054</u>
Net cash provided by operating activities	<u>\$ 1,747,870</u>	<u>\$ 1,365,058</u>
Supplemental Disclosure for NonCash Capital Activities:		
Purchase of capital assets on account	\$ 27,522	\$ 17,843
Trade-in value for purchase of capital asset	\$ 15,000	\$ -

See independent auditor's report.

City of Beatrice, Nebraska
WATER ENTERPRISE FUND
BALANCE SHEET
September 30, 2020
With comparative totals for September 30, 2019

	2020	2019
Assets		
Current Assets		
Cash and cash equivalents	\$ 1,728,892	\$ 1,595,273
Accounts receivable	137,029	130,897
Unbilled and accrued revenues	173,184	142,693
Inventories	319,662	287,333
Prepaid expenses	6,290	5,864
Interest receivable	751	1,033
Total Current Assets	<u>2,365,808</u>	<u>2,163,093</u>
Noncurrent Assets		
Investments	<u>500,000</u>	<u>506,122</u>
Restricted Investments		
Debt service reserve account	<u>136,845</u>	<u>133,389</u>
Capital Assets		
Land	55,458	55,458
Buildings and improvements	140,988	140,988
Improvements other than building	19,405,312	18,809,600
Machinery and equipment	<u>1,166,136</u>	<u>1,046,479</u>
	20,767,894	20,052,525
Less accumulated depreciation	<u>(13,492,883)</u>	<u>(12,979,789)</u>
Net Capital Assets	7,275,011	7,072,736
Total Noncurrent Assets	<u>7,911,856</u>	<u>7,712,247</u>
Total Assets	<u><u>\$10,277,664</u></u>	<u><u>\$ 9,875,340</u></u>

See independent auditor's report.

City of Beatrice, Nebraska
 WATER ENTERPRISE FUND
 BALANCE SHEET - CONTINUED
 September 30, 2020
 With comparative totals for September 30, 2019

	<u>2020</u>	<u>2019</u>
Liabilities and Net Position		
Current Liabilities		
Accounts payable	\$ 16,681	\$ 17,712
Accrued compensated absences	98,574	93,414
Accrued payroll	34,972	28,352
Accrued interest payable	2,898	3,521
Other accrued liabilities	6,022	5,826
Current portion of long-term debt	118,340	114,970
Total Current Liabilities	<u>277,487</u>	<u>263,795</u>
Noncurrent Liabilities, Net of Current Portion		
Compensated absences	227,437	225,439
Revenue bonds	315,040	433,380
Total Long-term Liabilities	<u>542,477</u>	<u>658,819</u>
Total Liabilities	<u>819,964</u>	<u>922,614</u>
Net Position		
Net investment in capital assets	6,837,041	6,524,252
Restricted for debt service	133,947	129,868
Unrestricted	2,486,712	2,298,606
Total Net Position	<u>9,457,700</u>	<u>8,952,726</u>
Total Liabilities and Net Position	<u>\$10,277,664</u>	<u>\$ 9,875,340</u>

See independent auditor's report.

City of Beatrice, Nebraska
WATER ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
For the year ended September 30, 2020
With comparative totals for September 30, 2019

	2020				
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	2019 Totals
Operating Revenues					
Charges for services	\$ 2,675,500	\$ 2,675,500	\$ 2,646,957	\$ (28,543)	\$ 2,650,876
Operating Expenses					
Operating and maintenance expense	1,058,314	1,118,314	1,103,655	14,659	1,063,414
Customer accounting expenses	136,336	136,336	121,333	15,003	127,101
Engineering services	33,372	33,372	33,372	-	32,400
Administrative and general expense	493,024	493,024	490,889	2,135	476,443
Municipal expenses	49,500	49,500	57,873	(8,373)	58,567
Depreciation	550,000	550,000	559,300	(9,300)	545,383
Total operating expenses	<u>2,320,546</u>	<u>2,380,546</u>	<u>2,366,422</u>	<u>14,124</u>	<u>2,303,308</u>
Operating Income	354,954	294,954	280,535	(14,419)	347,568
Nonoperating Revenues (Expenses)					
Investment earnings	31,500	31,500	31,249	(251)	44,325
Gain (loss) on disposal of capital asset	-	-	(3,464)	(3,464)	720
Miscellaneous revenues	99,500	99,500	124,607	25,107	118,403
Interest expense	<u>(10,979)</u>	<u>(10,979)</u>	<u>(10,356)</u>	<u>623</u>	<u>(12,420)</u>
Total nonoperating revenues	<u>120,021</u>	<u>120,021</u>	<u>142,036</u>	<u>22,015</u>	<u>151,028</u>
Income Before Contributions and Transfers	474,975	414,975	422,571	7,596	498,596
Transfers out to other City Funds	-	-	(7,897)	(7,897)	-
Capital Contributions	<u>-</u>	<u>-</u>	<u>90,300</u>	<u>90,300</u>	<u>-</u>
Change in Net Position	<u>\$ 474,975</u>	<u>\$ 414,975</u>	504,974	<u>\$ 89,999</u>	498,596
Net Position, Beginning of Year			<u>8,952,726</u>		<u>8,454,130</u>
Net Position, End of Year			<u>\$ 9,457,700</u>		<u>\$ 8,952,726</u>

See independent auditor's report.

City of Beatrice, Nebraska
WATER ENTERPRISE FUND
STATEMENT OF CASH FLOWS
For the year ended September 30, 2020
With comparative totals for September 30, 2019

	2020	2019
Cash Flows From Operating Activities		
Cash received from customers	\$ 2,610,334	\$ 2,738,814
Cash paid to suppliers for goods and services	(964,357)	(922,121)
Cash paid to employees for services	(867,033)	(861,320)
Net cash provided by operating activities	<u>778,944</u>	<u>955,373</u>
Cash Flows From Noncapital Financing Activities		
Other miscellaneous receipts	<u>116,710</u>	<u>118,403</u>
Cash Flows From Capital and Related Financing Activities		
Principal payments on long-term debt	(114,970)	(113,220)
Interest paid on long-term debt	(10,979)	(12,949)
Capital contributions	90,300	-
Proceeds from sales of capital assets	-	720
Purchases of capital assets	(760,583)	(690,177)
Net cash used in capital and related financing activities	<u>(796,232)</u>	<u>(815,626)</u>
Cash Flows From Investing Activities		
Purchases of investments	(303,456)	(310,737)
Sales and maturities of investments	306,122	-
Interest received	31,531	43,792
Net cash used in investing activities	<u>34,197</u>	<u>(266,945)</u>
Net Change in Cash and Cash Equivalents	133,619	(8,795)
Cash and Cash Equivalents, Beginning of Year	1,595,273	1,604,068
Cash and Cash Equivalents, End of Year	<u>\$ 1,728,892</u>	<u>\$ 1,595,273</u>
Composition of Cash and Cash Equivalents		
Cash and cash equivalents	<u>\$ 1,728,892</u>	<u>\$ 1,595,273</u>
Total cash and cash equivalents	<u>\$ 1,728,892</u>	<u>\$ 1,595,273</u>
Reconciliation of Operating Income to Net Cash		
Provided by Operating Activities		
Operating income	\$ 280,535	\$ 347,568
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	559,300	545,383
Changes in operating assets and liabilities:		
Accounts receivable	(6,132)	82,861
Unbilled and accrued receivable	(30,491)	5,077
Materials and supplies inventory	(32,329)	4,640
Prepaid expenses	(426)	(395)
Accounts payable	(5,487)	(59,854)
Compensated absences	7,158	25,649
Other accrued liabilities	6,816	4,444
Total adjustments	<u>498,409</u>	<u>607,805</u>
Net cash provided by operating activities	<u>\$ 778,944</u>	<u>\$ 955,373</u>
Supplemental Disclosure for NonCash Capital Activities:		
Purchase of capital assets on account	\$ 4,590	\$ 134

See independent auditor's report.

City of Beatrice, Nebraska
WATER POLLUTION CONTROL ENTERPRISE FUND
BALANCE SHEET
September 30, 2020
With comparative totals for September 30, 2019

	2020	2019
Assets		
Current Assets		
Cash and cash equivalents	\$ 4,003,960	\$ 2,827,695
Accounts receivable	98,127	101,882
Unbilled and accrued revenues	118,513	118,627
Prepaid expenses	3,605	3,128
Interest receivable	2,372	3,422
Total Current Assets	<u>4,226,577</u>	<u>3,054,754</u>
Noncurrent Assets		
Investments	766,394	1,264,345
Restricted Investments		
Debt service reserve account	193,098	187,942
Capital Assets		
Land	16,588	16,588
Buildings and improvements	11,410,985	10,475,787
Improvements other than building	9,260,446	9,269,291
Machinery and equipment	2,212,581	2,130,812
	<u>22,900,600</u>	<u>21,892,478</u>
Less accumulated depreciation	<u>(16,245,456)</u>	<u>(15,745,836)</u>
Net Capital Assets	6,655,144	6,146,642
Total Noncurrent Assets	<u>7,614,636</u>	<u>7,598,929</u>
Total Assets	<u>\$11,841,213</u>	<u>\$10,653,683</u>

See independent auditor's report.

City of Beatrice, Nebraska
WATER POLLUTION CONTROL ENTERPRISE FUND
BALANCE SHEET - CONTINUED
September 30, 2020
With comparative totals for September 30, 2019

	2020	2019
Liabilities and Net Position		
Current Liabilities		
Accounts payable	\$ 794,387	\$ 27,529
Accrued compensated absences	47,751	46,909
Accrued payroll	20,914	16,960
Accrued interest payable	4,078	5,056
Other accrued liabilities	2,538	2,394
Current portion of long-term debt	165,160	160,280
Total Current Liabilities	<u>1,034,828</u>	<u>259,128</u>
Noncurrent Liabilities, Net of Current Portion		
Compensated absences	63,591	62,338
Revenue bonds	403,460	568,620
Total Noncurrent Liabilities	<u>467,051</u>	<u>630,958</u>
Total Liabilities	<u>1,501,879</u>	<u>890,086</u>
Net Position		
Net investment in capital assets	5,306,268	5,395,586
Restricted for debt service	189,020	182,886
Unrestricted	4,844,046	4,185,125
Total Net Position	<u>10,339,334</u>	<u>9,763,597</u>
Total Liabilities and Net Position	<u>\$11,841,213</u>	<u>\$10,653,683</u>

See independent auditor's report.

City of Beatrice, Nebraska
WATER POLLUTION CONTROL ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
For the year ended September 30, 2020
With comparative totals for September 30, 2019

	2020				
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	2019 Totals
Operating Revenues					
Charges for services	\$ 2,179,000	\$ 2,179,000	\$ 2,183,811	\$ 4,811	\$ 2,243,878
Operating Expenses					
Operating and maintenance expense	651,673	651,673	671,441	(19,768)	625,072
Customer accounting expenses	90,224	90,224	82,362	7,862	93,629
Engineering services	33,372	33,372	33,372	-	32,400
Administrative and general expense	315,957	315,957	313,124	2,833	299,722
Municipal expenses	20,500	20,500	17,835	2,665	20,296
Depreciation	555,000	555,000	552,785	2,215	546,480
Total operating expenses	<u>1,666,726</u>	<u>1,666,726</u>	<u>1,670,919</u>	<u>(4,193)</u>	<u>1,617,599</u>
Operating Income	512,274	512,274	512,892	618	626,279
Nonoperating Revenues (Expenses)					
Investment earnings	52,000	52,000	61,108	9,108	83,297
Gain (loss) on disposal of capital asset	-	-	(5,849)	(5,849)	2,781
Miscellaneous revenues	12,500	12,500	27,495	14,995	8,677
Interest expense	<u>(15,623)</u>	<u>(15,623)</u>	<u>(14,645)</u>	<u>978</u>	<u>(17,892)</u>
Total nonoperating revenues	<u>48,877</u>	<u>48,877</u>	<u>68,109</u>	<u>19,232</u>	<u>76,863</u>
Income Before Transfers	561,151	561,151	581,001	19,850	703,142
Transfers out to other City Funds	<u>-</u>	<u>-</u>	<u>(5,264)</u>	<u>(5,264)</u>	<u>-</u>
Change in Net Position	<u>\$ 561,151</u>	<u>\$ 561,151</u>	575,737	<u>\$ 14,586</u>	703,142
Net Position, Beginning of Year			<u>9,763,597</u>		<u>9,060,455</u>
Net Position, End of Year			<u>\$ 10,339,334</u>		<u>\$ 9,763,597</u>

See independent auditor's report.

City of Beatrice, Nebraska
WATER POLLUTION CONTROL ENTERPRISE FUND
STATEMENT OF CASH FLOWS
For the year ended September 30, 2020
With comparative totals for September 30, 2019

	2020	2019
Cash Flows From Operating Activities		
Cash received from customers	\$ 2,187,680	\$ 2,257,528
Cash paid to suppliers for goods and services	(553,512)	(538,327)
Cash paid to employees for services	(550,148)	(533,648)
Net cash provided by operating activities	<u>1,084,020</u>	<u>1,185,553</u>
Cash Flows From Noncapital Financing Activities		
Other miscellaneous receipts	<u>22,231</u>	<u>8,677</u>
Cash Flows From Capital and Related Financing Activities		
Principal payments on long-term debt	(160,280)	(158,780)
Interest paid on long-term debt	(15,623)	(18,732)
Proceeds from sales of capital assets	-	2,781
Purchases of capital assets	(309,036)	(363,511)
Net cash used in capital and related financing activities	<u>(484,939)</u>	<u>(538,242)</u>
Cash Flows From Investing Activities		
Purchases of investments	(211,286)	(217,666)
Sales and maturities of investments	704,081	207,750
Interest received	62,158	82,956
Net cash provided by investing activities	<u>554,953</u>	<u>73,040</u>
Net Change in Cash and Cash Equivalents	1,176,265	729,028
Cash and Restricted Cash, Beginning of Year	<u>2,827,695</u>	<u>2,098,667</u>
Cash and Restricted Cash, End of Year	<u><u>\$ 4,003,960</u></u>	<u><u>\$ 2,827,695</u></u>
Composition of Cash and Cash Equivalents		
Cash and cash equivalents	<u>\$ 4,003,960</u>	<u>\$ 2,827,695</u>
Total cash and cash equivalents	<u><u>\$ 4,003,960</u></u>	<u><u>\$ 2,827,695</u></u>
Reconciliation of Operating Income to Net Cash		
Provided by Operating Activities		
Operating income	\$ 512,892	\$ 626,279
Adjustments to reconcile operating income to net cash provided		
by operating activities:		
Depreciation	552,785	546,480
Changes in operating assets and liabilities:		
Accounts receivable	3,755	13,158
Unbilled and accrued revenues	114	492
Prepaid expenses	(477)	174
Accounts payable	8,758	(18,892)
Compensated absences	2,095	16,106
Other accrued liabilities	4,098	1,756
Total adjustments	<u>571,128</u>	<u>559,274</u>
Net cash provided by operating activities	<u><u>\$ 1,084,020</u></u>	<u><u>\$ 1,185,553</u></u>
Supplemental Disclosure for NonCash Capital Activities:		
Purchase of capital assets on account	\$ 780,256	\$ 22,156

See independent auditor's report.

City of Beatrice, Nebraska
 BASWA ENTERPRISE FUND
 BALANCE SHEET
 September 30, 2020
 With comparative totals for September 30, 2019

	<u>2020</u>	<u>2019</u>
Assets		
Current Assets		
Cash and cash equivalents	\$ 518,794	\$ 437,090
Accounts receivable	<u>185,902</u>	<u>178,929</u>
Total Current Assets	<u>704,696</u>	<u>616,019</u>
Noncurrent Assets		
Restricted investments		
Debt service reserve account	366,782	365,011
Closure and post-closure account	<u>2,755,852</u>	<u>2,428,472</u>
Total Restricted Assets	<u>3,122,634</u>	<u>2,793,483</u>
Property, Plant and Equipment		
Buildings and improvements other than buildings	7,832,751	7,736,594
Machinery and equipment	<u>2,423,831</u>	<u>2,405,513</u>
	10,256,582	10,142,107
Less accumulated depreciation	<u>(5,656,912)</u>	<u>(5,220,542)</u>
Net Capital Assets	<u>4,599,670</u>	<u>4,921,565</u>
Total Noncurrent Assets	<u>7,722,304</u>	<u>7,715,048</u>
Total Assets	<u>\$ 8,427,000</u>	<u>\$ 8,331,067</u>

See independent auditor's report.

City of Beatrice, Nebraska
 BASWA ENTERPRISE FUND
 BALANCE SHEET - CONTINUED
 September 30, 2020
 With comparative totals for September 30, 2019

	<u>2020</u>	<u>2019</u>
Liabilities and Net Position		
Current Liabilities		
Accounts payable	\$ 19,065	\$ 15,554
Accrued compensated absences	22,113	20,853
Accrued payroll	9,608	6,786
Accrued interest payable	19,750	24,761
Current maturities of lease obligation	290,163	284,044
Current maturities of bonds payable	<u>265,000</u>	<u>265,000</u>
Total Current Liabilities	625,699	616,998
Noncurrent Liabilities, Net of Current Portion		
Compensated absences	19,638	-
Revenue bonds	825,000	1,090,000
Lease obligation	500,355	790,039
Closure and post-closure cost	<u>5,115,000</u>	<u>4,805,000</u>
Total Noncurrent Liabilities	<u>6,459,993</u>	<u>6,685,039</u>
Total Liabilities	<u>7,085,692</u>	<u>7,302,037</u>
Net Position		
Net investment in capital assets	2,719,152	2,492,482
Restricted for debt service	347,032	340,250
Unrestricted	<u>(1,724,876)</u>	<u>(1,803,702)</u>
Net Position	<u>1,341,308</u>	<u>1,029,030</u>
Total Liabilities and Net Position	<u>\$ 8,427,000</u>	<u>\$ 8,331,067</u>

See independent auditor's report.

City of Beatrice, Nebraska
 BASWA ENTERPRISE FUND
 SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 BUDGET AND ACTUAL
 For the year ended September 30, 2020
 With comparative totals for September 30, 2019

	2020				
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	2019 Actual
Operating Revenues					
Other government user fees	\$ 94,505	\$ 94,505	\$ 94,505	\$ -	\$ 94,505
Gate fees	713,000	713,000	812,359	99,359	803,838
Garbage service fees	944,000	944,000	875,503	(68,497)	945,804
Recycling income	2,000	2,000	814	(1,186)	800
Total Operating Revenues	<u>1,753,505</u>	<u>1,753,505</u>	<u>1,783,181</u>	<u>29,676</u>	<u>1,844,947</u>
Operating Expenses					
Personal services	294,089	294,089	313,645	(19,556)	295,770
Other services and charges	238,266	238,266	207,486	30,780	228,842
Supplies	114,000	114,000	113,992	8	118,022
Contractual services	116,884	116,884	119,330	(2,446)	109,001
Depreciation and amortization	450,000	450,000	441,154	8,846	472,383
Landfill closure and post-closure care	167,878	167,878	310,000	(142,122)	409,000
Total Operating Expenses	<u>1,381,117</u>	<u>1,381,117</u>	<u>1,505,607</u>	<u>(124,490)</u>	<u>1,633,018</u>
Operating Income	<u>372,388</u>	<u>372,388</u>	<u>277,574</u>	<u>(94,814)</u>	<u>211,929</u>
Nonoperating Revenues (Expenses)					
Miscellaneous revenue	500	500	671	171	35
Gain on disposal of capital asset	-	-	-	-	5,500
Investment earnings	50,000	50,000	56,323	6,323	53,421
Transfers in from other City Funds	-	-	26,322	26,322	-
Interest expense	-	-	(48,612)	(48,612)	(52,930)
Total Nonoperating Revenues (Expenses)	<u>50,500</u>	<u>50,500</u>	<u>34,704</u>	<u>(15,796)</u>	<u>6,026</u>
Change in Net Position	<u>\$ 422,888</u>	<u>\$ 422,888</u>	312,278	<u>\$ (110,610)</u>	217,955
Net Position, Beginning of Year			1,029,030		811,075
Net Position, End of Year			<u>\$ 1,341,308</u>		<u>\$ 1,029,030</u>

See independent auditor's report.

City of Beatrice, Nebraska
 BASWA ENTERPRISE FUND
 STATEMENT OF CASH FLOWS
 For the year ended September 30, 2020
 With comparative totals for September 30, 2019

	2020	2019
Cash Flows from Operating Activities		
Cash received from customers	\$ 1,776,208	\$ 1,891,018
Cash paid to suppliers for goods and services	(437,297)	(464,582)
Cash paid to employees for services	(289,925)	(290,905)
Net cash provided by operating activities	<u>1,048,986</u>	<u>1,135,531</u>
Cash Flows From Noncapital Financing Activities		
Other miscellaneous receipts	<u>26,993</u>	<u>35</u>
Cash Flows from Capital and Related Financing Activities		
Principal payments on bonds	(265,000)	(260,000)
Principal payments on notes	(283,565)	(227,367)
Interest paid on long-term debt	(53,623)	(49,898)
Proceeds on long-term debt	-	283,378
Proceeds from sales of capital assets	-	5,500
Purchases of capital assets	(119,259)	(311,150)
Net cash used in capital and related financing activities	<u>(721,447)</u>	<u>(559,537)</u>
Cash Flows from Investing Activities		
Interest received	56,323	53,421
Sales and maturities of investments	224,480	-
Purchases of investments	(553,631)	(494,232)
Net cash used in investing activities	<u>(272,828)</u>	<u>(440,811)</u>
Net Change in Cash and Cash Equivalents	81,704	135,218
Cash and Cash Equivalents, Beginning of Year	<u>437,090</u>	<u>301,872</u>
Cash and Cash Equivalents, End of Year	<u>\$ 518,794</u>	<u>\$ 437,090</u>
Cash and Cash Equivalents Consist of:		
Cash and cash equivalents	<u>\$ 518,794</u>	<u>\$ 437,090</u>
Reconciliation of Net Income to Net Cash		
Provided by Operating Activities		
Operating income	\$ 277,574	\$ 211,929
Adjustments to reconcile operating income to net cash provided		
by operating activities:		
Depreciation and amortization	441,154	472,383
Changes in operating assets and liabilities:		
Accounts receivable	(6,973)	46,071
Accounts payable	3,511	(8,717)
Accrued expenses	23,720	4,865
Closure / post-closure liabilities	310,000	409,000
Total adjustments	<u>771,412</u>	<u>923,602</u>
Net cash provided by operating activities	<u>\$ 1,048,986</u>	<u>\$ 1,135,531</u>

See independent auditor's report.

City of Beatrice, Nebraska
 BEATRICE SANITATION ENTERPRISE FUND
 BALANCE SHEET
 September 30, 20120
 With comparative totals for September 30, 2019

	<u>2020</u>	<u>2019</u>
Assets		
Current Assets		
Cash	\$ 75,262	\$ 79,343
Accounts receivable	59,155	57,253
	<u> </u>	<u> </u>
Total Assets	<u>\$ 134,417</u>	<u>\$ 136,596</u>
Liabilities and Net Position		
Liabilities		
Accounts payable	\$ 134,417	\$ 136,596
	<u> </u>	<u> </u>
Net Position		
Unrestricted	<u>-</u>	<u>-</u>
	<u> </u>	<u> </u>
Total Liabilities and Net Position	<u>\$ 134,417</u>	<u>\$ 136,596</u>

See independent auditor's report.

City of Beatrice, Nebraska
 BEATRICE SANITATION ENTERPRISE FUND
 SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 BUDGET AND ACTUAL
 For the year ended September 30, 2020
 With comparative totals for September 30, 2019

	2020			
	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Operating Revenues				2019 Totals
Garbage service fees	\$ 1,596,000	\$ 1,596,000	\$ 1,558,616	\$ (37,384)
Operating Expenses				
Bad debt expense	1,500	1,500	1,267	233
Garbage disposal contract	929,000	929,000	879,215	49,785
Garbage hauler contract	665,500	665,500	678,134	(12,634)
Total Operating Expenses	1,596,000	1,596,000	1,558,616	37,384
Change in Net Position	<u>\$ -</u>	<u>\$ -</u>	\$ -	<u>\$ -</u>
Net Position, Beginning of Year			<u>\$ -</u>	<u>\$ -</u>
Net Position, End of Year			<u>\$ -</u>	<u>\$ -</u>

See independent auditor's report.

City of Beatrice, Nebraska
 BEATRICE SANITATION ENTERPRISE FUND
 STATEMENT OF CASH FLOWS
 For the year ended September 30, 2020
 With comparative totals for September 30, 2019

	<u>2020</u>	<u>2019</u>
Cash Flows From Operating Activities		
Cash received from customers	\$ 1,556,714	\$ 1,563,448
Cash paid to supplies for goods and services	<u>(1,560,795)</u>	<u>(1,555,345)</u>
Net Change in Cash and Cash Equivalents	(4,081)	8,103
Cash and Cash Equivalents, Beginning of Year	<u>79,343</u>	<u>71,240</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 75,262</u></u>	<u><u>\$ 79,343</u></u>
Reconciliation of Operating Income to Net Cash		
Provided by (Used in) Operating Activities		
Operating income	\$ -	\$ -
Adjustments to reconcile operating income to net cash provided		
by (used in) operating activities:		
Changes in operating assets and liabilities:		
Accounts receivable	(1,902)	1,268
Accounts payable	<u>(2,179)</u>	<u>6,835</u>
Total adjustments	<u>(4,081)</u>	<u>8,103</u>
Net cash provided by (used in) operating activities	<u><u>\$ (4,081)</u></u>	<u><u>\$ 8,103</u></u>

See independent auditor's report.

City of Beatrice, Nebraska
INTERNAL SERVICE FUND
SELF-INSURED GROUP INSURANCE FUND
STATEMENT OF NET POSITION
September 30, 2020
With comparative totals for September 30, 2019

	<u>2020</u>	<u>2019</u>
Assets		
Current Assets		
Cash and cash equivalents	\$ 909,377	\$ 173,465
Accounts receivable	<u>46,411</u>	<u>23,042</u>
Total Assets	<u>\$ 955,788</u>	<u>\$ 196,507</u>
Liabilities and Net Position		
Liabilities		
Current Liabilities		
Claims incurred but not reported	<u>\$ 135,626</u>	<u>\$ 157,795</u>
Net Position		
Unrestricted	<u>820,162</u>	<u>38,712</u>
Total Liabilities and Net Position	<u>\$ 955,788</u>	<u>\$ 196,507</u>

See independent auditor's report.

City of Beatrice, Nebraska
INTERNAL SERVICE FUND
SELF-INSURED GROUP INSURANCE FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
For the year ended September 30, 2020
With comparative totals for September 30, 2019

	2020				
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	2019 Actual
Operating Revenues					
Charges for services	\$ 3,239,300	\$ 3,239,300	\$ 3,328,927	\$ 89,627	\$ 3,056,546
Reinsurance coverage reimbursements	100,000	100,000	62,115	(37,885)	37,066
Total Operating Revenues	<u>3,339,300</u>	<u>3,339,300</u>	<u>3,391,042</u>	<u>51,742</u>	<u>3,093,612</u>
Operating Expenses					
Health insurance claims paid	2,512,400	2,512,400	1,811,504	700,896	2,185,961
Insurance premiums	494,000	494,000	484,107	9,893	488,501
Payflex expenses	225,000	225,000	217,527	7,473	222,933
Other services and charges	108,200	108,200	97,133	11,067	101,072
Total Operating Expenses	<u>3,339,600</u>	<u>3,339,600</u>	<u>2,610,271</u>	<u>729,329</u>	<u>2,998,467</u>
Operating Income (Loss)	<u>(300)</u>	<u>(300)</u>	<u>780,771</u>	<u>781,071</u>	<u>95,145</u>
Nonoperating Revenues					
Interest income	<u>100</u>	<u>300</u>	<u>679</u>	<u>379</u>	<u>515</u>
Change in Net Position	<u>(200)</u>	<u>-</u>	<u>781,450</u>	<u>781,450</u>	<u>95,660</u>
Net Position, Beginning of Year			<u>38,712</u>		<u>(56,948)</u>
Net Position, End of Year			<u>\$ 820,162</u>		<u>\$ 38,712</u>

See independent auditor's report.

City of Beatrice, Nebraska
INTERNAL SERVICE FUND
SELF-INSURED GROUP INSURANCE FUND
STATEMENT OF CASH FLOWS
For the year ended September 30, 2020
With comparative totals for September 30, 2019

	2020	2019
Cash Flows From Operating Activities		
Cash received from users	\$ 3,367,673	\$ 3,070,570
Cash paid to suppliers for services	<u>(2,632,440)</u>	<u>(2,958,806)</u>
Net cash provided by (used in) operating activities	735,233	111,764
Cash Flows From Investing Activities		
Interest received	<u>679</u>	<u>515</u>
Net Change in Cash and Cash Equivalents	<u>735,912</u>	<u>112,279</u>
Cash and Cash Equivalents, Beginning of Year	<u>173,465</u>	<u>61,186</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 909,377</u></u>	<u><u>\$ 173,465</u></u>
Reconciliation of Operating Income to Net Cash		
Provided by Operating Activities		
Operating income	\$ 780,771	\$ 95,145
Adjustments to reconcile operating income to net cash		
provided by operating activities:		
Changes in operating assets and liabilities:		
Accounts receivable	(23,369)	(23,042)
Claims incurred but not reported	<u>(22,169)</u>	<u>39,661</u>
Total adjustments	<u>(45,538)</u>	<u>16,619</u>
Net cash provided by operating activities	<u><u>\$ 735,233</u></u>	<u><u>\$ 111,764</u></u>

See independent auditor's report.

City of Beatrice, Nebraska
 EMPLOYEES' RETIREMENT SYSTEM PENSION TRUST FUND
 COMBINING STATEMENT OF NET POSITION
 September 30, 2020
 With comparative totals for September 30, 2019

	2020					2019
	Firefighters	Police	General Government	Board of Public Works	Total	Total
Assets						
Investments with fiscal agent:						
Guaranteed interest accounts	\$ 1,879,469	\$ 1,361,982	\$ 1,329,798	\$ 3,980,777	\$ 8,552,026	\$ 7,264,449
Publicly traded mutual funds	6,056,410	3,327,739	2,564,780	6,117,401	18,066,330	16,501,713
Total Assets	<u>\$ 7,935,879</u>	<u>\$ 4,689,721</u>	<u>\$ 3,894,578</u>	<u>\$ 10,098,178</u>	<u>\$ 26,618,356</u>	<u>\$ 23,766,162</u>
Net Position						
Net position restricted for pensions	<u>\$ 7,935,879</u>	<u>\$ 4,689,721</u>	<u>\$ 3,894,578</u>	<u>\$ 10,098,178</u>	<u>\$ 26,618,356</u>	<u>\$ 23,766,162</u>

See independent auditor's report.

City of Beatrice, Nebraska
 EMPLOYEES' RETIREMENT SYSTEM PENSION TRUST FUND
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 For the year ended September 30, 2020
 With comparative totals for the year ended September 30, 2019

	2020					
	Firefighters	Police	General Government	Board of Public Works	Total	2019 Actual
Additions:						
Contributions:						
Employer	\$ 159,512	\$ 91,595	\$ 99,596	\$ 182,994	\$ 533,697	\$ 546,007
Employee	89,085	100,788	109,971	182,994	482,838	476,044
Total Contributions	248,597	192,383	209,567	365,988	1,016,535	1,022,051
Investment Income:						
Net appreciation in fair value of investments	687,552	462,496	299,845	1,059,787	2,509,680	813,595
Total Additions	936,149	654,879	509,412	1,425,775	3,526,215	1,835,646
Deductions:						
Benefit payments	103,616	20,347	444,987	104,271	673,221	1,006,569
Administrative costs	50	50	550	150	800	765
Total Deductions	103,666	20,397	445,537	104,421	674,021	1,007,334
Change in Net Position	832,483	634,482	63,875	1,321,354	2,852,194	828,312
Net Position Restricted for Pensions, Beginning of Year	7,103,396	4,055,239	3,830,703	8,776,824	23,766,162	22,937,850
Net Position Restricted for Pensions, End of Year	<u>\$ 7,935,879</u>	<u>\$ 4,689,721</u>	<u>\$ 3,894,578</u>	<u>\$ 10,098,178</u>	<u>\$ 26,618,356</u>	<u>\$ 23,766,162</u>

See independent auditor's report.

City of Beatrice, Nebraska
PENSION TRUST FUND - EMPLOYEES' RETIREMENT SYSTEM
COMBINING SCHEDULE OF CASH FLOWS
For the year ended September 30, 2020
With comparative totals for the year ended September 30, 2019

	2020					2019
	Firefighters	Police	General Government	Board of Public Works	Total	Total
Cash Flows From Operating Activities						
Cash contributions received	\$ 248,597	\$ 192,383	\$ 209,567	\$ 365,988	\$ 1,016,535	\$ 1,022,051
Cash terminations/retirements paid	(103,616)	(20,347)	(444,987)	(104,271)	(673,221)	(1,006,569)
Other operating charges paid	(50)	(50)	(550)	(150)	(800)	(765)
Net Cash Provided by (Used in) Operating Activities	144,931	171,986	(235,970)	261,567	342,514	14,717
Cash Flows From Investing Activities						
Net (purchases) sales of investments	(144,931)	(171,986)	235,970	(261,567)	(342,514)	(14,717)
Net Cash Provided by (Used in) Investing Activities	(144,931)	(171,986)	235,970	(261,567)	(342,514)	(14,717)
Net Increase in Cash	-	-	-	-	-	-
Cash and Cash Equivalents, Beginning of Year	-	-	-	-	-	-
Cash and Cash Equivalents, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities						
Operating income	\$ 832,483	\$ 634,482	\$ 63,875	\$ 1,321,354	\$ 2,852,194	\$ 828,312
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used in) Operating Activities:						
Net appreciation in fair value of investments	(687,552)	(462,496)	(299,845)	(1,059,787)	(2,509,680)	(813,595)
Net Cash Provided by (Used In) Operating Activities	<u>\$ 144,931</u>	<u>\$ 171,986</u>	<u>\$ (235,970)</u>	<u>\$ 261,567</u>	<u>\$ 342,514</u>	<u>\$ 14,717</u>

See independent auditor's report.

City of Beatrice, Nebraska
 COMPONENT UNITS
 COMBINING STATEMENT OF NET POSITION - COMPONENT UNITS
 September 30, 2020¹

	Beatrice Airport Authority	Beatrice Community Redevelopment Authority	Beatrice Public Library Foundation	Total Component Units
Assets				
Current Assets				
Cash and cash equivalents	\$ 383,671	\$ -	\$ 133,673	\$ 517,344
Cash on deposit - county treasurer	9,868	-	-	9,868
Accounts receivable	4,114	-	-	4,114
Taxes receivable	12,364	-	-	12,364
Inventories	46,878	-	-	46,878
Total Current Assets	<u>456,895</u>	<u>-</u>	<u>133,673</u>	<u>590,568</u>
Noncurrent Assets				
Investments	-	-	1,477,939	1,477,939
Restricted Assets				
Cash and cash equivalents	63,514	6,092	65,040	134,646
Cash on deposit - county treasurer	-	118,609	-	118,609
Investments	-	-	116,008	116,008
Total Restricted Assets	<u>63,514</u>	<u>124,701</u>	<u>181,048</u>	<u>369,263</u>
Capital Assets				
Land	1,321,356	-	-	1,321,356
Capital assets, net of accumulated depreciation	7,990,125	-	48,598	8,038,723
Net capital assets	<u>9,311,481</u>	<u>-</u>	<u>48,598</u>	<u>9,360,079</u>
Total Noncurrent Assets	<u>9,374,995</u>	<u>124,701</u>	<u>1,707,585</u>	<u>11,207,281</u>
Total Assets	<u>\$ 9,831,890</u>	<u>\$ 124,701</u>	<u>\$ 1,841,258</u>	<u>\$ 11,797,849</u>
Liabilities				
Current Liabilities				
Accounts payable	\$ 11,513	\$ -	\$ -	\$ 11,513
Accrued interest payable	1,408	-	-	1,408
Customer deposit payable	10,000	-	-	10,000
Accrued compensated absences	20,662	-	-	20,662
Due to developer	-	124,701	-	124,701
Current maturities of long-term debt	75,000	-	-	75,000
Total Current Liabilities	<u>118,583</u>	<u>124,701</u>	<u>-</u>	<u>243,284</u>
Noncurrent Liabilities, Net of Current Portion				
Compensated absences	64,600	-	-	64,600
Long-term debt	80,000	-	-	80,000
Total Noncurrent Liabilities	<u>144,600</u>	<u>-</u>	<u>-</u>	<u>144,600</u>
Total Liabilities	<u>263,183</u>	<u>124,701</u>	<u>-</u>	<u>387,884</u>
Net Position				
Net investment in capital assets	9,156,481	-	48,598	9,205,079
Restricted for debt service	52,106	-	-	52,106
Restricted for Library Foundation	-	-	206,339	206,339
Unrestricted net position	360,120	-	1,586,321	1,946,441
Total Net Position	<u>9,568,707</u>	<u>-</u>	<u>1,841,258</u>	<u>11,409,965</u>
Total Liabilities and Net Position	<u>\$ 9,831,890</u>	<u>\$ 124,701</u>	<u>\$ 1,841,258</u>	<u>\$ 11,797,849</u>

1: Beatrice Library Foundation, Inc.'s financial information is as of its fiscal year end July 31, 2020.

CITY OF BEATRICE, NEBRASKA
COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNITS
For the year ended September 30, 2020¹

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position Component Units			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Beatrice Airport Authority	Beatrice Community Redevelopment Authority	Beatrice Public Library Foundation, Inc.	Total
Beatrice Airport Authority:								
Airport operations	\$ 754,916	\$ 386,145	\$ 30,000	\$ 10,036	\$ (328,735)	\$ -	\$ -	\$ (328,735)
Interest on long-term debt	5,900	-	-	-	(5,900)	-	-	(5,900)
Total Beatrice Airport Authority	760,816	386,145	30,000	10,036	(334,635)	-	-	(334,635)
Beatrice Community Redevelopment Authority:								
Community development	637,217	-	-	-	-	(637,217)	-	(637,217)
Total Beatrice Community Redevelopment Authority	637,217	-	-	-	-	(637,217)	-	(637,217)
Beatrice Public Library Foundation, Inc.:								
Foundation operations	51,592	-	-	-	-	-	(51,592)	(51,592)
Total Component Units	\$ 1,449,625	\$ 386,145	\$ 30,000	\$ 10,036	(334,635)	(637,217)	(51,592)	(1,023,444)
General Revenues								
Property tax					188,063	-	-	188,063
Unrestricted intergovernmental					498			498
Tax increment financing					-	637,217	-	637,217
Miscellaneous revenues					766	-	8,568	9,334
Investment earnings					611	-	106,972	107,583
Total General Revenues					189,938	637,217	115,540	942,695
Change in Net Position					(144,697)	-	63,948	(80,749)
Net Position, Beginning of Year					9,713,404	-	1,777,310	11,490,714
Net Position, End of Year					\$ 9,568,707	\$ -	\$ 1,841,258	\$ 11,409,965

1: Beatrice Library Foundation, Inc.'s financial information is for its fiscal year ended July 31, 2020.

See independent auditor's report.

City of Beatrice, Nebraska
 COMPONENT UNIT
 BEATRICE AIRPORT AUTHORITY
 STATEMENT OF NET POSITION
 September 30, 2020
 With comparative totals for September 30, 2019

	2020	2019
Assets		
Current Assets		
Cash and cash equivalents	\$ 383,671	\$ 275,754
Cash on deposit - county treasurer	9,868	8,132
Accounts receivable	4,114	213,137
Taxes receivable	12,364	12,706
Inventories	46,878	44,488
Total Current Assets	<u>456,895</u>	<u>554,217</u>
Noncurrent Assets		
Restricted Assets		
Cash and cash equivalents - debt service	53,514	51,912
Cash and cash equivalents - customer deposit	10,000	-
Total Restricted Assets	<u>63,514</u>	<u>51,912</u>
Capital Assets		
Land	1,321,356	1,321,356
Capital assets, net of accumulated depreciation	7,990,125	8,201,996
Total Capital Assets	<u>9,311,481</u>	<u>9,523,352</u>
Total Noncurrent Assets	<u>9,374,995</u>	<u>9,575,264</u>
Total Assets	<u><u>\$ 9,831,890</u></u>	<u><u>\$ 10,129,481</u></u>
Liabilities		
Current Liabilities		
Accounts payable	\$ 1,946	\$ 93,976
Accrued wages payable	9,567	7,931
Accrued interest payable	1,408	1,498
Customer deposit payable	10,000	-
Compensated absences	20,662	20,544
Current maturities of long-term debt	75,000	75,000
Total Current Liabilities	<u>118,583</u>	<u>198,949</u>
Noncurrent Liabilities, Net of Current Portion		
Compensated absences	64,600	62,128
Long-term debt	80,000	155,000
Total Noncurrent Liabilities	<u>144,600</u>	<u>217,128</u>
Total Liabilities	<u>263,183</u>	<u>416,077</u>
Net Position		
Net investment in capital assets	9,156,481	9,413,694
Restricted for debt service	52,106	50,414
Unrestricted net position	360,120	249,296
Total net position	<u>9,568,707</u>	<u>9,713,404</u>
Total Liabilities and Net Position	<u><u>\$ 9,831,890</u></u>	<u><u>\$ 10,129,481</u></u>

See independent auditor's report.

City of Beatrice, Nebraska
 COMPONENT UNIT
 BEATRICE AIRPORT AUTHORITY
 STATEMENT OF ACTIVITIES
 For the year ended September 30, 2020
 With comparative totals for the year ended September 30, 2019

	2020	2019
Operating Revenues		
Property taxes	\$ 188,063	\$ 219,106
Intergovernmental revenue	30,498	614
Rent and use fees	194,101	188,822
Gas, oil, and jet fuel sales	124,559	133,250
Farm income	67,485	71,643
Interest income	611	1,294
Miscellaneous revenues	766	1,129
Total Operating Revenues	<u>606,083</u>	<u>615,858</u>
Operating Expenses		
Airport operations	754,916	731,837
Interest on long-term debt	5,900	6,576
Total Operating Expenses	<u>760,816</u>	<u>738,413</u>
Loss Before Capital Contributions	(154,733)	(122,555)
Capital Contributions	<u>10,036</u>	<u>1,519,015</u>
Change in Net Position	(144,697)	1,396,460
Net Position, Beginning of Year	<u>9,713,404</u>	<u>8,316,944</u>
Net Position, End of Year	<u><u>\$ 9,568,707</u></u>	<u><u>\$ 9,713,404</u></u>

See independent auditor's report.

City of Beatrice, Nebraska
 COMPONENT UNIT
 BEATRICE COMMUNITY REDEVELOPMENT AUTHORITY
 STATEMENT OF NET POSITION
 September 30, 2020
 With comparative totals for September 30, 2019

	<u>2020</u>	<u>2019</u>
Assets		
Restricted Assets		
Cash and cash equivalents	\$ 6,092	\$ 7
Cash on deposit - county treasurer	<u>118,609</u>	<u>1,413</u>
Total Assets	<u>\$ 124,701</u>	<u>\$ 1,420</u>
Liabilities		
Current Liabilities		
Due to developer	<u>\$ 124,701</u>	<u>\$ 1,420</u>
Total Liabilities	<u>124,701</u>	<u>1,420</u>
Net Position		
Unrestricted	<u>-</u>	<u>-</u>
Total Liabilities and Net Position	<u>\$ 124,701</u>	<u>\$ 1,420</u>

See independent auditor's report.

City of Beatrice, Nebraska
 COMPONENT UNIT
 BEATRICE COMMUNITY REDEVELOPMENT AUTHORITY
 STATEMENT OF ACTIVITIES
 For the year ended September 30, 2020
 With comparative totals for the year ended September 30, 2019

	2020	2019
Operating Revenues		
Tax increment financing	\$ 637,217	\$ 582,068
Total Operating Revenues	<u>637,217</u>	<u>582,068</u>
Operating Expenses		
Developer TIF payments	581,810	582,068
Refund to county treasurer	55,407	-
Total Operating Expenses	<u>637,217</u>	<u>582,068</u>
Change in Net Position	<u>-</u>	<u>-</u>
Net Position, Beginning of Year	<u>-</u>	<u>-</u>
Net Position, End of Year	<u>\$ -</u>	<u>\$ -</u>

See independent auditor's report.

City of Beatrice, Nebraska
 COMPONENT UNIT
 BEATRICE PUBLIC LIBRARY FOUNDATION, INC.
 STATEMENT OF NET POSITION
 July 31, 2020
 With comparative totals for July 31, 2019

	<u>2020</u>	<u>2019</u>
Assets		
Current Assets		
Cash and cash equivalents	\$ 133,673	\$ 77,034
Total Current Assets	<u>133,673</u>	<u>77,034</u>
Noncurrent Assets		
Investments	1,477,939	1,450,825
Cash and cash equivalents - restricted	65,040	64,879
Investments - restricted	116,008	135,974
Capital assets (net of accumulated depreciation of \$-0- in 2020 and 2019)	<u>48,598</u>	<u>48,598</u>
Total Noncurrent Assets	<u>1,707,585</u>	<u>1,700,276</u>
Total Assets	<u><u>\$ 1,841,258</u></u>	<u><u>\$ 1,777,310</u></u>
Liabilities		
Current Liabilities		
Accrued liabilities	\$ -	\$ -
Total Liabilities	<u>-</u>	<u>-</u>
Net Position		
Net investment in capital assets	48,598	48,598
Restricted for Library Foundation	206,339	203,731
Unrestricted net position	<u>1,586,321</u>	<u>1,524,981</u>
Total Net Position	<u>1,841,258</u>	<u>1,777,310</u>
Total Liabilities and Net Position	<u><u>\$ 1,841,258</u></u>	<u><u>\$ 1,777,310</u></u>

See independent auditor's report.

City of Beatrice, Nebraska
 COMPONENT UNIT
 BEATRICE PUBLIC LIBRARY FOUNDATION, INC.
 STATEMENT OF ACTIVITIES
 For the year ended July 31, 2020
 With comparative totals for the year ended July 31, 2019

	2020	2019
Support and Revenue		
Gifts and bequests	\$ 8,568	\$ 5,191
Investment income	47,471	48,678
Gain on sale of assets	66,519	21,384
Unrealized gain (loss) on assets	(7,018)	54,348
Total Support and Revenue	<u>115,540</u>	<u>129,601</u>
Expenses		
Professional fees	16,460	15,462
Supplies and miscellaneous	538	605
Library support	34,594	37,214
Seminar and travel expense	-	2,770
Total Expenses	<u>51,592</u>	<u>56,051</u>
Change in Net Position	63,948	73,550
Net Position, Beginning of Year	<u>1,777,310</u>	<u>1,703,760</u>
Net Position, End of Year	<u><u>\$ 1,841,258</u></u>	<u><u>\$ 1,777,310</u></u>

See independent auditor's report.

City of Beatrice, Nebraska
 COMPONENT UNIT
 BEATRICE PUBLIC LIBRARY FOUNDATION, INC.
 STATEMENT OF CASH FLOWS
 For the year ended July 31, 2020
 With comparative totals for the year ended July 31, 2019

	2020	2019
Cash Flows from Operating Activities		
Change in net position	\$ 63,948	\$ 73,550
Adjustments to reconcile change in net position to cash provided by (used in) operating activities:		
Gain on sale of assets	(66,519)	(21,384)
Unrealized (gain) loss on assets	7,018	(54,348)
Total adjustments	(59,501)	(75,732)
Net cash provided by (used in) operating activities	4,447	(2,182)
Cash Flows from Investment Activities		
Sale of investments	408,123	285,566
Purchase of investments	(355,770)	(288,366)
Net cash provided by (used in) investing activities	52,353	(2,800)
Net Increase (Decrease) in Cash and Cash Equivalents	56,800	(4,982)
Cash and Cash Equivalents, Beginning of Year	141,913	146,895
Cash and Cash Equivalents, End of Year	<u>\$ 198,713</u>	<u>\$ 141,913</u>
Cash and Cash Equivalents Consist of:		
Cash and cash equivalents	133,673	77,034
Cash and cash equivalents - restricted	65,040	64,879
	<u>\$ 198,713</u>	<u>\$ 141,913</u>

See independent auditor's report.

City of Beatrice, Nebraska
 CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
 SCHEDULES BY SOURCE
 September 30, 2020
 With comparative totals for September 30, 2019

	2020	2019
GOVERNMENTAL FUNDS CAPITAL ASSETS		
Land	\$ 5,805,313	\$ 5,053,991
Buildings	12,039,798	9,708,358
Improvements other than buildings	5,929,635	5,255,268
Machinery and equipment	12,708,256	12,677,888
Infrastructure	38,855,748	35,792,524
Total	<u>\$ 75,338,750</u>	<u>\$ 68,488,029</u>
INVESTMENT IN GOVERNMENTAL FUNDS CAPITAL ASSETS BY SOURCE		
General obligation bonds	\$ 8,932,498	\$ 6,195,129
Federal and state grants	12,898,181	11,353,769
General fund revenues	46,723,316	44,246,206
Donations	6,784,755	6,692,925
Total Investment in Governmental Funds Capital Assets	<u>\$ 75,338,750</u>	<u>\$ 68,488,029</u>

Note:

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net position.

City of Beatrice, Nebraska
 CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
 SCHEDULE BY FUNCTION AND ACTIVITY
 September 30, 2020
 With comparative totals for September 30, 2019

Function and Activity	2020						2019 Totals
	Land	Buildings and Improvements	Improvements Other Than Buildings	Machinery and Equipment	Infrastructure	Total	
GENERAL GOVERNMENT							
Administration	\$ -	\$ -	\$ -	\$ 405,368	\$ -	\$ 405,368	\$ 361,655
Legal	-	-	-	5,692	-	5,692	5,692
Community development	-	-	-	113,602	-	113,602	81,878
Total General Government	-	-	-	524,662	-	524,662	449,225
PUBLIC SAFETY							
Police	76,500	-	147,480	3,210,410	-	3,434,390	3,454,268
Fire and rescue	994,536	2,110,292	319,008	4,405,315	-	7,829,151	4,713,492
Total Public Safety	1,071,036	2,110,292	466,488	7,615,725	-	11,263,541	8,167,760
CULTURE AND RECREATION							
Public properties	4,633,699	5,443,777	5,380,943	1,413,553	-	16,871,972	16,148,127
Library	100,578	4,003,349	82,204	608,982	-	4,795,113	5,047,007
Total Culture and Recreation	4,734,277	9,447,126	5,463,147	2,022,535	-	21,667,085	21,195,134
STREETS AND TRAILS	-	482,380	-	2,521,993	37,825,378	40,829,751	37,653,217
STORM WATER MANAGEMENT	-	-	-	23,341	1,030,370	1,053,711	1,022,693
TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS	<u>\$ 5,805,313</u>	<u>\$ 12,039,798</u>	<u>\$ 5,929,635</u>	<u>\$ 12,708,256</u>	<u>\$ 38,855,748</u>	<u>\$ 75,338,750</u>	<u>\$ 68,488,029</u>

See independent auditor's report.

City of Beatrice, Nebraska
 CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
 SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY
 September 30, 2020

Function and Activity	Governmental Funds Capital Assets 10/1/19	Additions	Deductions	Governmental Funds Capital Assets 9/30/20
GENERAL GOVERNMENT				
Administration	\$ 361,655	\$ 43,713	\$ -	\$ 405,368
Legal	5,692	-	-	5,692
Community development	81,878	31,974	(250)	113,602
Total General Government	<u>449,225</u>	<u>75,687</u>	<u>(250)</u>	<u>524,662</u>
PUBLIC SAFETY				
Police	3,454,268	74,861	(94,739)	3,434,390
Fire and rescue	4,713,492	3,310,173	(194,514)	7,829,151
Total Public Safety	<u>8,167,760</u>	<u>3,385,034</u>	<u>(289,253)</u>	<u>11,263,541</u>
CULTURE AND RECREATION				
Public properties	16,148,127	737,116	(13,271)	16,871,972
Library	5,047,007	36,596	(288,490)	4,795,113
Total Culture and Recreation	<u>21,195,134</u>	<u>773,712</u>	<u>(301,761)</u>	<u>21,667,085</u>
STREETS AND TRAILS	<u>37,653,217</u>	<u>3,434,678</u>	<u>(258,144)</u>	<u>40,829,751</u>
STORM WATER MANAGEMENT	<u>1,022,693</u>	<u>31,018</u>	<u>-</u>	<u>1,053,711</u>
TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS	<u><u>\$68,488,029</u></u>	<u><u>\$ 7,700,129</u></u>	<u><u>\$ (849,408)</u></u>	<u><u>\$75,338,750</u></u>

See independent auditor's report.

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This part of the City of Beatrice's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<u>Contents</u>	<u>Tables</u>
Financial Trends These tables contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	1 – 5
Revenue Capacity These tables contain information to help the reader assess the City's most significant local revenue source, property taxes.	6 – 9
Debt Capacity These tables present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	10 – 13
Demographic and Economic Information These tables offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	14 – 15
Operating Information These tables contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	16 – 18

SECTION 3

STATISTICAL SECTION

CITY OF BEATRICE, NEBRASKA
NET POSITION BY COMPONENTS
LAST TEN FISCAL YEARS
(accrual basis of accounting)

Table 1

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental Activities										
Net Investment in capital assets	\$ 26,471,016	\$ 28,220,897	\$ 28,702,717	\$ 28,986,067	\$ 29,927,397	\$ 30,825,043	\$ 33,303,732	\$ 35,613,362	\$ 36,321,755	\$ 33,165,271
Restricted	2,860,602	2,494,379	3,151,861	3,076,005	3,750,366	4,003,388	4,050,739	3,211,376	3,753,842	8,704,602
Unrestricted	2,125,443	2,007,117	2,313,002	2,693,041	2,982,107	3,192,413	1,744,032	3,061,270	2,859,417	5,351,206
Total Governmental Activities Net Position	\$ 31,457,061	\$ 32,722,393	\$ 34,167,580	\$ 34,755,113	\$ 36,659,870	\$ 38,020,844	\$ 39,098,503	\$ 41,886,008	\$ 42,935,014	\$ 47,221,079
Business-type Activities										
Net Investment in capital assets	\$ 21,153,306	\$ 22,190,417	\$ 22,413,044	\$ 23,166,370	\$ 24,047,909	\$ 25,423,188	\$ 27,814,977	\$ 28,432,099	\$ 29,208,662	\$ 30,577,284
Restricted	467,738	636,926	635,176	618,842	629,955	579,207	721,481	704,205	724,649	743,580
Unrestricted	7,988,560	8,198,618	7,975,780	7,326,777	7,393,322	7,475,616	8,089,978	9,249,129	10,448,562	11,282,871
Total Business-type Activities Net Position	\$ 29,609,604	\$ 31,025,961	\$ 31,024,000	\$ 31,111,989	\$ 32,071,186	\$ 33,478,011	\$ 36,626,436	\$ 38,385,433	\$ 40,381,873	\$ 42,603,735
Primary Government										
Net Investment in capital assets	\$ 47,624,322	\$ 50,411,314	\$ 51,115,761	\$ 52,152,437	\$ 53,975,306	\$ 56,248,231	\$ 61,118,709	\$ 64,045,461	\$ 65,530,417	\$ 63,742,555
Restricted	3,328,340	3,131,305	3,787,037	3,694,847	4,380,321	4,582,595	4,772,220	3,915,581	4,478,491	9,448,182
Unrestricted	10,114,003	10,205,735	10,288,782	10,019,818	10,375,429	10,668,029	9,834,010	12,310,399	13,307,979	16,634,077
Total Primary Government Net Position	\$ 61,066,665	\$ 63,748,354	\$ 65,191,580	\$ 65,867,102	\$ 68,731,056	\$ 71,498,855	\$ 75,724,939	\$ 80,271,441	\$ 83,316,887	\$ 89,824,814

2014 - Adjustments to prior years to recognize accrued tax revenues when the transaction occurs and recalculate compensated absences to include matching benefits

2020 - Governmental activities restricted net position includes restricted for new fire station under construction

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

Table 2

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses										
Governmental Activities:										
General Government	\$ 2,142,072	\$ 1,850,178	\$ 1,543,513	\$ 3,286,519	\$ 5,124,109	\$ 4,257,592	\$ 4,722,164	\$ 5,538,033	\$ 5,227,844	\$ 4,377,767
Public Safety	5,524,713	5,711,024	5,686,678	5,609,235	5,218,151	6,267,387	6,580,523	6,589,459	6,958,083	7,240,985
Highways and Streets	2,025,079	1,865,778	1,856,508	2,116,534	2,041,955	1,914,965	1,948,452	2,168,474	2,458,819	2,437,775
Culture and Recreation	1,418,419	1,269,566	1,349,132	1,422,746	1,609,230	1,772,494	1,604,137	1,684,625	1,736,134	1,687,784
Interest on Long-Term Debt	23,868	21,945	24,120	12,603	14,741	15,219	14,039	10,185	9,124	126,354
Total Governmental Activities Expenses	11,134,151	10,718,491	10,459,951	12,447,637	14,008,186	14,227,657	14,869,315	15,990,776	16,390,004	15,870,665
Business-type Activities										
Electric	13,466,171	14,102,853	14,753,172	15,224,361	14,967,570	15,573,893	16,339,629	18,193,641	17,355,117	15,849,735
Water	1,976,606	1,969,687	2,236,224	2,255,678	2,087,499	2,136,106	2,130,625	2,335,497	2,315,008	2,380,242
Water Pollution Control	1,616,210	1,511,319	1,509,212	1,524,519	1,492,220	1,545,877	1,539,418	1,577,218	1,632,710	1,691,413
Beatrice Area Solid Waste Agency	1,025,297	1,384,427	1,285,647	992,209	977,166	1,636,159	1,467,795	1,532,323	1,680,448	1,554,219
Sanitation	1,185,618	1,233,849	1,252,002	1,295,857	1,284,116	1,265,834	1,322,624	1,519,746	1,562,180	1,558,616
Total Business-type Activities Expenses	19,269,902	20,202,135	21,036,257	21,292,624	20,808,571	22,157,869	22,800,091	25,158,425	24,545,463	23,034,225
Total Primary Government Expenses	\$ 30,404,053	\$ 30,920,626	\$ 31,496,208	\$ 33,740,261	\$ 34,816,757	\$ 36,385,526	\$ 37,669,406	\$ 41,149,201	\$ 40,935,467	\$ 38,904,890
Program Revenues										
Governmental Activities:										
Charges for Services:										
General Government	\$ 250,053	\$ 272,753	\$ 418,743	\$ 1,744,814	\$ 3,036,542	\$ 2,983,118	\$ 3,487,714	\$ 4,077,215	\$ 3,761,976	\$ 4,233,398
Public Safety	1,806,582	1,893,084	1,914,393	1,340,782	1,832,967	1,380,446	1,361,264	1,319,054	1,361,793	1,319,437
Culture and Recreation	212,851	234,840	228,792	36,988	223,024	245,400	244,772	254,960	222,044	252,716
Other Governmental Activities	50,147	68,552	28,795	219,903	29,682	48,877	24,098	24,085	23,313	33,251
Operating Grants and Contributions	1,414,084	1,182,509	1,072,697	1,380,090	1,946,512	1,701,014	1,236,279	1,914,016	1,974,006	1,871,291
Capital Grants and Contributions	2,307,752	2,332,445	1,694,873	1,641,055	2,021,762	2,066,183	2,391,685	3,816,796	1,861,185	3,236,098
Total Governmental Activities Program Revenues	6,041,469	5,984,183	5,358,293	6,363,632	9,090,489	8,425,038	8,745,812	11,406,126	9,204,317	10,946,191
Business-type Activities										
Charges for Services:										
Electric	14,498,621	14,644,110	14,838,324	15,165,993	14,749,348	15,672,130	16,235,194	17,794,990	17,619,594	16,356,112
Water	1,969,342	2,281,472	2,230,423	2,360,903	2,321,423	2,717,237	2,862,930	2,789,557	2,650,876	2,646,957
Water Pollution Control	1,453,143	1,566,247	1,562,711	1,536,331	1,732,788	2,046,952	2,315,112	2,278,816	2,243,878	2,183,811
Beatrice Area Solid Waste Agency	1,017,931	1,114,194	1,086,095	1,136,396	1,170,237	1,236,421	2,249,641	1,814,151	1,844,947	1,783,181
Sanitation	1,185,618	1,233,849	1,252,002	1,295,857	1,284,116	1,265,834	1,322,624	1,519,746	1,562,180	1,558,616
Capital Grants and Contributions	-	-	-	-	80,000	-	351,388	30,486	-	160,763
Total Business-type Activities Program Revenues	20,124,655	20,839,872	20,969,555	21,495,480	21,337,912	22,938,574	25,336,889	26,227,746	25,921,475	24,689,440
Total Primary Government Program Revenues	\$ 26,166,124	\$ 26,824,055	\$ 26,327,848	\$ 27,859,112	\$ 30,428,401	\$ 31,363,612	\$ 34,082,701	\$ 37,633,872	\$ 35,125,792	\$ 35,635,631
Net (Expense) Revenue										
Governmental Activities:	\$ (5,092,682)	\$ (4,734,308)	\$ (5,101,658)	\$ (6,084,005)	\$ (4,917,697)	\$ (5,802,619)	\$ (6,123,503)	\$ (4,584,650)	\$ (7,185,687)	\$ (4,924,474)
Business-type Activities	854,753	637,737	(66,702)	202,856	529,341	780,705	2,536,798	1,069,321	1,376,012	1,655,215
Total Primary Government Net (Expense)	\$ (4,237,929)	\$ (4,096,571)	\$ (5,168,360)	\$ (5,881,149)	\$ (4,388,356)	\$ (5,021,914)	\$ (3,586,705)	\$ (3,515,329)	\$ (5,809,675)	\$ (3,269,259)

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

Table 2

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes	\$ 5,242,141	\$ 5,460,446	\$ 5,583,425	\$ 5,762,423	\$ 6,033,958	\$ 6,181,178	\$ 6,160,210	\$ 6,347,216	\$ 7,220,823	\$ 8,019,989
Unrestricted Intergovernmental	597,411	393,613	659,517	689,779	607,292	750,407	788,647	829,811	822,700	969,073
Miscellaneous Revenues	238,004	136,136	298,578	221,673	172,350	104,455	218,493	161,549	153,239	171,618
Unrestricted Investment Earnings	17,708	9,445	5,325	6,231	8,854	111,634	33,812	33,579	37,931	49,859
Gain (loss) on Sale of Capital Assets	-	-	-	(7,074)	-	15,919	-	-	-	-
Total Governmental Activities	6,095,264	5,999,640	6,546,845	6,673,032	6,822,454	7,163,593	7,201,162	7,372,155	8,234,693	9,210,539
Business-type Activities:										
Miscellaneous Revenues	810,950	727,763	368,806	195,737	371,470	556,631	508,280	519,238	335,128	338,715
Investment Earnings	67,018	50,857	43,348	44,801	58,918	69,489	103,347	170,438	285,300	227,932
Special Items	-	-	(191,485)	-	-	-	-	-	-	-
(Loss) Gain on Sale of Capital Assets	-	-	(57,757)	-	(532)	-	-	-	-	-
Total Business-type Activities	877,968	778,620	162,912	240,538	429,856	626,120	611,627	689,676	620,428	566,647
Total Primary Government	\$ 6,973,232	\$ 6,778,260	\$ 6,709,757	\$ 6,913,570	\$ 7,252,310	\$ 7,789,713	\$ 7,812,789	\$ 8,061,831	\$ 8,855,121	\$ 9,777,186
Change in Net Position										
Governmental Activities	\$ 1,002,582	\$ 1,265,332	\$ 1,445,187	\$ 589,027	\$ 1,904,757	\$ 1,360,974	\$ 1,077,659	\$ 2,787,505	\$ 1,049,006	\$ 4,286,065
Business-type Activities	1,732,721	1,416,357	96,210	443,394	959,197	1,406,825	3,148,425	1,758,997	1,996,440	2,221,862
Change in accounting principle	-	-	(98,171)	-	-	-	-	-	-	-
Total Primary Government	\$ 2,735,303	\$ 2,681,689	\$ 1,443,226	\$ 1,032,421	\$ 2,863,954	\$ 2,767,799	\$ 4,226,084	\$ 4,546,502	\$ 3,045,446	\$ 6,507,927

2013 - Implementation of GASB 65

2014 - Adjustments to Prior Years to recognize accrued tax revenues when the transaction occurs and recalculate compensated absences to include matching benefits

CITY OF BEATRICE, NEBRASKA
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

Table 3

FISCAL YEAR	PROPERTY TAX	SALES TAX	UTILITY OCC. TAX	OTHER OCC. TAX	TOTAL
2011	\$ 1,757,256	\$ 2,687,099	\$ 695,828	\$ 101,958	\$ 5,242,141
2012	1,862,937	2,863,615	627,735	106,159	5,460,446
2013	1,881,463	2,848,579	629,911	106,474	5,466,427
2014	1,980,617	3,082,267	647,380	113,482	5,823,746
2015	2,137,814	3,186,767	607,257	121,563	6,053,401
2016	2,236,813	3,229,496	573,926	136,531	6,176,766
2017	2,311,345	3,182,824	555,380	112,128	6,161,677
2018	2,528,356	3,176,459	541,730	119,899	6,366,444
2019 (a)	2,607,239	3,949,691	528,359	121,398	7,206,687
2020	2,785,877	4,665,213	475,381	109,670	8,036,141

Note:

Sales Tax revenues account for just over one-half of all tax revenues. The City sales tax rate is one and one-half cents, of which \$250,000 goes towards Economic Development; 30% of the one cent goes towards Street improvements; the remainder is for general fund tax relief.

(a) Effective April 1, 2019 additional 1/2 cent sales tax designated for new fire station

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

Table 4

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund										
Restricted	\$ 52,588	\$ 63,979	\$ 28,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Assigned For:										
subsequent years' expenditures	734,960	644,444	734,986	817,938	1,079,813	1,141,943	674,023	525,117	398,230	510,866
Unassigned	849,366	786,619	1,157,311	1,860,437	1,906,992	2,013,817	1,197,641	1,909,845	2,058,063	2,622,196
Total General Fund	<u>\$ 1,636,914</u>	<u>\$ 1,495,042</u>	<u>\$ 1,921,097</u>	<u>\$ 2,678,375</u>	<u>\$ 2,986,805</u>	<u>\$ 3,155,760</u>	<u>\$ 1,871,664</u>	<u>\$ 2,434,962</u>	<u>\$ 2,456,293</u>	<u>\$ 3,133,062</u>
All Other Governmental Funds										
Restricted For:										
Restricted for Economic Development	\$ 1,030,152	\$ 896,621	\$ 1,016,166	\$ 1,128,265	\$ 1,256,328	\$ 1,254,631	\$ 1,380,437	\$ 1,175,078	\$ 1,208,272	\$ 1,271,139
Restricted for Library Capital	-	-	-	10,112	8,641	1,943	40,406	303	303	303
Restricted for New Fire Station	-	-	-	-	-	-	-	-	172,583	4,458,231
Restricted for Debt Service	212,845	171,982	177,277	69,182	71,682	72,452	74,332	77,632	75,304	834,206
Restricted for CDBG Revolving Loans	1,523,666	1,290,461	1,249,361	622,605	340,188	355,789	360,070	365,187	368,605	370,894
Restricted for E911 Public Safety	41,351	71,336	92,446	36,758	25,266	20,321	57,035	89,220	48,980	73,652
Restricted for Storm Water Management	21,438	36,900	41,726	56,048	48,965	60,935	71,502	47,679	20,261	4,161
Restricted for Streets	378,019	401,241	546,085	1,171,626	1,999,868	2,239,985	2,073,302	1,460,200	1,863,688	1,743,311
Committed For:										
Committed for Community Betterment	209,771	50,355	4,046	17,326	68,141	9,859	80,257	153,385	213,568	1,472
Committed for Library Capital	82,405	145,349	211,822	40,876	40,896	40,917	40,937	27,488	27,579	16
Committed for Public Safety	255,576	292,892	198,964	69,600	41,542	204,005	125,797	92,726	634,559	390,457
Committed for Capital Projects	267,233	-	-	-	-	-	-	-	-	-
Assigned For:										
Debt service	-	-	-	13,879	1,368	78,057	816	14,041	-	-
Subsequent Years' Expenditures	-	122,678	159,728	-	33,486	70,510	25,921	238,697	-	51,709
Unassigned, Reported In:										
Debt Service Funds	(16,416)	(146,182)	(10,394)	-	-	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-	-	-	-	(25,993)	-
Total All Other Governmental Funds	<u>\$ 4,006,040</u>	<u>\$ 3,333,633</u>	<u>\$ 3,687,227</u>	<u>\$ 3,236,277</u>	<u>\$ 3,936,371</u>	<u>\$ 4,409,404</u>	<u>\$ 4,330,812</u>	<u>\$ 3,741,636</u>	<u>\$ 4,607,709</u>	<u>\$ 9,199,551</u>

2011 - For comparison purposes restated the fund balances from 2010 per the new definitions
2014 - Adjustments to Prior Years to recognize accrued tax revenues when the transaction occurs

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

Table 5

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues										
Taxes	\$ 5,242,141	\$ 5,460,446	\$ 5,466,427	\$ 5,823,746	\$ 6,053,401	\$ 6,176,766	\$ 6,161,677	\$ 6,366,444	\$ 7,206,687	\$ 8,036,141
Licenses and Permits	108,465	105,128	78,920	114,685	122,002	131,063	182,377	210,699	229,914	153,011
Intergovernmental and Grants	4,254,245	2,430,097	3,191,033	2,794,328	3,822,758	3,966,494	4,021,278	4,300,027	4,407,030	4,348,722
Charges for Services	2,170,302	2,344,477	1,847,614	1,758,473	1,884,249	1,991,166	1,990,886	1,979,059	2,017,530	2,009,738
Keno Proceeds	83,401	79,132	62,296	73,188	81,618	78,192	85,619	89,062	73,767	77,096
Special Assessments	25,794	133,879	118,261	40,723	41,789	142,077	14,814	10,895	-	-
Interest	62,518	34,114	43,664	48,928	20,287	111,329	33,512	33,403	40,774	50,814
Donations and Misc Revenue	165,542	644,084	464,741	1,006,947	807,558	480,670	501,139	865,172	405,357	630,088
Total revenues	12,112,408	11,231,357	11,272,956	11,661,018	12,833,662	13,077,757	12,991,302	13,854,761	14,381,059	15,305,610
Expenditures										
General Government	2,827,461	1,823,715	1,403,472	1,682,858	2,507,695	1,663,744	3,012,687	1,956,583	2,152,961	1,721,207
Public Safety	5,148,150	5,234,146	4,888,595	5,024,814	5,173,814	5,699,342	5,944,639	6,073,864	6,303,902	6,398,839
Highways and Streets	1,224,442	1,154,538	1,086,835	1,067,619	1,047,157	1,005,346	1,034,929	1,120,507	1,241,076	1,268,246
Culture and Recreation	1,040,086	942,577	926,500	908,159	984,968	1,091,641	1,061,376	1,073,148	1,106,505	1,089,024
Debt Service:										
Principal	305,444	270,000	140,000	290,000	185,000	190,000	190,000	190,000	250,000	240,000
Interest	23,868	21,945	18,140	5,050	2,068	1,235	3,479	3,468	5,533	116,289
Bond Issuance Costs	-	-	5,980	-	-	6,675	-	2,700	6,000	74,288
Capital Outlay	1,393,246	2,485,269	2,434,862	2,676,626	2,773,458	3,410,909	3,199,788	4,157,296	2,932,540	6,429,625
MFO Payments to Other Entities	124,994	113,445	108,923	106,438	110,679	131,810	132,460	133,863	114,975	126,949
Total Expenditures	12,087,691	12,045,635	11,013,307	11,761,564	12,784,839	13,200,702	14,579,358	14,711,429	14,113,492	17,464,467
Excess (Deficiency) of Revenues over (under) Expenditures	24,717	(814,278)	259,649	(100,546)	48,823	(122,945)	(1,588,056)	(856,668)	267,567	(2,158,857)
Other Financing Sources (Uses)										
Transfers In	371,548	715,163	374,263	384,542	515,680	552,899	379,838	789,111	578,583	711,530
Transfers Out	(371,548)	(715,163)	(374,263)	(384,542)	(515,680)	(552,899)	(379,838)	(789,111)	(578,583)	(711,530)
Insurance Recoveries	-	-	-	-	504,436	149,528	-	650,000	-	6,164
Bond and Lease Proceeds	-	-	520,000	-	452,665	575,000	-	170,000	615,000	7,372,068
Sale of Capital Assets	-	-	-	20,000	2,600	40,405	225,368	10,790	4,837	49,236
Total Other Financing Sources (Uses)	-	-	520,000	20,000	959,701	764,933	-	830,790	619,837	7,427,468
Net Change in Fund Balances	\$ 24,717	\$ (814,278)	\$ 779,649	\$ (80,546)	\$ 1,008,524	\$ 641,988	\$ (1,588,056)	\$ (25,878)	\$ 887,404	\$ 5,268,611
Debt Service as a percentage of noncapital expenditures	3.4%	3.2%	1.9%	3.7%	1.9%	2.0%	1.9%	2.0%	2.3%	4.0%

2013 - Software change nets the contracted adjustments to the ambulance services revenue directly to Charges for Services revenue; prior years recorded as an expenditure

2014 - Adjustments to prior years to recognize accrued tax revenues when the transaction occurs

2017 - General Government expenditures include approximately \$1.6 million for contaminated property clean-up

2020 - Capital Outlay includes beginning construction of a new fire station, for which bonds were issued to be repaid with a designated 1/2 cent sales tax

**CITY OF BEATRICE, NEBRASKA
ASSESSED AND ESTIMATED ACTUAL VALUE
OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

Table 6

FISCAL YEAR	ASSESSED VALUE (1)	PERSONAL PROPERTY ASSESSED VALUE	TOTAL ASSESSED VALUATION	TOTAL DIRECT TAX RATE	RATIO OF ASSESSED TO EST. ACTUAL
2011	\$ 530,661,631	\$ 15,296,532	\$ 545,958,163	0.325839	1
2012	528,758,221	13,937,124	542,695,345	0.345840	1
2013	531,508,050	12,657,956	544,166,006	0.345840	1
2014	552,634,425	22,369,755	575,004,180	0.345707	1
2015	553,844,505	22,185,562	576,030,067	0.370223	1
2016	569,474,021	24,054,950	593,528,971	0.380223	1
2017	574,189,141	30,867,026	605,056,167	0.384337	1
2018	586,305,850	76,027,829	662,333,679	0.381447	1
2019	595,582,852	65,482,211	661,065,063	0.399171	1
2020	640,168,385	62,804,162	702,972,547	0.396273	1

CITY OF BEATRICE, NEBRASKA
PROPERTY TAX RATES AND TAX LEVIES (PER \$100 VALUATION)
DIRECT AND OVERLAPPING GOVERNMENTS (1)
LAST TEN FISCAL YEARS

Table 7

FISCAL YEAR	CITY OF BEATRICE	SCHOOL DIST. #15	GAGE COUNTY	SPECIAL TAX DIST.	AIRPORT	TOTAL TAX RATE
2011	0.325839	1.165588	0.409978	0.133048	0.034819	2.069272
2012	0.34584	1.163807	0.392833	0.134298	0.034847	2.071625
2013	0.34584	1.163216	0.394647	0.134189	0.034422	2.072314
2014	0.345707	1.159466	0.369361	0.123545	0.044156	2.042235
2015	0.370223	1.160844	0.338379	0.109881	0.0396	2.018927
2016	0.380223	1.135307	0.297766	0.122644	0.042898	1.978838
2017	0.384337	1.082016	0.288082	0.120706	0.038347	1.913488
2018	0.381447	1.087157	0.297594	0.136028	0.035031	1.937257
2019	0.399171	1.079515	0.419871	0.13506	0.033529	2.067146
2020	0.396273	1.080347	0.419768	0.137805	0.027089	2.061282

(1) Overlapping rates are those of Local and County Governments that apply to property owners within the City of Beatrice.

**CITY OF BEATRICE, NEBRASKA
SALES TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS (1)
LAST TEN FISCAL YEARS**

Table 7a

FISCAL YEAR		CITY OF BEATRICE	STATE OF NEBRASKA	COUNTY OF GAGE	TOTAL TAX RATE
2011		1.50%	5.50%	0.00%	7.00%
2012		1.50%	5.50%	0.00%	7.00%
2013		1.50%	5.50%	0.00%	7.00%
2014		1.50%	5.50%	0.00%	7.00%
2015		1.50%	5.50%	0.00%	7.00%
2016		1.50%	5.50%	0.00%	7.00%
2017		1.50%	5.50%	0.00%	7.00%
2018		1.50%	5.50%	0.00%	7.00%
2019	(a)	2.00%	5.50%	0.00%	7.50%
2020	(b)	2.00%	5.50%	0.50%	8.00%

(1) Overlapping rates are those of other governments that apply to consumers within the City of Beatrice

(a) Effective April 1, 2019 additional 1/2 cent sales tax designated for new fire station

(b) Effective January 1, 2020 the County of Gage enacted a .5% sales tax

**CITY OF BEATRICE, NEBRASKA
PRINCIPAL TAXPAYERS
CURRENT YEAR AND TEN YEARS AGO**

Table 8

TAXPAYER	TYPE OF BUSINESS	2020			2011		
		ASSESSED VALUATION	Rank	%OF TOTAL ASSESSED VALUATION	(a) ASSESSED VALUATION	Rank	%OF TOTAL ASSESSED VALUATION
Exmark Manufacturing Co	(1) manufacturing	\$ 15,764,840	1	2.24%	---	---	---
Corn Oil & Renewable Energy LLC	(2) manufacturing	12,502,850	2	1.78%	---	---	---
Worldlawn Power Equipment	manufacturing	7,996,900	3	1.14%	---	---	---
EIP Beatrice Owner, LLC	(1) manufacturing	6,910,460	4	0.98%	---	---	---
Wal-Mart Stores	shopping mall	6,400,000	5	0.91%	6,373,165	3	1.17%
Farmers Co-op Elevator	grain/feed elevator	6,384,995	6	0.91%	3,970,100	4	0.73%
Hybrid Turkeys LLC	manufacturing	5,980,500	7	0.85%	---	---	---
Beatrice Hospitality LLC	hotel	5,338,385	8	0.76%	2,707,530	6	0.50%
Equinox, Stanley & Judy Meyer	shopping mall plus other	5,006,820	9	0.71%	2,460,285	7	0.45%
Accuma Corp	(1) manufacturing	3,717,360	10	0.53%	---	---	---
Flint Hills Resources Beatrice LLC	(2) manufacturing	---	---	---	21,958,325	1	4.02%
KH Beatrice, LLC	manufacturing	---	---	---	13,020,425	2	2.38%
Beatrice Retirement Inc.	retirement homes	---	---	---	3,197,850	5	0.59%
Store Kraft Mfg	manufacturing	---	---	---	2,277,730	8	0.42%
LTC Properties	retirement home/assisted	---	---	---	2,027,485	9	0.37%
Homestead Village	retirement home/complex	---	---	---	1,933,715	10	0.35%
		<u>\$ 76,003,110</u>		<u>10.81%</u>	<u>\$ 59,926,610</u>		<u>10.98%</u>

Source: Gage County Assessor

(1) Added in 2014 due to annexation

(2) In 2020 Corn Oil & Renewable Energy LLC purchased property formerly owned by Flint Hills Resources Beatrice LLC

**CITY OF BEATRICE, NEBRASKA
NET TAXABLE SALES BY BUSINESS CLASSIFICATION
CURRENT YEAR AND TEN YEARS AGO**

Table 8a

Business Classification	Calendar Year 2019			Calendar Year 2010		
	Net Taxable Sales	Rank	% of Total Net Taxable Sales	Net Taxable Sales	Rank	% of Total Net Taxable Sales
Retail Trade	\$ 88,144,807	1	47.6%	\$ 75,656,706	1	48.0%
Accommodation & Food Services	26,069,358	2	14.1%	18,015,704	3	11.4%
Utilities	21,960,153	3	11.9%	22,928,877	2	14.6%
Manufacturing	(1) 18,606,130	4	10.1%	2,446,969	7	1.6%
Wholesale Trade	9,067,726	5	4.9%	10,169,799	4	6.5%
Construction	3,360,094	6	1.8%	4,428,048	5	2.8%
Information	797,338	7	0.4%	4,049,045	6	2.6%
Other	17,116,039	---	9.2%	19,798,744	---	12.6%
Total	<u>185,121,645</u>		<u>100.0%</u>	<u>157,493,892</u>		<u>100.0%</u>

Note: Amounts shown are net taxable sales, which includes refunds and does not include motor vehicle net sales. The numbers are only available on a calendar year basis. Information only presented by business classification, individual taxpayer information is confidential.

(1) Industrial Park annexed in 2014

Source:

Nebraska Department of Revenue Net Taxable Sales by Classification available by County only.

Nebraska Department of Revenue annual report of total Net Taxable Sales for Beatrice within Gage County.

For the reporting purposes of this table the % of Beatrice sales within Gage County has been applied for 2018 that percentage was 87.94% as compared to 86.71% in 2009

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

Table 9

FISCAL YEAR	TOTAL TAX LEVY	FISCAL YEARS TAX COLL.	% OF LEVY COLL.	SUBSEQUENT YEARS TAX COLL.	TOTAL TAX COLL. TO DATE	% TOTAL TAX COLL. OF LEVY
2011	\$ 1,778,950	\$ 1,704,384	95.81%	\$ 66,060	\$ 1,770,444	99.5%
2012	1,876,856	1,810,704	96.48%	69,243	1,879,947	100.2%
2013	1,881,944	1,823,811	96.91%	58,552	1,882,363	100.0%
2014	1,987,832	1,931,893	97.19%	54,034	1,985,927	99.9%
2015	2,132,597	2,099,464	98.45%	57,915	2,157,379	101.2%
2016	2,256,734	2,197,652	97.38%	58,217	2,255,869	100.0%
2017	2,325,455	2,269,795	97.61%	60,759	2,330,554	100.2%
2018	2,526,451	2,481,587	98.22%	54,292	2,535,879	100.4%
2019	2,638,777	2,566,434	97.26%	76,098	2,642,532	100.1%
2020	2,785,692	2,723,728	97.78%	-	2,723,728	97.8%

Note: Property Tax Collections include Homestead Exemptions and State Tax Credits taken which are reductions to the taxes billed and then reimbursed by the State of Nebraska, amendments to this explain why the percentage of total tax collected of levy could vary slightly over/under 100%.

CITY OF BEATRICE, NEBRASKA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Table 10

FISCAL YEAR	Governmental Activities				Business-type Activities				Total Primary Government	% Personal Income	Per Capita
	General Obligation Bonds	General Notes	Warrants Payable	Capital Leases	Utility Revenue Bonds	Utility State Notes	BASWA Revenue Bonds	Capital Leases			
2011(a)	\$ 555,000	\$ -	\$ 185,771	\$ 4,727	\$ 2,265,000	\$ 1,670,041	\$ 1,655,000	\$ 200,911	\$ 6,536,450	1.36%	524.64
2012(b)	285,000	-	390,471	1,594	3,845,000	90,394	1,520,000	151,259	6,283,718	1.17%	504.35
2013(c)	665,000	-	262,815	-	3,615,000	86,178	1,360,000	103,851	6,092,844	1.16%	488.64
2014	375,000	-	185,626	-	3,280,000	81,874	1,200,000	54,878	5,177,378	0.88%	408.67
2015(d)	190,000	-	131,869	444,132	2,950,000	-	1,040,000	4,290	4,760,291	0.82%	375.74
2016(e)	575,000	-	-	347,633	2,620,000	-	825,000	-	4,367,633	0.74%	344.75
2017(f)	385,000	-	-	247,729	2,285,000	-	1,875,000	772,500	5,565,229	0.93%	439.28
2018(g)	365,000	-	-	144,297	1,950,000	-	1,615,000	1,018,072	5,092,369	0.84%	401.96
2019(h)	730,000	-	-	68,640	1,615,000	-	1,355,000	1,074,083	4,842,723	0.77%	382.25
2020(i)	7,565,000			297,068	1,275,000		1,090,000	790,519	11,017,587	1.77%	869.65

Note: Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements.
See the Schedule of Demographic and Economic Statistics for population data.

- (a) Issued Solid Waste Disposal Facility Revenue bonds in the amount of \$1,655,000
- (b) Issued Combined Utilities Refunding Bonds in the amount of \$1,725,000 to call in the 2002 State Notes
- (c) Issued Public Safety Tax Anticipation Bonds in the amount of \$520,000 and Combined Utilities Advance Refunding Bonds in the amount of \$2,040,000 to call \$1,970,000 in outstanding Utilities Bonds
- (d) Issued Capital Leases for purchase of street equipment and installation of ballfield lighting
- (e) Issued BASWA Revenue Refunding Bonds in the amount of \$825,000 and Public Safety Tax Anticipation Bonds in the amount of \$575,000
- (f) Issued BASWA Revenue Bonds in the amount of \$1,250,000 and a capital lease in the amount of \$772,500 for the purchase of a compactor
- (g) Issued Public Safety Tax Anticipation Bonds in the amount of \$170,000 and a capital lease in the amount of \$396,500 for a dozer
- (h) Issued Public Safety Tax Anticipation Bonds in the amount of \$615,000 and a capital lease in the amount of \$283,378 for a loader
- (i) Issued Fire Station (Sales Tax and General Obligation) Bonds in the amount of \$7,075,000 and capital equipment leases in the amount of \$297,068

CITY OF BEATRICE, NEBRASKA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Table 11

FISCAL YEAR	ESTIMATED ACTUAL VALUE	GENERAL OBLIGATION BONDS	LESS DEBT SERVICE FUNDS AVAILABLE(1)	NET BONDED DEBT	% OF ASSESSED TAXABLE VALUE	NET BONDED PER CAPITA
2011	\$ 545,958,163	\$ 555,000	\$ 212,845	\$ 342,155	0.06%	27.46
2012	542,695,345	285,000	171,982	113,018	0.02%	9.07
2013 (a)	544,166,006	665,000	177,277	487,723	0.09%	39.11
2014	575,004,180	375,000	69,182	305,818	0.05%	24.14
2015	576,030,067	190,000	71,682	118,318	0.02%	9.34
2016 (b)	593,528,971	575,000	72,452	502,548	0.08%	39.67
2017	605,056,167	385,000	74,332	310,668	0.05%	24.52
2018 (c)	662,333,679	365,000	77,632	287,368	0.04%	22.68
2019 (d)	661,065,063	730,000	75,304	654,696	0.10%	51.68
2020 (e)	702,972,547	7,565,000	834,206	6,730,794	0.96%	531.28

Note: Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements. See the Schedule of Demographic and Economic Statistics, Table 14, for population data.

(1) Fund balance restricted for debt service

(a) Public Safety Tax Anticipation Bonds issued June 2013 in the amount of \$520,000

(b) Public Safety Tax Anticipation Bonds issued September 2016 in the amount of \$575,000

(c) Public Safety Tax Anticipation Bonds issued April 2018 in the amount of \$170,000

(d) Public Safety Tax Anticipation Bonds issued August 2019 in the amount of \$615,000

(e) Fire Station Sales Tax and General Obligation Bonds issued December 2019 in the amount of \$7,075,000

CITY OF BEATRICE, NEBRASKA
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
SEPTEMBER 30, 2020

Table 12

GOVERNMENTAL UNIT	DEBT OUTSTANDING	PERCENT APPLICABLE TO CITY OF BEATRICE(1)	AMOUNT APPLICABLE TO CITY OF BEATRICE
TAX SUPPORTED DEBT			
DIRECT:			
City of Beatrice	\$ 7,862,068	100.00%	\$ 7,862,068
Total Direct Debt			<u>\$ 7,862,068</u>
OVERLAPPING:			
Airport Authority	\$ 155,000	100.00%	\$ 155,000
School District #15	3,100,640	56.36%	1,747,521
Lower Big Blue Natural Resources District	2,373,866	11.96%	283,914
Gage County	2,505,164	22.16%	555,144
Southeast Community College	58,375,000	1.15%	671,313
Total Overlapping Debt			<u>\$ 2,741,579</u>
Total Direct & Overlapping Debt			<u><u>\$ 10,603,647</u></u>

Note: Overlapping governments are those that coincide with the geographic boundaries of the City. This schedule estimates the portion of outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Beatrice. This process recognizes that, when taking into consideration the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account.

- (1) The percentage of overlapping debt is estimated using taxable assessed property values provided by the county assessor. Applicable percentages were determined by dividing the city's assessed value into the total assessed value of the overlapping government. The City of Beatrice boundaries are within the boundaries of the overlapping governments listed.

**CITY OF BEATRICE, NEBRASKA
REVENUE BOND COVERAGE
ELECTRIC, WATER, AND SEWER BONDS
LAST TEN FISCAL YEARS**

Table 13

FISCAL YEAR	OPERATING REVENUES	TOTAL OPERATING EXPENSES(1)	TOTAL REVENUE AVAILABLE FOR DEBT SERVICE	DEBT SERVICE REQUIREMENTS			COV- ERAGE
				PRINCIPAL	INTEREST	TOTAL	
2011	\$ 17,921,106	\$ 14,887,284	\$ 3,033,822	\$ 342,246	\$ 142,390	\$ 484,636	6.26
2012 (a)	18,491,829	15,481,231	3,010,598	149,134	113,777	262,911	11.45
2013 (b)	18,631,458	16,300,133	2,331,325	304,217	205,693	509,910	4.57
2014	19,063,227	16,843,514	2,219,713	339,303	52,994	392,297	5.66
2015	18,803,559	16,371,801	2,431,758	411,874	55,733	467,607	5.20
2016	20,436,319	17,060,163	3,376,156	330,000	50,892	380,892	8.86
2017	21,413,236	17,794,814	3,618,422	335,000	47,577	382,577	9.46
2018	22,863,363	19,611,066	3,252,297	335,000	43,413	378,413	8.59
2019	22,514,348	18,931,382	3,582,966	335,000	38,421	373,421	9.59
2020	21,186,880	17,423,032	3,763,848	340,000	32,527	372,527	10.10

Note: Details of the outstanding debt can be found in the notes to the financial statements.

(1) Total Operating Expenses exclusive of depreciation and amortization.

(a) 2011 Bond Issue in the amount of \$1,725,000 refunded \$1,575,512 in Bond principal

(b) 2013 Bond Issue in the amount of \$2,040,000 refunded \$1,970,000 in Bond principal

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

Table 14

FISCAL YEAR	POPULATION(1)	TOTAL PERSONAL INCOME	PER CAPITA PERSONAL INCOME(4)	MEDIAN AGE (1)	SCHOOL ENROLLMENT(2)	UNEMPLOYMENT RATE(3)
2011	12,459	\$ 481,253,793	\$ 38,627	42.6	2,173	5.00%
2012	12,459	535,475,361	42,979	42.6	2,162	4.20%
2013	12,469	522,999,736	41,944	42.6	2,154	4.10%
2014	12,669	590,134,689	46,581	44	2,145	4.00%
2015	12,669	579,252,018	45,722	43	2,133	3.00%
2016	12,669	593,251,263	46,827	44	2,146	3.10%
2017	12,669	599,775,798	47,342	44	2,133	5.40%
2018	12,669	609,112,851	48,079	45	2,164	2.70%
2019	12,669	631,714,347	49,863	45	2,129	3.00%
2020	12,669	621,503,133	49,057	44	2,106	2.90%

SOURCES:

(1) U.S. Census 2000 plus annexations certified with the Nebr Dept of Revenue; U.S. Census 2010

(2) School District #15, Board of Education Office, Beatrice, NE
(does not include 2 parochial schools)

(3) Nebraska Workforce Development Office
Dept. of Labor, Lincoln, NE

(4) Bureau of Economic Analysis, U.S. Department of Commerce

**CITY OF BEATRICE, NEBRASKA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO**

Table 15

Employer	Type of Activity	2020			2011		
		Employees	Rank	% of County Employment	Employees	Rank	% of County Employment
Beatrice Community Hospital	Medical	580	1	5.46%	450	2	3.78%
Exmark Manufacturing	Manufacturing	450	2	4.24%	400	3	3.36%
Beatrice State Developmental Center	Home for mentally handicapped	390	3	3.67%	697	1	5.85%
Beatrice Public Schools	Education	340	4	3.20%	281	6	2.36%
NEAPCO	Manufacturing	280	5	2.64%	285	5	2.39%
Mosaic	Home for mentally handicapped	270	6	2.54%	350	4	2.94%
Wal-Mart Super Center	Retail	195	7	1.84%	---	---	---
City of Beatrice	Government	130	8	1.22%	164	9	1.38%
Good Samaritan Center	Nursing Home & Assisted Living	125	9	1.18%	225	7	1.89%
Landmark Snacks	Manufacturing	100	10	0.94%			
Southeast Community College	Education	---	---	---	110	10	0.92%
Store Kraft	Manufacturing	---	---	---	190	8	1.60%
		<u>1,830</u>		<u>17.24%</u>	<u>3,152</u>		<u>26.47%</u>

Source: Gage Area Growth Community Profile

CITY OF BEATRICE, NEBRASKA
CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

Table 16

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
FUNCTION										
General Government	8	8	8	8	9	9	10	10	10	10
Public Safety										
Police										
Commissioned	21	22	21	21	21	22	22	22	22	22
Civilians	10	10	10	10	13	13	14	14	14	14
Fire										
Full-time Firefighters	23	23	23	23	23	24	24	23	22	24
Civilians	0	0	0	0	0	0	0	0	0	0
Culture and Recreation	8	7	6	6	6	7	7	7	7	7
Highways and Streets	9	9	9	9	9	9	9	9	9	9
Solid Waste Agency	4	4	4	4	4	4	4	4	4	4
Water	11	11	10	10	10	10	10	10	10	10
Sewer	7	7	6	6	6	6	6	6	6	6
Electric	30	29	29	28	25	25	26	26	26	25
Total Full-Time Employees	131	130	126	125	126	129	132	131	130	131
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
FUNCTION										
General Government	0	0	0	0	0	1	0	0	0	0
Public Safety										
Police										
Civilians	2	2	2	2	2	3	2	1	1	1
Fire										
Reserves	8	8	8	8	6	0	2	2	2	1
Culture and Recreation	18	18	15	15	15	15	15	15	15	15
Solid Waste Agency/WPC	5	5	4	4	4	4	4	6	6	5
Electric	0	0	0	0	1	1	0	0	0	1
Total Part-Time Employees	33	33	29	29	28	23	23	24	24	23
*Part-time employment is 1020 hours/yr or less										
C & R Summer Seasonal	45	40	40	40	43	50	60	60	60	48

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

Table 17

FUNCTION	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Government										
Building Permits Issued	454	458	442	399	493	381	388	552	530	561
Commercial Construction Value	\$ 19,336,559	\$ 11,323,241	\$ 2,947,834	\$ 2,923,538	\$ 7,907,152	\$ 11,141,672	\$ 11,570,361	\$ 8,715,888	\$ 22,225,904	\$ 18,930,263
Residential Construction Value	\$ 3,300,316	\$ 2,072,975	\$ 3,330,426	\$ 3,157,487	\$ 4,118,584	\$ 3,796,771	\$ 4,499,850	\$ 9,750,343	\$ 6,813,314	\$ 8,132,448
Public Safety										
Police										
Physical Arrests	928	1,099	871	875	842	673	821	681	905	907
Patrol Warnings/Citations	1,699	1,758	1,424	1,364	1,462	1,266	1,696	1,474	1,780	1,887
Calls for Service (1)	21,472	22,577	21,280	20,529	20,937	23,086	27,564	26,278	26,684	26,568
Fire										
Ambulance Calls	2,241	2,223	2,290	2,334	2,220	2,331	2,248	2,388	2,444	2,512
Fire & Rescue Calls	910	896	967	885	894	906	1,028	1,178	1,061	1,066
Culture and recreation										
Water Park Admissions (2)	\$ 83,252	\$ 87,796	\$ 78,088	\$ 73,671	\$ 76,435	\$ 83,616	\$ 85,501	\$ 83,531	\$ 69,922	\$ 53,426
Electric										
Average Daily Usage Commercial (MWH)	272.7	264.4	261.8	220.5	261.6	281.7	307.1	316.5	307.4	263.4
Average Daily Usage Residential (MWH)	193.7	186.2	186.7	194.2	185.3	185.0	180.6	196.2	188.5	196.6
Water										
Average Daily Consumption (gal)	3.42m	3.93m	3.53m	3.38m	2.96m	3.63m	3.65m	3.49m	3.41m	3.38m
Water Pollution Control										
Average Daily Treatment (gal)	1.2m	1.1m	1.2m	1.4m	1.2m	1.2m	1.1m	1.1m	1.1m	1.0m

Information provided by department annual reports for the calendar year ending during the fiscal year period.

Note: FY2011 Commercial building construction increase due to new hospital construction

FY2012 Commercial building construction increase due to new nursing home construction

FY2016 Commercial building construction increase due to new hospital addition

FY2018 Residential construction increase due to a new housing development and expansion of an existing development

FY2019 Commercial building construction increased due to new buildings at the college and expansion of an existing industry

FY2020 Commercial building construction includes 2nd phase of new buildings at the college

(1) Started Dispatching for Crete on July 7, 2015, which added 2,710 to calls for service reported in FY2016 and 5,598 in FY2017

(2) In FY2020 Water Park delayed opening and restricted capacity due to COVID-19

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

Table 18

FUNCTION	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Public Safety										
Police Stations	1	1	1	1	1	1	1	1	1	1
Fire Stations	1	1	1	1	1	1	1	1	1	1
Highway & Streets										
Street Lane Miles, Paved	279.44	279.5	280.76	285.68	288.97	288.97	291	291	291	291.32
Street Lane Miles, Unpaved	34.15	34.45	35.33	34.25	34.25	34.25	34.25	34.25	34.25	32.05
Storm Sewer Miles	33.71	33.9	34.36	34.36	34.36	34.36	34.72	34.72	34.72	34.72
Bridges	9	9	9	11	11	11	11	11	11	11
Street Lights	1513	1517	1517	1624	1617	1617	1605	1609	1609	1627
Culture and recreation										
Number of Parks	12	13	14	14	14	14	14	14	14	14
Park acreage	340	340	340	340	340	340	340	340	340	340
Swimming Pools	1	1	1	1	1	1	1	1	1	1
Tennis Courts	10	10	9	9	9	9	9	9	9	8
Ballfields	12	12	12	12	12	14	13	13	13	12
Library	1	1	1	1	1	1	1	1	1	1
Senior Center	1	1	1	1	1	1	1	1	1	1
Water										
Water Main Miles	126	126	126	122	122.33	122.66	122.66	123	123.33	123.5
Fire Hydrants	703	703	705	703	708	714	723	726	729	736
Sewer										
Sanitary Sewer Miles	129.3	129.3	94.4	94.73	94.9	94.9	95.35	95.91	95.91	95.92
Treatment Plants	1	1	1	1	1	1	1	1	1	1
Electric										
Substations	10	10	10	10	10	10	10	10	10	10
Miles 12.5KV Service	99	99	100	100	103.24	106.54	110.84	113.04	117.1	119.24
Miles 34.5KV Service	17.1	17.1	17.1	17.1	17.1	17.1	17.1	17.1	17.1	17.1
Miles 4.16KV Service	88	88	87	87	84.11	81.69	77.39	75.19	71.13	68.99

Information provided by department annual reports for the year ending during the fiscal year period.

2013 - new analysis made of storm sewer miles

2014 - change out of park security lights to "street lights"

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

Independent Auditor's Report

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Beatrice, Nebraska (the City), as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 8, 2021, which includes a reference to other auditors who audited the financial statements of the Beatrice Public Library Foundation, as described in our report on the City's financial statements. The financial statements of the Beatrice Public Library Foundation, a component unit included in the financial statements of the aggregate discretely presented component units, were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the Beatrice Public Library Foundation.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BKD, LLP

Lincoln, Nebraska
March 8, 2021