

To the Honorable Mayor and City Council
City of York
York, Nebraska

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 York for the year ended September 30, 2024, and have issued our report thereon dated January 7, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated September 18, 2024. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City of York are described in Note A to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended September 30, 2024. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

Management's estimate of the collectability of accounts receivable is based on historical utility revenues, historical loss levels, and an analysis of the collectability of individual accounts. We evaluated the key factors and assumptions used to develop the collectability of accounts receivable in determining that it is reasonable in relation to the financial statements taken as a whole.

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Management's estimate of the depreciation of capital assets is based on the estimated useful life of the capital asset. We evaluated the key factors and assumptions used to develop the depreciation of capital assets in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. Five audit adjustments decreased the governmental fund balances by \$141,435. Eight audit adjustments decreased the net position of the business-type funds by \$1,401,789. Three audit adjustments decreased the net position of the component unit by \$11,069. The following material misstatements detected as a result of audit procedures were corrected by management:

1. Ambulance accounts receivable and revenue were both decreased \$100,237 to adjust the allowance for uncollectible accounts.
2. Grain inventory was decreased and farm expenses were increased \$26,546 on the Water Fund.
3. The liability for landfill closure/post-closure costs was decreased \$1,516,091 with a corresponding decrease to expense.
4. Accounts payable and expenses were increased \$23,415 on the General Fund and \$12,898 on the Sewer Fund.
5. Capital assets and net position were both decreased \$556,578 on the Water Fund to remove water lines not owned by the city capitalized during the prior year.
6. Capital assets were increased and expenses were decreased \$336,761 to capitalize assets on the utility funds.
7. Depreciation expense of \$2,669,180 was recorded on the utility funds.
8. The liability for claims incurred but not paid was increased \$28,113 with a corresponding decrease to expense.
9. Kilgore Library Foundation cash and net position were both decreased \$63,729 to remove erroneous reconciling items from the bank reconciliation.

10. Kilgore Library Foundation investments were increased \$38,088, accrued interest receivable was increased \$39, and interest income was increased \$38,127.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated January 7, 2025.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

In connection with our audit of the financial statements of the City of York as of September 30, 2024, we noted certain matters that we believe you should consider. Our observations were formed as a by-product of our audit procedures, which did not include a comprehensive review for the purpose of submitting detailed recommendations.

1. While reviewing cancelled checks to verify authorized individuals are correctly signing checks, we discovered one check in February 2024 that had no signatures. We recommend creating controls to ensure all checks are signed by the authorized individuals before they are issued.
2. During price testing of water inventory we noticed that per item prices are not being updated regularly. Suggest an annual process where the water supervisor looks over and updates the inventory values for frequently used items.

Other Matters

We were engaged to report on the nonmajor governmental funds combining statements and the statement of general fund departmental revenue and expenditures, which accompany the financial statements but are not RSI. With respect to the supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the management's discussion and analysis and budgetary comparison schedules, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the use of the City Council and management of the City of York and is not intended to be and should not be used by anyone other than these specified parties.

AMGL, PC.

Grand Island, Nebraska
January 7, 2025

CITY OF YORK, NEBRASKA

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

September 30, 2024

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INDEPENDENT AUDITOR’S REPORT

To the Honorable Mayor and City Council
City of York, Nebraska

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities - modified accrual basis, the business-type activities - accrual basis, the aggregate discretely presented component unit - accrual basis, each major fund - modified accrual basis for the governmental funds and accrual basis for the proprietary funds, and the aggregate remaining fund information - modified accrual basis for the governmental funds of the City of York, Nebraska, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City’s financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities - modified accrual basis, the business-type activities - accrual basis, the aggregate discretely presented component unit - accrual basis, each major fund - modified accrual basis for the governmental funds and accrual basis for the proprietary funds, and the aggregate remaining fund information - modified accrual basis for the governmental funds of the City of York, Nebraska as of September 30, 2024, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in accordance with the basis of accounting described in Note A.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 York, 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.

Emphasis of Matter—Basis of Accounting

We draw attention to Note A of the financial statements, which describes the basis of accounting for the governmental activities and governmental funds. The governmental financial statements are prepared on the modified accrual basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified accrual and accrual basis of accounting described in Note A, and for determining that the modified accrual and accrual basis of accounting are acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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 of York, Nebraska's ability to continue as a going concern for twelve 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 generally accepted auditing standards 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 generally accepted auditing standards 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 of York, Nebraska'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 of York, Nebraska'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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of York, Nebraska's financial statements. The nonmajor governmental funds combining statements and the statement of general fund departmental revenue and expenditures are presented for purposes of additional analysis and are not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information described in the second sentence of this paragraph is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Information

Management is responsible for the other information included in the financial statements. The other information comprises the management's discussion and analysis and budgetary comparison schedules, but does not include the financial statements and our auditor's report thereon. Our opinions on the 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 financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the 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 January 7, 2025, on our consideration of the City of York, Nebraska's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of York's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of York, Nebraska's internal control over financial reporting and compliance.

AMGL, PC.

Grand Island, Nebraska
January 7, 2025

**CITY OF YORK, NEBRASKA
MANAGEMENT’S DISCUSSION AND ANALYSIS
For The Year Ended September 30, 2024**

MANAGEMENT’S DISCUSSION AND ANALYSIS

As management of the City of York, we offer readers of the City of York financial statements this narrative overview and analysis of the financial activities of the City of York for the fiscal year ended September 30, 2024.

Financial Highlights

- The assets of the City of York exceeded its liabilities at the close of the most recent fiscal year by \$82,880,268 (*net position*). Of this amount, \$28,278,268 (*unrestricted net position*) may be used to meet the government’s ongoing obligations to citizens and creditors.
- As of the close of the current fiscal year, the City of York’s governmental funds reported combined ending net position of \$41,134,521, with an unrestricted net position balance of \$7,643,102.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$3,821,501, 24.1 percent of total General Fund expenditures for the year ended September 30, 2024.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of York’s financial statements. The City of York’s 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 supplementary and other information in addition to the 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 York’s finances in a manner similar to a private-sector business.

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

CITY OF YORK, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
For The Year Ended September 30, 2024

Both of the government-wide financial statements distinguish functions of the City of York 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 York include general government, public safety, highways and streets, public works, and culture and recreation. The business-type activities of the City of York include the Water, Sewer, and Landfill Enterprise Funds.

The government-wide financial statements include not only the City of York itself (known as the *primary government*), but also the Kilgore Library Foundation for which the City of York is financially accountable. Financial information for this *component unit* is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 15 and 16.

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 York, 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 York can be divided into two categories: governmental funds and proprietary 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 balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City of York maintains thirteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Street Fund, CDBG Fund, Debt Service Fund, LB 357, and Capital Projects Fund all of which are considered to be major funds. Data from the other seven governmental funds are combined into a single,

CITY OF YORK, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
For The Year Ended September 30, 2024

aggregated presentation. Individual fund data for each of these nonmajor governmental funds are provided in the form of *combining statements* elsewhere in this report.

The City of York adopts an annual appropriated budget for its governmental funds. A budgetary comparison statement has been provided for the General, Street, CDBG, Debt Service, LB 357, and Capital Projects Funds to demonstrate compliance with this budget.

The governmental fund financial statements can be found on pages 17-20 of this report.

Proprietary funds. The City of York maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of York uses enterprise funds to account for its Water, Sewer, and Landfill Funds. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City of York's various functions. The City of York uses an internal service fund to account for its employee health insurance. Because this service predominantly benefits governmental rather than business-type functions, it has been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water, Sewer, and Landfill Funds, all of which are considered to be major funds of the City of York.

The proprietary fund financial statements can be found on pages 21-24 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 25-62 of this report.

Other information. In addition to the financial statements and accompanying notes, this report also presents certain *supplementary and other information* concerning the City of York's budgetary comparison schedules, combining nonmajor statements, and general fund departmental revenue and expenditures. Supplementary and other information can be found on pages 63-72 of this report.

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 York, assets exceeded liabilities by \$82,880,268 at the close of the most recent fiscal year.

CITY OF YORK, NEBRASKA
MANAGEMENT’S DISCUSSION AND ANALYSIS, Continued
For The Year Ended September 30, 2024

Summary Statements of Net Position

| | 2024 | 2023 | Increase (Decrease) |
|----------------------------------|---------------|---------------|--------------------------------|
| Current and Other Assets | \$ 47,316,970 | \$ 43,705,917 | \$ 3,611,053 |
| Capital Assets | 93,722,292 | 88,256,694 | 5,465,598 |
| Total Assets | 141,039,262 | 131,962,611 | 9,076,651 |
| Long-term Liabilities | 51,084,945 | 48,580,073 | 2,504,872 |
| Other Liabilities | 7,074,049 | 6,573,196 | 500,853 |
| Total Liabilities | 58,158,994 | 55,153,269 | 3,005,725 |
| Net Position: | | | |
| Net Investment in Capital Assets | 41,347,640 | 40,275,441 | 1,072,199 |
| Restricted | 13,254,360 | 9,896,846 | 3,357,514 |
| Unrestricted | 28,278,268 | 26,637,055 | 1,641,213 |
| Total Net Position | \$ 82,880,268 | \$ 76,809,342 | \$ 6,070,926 |

A large portion of the City of York’s net position (49.9 percent) reflects its investment in capital assets (land, infrastructure, buildings, distribution systems, vehicles, and equipment), net of any related debt used to acquire those assets that is still outstanding. The City of York uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City of York’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.

An additional portion of the City of York’s net position (16.0 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (\$28,278,268) 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 York is able to report positive balances in all three categories of net position for the government as a whole as well as for its separate governmental and business-type activities.

CITY OF YORK, NEBRASKA
MANAGEMENT’S DISCUSSION AND ANALYSIS, Continued
For The Year Ended September 30, 2024

Expenses and Program Revenues – Governmental Activities

| <u>Function</u> | <u>Year Ended September 30, 2024</u> | | <u>Year Ended September 30, 2023</u> | |
|-------------------------|--------------------------------------|-------------------------|--------------------------------------|-------------------------|
| | <u>Program Revenues</u> | <u>Program Expenses</u> | <u>Program Revenues</u> | <u>Program Expenses</u> |
| General Government | \$ 392,473 | \$ 1,112,442 | \$ 2,632,169 | \$ 5,480,035 |
| Economic Development | 185,021 | 373,736 | 305,220 | 686,571 |
| Public Safety | 1,301,100 | 5,624,682 | 1,340,400 | 5,044,033 |
| Public Works | 262,273 | 1,616,635 | 817,765 | 1,462,600 |
| Environment and Leisure | 1,962,017 | 3,765,807 | 964,607 | 3,676,962 |
| Airport | 434,809 | 399,494 | 454,592 | 470,452 |
| Interest and fees | - | 734,923 | - | 244,413 |
| Depreciation | - | 3,024,141 | - | 2,821,307 |
| Total | <u>\$ 4,537,693</u> | <u>\$ 16,651,860</u> | <u>\$ 6,514,753</u> | <u>\$ 19,886,373</u> |

Revenues by Source – Governmental Activities

SOURCES OF REVENUE

| | <u>Year Ended September 30, 2024</u> | | <u>Year Ended September 30, 2023</u> | |
|---------------------------------------|--------------------------------------|-----------------|--------------------------------------|-----------------|
| Charges for Services | \$ 2,264,853 | 11.90 % | \$ 2,176,464 | 10.66 % |
| Operating Grants and Contributions | 620,369 | 3.26 | 792,617 | 3.88 |
| Capital Grants and Contributions | 1,652,471 | 8.68 | 3,545,672 | 17.36 |
| Property Taxes | 2,098,709 | 11.03 | 2,068,328 | 10.13 |
| Motor Vehicle Taxes | 232,557 | 1.22 | 222,964 | 1.09 |
| Occupation/Franchise | 2,949,415 | 15.50 | 2,781,567 | 13.62 |
| Sales Tax | 6,700,104 | 35.21 | 6,772,170 | 33.16 |
| Special Assessments | 8,940 | 0.05 | 35,057 | 0.17 |
| TIF Proceeds | 137,707 | 0.72 | 144,160 | 0.71 |
| State Allocation | 1,448,630 | 7.61 | 1,389,083 | 6.80 |
| Gain (Loss) on Sale of Capital Assets | (50,379) | (0.26) | 124,493 | 0.61 |
| Miscellaneous | 49,199 | 0.26 | 9,150 | 0.04 |
| Interest | 1,096,097 | 5.76 | 667,305 | 3.27 |
| Interfund Transfers | (178,522) | (0.94) | (305,678) | (1.50) |
| Total | <u>\$ 19,030,150</u> | <u>100.00 %</u> | <u>\$ 20,423,352</u> | <u>100.00 %</u> |

Net position of the governmental funds increased \$2,378,290 during the year ended September 30, 2024.

Business-type activities. Business-type activities increased the City of York’s net position by \$3,692,636. Key elements of this increase are as follows:

**CITY OF YORK, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
For The Year Ended September 30, 2024**

Expenses and Program Revenues – Business-type Activities

| <u>Function</u> | <u>Year Ended September 30, 2024</u> | | <u>Year Ended September 30, 2023</u> | |
|-----------------|--------------------------------------|-------------------------|--------------------------------------|-------------------------|
| | <u>Program Revenues</u> | <u>Program Expenses</u> | <u>Program Revenues</u> | <u>Program Expenses</u> |
| Water | \$ 2,385,324 | \$ 2,621,849 | \$ 2,550,080 | \$ 2,389,710 |
| Sewer | 3,662,199 | 3,252,402 | 3,480,080 | 3,165,221 |
| Landfill | 2,184,148 | (62,797) | 1,881,340 | 1,586,562 |
| Total | <u>\$ 8,231,671</u> | <u>\$ 5,811,454</u> | <u>\$ 7,911,500</u> | <u>\$ 7,141,493</u> |

Revenues by Source – Business-type Activities

| <u>SOURCES OF REVENUE</u> | <u>Year Ended September 30, 2024</u> | | | <u>Year Ended September 30, 2023</u> | | |
|----------------------------------|--------------------------------------|-----------------|--|--------------------------------------|-----------------|--|
| Charges for Services | \$ 8,185,527 | 86.13 % | | \$ 7,845,302 | 86.32 % | |
| Capital Contributions and Grants | 46,144 | 0.48 | | 66,198 | 0.73 | |
| Special Assessments | (15,885) | (0.17) | | - | - | |
| Gain on Sale of Capital Assets | 1 | - | | 259,784 | 2.86 | |
| Interfund Transfers | 178,522 | 1.88 | | 305,678 | 3.36 | |
| Interest | 1,109,781 | 11.68 | | 611,259 | 6.73 | |
| Total | <u>\$ 9,504,090</u> | <u>100.00 %</u> | | <u>\$ 9,088,221</u> | <u>100.00 %</u> | |

Financial Analysis of the Government's Funds

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

Governmental Funds. The focus of the City of York'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 York's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City of York's governmental funds reported combined ending fund balances of \$19,139,171. The unassigned fund balance is \$3,807,808, indicating resources available for spending at the government's discretion. The remainder of fund balances is not available for new spending because it has already been 1) restricted for federal programs (\$453,398), 2) restricted for debt service (\$708,987), 3) restricted for economic development (\$452,228), 4) restricted for capital projects (\$6,576,264), 5) restricted

CITY OF YORK, NEBRASKA
MANAGEMENT’S DISCUSSION AND ANALYSIS, Continued
For The Year Ended September 30, 2024

for community betterment (\$1,766), 6) restricted for Creative District (\$243), 7) restricted for police (\$38,976), 8) restricted for street improvements (\$4,653,749), 9) restricted for fire (\$42,917), 10) restricted for recreation (\$59,332), 11) assigned for budgetary stabilization (\$1,499,944), 12) assigned for other purposes (\$651,292) or 13) put into a nonspendable prepaid asset (\$192,267).

The General Fund is the chief operating fund of the City of York. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$3,821,501, or 24.1 percent of annual expenditures. Total General Fund balance was \$9,941,346, or 62.7 percent of annual General Fund expenditures.

The fund balance of the City of York’s General Fund increased by \$3,698,167 during the current fiscal year.

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

Unrestricted net position of the proprietary funds at the end of the year were as follows: Water Fund – \$10,215,609, Sewer Fund – \$5,530,472, and Landfill Fund – \$4,889,085. The change in net position for the proprietary funds was as follows: Water Fund – increase of \$636,141, Sewer Fund – increase of \$455,676, and Landfill Fund – increase of \$2,600,819. Other factors concerning the finances of these three funds have already been addressed in the discussion of the City of York’s business-type activities.

General Fund Budgetary Highlights

The City did not amend its budget during the year ended September 30, 2024.

Capital Asset and Debt Administration

Capital Assets. The City of York’s investment in capital assets for its governmental and business-type activities as of September 30, 2024, amounts to \$93,722,292 (net of accumulated depreciation). This investment in capital assets includes land, building and system improvements, vehicles and equipment, and streets.

Major capital asset events (individually greater than \$50,000) during the current fiscal year included the following:

- Storage building for park, street, water and sewer departments - \$255,800
- Levitt Stadium turf project - \$2,956,850
- Playground equipment at East Hill Park - \$166,285
- Tennis court surface at East Hill Park - \$79,100
- 2023 Ford Explorer with lightbar and police equipment - \$66,453
- Bleacher shades for the ball park complex - \$269,054
- Soccer field irrigation system - \$107,076
- Balance on fire station real estate at 2524 S. Lincoln - \$260,045
- Construction in progress on fire/EMS station project - \$965,491

CITY OF YORK, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
For The Year Ended September 30, 2024

- Construction in progress on airport layout plan - \$145,083
- Balance on Industrial Park land - \$1,910,408
- Rebuilt Caterpillar loader - \$271,288
- Construction costs on Blackburn Bridge project - \$125,302
- Construction costs on street improvement and ADA ramp project - \$1,922,972
- Construction in progress donated by NDOT on Project Access pedestrian safety & trails project - \$812,110
- 2024 Bobcat mini excavator for water department - \$90,596

City of York's Capital Assets
(net of depreciation)

| | <u>Year Ended September 30, 2024</u> | | | <u>Year Ended September 30, 2023</u> | | |
|----------------------------|--|---|----------------------|--|---|----------------------|
| | <u>Governmental</u> <u>Activities</u> | <u>Business-type</u> <u>Activities</u> | <u>Total</u> | <u>Governmental</u> <u>Activities</u> | <u>Business-type</u> <u>Activities</u> | <u>Total</u> |
| Land | \$ 4,351,331 | \$ 632,667 | \$ 4,983,998 | \$ 1,915,879 | \$ 632,667 | \$ 2,548,546 |
| Construction in Progress | 2,848,898 | - | 2,848,898 | 5,961,657 | 21,110 | 5,982,767 |
| Infrastructure | 11,703,045 | - | 11,703,045 | 5,821,672 | - | 5,821,672 |
| Buildings and Improvements | 23,892,903 | 6,103,854 | 29,996,757 | 21,566,535 | 6,254,867 | 27,821,402 |
| Distribution Systems | - | 37,828,001 | 37,828,001 | - | 39,666,277 | 39,666,277 |
| Equipment | 2,678,209 | 2,740,202 | 5,418,411 | 2,125,386 | 3,011,680 | 5,137,066 |
| Vehicles | 762,310 | 180,872 | 943,182 | 1,047,550 | 231,414 | 1,278,964 |
| Total | <u>\$ 46,236,696</u> | <u>\$ 47,485,596</u> | <u>\$ 93,722,292</u> | <u>\$ 38,438,679</u> | <u>\$ 49,818,015</u> | <u>\$ 88,256,694</u> |

Additional information on the City of York's capital assets can be found in Note C5 on pages 44-47 of this report.

Long-term debt. At the end of the current fiscal year, the City of York had the following long-term debt outstanding:

City of York's Outstanding Debt

| | <u>Year Ended September 30, 2024</u> | | | <u>Year Ended September 30, 2023</u> | | |
|---------------|--|---|----------------------|--|---|----------------------|
| | <u>Governmental</u> <u>Activities</u> | <u>Business-type</u> <u>Activities</u> | <u>Total</u> | <u>Governmental</u> <u>Activities</u> | <u>Business-type</u> <u>Activities</u> | <u>Total</u> |
| Bonds Payable | \$ 25,620,000 | \$ 5,540,000 | \$ 31,160,000 | \$ 19,215,000 | \$ 6,105,000 | \$ 25,320,000 |
| Notes Payable | 113,137 | 21,101,515 | 21,214,652 | 191,665 | 22,469,588 | 22,661,253 |
| Total | <u>\$ 25,733,137</u> | <u>\$ 26,641,515</u> | <u>\$ 52,374,652</u> | <u>\$ 19,406,665</u> | <u>\$ 28,574,588</u> | <u>\$ 47,981,253</u> |

The City of York's total debt increased by \$4,393,399 (9.2 percent) during the current fiscal year as the City issued \$8,185,000 of Series 2023 Limited Sales Tax Infrastructure Bonds.

CITY OF YORK, NEBRASKA
MANAGEMENT’S DISCUSSION AND ANALYSIS, Continued
For The Year Ended September 30, 2024

The City of York received a bond rating from S&P Global of AA-/Stable.

Additional information on the City of York’s long-term debt can be found in Note C6 on pages 47-52 of this report.

The following selected financial information is presented:

| | |
|--|---------------|
| Total 2024 Taxable Valuation | \$702,145,964 |
| Total General Obligation and Limited Tax Obligation Debt | 25,733,137 |
| Total Revenue Debt | 26,641,515 |
| Total Sales Tax Revenues | 6,700,104 |

Economic Factors and Next Year’s Budgets and Rates

- Property tax asking for the year ending September 30, 2025 of \$2,001,116 is \$50,294 (2.6 percent) higher than last year.
- A rate study was completed for the Landfill and rates were increased for the first time since 2017 during the year ended September 30, 2023. Rates are scheduled to steadily increase over the next few years to prepare for expected costs for the new cell, as well as closure of the old cell.
- On November 1, 2024, \$4,845,000 of Series 2024 Limited Sales Tax Infrastructure Bonds were issued to finance the balance of the fire station project.
- The City has remaining contractual commitments of \$427,270 on the pedestrian safety access project which is expected to be completed by September 2028.
- The City has remaining contractual commitments of \$7,744,391 on the fire/EMS building project which is expected to be completed by January 2026.
- The City has remaining contractual commitments of \$197,460 on the airport layout plan expected to be completed by September 2025.

Request for Information

This financial report is designed to provide a general overview of the City of York’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 Treasurer, City of York, P.O. Box 276, York, NE 68467.

CITY OF YORK, NEBRASKA
STATEMENT OF NET POSITION
September 30, 2024

| | Primary Government | | Total | Component Unit (Accrual Basis) |
|---|---|---|----------------------|---|
| | Governmental Activities (Modified Accrual Basis) | Business-type Activities (Accrual Basis) | | |
| ASSETS | | | | |
| Current assets: | | | | |
| Cash and cash equivalents | \$ 2,382,164 | \$ 6,187,260 | \$ 8,569,424 | \$ 128,670 |
| Certificates of deposit | 4,694,153 | 12,944,258 | 17,638,411 | 1,146,148 |
| County treasurer cash | 127,107 | - | 127,107 | - |
| Accounts receivable | 592,327 | 401,215 | 993,542 | - |
| Unbilled revenue | - | 578,430 | 578,430 | - |
| Special assessments receivable | 534,326 | - | 534,326 | - |
| Due from other governments | 1,231,896 | - | 1,231,896 | - |
| Current portion of notes receivable | 6,530 | - | 6,530 | - |
| Accrued interest receivable | 88,140 | 86,959 | 175,099 | 1,915 |
| Due from (to) other funds | (126,853) | 126,853 | - | - |
| Prepaid expenses | 192,267 | 60,513 | 252,780 | - |
| Inventory | 28,664 | 112,148 | 140,812 | - |
| Total current assets | <u>9,750,721</u> | <u>20,497,636</u> | <u>30,248,357</u> | <u>1,276,733</u> |
| Noncurrent assets: | | | | |
| Restricted cash and cash equivalents | 4,474,563 | 109,505 | 4,584,068 | - |
| Restricted certificates of deposit | 8,736,261 | 3,734,852 | 12,471,113 | - |
| Noncurrent portion of notes receivable | 13,432 | - | 13,432 | - |
| Capital assets: | | | | |
| Land | 4,351,331 | 632,667 | 4,983,998 | 131,247 |
| Construction in progress | 2,848,898 | - | 2,848,898 | - |
| Other capital assets, net of depreciation | 39,036,467 | 46,852,929 | 85,889,396 | - |
| Net capital assets | <u>46,236,696</u> | <u>47,485,596</u> | <u>93,722,292</u> | <u>131,247</u> |
| Total noncurrent assets | <u>59,460,952</u> | <u>51,329,953</u> | <u>110,790,905</u> | <u>131,247</u> |
| Total assets | <u>69,211,673</u> | <u>71,827,589</u> | <u>141,039,262</u> | <u>1,407,980</u> |
| LIABILITIES | | | | |
| Current liabilities: | | | | |
| Accounts payable | 789,639 | 398,047 | 1,187,686 | - |
| Claims incurred but not paid | 73,354 | - | 73,354 | - |
| Accrued wages and vacation | 524,038 | 72,104 | 596,142 | - |
| Payroll withholding | (20,658) | - | (20,658) | - |
| Accrued interest | 285,339 | 114,794 | 400,133 | - |
| Sales tax payable | 1,824 | 35,602 | 37,426 | - |
| Customer deposits | 1,750 | 109,505 | 111,255 | - |
| Unavailable special assessments | 517,769 | - | 517,769 | - |
| Current portion of long-term obligations | 2,065,703 | 2,105,239 | 4,170,942 | - |
| Total current liabilities | <u>4,238,758</u> | <u>2,835,291</u> | <u>7,074,049</u> | <u>-</u> |
| Noncurrent liabilities: | | | | |
| Noncurrent compensated absences | 170,960 | 39,089 | 210,049 | - |
| Accrued closure/post-closure costs | - | 2,671,186 | 2,671,186 | - |
| Noncurrent portion of long-term obligations | 23,667,434 | 24,536,276 | 48,203,710 | - |
| Total noncurrent liabilities | <u>23,838,394</u> | <u>27,246,551</u> | <u>51,084,945</u> | <u>-</u> |
| Total liabilities | <u>28,077,152</u> | <u>30,081,842</u> | <u>58,158,994</u> | <u>-</u> |
| NET POSITION | | | | |
| Net investment in capital assets | 20,503,559 | 20,844,081 | 41,347,640 | - |
| Restricted for: | | | | |
| Street improvements | 4,653,749 | - | 4,653,749 | - |
| Debt service | 708,987 | 266,500 | 975,487 | - |
| Federal programs | 453,398 | - | 453,398 | - |
| Economic development | 452,228 | - | 452,228 | - |
| Capital projects | 6,576,264 | - | 6,576,264 | - |
| Community betterment | 1,766 | - | 1,766 | - |
| Creative District | 243 | - | 243 | - |
| Public safety | 81,893 | - | 81,893 | - |
| Recreation | 59,332 | - | 59,332 | - |
| Unrestricted | <u>7,643,102</u> | <u>20,635,166</u> | <u>28,278,268</u> | <u>1,407,980</u> |
| Total net position | <u>\$ 41,134,521</u> | <u>\$ 41,745,747</u> | <u>\$ 82,880,268</u> | <u>\$ 1,407,980</u> |

See notes to financial statements.

CITY OF YORK, NEBRASKA
STATEMENT OF ACTIVITIES
For the year ended September 30, 2024

| <u>Functions/Programs</u> | <u>Expenses</u> | <u>Charges for Services</u> | <u>Program Revenues Operating Grants and Contributions</u> |
|--|----------------------|---------------------------------|--|
| Primary government: | | | |
| Governmental activities | | | |
| (modified accrual basis): | | | |
| General government | \$ 1,112,442 | \$ 171,848 | \$ - |
| Economic development | 373,736 | 28,854 | 156,167 |
| Public safety | 5,624,682 | 838,386 | 420,965 |
| Public works | 1,616,635 | 3,658 | 12,387 |
| Environment and leisure | 3,765,807 | 918,978 | 30,850 |
| Airport | 399,494 | 303,129 | - |
| Interest and fees on long-term debt | 734,923 | - | - |
| Depreciation - unallocated | 3,024,141 | - | - |
| Total governmental activities | 16,651,860 | 2,264,853 | 620,369 |
| Business-type activities | | | |
| (accrual basis): | | | |
| Water | 2,621,849 | 2,339,180 | - |
| Sewer | 3,252,402 | 3,662,199 | - |
| Landfill | (62,797) | 2,184,148 | - |
| Total business-type activities | 5,811,454 | 8,185,527 | - |
| Total primary government | \$ 22,463,314 | \$ 10,450,380 | \$ 620,369 |
| Component unit (accrual basis): | | | |
| Kilgore Library Foundation | \$ 16,605 | \$ 4,529 | \$ 2,965 |

See notes to financial statements.

| | Net (Expenses) Revenues and Changes in Net Position | | | Component Unit (Accrual Basis) |
|---------------------------------------|---|---|----------------------|-----------------------------------|
| | Primary Government | | | |
| Capital Grants and Contributions | Governmental Activities (Modified Accrual Basis) | Business-type Activities (Accrual Basis) | Total | |
| \$ 220,625 | \$ (719,969) | | \$ (719,969) | |
| - | (188,715) | | (188,715) | |
| 41,749 | (4,323,582) | | (4,323,582) | |
| 246,228 | (1,354,362) | | (1,354,362) | |
| 1,012,189 | (1,803,790) | | (1,803,790) | |
| 131,680 | 35,315 | | 35,315 | |
| - | (734,923) | | (734,923) | |
| - | (3,024,141) | | (3,024,141) | |
| <u>1,652,471</u> | <u>(12,114,167)</u> | <u>\$ -</u> | <u>(12,114,167)</u> | |
| 46,144 | - | (236,525) | (236,525) | |
| - | - | 409,797 | 409,797 | |
| - | - | 2,246,945 | 2,246,945 | |
| <u>46,144</u> | <u>-</u> | <u>2,420,217</u> | <u>2,420,217</u> | |
| <u>\$ 1,698,615</u> | <u>(12,114,167)</u> | <u>2,420,217</u> | <u>(9,693,950)</u> | |
| <u>\$ -</u> | | | | <u>\$ (9,111)</u> |
| General revenues: | | | | |
| Taxes: | | | | |
| Property | 2,098,709 | - | 2,098,709 | - |
| Motor vehicle | 232,557 | - | 232,557 | - |
| Occupation/franchise | 2,949,415 | - | 2,949,415 | - |
| Sales tax | 6,700,104 | - | 6,700,104 | - |
| Special assessments | 8,940 | (15,885) | (6,945) | - |
| TIF proceeds | 137,707 | - | 137,707 | - |
| State allocation | 1,448,630 | - | 1,448,630 | - |
| Gain (loss) on sale of capital assets | (50,379) | 1 | (50,378) | - |
| Miscellaneous | 49,199 | - | 49,199 | - |
| Interest income | 1,096,097 | 1,109,781 | 2,205,878 | 50,410 |
| Interfund transfers | (178,522) | 178,522 | - | - |
| Total general revenues | <u>14,492,457</u> | <u>1,272,419</u> | <u>15,764,876</u> | <u>50,410</u> |
| Change in net position | 2,378,290 | 3,692,636 | 6,070,926 | 41,299 |
| Net position - September 30, 2023: | | | | |
| As originally reported | 38,756,231 | 38,609,689 | 77,365,920 | 1,366,681 |
| Restatement | - | (556,578) | (556,578) | - |
| As restated | <u>38,756,231</u> | <u>38,053,111</u> | <u>76,809,342</u> | <u>1,366,681</u> |
| Net position - September 30, 2024 | <u>\$ 41,134,521</u> | <u>\$ 41,745,747</u> | <u>\$ 82,880,268</u> | <u>\$ 1,407,980</u> |

CITY OF YORK, NEBRASKA

**BALANCE SHEET - MODIFIED ACCRUAL BASIS -
GOVERNMENTAL FUNDS**

September 30, 2024

| | <u>General Fund</u> | <u>Street Fund</u> | <u>CDBG Fund</u> | <u>Debt Service Fund</u> |
|--|-------------------------|------------------------|----------------------|----------------------------------|
| ASSETS | | | | |
| Cash and cash equivalents | \$ 3,162,081 | \$ 1,528,328 | \$ 221,881 | \$ 221,491 |
| Certificates of deposit | 6,045,631 | 3,147,909 | 159,679 | 500,346 |
| County treasurer cash | 127,107 | - | - | - |
| Accounts receivable | 569,036 | 9,481 | - | - |
| Special assessments receivable | - | 396,084 | - | 138,242 |
| Due from other governments | 795,730 | 61,764 | - | - |
| Accrued interest receivable | 39,735 | 20,659 | 1,048 | 3,284 |
| Inventory | - | - | - | - |
| Prepaid insurance | 150,516 | 32,878 | - | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total assets | \$ 10,889,836 | \$ 5,197,103 | \$ 382,608 | \$ 863,363 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| LIABILITIES AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Accounts payable | \$ 493,669 | \$ 85,745 | \$ - | \$ - |
| Accrued interest payable | 616 | 441 | - | 16,134 |
| Accrued wages and vacation | 471,289 | 44,763 | - | - |
| Payroll liabilities | (20,658) | - | - | - |
| Due to other funds | - | - | - | - |
| Customer deposits | 1,750 | - | - | - |
| Sales tax payable | 1,824 | - | - | - |
| Unavailable special assessments | - | 379,527 | - | 138,242 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total liabilities | 948,490 | 510,476 | - | 154,376 |
| Fund balances: | | | | |
| Nonspendable: | | | | |
| Prepaid assets | 150,516 | 32,878 | - | - |
| Restricted for: | | | | |
| Street improvements | - | 4,653,749 | - | - |
| Debt service | - | - | - | 708,987 |
| Federal programs | 70,790 | - | 382,608 | - |
| Economic development | - | - | - | - |
| Capital projects | 4,274,273 | - | - | - |
| Community betterment | - | - | - | - |
| Creative District | - | - | - | - |
| Police | 22,073 | - | - | - |
| Fire | 42,917 | - | - | - |
| Recreation | 59,332 | - | - | - |
| Assigned for: | | | | |
| Budgetary stabilization | 1,499,944 | - | - | - |
| Other purposes | - | - | - | - |
| Unassigned | 3,821,501 | - | - | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total fund balances | 9,941,346 | 4,686,627 | 382,608 | 708,987 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total liabilities and fund balances | \$ 10,889,836 | \$ 5,197,103 | \$ 382,608 | \$ 863,363 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

See notes to financial statements.

| LB 357 Fund | Capital Projects Fund | Other Funds | Total Governmental Funds |
|---------------------|-----------------------------|---------------------|--------------------------------|
| \$ 814,303 | \$ (13,633) | \$ 350,092 | \$ 6,284,543 |
| 1,677,225 | - | 721,092 | 12,251,882 |
| - | - | - | 127,107 |
| - | - | 13,810 | 592,327 |
| - | - | - | 534,326 |
| 282,457 | - | 91,945 | 1,231,896 |
| 11,007 | (60) | 4,733 | 80,406 |
| - | - | 28,664 | 28,664 |
| - | - | 8,873 | 192,267 |
| <u>\$ 2,784,992</u> | <u>\$ (13,693)</u> | <u>\$ 1,219,209</u> | <u>\$ 21,323,418</u> |
| | | | |
| \$ 88,000 | \$ - | \$ 79,918 | \$ 747,332 |
| 268,148 | - | - | 285,339 |
| - | - | 7,986 | 524,038 |
| - | - | - | (20,658) |
| 126,853 | - | - | 126,853 |
| - | - | - | 1,750 |
| - | - | - | 1,824 |
| - | - | - | 517,769 |
| 483,001 | - | 87,904 | 2,184,247 |
| | | | |
| - | - | 8,873 | 192,267 |
| - | - | - | 4,653,749 |
| - | - | - | 708,987 |
| - | - | - | 453,398 |
| - | - | 452,228 | 452,228 |
| 2,301,991 | - | - | 6,576,264 |
| - | - | 1,766 | 1,766 |
| - | - | 243 | 243 |
| - | - | 16,903 | 38,976 |
| - | - | - | 42,917 |
| - | - | - | 59,332 |
| - | - | - | 1,499,944 |
| - | - | 651,292 | 651,292 |
| - | (13,693) | - | 3,807,808 |
| 2,301,991 | (13,693) | 1,131,305 | 19,139,171 |
| <u>\$ 2,784,992</u> | <u>\$ (13,693)</u> | <u>\$ 1,219,209</u> | <u>\$ 21,323,418</u> |

CITY OF YORK, NEBRASKA

**RECONCILIATION OF THE BALANCE SHEET - MODIFIED
ACCRUAL BASIS - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION**

September 30, 2024

Total fund balances - governmental funds \$ 19,139,171

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

Notes receivable are not financial resources and therefore are not reported as assets in the governmental funds. Notes receivable are reported as assets in the statement of net position. 19,962

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in the governmental funds. The cost of the assets is \$75,643,515 and the accumulated depreciation is \$29,406,819. 46,236,696

Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position. 1,642,789

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year end consist of:

| | | |
|---------------------------------|-----------------|--------------|
| Bonds payable | \$ (25,620,000) | |
| Note payable | (113,137) | |
| Noncurrent compensated absences | (170,960) | (25,904,097) |
| | | |

Total net position - governmental activities \$ 41,134,521

See notes to financial statements.

CITY OF YORK, NEBRASKA

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - MODIFIED ACCRUAL BASIS - GOVERNMENTAL FUNDS**

For the year ended September 30, 2024

| | <u>General Fund</u> | <u>Street Fund</u> | <u>CDBG Fund</u> |
|---|-------------------------|------------------------|----------------------|
| REVENUES | | | |
| Taxes: | | | |
| Property | \$ 2,098,709 | \$ - | \$ - |
| Motor vehicle | 232,557 | - | - |
| Special assessments | - | 8,940 | - |
| Occupation/franchise | 2,949,415 | - | - |
| Sales tax | 4,607,493 | 417,585 | - |
| TIF proceeds | - | - | - |
| Intergovernmental | 553,764 | 1,343,968 | - |
| Charges for services | 1,929,396 | 3,659 | - |
| Grants | 124,385 | - | 122,849 |
| Loan collections | - | - | 294 |
| Contributions | 93,983 | - | - |
| Interest income | 580,255 | 221,261 | 1,092 |
| Loan/bond proceeds | 8,185,000 | - | - |
| Sale of property | - | - | - |
| Insurance proceeds | 244,366 | 48,765 | - |
| Other | 24,921 | 23,352 | - |
| Total revenues | 21,624,244 | 2,067,530 | 124,235 |
| EXPENDITURES | | | |
| General government | 1,115,611 | - | - |
| Economic development | - | - | 151,928 |
| Public safety | 5,703,166 | - | - |
| Public works | - | 1,643,413 | - |
| Environment and leisure | 3,752,784 | - | - |
| Airport | - | - | - |
| Capital outlay | 5,100,491 | 508,460 | - |
| Principal payments on debt | - | 47,891 | - |
| Interest on long-term debt | - | 2,182 | - |
| Bond fees | 181,740 | - | - |
| Total expenditures | 15,853,792 | 2,201,946 | 151,928 |
| Excess (deficiency) of revenues over expenses before transfers | 5,770,452 | (134,416) | (27,693) |
| INTERFUND TRANSFERS | | | |
| Transfers from other funds | 430,850 | 1,307,373 | - |
| Transfers to other funds | (2,503,135) | (154,292) | - |
| Net interfund transfers | (2,072,285) | 1,153,081 | - |
| Net change in fund balances | 3,698,167 | 1,018,665 | (27,693) |
| Fund balances - September 30, 2023 | 6,243,179 | 3,667,962 | 410,301 |
| Fund balances - September 30, 2024 | \$ 9,941,346 | \$ 4,686,627 | \$ 382,608 |

See notes to financial statements.

| Debt Service <u>Fund</u> | LB 357 <u>Fund</u> | Capital Projects <u>Fund</u> | Other <u>Funds</u> | Total Governmental <u>Funds</u> |
|--------------------------------|-----------------------|------------------------------------|-----------------------|---------------------------------------|
| \$ - | \$ - | \$ - | \$ - | \$ 2,098,709 |
| - | - | - | - | 232,557 |
| - | - | - | - | 8,940 |
| - | - | - | - | 2,949,415 |
| - | 1,675,026 | - | - | 6,700,104 |
| - | - | - | 137,707 | 137,707 |
| - | - | - | - | 1,897,732 |
| - | - | - | 335,056 | 2,268,111 |
| - | - | 197,182 | 174,387 | 618,803 |
| - | - | - | - | 294 |
| - | - | - | 12,120 | 106,103 |
| 19,395 | 95,812 | 28,914 | 69,237 | 1,015,966 |
| - | - | - | - | 8,185,000 |
| - | - | - | 7,185 | 7,185 |
| - | - | - | - | 293,131 |
| - | - | - | 926 | 49,199 |
| <u>19,395</u> | <u>1,770,838</u> | <u>226,096</u> | <u>736,618</u> | <u>26,568,956</u> |
| - | - | - | 100 | 1,115,711 |
| - | - | - | 221,808 | 373,736 |
| - | - | - | - | 5,703,166 |
| - | - | - | - | 1,643,413 |
| - | 41,664 | - | 15,238 | 3,809,686 |
| - | - | - | 402,196 | 402,196 |
| - | 329,300 | 2,048,275 | 2,081,086 | 10,067,612 |
| 1,010,000 | 770,000 | - | 30,637 | 1,858,528 |
| 55,159 | 489,358 | - | 2,734 | 549,433 |
| 2,500 | 1,250 | - | - | 185,490 |
| <u>1,067,659</u> | <u>1,631,572</u> | <u>2,048,275</u> | <u>2,753,799</u> | <u>25,708,971</u> |
| (1,048,264) | 139,266 | (1,822,179) | (2,017,181) | 859,985 |
| 1,003,569 | - | 334,292 | - | 3,076,084 |
| - | - | (166,329) | (430,850) | (3,254,606) |
| <u>1,003,569</u> | <u>-</u> | <u>167,963</u> | <u>(430,850)</u> | <u>(178,522)</u> |
| (44,695) | 139,266 | (1,654,216) | (2,448,031) | 681,463 |
| 753,682 | 2,162,725 | 1,640,523 | 3,579,336 | 18,457,708 |
| <u>\$ 708,987</u> | <u>\$ 2,301,991</u> | <u>\$ (13,693)</u> | <u>\$ 1,131,305</u> | <u>\$ 19,139,171</u> |

CITY OF YORK, NEBRASKA

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - MODIFIED ACCRUAL BASIS -
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

For the year ended September 30, 2024

| | |
|--|-----------------------------------|
| Total net change in fund balances - governmental funds | \$ 681,463 |
| Amounts reported for <i>governmental activities</i> in the statement of activities are different because: | |
| Loan collections on notes receivable are reported as revenue in the governmental funds. However, the collection of loan principal is reported as a reduction to notes receivable in the statement of activities. | (6,409) |
| Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capitalized capital outlay (\$10,879,722) exceeded depreciation expense (\$3,024,141). Asset additions of \$812,110 were donated by Nebraska Department of Transportation. | 7,855,581 |
| Basis remaining on capital assets that are disposed of is not reported in the governmental funds. However, the remaining basis reduces the gain on sale of capital assets on the statement of activities. | (57,564) |
| Internal service funds are used by management to charge the costs of employee insurance to individual funds. The net revenue (expense) of the internal service fund is reported with governmental activities in the statement of activities. | 235,407 |
| The change in noncurrent compensated absences is reported as an expense in the statement of net position. Noncurrent compensated absences are not reported in the governmental funds. | (3,716) |
| Issuance of long-term debt is reported as revenue in the governmental funds, but the issuance increases long-term liabilities in the statement of net position. | (8,185,000) |
| Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. | <u>1,858,528</u> |
| Change in net position of governmental activities | <u><u>\$ 2,378,290</u></u> |

See notes to financial statements.

CITY OF YORK, NEBRASKA

STATEMENT OF FUND NET POSITION - PROPRIETARY FUNDS

September 30, 2024

| | Enterprise Funds | | | | Internal Service Fund |
|---|------------------|---------------|------------------|--------------|-----------------------------|
| | Water Fund | Sewer Fund | Landfill Fund | Total | Fund |
| ASSETS | | | | | |
| Current assets: | | | | | |
| Cash and cash equivalents | \$ 3,154,137 | \$ 1,689,190 | \$ 1,343,933 | \$ 6,187,260 | \$ 572,184 |
| Certificates of deposit | 6,696,915 | 3,479,236 | 2,768,107 | 12,944,258 | 1,178,532 |
| Accounts receivable | 172,754 | 228,461 | - | 401,215 | - |
| Unbilled revenue | 290,931 | 287,499 | - | 578,430 | - |
| Accrued interest receivable | 44,454 | 22,833 | 19,672 | 86,959 | 7,734 |
| Due from other funds | 126,853 | - | - | 126,853 | - |
| Prepaid expenses | 12,911 | 36,287 | 11,315 | 60,513 | - |
| Inventory | 112,148 | - | - | 112,148 | - |
| Total current assets | 10,611,103 | 5,743,506 | 4,143,027 | 20,497,636 | 1,758,450 |
| Noncurrent assets: | | | | | |
| Restricted cash | 109,505 | - | - | 109,505 | - |
| Restricted certificates of deposit | 266,500 | - | 3,468,352 | 3,734,852 | - |
| Capital assets: | | | | | |
| Land | 24,625 | 344,330 | 263,712 | 632,667 | - |
| Distribution systems | 21,311,826 | 35,659,101 | - | 56,970,927 | - |
| Buildings and improvements | 270,742 | - | 8,659,203 | 8,929,945 | - |
| Equipment | 1,375,345 | 5,619,964 | 3,116,290 | 10,111,599 | - |
| Vehicles | 104,250 | 570,000 | - | 674,250 | - |
| Less accumulated depreciation | (10,293,378) | (15,090,172) | (4,450,242) | (29,833,792) | - |
| Net capital assets | 12,793,410 | 27,103,223 | 7,588,963 | 47,485,596 | - |
| Total noncurrent assets | 13,169,415 | 27,103,223 | 11,057,315 | 51,329,953 | - |
| Total assets | 23,780,518 | 32,846,729 | 15,200,342 | 71,827,589 | 1,758,450 |
| LIABILITIES | | | | | |
| Current liabilities: | | | | | |
| Accounts payable | 298,548 | 78,879 | 20,620 | 398,047 | 42,307 |
| Claims incurred but not paid | - | - | - | - | 73,354 |
| Accrued wages and vacation | 32,031 | 22,310 | 17,763 | 72,104 | - |
| Accrued interest payable | 24,263 | 78,361 | 12,170 | 114,794 | - |
| Sales tax payable | 16,155 | 19,447 | - | 35,602 | - |
| Customer deposits | 109,505 | - | - | 109,505 | - |
| Current portion of long-term obligations | 617,003 | 1,073,236 | 415,000 | 2,105,239 | - |
| Total current liabilities | 1,097,505 | 1,272,233 | 465,553 | 2,835,291 | 115,661 |
| Noncurrent liabilities: | | | | | |
| Noncurrent compensated absences | 24,497 | 14,037 | 555 | 39,089 | - |
| Accrued closure/post-closure costs | - | - | 2,671,186 | 2,671,186 | - |
| Noncurrent portion of long-term obligations | 4,283,413 | 16,837,863 | 3,415,000 | 24,536,276 | - |
| Total noncurrent liabilities | 4,307,910 | 16,851,900 | 6,086,741 | 27,246,551 | - |
| Total liabilities | 5,405,415 | 18,124,133 | 6,552,294 | 30,081,842 | 115,661 |
| NET POSITION | | | | | |
| Net investment in capital assets | 7,892,994 | 9,192,124 | 3,758,963 | 20,844,081 | - |
| Restricted for debt service | 266,500 | - | - | 266,500 | - |
| Unrestricted | 10,215,609 | 5,530,472 | 4,889,085 | 20,635,166 | 1,642,789 |
| Total net position | \$18,375,103 | \$14,722,596 | \$ 8,648,048 | \$41,745,747 | \$ 1,642,789 |

See notes to financial statements.

CITY OF YORK, NEBRASKA

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN NET POSITION - PROPRIETARY FUNDS**

For the year ended September 30, 2024

| | Enterprise Funds | | | Total | Internal Service Fund |
|---|------------------|------------------|------------------|------------------|-----------------------------|
| | Water Fund | Sewer Fund | Landfill Fund | | |
| Operating revenues: | | | | | |
| Sales | \$ 2,084,615 | \$ 3,583,602 | \$ 2,183,948 | \$ 7,852,165 | \$ - |
| Services charges | 27,877 | 20,748 | - | 48,625 | - |
| Rent income | 199,241 | - | 200 | 199,441 | - |
| Health insurance premiums | - | - | - | - | 1,744,154 |
| Insurance proceeds | - | 9,303 | - | 9,303 | - |
| Other revenue | 27,447 | 48,546 | - | 75,993 | - |
| Total operating revenues | 2,339,180 | 3,662,199 | 2,184,148 | 8,185,527 | 1,744,154 |
| Operating expenses: | | | | | |
| Personnel | 561,036 | 603,981 | 499,547 | 1,664,564 | - |
| Insurance | 26,967 | 74,780 | 27,770 | 129,517 | - |
| Professional fees | 11,720 | 83,293 | 97,054 | 192,067 | - |
| Meetings, seminars, and dues | 3,071 | 1,589 | 245 | 4,905 | - |
| Repairs and maintenance | 806,865 | 209,132 | 143,431 | 1,159,428 | - |
| Contract services | 10,890 | 28,623 | 35,740 | 75,253 | - |
| Transportation | 7,382 | 13,369 | 59,937 | 80,688 | - |
| Utilities and telephone | 75,494 | 225,695 | 22,781 | 323,970 | - |
| Supplies | 16,956 | 57,426 | 10,301 | 84,683 | - |
| Closure/post-closure costs | - | - | (1,516,091) | (1,516,091) | - |
| Farm rental expenses | 144,596 | - | - | 144,596 | - |
| Other expenses | 135,619 | 71,087 | 15,003 | 221,709 | - |
| Depreciation | 710,574 | 1,476,541 | 482,065 | 2,669,180 | - |
| Insurance claims/health premiums | - | - | - | - | 1,588,876 |
| Total operating expenses | 2,511,170 | 2,845,516 | (122,217) | 5,234,469 | 1,588,876 |
| Operating income (loss) | (171,990) | 816,683 | 2,306,365 | 2,951,058 | 155,278 |
| Nonoperating revenues (expenses): | | | | | |
| Interest income | 514,143 | 241,764 | 353,874 | 1,109,781 | 80,129 |
| Grant income | 46,144 | - | - | 46,144 | - |
| Gain on sale of assets | 1 | - | - | 1 | - |
| Special assessments | - | (15,885) | - | (15,885) | - |
| Interest expense | (84,822) | (275,950) | (58,920) | (419,692) | - |
| Bond/DEE loan fees | (25,857) | (130,936) | (500) | (157,293) | - |
| Total nonoperating revenues (expenses) | 449,609 | (181,007) | 294,454 | 563,056 | 80,129 |
| Income before interfund transfers | 277,619 | 635,676 | 2,600,819 | 3,514,114 | 235,407 |
| Interfund transfers: | | | | | |
| Transfer (to) from other funds | 358,522 | (180,000) | - | 178,522 | - |
| Change in net position | 636,141 | 455,676 | 2,600,819 | 3,692,636 | 235,407 |
| Net position - September 30, 2023: | | | | | |
| As originally reported | 18,295,540 | 14,266,920 | 6,047,229 | 38,609,689 | 1,407,382 |
| Restatement | (556,578) | - | - | (556,578) | - |
| As restated | 17,738,962 | 14,266,920 | 6,047,229 | 38,053,111 | 1,407,382 |
| Net position - September 30, 2024 | \$ 18,375,103 | \$ 14,722,596 | \$ 8,648,048 | \$ 41,745,747 | \$ 1,642,789 |

See notes to financial statements.

CITY OF YORK, NEBRASKA

**STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS**

For the year ended September 30, 2024

| | <u>Water Fund</u> |
|--|-----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | |
| Receipts from customers | \$ 2,340,631 |
| Receipts from employees and other funds | - |
| Payments to suppliers | (1,001,106) |
| Payments to employees | (553,358) |
| Net cash provided by operating activities | 786,167 |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES: | |
| Transfers (to) from other funds | 358,522 |
| Decrease in due from other funds | 63,427 |
| Net cash provided (used) by noncapital financing activities | 421,949 |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES: | |
| Purchase of property and equipment | (160,805) |
| Proceeds from sale of assets | 1 |
| Grant funds received | 46,144 |
| Special assessment adjustment | - |
| Payment of loan administration fees | (25,857) |
| Principal payments on capital debt | (610,757) |
| Interest paid on capital debt | (87,235) |
| Net cash used by capital and related financing activities | (838,509) |
| CASH FLOWS FROM INVESTING ACTIVITIES: | |
| Increase in certificates of deposit | (441,158) |
| Decrease in restricted cash | 1,575 |
| Increase in restricted certificates of deposit | - |
| Interest received | 503,203 |
| Net cash provided (used) by investing activities | 63,620 |
| Increase in cash and cash equivalents | 433,227 |
| Cash and cash equivalents - beginning of the year | 2,720,910 |
| Cash and cash equivalents - end of the year | \$ 3,154,137 |

| Enterprise Funds | | | Internal Service Fund |
|---------------------|---------------------|---------------------|-----------------------|
| Sewer Fund | Landfill Fund | Total | Fund |
| \$ 3,709,952 | \$ 2,184,148 | \$ 8,234,731 | \$ - |
| - | - | - | 1,744,154 |
| (822,199) | (475,307) | (2,298,612) | (1,520,079) |
| (600,082) | (497,248) | (1,650,688) | - |
| <u>2,287,671</u> | <u>1,211,593</u> | <u>4,285,431</u> | <u>224,075</u> |
| (180,000) | - | 178,522 | - |
| - | - | 63,427 | - |
| <u>(180,000)</u> | <u>-</u> | <u>241,949</u> | <u>-</u> |
| (167,626) | (8,330) | (336,761) | - |
| - | - | 1 | - |
| - | - | 46,144 | - |
| (15,885) | - | (15,885) | - |
| (130,936) | (500) | (157,293) | - |
| (1,057,316) | (265,000) | (1,933,073) | - |
| (280,576) | (59,279) | (427,090) | - |
| <u>(1,652,339)</u> | <u>(333,109)</u> | <u>(2,823,957)</u> | <u>-</u> |
| (390,812) | (457,174) | (1,289,144) | (179,163) |
| - | - | 1,575 | - |
| - | (464,648) | (464,648) | - |
| 235,184 | 347,578 | 1,085,965 | 77,654 |
| <u>(155,628)</u> | <u>(574,244)</u> | <u>(666,252)</u> | <u>(101,509)</u> |
| 299,704 | 304,240 | 1,037,171 | 122,566 |
| <u>1,389,486</u> | <u>1,039,693</u> | <u>5,150,089</u> | <u>449,618</u> |
| <u>\$ 1,689,190</u> | <u>\$ 1,343,933</u> | <u>\$ 6,187,260</u> | <u>\$ 572,184</u> |

CITY OF YORK, NEBRASKA

**STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS, Continued**

For the year ended September 30, 2024

| | <u>Water Fund</u> |
|--|-----------------------|
| Reconciliation of operating income (loss) to net cash provided by operating activities: | |
| Operating income (loss) | \$ (171,990) |
| Adjustments to reconcile operating income to net cash provided by operating activities: | |
| Depreciation | 710,574 |
| Decrease in estimated accrued closure/post-closure costs | - |
| Change in assets and liabilities: | |
| Accounts receivable and unbilled revenue | (3,672) |
| Prepaid expenses | 536 |
| Inventories | 27,280 |
| Accounts payable | 210,638 |
| Claims incurred but not paid | - |
| Accrued expenses | 7,678 |
| Sales tax payable | 6,698 |
| Customer deposits | (1,575) |
| Net cash provided by operating activities | <u>\$ 786,167</u> |

See notes to financial statements.

| <u>Enterprise Funds</u> | | | <u>Internal Service Fund</u> |
|-------------------------|----------------------|---------------------|------------------------------|
| <u>Sewer Fund</u> | <u>Landfill Fund</u> | <u>Total</u> | |
| \$ 816,683 | \$ 2,306,365 | \$ 2,951,058 | \$ 155,278 |
| 1,476,541 | 482,065 | 2,669,180 | - |
| - | (1,516,091) | (1,516,091) | - |
| 45,790 | - | 42,118 | - |
| (16,212) | (3,634) | (19,310) | - |
| - | - | 27,280 | - |
| (40,993) | (59,411) | 110,234 | 40,684 |
| - | - | - | 28,113 |
| 3,899 | 2,299 | 13,876 | - |
| 1,963 | - | 8,661 | - |
| - | - | (1,575) | - |
| <u>\$ 2,287,671</u> | <u>\$ 1,211,593</u> | <u>\$ 4,285,431</u> | <u>\$ 224,075</u> |

CITY OF YORK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS

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CITY OF YORK, NEBRASKA
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of York, Nebraska (City) are prepared in accordance with the modified accrual basis of accounting for governmental funds and the accrual basis for the proprietary funds and the discretely presented component unit. The City’s reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements.

The accounting and reporting framework and the more significant accounting principles and practices are discussed in subsequent sections of this Note.

1. Financial Reporting Entity

The City of York, Nebraska, was incorporated in 1877. The City operates under a City Council form of government with an elected chief executive, Mayor, and an elected legislative body, Council, composed of eight members. The Mayor is elected at large for a four-year term, and the eight members of the City Council are elected on four-year terms. The administration of the City government is performed under the direction of the Mayor by the City Clerk. Services provided to residents include public safety; highways and streets; parks; recreation; electric, gas, water, and sanitary sewer systems; and general administrative services.

The City’s financial reporting entity comprises the following:

| | |
|--------------------------------------|----------------------------|
| Primary Government: | City of York |
| Discretely Presented Component Unit: | Kilgore Library Foundation |

In determining the financial reporting entity, the City complies with the provisions of GASB Statement No. 61, and has addressed all potential component units (traditionally separate reporting entities) for which the City may be financially accountable, and, as such, should be included within the City’s financial statements. The City (the primary government) is financially accountable if it appoints a voting majority of the organization’s governing board and (1) it is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the City. Additionally, the primary government is required to consider other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading.

CITY OF YORK, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2024

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

1. Financial Reporting Entity, continued

Blended Component Units

Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same or substantially the same as the City Council or the component unit provides services entirely to the City. These component units' funds are blended into those of the City by appropriate activity type to compose the primary government presentation. Currently, the City has no blended component units.

Discretely Presented Component Units

Discretely presented component units are separate legal entities that meet the component unit criteria described above but do not meet the criteria for blending. The following is the discretely presented component unit:

Brief Description of Activities
and Relationship to the City

| | |
|----------------------------|--|
| Kilgore Library Foundation | Created to provide for book purchases for the library. |
|----------------------------|--|

York Area Solid Waste Agency (YASWA) is another discretely presented component unit that has no financial activity. The debt issued by YASWA is serviced by the City's Landfill Fund (Solid Waste Disposal Facilities Fund), as the Landfill Fund operates the YASWA landfill.

2. Basis of Presentation

Government-wide Financial Statements

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

CITY OF YORK, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2024

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

2. Basis of Presentation, continued

Fund Financial Statements

Fund financial statements of the reporting entity are organized into 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, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into two major categories: governmental and proprietary. 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 or meets the following criteria:

- a. Total assets, liabilities, 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, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least five percent of the corresponding total for all governmental and enterprise funds combined.

The funds of the financial reporting entity are described below:

Governmental Funds

General Fund

The General Fund is the primary operating fund of the City and is always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for certain purposes.

Debt Service Fund

The Debt Service Fund accounts for the accumulation of financial resources for the payment of principal and interest on the general long-term debt of the City other than debt-service payments made by Enterprise Funds. Ad valorem taxes are used for the payment of principal and interest on the City's general obligation bonds.

CITY OF YORK, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2024

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

2. Basis of Presentation, continued

Governmental Funds, continued

Capital Projects Fund

The Capital Projects Fund is used to account for resources restricted for the acquisition or construction of specific capital projects.

Proprietary Funds

Enterprise Funds

Enterprise funds are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector.

Internal Service Fund

The Internal Service Fund accounts for activities that provide goods and services to other funds, departments or agencies of the primary government on a cost-reimbursement basis.

Major and Nonmajor Funds

The funds are further classified as major or nonmajor as follows:

| <u>Fund</u> | <u>Brief Description</u> |
|-----------------------|---|
| <i>Major:</i> | |
| Governmental: | |
| General Fund | See page 28 for description. |
| Street Fund | This Special Revenue Fund accounts for the City's share of highway allocation from the State of Nebraska. |
| CDBG Fund | This Special Revenue Fund accounts for the City's share of the Community Development Block Grant Program. |
| Debt Service Fund | See page 28 for description. |
| LB357 Fund | This Special Revenue Fund accounts for the additional ½ cent sales tax restricted for capital projects. |
| Capital Projects Fund | See above for description. |

CITY OF YORK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2024

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

2. Basis of Presentation, continued

Major and Nonmajor Funds, continued

| <u>Fund</u> | <u>Brief Description</u> |
|----------------------------|---|
| <i>Major, continued:</i> | |
| Proprietary: | |
| Enterprise: | |
| Water, Sewer, and Landfill | See page 29 for description. |
| <i>Nonmajor:</i> | |
| Governmental: | |
| Aviation Fund | This Special Revenue Fund accounts for airport operations. |
| Keno Fund | This Special Revenue Fund accounts for keno proceeds held for community betterment. |
| Sinking Fund | This Special Revenue Fund accounts for land purchases and development. |
| Fire Station Sinking Fund | This Special Revenue Fund accounts for revenues and expenses related to the new fire station. |
| E911 Fund | This Special Revenue Fund accounts for revenues and expenses related to the 911 surcharge. |
| TIF Fund | This Special Revenue Fund accounts for Tax Increment Financing projects. |
| Creative District Fund | This Special Revenue Fund accounts for Creative District project. |

3. Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

CITY OF YORK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2024

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

3. Measurement Focus and Basis of Accounting, continued

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined in item b, below.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate:

- a. All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The proprietary fund utilizes an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, governmental activities are presented using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used, except for property tax. Property tax revenue is recorded when the tax is received by the County Treasurer. Right of use assets and related lease liabilities, as defined by GASB 87 and 96, are not reflected in the accompanying modified accrual basis financial statements.

Business-type activities and the discretely presented component unit are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

CITY OF YORK, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2024

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

3. Measurement Focus and Basis of Accounting, continued

Basis of Accounting, continued

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting using a flow of current financial resources measurement focus. Proceeds from issuance of long-term debt are recognized as revenue when received and payment of long-term debt principal is reported as an expenditure when paid. Capital asset purchases are recorded as expenditures and depreciation is not recognized.

All proprietary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or the economic asset is used.

4. Assets, Liabilities, and Equity

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America and the modified accrual basis of accounting requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Certificates of Deposit

For the purpose of the Statement of Net Position, “cash and cash equivalents” include all demand accounts and savings accounts. For the purpose of the proprietary fund Statement of Cash Flows, “cash and cash equivalents” include all cash on hand, demand accounts, savings accounts, and equity in pooled cash which has an original maturity of three months or less. The County Treasurer’s cash represents revenues collected not yet remitted to the City.

Certificates of deposit are carried at cost, which approximates fair market value. Additional cash and certificate of deposit disclosures are presented in Notes B2, C1, and D2.

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.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Business-type activities report utility billings as their major receivables.

CITY OF YORK, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2024

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

4. Assets, Liabilities, and Equity, continued

Receivables, continued

In the fund financial statements, governmental and proprietary fund receivables consist of all revenues earned at year end and not yet received. Utility accounts receivable compose the majority of proprietary fund receivables. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable.

Due from Other Governments

The total due from other governments in the governmental funds consists of the following:

| <u>Fund</u> | <u>Amount</u> | <u>Type of Revenue</u> |
|-------------|--------------------|------------------------|
| General | \$ 785,607 | Sales Tax |
| General | 10,123 | York County Grant |
| Street | 61,764 | Sales Tax |
| Sinking | 32,707 | NPPD Grant |
| LB357 | 282,457 | Sales Tax |
| Aviation | 59,238 | Federal Grant |
| | <u>\$1,231,896</u> | |

Inventory

Inventories of parts and supplies are valued at cost using the first-in/first-out (FIFO) method. Unharvested grain inventory is valued at the cost of inputs.

Restricted Assets

Restricted assets include cash and investments that are legally restricted as to their use. The primary restricted assets are related to cash and certificates of deposit that are restricted for debt service, federal programs, economic development, capital outlay, community betterment and other purposes.

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.

Government-wide Statements

In the government-wide financial statements, property and equipment are accounted for as capital assets. The City has a \$5,000 capitalization threshold. All capital assets are valued at historical cost or estimated historical cost if actual is unavailable, except for donated capital assets which are recorded at their estimated fair value at the date of donation. The City has elected the depreciation approach for reporting infrastructure.

CITY OF YORK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2024

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

4. Assets, Liabilities, and Equity, continued

Capital Assets, continued

Government-wide Statements, continued

Depreciation of governmental capital assets is recorded as an unallocated expense in the Statement of Activities. Depreciation for all proprietary capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The ranges of estimated useful lives by type of asset are as follows:

| | |
|----------------------------|-------------|
| Infrastructure | 15-30 years |
| Distribution Systems | 10-50 years |
| Buildings and Improvements | 10-50 years |
| Equipment | 5-10 years |
| Vehicles | 5-10 years |

Prior to July 1, 1980, governmental funds' infrastructure assets were not capitalized. These assets (back to July 1, 1980) have been valued at estimated historical cost. The cost of normal maintenance, preservation, and repairs that do not add to the value of the assets or materially extend the assets' lives are not capitalized.

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 the same as in the government-wide statements.

Compensated Absences

The City's policies regarding vacation and sick time permit employees to accumulate earned but unused leave. A portion of the liability for these compensated absences is recorded as long-term debt in the government-wide statements. The current portion of this obligation is estimated based on historical trends. In the fund financial statements, governmental funds report only the current compensated absence liability payable from expendable available financial resources, while the proprietary funds report the total liability.

CITY OF YORK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2024

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

4. Assets, Liabilities, and Equity, continued

Long-term Debt

The accounting treatment of long-term debt 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 debt to be repaid from governmental and business-type resources is reported as liabilities in the government-wide statements. The long-term debt consists primarily of notes payable and bonds payable.

Fund Financial Statements

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

Equity Classifications

Government-wide Statements

Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets – Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net position 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.
- c. Unrestricted net position – All other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

CITY OF YORK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2024

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

4. Assets, Liabilities, and Equity, continued

Equity Classifications, continued

Fund Financial Statements

Governmental fund equity is classified as fund balance. Proprietary fund equity is classified the same as in the government-wide statements.

Effective October 1, 2010, the City adopted GASB Statement No. 54, which redefined how fund balances of the governmental funds are presented in the financial statements. Fund balances are classified as follows:

Nonspendable—Amounts that cannot be spent either because they are not in a spendable form or because they are legally or contractually required to be maintained intact.

Restricted—Amounts that can be spent only for specific purposes because of the City Charter, City Code, state or federal laws or externally imposed conditions by grantors or creditors.

Committed—Amounts that can be used only for specific purposes determined by a formal action by City Council ordinance or resolution.

Assigned—Amounts that are designated by the Mayor for a specific purpose but are not spendable until a budget ordinance is passed by the City Council.

Unassigned—All amounts not included in other spendable classifications.

The details of the fund balances are included in the Governmental Funds Balance Sheet (page 17). Restricted funds are used first as appropriate. Assigned Funds are reduced to the extent that expenditure authority has been budgeted by the City Council or the Assignment has been changed by the Mayor. Decreases to fund balance first reduce Unassigned Fund balance; in the event that Unassigned Fund Balance becomes zero, then Assigned and Committed Fund Balances are used in that order.

Equity Restatement

Government-wide business-type net position and Water Fund net position were decreased \$556,578 to remove capitalized water lines, net of depreciation, as the lead replacement project involved water lines that are not part of the city-owned water distribution system.

CITY OF YORK, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2024

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

5. Revenues, Expenditures, and Expenses

Sales and Use Tax

The City presently levies a two cent sales tax on taxable sales within the City. The sales tax is collected by the Nebraska Department of Revenue and remitted to the City in the month following receipt. The Nebraska Department of Revenue receives the sales tax approximately one month after collection by vendors. Sales tax collected on the sale of motor vehicles is recorded in the Street Fund as required by LB904. The non-motor-vehicle sales tax is allocated as follows: 1.5 cents to General property tax relief and 0.5 cents to LB357 to capital projects.

Property Taxes

The City has the power to levy taxes each year sufficient to pay any judgment existing against the City, the interest on bonded debt, and the principal on bonded debt maturing during the fiscal year or within six months thereafter, as well as taxes authorized by state law.

The tax levies for all political subdivisions in York County are certified by the County Board on or before October 20. Real estate taxes are due on December 31, attach as an enforceable lien, and become delinquent in two equal installments on May 1 and September 1. Personal property taxes are due in the same manner as real estate taxes. Delinquent taxes bear 14 percent interest.

Property taxes levied for 2023-2024 are recorded as revenue when received by the County.

Operating Revenues and Expenses

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and/or services. They also include all revenue and expenses not related to capital and related financing, noncapital financing, or investing activities.

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 as follows:

Governmental Funds – by Character and Function

Proprietary Fund – by Operating and Nonoperating

In the fund financial statements, governmental funds report expenditures of financial resources. Proprietary funds report expenses relating to the use of economic resources.

CITY OF YORK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2024

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

5. Revenues, Expenditures, and Expenses, continued

Interfund Transfers

Permanent reallocation of resources between funds of the reporting entity are classified as transfers. For the purposes of the Statement of Activities, all interfund transfers between individual governmental funds have been eliminated.

NOTE B – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

By its nature as a local government unit, the City and its component unit 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, Debt Service, and Permanent Funds.

2. Deposit Laws and Regulations

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

State law requires collateralization of all deposits with federal depository insurance or with U.S. Treasury and U.S. agency securities having an aggregate value at least equal to the amount of the deposits. The City's demand deposits are insured up to \$250,000 and certificates of deposit/savings accounts are insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). Any cash deposits or certificates of deposit in excess of the FDIC limits are insured by collateral held by the pledging institution in the City's name.

CITY OF YORK, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2024

NOTE B – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY, continued

3. Revenue Restrictions

The City has various restrictions placed over certain revenue sources from state or local requirements. The primary restricted revenue sources are described in Note A2 for the various funds.

4. Debt Restrictions and Covenants

Bonds Payable

The various bond ordinances relating to the bonds payable contain some restrictions or covenants that are finance-related. These include covenants such as debt-service coverage requirements and required reserve account balances. The City is in compliance with the bond restrictions and covenants.

5. Budgetary Data

The City is required by state laws to adopt annual budgets for all fund types. Each budget is presented on the cash basis of accounting, which is consistent with the requirements of the state budget act.

The Nebraska Budget Act provides the prescribed budget practices and procedures that governing bodies are required to follow. The amounts that may be budgeted for certain specific funds are subject to various expenditure and/or tax levy limitations.

The City follows these procedures in establishing the budgetary data reflected in the accompanying financial statements.

- a. On or before August 1, the City prepares a budget for the fiscal year commencing October 1. The budget includes proposed expenditures and resources available.
- b. The budget is published with subsequent public hearings to obtain taxpayer comments.
- c. Prior to September 30, the City Council adopts the budget, which is then filed with the appropriate state and county officials.
- d. Total expenditures may not legally exceed total appropriations. Appropriations lapse at year end and any revisions require board approval.

CITY OF YORK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2024

NOTE B – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY, continued

5. Budgetary Data, continued

- e. The County Clerk certifies a preliminary property tax levy for each fund of the City which levied property taxes in the county the previous year based on the combined valuation and amount required for the City the prior year. The preliminary levy becomes the final levy unless the governing board passes, by a majority vote, a resolution setting the levy at a different amount.
- f. The property tax requirements resulting from the budget process are utilized by the County Assessor to establish the tax levy. Taxes are levied annually on or before October 20. Real property taxes and personal property taxes are due December 31 with the first half delinquent May 1 and the second half delinquent September 1.
- g. Appropriations lapse at the end of the fiscal year, except for capital improvement appropriations and certain encumbrances against operating budgets.
- h. The City of York adopts a budget by resolution for all funds.

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS

The following notes present detail information to support the amounts reported in the financial statements for the City’s various assets, liabilities, equity, revenues, and expenditures/expenses.

1. Cash and Certificates of Deposit

Deposits

The City’s policies regarding deposits of cash are discussed in Note A4. The table presented below is designed to disclose how its deposits were insured or secured with collateral at September 30, 2024. The categories of collateral are defined as follows:

CITY OF YORK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2024

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

1. Cash and Certificates of Deposit, continued

Deposits, continued

Category 1 – Insured by FDIC or collateralized with securities held by the City (or public trust) or by its agent in its name.

Category 2 – Uninsured but collateralized with securities held by the pledging financial institution’s trust department or agent in the City’s name.

Category 3 – Uninsured and uncollateralized; or collateralized with securities held by the pledging financial institution, or by its trust department or agent, but not in the City’s name; or collateralized with no written or approved collateral agreement.

| <u>Types of Deposits</u> | <u>Total Bank Balance</u> | <u>Category 1</u> | <u>Category 2</u> | <u>Category 3</u> | <u>Total Carrying Value</u> |
|--|-------------------------------|-----------------------|-----------------------|-----------------------|-------------------------------------|
| Demand deposits and certificates of deposit | \$ 44,559,885 | \$ 1,783,746 | \$ 42,776,139 | \$ - | \$ <u>44,537,834</u> |

Reconciliation to Government-wide Statement of Net Position:

Primary Government –

| | |
|--|-------------------|
| Unrestricted cash and cash equivalents | \$ 8,569,424 |
| Unrestricted certificates of deposit | 17,638,411 |
| Restricted cash and cash equivalents | 4,584,068 |
| Restricted certificates of deposit | <u>12,471,113</u> |
| Total primary government | 43,263,016 |

Component Unit –

| | |
|--|------------------|
| Unrestricted cash and cash equivalents | 128,670 |
| Unrestricted certificates of deposit | <u>1,146,148</u> |
| Total component unit | <u>1,274,818</u> |

| | |
|-------|----------------------|
| Total | \$ <u>44,537,834</u> |
|-------|----------------------|

CITY OF YORK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2024

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

2. Restricted Assets

The restricted assets as of September 30, 2024, are as follows:

| | <u>Governmental Activities</u> | <u>Business- type Activities</u> | <u>Total</u> | <u>Component Unit</u> |
|----------------------------|------------------------------------|--|----------------------|---------------------------|
| Type of Restricted Assets: | | | | |
| Cash and cash equivalents | \$ 4,474,563 | \$ 109,505 | \$ 4,584,068 | \$ - |
| Certificates of deposit | <u>8,736,261</u> | <u>3,734,852</u> | <u>12,471,113</u> | <u>-</u> |
| | <u>\$ 13,210,824</u> | <u>\$ 3,844,357</u> | <u>\$ 17,055,181</u> | <u>\$ -</u> |

The governmental restricted assets consist of the following: \$70,790 in the General Fund for Federal programs, \$4,274,273 in the General Fund for capital projects, \$64,990 in the General Fund for public safety, \$59,332 in the General Fund for recreation, \$4,676,237 in the Street Fund for street operations and improvements, \$381,560 in the CDBG Fund for federal programs, \$721,837 in the Debt Service Fund for debt service, \$2,491,528 in the LB 357 Fund for capital projects, \$1,758 in the Keno Fund for community betterment, \$1,451 in the Creative District Fund for projects, \$16,829 in the E911 Fund for public safety, and \$450,239 in the TIF Fund for economic development.

Restricted assets for business-type funds consist of \$109,505 restricted cash for customer deposits in the Water Fund, \$266,500 of Water Fund certificates of deposit restricted for debt service, and \$3,468,352 of Landfill Fund certificates of deposit restricted for closure and post-closure costs.

CITY OF YORK, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2024

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

3. Accounts and Other Receivables

Governmental receivables detail at September 30, 2024, is as follows:

| | <u>Governmental Activities</u> |
|--|------------------------------------|
| Accounts receivable - ambulance | \$ 373,798 |
| Hotel occupation tax receivable | 96,577 |
| Other governmental accounts receivable | <u>121,952</u> |
| Total governmental accounts receivable | <u>\$ 592,327</u> |

Accounts receivable of the business-type activities consist of utilities receivables.

4. Notes Receivable

Notes receivable at September 30, 2024, consist of the following:

Economic Development notes:

| | |
|---|------------------|
| Note for \$62,400 to Cindy Weber dated December 2016; due in annual installments of \$6,848 through December 2026; bearing interest of 1.875 percent. | <u>\$ 19,962</u> |
| Current portion | \$ 6,530 |
| Noncurrent portion | <u>13,432</u> |
| Total | <u>\$ 19,962</u> |

CITY OF YORK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2024

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

5. Capital Assets

Capital asset activity for the year ended September 30, 2024, was as follows:

| | Balance at October 1, <u>2023</u> | <u>Additions</u> | <u>Disposals</u> | <u>Reclass</u> | Balance at September 30, <u>2024</u> |
|---|---|------------------|------------------|----------------|--|
| <u>Governmental Activities:</u> | | | | | |
| Capital assets not being depreciated: | | | | | |
| Land | \$ 1,915,879 | \$ 2,170,452 | \$ - | \$ 265,000 | \$ 4,351,331 |
| Construction in progress | 5,961,657 | 1,922,684 | - | (5,035,443) | 2,848,898 |
| Total capital assets not being depreciated | 7,877,536 | 4,093,136 | - | (4,770,443) | 7,200,229 |
| Other capital assets being depreciated: | | | | | |
| Infrastructure | 14,446,802 | 2,053,775 | - | 4,770,443 | 21,271,020 |
| Buildings and improvements | 33,662,199 | 3,681,996 | (106,999) | - | 37,237,196 |
| Equipment | 5,338,029 | 1,003,816 | (124,375) | - | 6,217,470 |
| Vehicles | 4,402,457 | 46,999 | (731,856) | - | 3,717,600 |
| Total other capital assets at historical cost | 57,849,487 | 6,786,586 | (963,230) | 4,770,443 | 68,443,286 |
| Less accumulated depreciation for: | | | | | |
| Infrastructure | (8,625,130) | (942,845) | - | - | (9,567,975) |
| Buildings and improvements | (12,095,664) | (1,318,398) | 69,769 | - | (13,344,293) |
| Equipment | (3,212,643) | (430,659) | 104,041 | - | (3,539,261) |
| Vehicles | (3,354,907) | (332,239) | 731,856 | - | (2,955,290) |
| Total accumulated depreciation | (27,288,344) | (3,024,141) * | 905,666 | - | (29,406,819) |
| Other capital assets, net | 30,561,143 | 3,762,445 | (57,564) | 4,770,443 | 39,036,467 |
| Governmental activities capital assets, net | \$ 38,438,679 | \$ 7,855,581 | \$ (57,564) | \$ - | \$ 46,236,696 |

*Depreciation expense was incurred by the following governmental activities:

CITY OF YORK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2024

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

5. Capital Assets, continued

Governmental Activities, continued:

General Fund:

General government:

Administration \$ 19,096

Public safety:

Police 116,361

Fire/EMS 265,640

Total public safety 382,001

Environment and leisure:

Auditorium 191,334

Ball Field Complex 509,744

Community Center 31,516

Convention Center 343,943

Library 62,408

Museum 1,161

Park 99,427

Pool 147,504

Senior Center 11,337

Total environment and leisure 1,398,374

Total General Fund 1,799,471

Special Revenue Funds:

Airport 174,413

Street 1,050,257

Total Governmental Activities
depreciation expense \$ 3,024,141

Construction in progress at September 30, 2024, consists of \$228,549 of costs on the airport layout plan project, \$1,654,858 of costs on the pedestrian safety access project, and \$965,491 of costs on the fire/EMS station project. See Note D3 for details of commitments in place on these projects as of September 30, 2024.

CITY OF YORK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2024

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

5. Capital Assets, continued

| | Balance at October 1, <u>2023</u> | <u>Additions</u> | <u>Disposals</u> | <u>Reclass</u> | Balance at September 30, <u>2024</u> |
|---|---|------------------|------------------|----------------|--|
| <u>Business-type Activities:</u> | | | | | |
| Capital assets not being depreciated: | | | | | |
| Land | \$ 632,667 | \$ - | \$ - | \$ - | \$ 632,667 |
| Construction in progress | 21,110 | - | - | (21,110) | - |
| Total capital assets not being depreciated | 653,777 | - | - | (21,110) | 632,667 |
| Other capital assets being depreciated: | | | | | |
| Distribution systems | 56,900,158 | 49,659 | - | 21,110 | 56,970,927 |
| Buildings and improvements | 8,866,070 | 63,875 | - | - | 8,929,945 |
| Equipment | 9,888,372 | 223,227 | - | - | 10,111,599 |
| Vehicles | 674,250 | - | - | - | 674,250 |
| Total other capital assets at historical cost | 76,328,850 | 336,761 | - | 21,110 | 76,686,721 |
| Less accumulated depreciation for: | | | | | |
| Distribution systems | (17,233,881) | (1,909,045) | - | - | (19,142,926) |
| Buildings and improvements | (2,611,203) | (214,888) | - | - | (2,826,091) |
| Equipment | (6,876,692) | (494,705) | - | - | (7,371,397) |
| Vehicles | (442,836) | (50,542) | - | - | (493,378) |
| Total accumulated depreciation | (27,164,612) | (2,669,180) * | - | - | (29,833,792) |
| Other capital assets, net | 49,164,238 | (2,332,419) | - | 21,110 | 46,852,929 |
| Business-type capital assets, net | \$ 49,818,015 | \$ (2,332,419) | \$ - | \$ - | \$ 47,485,596 |

*Depreciation expense was charged to functions as follows:

| | |
|---|---------------------|
| Water | \$ 710,574 |
| Sewer | 1,476,541 |
| Landfill | <u>482,065</u> |
| Total Business-type Activities depreciation expense | \$ <u>2,669,180</u> |

CITY OF YORK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2024

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

5. Capital Assets, continued

| | Balance at October 1, <u>2023</u> | <u>Additions</u> | <u>Disposals</u> | Balance at September 30, <u>2024</u> |
|---|---|------------------|------------------|--|
| <u>Kilgore Library Foundation:</u> | | | | |
| Land | \$ 131,247 | \$ - | \$ - | \$ 131,247 |

6. Long-term Debt

The reporting entity's long-term debt is segregated between the amounts to be repaid from governmental activities and amounts to be repaid from business-type activities.

Changes in Long-term Debt

| <u>Type of Debt</u> | Balance October 1, <u>2023</u> | <u>Additions</u> | <u>Deductions</u> | Balance September 30, <u>2024</u> | Amounts Due Within <u>One Year</u> |
|----------------------------------|--------------------------------------|---------------------|-----------------------|---|--|
| Governmental Activities: | | | | | |
| Bonds payable | \$ 19,215,000 | \$ 8,185,000 | \$ (1,780,000) | \$ 25,620,000 | \$ 1,985,000 |
| Notes payable | 191,665 | - | (78,528) | 113,137 | 80,703 |
| Total | <u>\$ 19,406,665</u> | <u>\$ 8,185,000</u> | <u>\$ (1,858,528)</u> | <u>\$ 25,733,137</u> | <u>\$ 2,065,703</u> |
| Business-type Activities: | | | | | |
| Bonds payable | \$ 6,105,000 | \$ - | \$ (565,000) | \$ 5,540,000 | \$ 715,000 |
| Notes payable | 22,469,588 | - | (1,368,073) | 21,101,515 | 1,390,239 |
| Total | <u>\$ 28,574,588</u> | <u>\$ -</u> | <u>\$ (1,933,073)</u> | <u>\$ 26,641,515</u> | <u>\$ 2,105,239</u> |

The following is a summary of changes in long-term debt for the year ended September 30, 2024:

Governmental Activities

As of September 30, 2024, the governmental long-term liabilities consisted of the following:

Bonds payable:

Series 2021 Limited Sales Tax Supported Infrastructure Refunding Bonds for \$7,700,000 dated February 23, 2021 issued to refinance the Series 2015A and Series 2016 Limited Sales Tax Supported Infrastructure Bonds. The bonds bear interest ranging from 0.35 to 1.80 percent with final maturity October 1, 2035. Payments are made by the LB 357 Fund.

\$ 6,470,000

CITY OF YORK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2024

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

6. Long-term Debt, continued

Governmental Activities, continued

Bonds payable, continued:

Series 2023 Limited Sales Tax Supported Infrastructure Bonds for \$8,185,000 dated November 16, 2023 issued to finance five City projects. The bonds bear interest ranging from 4.05 to 5.00 percent with final maturity April 1, 2044. Payments are made by the LB 357 Fund. 8,185,000

Series 2015B Limited Sales Tax Supported Infrastructure Bonds for \$5,380,000 dated August 3, 2021 issued for financing the auditorium and Community Center remodeling projects. The bonds bear interest ranging from 0.35 to 3.00 percent with final maturity October 1, 2040. Payments are made by the LB 357 Fund. 4,870,000

Series 2021 General Obligation Highway Allocation Refunding Bonds for \$1,710,000 dated November 21, 2012 issued for refinancing the Series 2012 General Obligation Highway Allocation Bonds. The bonds bear interest ranging from 0.30 to 0.85 percent with final maturity December 15, 2027. Payments are made by the Debt Service Fund. 890,000

CITY OF YORK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2024

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

6. Long-term Debt, continued

Governmental Activities, continued

Bonds payable, continued:

Series 2021 Public Safety Equipment Tax Anticipation Refunding Bonds for \$945,000 dated April 26, 2021 issued for refinancing the Series 2014 Public Safety Equipment Tax Anticipation Bonds. The bonds bear interest ranging from 0.25 to 1.15 percent with final maturity December 1, 2029. Payments are made by the Debt Service Fund. 665,000

Series 2021B General Obligation Highway Allocation Refunding Bonds for \$5,150,000 dated October 4, 2021 issued to finance street projects. The bonds bear interest ranging from 0.30 to 1.30 percent with final maturity December 15, 2031. Payments are made by the Debt Service Fund. 4,425,000

Series 2021C General Obligation Highway Allocation Refunding Bonds for \$375,000 dated October 4, 2021 issued to finance the bridge project. The bonds bear interest ranging from 0.50 to 0.75 percent with final maturity December 15, 2024. Payments are made by the Debt Service Fund. 50,000

Series 2010 General Obligation Refunding Bonds for \$4,250,000 dated October 15, 2010 issued for refunding 1999, 2003 and 2005 bonds. The bonds bear interest ranging from 0.70 to 3.40 percent with final maturity April 15, 2025. Payments are made by the Debt Service Fund. 65,000

CITY OF YORK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2024

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

6. Long-term Debt, continued

Governmental Activities, continued

Notes payable:

Note payable of \$120,876 issued through Motorola Solutions Credit Company LLC to finance the purchase of police radios, bearing interest of 2.89 percent and due in four annual principal and interest installments of \$33,371 commencing June 1, 2023 through June 1, 2026. 63,956

Note payable of \$189,125 issued through Cat Financial to finance the purchase of a motor grader, bearing interest of 2.69 percent and due in four annual principal and interest installments of \$50,503 commencing June 4, 2022 through June 4, 2025. 49,181

Total governmental activities long-term debt \$ 25,733,137

Current portion \$ 2,065,703

Noncurrent portion 23,667,434

Total governmental long-term debt \$ 25,733,137

Business-type Activities

As of September 30, 2024, the long-term debt payable from proprietary fund resources consisted of the following:

Notes payable:

Water note payable to the Nebraska Department of Environment and Energy (NDEE), dated December 2009, with original issue amount of \$2,334,605, bearing interest of 2.0 percent. Semi-annual principal and interest payments of \$71,213 plus an administration fee of one percent are due commencing June 15, 2011 through December 15, 2030. \$ 864,075

CITY OF YORK, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2024

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

6. Long-term Debt, continued

Business-type Activities, continued

Notes payable:

Water note payable to the NDEE, dated December 2009, with maximum available amount of \$3,655,000, bearing interest of 2.0 percent. Semi-annual principal and interest payments of \$118,404 plus an administration fee of one percent are due commencing December 15, 2020 through June 15, 2035. 2,326,341

Sewer note payable to the NDEE, dated December 2009, with original issue amount of \$23,043,162, bearing interest of 1.5 percent. Semi-annual principal and interest payments of \$668,947 plus an administration fee of 0.70 percent are due commencing June 15, 2020 through June 15, 2039. 17,911,099

Bonds payable:

Series 2022 York Area Solid Waste Agency Revenue Bonds for \$4,360,000 dated January 24, 2022, issued to finance landfill phase 6 and a scraper. The bonds bear interest ranging from 0.50 to 2.15 percent with final maturity January 15, 2037. 3,830,000

Series 2021 Water System Revenue Refunding Bonds for \$2,665,000 dated April 12, 2021, issued for refunding Series 2014 Water System Revenue Refunding Bonds. The bonds bear interest ranging from 0.30 to 1.25 percent with final maturity June 1, 2029. 1,710,000

Total business-type activity debt \$ 26,641,515

Current portion \$ 2,105,239

Noncurrent portion 24,536,276

Total \$ 26,641,515

CITY OF YORK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2024

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

6. Long-term Debt, continued

Annual debt service requirements to maturity, including principal and interest, for long-term debt as of September 30, 2024, are as follows:

| <u>September 30,</u> | Governmental Activities | | | | |
|----------------------|-------------------------|---------------------|-----------------------|-----------------|--|
| | Other Debt Issues | | Direct Placement Debt | | |
| | <u>Principal</u> | <u>Interest</u> | <u>Principal</u> | <u>Interest</u> | |
| 2025 | \$ 1,985,000 | \$ 585,418 | \$ 80,703 | \$ 3,171 | |
| 2026 | 1,930,000 | 561,083 | 32,434 | 937 | |
| 2027 | 1,970,000 | 536,615 | - | - | |
| 2028 | 1,990,000 | 509,025 | - | - | |
| 2029 | 1,790,000 | 479,206 | - | - | |
| 2030-2034 | 7,665,000 | 1,933,865 | - | - | |
| 2035-2039 | 4,870,000 | 1,176,825 | - | - | |
| 2040-2044 | 3,420,000 | 423,181 | - | - | |
| | <u>\$ 25,620,000</u> | <u>\$ 6,205,218</u> | <u>\$ 113,137</u> | <u>\$ 4,108</u> | |

| <u>September 30,</u> | Business-type Activities | | | | |
|----------------------|--------------------------|-------------------|-----------------------|---------------------|---------------------|
| | Other Debt Issues | | Direct Placement Debt | | |
| | <u>Principal</u> | <u>Interest</u> | <u>Principal</u> | <u>Interest</u> | <u>Fees</u> |
| 2025 | \$ 715,000 | \$ 73,715 | \$ 1,390,239 | \$ 326,888 | \$ 146,419 |
| 2026 | 730,000 | 67,830 | 1,412,770 | 304,357 | 136,384 |
| 2027 | 735,000 | 61,034 | 1,435,672 | 281,455 | 126,185 |
| 2028 | 550,000 | 54,297 | 1,458,951 | 258,176 | 115,820 |
| 2029 | 725,000 | 47,588 | 1,482,615 | 234,512 | 105,286 |
| 2030-2034 | 1,265,000 | 146,056 | 7,268,229 | 818,918 | 369,905 |
| 2035-2039 | 820,000 | 26,429 | 6,653,039 | 271,327 | 126,111 |
| | <u>\$ 5,540,000</u> | <u>\$ 476,949</u> | <u>\$ 21,101,515</u> | <u>\$ 2,495,633</u> | <u>\$ 1,126,110</u> |

CITY OF YORK, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2024

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

7. Landfill Closure and Post-closure Care Costs

State and federal laws and regulations require the City of York to place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. In addition to operating expenses related to current activities at the landfill, an expense provision and related liability are being recognized based on the future closure and post-closure care costs that will be incurred near or after the date the landfill no longer accepts waste. The recognition of these landfill closure and postclosure care costs is based on the amount the landfill used during the year. The estimated liability for landfill closure is \$1,566,431, with post-closure care costs of \$720,333, for a total of \$2,286,764 as of September 30, 2024, which is based on 87.0 percent usage of Phases 1-5 of the landfill, with a remaining Phases 6-8 placed into service April 2023 and expected to be closed in 2041. The estimated liability for construction and demolition landfill closure is \$311,495, with post-closure care costs of \$27,825 for a total of \$339,320 as of September 30, 2024. The estimated liability for the old landfill post-closure care costs is \$45,102 as of September 30, 2024.

It is estimated that an additional \$747,016 and \$153,490, respectively, will be recognized as closure and post-closure care expenses between the date of the balance sheet and the date the landfill is expected to be filled to capacity. The estimated total current cost of the landfill closure and post-closure care of \$3,571,692 is based on the amount that would be paid if all equipment facilities and services required to close, monitor, and maintain the landfill were acquired as of September 30, 2024. At September 30, 2023, the total cost was estimated to be \$5,636,893. The significant reduction in the estimated total cost resulted in the current year negative closure/post-closure cost expense of (\$1,516,091). The actual cost of closure and post-closure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

At September 30, 2024, restricted funds of \$3,468,352 are set aside to finance closure and post-closure care of the City's landfill. It is anticipated that future inflation costs will be financed in part from earnings on funds reserved by the City. The remaining portion of anticipated future inflation costs (including inadequate earnings on investments, if any) and additional costs that might arise from changes in post-closure requirements (due to changes in technology or more rigorous environmental regulations, for example) may need to be covered by charges to future landfill users, taxpayers, or both.

CITY OF YORK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2024

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

8. Interfund Transactions and Balances

Transfers consisted of the following:

| | <u>Transfers In</u> | <u>Transfers Out</u> |
|--------------------------------------|---------------------|----------------------|
| General Fund: | | |
| To Street | \$ - | \$ 1,307,373 |
| To Debt Service | - | 837,240 |
| To Water | - | 358,522 |
| From Fire Station Sinking (nonmajor) | 430,850 | - |
| Total General Fund | 430,850 | 2,503,135 |
| Street Fund: | | |
| From General | 1,307,373 | - |
| To Capital Projects | - | 154,292 |
| Total Street Fund | 1,307,373 | 154,292 |
| Debt Service Fund: | | |
| From General | 837,240 | - |
| From Capital Projects | 166,329 | - |
| Total Debt Service Fund | 1,003,569 | - |
| Capital Projects Fund | | |
| From Sewer | 180,000 | - |
| From Street | 154,292 | - |
| To Debt Service | - | 166,329 |
| Total Capital Projects Fund | 334,292 | 166,329 |
| Nonmajor Governmental Funds: | - | 430,850 |
| Water Fund: | | |
| From General | 358,522 | - |
| Sewer Fund: | | |
| To Capital Projects | - | 180,000 |
| | \$ 3,434,606 | \$ 3,434,606 |

CITY OF YORK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2024

NOTE D – OTHER NOTES

1. Retirement Benefits

City employees are covered by one of four retirement plans in effect, covering general city employees, firefighters, police officers and the City Administration, respectively.

General City Employees – General city employees are covered by a defined contribution plan. Under the terms of the plan, an employee must be age 21 or older. Participating employees are required to contribute 6.5 percent of their earnings, and may make additional voluntary contributions to the plan. The City is required to match the 6.5 percent contributions to the plan. Employees are 100 percent vested in the plan after they complete five years of service, reach normal retirement age (65), meet the requirements for early retirement date, become totally disabled, or die, whichever occurs first. The covered payroll was \$3,461,396, with the City contributing \$224,991 and the employees contributing \$244,108 for the year ended September 30, 2024.

Firefighters – Firefighters are covered by a defined contribution plan. Eligible employees are required to contribute 6.5 percent of their monthly salary to the plan, to which the City then contributes with 13 percent of the participant’s monthly salary. Employees are fully vested after seven years of service. Normal retirement benefit becomes nonforfeitable. A participant’s normal retirement age is the date he or she attains age 50 and completes 21 years of service. Nebraska state statutes govern the coverage afforded to participants under this plan. The covered payroll was \$1,155,070 with the City contributing \$150,159 and the employees contributing \$77,306 for the year ended September 30, 2024.

CITY OF YORK, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2024

NOTE D – OTHER NOTES, continued

1. Retirement Benefits, continued

Police Officers - Under Nebraska statutes, the City is required to maintain a retirement plan for City policemen. The total contributions under this plan are deposited under a money purchase retirement plan. This plan requires that covered employees and the City contribute an amount equal to 7.0 percent of the employee's monthly salary until such employee becomes eligible for regular retirement, at which time contributions shall cease. Total covered payroll was \$1,520,433. Both the City's contribution of \$106,431 and the employees' contributions of \$108,697 were made for the year ended September 30, 2024.

City Administration – The City attorney was covered by a defined contribution retirement plan. The employees' contribution to the plan is voluntary, with the City contributing 6.5 percent of covered payroll. The participants accounts are fully vested. Contributions totaled \$5,617 (\$1,378 employer and \$4,239 employee) on \$78,717 of covered payroll.

Police and Firefighters Plan (Pre-1984)

The City of York, Nebraska Police Pension (Police Plan) is administered as follows:

- (1) Employees who were hired prior to January 1, 1984, the date at which the Police Plan was amended from a defined benefit plan to its current status as a defined contribution plan, were assured of receiving retirement benefits under the new plan at least as great as those under the old defined benefit plan.
- (2) Employees hired after January 1, 1984, are covered by the defined contribution plan, which is administered by a third party.

The employees hired prior to January 1, 1984, participate in both plans and will receive either their benefit from the defined contribution plan or defined benefit plan, whichever is greater. The City has funded its portion of the respective Plan, in addition to the employee's portion, with the assets being held by a third party administrator of the current defined contribution plan. These assets are included in the total plan assets for the Police Retirement Plan when determining the pension benefit obligation.

The final pre-1984 police employee retired in July 2022. Therefore, it is anticipated that no additional contribution will be required.

CITY OF YORK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2024

NOTE D – OTHER NOTES, continued

2. **Risk Management**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City purchases commercial insurance to minimize the effect of possible exposure to these risks. There have been no significant reductions in insurance coverage from coverage in the prior year. During the past three fiscal years, there have been no settlements exceeding the amount of the City's insurance coverage.

Deposits and Investments

Custodial Credit Risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investment 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, 2024, are held by banks in the name of the City. The City's investments consist of only certificates of deposit.

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising 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. The certificate of deposit maturities are as follows:

| <u>Maturities by Month</u> | <u>Amount</u> |
|----------------------------|----------------------|
| October 2024 | \$ 10,163,198 |
| November 2024 | 508,568 |
| December 2024 | 1,159,968 |
| March 2025 | 5,463,611 |
| April 2025 | 910,153 |
| June 2025 | 3,900,513 |
| July 2025 | 976,102 |
| August 2025 | 1,035,243 |
| September 2025 | <u>5,992,168</u> |
| | \$ <u>30,109,524</u> |

CITY OF YORK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2024

NOTE D – OTHER NOTES, continued

2. Risk Management, continued

Deposits and Investments, continued

Credit Risk. Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. The City’s investments consist of certificates of deposit, money-market funds, and other securities backed by U.S. Government obligations, minimizing credit risk associated with the City’s investment portfolio.

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, 2024, the City’s certificates of deposit consisted of the following:

| <u>Financial Institution</u> | <u>Amount</u> |
|------------------------------|----------------------|
| Cornerstone Bank | \$ 10,524,093 |
| Henderson State Bank | <u>19,585,431</u> |
| | <u>\$ 30,109,524</u> |

Foreign Currency Risk. This risk relates to adverse effects on the fair value of an investment from changes in exchange rates. The City’s investments had no exposure to foreign currency risk and the City held no investments denominated in foreign currency at September 30, 2024.

3. Commitments and Contingencies

Lease Commitments

The City had the following lease commitments at September 30, 2024:

| <u>Leased Property</u> | <u>Term of Lease</u> | <u>Lease Payment/Period</u> |
|------------------------|----------------------|-----------------------------|
| Copier | 06/21/22 – 06/21/27 | \$ 74/month |
| Copier | 09/21/22 – 09/21/27 | \$ 110/month |
| Copier | 05/01/21 – 05/01/26 | \$ 64/month |
| Postage Machine | 07/11/22 – 07/11/27 | \$ 229/month |
| Museum Building | 11/01/24 – 10/31/27 | \$1,000/month |
| Soccer Complex | 11/01/23 – 10/31/33 | \$2,500/year |

CITY OF YORK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2024

NOTE D – OTHER NOTES, continued

3. Commitments and Contingencies, continued

Contractual Commitments

At September 30, 2024, the City had the following commitments for capital assets:

| | <u>Contract Amount</u> | <u>Incurred as of September 30, 2024</u> | <u>Remaining Commitment</u> | <u>Expected Completion</u> |
|-----------------------------------|----------------------------|--|---------------------------------|--------------------------------|
| Fire/EMS building: | | | | |
| Engineering | \$ 719,161 | \$ 615,509 | \$ 103,652 | |
| Contractor | 7,861,680 | 220,941 | 7,640,739 | |
| Total | <u>8,580,841</u> | <u>836,450</u> | <u>7,744,391</u> | January 2026 |
| Airport layout plan: | | | | |
| Engineer | 329,100 | 131,640 | 197,460 | September 2025 |
| Pedestrian safety access project: | | | | |
| Nebraska Dept of Transportation | 728,030 | 300,760 | 427,270 | September 2028 |
| | <u>\$ 9,637,971</u> | <u>\$ 1,268,850</u> | <u>\$ 8,369,121</u> | |

Litigation

Various claims and lawsuits are pending against the City. In the opinion of City management, the potential loss on all claims and lawsuits as of September 30, 2024, will not be significant to the City’s financial statements.

CITY OF YORK, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2024

NOTE D – OTHER NOTES, continued

4. Interlocal Agreements

The City had the following interlocal agreements in effect as of September 30, 2024:

| <u>Party to Agreement</u> | <u>Term of Agreement</u> | <u>Description</u> |
|--|-------------------------------------|--|
| York County | Continuous | Ambulance services |
| York County | Continuous | York Area Solid Waste Agency (YASWA) |
| York County | Continuous | Combined communications |
| York County | Continuous | Snow removal agreement |
| Law Enforcement Agencies in the following counties in Nebraska: Nuckolls, Saline, Fillmore, Hamilton, and York | Continuous | Rural Apprehension Program (RAP) |
| York Public School District | Life of sales tax | LB 357, ½% Sales Tax for infrastructure and recreation |
| York Rural Fire District | Continuous | Fire protection |
| Upper Big Blue Natural Resources District | July 2019 through December 2024 | York flood mitigation and resiliency plan |
| York County | Continuous | York County Aging Services (Busy Wheels) |
| Seward County | Continuous | Zeurcher system |
| Upper Big Blue Natural Resources District | August 2021 through December 2023 | Peyton Parker Lane Playground |
| Upper Big Blue Natural Resources District | December 2022 through December 2027 | Project Grow |

5. CDBG Housing Loans

At September 30, 2024, the City has 12 outstanding CDBG Down Payment Assistance (DPA) loans totaling \$156,498. The DPA loans are due when the related property sells. None of these loans are recorded as assets of the City.

CITY OF YORK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2024

NOTE D – OTHER NOTES, continued

6. Tax Abatements

The Community Development Agency (CDA), who is authorized by Nebraska statutes to enter into property tax abatement agreements for the purpose of developing properties in blighted areas, has entered into tax increment financing (TIF) agreements with various redevelopers. The TIF program has the stated purpose of increasing valuation, business activity and employment in the community.

Under the TIF program, redevelopers can apply for TIF financing whereby the property tax they pay on the increased valuation of property under a TIF agreement is returned to the redeveloper by the CDA to finance the project for a period of up to 15 years.

Information relevant to the abatements granted by the CDA for the year ended September 30, 2024 is as follows:

| <u>TIF Project:</u> | <u>Years Remaining on TIF Agreements</u> | <u>2024 TIF Valuation</u> | <u>TIF Proceeds Received during the year 9-30-2024</u> |
|----------------------|--|-------------------------------|--|
| Levander’s of York | 9 | \$ 428,232 | \$ 6,765 |
| Beaver Creek | 9 | 511,725 | 9,078 |
| Nutrition Service | 10 | 2,142,031 | 38,000 |
| Creekside Apartments | 11 | 4,351,574 | 77,198 |
| Bukaska Builders | 11 | 375,747 | 6,666 |
| 4 Micro TIF’s | 15 | 268,055 | - |
| | | | <u>\$ 137,707</u> |

7. Related Party Transactions

The City purchased office supplies of \$31,023 and plumbing contractor services of \$476,637 from businesses owned by two Council members during the year ended September 30, 2024. The City also paid \$103,134 to York County Development Corp., which is an organization whose board member is also a member of City Council.

CITY OF YORK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2024

NOTE D – OTHER NOTES, continued

8. Subsequent Events

Management has evaluated subsequent events through January 7, 2025, the date on which the financial statements were available for issue.

On October 3, 2024, Council approved a quote from NMC to rebuild/recondition the landfill's Cat 963D dozer for \$328,121.

On November 1, 2024, the City issued \$4,845,000 of Series 2024 Limited Sales Tax Infrastructure Bonds to finance the balance of the fire/EMS building project.

On November 21, 2024, Council approved the purchase of two truck chassis from Truck Center Companies for \$226,946.

On December 5, 2024, Council approved the sale of 20.7 acres of well-field property to Countryside Estates, LLC for housing development for \$238,050.

On December 5, 2024, Council approved a \$149,676 quote from Creative Sites, LLC for the Harrison Park playground.

On December 5, 2024, Council approved the purchase of a Cummins emergency generator for the City Auditorium for \$121,430 to be paid for with CDBG reuse funds.

SUPPLEMENTARY AND OTHER INFORMATION

CITY OF YORK, NEBRASKA
BUDGETARY COMPARISON SCHEDULE - CASH BASIS -
GENERAL FUND

Year ended September 30, 2024

| | <u>Budget</u> (Original and Final) | <u>Actual</u> | Variances - Actual Over (Under) Final <u>Budget</u> |
|---|--|---------------------|--|
| RESOURCES (INFLOWS) | | | |
| Taxes: | | | |
| Property | \$ 2,036,207 | \$ 2,098,709 | \$ 62,502 |
| Motor vehicle | 220,000 | 232,557 | 12,557 |
| Occupation/franchise | 2,775,556 | 2,949,415 | 173,859 |
| Sales tax | 4,555,392 | 4,607,493 | 52,101 |
| Intergovernmental | 551,605 | 553,764 | 2,159 |
| Charges for services | 1,468,550 | 1,852,488 | 383,938 |
| Grants | 1,272,500 | 124,927 | (1,147,573) |
| Contributions | 52,500 | 93,983 | 41,483 |
| Interest income | 103,700 | 559,797 | 456,097 |
| Loan/bond proceeds | 8,000,000 | 8,185,000 | 185,000 |
| Insurance proceeds | - | 244,366 | 244,366 |
| Other | 82,700 | 24,921 | (57,779) |
| | 21,118,710 | 21,527,420 | 408,710 |
| CHARGES TO APPROPRIATIONS (OUTFLOWS) | | | |
| Administrative | 1,158,948 | 1,089,027 | (69,921) |
| Public safety: | | | |
| Police | 3,094,623 | 2,829,289 | (265,334) |
| Fire/EMS | 7,820,321 | 3,971,183 | (3,849,138) |
| Police pension | 103,526 | 106,431 | 2,905 |
| Fire pension | 216,871 | 198,481 | (18,390) |
| Total public safety | 11,235,341 | 7,105,384 | (4,129,957) |
| Environment and leisure: | | | |
| Auditorium | 408,736 | 174,238 | (234,498) |
| Parks | 962,675 | 661,505 | (301,170) |
| Community center | 684,651 | 642,122 | (42,529) |
| Aquatic center | 426,715 | 384,503 | (42,212) |
| Ball park | 1,263,538 | 904,729 | (358,809) |
| Soccer complex | 277,186 | 262,115 | (15,071) |
| Levitt stadium | 2,900,000 | 2,982,736 | 82,736 |
| Senior center | 22,642 | 14,833 | (7,809) |
| Convention center | 712,217 | 613,675 | (98,542) |
| Museum | 90,337 | 91,366 | 1,029 |
| Library | 1,329,104 | 748,387 | (580,717) |
| Total environment and leisure | 9,077,801 | 7,480,209 | (1,597,592) |
| Total charges to appropriations | 21,472,090 | 15,674,620 | (5,797,470) |
| Revenues over (under) charges to appropriations before transfers | (353,380) | 5,852,800 | 6,206,180 |
| TRANSFERS TO OTHER FUNDS | (2,047,628) | (2,072,285) | (24,657) |
| RESOURCES OVER (UNDER) CHARGES TO APPROPRIATIONS AND TRANSFERS | \$ (2,401,008) | \$ 3,780,515 | \$ 6,181,523 |

CITY OF YORK, NEBRASKA

**BUDGETARY COMPARISON SCHEDULE - CASH BASIS -
STREET FUND**

Year ended September 30, 2024

| | Budget (Original and Final) | Actual | Variances - Actual Over (Under) Final Budget |
|---|-----------------------------------|-------------|---|
| RESOURCES (INFLOWS) | | | |
| Special assessments | \$ 17,600 | \$ 14,151 | \$ (3,449) |
| Sales tax | 338,800 | 417,585 | 78,785 |
| Intergovernmental | 1,342,535 | 1,349,312 | 6,777 |
| Charges for services | 5,500 | 4,413 | (1,087) |
| Grants | 10,000 | - | (10,000) |
| Interest income | 10,000 | 213,987 | 203,987 |
| Insurance proceeds | - | 48,765 | 48,765 |
| Other | 5,000 | 23,352 | 18,352 |
| | <hr/> | <hr/> | <hr/> |
| Total resources | 1,729,435 | 2,071,565 | 342,130 |
| CHARGES TO APPROPRIATIONS (OUTFLOWS) | | | |
| Street operations and maintenance | 1,942,405 | 1,672,128 | (270,277) |
| Capital outlay | 1,094,403 | 508,460 | (585,943) |
| Principal payments on debt | - | 47,891 | 47,891 |
| Interest expense | - | 2,611 | 2,611 |
| | <hr/> | <hr/> | <hr/> |
| Total charges to appropriations | 3,036,808 | 2,231,090 | (805,718) |
| Revenues under charges to appropriations before transfers | (1,307,373) | (159,525) | 1,147,848 |
| TRANSFERS FROM OTHER FUNDS | 1,307,373 | 1,153,081 | (154,292) |
| | <hr/> | <hr/> | <hr/> |
| RESOURCES AND TRANSFERS OVER CHARGES TO APPROPRIATIONS | \$ - | \$ 993,556 | \$ 993,556 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

CITY OF YORK, NEBRASKA

**BUDGETARY COMPARISON SCHEDULE - CASH BASIS -
CDBG FUND**

Year ended September 30, 2024

| | Budget (Original and Final) | <u>Actual</u> | Variances - Actual Over (Under) Final <u>Budget</u> |
|--|-----------------------------------|--------------------|--|
| RESOURCES (INFLOWS) | | | |
| Grants | \$ 350,000 | \$ 122,849 | \$ (227,151) |
| Loan collections | - | 294 | 294 |
| Interest income | - | 991 | 991 |
| | <hr/> | <hr/> | <hr/> |
| Total resources | 350,000 | 124,134 | (225,866) |
| CHARGES TO APPROPRIATIONS (OUTFLOWS) | | | |
| Economic development | 675,000 | 151,928 | (523,072) |
| | <hr/> | <hr/> | <hr/> |
| RESOURCES UNDER CHARGES TO APPROPRIATIONS | \$ (325,000) | \$ (27,794) | \$ 297,206 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

CITY OF YORK, NEBRASKA

**BUDGETARY COMPARISON SCHEDULE - CASH BASIS -
DEBT SERVICE FUND**

Year ended September 30, 2024

| | Budget (Original and Final) | <u>Actual</u> | Variances - Actual Over (Under) Final <u>Budget</u> |
|--|-----------------------------------|--------------------|--|
| RESOURCES (INFLOWS) | | | |
| Interest income | \$ - | \$ 18,943 | \$ 18,943 |
| CHARGES TO APPROPRIATIONS (OUTFLOWS) | | | |
| Principal payments | 1,010,000 | 1,010,000 | - |
| Interest expense | 57,194 | 57,193 | (1) |
| Bond fees | <u>2,500</u> | <u>2,500</u> | <u>-</u> |
| Total charges to appropriations | <u>1,069,694</u> | <u>1,069,693</u> | <u>(1)</u> |
| Revenues under charges to appropriations before transfers | (1,069,694) | (1,050,750) | 18,944 |
| TRANSFERS FROM OTHER FUNDS | <u>1,069,694</u> | <u>1,003,569</u> | <u>(66,125)</u> |
| RESOURCES AND TRANSFERS UNDER CHARGES TO APPROPRIATIONS | <u>\$ -</u> | <u>\$ (47,181)</u> | <u>\$ (47,181)</u> |

CITY OF YORK, NEBRASKA

**BUDGETARY COMPARISON SCHEDULE - CASH BASIS -
LB 357 FUND**

Year ended September 30, 2024

| | Budget (Original and Final) | <u>Actual</u> | Variances - Actual Over (Under) Final <u>Budget</u> |
|---|-----------------------------------|---------------|--|
| RESOURCES (INFLOWS) | | | |
| Sales tax | \$ 1,655,940 | \$ 1,679,123 | \$ 23,183 |
| Interest income | 25,000 | 92,644 | 67,644 |
| | <hr/> | <hr/> | <hr/> |
| Total resources | 1,680,940 | 1,771,767 | 90,827 |
| CHARGES TO APPROPRIATIONS (OUTFLOWS) | | | |
| Environment and leisure | - | 41,664 | 41,664 |
| Capital outlay | 424,427 | 324,037 | (100,390) |
| Principal payments | 770,000 | 770,000 | - |
| Interest expense | 361,408 | 303,278 | (58,130) |
| Bond fees | 1,500 | 1,250 | (250) |
| | <hr/> | <hr/> | <hr/> |
| Total charges to appropriations | 1,557,335 | 1,440,229 | (117,106) |
| RESOURCES OVER CHARGES TO APPROPRIATIONS | | | |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |
| | \$ 123,605 | \$ 331,538 | \$ 207,933 |

CITY OF YORK, NEBRASKA

**BUDGETARY COMPARISON SCHEDULE - CASH BASIS -
CAPITAL PROJECTS FUND**

Year ended September 30, 2024

| | Budget (Original and Final) | Actual | Variances - Actual Over (Under) Final Budget |
|--|-----------------------------------|----------------|---|
| RESOURCES (INFLOWS) | | | |
| Grants | \$ 197,182 | \$ 197,182 | \$ - |
| Interest income | 62,000 | 36,972 | (25,028) |
| | <hr/> | <hr/> | <hr/> |
| Total resources | 259,182 | 234,154 | (25,028) |
| CHARGES TO APPROPRIATIONS (OUTFLOWS) | | | |
| Capital outlay | 2,026,800 | 2,619,220 | 592,420 |
| | <hr/> | <hr/> | <hr/> |
| Revenues under charges to appropriations before transfers | (1,767,618) | (2,385,066) | (617,448) |
| TRANSFERS FROM (TO) OTHER FUNDS | <hr/> | <hr/> | <hr/> |
| | (166,329) | 167,963 | 334,292 |
| RESOURCES UNDER CHARGES TO APPROPRIATIONS | <hr/> | <hr/> | <hr/> |
| | \$ (1,933,947) | \$ (2,217,103) | \$ (283,156) |
| | <hr/> | <hr/> | <hr/> |

CITY OF YORK, NEBRASKA

**BUDGETARY COMPARISON SCHEDULES - CASH BASIS
NOTE TO SUPPLEMENTARY INFORMATION**

Year ended September 30, 2024

Note A - Explanation of Differences between Budgetary Inflows and Outflows and Modified Accrual Basis (MAB) Revenue and Expenditures

| | <u>General</u> <u>Fund</u> | <u>Street</u> <u>Fund</u> | <u>CDBG</u> <u>Fund</u> | <u>Debt</u> <u>Service</u> <u>Fund</u> | <u>LB 357</u> <u>Fund</u> | <u>Capital</u> <u>Projects</u> <u>Fund</u> |
|---|-------------------------------|------------------------------|----------------------------|--|------------------------------|--|
| Sources/inflows of resources: | | | | | | |
| Actual amounts of resources (budgetary basis) from the budgetary comparison schedules | \$ 21,527,420 | \$ 2,071,565 | \$ 124,134 | \$ 18,943 | \$ 1,771,767 | \$ 234,154 |
| Differences - budget to MAB: | | | | | | |
| Cash to MAB adjustments | <u>96,824</u> | <u>(4,035)</u> | <u>101</u> | <u>452</u> | <u>(929)</u> | <u>(8,058)</u> |
| Total revenues as reported on the statement of revenues, expen- ditures, and changes in fund balances - governmental funds | <u><u>\$ 21,624,244</u></u> | <u><u>\$ 2,067,530</u></u> | <u><u>\$ 124,235</u></u> | <u><u>\$ 19,395</u></u> | <u><u>\$ 1,770,838</u></u> | <u><u>\$ 226,096</u></u> |
| Uses/outflows of resources: | | | | | | |
| Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule | \$ 15,674,620 | \$ 2,231,090 | \$ 151,928 | \$ 1,069,693 | \$ 1,440,229 | \$ 2,619,220 |
| Differences - budget to MAB: | | | | | | |
| Cash to MAB adjustments | <u>179,172</u> | <u>(29,144)</u> | <u>-</u> | <u>(2,034)</u> | <u>191,343</u> | <u>(570,945)</u> |
| Total expenditures as reported on the statement of revenues, expen- ditures, and changes in fund balances - governmental funds | <u><u>\$ 15,853,792</u></u> | <u><u>\$ 2,201,946</u></u> | <u><u>\$ 151,928</u></u> | <u><u>\$ 1,067,659</u></u> | <u><u>\$ 1,631,572</u></u> | <u><u>\$ 2,048,275</u></u> |

CITY OF YORK, NEBRASKA

**COMBINING BALANCE SHEET - MODIFIED ACCRUAL BASIS -
NONMAJOR GOVERNMENTAL FUNDS**

September 30, 2024

| | Special Revenue Funds | | | |
|--|---------------------------|-------------------|-----------------|-------------------|
| | Creative District Fund | Aviation Fund | Keno Fund | Sinking Fund |
| ASSETS | | | | |
| Cash and cash equivalents | \$ 474 | \$ 95,936 | \$ 574 | \$ 100,457 |
| Certificates of deposit | 977 | 197,602 | 1,184 | 206,912 |
| Accounts receivable | - | 1,685 | - | 12,125 |
| Due from other governments | - | 59,238 | - | 32,707 |
| Inventory | - | 28,664 | - | - |
| Accrued interest receivable | 7 | 1,297 | 8 | 1,358 |
| Prepaid insurance | - | 8,873 | - | - |
| Total assets | \$ 1,458 | \$ 393,295 | \$ 1,766 | \$ 353,559 |
| LIABILITIES AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Accounts payable | \$ 1,215 | \$ 67,680 | \$ - | \$ 11,023 |
| Accrued wages and vacation | - | 7,986 | - | - |
| | 1,215 | 75,666 | - | 11,023 |
| Fund balances: | | | | |
| Nonspendable: | | | | |
| Prepaid assets | - | 8,873 | - | - |
| Restricted for: | | | | |
| Economic development | - | - | - | - |
| Community betterment | - | - | 1,766 | - |
| Creative District | 243 | - | - | - |
| Public safety | - | - | - | - |
| Assigned for: | | | | |
| Industrial Park development | - | - | - | 342,536 |
| Airport | - | 308,756 | - | - |
| Total fund balances | 243 | 317,629 | 1,766 | 342,536 |
| Total liabilities and fund balances | \$ 1,458 | \$ 393,295 | \$ 1,766 | \$ 353,559 |

| Special Revenue Funds | | | Total Nonmajor Governmental Funds |
|------------------------------|------------------|-------------------|--|
| Fire Station Sinking Fund | E911 Fund | TIF Fund | |
| \$ - | \$ 5,500 | \$ 147,151 | \$ 350,092 |
| - | 11,329 | 303,088 | 721,092 |
| - | - | - | 13,810 |
| - | - | - | 91,945 |
| - | - | - | 28,664 |
| - | 74 | 1,989 | 4,733 |
| - | - | - | 8,873 |
| <u>\$ -</u> | <u>\$ 16,903</u> | <u>\$ 452,228</u> | <u>\$ 1,219,209</u> |
| \$ - | \$ - | \$ - | \$ 79,918 |
| - | - | - | 7,986 |
| - | - | - | 87,904 |
| - | - | - | 8,873 |
| - | - | 452,228 | 452,228 |
| - | - | - | 1,766 |
| - | - | - | 243 |
| - | 16,903 | - | 16,903 |
| - | - | - | 342,536 |
| - | - | - | 308,756 |
| <u>-</u> | <u>16,903</u> | <u>452,228</u> | <u>1,131,305</u> |
| <u>\$ -</u> | <u>\$ 16,903</u> | <u>\$ 452,228</u> | <u>\$ 1,219,209</u> |

CITY OF YORK, NEBRASKA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - MODIFIED ACCRUAL BASIS -
NONMAJOR GOVERNMENTAL FUNDS**

Year ended September 30, 2024

| | Special Revenue Funds | | | |
|---|---------------------------|-------------------|-----------------|-------------------|
| | Creative District Fund | Aviation Fund | Keno Fund | Sinking Fund |
| REVENUES | | | | |
| TIF proceeds | \$ - | \$ - | \$ - | \$ - |
| Charges for services | - | 303,129 | - | 28,560 |
| Grants | 10,000 | 131,680 | - | 32,707 |
| Contributions | 5,100 | - | - | - |
| Interest income | 381 | 15,467 | 90 | 30,570 |
| Sale of property | - | - | - | 7,185 |
| Other | - | 926 | - | - |
| Total revenues | <u>15,481</u> | <u>451,202</u> | <u>90</u> | <u>99,022</u> |
| EXPENDITURES | | | | |
| General government | - | - | 100 | - |
| Economic development | - | - | - | 81,862 |
| Airport | - | 402,196 | - | - |
| Environment and leisure | 15,238 | - | - | - |
| Capital outlay | - | 161,334 | - | 1,919,752 |
| Principal payments on debt | - | - | - | - |
| Interest on long-term debt | - | - | - | - |
| Total expenditures | <u>15,238</u> | <u>563,530</u> | <u>100</u> | <u>2,001,614</u> |
| Excess (deficiency) of revenues over expenditures before transfers | 243 | (112,328) | (10) | (1,902,592) |
| INTERFUND TRANSFERS | | | | |
| Transfers to other funds | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | 243 | (112,328) | (10) | (1,902,592) |
| Fund balances - September 30, 2023 | <u>-</u> | <u>429,957</u> | <u>1,776</u> | <u>2,245,128</u> |
| Fund balances - September 30, 2024 | <u>\$ 243</u> | <u>\$ 317,629</u> | <u>\$ 1,766</u> | <u>\$ 342,536</u> |

| Fire Station Sinking Fund | Special Revenue Funds | | Total Nonmajor Governmental Funds |
|------------------------------|-----------------------|-------------------|--|
| | E911 Fund | TIF Fund | |
| \$ - | \$ - | \$ 137,707 | \$ 137,707 |
| - | 3,367 | - | 335,056 |
| - | - | - | 174,387 |
| - | - | 7,020 | 12,120 |
| (1,564) | 1,670 | 22,623 | 69,237 |
| - | - | - | 7,185 |
| - | - | - | 926 |
| <u>(1,564)</u> | <u>5,037</u> | <u>167,350</u> | <u>736,618</u> |
| - | - | - | 100 |
| - | - | 139,946 | 221,808 |
| - | - | - | 402,196 |
| - | - | - | 15,238 |
| - | - | - | 2,081,086 |
| - | 30,637 | - | 30,637 |
| - | 2,734 | - | 2,734 |
| <u>-</u> | <u>33,371</u> | <u>139,946</u> | <u>2,753,799</u> |
| (1,564) | (28,334) | 27,404 | (2,017,181) |
| <u>(430,850)</u> | <u>-</u> | <u>-</u> | <u>(430,850)</u> |
| (432,414) | (28,334) | 27,404 | (2,448,031) |
| <u>432,414</u> | <u>45,237</u> | <u>424,824</u> | <u>3,579,336</u> |
| <u>\$ -</u> | <u>\$ 16,903</u> | <u>\$ 452,228</u> | <u>\$ 1,131,305</u> |

CITY OF YORK, NEBRASKA
COMBINING STATEMENT OF REVENUES AND EXPENDITURES -
MODIFIED ACCRUAL BASIS - GENERAL FUND DEPARTMENTS

Year ended September 30, 2024

| | General | Capital Projects | Auditorium | Parks | Police | Community Center |
|--|-----------------------|---------------------|------------------|-------------------|------------------|---------------------|
| REVENUES | | | | | | |
| Taxes: | | | | | | |
| General property tax | \$ 2,098,709 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Motor vehicle tax | 232,557 | - | - | - | - | - |
| Sales tax | 4,607,493 | - | - | - | - | - |
| Occupation/franchise | 2,949,415 | - | - | - | - | - |
| Intergovernmental revenue: | | | | | | |
| State assistance | 117,049 | - | - | - | - | - |
| County funding | - | - | - | - | - | - |
| Rural fire district | - | - | - | - | - | - |
| Charges for services | 171,847 | - | 18,800 | 650 | 2,555 | 229,360 |
| Grants | 281 | - | - | 50,000 | 6,000 | - |
| Contributions | - | - | 1,842 | 42,610 | - | 4,696 |
| Interest income | 293,419 | 276,978 | - | 311 | 467 | - |
| Loan/bond proceeds | - | 8,185,000 | - | - | - | - |
| Insurance proceeds | 220,625 | - | - | - | - | - |
| Other revenues | 5,624 | - | - | - | 2,849 | 6,593 |
| Total revenues | <u>10,697,019</u> | <u>8,461,978</u> | <u>20,642</u> | <u>93,571</u> | <u>11,871</u> | <u>240,649</u> |
| EXPENDITURES | | | | | | |
| Personnel services: | | | | | | |
| Salaries and benefits | 565,911 | - | 83,616 | 298,211 | 2,295,820 | 406,684 |
| Operating expenses: | | | | | | |
| Insurance | 67,007 | - | - | 39,041 | 77,590 | 14,381 |
| Advertising/publicity | 65,410 | - | - | - | - | 5,000 |
| Contract labor/outside services | 38,611 | - | 9,833 | - | 41,194 | 22,242 |
| Rent | - | - | - | - | - | - |
| Professional fees | 19,525 | - | - | - | - | - |
| Meetings, seminars, and dues | 59,250 | - | - | 444 | 35,528 | 4,874 |
| Repairs and maintenance | 175,010 | - | 14,182 | 77,732 | 75,635 | 68,739 |
| Printing and postage | 15,454 | - | - | - | - | - |
| Transportation | - | - | - | 9,242 | 36,885 | - |
| Utilities and telephone | 23,471 | - | 30,812 | 38,642 | 269,418 | 49,451 |
| Total operating expenses | <u>463,738</u> | <u>-</u> | <u>54,827</u> | <u>165,101</u> | <u>536,250</u> | <u>164,687</u> |
| Supplies | 12,906 | - | 35,185 | 31,046 | 12,671 | 42,495 |
| Other expenses | 73,053 | 5 | 610 | 9,638 | 5,629 | 22,261 |
| Capital outlay | 7,444 | 4,518,517 | - | 157,509 | 131,496 | 5,995 |
| Bond fees | - | 181,740 | - | - | - | - |
| Total expenditures | <u>1,123,052</u> | <u>4,700,262</u> | <u>174,238</u> | <u>661,505</u> | <u>2,981,866</u> | <u>642,122</u> |
| Excess (deficiency) of revenues over expenditures before transfers | 9,573,967 | 3,761,716 | (153,596) | (567,934) | (2,969,995) | (401,473) |
| TRANSFERS (TO) FROM OTHER FUNDS | <u>(10,875,676)</u> | <u>-</u> | <u>176,736</u> | <u>680,975</u> | <u>2,986,524</u> | <u>547,901</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AFTER TRANSFERS | <u>\$ (1,301,709)</u> | <u>\$ 3,761,716</u> | <u>\$ 23,140</u> | <u>\$ 113,041</u> | <u>\$ 16,529</u> | <u>\$ 146,428</u> |

| Aquatic Center | Ball Park | Senior Center | Convention Center | Fire/EMS | Library | Museum | Soccer Complex | Police & Fire Pension | Total |
|----------------|------------|---------------|-------------------|-------------|-----------|----------|----------------|-----------------------|--------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 2,098,709 |
| - | - | - | - | - | - | - | - | - | 232,557 |
| - | - | - | - | - | - | - | - | - | 4,607,493 |
| - | - | - | - | - | - | - | - | - | 2,949,415 |
| - | - | - | - | - | - | - | - | - | 117,049 |
| - | - | - | - | 340,965 | 15,750 | - | - | - | 356,715 |
| - | - | - | - | 80,000 | - | - | - | - | 80,000 |
| 86,671 | 231,170 | - | 311,303 | 836,016 | 8,360 | - | 32,664 | - | 1,929,396 |
| - | - | - | - | 30,129 | 11,500 | 1,500 | 24,975 | - | 124,385 |
| - | - | - | - | 5,620 | 3,915 | 10,300 | 25,000 | - | 93,983 |
| - | 25 | - | - | 3,885 | (224) | - | - | 5,394 | 580,255 |
| - | - | - | - | - | - | - | - | - | 8,185,000 |
| - | - | - | 23,741 | - | - | - | - | - | 244,366 |
| - | 591 | - | 8 | 5,906 | 1,657 | - | 1,693 | - | 24,921 |
| 86,671 | 231,786 | - | 335,052 | 1,302,521 | 40,958 | 11,800 | 84,332 | 5,394 | 21,624,244 |
| 191,916 | 279,198 | 280 | 320,313 | 1,769,038 | 531,774 | 43,354 | 56,599 | 304,912 | 7,147,626 |
| 16,796 | 17,533 | - | 24,058 | 118,511 | 9,520 | 445 | - | - | 384,882 |
| 2,000 | 1,016 | - | - | - | - | - | 500 | - | 73,926 |
| 8,878 | 20,522 | - | 30,803 | 130,458 | 36,923 | 7,150 | 4,506 | - | 351,120 |
| - | - | - | - | - | - | 12,000 | - | - | 12,000 |
| - | - | - | - | - | - | - | - | - | 19,525 |
| 5,687 | 2,726 | - | 195 | 26,409 | 5,612 | 2,177 | - | - | 142,902 |
| 27,559 | 67,252 | 5,687 | 91,861 | 75,236 | 23,612 | 1,904 | 48,021 | - | 752,430 |
| - | - | - | - | - | 3,651 | - | - | - | 19,105 |
| - | 5,792 | - | - | 30,689 | - | - | - | - | 82,608 |
| 41,122 | 32,951 | 8,866 | 64,248 | 282,703 | 18,898 | 5,626 | 13,923 | - | 880,131 |
| 102,042 | 147,792 | 14,553 | 211,165 | 664,006 | 98,216 | 29,302 | 66,950 | - | 2,718,629 |
| 40,010 | 106,938 | - | 31,213 | 97,765 | 13,418 | 6,934 | 23,517 | - | 454,098 |
| 4,662 | 9,879 | - | 18,118 | 17,074 | 82,946 | 1,858 | 5,475 | - | 251,208 |
| 45,873 | 84,598 | - | 32,866 | 84,242 | 22,033 | 9,918 | - | - | 5,100,491 |
| - | - | - | - | - | - | - | - | - | 181,740 |
| 384,503 | 628,405 | 14,833 | 613,675 | 2,632,125 | 748,387 | 91,366 | 152,541 | 304,912 | 15,853,792 |
| (297,832) | (396,619) | (14,833) | (278,623) | (1,329,604) | (707,429) | (79,566) | (68,209) | (299,518) | 5,770,452 |
| 301,215 | 395,119 | 22,642 | 402,217 | 2,052,038 | 749,604 | 78,837 | 92,186 | 317,397 | (2,072,285) |
| \$ 3,383 | \$ (1,500) | \$ 7,809 | \$ 123,594 | \$ 722,434 | \$ 42,175 | \$ (729) | \$ 23,977 | \$ 17,879 | \$ 3,698,167 |

**ADDITIONAL INFORMATION REQUIRED BY
*GOVERNMENT AUDITING STANDARDS***

**INDEPENDENT AUDITOR’S 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***

To the Honorable Mayor and City Council
City of York, Nebraska

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities – modified accrual basis, the business-type activities – accrual basis, the aggregate discretely presented component unit – accrual basis, each major fund – modified accrual basis for the governmental funds and accrual basis for the proprietary funds, and the aggregate remaining fund information – modified accrual basis for the governmental funds of the City of York, Nebraska, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City’s financial statements, and have issued our report thereon dated January 7, 2025. Our report on the financial statements disclosed that, as described in Note A to the financial statements, the City of York, Nebraska, prepares its financial statements for the governmental funds on the modified accrual basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of York’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.

SHAREHOLDERS:

- Marcy J. Luth
- Heidi A. Ashby
- Christine R. Shenk
- Michael E. Hoback
- Joseph P. Stump
- Kyle R. Overturf
- Tracy A. Cannon
- Jamie L. Clemans
- Travis L. Arnold

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A PROFESSIONAL
CORPORATION

Our consideration of internal control over financial reporting 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, and therefore material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control described below that we consider to be a significant deficiency.

Segregation of Duties

Due to limited number of personnel, there is not adequate segregation of duties to ensure internal control over cash receipts, disbursements, and recording of transactions.

Report on Compliance and Other Matters

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

City of York's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City of York's response to the findings identified in our audit and described above. The City of York's response to the findings identified in our audit is that due to the small size of the City, it is impractical to further segregate duties. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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.

AMGL, PC.

Grand Island, Nebraska
January 7, 2025