

City of Beatrice, Nebraska

**ANNUAL COMPREHENSIVE FINANCIAL REPORT**

For the fiscal year ended September 30, 2023

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

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CITY OF BEATRICE, NEBRASKA  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE YEAR ENDED SEPTEMBER 30, 2023  
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# **SECTION 1**

## **INTRODUCTORY SECTION**

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**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 18, 2024

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 annual comprehensive financial report of the City of Beatrice for the fiscal year ended September 30, 2023.

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.

FORVIS, 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, 2023 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, 2023 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.

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. These reports can be found immediately following the statistical section of this report.

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 12,261. 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; garbage collection services; airport; and administrative services. Each employee retirement group is overseen by a body to employees selected by the employees and they work closely with Ameritas on all compliance and fiduciary requirements.

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 30th. 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 69.



## 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 Historical Park. 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, 2023 was 2.2%, which is slightly higher than the State of Nebraska rate of 2.1% and continued to be lower than the national rate of 3.8%.

Tax revenues in 2023 were up 4% from 2022. The property tax levy for fiscal year 2023 was 0.025221 cent lower than the property tax levy in 2022. Assessed valuation for Real Property increased \$50,540,538, or 7.3%, and total assessed valuations increased \$56,543,449, while personal property assessed valuations increased by \$6,002,911. This resulted in an increase in property tax revenue recognized of 2.5%. Sales tax revenues reflect an increase of 2.8% from 2023. The sales tax revenues are due in part to the recently voter approved ½ cent sales tax for the construction of a new fire station and an increase in taxable sales. Occupation tax revenue increased 14.6% in 2023.

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 utility revenues, up to a maximum of \$300,000, as approved by the voters. This plan was extended to 2029 by a vote of the citizens of Beatrice in May 2022.

The City has been active in developing the Gage County Industrial Park and recruiting and building a diverse mix of manufacturing and commercial industries. 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.

In 2023, the City purchased 80 acres to expand our industrial park, began the process of installing fiber to every home and business in the community, and developed master plans for major street improvement projects at 33<sup>rd</sup> and Lincoln Street and the Court Street Access & Safety Transformation (CAST) Initiative. The City also welcomed several new retail and service businesses in 2023. 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 reviews 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 18, 2024

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.

The City continued to see the benefits of changing their electrical provider. The electrical cost savings enabled the City to go another year without an electrical rate increase.

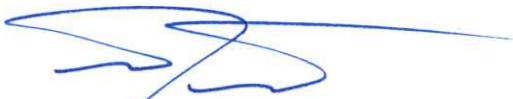
#### Awards and Acknowledgements

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 annual comprehensive financial report for the fiscal year ended September 30, 2022. This was the 32<sup>nd</sup> 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 annual comprehensive 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 annual comprehensive 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**

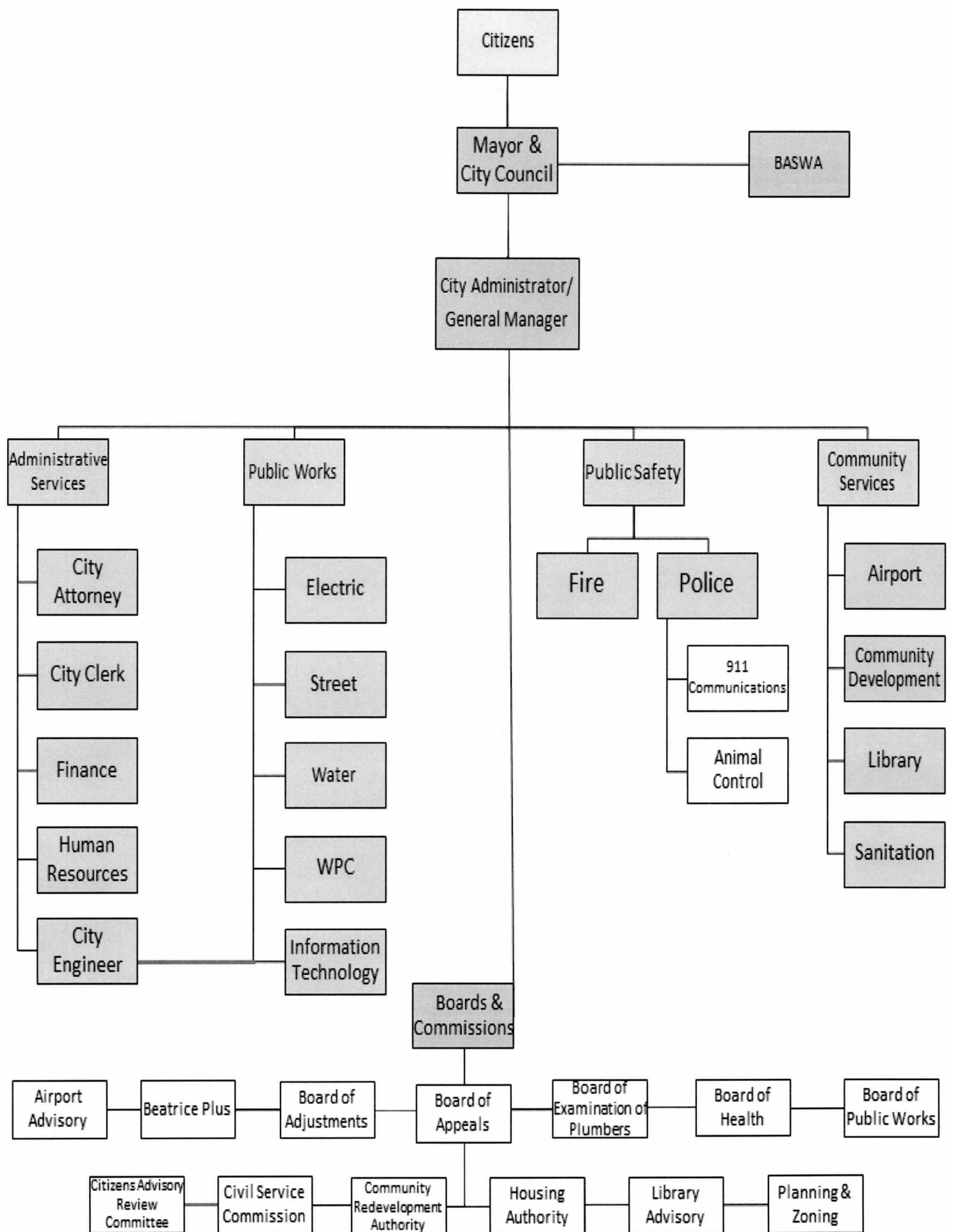
For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

September 30, 2022

*Christopher P. Morill*

Executive Director/CEO

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**CITY OF BEATRICE, NEBRASKA  
OFFICIALS  
2023**

**MAYOR**  
Robert Morgan

**CITY COUNCILMEMBERS**

Gary Barnard  
Terry Doyle  
David Eskra  
Ted Fairbanks

Tim Fralin  
Rich Kerr  
Michael McLain  
Duane Ruh

**CITY ADMINISTRATOR & GENERAL MANAGER**  
Tobias Tempelmeyer

**CITY OFFICIALS**

Hannah Bell  
Erin Saathoff  
Jay Murphy  
Brian Daake  
Mark Pethoud  
Joanne Neemann  
Taylor Rivera  
Chet McGrury  
James Burroughs  
Jason Moore

Pat Feist  
Steve Kelley

Finance Director  
City Clerk  
Police Director  
Fire Chief  
Director of Public Properties  
Library Director  
City Attorney  
Community Development Director  
City Engineer; WPC Chief Plant Operator  
Street Superintendent; Landfill  
Superintendent; Sanitation Superintendent  
Electric Superintendent  
Water Superintendent

## **SECTION 2**

### **FINANCIAL SECTION**







1248 O Street, Suite 1040 / Lincoln, NE 68508

P 402.473.7600 / F 402.473.7698

[forvis.com](http://forvis.com)

## Independent Auditor's Report

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

### Report on the Audit of the Financial Statements

#### ***Opinions***

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Beatrice, Nebraska (City), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Beatrice, Nebraska, as of September 30, 2023, 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.

We did not audit the financial statements of the Beatrice Public Library Foundation, the discretely presented component unit of the City of Beatrice, Nebraska, as of September 30, 2023. 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.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the City of Beatrice, Nebraska, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of the Beatrice Public Library Foundation were not audited in accordance with *Government Auditing Standards*.

#### ***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

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

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

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

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison schedules be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, 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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying supplementary information, consisting of combining and individual nonmajor fund financial statements and schedules and the schedule of expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual nonmajor fund financial statements and schedules and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Information**

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 18, 2024, on our consideration of 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 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 City's internal control over financial reporting and compliance.

**FORVIS, LLP**

Lincoln, Nebraska  
March 18, 2024

City of Beatrice, Nebraska  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
September 30, 2023

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, 2023. 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 xii of this report.

#### **FINANCIAL HIGHLIGHTS**

The City of Beatrice's assets exceeded its liabilities and deferred inflows of resources at the close of the most recent year by \$124,357,536. Of this amount, \$24,982,223 may be used to meet the City's ongoing obligations to citizens and creditors. The City of Beatrice's total net position increased \$7,217,390 or 6.2%.

As of the close of the current fiscal year, the City of Beatrice's governmental funds reported combined ending fund balances of \$18,879,928, an increase of \$1,693,715 in comparison with the prior year. At the end of the current fiscal year, unrestricted fund balance for the General Fund was \$9,184,946, or 74.8% of total General Fund expenditures.

The City of Beatrice's total long-term obligations, not including component units, decreased \$4,158,235 during the current fiscal year. The City issued debt during the year totaling \$5,277,547 and annual debt obligations of \$1,912,377 were paid. Obligations for compensated absences and closure and post-closure costs recognized a net increase of \$793,065.

In October 2022, the Airport Authority and the City approved a resolution declaring the Airport Authority's corporate existence to cease as all of its liabilities and bonds have been met, paid in full, or otherwise discharged and the City assumed responsibility for managing the airport operations. Comparative information from 2022 does not include the financial balances and activity of the Airport Authority.

#### **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, liabilities, and deferred inflows of resources, with the difference 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, airport, 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.



City of Beatrice, Nebraska  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
September 30, 2023

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 Community Redevelopment Authority is determined to be a discretely presented component unit and included due to the fiscal dependency on the City for any allocation 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 14 to 16 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 twelve 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, Airport Fund, and Street Fund, which are considered to be major funds. Data from the other nine 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 except for the bonded districts nonmajor debt service fund. 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 17 to 20 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.

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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, Sanitation, 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 Self-insured Group Insurance Fund, an internal service fund. The basic proprietary fund financial statements can be found on pages 21 to 25 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City 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 26 to 27 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 28 to 67 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 68 to 69 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 and deferred inflows of resources by \$124,357,536 at the close of the most recent fiscal year. By far the largest portion of the City of Beatrice's net position (72%) 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.

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City of Beatrice's Net Position  
(expressed in thousands)  
September 30, 2023

	Governmental activities		Business-type activities		Total	
	2023	2022*	2023	2022*	2023	2022*
ASSETS						
Current and other assets	\$ 24,842	\$ 21,679	\$ 25,473	\$ 22,737	\$ 50,315	\$ 44,416
Capital assets	61,309	50,102	46,666	40,734	107,975	90,836
TOTAL ASSETS	<u>86,151</u>	<u>71,781</u>	<u>72,139</u>	<u>63,471</u>	<u>158,290</u>	<u>135,252</u>
LIABILITIES						
Long-term liabilities noncurrent	8,073	7,920	4,835	10,499	12,908	18,419
Other liabilities	4,174	4,614	14,263	3,430	18,437	8,044
TOTAL LIABILITIES	<u>12,247</u>	<u>12,534</u>	<u>19,098</u>	<u>13,929</u>	<u>31,345</u>	<u>26,463</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred lease arrangements	1,283	437	1,303	1,387	2,586	1,824
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>1,283</u>	<u>437</u>	<u>1,303</u>	<u>1,387</u>	<u>2,586</u>	<u>1,824</u>
NET POSITION						
Net investment in capital assets	52,675	41,380	37,316	35,770	89,991	77,150
Restricted	8,294	7,057	1,090	691	9,384	7,748
Unrestricted	11,651	10,373	13,331	11,695	24,982	22,068
TOTAL NET POSITION	<u>\$ 72,620</u>	<u>\$ 58,810</u>	<u>\$ 51,737</u>	<u>\$ 48,156</u>	<u>\$ 124,358</u>	<u>\$ 106,966</u>

\*Not restated for government merger of the Airport Authority during fiscal year 2023.

An additional portion of the City of Beatrice's net position (7.5%) represents resources that are subject to external restrictions on how they may be used for specific purposes. The remaining balance of unrestricted net position \$24,982,223 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 \$3,635,691 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 \$3,581,699. A breakdown of these activities is as follows:

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City of Beatrice's Changes in Net Position  
(expressed in thousands)  
For the years ended September 30, 2023

	Governmental activities		Business-type activities		Total	
	2023	2022*	2023	2022*	2023	2022*
<b>REVENUES</b>						
Program Revenues						
Charges for services	\$ 8,355	\$ 7,036	\$ 27,865	\$ 27,770	\$ 36,220	\$ 34,806
Operating grants and contributions	2,631	2,361	300	-	2,931	2,361
Capital grants and contributions	2,297	2,162	18	179	2,315	2,341
General revenues						
Taxes	9,815	9,460	-	-	9,815	9,460
Unrestricted intergovernmental	1,058	1,224	-	-	1,058	1,224
Insurance and settlement recoveries	597	1,365	-	-	597	1,365
Other revenue	587	238	1,090	1,429	1,677	1,667
<b>TOTAL REVENUES</b>	<b>25,339</b>	<b>23,846</b>	<b>29,273</b>	<b>29,378</b>	<b>54,613</b>	<b>53,224</b>
<b>EXPENSES</b>						
General government	6,892	5,971	-	-	6,892	5,971
Airport	961	-	-	-	961	-
Public safety	8,939	8,452	-	-	8,939	8,452
Highways and streets	2,772	2,667	-	-	2,772	2,667
Culture and recreation	2,006	1,899	-	-	2,006	1,899
Interest on long-term debt	134	136	-	-	134	136
Electric	-	-	16,379	15,928	16,379	15,928
Water	-	-	2,546	2,519	2,546	2,519
Water pollution control (WPC)	-	-	1,889	1,852	1,889	1,852
Solid waste management	-	-	2,303	1,981	2,303	1,981
Sanitation	-	-	2,574	2,657	2,574	2,657
<b>TOTAL EXPENSES</b>	<b>21,704</b>	<b>19,125</b>	<b>25,691</b>	<b>24,937</b>	<b>47,395</b>	<b>44,062</b>
<b>CHANGE IN NET POSITION</b>	<b>3,635</b>	<b>4,721</b>	<b>3,582</b>	<b>4,441</b>	<b>7,218</b>	<b>9,162</b>
<b>NET POSITION, Beginning of Year</b>	<b>68,985</b>	<b>54,089</b>	<b>48,156</b>	<b>43,715</b>	<b>117,140</b>	<b>97,804</b>
<b>NET POSITION, End of Year</b>	<b>\$ 72,620</b>	<b>\$ 58,810</b>	<b>\$ 51,738</b>	<b>\$ 48,156</b>	<b>\$ 124,358</b>	<b>\$ 106,966</b>

\*Not restated for government merger of the Airport Authority during fiscal year 2023.

#### Governmental Activities

Tax revenues increased 4% in 2023 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 2023 decreased 6.6%, and property valuations increased by 7.64%, resulting in an increase in property tax revenue recognized of 3.2%. Sales tax revenues collected increased \$165,530 in 2023 as compared to 2022 with an increase of 4.8% in sales. Occupation taxes from utilities, which are based upon gross sales, increased 15% in 2023. The lodging occupation tax brought in \$177,776 in 2023 as compared to \$117,421 in 2022. 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), decreased \$165,813 in 2023. 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 2023 the City's MEF revenue was \$753,234 as compared



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to \$926,005 in 2022; the City's calculation was above the state-wide average for both fiscal years. County motor vehicle taxes increased 2% in 2023 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, increased 9% from 2023 to 2022; 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.

Capital grants and contributions vary from year to year. During 2023 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 additional payments from the Federal Emergency Management Agency for assistance with cleanup efforts following a wind storm in December of 2021 and a hail storm in June of 2022. FEMA funds were also received for assistance with the 2019 flood damage cleanup. Community Development Block Grant funds provided for a trail extension and State and Local Agency funds provided for a bioretention pond. In 2021 and 2022, ARPA funds were received and in 2023, \$296,768 in ARPA funds were expended and therefore recognized as revenue. The additional revenue remains as unearned revenue. Private contributions and Keno funds assisted towards park recreational improvements, including the restoration of the waterfall at Chautauqua Park. Private contributions continue to provide for the purchase of library materials and building improvements.

Expenses increased 13% in 2023 as compared to 2022. 37% of the increase is due to the Airport expenses now being reported within Governmental Activities. Changes in General Government can vary from year to year due to changes in economic development, grant expenses, and Internal Service Funds activity. Changes to expenses for other activities in 2023 as compared to 2022 are as follows: public safety increased 5.8% as compared to the prior year, streets increased 3.9%, and culture and recreation increased 5.7%.

#### Business-Type Activities

Charges for services for business-type activities increased slightly in 2023, with an increase of 0.4%. The Electric fund, which distributes purchased power, did not increase rates during 2023. The Electric Fund revenue decreased 0.5% and expenses increased 2.8%. The Water fund did not increase rates during 2023 and the Water Pollution Control fund increased rates 25 cents per 1,000 gallons of residential and commercial sales for 2023. Revenue increased 0.8% and 3.9% respectively, and expenses increased 1.1% and 2% respectively. The Sanitation fund increased rates \$2 per residential household, as well as increases to various other fees. Sanitation Fund revenue increased 8.1% and expenses decreased 3.0%. The Beatrice Area Solid Waste Agency fund revenues decreased 7.4%, due to a reduction in the residential landfill fees charged to the Sanitation Fund and expenses increased 16.2% largely due to an increase in landfill closure and post-closure care.

#### **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 \$18,879,928, which is an increase of \$1,693,715 in comparison with the prior year. Of this amount, 37.4% of this balance is

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unassigned and is available for spending at the City's discretion (\$7,058,713). The City's unassigned balance increased \$815,543 from the prior year. The remainder of the fund balance is either nonspendable, restricted, committed, or assigned to indicate that it is in a nonspendable form (\$46,425), restricted for particular purposes (\$8,331,925), committed for particular purposes (\$1,619,422), or assigned by management for particular purposes (\$1,823,443).

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, assigned, and committed balances) of the General Fund was \$9,184,946; an increase from 2022 of \$1,028,667. 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 74.8% of total General fund expenditures.

General fund revenues increased 9.4% from the previous year. Tax revenues increased 5.8% due to an increase in sales tax and property tax revenue, as discussed on page 8. Intergovernmental revenue available to fund general operations includes interlocal agreements to provide 911 and EMS services, state aid, and federal grant assistance funding. Revenue for intergovernmental increased 3.9%. Municipal equalization funds and interlocal 911 dispatch aid increased in 2023, and the City received \$62,865 in Federal FEMA funds, \$27,800 in CARES funds, and recognized \$296,768 of ARPA funds. Charges for services decreased 0.2% due to a decrease in administration miscellaneous charges and services and an increase in camping receipts. Miscellaneous revenue increased 44% due to insurance proceeds received for a wrecked ambulance.

General fund expenditures in 2023 increased 7.5% from the previous year due to an increase in personal services, capital outlay expenditures, and the cost of supplies. Transfers in remained stable from 2023 to 2022, 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 2023 were \$2,221,335, as compared to \$1,392,091 in 2022 as insurance proceeds received in 2022 were expended from the Capital Improvement fund.

The fund balance restricted for the Street fund at year end was \$3,312,610 an increase of \$615,694 from 2022. In 2023, total revenues increased 7.2% from 2022. Sales tax revenues increased 2.4% and total state aid increased 8.2%. Expenditures increased 11.7% from the previous year. Non-capital operational expenditures increased 15% from 2022 and capital outlay expenditures increased 8%. Once again, several capital outlay projects were carried forward into 2024 due to availability of contractors.

Nonmajor governmental funds include four 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 \$5,630,106 which was restricted, committed, or assigned for each fund's specific purposes. The Economic Development fund, which had a restricted fund balance of \$1,906,054, an increase of \$319,375 from 2022, received \$326,969 in revenue to support the local economic development plan and issued \$1,215,000 in bonds for the purchase of additional land in the Industrial Park. Expenditures included funding towards a joint economic development organization, land purchases, and professional services for land development; economic development loans were awarded in the amount of \$270,022 with \$157,986 paid back or forgiven during the fiscal year. The Community Development Block Grant fund balance restricted for Revolving Loans of \$90,981 decreased \$90,801 due to a grant distribution in 2023. The Community Development Block Grant fund received \$137,003 in grant funds that were distributed to participants with the Owner Occupied Rehab grant and the Downtown Revitalization grant. The Keno fund balance increased \$77,191 from 2022, with a decrease in keno proceeds of 10%. \$50,000 was transferred out for community better projects in 2023. The 911 Surcharge fund had a fund balance of \$94,692 at the end of 2023 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 2023 \$72,270 was transferred to the General fund for support of the 911 communications center operations and \$49,997 was expended on a new server. The debt service funds balance at year-end of \$2,253,064 is restricted for the respective debt service requirements funded with either a special levy or voter-approved sales tax. The fund balance in the Public Safety Capital Improvements Capital Projects Fund at year end was \$326,262, which included \$27,099 restricted for the new fire station and \$299,163 committed for public safety equipment. The expenditures in this fund decreased \$628,469 from 2022 to 2023 as the majority of the reserved CARES funds were expended. This fund also accounts for the expenditure of major public safety equipment purchased with bond proceeds, MFO state funding and other available grants. Capital Improvement funds fund balance at year end included \$730,078 in funds assigned for subsequent years' expenditures. Capital expenditures totaling

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\$1,807,107 in 2023 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 \$13,331,280, which is an increase of \$1,635,908 from 2022. The Electric fund increased \$1,482,349; the Water Fund decreased \$327,402; the Water Pollution Control fund increased \$410,554; the BASWA fund decreased \$64,842; and the Sanitation Fund increased \$135,249. Restricted net position for debt service was \$729,881 at year end as compared to \$690,567 in 2022. The Electric fund's restricted net position for revolving loan program increased to \$360,000 with the establishment of the program. Net investment in capital assets increased from \$35,769,674 in FY2022 to \$37,316,151 in FY2023. 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.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

Differences between the original budget and the final amended budget of expenditures for the general fund amounted to an increase in appropriations of \$2,092,000 and can be briefly summarized as follows: \$1,630,000 increase for interfund transfers, \$116,000 increase for personnel expenditures, \$25,000 increase for insurance premiums, \$33,000 increase for carry forward expenses not expended in FY2022, and \$288,000 increase for grant expenditures.

Variances between actual General Fund expenditures and the final amended budget include the following: \$343,045 positive variance in administration expenditures largely due to capital outlay improvements being carried forward to FY24 and \$83,960 positive variance in public properties capital outlay expenditures largely due to storm damage repairs being reallocated to the Capital Improvement Fund.

**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, 2023, amounts to capital assets (net of accumulated depreciation) of \$97,701,196, construction in progress of \$273,793, and land of \$10,000,764. This investment in capital assets includes land, buildings and park facilities, improvements other than buildings, machinery and equipment, a system of roads, highways, bridges, runways, 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 8% percent (a 3.5% increase for governmental activities and a 14.6% increase for business-type activities).

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City of Beatrice's Capital Assets (net of depreciation, except land)  
(expressed in thousands)  
September 30, 2023

	Governmental activities	Business-Type activities	Total
Land	\$ 8,452	\$ 1,548	\$ 10,000
Buildings and system	22,389	17,469	39,858
Improvements other than bldgs	20,149	77,535	97,684
Machinery and equipment	15,014	13,707	28,721
Infrastructure	42,411	-	42,411
Construction in progress	-	274	274
Less accumulated depreciation	(47,106)	(63,867)	(110,973)
TOTAL	<u>\$ 61,309</u>	<u>\$ 46,666</u>	<u>\$ 107,975</u>

Major changes in capital assets in the governmental activities during fiscal year 2023 include: the inclusion of the Airport assets within Governmental Activities, land purchase in the Industrial Park, multiple roof repairs from the June 2022 hail storm, Hannibal Park diamonds 3 & 5 improvements, Chautauqua Park waterfall restoration, demolition of 413 Court Street, East Court trail construction, several street reconstructions, and mill and overlay projects. Equipment purchases included: a new mower, an ambulance, a loader with grapple claw, several vehicles, several computers and laptops, air-packs, equipment for the new fire station, radios, equipment for new back-up dispatch console, tasers, and body cameras.

Major changes in capital assets in the business-type activities during fiscal year 2023 include: in the Electric Fund continuation of 12.5 KV conversions, roof repairs from the June 2022 hail storm, replacement of underground cable, new transformers, new services and extensions for residential and commercial developments, a new pickup, a slide gate, a battery crimper, and a trimmer; in the Water Fund water main projects in 2023 included several projects funded by State Revolving Fund loan proceeds including 2 new generators, replacement of downtown water main, water transmission line crossing system improvements. Other capital assets include the replacement and repair of several water mains, roof repairs from the June 2022 hail storm, a backhoe loader, and a portable air compressor; in the Water Pollution Control Fund projects included grit handling system design, lift station #6, Industrial Park bypass, and a new pickup; in the BASWA fund continuation of costs for the site investigation for a future MSW landfill site, a new loader, and a new manure spreader; and in the Sanitation fund additional waste carts, recycling carts, dumpsters, and roll-offs.

Additional information on the City of Beatrice's capital assets can be found in note E on pages 54 to 55 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 \$11,095,000. Of this amount, \$8,415,000 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 \$5,492,068 in note payables – direct borrowing and financing agreements, \$2,275,904 for compensated absences, and \$6,602,000 for closure post-closure costs.

During the current fiscal year, the City of Beatrice issued new bonds totaling \$1,215,000 in the Economic Development Fund and paid annual bond maturities of \$1,710,000 thereby decreasing the bonded debt by \$495,000. Notes payable – direct borrowing were issued in the amount of \$3,875,447 for generators, downtown watermain replacement, and water transmission line. Notes payable – direct financing agreements were issued in the amount of \$187,100 for the purchase of a new garbage truck.

Additional information on the City of Beatrice's long-term debt can be found on pages 57 to 60 of this report.



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**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The unemployment rate for the City of Beatrice for September 2023 is 2.2%, which compares to the state average unemployment rate of 2.1% and the national average of 3.8%.

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 2023 increased 6.7% when compared to 2022.

Economic development continued to be a focus for the City in 2023. City and County officials provide combined support for an economic development organization, Gage Area Growth Enterprises (NGage), to promote Beatrice and the surrounding area. Voters approved an extension of the Economic Development Plan to continue to be funded by utility revenues until 2029. Funds from this plan allowed for an expansion of a local bakery and the creation of a new pressure washing business. Gage County Industrial Park continues to develop and expand with land being sold for a future business site and a bond issuance to purchase additional land for future expansion.

The City of Beatrice approved a budget plan that included both fiscal year 2024 and fiscal year 2025. 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 2024, general fund tax revenue projections included a 14% increase in the general property tax requirements and 14% increase in sales tax revenue. The general fund levy decreased from .357804 to .355031 and the debt service levy remained at 0. State aid allocations increased due to municipal equalization funds increasing in 2024. Several Federal operating grants totaling \$675,000 were included in the budget for 2024.

Major capital projects for the 2024 fiscal year include: reconstruction of 33<sup>rd</sup> and Lincoln Street, a new garbage truck, ballfield improvements, ADA playground, Homestead trail extension, a new fire engine, public safety equipment, and computer equipment. Some projects are contingent upon receiving grant or donation funding.

In fiscal year 2024, the City proposed a zero rate increase for the Electric, Water, Water Pollution Control, Sanitation, and Beatrice Area Solid Waste Agency funds. Projected revenues should be sufficient to fund operations, capital costs, and maintain prudent reserves for cash flow and emergencies.

**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, 2023

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
<b>Assets</b>				
<b>Current Assets</b>				
Cash and cash equivalents	\$ 17,624,793	\$ 10,179,490	\$ 27,804,283	\$ 237,804
Cash on deposit - county treasurer	129,825	-	129,825	-
Accounts receivable	1,084,109	1,777,129	2,861,238	-
Assessments receivable	33,736	-	33,736	-
Unbilled and accrued revenues	-	1,894,358	1,894,358	-
Due from other governments	1,227,837	-	1,227,837	-
Lease receivable	225,463	88,896	314,359	-
Accrued interest receivable	10,091	6,151	16,242	-
Inventories	46,425	1,715,783	1,762,208	-
Prepaid expenses	-	24,620	24,620	-
In-lieu-of assessments receivable	10,105	-	10,105	-
Taxes receivable	96,931	-	96,931	-
Loans receivable	123,593	34,664	158,257	-
<b>Total Current Assets</b>	<b>20,612,908</b>	<b>15,721,091</b>	<b>36,333,999</b>	<b>237,804</b>
<b>Noncurrent Assets</b>				
Investments	2,273,157	3,153,913	5,427,070	1,518,516
Collateral deposit	-	150,000	150,000	-
<b>Restricted Cash and Cash Equivalents</b>				
Debt service account	-	132,501	132,501	-
Customer and developer deposits	-	220,459	220,459	-
Grants and capital projects	-	-	-	65,632
Revolving loan program	-	25,772	25,772	-
<b>Restricted Investments</b>				
Debt service reserve account	-	610,567	610,567	-
Customer deposits	-	311,485	311,485	-
Grants and capital projects	-	-	-	86,401
Closure and post-closure account	-	3,570,472	3,570,472	-
<b>Total Restricted Assets</b>	<b>-</b>	<b>4,871,256</b>	<b>4,871,256</b>	<b>152,033</b>
<b>Capital Assets</b>				
Land	8,452,350	1,548,414	10,000,764	-
Construction in progress	-	273,793	273,793	-
Capital assets, net of accumulated depreciation	52,856,950	44,844,246	97,701,196	48,598
<b>Net Capital Assets</b>	<b>61,309,300</b>	<b>46,666,453</b>	<b>107,975,753</b>	<b>48,598</b>
<b>Other Assets</b>				
Loans receivable, net of current portion	831,929	299,564	1,131,493	-
Lease receivable, net of current portion	1,123,215	1,276,245	2,399,460	-
<b>Total Noncurrent Assets</b>	<b>65,537,601</b>	<b>56,417,431</b>	<b>121,955,032</b>	<b>1,719,147</b>
<b>Total Assets</b>	<b>\$ 86,150,509</b>	<b>\$ 72,138,522</b>	<b>\$ 158,289,031</b>	<b>\$ 1,956,951</b>

See notes to financial statements.

City of Beatrice, Nebraska  
STATEMENT OF NET POSITION - CONTINUED  
September 30, 2023

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
<b>Liabilities</b>				
Current Liabilities				
Accounts payable	\$ 347,884	\$ 2,862,318	\$ 3,210,202	\$ -
Claims incurred but not reported	194,746	-	194,746	-
Accrued compensated absences	571,267	369,620	940,887	-
Sales tax payable	-	1,091	1,091	-
Accrued interest payable	37,634	13,187	50,821	-
Accrued payroll	-	75,573	75,573	-
Other accrued liabilities	-	3,240	3,240	-
Unearned revenue	1,845,647	-	1,845,647	-
Customer and developer deposits	-	498,692	498,692	-
Current maturities of long-term debt	1,176,670	1,010,791	2,187,461	-
Total Current Liabilities	<u>4,173,848</u>	<u>4,834,512</u>	<u>9,008,360</u>	<u>-</u>
Noncurrent Liabilities, Net of Current Portion				
Compensated absences	709,112	625,905	1,335,017	-
Revenue bonds	-	1,935,000	1,935,000	-
Tax supported and general obligation bonds	7,300,000	-	7,300,000	-
Notes payable - direct borrowing	-	5,100,507	5,100,507	-
Notes payable - direct financing arrangements	64,100	-	64,100	-
Closure and post-closure costs	-	6,602,000	6,602,000	-
Total Noncurrent Liabilities	<u>8,073,212</u>	<u>14,263,412</u>	<u>22,336,624</u>	<u>-</u>
Total Liabilities	<u>12,247,060</u>	<u>19,097,924</u>	<u>31,344,984</u>	<u>-</u>
Deferred Inflows of Resources				
Deferred lease arrangements	1,283,225	1,303,286	2,586,511	-
Total Deferred Inflows of Resources	<u>1,283,225</u>	<u>1,303,286</u>	<u>2,586,511</u>	<u>-</u>
<b>Net Position</b>				
Net investment in capital assets	52,674,990	37,316,151	89,991,141	48,598
Restricted net position				
Restricted for economic development	1,906,054	-	1,906,054	-
Restricted for new fire station	27,099	-	27,099	-
Restricted for debt service	2,253,656	729,881	2,983,537	-
Restricted revolving loan fund	180	360,000	360,180	-
Restricted for E911 public safety	94,692	-	94,692	-
Restricted for streets	3,312,610	-	3,312,610	-
Restricted for Library Foundation	-	-	-	207,118
Restricted for gas plant long-term obligation	700,000	-	700,000	-
Unrestricted net position	11,650,943	13,331,280	24,982,223	1,701,235
Total Net Position	<u>\$ 72,620,224</u>	<u>\$ 51,737,312</u>	<u>\$ 124,357,536</u>	<u>\$ 1,956,951</u>

See notes to financial statements.

City of Beatrice, Nebraska  
STATEMENT OF ACTIVITIES  
For the year ended September 30, 2023

Functions/Programs	Expenses	Program Revenues			Net Revenue (Expense) and Changes in Net Position Primary Government			Component Units
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	
Primary Government:								
Governmental Activities								
General government	\$ 6,891,788	\$ 5,595,031	\$ -	\$ 137,533	\$ (1,159,224)	\$ -	\$ (1,159,224)	\$ -
Airport	960,922	696,754	-	8,308	(255,860)	-	(255,860)	-
Public safety	8,939,262	1,698,213	1,479,082	290,540	(5,471,427)	-	(5,471,427)	-
Highways and streets	2,772,211	58,233	1,126,334	1,152,107	(435,537)	-	(435,537)	-
Culture and recreation	2,006,251	306,500	25,273	708,899	(965,579)	-	(965,579)	-
Interest on long-term debt	134,123	-	-	-	(134,123)	-	(134,123)	-
Total Governmental Activities	<u>21,704,557</u>	<u>8,354,731</u>	<u>2,630,689</u>	<u>2,297,387</u>	<u>(8,421,750)</u>	<u>-</u>	<u>(8,421,750)</u>	<u>-</u>
Business-type Activities								
Electric	16,379,103	17,354,582	300,000	17,797	-	1,293,276	1,293,276	-
Water	2,546,399	2,933,415	-	-	-	387,016	387,016	-
Water pollution control	1,888,586	2,422,055	-	-	-	533,469	533,469	-
BASWA	2,302,781	2,187,803	-	-	-	(114,978)	(114,978)	-
Sanitation	2,573,708	2,967,047	-	-	-	393,339	393,339	-
Total Business-type Activities	<u>25,690,577</u>	<u>27,864,902</u>	<u>300,000</u>	<u>17,797</u>	<u>-</u>	<u>2,492,122</u>	<u>2,492,122</u>	<u>-</u>
Total Primary Government	<u>47,395,134</u>	<u>36,219,633</u>	<u>2,930,689</u>	<u>2,315,184</u>	<u>(8,421,750)</u>	<u>2,492,122</u>	<u>(5,929,628)</u>	<u>-</u>
Component Units:								
Beatrice Public Library Foundation	46,115	-	-	-				(46,115)
Total Component Units	<u>\$ 46,115</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>				<u>(46,115)</u>
General Revenues								
Taxes								
Property tax					2,955,328	-	2,955,328	-
Sales tax					6,101,614	-	6,101,614	-
Occupation tax					758,206	-	758,206	-
Unrestricted intergovernmental					1,058,530	-	1,058,530	-
Insurance and settlement recoveries					596,693	-	596,693	-
Miscellaneous revenues					235,611	348,810	584,421	16,549
Lease revenue and interest on leases					-	140,208	140,208	-
Unrestricted investment earnings					351,459	600,559	952,018	83,562
Total General Revenues					<u>12,057,441</u>	<u>1,089,577</u>	<u>13,147,018</u>	<u>100,111</u>
Change in Net Position					3,635,691	3,581,699	7,217,390	53,996
Net Position, Beginning of Year					<u>68,984,533</u>	<u>48,155,613</u>	<u>117,140,146</u>	<u>1,902,955</u>
Net Position, End of Year					<u>\$ 72,620,224</u>	<u>\$ 51,737,312</u>	<u>\$ 124,357,536</u>	<u>\$ 1,956,951</u>

See notes to financial statements.



City of Beatrice, Nebraska  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
September 30, 2023

	General Fund	Streets Fund	Other Governmental Funds	Total
<b>Assets</b>				
Cash and cash equivalents	\$ 8,584,299	\$ 2,988,317	\$ 4,433,798	\$ 16,006,414
Investments	2,273,157	-	-	2,273,157
Cash on deposit - county treasurer	129,812	-	13	129,825
Accounts receivable	703,035	94,325	158,363	955,723
Due from other funds	-	85,451	-	85,451
Taxes receivable	91,156	-	5,775	96,931
Due from other governments	625,516	340,971	261,350	1,227,837
Lease receivable	1,323,876	-	24,802	1,348,678
Accrued interest receivable	9,276	-	815	10,091
Inventories	46,425	-	-	46,425
Assessments receivable	-	-	33,736	33,736
Loans receivable	-	-	955,522	955,522
In-lieu of assessments receivable	-	-	10,105	10,105
<b>Total Assets</b>	<u>\$ 13,786,552</u>	<u>\$ 3,509,064</u>	<u>\$ 5,884,279</u>	<u>\$ 23,179,895</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balance</b>				
<b>Liabilities</b>				
Accounts payable and accrued expenses	\$ 181,832	\$ 102,204	\$ 63,848	\$ 347,884
Unearned revenue	1,845,647	-	-	1,845,647
Due to other funds	35,825	-	49,626	85,451
Accrued interest payable	-	-	34,578	34,578
<b>Total Liabilities</b>	<u>2,063,304</u>	<u>102,204</u>	<u>148,052</u>	<u>2,313,560</u>
<b>Deferred Inflows of Resources</b>				
Deferred lease arrangements	1,260,666	-	22,559	1,283,225
Unavailable revenue	525,370	94,250	83,562	703,182
<b>Total Deferred Inflows of Resources</b>	<u>1,786,036</u>	<u>94,250</u>	<u>106,121</u>	<u>1,986,407</u>
<b>Fund Balance</b>				
Nonspendable	46,425	-	-	46,425
<b>Restricted for:</b>				
Economic development	-	-	1,906,054	1,906,054
New fire station	-	-	27,099	27,099
Debt service	5,841	-	2,285,449	2,291,290
Revolving loan fund	-	-	180	180
E911 public safety	-	-	94,692	94,692
Streets	-	3,312,610	-	3,312,610
Gas plant long-term obligation	700,000	-	-	700,000
<b>Committed for:</b>				
Public safety equipment	-	-	299,163	299,163
Public safety pensions	1,000,483	-	-	1,000,483
Community betterment	-	-	319,776	319,776
<b>Assigned for:</b>				
Subsequent years' expenditures	1,093,365	-	730,078	1,823,443
<b>Unassigned, reported in:</b>				
General fund	7,091,098	-	-	7,091,098
Capital projects funds	-	-	(32,385)	(32,385)
<b>Total Fund Balance</b>	<u>9,937,212</u>	<u>3,312,610</u>	<u>5,630,106</u>	<u>18,879,928</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<u>\$ 13,786,552</u>	<u>\$ 3,509,064</u>	<u>\$ 5,884,279</u>	

See notes to financial statements.

City of Beatrice, Nebraska  
BALANCE SHEET - CONTINUED  
GOVERNMENTAL FUNDS  
September 30, 2023

	<u>Total</u>
Fund Balance Governmental Funds	\$ 18,879,928
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.	61,309,300
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.	1,552,019
Unavailable revenues that are not current financial resources are recognized in the government-wide financial statements.	703,182
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	(3,056)
Bonds payable	(8,415,000)
Notes payable - direct financing arrangements	(125,770)
Compensated absences	<u>(1,280,379)</u>
Net Position of Governmental Activities	<u>\$ 72,620,224</u>

See notes to financial statements.

City of Beatrice, Nebraska  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS  
For the year ended September 30, 2023

	General Fund	Streets Fund	Other Governmental Funds	Total Governmental Funds
Revenues				
Taxes				
Property tax	\$ 2,948,692	\$ -	\$ 4,912	\$ 2,953,604
Sales tax	3,599,818	910,091	1,591,705	6,101,614
Occupation tax	758,206	-	-	758,206
Licenses and permits	325,030	-	-	325,030
Intergovernmental	2,644,350	2,281,699	615,901	5,541,950
Charges for services	3,162,779	58,233	94,418	3,315,430
Keno proceeds	-	-	154,692	154,692
Special assessments	-	-	10,998	10,998
Interest	338,613	-	14,190	352,804
Miscellaneous	390,866	-	494,070	884,935
Total Revenues	<u>14,168,354</u>	<u>3,250,023</u>	<u>2,980,886</u>	<u>20,399,263</u>
Expenditures				
Current				
General government	1,743,691	-	407,422	2,151,113
Airport operations	672,011	-	-	672,011
Public safety	7,809,349	-	-	7,809,349
Highways and streets	-	1,474,008	-	1,474,008
Culture and recreation	1,279,752	-	-	1,279,752
Debt Service				
Principal	-	4,407	1,029,917	1,034,324
Interest	-	549	135,014	135,563
Bond issuance costs	-	-	14,592	14,592
Capital outlay	776,653	1,268,050	3,338,447	5,383,150
MFO payments - other entities	-	-	303,447	303,447
Total Expenditures	<u>12,281,456</u>	<u>2,747,014</u>	<u>5,228,839</u>	<u>20,257,309</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,886,898	503,009	(2,247,953)	141,954
Other Financing Sources (Uses)				
Sale of capital assets	17,125	-	82,993	100,118
Insurance and settlement recoveries	218,582	18,061	-	236,643
Bond and lease issuances	-	-	1,215,000	1,215,000
Transfers in	72,270	94,624	2,176,711	2,343,605
Transfers out	(2,221,335)	-	(122,270)	(2,343,605)
Total Other Financing Sources	<u>(1,913,358)</u>	<u>112,685</u>	<u>3,352,434</u>	<u>1,551,761</u>
Net Change in Fund Balance	(26,460)	615,694	1,104,481	1,693,715
Fund Balance, Beginning of Year	<u>9,963,672</u>	<u>2,696,916</u>	<u>4,525,625</u>	<u>17,186,213</u>
Fund Balance, End of Year	<u>\$ 9,937,212</u>	<u>\$ 3,312,610</u>	<u>\$ 5,630,106</u>	<u>\$ 18,879,928</u>

See notes to financial statements.

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, 2023

Amounts reported for Governmental Activities in the Statement of Activities  
 are different because:

Net change in fund balance - total governmental funds	\$ 1,693,715
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	5,266,927
Depreciation expense	(3,039,352)
Change in unavailable revenues that are not current financial resources but that are recognized in the government-wide statements.	336,431
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.	(180,676)
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 change in compensated absences.	(84,845)
The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, and donations) is to decrease net position.	(164,329)
The net revenue of certain activities of internal service funds is reported with governmental activities.	(192,180)
Change in Net Position of Governmental Activities	<u>\$ 3,635,691</u>

See notes to financial statements.

City of Beatrice, Nebraska  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
September 30, 2023

	Business-Type Activities Enterprise Funds						Governmental Activities Internal Service Fund
	Electric	Water	Water Pollution Control	BASWA	Sanitation	Total	Total
Current Assets							
Cash and cash equivalents	\$ 5,263,520	\$ 220,232	\$ 3,071,316	\$ 1,446,790	\$ 177,632	\$ 10,179,490	\$ 1,618,379
Accounts receivable	292,755	1,062,358	11,927	207,847	202,242	1,777,129	128,386
Unbilled and accrued revenues	1,397,120	286,388	210,850	-	-	1,894,358	-
Lease receivable	-	88,896	-	-	-	88,896	-
Loan receivable	34,664	-	-	-	-	34,664	-
Inventories	1,047,072	668,711	-	-	-	1,715,783	-
Prepaid expenses	11,444	7,993	5,183	-	-	24,620	-
Interest receivable	281	5,870	-	-	-	6,151	-
Total Current Assets	8,046,856	2,340,448	3,299,276	1,654,637	379,874	15,721,091	1,746,765
Noncurrent Assets							
Investments	2,620,403	533,510	-	-	-	3,153,913	-
Collateral deposit	150,000	-	-	-	-	150,000	-
Restricted Cash and Cash Equivalents							
Customer deposits	220,459	-	-	-	-	220,459	-
Debt service account	-	-	-	-	132,501	132,501	-
Revolving loan program	25,772	-	-	-	-	25,772	-
Restricted Investments							
Debt service reserve account	80,947	80,947	69,383	379,290	-	610,567	-
Customer deposits	311,485	-	-	-	-	311,485	-
Closure and post-closure costs	-	-	-	3,570,472	-	3,570,472	-
Lease receivable	-	1,276,245	-	-	-	1,276,245	-
Loan receivable	299,564	-	-	-	-	299,564	-
Capital Assets							
Land	65,058	1,424,318	16,588	-	42,450	1,548,414	-
Construction in progress	191,878	81,915	-	-	-	273,793	-
Buildings and improvements	1,873,402	566,024	14,534,118	-	495,447	17,468,991	-
Improvements other than buildings	32,258,170	26,730,292	10,284,362	8,262,236	-	77,535,060	-
Machinery and equipment	5,107,875	1,539,595	1,880,239	2,487,627	2,691,622	13,706,958	-
Total Capital Assets	39,496,383	30,342,144	26,715,307	10,749,863	3,229,519	110,533,216	-
Less accumulated depreciation	(23,584,545)	(15,033,185)	(17,546,617)	(6,957,571)	(744,845)	(63,866,763)	-
Net Capital Assets	15,911,838	15,308,959	9,168,690	3,792,292	2,484,674	46,666,453	-
Total Noncurrent Assets	19,620,468	17,199,661	9,238,073	7,742,054	2,617,175	56,417,431	-
Total Assets	\$ 27,667,324	\$ 19,540,109	\$ 12,537,349	\$ 9,396,691	\$ 2,997,049	\$ 72,138,522	\$ 1,746,765

See notes to financial statements.

City of Beatrice, Nebraska  
STATEMENT OF NET POSITION - CONTINUED  
PROPRIETARY FUNDS  
September 30, 2023

	Business-Type Activities Enterprise Funds						Governmental Activities Internal Service Fund
	Electric	Water	Water Pollution Control	BASWA	Sanitation	Total	Total
<b>Liabilities</b>							
Current Liabilities							
Accounts payable	\$ 1,451,404	\$ 1,143,166	\$ 142,205	\$ 20,135	\$ 105,408	\$ 2,862,318	\$ -
Claims incurred but not reported	-	-	-	-	-	-	194,746
Accrued compensated absences	166,416	99,504	37,469	33,844	32,387	369,620	-
Accrued payroll	35,868	16,113	7,515	5,857	10,220	75,573	-
Sales tax payable	1,091	-	-	-	-	1,091	-
Accrued interest payable	471	471	403	4,617	7,225	13,187	-
Other accrued liabilities	1,979	884	377	-	-	3,240	-
Customer and developer deposits	498,692	-	-	-	-	498,692	-
Current maturities of long-term debt	70,000	240,626	60,000	340,455	299,710	1,010,791	-
Total Current Liabilities	<u>2,225,921</u>	<u>1,500,764</u>	<u>247,969</u>	<u>404,908</u>	<u>454,950</u>	<u>4,834,512</u>	<u>194,746</u>
Noncurrent Liabilities, Net of Current Portion							
Compensated absences	334,914	222,518	36,835	21,951	9,687	625,905	-
Revenue bonds	-	-	-	-	1,935,000	1,935,000	-
Notes payable - direct borrowing	-	4,948,117	-	-	152,390	5,100,507	-
Closure and post-closure cost	-	-	-	6,602,000	-	6,602,000	-
Total Noncurrent Liabilities	<u>334,914</u>	<u>5,170,635</u>	<u>36,835</u>	<u>6,623,951</u>	<u>2,097,077</u>	<u>14,263,412</u>	<u>-</u>
<b>Total Liabilities</b>	<u>2,560,835</u>	<u>6,671,399</u>	<u>284,804</u>	<u>7,028,859</u>	<u>2,552,027</u>	<u>19,097,924</u>	<u>194,746</u>
Deferred Inflows of Resources							
Deferred lease arrangements	-	1,303,286	-	-	-	1,303,286	-
Total Deferred Inflows of Resources	<u>-</u>	<u>1,303,286</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,303,286</u>	<u>-</u>
<b>Net Position</b>							
Net investment in capital assets	15,758,609	9,014,822	8,993,309	3,451,837	97,574	37,316,151	-
Restricted for debt service	80,476	80,476	68,980	374,673	125,276	729,881	-
Restricted for revolving loan program	360,000	-	-	-	-	360,000	-
Unrestricted	8,907,404	2,470,126	3,190,256	(1,458,678)	222,172	13,331,280	1,552,019
Total Net Position	<u>\$ 25,106,489</u>	<u>\$ 11,565,424</u>	<u>\$ 12,252,545</u>	<u>\$ 2,367,832</u>	<u>\$ 445,022</u>	<u>\$ 51,737,312</u>	<u>\$ 1,552,019</u>

See notes to financial statements.

City of Beatrice, Nebraska  
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
 PROPRIETARY FUNDS  
 For the year ended September 30, 2023

	Business-Type Activities Enterprise Funds						Governmental Activities Internal Service Fund
	Electric	Water	Water Pollution Control	BASWA	Sanitation	Total	Total
Operating Revenues							
Charges for services	\$ 17,354,582	\$ 2,933,415	\$ 2,422,055	\$ 2,187,803	\$ 2,967,047	\$ 27,864,902	\$ 4,058,630
Reinsurance coverage reimbursements	-	-	-	-	-	-	290,018
Total Operating Revenues	<u>17,354,582</u>	<u>2,933,415</u>	<u>2,422,055</u>	<u>2,187,803</u>	<u>2,967,047</u>	<u>27,864,902</u>	<u>4,348,648</u>
Operating Expenses							
Electric energy purchased	10,822,936	-	-	-	-	10,822,936	-
Operating and maintenance expenses	1,541,891	1,158,459	824,690	-	1,327,682	4,852,722	-
Customer accounting expenses	220,655	133,857	84,487	-	-	438,999	-
Engineering services	382,745	35,796	35,796	-	-	454,337	-
Administrative and general expense	1,119,591	531,087	327,410	1,021,630	-	2,999,718	-
Depreciation	1,449,197	624,859	581,624	448,148	315,976	3,419,804	-
Municipal expenses	840,173	60,426	32,938	-	-	933,537	-
Operating contracts	-	-	-	823,975	899,492	1,723,467	-
Health insurance claims paid	-	-	-	-	-	-	3,606,008
Insurance premiums	-	-	-	-	-	-	588,642
Payflex expenses	-	-	-	-	-	-	252,197
Other services and charges	-	-	-	-	-	-	113,241
Total Operating Expenses	<u>16,377,188</u>	<u>2,544,484</u>	<u>1,886,945</u>	<u>2,293,753</u>	<u>2,543,150</u>	<u>25,645,520</u>	<u>4,560,088</u>
Operating Income (Loss)	<u>977,394</u>	<u>388,931</u>	<u>535,110</u>	<u>(105,950)</u>	<u>423,897</u>	<u>2,219,382</u>	<u>(211,440)</u>
Nonoperating Revenues (Expenses)							
Investment earnings	236,550	119,965	126,189	117,855	-	600,559	19,260
Miscellaneous revenues	192,874	112,323	37,086	31	6,496	348,810	-
Grant revenues	300,000	-	-	-	-	300,000	-
Lease revenue and interest on leases	-	140,208	-	-	-	140,208	-
Interest expense	(1,915)	(1,915)	(1,641)	(9,028)	(30,558)	(45,057)	-
Total Nonoperating Revenues (Expenses)	<u>727,509</u>	<u>370,581</u>	<u>161,634</u>	<u>108,858</u>	<u>(24,062)</u>	<u>1,344,520</u>	<u>19,260</u>
Income Before Contributions	1,704,903	759,512	696,744	2,908	399,835	3,563,902	(192,180)
Capital Contributions	17,797	-	-	-	-	17,797	-
Change in Net Position	1,722,700	759,512	696,744	2,908	399,835	3,581,699	(192,180)
Net Position, Beginning of Year	23,383,789	10,805,912	11,555,801	2,364,924	45,187	48,155,613	1,744,199
Net Position, End of Year	<u>\$ 25,106,489</u>	<u>\$ 11,565,424</u>	<u>\$ 12,252,545</u>	<u>\$ 2,367,832</u>	<u>\$ 445,022</u>	<u>\$ 51,737,312</u>	<u>\$ 1,552,019</u>

See notes to financial statements.

City of Beatrice, Nebraska  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For the year ended September 30, 2023

	Business-Type Activities Enterprise Funds					Governmental Activities Internal Service Fund
	Electric	Water	Water Pollution Control	BASWA	Sanitation	Total
Cash Flows From Operating Activities						
Cash received from customers	\$ 16,600,141	\$ 3,006,928	\$ 2,474,278	\$ 2,211,411	\$ 2,937,108	\$ 27,229,866
Cash received from collection of sales tax	1,029,822	-	-	-	-	1,029,822
Cash paid to suppliers for goods and services	(12,019,648)	(1,192,553)	(793,311)	(722,128)	(1,344,241)	(16,071,881)
Cash paid for remittance of sales tax	(1,029,822)	-	-	-	-	(1,029,822)
Cash paid to employees for services	(1,717,827)	(864,178)	(506,724)	(435,346)	(868,165)	(4,392,239)
Net cash provided by (used in) operating activities	2,862,666	950,197	1,174,243	1,053,937	724,702	6,765,746
Cash Flows from Noncapital Financing Activities						
Other miscellaneous receipts	191,624	73,323	34,586	30	6,496	306,059
Cash Flows from Capital and Related Financing Activities						
Principal payments on long-term debt	(68,250)	(68,250)	(58,500)	(418,052)	(265,000)	(878,052)
Interest paid on long-term debt	(2,344)	(2,344)	(2,009)	(13,458)	(24,379)	(44,534)
Capital contributions	17,797	-	-	-	-	17,797
Proceeds from sales of capital assets	1,250	-	2,500	-	-	3,750
Purchases of capital assets	(1,258,530)	(5,477,226)	(806,962)	(73,367)	(308,591)	(7,924,676)
Proceeds from issuance of notes payable	-	2,819,080	-	-	-	2,819,080
Principal payments received on lease receivable	-	81,537	-	-	-	81,537
Interest payments received on lease receivable	-	27,291	-	-	-	27,291
Net cash used in capital and related financing activities	(1,310,077)	(2,619,912)	(864,971)	(504,877)	(597,970)	(5,897,807)
Cash Flows From Investing Activities						
Purchases of investments	(1,610,552)	(614,456)	(69,383)	(2,621,071)	-	(4,915,462)
Sales and maturities of investments	534,097	596,940	67,399	2,257,099	-	3,455,535
Interest received	236,364	118,368	126,189	117,856	-	598,777
Grant revenue received	300,000	-	-	-	-	300,000
Issuance of notes receivable	(360,000)	-	-	-	-	(360,000)
Repayments of notes receivable	25,772	-	-	-	-	25,772
Net cash provided by (used in) investing activities	(874,319)	100,852	124,205	(246,116)	-	(895,378)
Net Change in Cash and Cash Equivalents	869,894	(1,495,540)	468,063	302,974	133,228	278,620
Cash and Cash Equivalents, Beginning of Year	4,639,857	1,715,772	2,603,253	1,143,816	176,905	10,279,603
Cash and Cash Equivalents, End of Year	<u>\$ 5,509,751</u>	<u>\$ 220,232</u>	<u>\$ 3,071,316</u>	<u>\$ 1,446,790</u>	<u>\$ 310,133</u>	<u>\$ 10,558,222</u>
Composition of Cash and Cash Equivalents						
Cash and cash equivalents	\$ 5,263,520	\$ 220,232	\$ 3,071,316	\$ 1,446,790	\$ 177,632	\$ 10,179,490
Restricted cash and cash equivalents	246,231	-	-	-	132,501	378,732
Total Cash and Cash Equivalents	<u>\$ 5,509,751</u>	<u>\$ 220,232</u>	<u>\$ 3,071,316</u>	<u>\$ 1,446,790</u>	<u>\$ 310,133</u>	<u>\$ 10,558,222</u>

See notes to financial statements.



City of Beatrice, Nebraska  
STATEMENT OF CASH FLOWS - CONTINUED  
PROPRIETARY FUNDS  
For the year ended September 30, 2023

	Business-Type Activities Enterprise Funds						Governmental Activities Internal Service Fund
	Electric	Water	Water Pollution Control	BASWA	Sanitation	Total	Total
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used In) Operating Activities:							
Operating income (loss)	\$ 977,394	\$ 388,931	\$ 535,110	\$ (105,950)	\$ 423,897	\$ 2,219,382	\$ (211,440)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:							
Depreciation	1,449,197	624,859	581,624	448,148	315,976	3,419,804	-
Changes in operating assets and liabilities:							
Accounts receivable	249,568	63,803	61,366	23,608	(29,939)	368,406	(128,386)
Unbilled and accrued revenues	25,813	9,710	(9,143)	-	-	26,380	-
Materials and supplies inventory	22,400	(73,172)	-	-	-	(50,772)	-
Accounts payable	70,976	(71,118)	2,198	(15,745)	1,959	(11,728)	-
Accrued compensated absences	(16,093)	5,819	2,264	5,022	12,208	9,220	-
Customer and developer deposits	81,847	-	-	-	-	81,847	-
Closure and post-closure care	-	-	-	699,000	-	699,000	-
Other accrued liabilities	1,564	1,365	824	(146)	601	4,208	(84,088)
Total adjustments	1,885,272	561,266	639,133	1,159,887	300,805	4,546,364	(212,474)
Net cash provided by (used in) operating activities	<u>\$ 2,862,666</u>	<u>\$ 950,197</u>	<u>\$ 1,174,243</u>	<u>\$ 1,053,937</u>	<u>\$ 724,702</u>	<u>\$ 6,765,746</u>	<u>\$ (423,914)</u>
Supplemental Disclosure for NonCash Capital Activities:							
Purchase of capital assets on account	\$ 83,229	\$ 1,105,394	\$ 115,381	\$ -	\$ -	\$ 1,304,003	\$ -
Trade-in value for purchase of capital asset	-	39,000	-	-	-	39,000	-
Note payable incurred for acquisition of capital assets	-	-	-	-	187,100	187,100	-

See notes to financial statements.

City of Beatrice, Nebraska  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
For the years ended September 30, 2023

	<u>Custodial Fund</u>
Assets	
Restricted Assets	
Cash and cash equivalents	<u>\$ 12,567</u>
Total Assets	<u><u>\$ 12,567</u></u>
Liabilities	
Due to Developer and Others	<u>\$ 12,567</u>
Total Liabilities	<u><u>\$ 12,567</u></u>

See notes to financial statements.

City of Beatrice, Nebraska  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
For the years ended September 30, 2023

	Custodial Fund
Additions	
Tax Increment Financing	\$ 705,388
Total Additions	<u>705,388</u>
Deductions	
Developer TIF Payments	693,250
Miscellaneous Payments	<u>12,138</u>
Total Deductions	<u>705,388</u>
Change in Net Position	<u>\$ -</u>

See notes to financial statements.

City of Beatrice, Nebraska  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

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, aviation, 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 Public Library Foundation, Inc. Community Redevelopment Authority

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

City of Beatrice, Nebraska  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

1. Financial Reporting Entity – Continued

Blended Component Unit - Continued

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 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 2023 financial statements are amounts as of and for the Foundation’s fiscal year ended July 31, 2023.

Complete financial statements for the Beatrice Public Library Foundation, Inc. may be obtained from the City Finance Director, City of Beatrice, 400 Ella Street, Beatrice, NE 68310.

*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

City of Beatrice, Nebraska  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

1. Financial Reporting Entity – Continued

Discretely Presented Component Units – Continued

of the money with other City funds. The CRA has a separate governing body that is appointed by the City. The potential exists for the authority to request tax levies from the City. Based on the provisions included within GASB Statement No. 84, *Fiduciary Activities*, the CRA is presented as a custodial fund within the Fiduciary Fund financial statements. Information included in this financial statement is from the CRA's fiscal year end of September 30.

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.

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.



City of Beatrice, Nebraska  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2. Financial Statement Presentation – Continued

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.

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. The Airport Fund is presented in combination with the General Fund. The Airport Fund is a special revenue fund used to account for operation of the Beatrice Airport.

*Streets Funds* – The Streets 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.

City of Beatrice, Nebraska  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2. Financial Statement Presentation – Continued

Governmental Funds – Continued

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, and 911 surcharges.

*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 assessments.

*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. The nonmajor funds consist of the public safety capital improvements fund and the capital improvements fund.

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.



City of Beatrice, Nebraska  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2. Financial Statement Presentation - Continued

Proprietary Funds - Continued

*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.

*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.

*Sanitation Fund* – The Sanitation Fund is used to account for the revenues and expenses of the garbage collection utility. The garbage collection utility provides for the collection of residential and commercial garbage for the residents of the City, as well as, residential and commercial customers in Gage County and surrounding cities and villages that enter into service agreements with the City.

Fiduciary Funds

*Community Redevelopment Authority* – The Community Redevelopment Authority ("CRA") receives and distributes tax increment financing funds. These funds are

City of Beatrice, Nebraska  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2. Financial Statement Presentation - Continued

Fiduciary Funds - Continued

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 potential exists for the authority to request tax levies from the City. Based on the provisions included within GASB Statement No. 84, *Fiduciary Activities*, the CRA is presented as a custodial fund within the Fiduciary Fund financial statements. The CRA does not issue separate financial statements.

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.

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.

City of Beatrice, Nebraska  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

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, 2023.

The City may invest in certificates of deposits, money market funds, local government investment pools, 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.

City of Beatrice, Nebraska  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

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. Lease Receivable

The City is a lessor for certain noncancellable leases for the use of certain land, buildings, and towers, and recognizes a related lease receivable and a deferred inflow of resources. At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the lease terms.

The City monitors changes in circumstances that would require a remeasurement of its leases, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

9. 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.

10. 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.

City of Beatrice, Nebraska  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

11. 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.

12. 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.

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.

City of Beatrice, Nebraska  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

12. Capital Assets – Continued

Government-wide Statements – Continued

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.

13. 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 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.

City of Beatrice, Nebraska  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

13. Compensated Absences – Continued

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.

14. 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



City of Beatrice, Nebraska  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

14. Long-term Obligations – Continued

Government-wide Statements – Continued

of the City consist primarily of accrued compensated absences, notes 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.

15. 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.

*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.



City of Beatrice, Nebraska  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

15. Net Position and Fund Balance Classification - Continued

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.

*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.

City of Beatrice, Nebraska  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

15. Net Position and Fund Balance Classification – Continued

Fund Balance Classification – Continued

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.

16. 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 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.

17. 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

City of Beatrice, Nebraska  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

17. Property Taxes – Continued

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, 2023 was \$.357804 per \$100 of assessed valuation. The City has a tax margin of \$0.14213 per \$100 of assessed valuation and could raise taxes by \$1,132,106, based on the present assessed valuation of \$796,526,430, before the limit is reached.

18. 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 May 10, 2022, voters approved to extend the effective dates of the Economic Development program to March 31, 2029, and increase the funding to \$300,000 annually.

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.

City of Beatrice, Nebraska  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

18. Sales and Use Tax – Continued

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.

19. 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.

20. Government Combination

On October 17, 2022 the City Council approved a resolution declaring the Airport Authority's corporate existence to cease as all of its liabilities and bonds have been met, paid in full, or otherwise discharged and the City assumed responsibility for managing the airport operations. Prior to the merger, the Airport Authority was included in the City's financial statements as a discretely presented component unit.

Although the government merger had a contractual effective date of October 17, 2022, the applicable accounting guidance provides for the City to recognize and measure the combined assets and deferred outflows of resources, liabilities and deferred inflows of resources, and results of operations as though the entities had been combined at the beginning of the City's reporting period. Therefore, all assets and deferred outflows of resources, liabilities and deferred inflows of resources, and fund balance and net position of the Airport Authority as of October 1, 2022 were combined in to the City's financial statements, as noted below. Additionally, all revenue and expenditure activity beginning October 1, 2022 is included within the City's 2023 financial statements.

The assets and deferred outflows of resources, liabilities and deferred inflows of resources, and fund balance and net position of the Airport Authority included within the City's financial statements as of October 1, 2022 were as follows:

City of Beatrice, Nebraska  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

20. Government Combination - Continued

**Governmental Activities:**

**Assets**

Current assets	\$ 1,239,401
Noncurrent and other assets	569,803
Capital assets, net	9,145,751
Total assets	<u>10,954,955</u>

**Liabilities**

Current liabilities	26,838
Noncurrent liabilities	67,415
Total liabilities	<u>94,253</u>

**Deferred Inflows of Resources**

Deferred lease arrangements	<u>686,412</u>
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**Net Position**

Net investment in capital assets	9,145,751
Restricted	4,176
Unrestricted	1,024,363
Total net position	<u>\$ 10,174,290</u>

**General Fund:**

**Assets**

Total assets	\$ 1,809,204
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**Liabilities**

Total liabilities	7,757
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**Deferred Inflows of Resources**

Unavailable revenue	7,642
Deferred lease arrangements	686,412
Total deferred inflows of resources	<u>694,054</u>

**Fund Balance**

Nonspendable	63,212
Restricted for debt service	5,270
Assigned for airport operations	1,038,911
Total fund balance	<u>\$ 1,107,393</u>

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, and Debt Service.

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.

City of Beatrice, Nebraska  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

NOTE B. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY – CONTINUED

2. Deposit Laws and Regulations - Continued

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 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.

3. Revenue Restrictions

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

City of Beatrice, Nebraska  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

NOTE B. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY – CONTINUED

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, 2023.

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, 2022, and ending September 30, 2023 that includes proposed expenditures and the means of financing them; 2) Public hearings are conducted to obtain 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, with the exception of Bonded Districts, 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.



City of Beatrice, Nebraska  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

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 and Beatrice Area Solid Waste Agency. 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 and 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, included in the General Fund, 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.

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, 2023, 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, 2023, 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.



City of Beatrice, Nebraska  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

NOTE C. CASH AND INVESTMENTS – CONTINUED

1. Custodial Credit Risk - Continued

Beatrice Public Library Foundation

At July 31, 2023, the amount the Beatrice Public Library Foundation held in cash and certificates of deposits at banks, financial institutions, and brokerage accounts was \$303,436, 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, 2023, all cash and certificates of deposit held at banks, financial institutions, and brokerage accounts were fully insured.

At July 31, 2023, money market accounts held in brokerage accounts were \$210,951.

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, local government investment pools, either state-administered or through interlocal agreement legislation, 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, 2023, the City's significant investment concentrations are as follows:

City of Beatrice, Nebraska  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

NOTE C. CASH AND INVESTMENTS – CONTINUED

4. Concentration of Credit Risk – Continued

External Investment Trust	19.47%
Certificates of Deposit	
Pinnacle Bank	34.06%
Security First Bank	31.95%

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, 2023.

6. Summary of Deposit and Investment Balances

Following is a reconciliation of the City's deposits and investment balances as of September 30, 2023:

	<u>Primary Government</u>	<u>Fiduciary Funds</u>	<u>Totals</u>	<u>Component Units</u>
Cash on deposit	\$ 129,825	\$ 12,567	\$ 142,392	\$ -
Demand deposits	27,533,116	-	27,533,116	-
Time deposits	7,510,757	-	7,510,757	303,436
Investments	3,058,736	-	3,058,736	1,604,917
Totals	<u>\$ 38,232,434</u>	<u>\$ 12,567</u>	<u>\$ 38,245,001</u>	<u>\$ 1,908,353</u>

	<u>Government- Wide Statement of Net Position</u>	<u>Fiduciary Funds Statement of Net Position</u>	<u>Totals</u>	<u>Component Units</u>
Cash and cash equivalents	\$ 27,804,283	\$ -	\$ 27,804,283	\$ 237,804
Cash on deposit	129,825	-	129,825	-
Investments	5,427,070	-	5,427,070	1,518,516
Restricted Assets:				
Cash and cash equivalents	378,732	-	378,732	65,632
Cash on deposit	-	12,567	12,567	-
Investments	4,492,524	-	4,492,524	86,401
	<u>\$ 38,232,434</u>	<u>\$ 12,567</u>	<u>\$ 38,245,001</u>	<u>\$ 1,908,353</u>

City of Beatrice, Nebraska  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

NOTE C. CASH AND INVESTMENTS - CONTINUED

6. Summary of Deposit and Investment Balances - Continued

As of September 30, 2023, the Beatrice Public Library Foundation, Inc. had time deposits of \$303,436 and investments of \$1,604,917 as of July 31, 2023.

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

Investments

At September 30, 2023, the City had the following investments, maturities, and credit ratings:

	September 30, 2023						Fair Value Hierarchy Level
	Carrying Value	Maturities in Years			Ratings		
Type		Less than 1	1 - 5	6 - 10	Moody's	S&P	
Primary Government:							
Certificates of Deposit	\$ 7,510,757	\$ 4,706,949	\$ 2,803,808	-	Not rated	Not rated	N/A
External Investment Trust	2,058,253	2,058,253	-	-	Not rated	Not rated	N/A
Mutual Funds	1,000,483	1,000,483	-	-	Not rated	Not rated	Level 2
Total Primary Government	\$ 10,569,493	\$ 7,765,685	\$ 2,803,808	\$ -			

7. Library Foundation Investments

The carrying amounts, market value, unrealized gains, and unrealized losses for the Beatrice Public Library Foundation at July 31, 2023, were as follows:

City of Beatrice, Nebraska  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

NOTE C. CASH AND INVESTMENTS – CONTINUED

7. Library Foundation Investments – Continued

	<u>Cost</u>	<u>Gain</u>	<u>Loss</u>	<u>Fair Value</u>	<u>Fair Value Hierarchy Level</u>
<b>Investments Stated at Fair Value</b>					
<b>Unrestricted</b>					
Governmental agencies	\$ 10,572	\$ -	\$ 7,040	\$ 3,532	Level 1
Common stock	913,921	331,960	-	1,245,881	Level 1
Corporate bonds	126,259	-	6,113	120,146	Level 1
Government bonds	40,126	-	1,055	39,071	Level 1
Mutual Funds	94,210	-	23,349	70,861	Level 1
Preferred stock	50,183	-	11,158	39,025	Level 1
Total unrestricted	1,235,271	331,960	48,715	1,518,516	
<b>Restricted</b>					
Governmental agencies					
Government Asset Backed/ CMO	1,362	-	368	994	Level 1
Common stock	64,450	-	13,531	50,919	Level 1
Mutual funds	41,953	-	7,465	34,488	Level 1
Total restricted	107,765	-	21,364	86,401	
Total	\$ 1,343,036	\$ 331,960	\$ 70,079	\$ 1,604,917	

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

City of Beatrice, Nebraska  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

NOTE C. CASH AND INVESTMENTS – CONTINUED

8. Fair Value Measurements – Continued

The tables displayed on page 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 and external investment trusts are carried at cost, and thus are not included within the fair value hierarchy.

NOTE D. RECEIVABLES AND DUE FROM OTHER GOVERNMENTS

Receivables and Due from Other Governments at September 30, 2023, consist of the following:

Fund	Taxes	Accounts	Lease Receivable	Loans Receivable	Special Assessments	Accrued Interest	Gross Receivables	Allowance	Net
General	\$ 768,303	\$ 746,750	\$ 1,323,876	\$ -	\$ -	\$ 9,276	\$ 2,848,205	\$ (95,346)	\$ 2,752,859
Street	156,505	278,791	-	-	-	-	435,296	-	435,296
Electric	-	1,709,520	-	334,228	-	281	2,044,029	(19,645)	2,024,384
Water	-	1,361,495	1,365,141	-	-	5,870	2,732,506	(12,749)	2,719,757
WPC	-	228,756	-	-	-	-	228,756	(5,979)	222,777
BASWA	-	207,847	-	-	-	-	207,847	-	207,847
Sanitation	-	202,242	-	-	-	-	202,242	-	202,242
Nonmajor									
Special Revenue	-	-	24,802	1,400,305	-	422	1,425,529	(444,783)	980,746
Debt Service	267,125	10,105	-	-	33,736	393	311,359	-	311,359
Capital Projects	-	158,363	-	-	-	-	158,363	-	158,363
Internal Service	-	128,386	-	-	-	-	128,386	-	128,386
Total Primary Government	<u>\$ 1,191,933</u>	<u>\$ 5,032,255</u>	<u>\$ 2,713,819</u>	<u>\$ 1,734,533</u>	<u>\$ 33,736</u>	<u>\$ 16,242</u>	<u>\$ 10,722,518</u>	<u>\$ (578,502)</u>	<u>\$ 10,144,016</u>

The General Fund's accounts receivables are primarily made up of ambulance service receivables from numerous individuals and customer charges for fuel and facility rents; 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. See footnote G for further information on these interfund receivables/ payables.

1. Lease Receivable

The City leases certain land, buildings, and towers to various third parties, the terms of which expire through 2054. Payments increase annually based upon scheduled lease payments stated in the related agreements. The leases were measured at lease commencement. Revenue recognized under lease contracts during the year ended

City of Beatrice, Nebraska  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

NOTE D. RECEIVABLES AND DUE FROM OTHER GOVERNMENTS – CONTINUED

1. Lease Receivable – Continued

September 30, 2023 was \$343,323, which includes both lease revenue and interest. This revenue is included within charges for services and miscellaneous revenues in the statement of activities.

NOTE E. CAPITAL ASSETS AND DEPRECIATION

Capital assets activity for the year ended September 30, 2023, was as follows:

	Beginning Balances	Increases	Decreases	Transfers	Ending Balances
<b>Governmental Activities:</b>					
Capital assets, not being depreciated:					
Land and land rights	\$ 7,141,406	\$ 1,348,256	\$ (37,312)	\$ -	\$ 8,452,350
Total capital assets, not being depreciated	7,141,406	1,348,256	(37,312)	-	8,452,350
Capital assets, being depreciated:					
Buildings and improvements	20,751,901	1,636,772	-	-	22,388,673
Improvements other than buildings	19,975,297	173,739	-	-	20,149,036
Machinery and equipment	14,296,202	1,115,357	(397,244)	-	15,014,315
Infrastructure	41,417,987	992,803	-	-	42,410,790
Total capital assets, being depreciated	96,441,387	3,918,671	(397,244)	-	99,962,814
Less: accumulated depreciation					
Buildings and improvements	(6,581,062)	(515,811)	-	-	(7,096,873)
Improvements other than buildings	(9,942,277)	(437,808)	-	-	(10,380,085)
Machinery and equipment	(8,725,900)	(871,842)	268,785	-	(9,328,957)
Infrastructure	(19,086,058)	(1,213,891)	-	-	(20,299,949)
Total accumulated depreciation	(44,335,297)	(3,039,352)	268,785	-	(47,105,865)
Total capital assets, being depreciated, net	52,106,090	879,318	(128,460)	-	52,856,950
Governmental activities capital assets, net	\$ 59,247,496	\$ 2,227,574	\$ (165,772)	\$ -	\$ 61,309,300
<b>Business-Type Activities:</b>					
Capital assets, not being depreciated:					
Land and land rights	\$ 1,534,871	\$ 13,543	\$ -	\$ -	1,548,414
Construction in progress	62,248	5,762,365	-	(5,550,820)	273,793
Total capital assets, not being depreciated	1,597,119	5,775,908	-	(5,550,820)	1,822,207
Capital assets, being depreciated:					
Buildings and improvements	16,657,915	630,088	-	180,988	17,468,991
Improvements other than buildings	70,184,161	1,981,067	-	5,369,832	77,535,060
Machinery and equipment	12,857,053	965,187	(115,282)	-	13,706,958
Total capital assets, being depreciated	99,699,129	3,576,342	(115,282)	5,550,820	108,711,009
Less: accumulated depreciation					
Buildings and improvements	(10,745,809)	(338,810)	-	-	(11,084,619)
Improvements other than buildings	(42,725,352)	(2,103,392)	-	-	(44,828,744)
Machinery and equipment	(7,091,080)	(977,602)	115,282	-	(7,953,400)
Total accumulated depreciation	(60,562,241)	(3,419,804)	115,282	-	(63,866,763)
Total capital assets, being depreciated, net	39,136,888	156,538	-	5,550,820	44,844,246
Business-type activities capital assets, net	\$ 40,734,007	\$ 5,932,446	\$ -	\$ -	\$ 46,666,453

City of Beatrice, Nebraska  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

NOTE E. CAPITAL ASSETS AND DEPRECIATION – CONTINUED

Depreciation expense was charged to functions/programs as follows for the year ended September 30, 2023:

**Governmental Activities:**

General government	\$ 53,999
Airport	317,131
Public safety	680,419
Highway and streets	1,422,969
Culture and recreation	564,834
Total depreciation expense	<u>\$ 3,039,352</u>

**Business-Type Activities:**

Electric	\$ 1,449,197
Water	624,859
Water Pollution Control	581,624
Sanitation	315,976
BASWA	448,148
Total depreciation expense	<u>\$ 3,419,804</u>

The Beatrice Public Library Foundation, Inc. had capital assets of \$48,598 as of July 31, 2023.

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, 2023, except for the Foundation which are as of July 31, 2023.

City of Beatrice, Nebraska  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

**NOTE F. RESTRICTED ASSETS - CONTINUED**

	Customer and Developer Deposits	Debt Service	Closure and Postclosure Account	Donor/ Grantor Restrictions	Revolving Loan Program	Total
Enterprise Funds						
Electric	\$ 531,944	\$ 80,947	\$ -	\$ -	\$ 25,772	\$ 638,663
Water	-	80,947	-	-	-	80,947
Water Pollution Control	-	69,383	-	-	-	69,383
BASWA	-	379,290	3,570,472	-	-	3,949,762
Sanitation	-	132,501	-	-	-	132,501
Total Enterprise Funds	<u>\$ 531,944</u>	<u>\$ 743,068</u>	<u>\$ 3,570,472</u>	<u>\$ -</u>	<u>\$ 25,772</u>	<u>\$ 4,871,256</u>
Component Units						
Beatrice Library Foundation, Inc.	-	-	-	152,033	-	152,033
Total Component Units	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 152,033</u>	<u>\$ -</u>	<u>\$ 152,033</u>

**NOTE G. INTERFUND ACTIVITY**

Interfund transfers were as follows for the year ended September 30, 2023:

	Transfers Out	Transfers In		
		General Fund	Street Fund	Other Governmental Funds
General Fund		\$ -	\$ 94,624	\$ 2,126,711
Other Governmental Funds		72,270	-	50,000
Total		<u>\$ 72,270</u>	<u>\$ 94,624</u>	<u>\$ 2,176,711</u>
				<u>\$ 2,343,605</u>

During the year ended September 30, 2023, the 911 surcharge fund transferred \$72,270 to the general fund; the general fund transferred \$2,111,322 to the capital improvements fund, \$15,389 to the public safety capital improvements fund, and \$94,624 to the street fund; the Keno fund transferred \$50,000 to the capital improvement fund.

**NOTE H. DEFICIT NET POSITION FUND BALANCES**

At September 30, 2023, the Unbonded Assessments Debt Service Fund had a deficit fund balance of \$32,385 due to special assessments that were assessed during the year but not available or collected within 60 days of the end of the current fiscal period and thus considered unavailable revenue.



City of Beatrice, Nebraska  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

**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 and general obligation bonds are repaid with property taxes and certain sales tax collections 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 a notes payable – direct borrowing agreement with the Nebraska Department of Environment and Energy (NDEE) consisting of two separate contracts totaling \$7,550,000. The interest rate is 0%. During the year ended September 30, 2023, the City incurred project costs totaling \$3,875,447 resulting in a recognition of a project payable of \$5,118,743 under Contract D311685 and D311674. The remaining available funds totaling \$2,431,257 are not reflected as long-term debt until projects costs have been incurred and loan disbursement is made by NDEE.

The City has entered into notes payable – direct financing agreements to finance the acquisition of various equipment and the installation of overhead field lighting. The interest rates on these agreements range from 1.25% to 3.95% and are payable through 2028. The agreements are collateralized by the equipment financed with the borrowing and 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.

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

City of Beatrice, Nebraska  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

**NOTE I. LONG-TERM OBLIGATIONS - CONTINUED**

Original Amount	Issued <sup>1</sup>	Issue	Interest Rates	When Due <sup>1</sup>	Date Callable <sup>1</sup>	9/30/2023 Outstanding
<b>Governmental Activities:</b>						
Tax Supported and General Obligation Bonds:						
\$ 7,075,000	2020	Fire Station Bonds	1.55 - 2.30%	2021 to 2030	2025	\$ 5,080,000
\$ 2,725,000	2021	Fire Station Bonds	0.25 - 1.10%	2022 to 2030	2026	2,120,000
		Total Public Safety Bonds				<u>\$ 7,200,000</u>
Revenue Bonds						
\$ 1,215,000	2023	Economic Development Bonds	4.30 - 4.40%	2024 to 2029	2028	\$ 1,215,000
		Total Economic Development Bonds				<u>\$ 1,215,000</u>
<b>Business-Type Activities:</b>						
Combined Utilities Revenue Bonds:						
\$ 2,040,000	2013	Combined Utilities Revenue Refunding Bonds	0.40 - 2.30%	2014 to 2024	2018	\$ 200,000
		Total Combined Utilities Bonds				<u>\$ 200,000</u>
City Sanitation Revenue Bonds:						
\$ 2,730,000	2021	Revenue Bonds	0.45 - 1.50%	2022 to 2031	2026	\$ 2,200,000
						<u>\$ 2,200,000</u>
Beatrice Area Solid Waste Agency (BASWA) Revenue Bonds:						
\$ 1,250,000	2017	BASWA Facilities Revenue Bonds	1.10 - 2.55%	2017 to 2024	2023	\$ 230,000
\$ 825,000	2016	BASWA Facilities Revenue Refunding Bonds	0.75 - 1.75%	2017 to 2024	2021	50,000
		Total BASWA Bonds				<u>\$ 280,000</u>

<sup>1</sup> Fiscal year

All of the long-term bond issues of the City's primary government are serial bonds with principal due annually and interest due semi-annually. Long-term obligations activity for the year ended September 30, 2023, for the City and its component units was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>					
Tax supported bonds	\$ 8,175,000	\$ 1,215,000	\$ (975,000)	\$ 8,415,000	\$1,115,000
Notes payable-direct financing agreements	185,095	-	(59,325)	125,770	61,670
Compensated absences	1,195,534	752,617	(667,772)	1,280,379	571,267
	<u>9,555,629</u>	<u>1,967,617</u>	<u>(1,702,097)</u>	<u>9,821,149</u>	<u>1,747,937</u>
<b>Business-Type Activities:</b>					
Revenue bonds payable	3,415,000	-	(735,000)	2,680,000	745,000
Notes payable-direct borrowing	1,243,296	3,875,447	-	5,118,743	170,625
Notes payable-direct financing agreement	203,507	187,100	(143,052)	247,555	95,166
Compensated absences	986,305	413,027	(403,807)	995,525	369,620
Closure and post-closure costs	5,903,000	699,000	-	6,602,000	-
	<u>11,751,108</u>	<u>5,174,574</u>	<u>(1,281,859)</u>	<u>15,643,823</u>	<u>1,380,411</u>
<b>Primary Government</b>	<u>\$21,306,737</u>	<u>\$7,142,191</u>	<u>\$ (2,983,956)</u>	<u>\$25,464,972</u>	<u>\$3,128,348</u>

City of Beatrice, Nebraska  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

NOTE I. LONG-TERM OBLIGATIONS - CONTINUED

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. See footnote L for information about the City's closure and post-closure costs.

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

<b>Governmental Activities</b>						
<b>Fiscal Year Ending September 30</b>	<b>Tax Supported Bonds</b>		<b>Revenue Bonds</b>		<b>Notes Payable - Direct Financing Agreements</b>	
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
2024	\$ 985,000	\$ 108,883	\$ 130,000	\$ 58,357	\$ 61,670	\$ 4,972
2025	1,000,000	95,735	200,000	43,030	64,100	2,534
2026	1,010,000	81,542	210,000	34,215	-	-
2027	1,025,000	66,106	215,000	24,970	-	-
2028	1,040,000	49,233	225,000	15,290	-	-
2029-2030	2,140,000	41,321	235,000	5,170	-	-
	<u>\$ 7,200,000</u>	<u>\$ 442,820</u>	<u>\$ 1,215,000</u>	<u>\$ 181,032</u>	<u>\$ 125,770</u>	<u>\$ 7,506</u>
<b>Business-Type Activities</b>						
<b>Fiscal Year Ending September 30</b>	<b>Revenue Bonds</b>		<b>Notes Payable - Direct Borrowing</b>		<b>Notes Payable - Direct Financing Agreements</b>	
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
2024	\$ 745,000	\$ 31,829	\$ 170,625	\$ -	\$ 95,166	\$ 8,944
2025	270,000	20,915	170,625	-	36,123	5,407
2026	270,000	18,755	170,625	-	37,416	4,114
2027	275,000	16,233	170,625	-	38,740	2,790
2028	275,000	13,276	170,625	-	40,110	1,419
2029-2031	845,000	18,318	4,265,618	-	-	-
	<u>\$ 2,680,000</u>	<u>\$ 119,326</u>	<u>\$ 5,118,743</u>	<u>\$ -</u>	<u>\$ 247,555</u>	<u>\$ 22,674</u>

The notes payable – direct financing agreements 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,

City of Beatrice, Nebraska  
NOTES TO THE FINANCIAL STATEMENTS  
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NOTE I. LONG-TERM OBLIGATIONS - CONTINUED

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.

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, 2023, there were approximately \$7,919,832 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 trustees independent of the City, thus the assets and liabilities related to these plans are not included in the financial statements. The Deferred Compensation plan is administered by trustees independent of the City, thus the assets and liabilities related to this plan are not included in the financial statements. During 2021, the City adopted GASB 84, Fiduciary Activities, and GASB 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans, an amendment

City of Beatrice, Nebraska  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

NOTE J. EMPLOYEES' RETIREMENT PLANS - CONTINUED

of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32 and determined that none of the employee retirement plans listed above meet the criteria to be reported as Fiduciary Activities in the City's financial statements. The City does not issue separate, audited financial reports of the retirement plans noted above.

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, 2023, there were 33 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, 2023, there were 32 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 three retired firefighters, or their beneficiary, continue to receive monthly benefit payments under this arrangement as of September 30, 2023. The City obtained an actuarial study for this arrangement, as of October 1, 2023, 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, 2023.

City of Beatrice, Nebraska  
NOTES TO THE FINANCIAL STATEMENTS  
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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 \$123,184 for the City and \$123,184 for the employees, for 2023.

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 \$127,796 for the City and use of \$80,337 (total \$208,133) in forfeitures, and \$104,066 for the employees, for 2023.

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. 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, 2023, there were 57 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 \$151,086 for the City and \$151,086 for the employees, for 2023.

City of Beatrice, Nebraska  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

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, 2023, there were 55 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 \$199,832 for the Board of Public Works, and \$199,832 for the employees, for 2023.

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 \$179,857 to the plan in 2023.



City of Beatrice, Nebraska  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

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 \$194,746 reported at September 30, 2023.

The change in the Fund's claims liability amount in fiscal 2023 was as follows:

	<u>2023</u>
Beginning claims liability	\$ 278,834
Charges	3,521,920
Claims paid and changes in estimate	<u>(3,606,008)</u>
Ending claims liability	<u><u>\$ 194,746</u></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, 2023, approximately 75% 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 2023.

City of Beatrice, Nebraska  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

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. In January 2021, a settlement with Centel Corporation was reached in which Centel Corporation agreed 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. This amount is recorded as restricted fund balance in the Governmental Funds Balance Sheet and as restricted net position in the Statement of Net Position at September 30, 2023.

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.

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

City of Beatrice, Nebraska  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

NOTE L. COMMITMENTS AND CONTINGENCIES – CONTINUED

2. Closure and Postclosure Care Cost - Continued

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, 2023.

At September 30, 2023, the City incurred a liability of approximately \$6,460,000 for the municipal solid waste landfill which represents the costs reported to date based on the approximately 82% of the landfill capacity used to date. The remaining estimated liability for these costs is approximately \$1,469,000, which will be recognized as the remaining capacity is used (estimated to be over approximately 6 years).

At September 30, 2023, the City incurred a liability of approximately \$142,000 for the construction and demolition debris landfill which represents the costs reported to date based on approximately 11.7% of the landfill capacity used to date. The remaining estimated liability for these costs is approximately \$1,072,000, 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 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, 2023, the City holds investments of \$3,570,472 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.

City of Beatrice, Nebraska  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

NOTE L. COMMITMENTS AND CONTINGENCIES – CONTINUED

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 2023 totaled \$1,165,000.

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, 2023, the City abated \$131,592 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, 2023, the City abated \$266,667 in sales tax revenue under these two programs.

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## **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, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes				
Property tax	\$ 2,827,782	\$ 2,827,782	\$ 2,822,525	\$ (5,257)
Sales tax	2,770,000	2,770,000	3,599,818	829,818
Occupation tax	574,000	574,000	758,206	184,206
Licenses and permits	195,100	195,100	325,030	129,930
Intergovernmental	2,189,136	2,217,136	2,635,672	418,536
Charges for services	2,346,323	2,346,323	2,467,089	120,766
Interest	25,000	25,000	324,613	299,613
Miscellaneous	181,099	386,099	389,803	3,704
Total Revenues	<u>11,108,440</u>	<u>11,341,440</u>	<u>13,322,756</u>	<u>1,981,316</u>
Expenditures				
General government	2,359,203	2,359,203	1,970,739	388,464
Public safety	7,649,806	8,076,806	8,108,393	(31,587)
Culture and recreation	1,568,869	1,603,869	1,515,506	88,363
Total Expenditures	<u>11,577,878</u>	<u>12,039,878</u>	<u>11,594,638</u>	<u>445,240</u>
Excess of Revenues Over Expenditures	(469,438)	(698,438)	1,728,118	2,426,556
Other Financing Sources (Uses)				
Insurance and settlement recoveries	500	500	3,667	3,167
Sales of capital assets	5,000	5,000	17,125	12,125
Transfers in	73,000	73,000	72,270	(730)
Transfers out	(895,750)	(2,525,750)	(2,221,335)	304,415
Total Other Financing Sources (Uses)	<u>(817,250)</u>	<u>(2,447,250)</u>	<u>(2,128,273)</u>	<u>318,977</u>
Excess Financing of Revenues and Other Sources Over Expenditures	<u>\$ (1,286,688)</u>	<u>\$ (3,145,688)</u>	(400,155)	<u>\$ 2,745,533</u>
Perspective differences occur when the structure used for budgeting differs from the fund structure used for financial reporting.			<u>373,695</u>	
Net change in fund balances on a GAAP Basis.			<u>\$ (26,460)</u>	

See notes to financial statements.

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, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes				
Sales tax	\$ 700,000	\$ 700,000	\$ 910,091	\$ 210,091
Intergovernmental:				
State shared revenue	2,152,453	2,152,453	2,278,442	125,989
Federal grants	-	-	3,257	3,257
Total Intergovernmental	2,152,453	2,152,453	2,281,699	129,246
Charges for services	28,360	28,360	58,233	29,873
Total Revenues	2,880,813	2,880,813	3,250,023	369,210
Expenditures				
Personal services	961,122	961,122	941,762	19,360
Other services and charges	123,700	123,700	158,515	(34,815)
Supplies	318,000	318,000	373,731	(55,731)
Capital outlay	1,299,044	2,647,044	1,268,050	1,378,994
Debt service	4,956	4,956	4,956	-
Total Expenditures	2,706,822	4,054,822	2,747,014	1,307,808
Excess (Deficiency) of Revenues Over (Under) Expenditures	173,991	(1,174,009)	503,009	1,677,018
Other Financing Sources				
Transfers in	-	338,000	94,624	(243,376)
Insurance and settlement recoveries	-	-	18,061	18,061
Total Other Financing Sources	-	338,000	112,685	(225,315)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	\$ 173,991	\$ (836,009)	\$ 615,694	\$ 1,451,703

See notes to financial statements.

City of Beatrice  
GENERAL FUND  
COMBINING BALANCE SHEET  
September 30, 2023

	General Fund	Airport Fund	Total
<b>Assets</b>			
Cash and cash equivalents	\$ 7,203,929	\$ 1,380,370	\$ 8,584,299
Investments	2,273,157	-	2,273,157
Cash on deposit - county treasurer	125,182	4,630	129,812
Accounts receivable	695,520	7,515	703,035
Taxes receivable	83,469	7,687	91,156
Due from other governments	625,516	-	625,516
Lease receivable	484,456	839,420	1,323,876
Accrued interest receivable	1,467	7,809	9,276
Inventories	-	46,425	46,425
<b>Total Assets</b>	<u>\$ 11,492,696</u>	<u>\$ 2,293,856</u>	<u>\$ 13,786,552</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balance</b>			
<b>Liabilities</b>			
Accounts payable and accrued expenses	\$ 176,773	\$ 5,059	\$ 181,832
Due to other funds	35,825	-	35,825
Unearned Revenue	1,845,647	-	1,845,647
<b>Total Liabilities</b>	<u>2,058,245</u>	<u>5,059</u>	<u>2,063,304</u>
<b>Deferred Inflows of Resources</b>			
Deferred lease arrangements	459,644	801,022	1,260,666
Unavailable revenues	518,683	6,687	525,370
<b>Total Deferred Inflows of Resources</b>	<u>978,327</u>	<u>807,709</u>	<u>1,786,036</u>
<b>Fund Balance</b>			
Nonspendable	-	46,425	46,425
Restricted	700,000	5,841	705,841
Committed	1,000,483	-	1,000,483
Assigned	1,093,365	-	1,093,365
Unassigned	5,662,276	1,428,822	7,091,098
<b>Total Fund Balance</b>	<u>8,456,124</u>	<u>1,481,088</u>	<u>9,937,212</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<u>\$ 11,492,696</u>	<u>\$ 2,293,856</u>	<u>\$ 13,786,552</u>

See notes to financial statements.

City of Beatrice, Nebraska  
GENERAL FUND  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
For the year ended September 30, 2023

	General Fund	Airport Fund	Total
Revenues			
Taxes			
Property tax	\$ 2,822,525	\$ 126,167	2,948,692
Sales tax	3,599,818	-	3,599,818
Occupation tax	758,206	-	758,206
Licenses and permits	325,030	-	325,030
Intergovernmental	2,635,672	8,678	2,644,350
Charges for services	2,467,089	695,690	3,162,779
Interest	324,613	14,000	338,613
Miscellaneous	389,803	1,063	390,866
Total Revenues	<u>13,322,756</u>	<u>845,598</u>	<u>14,168,354</u>
Expenditures			
General government	1,970,739	-	1,970,739
Airport operations	-	686,818	686,818
Public safety	8,108,393	-	8,108,393
Culture and recreation	1,515,506	-	1,515,506
Total Expenditures	<u>11,594,638</u>	<u>686,818</u>	<u>12,281,456</u>
Excess of Revenues Over Expenditures	1,728,118	158,780	1,886,898
Other Financing Sources (Uses)			
Insurance and settlement recoveries	3,667	214,915	218,582
Sales of capital assets	17,125	-	17,125
Transfers in	72,270	-	72,270
Transfers out	(2,221,335)	-	(2,221,335)
Total Other Financing Sources (Uses)	<u>(2,128,273)</u>	<u>214,915</u>	<u>(1,913,358)</u>
Net Change in Fund Balance	\$ (400,155)	\$ 373,695	\$ (26,460)
Fund Balance, Beginning of Year	<u>8,856,279</u>	<u>1,107,393</u>	<u>9,963,672</u>
Fund Balance, End of Year	<u>\$ 8,456,124</u>	<u>\$ 1,481,088</u>	<u>\$ 9,937,212</u>

See notes to financial statements.

City of Beatrice, Nebraska  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
For the year ended September 30, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Taxes</b>				
Property tax	\$ 2,581,782	\$ 2,581,782	\$ 2,522,061	\$ (59,721)
Homestead exemption allocation	140,000	140,000	157,133	17,133
Property tax credit	100,000	100,000	136,663	36,663
Interest on delinquent taxes	6,000	6,000	6,668	668
City sales tax	2,770,000	2,770,000	3,599,818	829,818
Utilities occupation tax	450,000	450,000	556,510	106,510
Beer and liquor occupation tax	21,000	21,000	21,900	900
Lodging occupation tax	100,000	100,000	177,776	77,776
Miscellaneous occupation tax	3,000	3,000	2,020	(980)
Total Taxes	6,171,782	6,171,782	7,180,549	1,008,767
<b>Licenses and Permits</b>				
Bicycle licenses	100	100	20	(80)
Pet licenses	4,500	4,500	3,385	(1,115)
Plumbers' licenses	500	500	70	(430)
Building permits	175,000	175,000	308,142	133,142
Plumbing permits	6,000	6,000	4,383	(1,617)
Mechanical permits	3,000	3,000	1,654	(1,346)
Miscellaneous permits	6,000	6,000	7,376	1,376
Total Licenses and Permits	195,100	195,100	325,030	129,930
<b>Intergovernmental</b>				
Motor vehicle tax	275,000	275,000	296,759	21,759
County library aid	23,000	23,000	23,000	-
Interlocal 911 dispatch aid	738,325	738,325	743,185	4,860
County ambulance service	180,000	180,000	180,000	-
Intergovernmental-school officer	91,226	91,226	95,697	4,471
Other intergovernmental	7,000	7,000	7,000	-
Municipal equalization funds	738,834	738,834	753,234	14,400
Victim assistance grants	122,251	122,251	122,226	(25)
Library state aid	2,500	2,500	2,273	(227)
Pro-Rate motor vehicle	6,500	6,500	8,086	1,586
Law Enforcement Trans Reimb	500	500	410	(90)
Federal - FEMA	-	-	62,865	62,865
Federal - CARES grants	-	-	27,800	27,800
Federal funds police assistance	4,000	32,000	16,369	(15,631)
American Rescue Plan Act	-	-	296,768	296,768
Total Intergovernmental	2,189,136	2,217,136	2,635,672	418,537
<b>Charges for Services</b>				
Publication cost income	500	500	495	(5)
Administration miscellaneous charges	2,000	2,000	1,604	(396)
Administration services	148,988	148,988	147,579	(1,409)
BASWA management services	28,301	28,301	28,296	(5)
Management and legal services	374,205	374,205	377,670	3,465

See notes to financial statements.

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, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Charges for Services (Continued)				
CDBG administration fees	\$ 1,000	\$ 1,000	\$ -	\$ (1,000)
Restitution - fees and damages	2,500	2,500	278	(2,222)
Community development miscellaneous charges	2,000	2,000	2,075	75
Recover demolition charges	10,000	10,000	18,492	8,492
Police charges	225,789	225,789	224,293	(1,496)
Fire charges	11,600	11,600	12,149	549
Ambulance charges	2,039,000	2,039,000	2,032,202	(6,798)
Ambulance contracted adjustments	(800,000)	(800,000)	(713,888)	86,112
Public safety miscellaneous charges	16,940	16,940	4,787	(12,153)
Opioids Settlement	5,000	5,000	21,241	16,241
Stop program charges	2,000	2,000	800	(1,200)
Land use agreements	17,200	17,200	29,995	12,795
Auditorium use fee	33,000	33,000	30,184	(2,816)
Water park admissions	85,000	85,000	76,869	(8,131)
Water park concessions and sales	31,500	31,500	36,262	4,762
Swim lessons	5,000	5,000	3,105	(1,895)
Mowing fees	11,000	11,000	8,950	(2,050)
Camping receipts	65,000	65,000	91,458	26,458
Farm income	8,000	8,000	18,720	10,720
Public properties miscellaneous charges	3,500	3,500	1,279	(2,221)
Library use fees	5,500	5,500	4,155	(1,345)
Library copying fees	3,500	3,500	4,398	898
Library miscellaneous charges	4,000	4,000	1,126	(2,874)
Parking fines and rents	1,500	1,500	830	(670)
School fines and fees	2,800	2,800	1,685	(1,115)
Total Charges for Services	<u>2,346,323</u>	<u>2,346,323</u>	<u>2,467,089</u>	<u>120,766</u>
Interest				
Interest earnings	25,000	25,000	324,613	299,613
Miscellaneous				
Lease income - BASWA	70,949	70,949	70,944	(5)
Donations	100	100	530	430
Donations - Beatrice plus program	26,000	26,000	26,797	797
Police donations	14,000	14,000	33,428	19,428
Fire donations	7,000	177,000	153,117	(23,883)
Water park donations	2,000	2,000	2,180	180
Public properties donations	25,000	60,000	56,699	(3,301)
Library donations	10,000	10,000	5,570	(4,430)
Library donations - foundation	25,000	25,000	27,600	2,600
Sidewalk program	1,050	1,050	800	(250)
Other	-	-	12,138	12,138
Total Miscellaneous	<u>181,099</u>	<u>386,099</u>	<u>389,803</u>	<u>3,705</u>
Total Revenues	<u>\$ 11,108,440</u>	<u>\$ 11,341,440</u>	<u>\$ 13,322,756</u>	<u>\$ 1,981,318</u>

See notes to financial statements.

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, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
General Government				
Administration				
Personal services	\$ 1,040,586	\$ 1,040,586	\$ 1,069,527	\$ (28,941)
Other services and charges	146,800	146,800	148,543	(1,743)
Supplies	7,350	7,350	10,393	(3,043)
Capital outlay	526,000	526,000	227,048	298,952
Contingency	122,000	122,000	85,267	36,733
Contractual services	159,565	159,565	118,478	41,087
Total Administration	2,002,301	2,002,301	1,659,256	343,045
Community Development				
Personal services	247,472	247,472	235,631	11,841
Other services and charges	102,530	102,530	73,659	28,871
Supplies	6,200	6,200	2,193	4,007
Capital outlay	700	700	-	700
Total Community Development	356,902	356,902	311,483	45,419
Total General Government	2,359,203	2,359,203	1,970,739	388,464
Public Safety				
Police				
Personal services	3,831,222	3,947,222	3,989,213	(41,991)
Other services and charges	361,147	401,147	351,457	49,690
Supplies	76,000	76,000	90,123	(14,123)
Capital outlay	35,050	136,050	114,067	21,983
Contractual services	60,000	60,000	60,000	-
Contingencies	3,000	3,000	-	3,000
Total Police	4,366,419	4,623,419	4,604,860	18,559
Fire and Rescue				
Personal services	2,774,766	2,774,766	2,909,429	(134,663)
Other services and charges	345,021	345,021	275,459	69,562
Supplies	147,000	147,000	133,668	13,332
Capital outlay	16,600	186,600	184,977	1,623
Total Fire and Rescue	3,283,387	3,453,387	3,503,533	(50,146)
Total Public Safety	7,649,806	8,076,806	8,108,393	(31,587)

See notes to financial statements.



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, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Culture and Recreation				
Public Properties				
Personal services	\$ 489,690	\$ 489,690	\$ 481,297	\$ 8,393
Other services and charges	157,615	157,615	156,075	1,540
Supplies	144,400	144,400	180,745	(36,345)
Capital outlay	163,100	198,100	114,140	83,960
Contractual services	80,000	80,000	76,157	3,843
Total Public Properties	<u>1,034,805</u>	<u>1,069,805</u>	<u>1,008,414</u>	<u>61,391</u>
Library				
Personal services	342,277	342,277	324,569	17,708
Other services and charges	68,715	68,715	51,680	17,035
Supplies	10,900	10,900	9,229	1,671
Capital outlay	112,172	112,172	121,614	(9,442)
Total Library	<u>534,064</u>	<u>534,064</u>	<u>507,092</u>	<u>26,972</u>
Total Culture and Recreation	<u>1,568,869</u>	<u>1,603,869</u>	<u>1,515,506</u>	<u>88,363</u>
Total Expenditures	<u>11,577,878</u>	<u>12,039,878</u>	<u>11,594,638</u>	<u>445,240</u>
Excess of Revenues Over Expenditures	(469,438)	(698,438)	1,728,118	2,426,558
Other Financing Sources (Uses)				
Insurance and settlement recoveries	500	500	3,667	3,167
Sale of capital assets	5,000	5,000	17,125	12,125
Transfers in	73,000	73,000	72,270	(730)
Transfers out	(895,750)	(2,525,750)	(2,221,335)	304,415
Total Other Financing Sources (Uses)	<u>(817,250)</u>	<u>(2,447,250)</u>	<u>(2,128,273)</u>	<u>318,978</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ (1,286,688)</u>	<u>\$ (3,145,688)</u>	(400,155)	<u>\$ 2,745,535</u>
Fund Balance, Beginning of Year			<u>8,856,279</u>	
Fund Balance, End of Year			<u>\$ 8,456,124</u>	

See notes to financial statements.

City of Beatrice, Nebraska  
AIRPORT FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
For the year ended September 30, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes				
Property Taxes	\$ 125,706	\$ 125,706	\$ 126,167	\$ 461
Intergovernmental				
State agency aid	500	500	370	(130)
Federal grants	4,381,661	4,381,661	8,308	(4,373,353)
Total Intergovernmental	4,382,161	4,382,161	8,678	(4,373,483)
Charges for services	609,275	609,275	695,690	86,415
Interest earnings	400	400	14,000	13,600
Miscellaneous	1,300	1,300	1,063	(237)
Total Revenues	5,118,842	5,118,842	845,598	(4,286,844)
Expenditures				
Personal Services				
Salaries	192,411	192,411	223,223	(30,812)
Social security	13,275	13,275	16,890	(3,615)
Retirement	8,847	8,847	8,993	(146)
Health and life insurance	66,600	66,600	64,800	1,800
Workmen's compensation	6,300	6,300	6,663	(363)
Total Personal Services	287,433	287,433	320,569	(33,136)
Other Services and Charges				
Insurance	29,500	29,500	18,113	11,387
Outside professional services	24,873	24,873	15,722	9,151
Utilities	22,400	22,400	2,696	19,704
Maintenance and repairs	2,950	2,950	4,302	(1,352)
Training and transportation	1,325	1,325	1,585	(260)
Communications	2,750	2,750	2,280	470
Miscellaneous	22,400	22,400	13,431	8,969
Total Other Services and Charges	106,198	106,198	58,129	48,069
Supplies				
Operating supplies	275,550	275,550	287,622	(12,072)
Repairs and maintenance supplies	10,500	10,500	4,877	5,623
Total Supplies	286,050	286,050	292,499	(6,449)
Capital Outlay				
Buildings	17,000	17,000	-	17,000
Improvements other than buildings	4,891,513	4,891,513	13,225	4,878,288
Machinery and equipment	-	-	1,582	(1,582)
Total Capital Outlay	4,908,513	4,908,513	14,807	4,893,706
Contingency	25,000	25,000	814	24,186
Total Expenditures	\$ 5,613,194	\$ 5,613,194	\$ 686,818	\$ 4,902,190
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (494,352)	\$ (494,352)	\$ 158,780	\$ 653,132

See notes to financial statements.

City of Beatrice, Nebraska  
 AIRPORT FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL - CONTINUED  
 For the year ended September 30, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Other Financing Sources				
Bond and lease issuances	\$ 487,000	\$ 487,000	\$ -	\$ (487,000)
Insurance and settlement recoveries	-	-	214,915	214,915
Total Other Financing Sources	<u>487,000</u>	<u>487,000</u>	<u>214,915</u>	<u>(272,085)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$ (7,352)</u>	<u>\$ (7,352)</u>	373,695	<u>\$ 343,261</u>
Fund Balance, Beginning of Year			<u>1,107,393</u>	
Fund Balance, End of Year			<u>\$ 1,481,088</u>	

See notes to financial statements.

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, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes				
Sales tax	\$ 700,000	\$ 700,000	\$ 910,091	\$ 210,091
Intergovernmental				
State shared revenue	2,152,453	2,152,453	2,278,442	125,989
Federal grants	-	-	3,257	3,257
Total Intergovernmental	2,152,453	2,152,453	2,281,699	129,246
Charges for services	28,360	28,360	58,233	29,873
Total Revenues	2,880,813	2,880,813	3,250,023	369,210
Expenditures				
Personal Services				
Salaries	637,828	637,828	629,290	8,538
Social security	40,017	40,017	40,101	(84)
Retirement	29,334	29,334	27,160	2,174
Health and life insurance	199,800	199,800	195,550	4,250
Workmen's compensation	54,143	54,143	49,661	4,482
Total Personal Services	961,122	961,122	941,762	19,360
Other Services and Charges				
Insurance	27,000	27,000	26,869	131
Maintenance and repairs	32,500	32,500	38,608	(6,108)
Rentals	19,000	19,000	24,435	(5,435)
Training and transportation	2,500	2,500	1,165	1,335
Communications	3,500	3,500	3,137	363
Miscellaneous	39,200	39,200	64,301	(25,101)
Total Other Services and Charges	123,700	123,700	158,515	(34,815)
Supplies				
Operating supplies	100,000	100,000	119,721	(19,721)
Repairs and maintenance supplies	218,000	218,000	254,010	(36,010)
Total Supplies	318,000	318,000	373,731	(55,731)
Capital Outlay				
Buildings	48,500	48,500	59,945	(11,445)
Improvements other than buildings	1,048,500	2,396,500	1,004,729	1,391,771
Machinery and equipment	202,044	202,044	203,376	(1,332)
Total Capital Outlay	1,299,044	2,647,044	1,268,050	1,378,994
Debt Service				
Principal	4,407	4,407	4,407	-
Interest	549	549	549	-
Total Debt Service	4,956	4,956	4,956	-
Total Expenditures	\$ 2,706,822	\$ 4,054,822	\$ 2,747,014	\$ 1,307,808
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 173,991	\$ (1,174,009)	\$ 503,009	\$ 1,677,018

See notes to financial statements.

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, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Other Financing Sources				
Transfers in	\$ -	\$ 338,000	\$ 94,624	\$ (243,376)
Insurance and settlement recoveries	-	-	18,061	18,061
Total Other Financing Sources	<u>-</u>	<u>338,000</u>	<u>112,685</u>	<u>(225,315)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$ 173,991</u>	<u>\$ (836,009)</u>	615,694	<u>\$ 1,451,703</u>
Fund Balance, Beginning of Year			<u>2,696,916</u>	
Fund Balance, End of Year			<u>\$ 3,312,610</u>	

See notes to financial statements.

City of Beatrice, Nebraska  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
September 30, 2023

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets</b>				
Cash and cash equivalents	\$ 1,378,915	\$ 2,074,518	\$ 980,365	\$ 4,433,798
Cash on deposit - county treasurer	-	13	-	13
Accounts receivable	-	-	158,363	158,363
Due from other governments	-	261,350	-	261,350
Taxes receivable	-	5,775	-	5,775
Assessments receivable	-	33,736	-	33,736
Loans receivable	955,522	-	-	955,522
In-lieu-of assessments	-	10,105	-	10,105
Accrued interest receivable	422	393	-	815
Lease receivable	24,802	-	-	24,802
<b>Total Assets</b>	<b>\$ 2,359,661</b>	<b>\$ 2,385,890</b>	<b>\$ 1,138,728</b>	<b>\$ 5,884,279</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balance</b>				
<b>Liabilities</b>				
Accounts payable and accrued expense	\$ 16,400	\$ -	\$ 47,448	\$ 63,848
Due to other funds	-	49,626	-	49,626
Accrued interest payable	-	34,578	-	34,578
<b>Total Liabilities</b>	<b>16,400</b>	<b>84,204</b>	<b>47,448</b>	<b>148,052</b>
<b>Deferred Inflows of Resources</b>				
Deferred lease arrangements	22,559	-	-	22,559
Unavailable revenue	-	48,622	34,940	83,562
<b>Total Deferred Inflows of Resources</b>	<b>22,559</b>	<b>48,622</b>	<b>34,940</b>	<b>106,121</b>
<b>Fund Balance</b>				
Restricted for:				
Economic development	1,906,054	-	-	1,906,054
New fire station	-	-	27,099	27,099
Debt service	-	2,285,449	-	2,285,449
Revolving loan fund	180	-	-	180
E-911 public safety	94,692	-	-	94,692
Committed for:				
Public safety equipment	-	-	299,163	299,163
Community betterment	319,776	-	-	319,776
Assigned for:				
Subsequent years' expenditures	-	-	730,078	730,078
Unassigned	-	(32,385)	-	(32,385)
<b>Total Fund Balance</b>	<b>2,320,702</b>	<b>2,253,064</b>	<b>1,056,340</b>	<b>5,630,106</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<b>\$ 2,359,661</b>	<b>\$ 2,385,890</b>	<b>\$ 1,138,728</b>	<b>\$ 5,884,279</b>

See notes to financial statements.

City of Beatrice, Nebraska  
 NONMAJOR GOVERNMENTAL FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 For the year ended September 30, 2023

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Taxes				
Property tax	\$ -	\$ 4,912	\$ -	\$ 4,912
Sales tax	-	1,591,705	-	1,591,705
Intergovernmental	137,003	82	478,816	615,901
Charges for services	94,418	-	-	94,418
Keno proceeds	154,692	-	-	154,692
Special assessments	-	10,998	-	10,998
Interest	12,438	1,120	632	14,190
Donations and other revenue	315,647	-	178,423	494,070
Total Revenues	<u>714,198</u>	<u>1,608,817</u>	<u>657,871</u>	<u>2,980,886</u>
Expenditures				
General government	407,422	-	-	407,422
Capital outlay	1,179,395	-	2,159,052	3,338,447
Debt Service:				
Principal	-	975,000	54,917	1,029,917
Interest	10,596	117,650	6,768	135,014
Bond issuance cost	14,592	-	-	14,592
MFO payments - other entities	-	-	303,447	303,447
Total Expenditures	<u>1,612,005</u>	<u>1,092,650</u>	<u>2,524,184</u>	<u>5,228,839</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(897,807)</u>	<u>516,167</u>	<u>(1,866,313)</u>	<u>(2,247,953)</u>
Other Financing Sources (Uses)				
Sale of capital assets	82,993	-	-	82,993
Bond and lease issuances	1,215,000	-	-	1,215,000
Transfers in	-	-	2,176,711	2,176,711
Transfers out	(122,270)	-	-	(122,270)
Total Other Financing Sources (Uses)	<u>1,175,723</u>	<u>-</u>	<u>2,176,711</u>	<u>3,352,434</u>
Net Change in Fund Balance	<u>277,916</u>	<u>516,167</u>	<u>310,398</u>	<u>1,104,481</u>
Fund Balance, Beginning of Year	<u>2,042,786</u>	<u>1,736,897</u>	<u>745,942</u>	<u>4,525,625</u>
Fund Balance, End of Year	<u>\$ 2,320,702</u>	<u>\$ 2,253,064</u>	<u>\$ 1,056,340</u>	<u>\$ 5,630,106</u>

See notes to financial statements.



City of Beatrice, Nebraska  
NONMAJOR SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
September 30, 2023

	Economic Development	Community Development Block Grant	Keno	911 Surcharge	Total
<b>Assets</b>					
Cash and cash equivalents	\$ 958,474	\$ 180	\$ 325,569	\$ 94,692	\$ 1,378,915
Loans receivable	955,522	-	-	-	955,522
Accrued interest receivable	422	-	-	-	422
Lease receivable	24,802	-	-	-	24,802
<b>Total Assets</b>	<b>\$ 1,939,220</b>	<b>\$ 180</b>	<b>\$ 325,569</b>	<b>\$ 94,692</b>	<b>\$ 2,359,661</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balance</b>					
<b>Liabilities</b>					
Accounts payable and accrued expenses	\$ 10,607	\$ -	\$ 5,793	\$ -	\$ 16,400
<b>Deferred Inflows of Resources</b>					
Deferred lease arrangements	22,559	-	-	-	22,559
<b>Fund Balance</b>					
Restricted for:					
Economic development	1,906,054	-	-	-	1,906,054
Revolving loan fund	-	180	-	-	180
E911 public safety	-	-	-	94,692	94,692
Committed for:					
Community betterment	-	-	319,776	-	319,776
<b>Total Fund Balance</b>	<b>1,906,054</b>	<b>180</b>	<b>319,776</b>	<b>94,692</b>	<b>2,320,702</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<b>\$ 1,939,220</b>	<b>\$ 180</b>	<b>\$ 325,569</b>	<b>\$ 94,692</b>	<b>\$ 2,359,661</b>

See notes to financial statements.

City of Beatrice, Nebraska  
NONMAJOR SPECIAL REVENUE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
For the year ended September 30, 2023

	Economic Development	Community Development Block Grant	Keno	911 Surcharge	Total
Revenues					
Intergovernmental	\$ -	\$ 137,003	\$ -	\$ -	\$ 137,003
Charges for services	-	-	-	94,418	94,418
Keno proceeds	-	-	154,692	-	154,692
Interest	11,322	1,116	-	-	12,438
Miscellaneous	315,647	-	-	-	315,647
Total Revenues	<u>326,969</u>	<u>138,119</u>	<u>154,692</u>	<u>94,418</u>	<u>714,198</u>
Expenditures					
General government	151,001	228,920	27,501	-	407,422
Capital outlay	1,129,398	-	-	49,997	1,179,395
Debt service					
Interest	10,596	-	-	-	10,596
Bond issuance expense	14,592	-	-	-	14,592
Total Expenditures	<u>1,305,587</u>	<u>228,920</u>	<u>27,501</u>	<u>49,997</u>	<u>1,612,005</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(978,618)	(90,801)	127,191	44,421	(897,807)
Other Financing Sources (Uses)					
Sale of capital assets	82,993	-	-	-	82,993
Bond Issuance	1,215,000	-	-	-	1,215,000
Transfers out	-	-	(50,000)	(72,270)	(122,270)
Total Other Financing Sources (Uses)	<u>1,297,993</u>	<u>-</u>	<u>(50,000)</u>	<u>(72,270)</u>	<u>1,175,723</u>
Net Change in Fund Balance	319,375	(90,801)	77,191	(27,849)	277,916
Fund Balance, Beginning of Year	<u>1,586,679</u>	<u>90,981</u>	<u>242,585</u>	<u>122,541</u>	<u>2,042,786</u>
Fund Balance, End of Year	<u>\$ 1,906,054</u>	<u>\$ 180</u>	<u>\$ 319,776</u>	<u>\$ 94,692</u>	<u>\$ 2,320,702</u>

See notes to financial statements.

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, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Interest	\$ 500	\$ 500	\$ 11,322	\$ 10,822
Miscellaneous	315,000	315,000	315,647	647
Total Revenues	<u>315,500</u>	<u>315,500</u>	<u>326,969</u>	<u>11,469</u>
Expenditures				
Economic development	170,000	170,000	151,001	18,999
Capital outlay	1,752,261	1,752,261	1,129,398	622,863
Debt service				
Interest	-	-	10,596	(10,596)
Bond issuance expense	-	-	14,592	(14,592)
Total Expenditures	<u>1,922,261</u>	<u>1,922,261</u>	<u>1,305,587</u>	<u>616,674</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,606,761)</u>	<u>(1,606,761)</u>	<u>(978,618)</u>	<u>628,143</u>
Other Financing Sources				
Sale of capital assets	20,000	20,000	82,993	62,993
Bond issuance	1,000,000	1,000,000	1,215,000	215,000
Total Other Financing Sources	<u>1,020,000</u>	<u>1,020,000</u>	<u>1,297,993</u>	<u>277,993</u>
Excess of Revenues and Other Financing Sources Over Expenditures	<u>\$ (586,761)</u>	<u>\$ (586,761)</u>	319,375	<u>\$ 906,136</u>
Fund Balance, Beginning of Year			<u>1,586,679</u>	
Fund Balance, End of Year			<u>\$ 1,906,054</u>	

See notes to financial statements.

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, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Intergovernmental	\$ 925,000	\$ 925,000	\$ 137,003	\$ (787,997)
Interest	-	-	891	891
Interest on loans	225	225	225	-
Total Revenues	<u>925,225</u>	<u>925,225</u>	<u>138,119</u>	<u>(787,106)</u>
Expenditures				
Grant distributions	925,000	925,000	228,920	696,080
Re-use loans	<u>94,192</u>	<u>94,192</u>	-	<u>94,192</u>
Total Expenditures	<u>1,029,192</u>	<u>1,029,192</u>	<u>228,920</u>	<u>800,272</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ (103,967)</u>	<u>\$ (103,967)</u>	(90,801)	<u>\$ 13,166</u>
Fund Balance, Beginning of Year			<u>90,981</u>	
Fund Balance, End of Year			<u>\$ 180</u>	

See notes to financial statements.

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, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Keno proceeds	\$ 100,000	\$ 120,000	\$ 154,692	\$ 34,692
Expenditures				
Other services and charges	17,800	37,800	27,501	10,299
Excess of Revenues Over Expenditures	82,200	82,200	127,191	44,991
Other Financing Uses				
Transfers out	(50,000)	(50,000)	(50,000)	-
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Uses	<u>\$ 32,200</u>	<u>\$ 32,200</u>	77,191	<u>\$ 44,991</u>
Fund Balance, Beginning of Year			242,585	
Fund Balance, End of Year			<u>\$ 319,776</u>	

See notes to financial statements.

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, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
911 service surcharge	\$ 24,000	\$ 24,000	\$ 22,148	\$ (1,852)
E911 wireless surcharge	73,000	73,000	72,270	(730)
Total Revenues	<u>97,000</u>	<u>97,000</u>	<u>94,418</u>	<u>(2,582)</u>
Expenditures				
Capital outlay	<u>100,000</u>	<u>100,000</u>	<u>49,997</u>	<u>50,003</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,000)</u>	<u>(3,000)</u>	<u>44,421</u>	<u>47,421</u>
Other Financing Uses				
Transfers out	<u>(73,000)</u>	<u>(73,000)</u>	<u>(72,270)</u>	<u>730</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Uses	<u>\$ (76,000)</u>	<u>\$ (76,000)</u>	<u>(27,849)</u>	<u>\$ 48,151</u>
Fund Balance, Beginning of Year			<u>122,541</u>	
Fund Balance, End of Year			<u>\$ 94,692</u>	

See notes to financial statements.

City of Beatrice, Nebraska  
NONMAJOR DEBT SERVICE FUNDS  
COMBINING BALANCE SHEET  
September 30, 2023

	General Obligation	Bonded Districts	Unbonded Assessments	Total
<b>Assets</b>				
Cash and cash equivalents	\$ 2,057,277	\$ -	\$ 17,241	\$ 2,074,518
Cash on deposit - county treasurer	13	-	-	13
Taxes receivable	5,775	-	-	5,775
Assessments receivable:				
Current	-	-	31,968	31,968
Delinquent	-	-	1,768	1,768
Accrued interest receivable	-	-	393	393
In-lieu-of assessments	-	10,105	-	10,105
Due from other governments	261,350	-	-	261,350
<b>Total Assets</b>	<b>\$ 2,324,415</b>	<b>\$ 10,105</b>	<b>\$ 51,370</b>	<b>\$ 2,385,890</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balance</b>				
<b>Liabilities</b>				
Accrued interest payable	\$ 34,578	\$ -	\$ -	\$ 34,578
Due to other funds	-	-	49,626	49,626
<b>Total Liabilities</b>	<b>34,578</b>	<b>-</b>	<b>49,626</b>	<b>84,204</b>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue	4,388	10,105	34,129	48,622
<b>Fund Balance</b>				
Restricted for debt service	2,285,449	-	-	2,285,449
Unassigned	-	-	(32,385)	(32,385)
<b>Total Fund Balance</b>	<b>2,285,449</b>	<b>-</b>	<b>(32,385)</b>	<b>2,253,064</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<b>\$ 2,324,415</b>	<b>\$ 10,105</b>	<b>\$ 51,370</b>	<b>\$ 2,385,890</b>

See notes to financial statements.

City of Beatrice, Nebraska  
NONMAJOR DEBT SERVICE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
For the year ended September 30, 2023

	General Obligation	Bonded Districts	Unbonded Assessments	Total
Revenues				
Taxes				
Property taxes	\$ 4,912	\$ -	\$ -	\$ 4,912
Sales taxes	1,591,705	-	-	1,591,705
Intergovernmental	82	-	-	82
Special assessments	-	-	10,998	10,998
Interest on assessments	-	-	1,120	1,120
Total Revenues	<u>1,596,699</u>	<u>-</u>	<u>12,118</u>	<u>1,608,817</u>
Expenditures				
Debt service:				
Principal	975,000	-	-	975,000
Interest	117,650	-	-	117,650
Total Expenditures	<u>1,092,650</u>	<u>-</u>	<u>-</u>	<u>1,092,650</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>504,049</u>	<u>-</u>	<u>12,118</u>	<u>516,167</u>
Fund Balance, Beginning of Year	<u>1,781,400</u>	<u>-</u>	<u>(44,503)</u>	<u>1,736,897</u>
Fund Balance, End of Year	<u>\$ 2,285,449</u>	<u>\$ -</u>	<u>\$ (32,385)</u>	<u>\$ 2,253,064</u>

See notes to financial statements.



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, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Property taxes	\$ -	\$ -	\$ 4,912	\$ 4,912
Sales taxes	1,096,249	1,096,249	1,591,705	495,456
Intergovernmental	-	-	82	82
Total Revenues	<u>1,096,249</u>	<u>1,096,249</u>	<u>1,596,699</u>	<u>500,450</u>
Expenditures				
Debt Service:				
Interest	121,249	121,249	117,650	3,599
Principal	975,000	975,000	975,000	-
Total Expenditures	<u>1,096,249</u>	<u>1,096,249</u>	<u>1,092,650</u>	<u>3,599</u>
Excess of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	504,049	<u>\$ 504,049</u>
Fund Balance, Beginning of Year			<u>1,781,400</u>	
Fund Balance, End of Year			<u>\$ 2,285,449</u>	

See notes to financial statements.

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, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Special assessments	\$ -	\$ 11,165	\$ 10,998	\$ (167)
Interest on assessments	1,874	-	1,120	1,120
Total Revenues	<u>1,874</u>	<u>11,165</u>	<u>12,118</u>	<u>953</u>
Excess of Revenues				
Over Expenditures	<u>\$ 1,874</u>	<u>\$ -</u>	12,118	<u>\$ (50,047)</u>
Fund Balance, Beginning of Year			<u>(44,503)</u>	
Fund Balance, End of Year			<u>\$ (32,385)</u>	

See notes to financial statements.

City of Beatrice, Nebraska  
NONMAJOR CAPITAL PROJECTS FUNDS  
COMBINING BALANCE SHEET  
September 30, 2023

	Public Safety Capital Improvements	Capital Improvements	Total
Assets			
Cash and cash equivalents	\$ 326,262	\$ 654,103	\$ 980,365
Accounts receivable	-	158,363	158,363
Total Assets	<u>\$ 326,262</u>	<u>\$ 812,466</u>	<u>\$ 1,138,728</u>
Liabilities, Deferred Inflows of Resources, and Fund Balance			
Liabilities			
Accounts payable and accrued expenses	\$ -	\$ 47,448	\$ 47,448
Total Liabilities	<u>-</u>	<u>47,448</u>	<u>47,448</u>
Deferred Inflows of Resources			
Unavailable revenues	<u>-</u>	<u>34,940</u>	<u>34,940</u>
Fund Balance			
Restricted for:			
New fire station	27,099	-	27,099
Committed for:			
Public safety equipment	299,163	-	299,163
Assigned for:			
Subsequent years' expenditures	-	730,078	730,078
Total Fund Balance	<u>326,262</u>	<u>730,078</u>	<u>1,056,340</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 326,262</u>	<u>\$ 812,466</u>	<u>\$ 1,138,728</u>

See notes to financial statements.

City of Beatrice, Nebraska  
NONMAJOR CAPITAL PROJECTS FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
For the year ended September 30, 2023

	Public Safety Capital Improvements	Capital Improvements	Total
Revenues			
Intergovernmental	\$ 383,899	\$ 94,917	\$ 478,816
Interest	632	-	632
Donations and other revenue	-	178,423	178,423
Total Revenues	<u>384,531</u>	<u>273,340</u>	<u>657,871</u>
Expenditures			
Capital outlay	413,630	1,745,422	2,159,052
MFO payments - other entities	<u>303,447</u>	<u>-</u>	<u>303,447</u>
Debt service			
Principal	-	54,917	54,917
Interest	-	6,768	6,768
Total Expenditures	<u>717,077</u>	<u>1,807,107</u>	<u>2,524,184</u>
Deficiency of Revenues Under Expenditures	<u>(332,546)</u>	<u>(1,533,767)</u>	<u>(1,866,313)</u>
Other Financing Sources			
Transfers in	15,389	2,161,322	2,176,711
Total Other Financing Sources	<u>15,389</u>	<u>2,161,322</u>	<u>2,176,711</u>
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>(317,157)</u>	<u>627,555</u>	<u>310,398</u>
Fund Balances, Beginning of Year	<u>643,419</u>	<u>102,523</u>	<u>745,942</u>
Fund Balances, End of Year	<u>\$ 326,262</u>	<u>\$ 730,078</u>	<u>\$ 1,056,340</u>

See notes to financial statements.

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, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Intergovernmental	\$ 210,000	\$ 390,000	\$ 383,899	\$ (6,101)
Interest earnings	-	-	632	632
Total Revenues	<u>210,000</u>	<u>390,000</u>	<u>384,531</u>	<u>(5,469)</u>
Expenditures				
Capital Projects				
Police facility improvements	-	-	20,486	(20,486)
Police equipment	-	240,000	203,224	36,776
Fire equipment	460,000	615,000	189,920	425,080
MFO payments - other entities	<u>126,000</u>	<u>306,000</u>	<u>303,447</u>	<u>2,553</u>
Total Expenditures	<u>586,000</u>	<u>1,161,000</u>	<u>717,077</u>	<u>443,923</u>
Deficiency of Revenues Under Expenditures	<u>(376,000)</u>	<u>(771,000)</u>	<u>(332,546)</u>	<u>438,454</u>
Other Financing Sources				
Transfers in	<u>381,000</u>	<u>381,000</u>	<u>15,389</u>	<u>(365,611)</u>
Total Other Financing Sources	<u>381,000</u>	<u>381,000</u>	<u>15,389</u>	<u>(365,611)</u>
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures	<u>\$ 5,000</u>	<u>\$ (390,000)</u>	<u>(317,157)</u>	<u>\$ 72,843</u>
Fund Balance, Beginning of Year			<u>643,419</u>	
Fund Balance, End of Year			<u>\$ 326,262</u>	

See notes to financial statements.

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, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Intergovernmental	\$ 275,000	\$ 370,000	\$ 94,917	\$ (275,083)
Donations and other revenue	146,686	201,686	178,423	(23,263)
Total Revenues	<u>421,686</u>	<u>571,686</u>	<u>273,340</u>	<u>(298,346)</u>
Expenditures				
Capital Projects				
Public building improvements	12,000	1,612,000	1,051,238	560,762
Police facility improvements	90,000	90,000	93,847	(3,847)
Library renovation	20,500	50,500	47,652	2,848
Community revitalization	50,000	50,000	-	50,000
Trail improvements	300,000	450,000	137,359	312,641
Park other improvements	177,000	177,000	201,870	(24,870)
Ball field improvements	90,000	140,000	56,433	83,567
Public properties equipment	93,200	93,200	91,469	1,731
Computer equipment	92,050	92,050	65,554	26,496
Debt Service				
Principal	54,917	54,917	54,917	-
Interest	6,768	6,768	6,768	-
Total Expenditures	<u>986,435</u>	<u>2,816,435</u>	<u>1,807,107</u>	<u>1,009,328</u>
Deficiency of Revenues Under Expenditures	<u>(564,749)</u>	<u>(2,244,749)</u>	<u>(1,533,767)</u>	<u>710,982</u>
Other Financing Sources				
Transfers in	564,750	2,194,750	2,161,322	(33,428)
Total Other Financing Sources	<u>564,750</u>	<u>2,194,750</u>	<u>2,161,322</u>	<u>(33,428)</u>
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures	<u>\$ 1</u>	<u>\$ (49,999)</u>	627,555	<u>\$ 677,554</u>
Fund Balance, Beginning of Year			<u>102,523</u>	
Fund Balance, End of Year			<u>\$ 730,078</u>	

See notes to financial statements.

## **SECTION 3**

### **STATISTICAL SECTION**





This part of the City of Beatrice's Annual Comprehensive 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

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

**Table 1**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Governmental Activities</b>										
Net Investment in capital assets	\$ 28,986,067	\$ 29,927,397	\$ 30,825,043	\$ 33,303,732	\$ 35,613,362	\$ 36,321,755	\$ 33,165,271	\$ 38,714,037	\$ 41,379,857	\$ 52,674,990
Restricted	3,076,005	3,750,366	4,003,388	4,050,739	3,211,376	3,753,842	8,704,602	6,153,586	7,057,151	8,294,291
Unrestricted	2,693,041	2,982,107	3,192,413	1,744,032	3,061,270	2,859,417	5,351,206	9,221,690	10,373,235	11,650,943
<b>Total Governmental Activities Net Position</b>	<b>\$ 34,755,113</b>	<b>\$ 36,659,870</b>	<b>\$ 38,020,844</b>	<b>\$ 39,098,503</b>	<b>\$ 41,886,008</b>	<b>\$ 42,935,014</b>	<b>\$ 47,221,079</b>	<b>\$ 54,089,313</b>	<b>\$ 58,810,243</b>	<b>\$ 72,620,224</b>
<b>Business-type Activities</b>										
Net Investment in capital assets	\$ 23,166,370	\$ 24,047,909	\$ 25,423,188	\$ 27,814,977	\$ 28,432,099	\$ 29,208,662	\$ 30,577,284	\$ 34,339,202	\$ 35,769,674	\$ 37,316,151
Restricted	618,842	629,955	579,207	721,481	704,205	724,649	743,580	886,062	690,567	1,089,881
Unrestricted	7,326,777	7,393,322	7,475,616	8,089,978	9,249,129	10,448,562	11,282,871	8,489,944	11,695,372	13,331,280
<b>Total Business-type Activities Net Position</b>	<b>\$ 31,111,989</b>	<b>\$ 32,071,186</b>	<b>\$ 33,478,011</b>	<b>\$ 36,626,436</b>	<b>\$ 38,385,433</b>	<b>\$ 40,381,873</b>	<b>\$ 42,603,735</b>	<b>\$ 43,715,208</b>	<b>\$ 48,155,613</b>	<b>\$ 51,737,312</b>
<b>Primary Government</b>										
Net Investment in capital assets	\$ 52,152,437	\$ 53,975,306	\$ 56,248,231	\$ 61,118,709	\$ 64,045,461	\$ 65,530,417	\$ 63,742,555	\$ 73,053,239	\$ 77,149,531	\$ 89,991,141
Restricted	3,694,847	4,380,321	4,582,595	4,772,220	3,915,581	4,478,491	9,448,182	7,039,648	7,747,718	9,384,172
Unrestricted	10,019,818	10,375,429	10,668,029	9,834,010	12,310,399	13,307,979	16,634,077	17,711,634	22,068,607	24,982,223
<b>Total Primary Government Net Position</b>	<b>\$ 65,867,102</b>	<b>\$ 68,731,056</b>	<b>\$ 71,498,855</b>	<b>\$ 75,724,939</b>	<b>\$ 80,271,441</b>	<b>\$ 83,316,887</b>	<b>\$ 89,824,814</b>	<b>\$ 97,804,521</b>	<b>\$ 106,965,856</b>	<b>\$ 124,357,536</b>

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

2023 - Airport now reported with Governmental Activities

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

Table 2

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Expenses</b>										
Governmental Activities:										
General Government	\$ 3,286,519	\$ 5,124,109	\$ 4,257,592	\$ 4,722,164	\$ 5,538,033	\$ 5,227,844	\$ 4,377,767	\$ 4,953,341	\$ 5,971,274	\$ 6,891,788
Airport	-	-	-	-	-	-	-	-	-	960,922
Public Safety	5,609,235	5,218,151	6,267,387	6,580,523	6,589,459	6,958,083	7,240,985	7,556,333	8,452,114	8,939,262
Highways and Streets	2,116,534	2,041,955	1,914,965	1,948,452	2,168,474	2,458,819	2,437,775	2,591,974	2,667,329	2,772,211
Culture and Recreation	1,422,746	1,609,230	1,772,494	1,604,137	1,684,625	1,736,134	1,687,784	1,715,665	1,898,701	2,006,251
Interest on Long-Term Debt	12,603	14,741	15,219	14,039	10,185	9,124	126,354	111,403	135,850	134,123
Total Governmental Activities Expenses	12,447,637	14,008,186	14,227,657	14,869,315	15,990,776	16,390,004	15,870,665	16,928,716	19,125,268	21,704,557
Business-type Activities										
Electric	15,224,361	14,967,570	15,573,893	16,339,629	18,193,641	17,355,117	15,849,735	17,906,399	15,928,396	16,379,103
Water	2,255,678	2,087,499	2,136,106	2,130,625	2,335,497	2,315,008	2,380,242	2,365,495	2,518,904	2,546,399
Water Pollution Control	1,524,519	1,492,220	1,545,877	1,539,418	1,577,218	1,632,710	1,691,413	1,624,620	1,852,424	1,888,586
Beatrice Area Solid Waste Agency	992,209	977,166	1,636,159	1,467,795	1,532,323	1,680,448	1,554,219	1,579,738	1,981,039	2,302,781
Sanitation	1,295,857	1,284,116	1,265,834	1,322,624	1,519,746	1,562,180	1,558,616	2,171,036	2,656,713	2,573,708
Total Business-type Activities Expenses	21,292,624	20,808,571	22,157,869	22,800,091	25,158,425	24,545,463	23,034,225	25,647,288	24,937,476	25,690,577
Total Primary Government Expenses	\$ 33,740,261	\$ 34,816,757	\$ 36,385,526	\$ 37,669,406	\$ 41,149,201	\$ 40,935,467	\$ 38,904,890	\$ 42,576,004	\$ 44,062,744	\$ 47,395,134
<b>Program Revenues</b>										
Governmental Activities:										
Charges for Services:										
General Government	\$ 1,744,814	\$ 3,036,542	\$ 2,983,118	\$ 3,487,714	\$ 4,077,215	\$ 3,761,976	\$ 4,233,398	\$ 4,673,928	\$ 5,072,452	\$ 5,595,031
Airport	-	-	-	-	-	-	-	-	-	696,754
Public Safety	1,340,782	1,832,967	1,380,446	1,361,264	1,319,054	1,361,793	1,319,437	1,472,207	1,650,548	1,698,213
Culture and Recreation	36,988	223,024	245,400	244,772	254,960	222,044	252,716	267,586	279,085	306,500
Other Governmental Activities	219,903	29,682	48,877	24,098	24,085	23,313	33,251	29,345	34,255	58,233
Operating Grants and Contributions	1,380,090	1,946,512	1,701,014	1,236,279	1,914,016	1,974,006	1,871,291	3,529,612	2,360,410	2,630,689
Capital Grants and Contributions	1,641,055	2,021,762	2,066,183	2,391,685	3,816,796	1,861,185	3,236,098	2,299,328	1,936,234	2,297,387
Total Governmental Activities Program Revenues	6,363,632	9,090,489	8,425,038	8,745,812	11,406,126	9,204,317	10,946,191	12,272,006	11,332,984	13,282,807
Business-type Activities										
Charges for Services:										
Electric	15,165,993	14,749,348	15,672,130	16,235,194	17,794,990	17,619,594	16,356,112	17,128,788	17,435,709	17,354,582
Water	2,360,903	2,321,423	2,717,237	2,862,930	2,789,557	2,650,876	2,646,957	2,709,019	2,908,700	2,933,415
Water Pollution Control	1,536,331	1,732,788	2,046,952	2,315,112	2,278,816	2,243,878	2,183,811	2,195,891	2,330,902	2,422,055
Beatrice Area Solid Waste Agency	1,136,396	1,170,237	1,236,421	2,249,641	1,814,151	1,844,947	1,783,181	2,022,511	2,349,347	2,187,803
Sanitation	1,295,857	1,284,116	1,265,834	1,322,624	1,519,746	1,562,180	1,558,616	2,116,541	2,745,489	2,967,047
Operating Grants and Contributions	-	-	-	-	-	-	-	-	-	300,000
Capital Grants and Contributions	-	80,000	-	351,388	30,486	-	160,763	39,479	179,095	17,797
Total Business-type Activities Program Revenues	21,495,480	21,337,912	22,938,574	25,336,889	26,227,746	25,921,475	24,689,440	26,212,229	27,949,242	28,182,699
Total Primary Government Program Revenues	\$ 27,859,112	\$ 30,428,401	\$ 31,363,612	\$ 34,082,701	\$ 37,633,872	\$ 35,125,792	\$ 35,635,631	\$ 38,484,235	\$ 39,282,226	\$ 41,465,506
<b>Net (Expense) Revenue</b>										
Governmental Activities:	\$ (6,084,005)	\$ (4,917,697)	\$ (5,802,619)	\$ (6,123,503)	\$ (4,584,650)	\$ (7,185,687)	\$ (4,924,474)	\$ (4,656,710)	\$ (7,792,284)	\$ (8,421,750)
Business-type Activities	202,856	529,341	780,705	2,536,798	1,069,321	1,376,012	1,655,215	564,941	3,011,766	2,492,122
Total Primary Government Net (Expense)	\$ (5,881,149)	\$ (4,388,356)	\$ (5,021,914)	\$ (3,586,705)	\$ (3,515,329)	\$ (5,809,675)	\$ (3,269,259)	\$ (4,091,769)	\$ (4,780,518)	\$ (5,929,628)

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

Table 2

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>General Revenues and Other Changes in Net Position</b>										
Governmental Activities:										
Taxes	\$ 5,762,423	\$ 6,033,958	\$ 6,181,178	\$ 6,160,210	\$ 6,347,216	\$ 7,220,823	\$ 8,019,989	\$ 8,742,063	\$ 9,460,361	\$ 9,815,148
Unrestricted Intergovernmental	689,779	607,292	750,407	788,647	829,811	822,700	969,073	1,096,989	1,224,343	1,058,530
Insurance and settlement recoveries	-	-	-	-	-	-	-	-	1,365,347	596,693
Miscellaneous Revenues	221,673	172,350	104,455	218,493	161,549	153,239	171,618	452,100	201,607	235,611
Unrestricted Investment Earnings	6,231	8,854	111,634	33,812	33,579	37,931	49,859	28,854	35,817	351,459
Gain (loss) on Sale of Capital Assets	(7,074)	-	15,919	-	-	-	-	-	-	-
Total Governmental Activities	6,673,032	6,822,454	7,163,593	7,201,162	7,372,155	8,234,693	9,210,539	10,320,006	12,287,475	12,057,441
Business-type Activities:										
Miscellaneous Revenues	195,737	371,470	556,631	508,280	519,238	335,128	338,715	426,436	1,150,382	348,810
Unrestricted Investment Earnings	44,801	58,918	69,489	103,347	170,438	285,300	227,932	120,096	153,878	600,559
Lease revenue and interest on leases	-	-	-	-	-	-	-	-	124,379	140,208
Special Items	-	-	-	-	-	-	-	-	-	-
(Loss) Gain on Sale of Capital Assets	-	(532)	-	-	-	-	-	-	-	-
Total Business-type Activities	240,538	429,856	626,120	611,627	689,676	620,428	566,647	546,532	1,428,639	1,089,577
Total Primary Government	\$ 6,913,570	\$ 7,252,310	\$ 7,789,713	\$ 7,812,789	\$ 8,061,831	\$ 8,855,121	\$ 9,777,186	\$ 10,866,538	\$ 13,716,114	\$ 13,147,018
<b>Change in Net Position</b>										
Governmental Activities	\$ 589,027	\$ 1,904,757	\$ 1,360,974	\$ 1,077,659	\$ 2,787,505	\$ 1,049,006	\$ 4,286,065	\$ 5,663,296	\$ 4,495,191	\$ 3,635,691
Business-type Activities	443,394	959,197	1,406,825	3,148,425	1,758,997	1,996,440	2,221,862	1,111,473	4,440,405	3,581,699
Change in accounting principle	(98,171)	-	-	-	-	-	-	-	-	-
Total Primary Government	\$ 934,250	\$ 2,863,954	\$ 2,767,799	\$ 4,226,084	\$ 4,546,502	\$ 3,045,446	\$ 6,507,927	\$ 6,774,769	\$ 8,935,596	\$ 7,217,390

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

2023 - Airport now reported with Governmental Funds

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

**Table 3**

<b>FISCAL YEAR</b>	<b>PROPERTY TAX</b>	<b>SALES TAX</b>	<b>UTILITY OCC. TAX</b>	<b>OTHER OCC. TAX</b>	<b>TOTAL</b>
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
2021	2,785,537	5,381,069	451,441	139,969	8,758,016
2022	2,808,504	5,936,084	520,596	140,971	9,406,155
2023 (b)	2,953,604	6,101,614	556,510	201,696	9,813,424

**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

(b) Airport now reported with Governmental Funds

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

Table 4

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 46,425
Restricted	-	-	-	-	-	-	-	700,000	700,000	705,841
Committed for:										
Public Safety Pensions	-	-	-	-	-	-	-	1,317,110	1,011,501	1,000,483
Assigned For:										
subsequent years' expenditures	817,938	1,079,813	1,141,943	674,023	525,117	398,230	510,866	1,711,372	857,105	1,093,365
Unassigned	1,860,437	1,906,992	2,013,817	1,197,641	1,909,845	2,058,063	2,622,196	3,661,141	6,287,673	7,091,098
Total General Fund	<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>	<u>\$ 7,389,623</u>	<u>\$ 8,856,279</u>	<u>\$ 9,937,212</u>
All Other Governmental Funds										
Restricted For:										
Restricted for Economic Development	\$ 1,128,265	\$ 1,256,328	\$ 1,254,631	\$ 1,380,437	\$ 1,175,078	\$ 1,208,272	\$ 1,271,139	\$ 1,387,212	\$ 1,586,679	\$ 1,906,054
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	564,804	121,307	27,099
Restricted for Debt Service	69,182	71,682	72,452	74,332	77,632	75,304	834,206	1,396,960	1,781,400	2,285,449
Restricted for CDBG Revolving Loans	622,605	340,188	355,789	360,070	365,187	368,605	370,894	157,559	90,981	180
Restricted for E911 Public Safety	36,758	25,266	20,321	57,035	89,220	48,980	73,652	97,452	122,541	94,692
Restricted for Storm Water Management	56,048	48,965	60,935	71,502	47,679	20,261	4,161	-	-	-
Restricted for Streets	1,171,626	1,999,868	2,239,985	2,073,302	1,460,200	1,863,688	1,743,311	1,899,180	2,696,916	3,312,610
Committed For:										
Committed for Community Betterment	17,326	68,141	9,859	80,257	153,385	213,568	1,472	102,796	242,585	319,776
Committed for Library Capital	40,876	40,896	40,917	40,937	27,488	27,579	16	-	-	-
Committed for Public Safety	69,600	41,542	204,005	125,797	92,726	634,559	390,457	170,886	522,112	299,163
Committed for Capital Projects	-	-	-	-	-	-	-	-	-	-
Assigned For:										
Debt service	13,879	1,368	78,057	816	14,041	-	-	-	-	-
Subsequent Years' Expenditures	-	33,486	70,510	25,921	238,697	-	51,709	51,704	102,523	730,078
Unassigned, Reported In:										
Debt Service Funds	-	-	-	-	-	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-	(25,993)	-	-	(44,503)	(32,385)
Total All Other Governmental Funds	<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>	<u>\$ 5,828,553</u>	<u>\$ 7,222,541</u>	<u>\$ 8,942,716</u>

2014 - Adjustments to Prior Years to recognize accrued tax revenues when the transaction occurs

2021 - Adoption of GASB 84

2023 - Airport now reported with Governmental Funds

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

Table 5

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>										
Taxes	\$ 5,823,746	\$ 6,053,401	\$ 6,176,766	\$ 6,161,677	\$ 6,366,444	\$ 7,206,687	\$ 8,036,141	\$ 8,758,016	\$ 9,406,155	\$ 9,813,424
Licenses and Permits	114,685	122,002	131,063	182,377	210,699	229,914	153,011	187,356	253,757	325,030
Intergovernmental and Grants	2,794,328	3,822,758	3,966,494	4,021,278	4,300,027	4,407,030	4,348,722	5,701,880	5,087,077	5,541,950
Charges for Services	1,758,473	1,884,249	1,991,166	1,990,886	1,979,059	2,017,530	2,009,738	2,303,536	2,605,705	3,315,430
Keno Proceeds	73,188	81,618	78,192	85,619	89,062	73,767	77,096	148,041	170,135	154,692
Special Assessments	40,723	41,789	142,077	14,814	10,895	-	-	-	4,733	10,998
Interest	48,928	20,287	111,329	33,512	33,403	40,774	50,814	259,908	(141,180)	352,804
Donations and Misc Revenue	1,006,947	807,558	480,670	501,139	865,172	405,357	630,088	783,978	805,946	884,935
<b>Total revenues</b>	<b>11,661,018</b>	<b>12,833,662</b>	<b>13,077,757</b>	<b>12,991,302</b>	<b>13,854,761</b>	<b>14,381,059</b>	<b>15,305,610</b>	<b>18,142,715</b>	<b>18,192,328</b>	<b>20,399,263</b>
<b>Expenditures</b>										
General Government	1,682,858	2,507,695	1,663,744	3,012,687	1,956,583	2,152,961	1,721,207	1,972,034	2,011,289	2,151,113
Airport	-	-	-	-	-	-	-	-	-	672,011
Public Safety	5,024,814	5,173,814	5,699,342	5,944,639	6,073,864	6,303,902	6,398,839	6,911,875	7,440,504	7,809,349
Highways and Streets	1,067,619	1,047,157	1,005,346	1,034,929	1,120,507	1,241,076	1,268,246	1,222,654	1,281,333	1,474,008
Culture and Recreation	908,159	984,968	1,091,641	1,061,376	1,073,148	1,106,505	1,089,024	1,132,924	1,230,041	1,279,752
Debt Service:										
Principal	290,000	185,000	190,000	190,000	190,000	250,000	240,000	900,000	1,272,069	1,034,324
Interest	5,050	2,068	1,235	3,479	3,468	5,533	116,289	137,832	142,759	135,563
Bond Issuance Costs	-	-	6,675	-	2,700	6,000	74,288	24,525	-	14,592
Capital Outlay	2,676,626	2,773,458	3,410,909	3,199,788	4,157,296	2,932,540	6,429,625	9,538,180	3,470,978	5,383,150
MFO Payments to Other Entities	106,438	110,679	131,810	132,460	133,863	114,975	126,949	124,568	303,365	303,447
<b>Total Expenditures</b>	<b>11,761,564</b>	<b>12,784,839</b>	<b>13,200,702</b>	<b>14,579,358</b>	<b>14,711,429</b>	<b>14,113,492</b>	<b>17,464,467</b>	<b>21,964,592</b>	<b>17,152,338</b>	<b>20,257,309</b>
<b>Excess (Deficiency) of Revenues over (under) Expenditures</b>	<b>(100,546)</b>	<b>48,823</b>	<b>(122,945)</b>	<b>(1,588,056)</b>	<b>(856,668)</b>	<b>267,567</b>	<b>(2,158,857)</b>	<b>(3,821,877)</b>	<b>1,039,990</b>	<b>141,954</b>
<b>Other Financing Sources (Uses)</b>										
Transfers In	384,542	515,680	552,899	379,838	789,111	578,583	711,530	377,839	1,464,361	2,343,605
Transfers Out	(384,542)	(515,680)	(552,899)	(379,838)	(789,111)	(578,583)	(711,530)	(377,839)	(1,464,361)	(2,343,605)
Insurance Recoveries	-	504,436	149,528	-	650,000	-	6,164	709,234	1,591,086	236,643
Bond and Lease Proceeds	-	452,665	575,000	-	170,000	615,000	7,372,068	2,725,000	-	1,215,000
Sale of Capital Assets	20,000	2,600	40,405	225,368	10,790	4,837	49,236	68,269	229,568	100,118
<b>Total Other Financing Sources (Uses)</b>	<b>20,000</b>	<b>959,701</b>	<b>764,933</b>	<b>225,368</b>		<b>619,837</b>	<b>7,427,468</b>	<b>3,502,503</b>	<b>1,820,654</b>	<b>1,551,761</b>
<b>Net Change in Fund Balances</b>	<b>\$ (80,546)</b>	<b>\$ 1,008,524</b>	<b>\$ 641,988</b>	<b>\$ (1,362,688)</b>	<b>\$ (856,668)</b>	<b>\$ 887,404</b>	<b>\$ 5,268,611</b>	<b>\$ (319,374)</b>	<b>\$ 2,860,644</b>	<b>\$ 1,693,715</b>
Debt Service as a percentage of noncapital expenditures	3.7%	1.9%	2.0%	1.9%	2.0%	2.3%	4.0%	9.4%	11.8%	7.8%

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

2022 - Insurance Recoveries includes fund received for storm damage repairs to be completed in 2023

2023 - Airport now reported with Governmental Funds

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

**Table 6**

<b>FISCAL YEAR</b>	<b>ASSESSED VALUE (1)</b>	<b>PERSONAL PROPERTY ASSESSED VALUE</b>	<b>TOTAL ASSESSED VALUATION</b>	<b>TOTAL DIRECT TAX RATE</b>	<b>RATIO OF ASSESSED TO EST. ACTUAL</b>
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
2021	664,527,878	48,003,997	712,531,875	0.391320	1
2022	687,715,653	52,267,328	739,982,981	0.383025	1
2023	738,256,191	58,270,239	796,526,430	0.357804	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**

<b>FISCAL YEAR</b>	<b>CITY</b>	<b>OVERLAPPING GOVERNMENTS</b>				<b>TOTAL DIRECT AND OVERLAPPING TAX RATE</b>
	<b>CITY OF BEATRICE</b>	<b>SCHOOL DIST. #15</b>	<b>GAGE COUNTY</b>	<b>SPECIAL TAX DIST.</b>	<b>AIRPORT</b>	
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
2021	0.39132	1.076283	0.389699	0.135922	0.026468	2.019692
2022	0.383025	1.076041	0.389868	0.135166	0.018098	2.002198
2023	0.357804	1.075501	0.34163	0.145183	0.016097	1.936215

(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**

<b>FISCAL YEAR</b>		<b>CITY OF BEATRICE</b>	<b>STATE OF NEBRASKA</b>	<b>COUNTY OF GAGE</b>	<b>TOTAL TAX RATE</b>
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%
2021		2.00%	5.50%	0.50%	8.00%
2022		2.00%	5.50%	0.50%	8.00%
2023	(c)	2.00%	5.50%	0.00%	7.50%

(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

(c) Effective January 1, 2023 the County of Gage terminated .5% sales tax

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

Table 8

TAXPAYER	TYPE OF BUSINESS	2023			2014		
		ASSESSED VALUATION	Rank	%OF TOTAL ASSESSED VALUATION	(a) ASSESSED VALUATION	Rank	%OF TOTAL ASSESSED VALUATION
Exmark Manufacturing Co	(1) manufacturing	\$ 18,975,235	1	2.56%	\$ 4,107,690	6	0.71%
Corn Oil & Renewable Energy LLC	(2) manufacturing	12,720,130	2	1.72%	---	---	---
Wal-Mart Stores	shopping mall	9,253,380	3	1.25%	6,344,060	3	1.10%
B&G Hospitality LLC	hotel	8,987,755	4	1.21%	2,707,530	9	0.47%
EIP Beatrice Owner, LLC	(1) manufacturing	8,929,795	5	1.21%	---	---	---
Irving Street Apartments LLC	commercial	8,798,575	6	1.19%	---	---	---
Worldlawn Power Equipment	manufacturing	7,967,760	7	1.08%	---	---	---
Farmers Co-op Elevator	grain/feed elevator	6,757,845	8	0.91%	4,245,885	5	0.74%
Equinox, Stanley & Judy Meyer	shopping mall plus other	6,039,965	9	0.82%	2,517,480	10	0.44%
Hybrid Turkeys LLC	manufacturing	5,980,500	10	0.81%	---	---	---
Accuma Corp	(1) manufacturing	---	---	---	2,712,795	8	0.47%
Flint Hills Resources Beatrice LLC	(2) manufacturing	---	---	---	12,500,000	2	2.17%
KH Beatrice, LLC	manufacturing	---	---	---	13,020,425	1	2.26%
Beatrice Retirement Inc.	retirement homes	---	---	---	3,197,850	7	0.56%
NEAPCO	manufacturing	---	---	---	5,597,065	4	0.97%
		<u>\$ 94,410,940</u>		<u>12.76%</u>	<u>\$ 56,950,780</u>		<u>9.89%</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 2022			Calendar Year 2013		
	Net Taxable Sales	Rank	% of Total Net Taxable Sales	Net Taxable Sales	Rank	% of Total Net Taxable Sales
Retail Trade	\$ 114,722,007	1	52.2%	\$ 73,350,233	1	43.4%
Accommodation & Food Services	29,869,375	2	13.6%	19,629,243	3	11.6%
Manufacturing (1)	20,158,700	3	9.2%	-	-	0.0%
Wholesale Trade	11,157,386	4	5.1%	13,201,393	4	7.8%
Construction	3,779,679	5	1.7%	5,971,271	5	3.5%
Utilities (2)	-	6	0.0%	29,870,691	2	17.7%
Information	-	7	0.0%	3,568,216	6	2.1%
Other	39,929,216	---	18.2%	23,342,075	---	13.8%
Total	<u>219,616,363</u>	<u>---</u>	<u>100.0%</u>	<u>168,933,122</u>	<u>---</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

(2) Water sales tax exempt beginning October 2021

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 2020 that percentage was 87.55% as compared to 82.97% in 2011

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

**Table 9**

<b>FISCAL YEAR</b>	<b>TOTAL TAX LEVY</b>	<b>FISCAL YEARS TAX COLL.</b>	<b>% OF LEVY COLL.</b>	<b>SUBSEQUENT YEARS TAX COLL.</b>	<b>TOTAL TAX COLL. TO DATE</b>	<b>% TOTAL TAX COLL. OF LEVY</b>
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%	58,246	2,255,898	100.0%
2017	2,325,455	2,269,795	97.61%	61,057	2,330,852	100.2%
2018	2,526,451	2,481,587	98.22%	54,519	2,536,106	100.4%
2019	2,638,777	2,566,434	97.26%	78,667	2,645,101	100.2%
2020	2,785,692	2,723,728	97.78%	68,742	2,792,470	100.2%
2021	2,788,283	2,734,544	98.07%	56,363	2,790,907	100.1%
2022	2,834,318	2,771,783	97.79%	59,306	2,831,089	99.9%
2023	2,850,000	2,785,897	97.75%	-	2,785,897	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	Warrants Payable	Notes Payable - Direct Financing Arrangements	Utility Revenue Bonds	Notes Payable - Direct Borrowing	BASWA Revenue Bonds	Sanitation Revenue Bonds	Notes Payable - Direct Financing Arrangements			
2014	375,000	185,626	-	3,280,000	81,874	1,200,000	-	54,878	5,177,378	0.88%	408.67
2015(a)	190,000	131,869	444,132	2,950,000	-	1,040,000	-	4,290	4,760,291	0.82%	375.74
2016(b)	575,000	-	347,633	2,620,000	-	825,000	-	-	4,367,633	0.74%	344.75
2017(c)	385,000	-	247,729	2,285,000	-	1,875,000	-	772,500	5,565,229	0.93%	439.28
2018(d)	365,000	-	144,297	1,950,000	-	1,615,000	-	1,018,072	5,092,369	0.84%	401.96
2019(e)	730,000	-	68,640	1,615,000	-	1,355,000	-	1,074,083	4,842,723	0.77%	382.25
2020(f)	7,565,000	-	297,068	1,275,000	-	1,090,000	-	790,519	11,017,587	1.77%	869.65
2021(g)	9,390,000	-	242,164	925,000	-	825,000	2,730,000	500,128	14,612,292	2.26%	1,191.77
2022(h)	8,175,000	-	185,096	395,000	1,243,296	555,000	2,465,000	203,507	13,221,899	1.86%	1,078.37
2023(i)	8,415,000	-	125,770	200,000	5,118,743	280,000	2,200,000	247,556	16,587,069	2.12%	1,352.83

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 Capital Leases for purchase of street equipment and installation of ballfield lighting

(b) Issued BASWA Revenue Refunding Bonds in the amount of \$825,000 and Public Safety Tax Anticipation Bonds in the amount of \$575,000

(c) 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

(d) 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

(e) 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

(f) 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

(g) Issued Fire Station (Sales Tax and General Obligation) Bonds in the amount of \$2,725,000 and Sanitation Revenue Bonds in the amount of \$2,730,000

(h) Issued Water SRF Loan with the State of Nebraska in the amount of \$1,243,296

(i) Issued Economic Development Bonds in the amount of \$1,215,000, Water SRF Loan with the State of Nebraska in the amount of \$3,875,447, and a capital leave in the amount of \$187,100 for a garbage truck

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

**Table 11**

<b>FISCAL YEAR</b>	<b>ESTIMATED ACTUAL VALUE</b>	<b>GENERAL OBLIGATION BONDS</b>	<b>LESS DEBT SERVICE FUNDS AVAILABLE(1)</b>	<b>NET BONDED DEBT</b>	<b>% OF ASSESSED TAXABLE VALUE</b>	<b>NET BONDED PER CAPITA</b>
2014	\$ 575,004,180	\$ 375,000	\$ 69,182	\$ 305,818	0.05%	24.53
2015	576,030,067	190,000	71,682	118,318	0.02%	9.34
2016 (a)	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 (b)	662,333,679	365,000	77,632	287,368	0.04%	22.68
2019 (c)	661,065,063	730,000	75,304	654,696	0.10%	51.68
2020 (d)	702,972,547	7,565,000	834,206	6,730,794	0.96%	531.28
2021 (e)	712,531,875	9,390,000	1,396,960	7,993,040	1.12%	630.91
2022	739,982,981	8,175,000	1,781,400	6,393,600	0.86%	521.46
2023 (f)	796,526,430	8,415,000	2,285,449	6,129,551	0.77%	499.92

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 September 2016 in the amount of \$575,000
- (b) Public Safety Tax Anticipation Bonds issued April 2018 in the amount of \$170,000
- (c) Public Safety Tax Anticipation Bonds issued August 2019 in the amount of \$615,000
- (d) Fire Station Sales Tax and General Obligation Bonds issued December 2019 in the amount of \$7,075,000
- (e) Fire Station Sales Tax and General Obligation Bonds issued May 2021 in the amount of \$2,725,000
- (f) Economic Development Bonds issued July 2023 in the amount of \$1,215,000

**CITY OF BEATRICE, NEBRASKA  
COMPUTATION OF DIRECT AND OVERLAPPING DEBT  
SEPTEMBER 30, 2023**

Table 12

<b>GOVERNMENTAL UNIT</b>	<b>DEBT OUTSTANDING</b>	<b>PERCENT APPLICABLE TO CITY OF BEATRICE(1)</b>	<b>AMOUNT APPLICABLE TO CITY OF BEATRICE</b>
<b>TAX SUPPORTED DEBT</b>			
<b>DIRECT:</b>			
City of Beatrice	\$ 8,540,770	100.00%	\$ 8,540,770
Total Direct Debt			<u>\$ 8,540,770</u>
<b>OVERLAPPING:</b>			
School District #15	1,855,000	56.36%	1,045,478
Lower Big Blue Natural Resources District	2,209,556	11.96%	264,263
Gage County	-	22.16%	-
Southeast Community College	54,750,000	1.15%	629,625
Total Overlapping Debt			<u>\$ 1,309,741</u>
Total Direct & Overlapping Debt			<u><u>\$ 9,850,511</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**

<b>FISCAL YEAR</b>	<b>OPERATING REVENUES</b>	<b>TOTAL OPERATING EXPENSES(1)</b>	<b>TOTAL REVENUE AVAILABLE FOR DEBT SERVICE</b>	<b>DEBT SERVICE REQUIREMENTS</b>			<b>COV- ERAGE</b>
				<b>PRINCIPAL</b>	<b>INTEREST</b>	<b>TOTAL</b>	
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
2021	22,033,698	19,377,733	2,655,965	350,000	25,606	375,606	7.07
2022	22,675,311	17,629,888	5,045,423	530,000	22,885	552,885	9.13
2023	22,710,052	18,152,937	4,557,115	195,000	6,697	201,697	22.59

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.

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

**Table 14**

<b>FISCAL YEAR</b>	<b>POPULATION(1)</b>	<b>TOTAL PERSONAL INCOME</b>	<b>PER CAPITA PERSONAL INCOME(4)</b>	<b>MEDIAN AGE (1)</b>	<b>SCHOOL ENROLLMENT(2)</b>	<b>UNEMPLOYMENT RATE(3)</b>
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%
2021	12,261	647,908,023	52,843	44	2,043	1.20%
2022	12,261	709,151,718	57,838	44	2,107	2.00%
2023	12,261	783,011,982	63,862	43	2,129	2.20%

**SOURCES:**

(1) U.S. Census 2010 plus annexations certified with the Nebr Dept of Revenue; U.S. Census 2020

(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	2023			2014		
		Employees	Rank	% of County Employment	Employees	Rank	% of County Employment
Beatrice Community Hospital	Medical	540	1	4.96%	497	2	4.35%
Exmark Manufacturing	Manufacturing	450	2	4.14%	340	5	2.98%
Beatrice Public Schools	Education	330	3	3.03%	273	6	2.39%
Wal-Mart Super Center	Retail	256	4	2.35%	---	---	---
NEAPCO	Manufacturing	246	5	2.26%	350	4	3.06%
Landmark Snacks	Manufacturing	246	6	2.26%	---	---	---
Beatrice State Developmental Center	Home for mentally handicapped	245	7	2.25%	700	1	6.13%
Mosaic	Home for mentally handicapped	176	8	1.62%	350	3	3.06%
City of Beatrice	Government	152	9	1.40%	154	7	1.35%
Good Samaritan Center	Nursing Home & Assisted Living	136	10	1.25%	121	8	1.06%
Southeast Community College	Education	---	---	---	111	10	0.97%
County of Gage	Government	---	---	---	---	---	---
Store Kraft	Manufacturing	---	---	---	120	9	1.05%
		<u>2,777</u>		<u>25.53%</u>	<u>3,016</u>		<u>26.40%</u>

Source: Gage Area Growth Community Profile

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

**Table 16**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>FUNCTION</b>										
General Government	8	9	9	10	10	10	10	11	11	12
Public Safety										
Police										
Commissioned	21	21	22	22	22	22	22	22	22	22
Civilians	10	13	13	14	14	14	14	14	18	18
Fire										
Full-time Firefighters	23	23	24	24	23	23	25	25	25	25
Civilians	0	0	0	0	0	0	0	0	1	1
Culture and Recreation	6	6	7	7	7	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	5	5	5
Sanitation	0	0	0	0	0	0	0	14	12	12
Water	10	10	10	10	10	10	10	10	10	10
Sewer	6	6	6	6	6	6	6	6	6	6
Electric	28	25	25	26	26	26	25	25	25	25
<b>Total Full-Time Employees</b>	<b>125</b>	<b>126</b>	<b>129</b>	<b>132</b>	<b>131</b>	<b>131</b>	<b>132</b>	<b>148</b>	<b>151</b>	<b>152</b>

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>FUNCTION</b>										
General Government	0	0	1	0	0	0	0	1	1	0
Public Safety										
Police										
Commissioned	0	0	0	0	0	0	0	0	4	4
Civilians	2	2	3	2	1	1	1	5	3	3
Fire										
Reserves	8	6	0	2	2	2	1	0	0	0
Culture and Recreation	15	15	15	15	15	15	15	15	16	16
Solid Waste Agency/WPC	4	4	4	4	6	6	5	5	3	3
Sanitation	0	0	0	0	0	0	0	1	1	1
Electric	0	1	1	0	0	0	1	1	1	1
<b>Total Part-Time Employees</b>	<b>29</b>	<b>28</b>	<b>23</b>	<b>23</b>	<b>24</b>	<b>24</b>	<b>23</b>	<b>27</b>	<b>29</b>	<b>28</b>
*Part-time employment is 1020 hours/yr or less										
C & R Summer Seasonal	40	40	43	50	60	60	60	48	45	45

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

**Table 17**

<b>FUNCTION</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
General Government										
Building Permits Issued	399	493	381	388	552	530	561	479	2,023	749
Commercial Construction Value	\$ 2,923,538	\$ 7,907,152	\$ 11,141,672	\$ 11,570,361	\$ 8,715,888	\$ 22,225,904	\$ 18,930,263	\$ 11,378,797	\$ 12,662,904	\$ 12,036,512
Residential Construction Value	\$ 3,157,487	\$ 4,118,584	\$ 3,796,771	\$ 4,499,850	\$ 9,750,343	\$ 6,813,314	\$ 8,132,448	\$ 5,694,222	\$ 5,628,636	\$ 9,407,641
Public Safety										
Police										
Arrest Charges	875	842	673	821	681	905	907	723	664	653
Patrol Warnings/Citations	1,364	1,462	1,266	1,696	1,474	1,780	1,887	1,834	1,738	1,733
Calls for Service (1)	20,529	20,937	23,086	27,564	26,278	26,684	26,568	25,263	28,646	34,847
Fire										
Ambulance Calls	2,334	2,220	2,331	2,248	2,388	2,444	2,512	2,694	2,844	2,849
Fire & Rescue Calls	885	894	906	1,028	1,178	1,061	1,066	2,314	2,242	2,438
Culture and recreation										
Water Park Admissions (2)	\$ 73,671	\$ 76,435	\$ 83,616	\$ 85,501	\$ 83,531	\$ 69,922	\$ 53,426	\$ 73,003	\$ 79,015	\$ 76,869
Electric										
Average Daily Usage Commercial (MWH)	220.5	261.6	281.7	307.1	316.5	307.4	263.4	258.7	277.2	282.4
Average Daily Usage Residential (MWH)	194.2	185.3	185.0	180.6	196.2	188.5	196.6	196.5	193.2	202.0
Water										
Average Daily Consumption (gal)	3.38m	2.96m	3.63m	3.65m	3.49m	3.41m	3.38m	3.21m	3.74m	3.81m
Water Pollution Control										
Average Daily Treatment (gal)	1.4m	1.2m	1.2m	1.1m	1.1m	1.1m	1.0m	.92m	1.0m	1.1m

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

FY2022 Building permits issued increased due to 2 storms that hit in December and June; Due to the overwhelming number of permits issued, not all building valuations for roof permits were captured

(1) Started Dispatching for Crete on July 7, 2015

(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**

<b>FUNCTION</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Public Safety</b>										
Police Stations	1	1	1	1	1	1	1	1	1	1
Fire Stations	1	1	1	1	1	1	1	1	1	1
<b>Highway &amp; Streets</b>										
Street Lane Miles, Paved	285.68	288.97	288.97	291	291	291	291.32	291.32	291.32	291.32
Street Lane Miles, Unpaved	34.25	34.25	34.25	34.25	34.25	34.25	32.05	32.05	32.05	32.05
Storm Sewer Miles	34.36	34.36	34.36	34.72	34.72	34.72	34.72	34.72	34.72	34.72
Bridges	11	11	11	11	11	11	11	11	11	11
Street Lights	1624	1617	1617	1605	1609	1609	1627	1627	1627	1627
<b>Culture and recreation</b>										
Number of Parks	14	14	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	9	9	9	9	9	9	8	8	6	6
Pickelball Courts	0	0	0	0	0	0	0	0	2	2
Ballfields	12	12	14	13	13	13	12	12	12	12
Library	1	1	1	1	1	1	1	1	1	1
Senior Center	1	1	1	1	1	1	1	1	1	1
<b>Water</b>										
Water Main Miles	122	122.33	122.66	122.66	123	123.33	123.5	123.5	123.5	125.5
Fire Hydrants	703	708	714	723	726	729	736	736	736	736
<b>Sewer</b>										
Sanitary Sewer Miles	94.73	94.9	94.9	95.35	95.91	95.91	95.92	95.92	95.92	95.92
Treatment Plants	1	1	1	1	1	1	1	1	1	1
<b>Electric</b>										
Substations	10	10	10	10	10	10	10	10	10	10
Miles 12.5KV Service	100	103.24	106.54	110.84	113.04	117.1	119.24	119.24	124.4	121.9
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	87	84.11	81.69	77.39	75.19	71.13	68.99	68.99	63.8	64.6

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"

City of Beatrice, Nebraska  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the year ended September 30, 2023

Federal Grantor/ Program Title	Pass-Through Grantor	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Expenditures
Department of Agriculture Rural Economic Development Loans and Grants	US Department of Agriculture	10.854	None	\$ -	\$ 300,000
	Subtotal for Department of Agriculture			-	300,000
Department of Housing and Urban Development Community Development Block Grants RLF Program	Nebraska Department of Economic Development	14.228	None	-	335,473
Community Development Block Grants Owner Occupied Housing Rehab Downtown Revitalization Project	Nebraska Department of Economic Development	14.228	None	-	94,917
	Nebraska Department of Economic Development	14.228	21-HO-36035	-	120,885
	Nebraska Department of Economic Development	14.228	21-DTR-004	-	13,119
	Subtotal for Department of Housing and Urban Development			-	564,394
Department of Justice Crime Victim Assistance	Nebraska Commission on Law Enforcement	16.575	109-2022-VA1031	-	122,251
Bulletproof Vest Partnership Program	US Department of Justice	16.607	None	-	1,478
Bulletproof Vest Partnership Program	US Department of Justice	16.607	2021-BUBX21024992	-	495
	Subtotal for Department of Justice			-	124,224
Department of Transportation Airport Improvement Program	Nebraska Department of Transportation	20.106	F3BIE21	-	8,308
Highway Safety Cluster	Nebraska Department of Transportation	20.600	4022-23-33-20	-	2,400
State and Community Highway Safety	Nebraska Department of Transportation	20.611	1906-23-01-10	-	12,170
Incentive Grant Program to Prohibit Racial Profiling	Nebraska Department of Transportation	20.616	405d-23-52-14	-	7,000
National Priority Safety Programs	Subtotal for Highway Safety Cluster			-	21,570
	Subtotal for Department of Transportation			-	29,878
Department of Treasury COVID-19 Coronavirus State and Local Fiscal Recovery Funds	Nebraska Department of Emergency Management	21.027	None	-	296,768
	Subtotal for Department of Treasury			-	296,768
Department of Homeland Security's Federal Emergency Management Agency COVID-19 Disaster Grants - Public Assistance (Presidentially Declared Disasters)	Nebraska Department of Emergency Management	97.036	173120-4521DR-NE	-	27,800
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	Nebraska Department of Emergency Management	97.036	DR-4641	-	66,122
	Subtotal for Department of Homeland Security's Federal Emergency Management Agency			-	93,922
Total federal expenditures				\$ -	\$ 1,409,186

See notes to financial statements.

City of Beatrice, Nebraska  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the year ended September 30, 2023

NOTES TO SCHEDULE

NOTE 1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the City of Beatrice, Nebraska under programs of the federal government for the year ended September 30, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of the basic financial statements of the City of Beatrice, Nebraska. Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance or other applicable regulatory guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3. INDIRECT COST RATE

The City has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 4. FEDERAL LOAN PROGRAMS

The City administers loans under the Community Development Block Grants program (Assistance Listing Number 14.228), for which the federal government imposes continuing compliance requirements on the outstanding balances. Loans outstanding at the beginning of the year and loans made during the year are included in the federal expenditures in the Schedule. No new loans were issued for the year ended September 30, 2023. The outstanding balance of these loans totaled \$316,983 as of September 30, 2023.

The City administers loans under the Rural Economic Development Grant Program (Assistance Listing Number 10.854), for which the federal government imposes continuing compliance requirements on the outstanding balances. Loans outstanding at the beginning of the year and loans made during the year are included in the federal expenditures in the Schedule. New loans totaling \$300,000 were issued for the year ended September 30, 2023. The outstanding balance of these loans totaled \$278,523 as of September 30, 2023.



## **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 (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, 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, 2023, 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 18, 2024. Our report 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 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.

### ***Report on 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 entity'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 or significant deficiencies may exist that were not identified.

### ***Report on 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**FORVIS, LLP**

Lincoln, Nebraska  
March 18, 2024



1248 O Street, Suite 1040 / Lincoln, NE 68508

P 402.473.7600 / F 402.473.7698

[forvis.com](http://forvis.com)

## **Report on Compliance for the Major Federal Program and Report on Internal Control Over Compliance**

### **Independent Auditor's Report**

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

#### **Report on Compliance for the Major Federal Program**

##### ***Opinion on the Major Federal Program***

We have audited the City of Beatrice, Nebraska's (the City's) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on the City's major federal program for the year ended September 30, 2023. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Beatrice, Nebraska complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended September 30, 2023.

##### ***Basis for Opinion on the Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the "Auditor's Responsibilities for the Audit of Compliance" section of our report.

We are required to be independent of the City of Beatrice, Nebraska and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

##### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of the major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

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

Our consideration of internal control over compliance was for the limited purpose described in the "Auditor's Responsibilities for the Audit of Compliance" section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

**FORVIS, LLP**

Lincoln, Nebraska  
March 18, 2024

**City of Beatrice, Nebraska**  
**Schedule of Findings and Questioned Costs**  
**Year Ended September 30, 2023**

**Section I – Summary of Auditor’s Results**

*Financial Statements*

1. Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:  
☒ Unmodified      ☐ Qualified      ☐ Adverse      ☐ Disclaimer
2. Internal control over financial reporting:  
Significant deficiency(ies) identified?      ☐ Yes      ☒ None reported  
Material weakness(es) identified?      ☐ Yes      ☒ No
3. Noncompliance material to the financial statements noted?      ☐ Yes      ☒ No

*Federal Awards*

4. Internal control over major federal awards programs:  
Significant deficiency(ies) identified?      ☐ Yes      ☒ None reported  
Material weakness(es) identified?      ☐ Yes      ☒ No
4. Type of auditor’s report issued on compliance for the major federal program:  
☒ Unmodified      ☐ Qualified      ☐ Adverse      ☐ Disclaimer
6. Any audit findings disclosed that are required to be reported by 2 CFR 200.516(a)?      ☐ Yes      ☒ No
7. Identification of major federal programs:

Assistance Listing Number	Name of Federal Program or Cluster
14.228	Community Development Block Grants

8. Dollar threshold used to distinguish between Type A and Type B programs: \$750,000.
9. Auditee qualified as a low-risk auditee?      ☒ Yes      ☐ No

**City of Beatrice, Nebraska**  
**Schedule of Findings and Questioned Costs (Continued)**  
**Year Ended September 30, 2023**

**Section II – Financial Statement Findings**

Reference Number	Finding
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No matters are reportable.

**Section III – Federal Award Findings and Questioned Costs**

Reference Number	Finding
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No matters are reportable.

**City of Beatrice, Nebraska**  
**Summary Schedule of Prior Audit Findings**  
**Year Ended September 30, 2023**

<b>Reference Number</b>	<b>Summary of Finding</b>	<b>Status</b>
No matters are reportable.		