

**CITY OF YORK, NEBRASKA**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**September 30, 2025**

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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, 2025, 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, 2025, 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.

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A PROFESSIONAL  
CORPORATION

## **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 6, 2026, 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, P.C.

Grand Island, Nebraska  
January 6, 2026

**CITY OF YORK, NEBRASKA  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
For The Year Ended September 30, 2025**

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**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, 2025.

**Financial Highlights**

- The assets of the City of York exceeded its liabilities at the close of the most recent fiscal year by \$86,029,212 (*net position*). Of this amount, \$32,246,024 (*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 \$41,560,206, with an unrestricted net position balance of \$11,024,499.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$4,886,098, 26.9 percent of total General Fund expenditures for the year ended September 30, 2025.

**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, 2025**

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

**CITY OF YORK, NEBRASKA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued**  
**For The Year Ended September 30, 2025**

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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 \$86,029,212 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, 2025**

**Summary Statements of Net Position**

	<b>2025</b>	<b>2024</b>	<b>Increase (Decrease)</b>
Current and Other Assets	\$ 49,287,662	\$ 47,316,970	\$ 1,970,692
Capital Assets	96,501,921	93,722,292	2,779,629
Total Assets	145,789,583	141,039,262	4,750,321
Long-term Liabilities	52,036,370	51,084,945	951,425
Other Liabilities	7,724,001	7,074,049	649,952
Total Liabilities	59,760,371	58,158,994	1,601,377
 Net Position:			
Net Investment in Capital Assets	43,453,212	41,347,640	2,105,572
Restricted	10,329,976	13,254,360	(2,924,384)
Unrestricted	32,246,024	28,278,268	3,967,756
Total Net Position	\$ 86,029,212	\$ 82,880,268	\$ 3,148,944

A large portion of the City of York’s net position (50.5 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 (12.0 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (\$32,246,024) 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, 2025**

**Expenses and Program Revenues – Governmental Activities**

<u>Function</u>	<u>Year Ended September 30, 2025</u>		<u>Year Ended September 30, 2024</u>	
	<u>Program Revenues</u>	<u>Program Expenses</u>	<u>Program Revenues</u>	<u>Program Expenses</u>
General Government	\$ 309,602	\$ 1,333,282	\$ 392,473	\$ 1,112,442
Economic Development	105,052	318,650	185,021	373,736
Public Safety	1,290,314	6,220,939	1,301,100	5,624,682
Public Works	207,785	1,804,047	262,273	1,616,635
Environment and Leisure	1,424,522	4,215,875	1,962,017	3,765,807
Airport	431,505	416,897	434,809	399,494
Interest and fees	-	834,753	-	734,923
Depreciation	-	3,421,645	-	3,024,141
Total	<u>\$ 3,768,780</u>	<u>\$ 18,566,088</u>	<u>\$ 4,537,693</u>	<u>\$ 16,651,860</u>

**Revenues by Source – Governmental Activities**

<u>SOURCES OF REVENUE</u>	<u>Year Ended September 30, 2025</u>		<u>Year Ended September 30, 2024</u>	
Charges for Services	\$ 2,419,508	12.74 %	\$ 2,264,853	11.90 %
Operating Grants and Contributions	691,955	3.64	620,369	3.26
Capital Grants and Contributions	657,317	3.46	1,652,471	8.68
Property Taxes	2,162,400	11.39	2,098,709	11.03
Motor Vehicle Taxes	243,398	1.28	232,557	1.22
Occupation/Franchise	3,386,771	17.83	2,949,415	15.50
Sales Tax	6,746,990	35.53	6,700,104	35.21
Special Assessments	61,667	0.33	8,940	0.05
TIF Proceeds	105,333	0.55	137,707	0.72
State Allocation	1,520,371	8.01	1,448,630	7.61
Loss on Sale of Capital Assets	-	-	(50,379)	(0.26)
Miscellaneous	28,834	0.15	49,199	0.26
Interest	967,229	5.09	1,096,097	5.76
Interfund Transfers	-	-	(178,522)	(0.94)
Total	<u>\$ 18,991,773</u>	<u>100.00 %</u>	<u>\$ 19,030,150</u>	<u>100.00 %</u>

Net position of the governmental funds increased \$425,685 during the year ended September 30, 2025.

**Business-type activities.** Business-type activities increased the City of York’s net position by \$2,723,259. Key elements of this increase are as follows:

**CITY OF YORK, NEBRASKA**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS, Continued**  
**For The Year Ended September 30, 2025**

**Expenses and Program Revenues – Business-type Activities**

<u>Function</u>	<u>Year Ended September 30, 2025</u>		<u>Year Ended September 30, 2024</u>	
	<u>Program Revenues</u>	<u>Program Expenses</u>	<u>Program Revenues</u>	<u>Program Expenses</u>
Water	\$ 2,440,732	\$ 1,950,657	\$ 2,385,324	\$ 2,621,849
Sewer	3,730,038	3,329,558	3,662,199	3,252,402
Landfill	2,351,499	1,718,916	2,184,148	(62,797)
Total	<u>\$ 8,522,269</u>	<u>\$ 6,999,131</u>	<u>\$ 8,231,671</u>	<u>\$ 5,811,454</u>

**Revenues by Source – Business-type Activities**

<u>SOURCES OF REVENUE</u>	<u>Year Ended September 30, 2025</u>			<u>Year Ended September 30, 2024</u>		
	Charges for Services	\$ 8,483,334	87.26 %		\$ 8,185,527	86.13 %
Capital Contributions and Grants	38,935	0.40		46,144	0.48	
Special Assessments	-	-		(15,885)	(0.17)	
Gain on Sale of Capital Assets	100,672	1.03		1	-	
Interfund Transfers	-	-		178,522	1.88	
Interest	1,099,449	11.31		1,109,781	11.68	
Total	<u>\$ 9,722,390</u>	<u>100.00 %</u>		<u>\$ 9,504,090</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 \$18,590,319. The unassigned fund balance is \$4,884,519, 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 (\$324,129), 2) restricted for debt service (\$679,583), 3) restricted for economic development (\$404,683), 4) restricted for capital projects (\$5,534,476), 5) restricted for Creative District (\$26,882), 6) restricted for police (\$23,272), 7) restricted for street improvements (\$1,435,145), 8) restricted for fire (\$55,489), 9) restricted for recreation (\$84,669), 10) restricted for museum (\$1,265), (11) assigned for other purposes (\$2,605,836), 12) assigned for budgetary stabilization (\$2,286,137), or 13) put into a nonspendable prepaid asset (\$244,234).

**CITY OF YORK, NEBRASKA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued**  
**For The Year Ended September 30, 2025**

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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 \$4,886,098, or 26.9 percent of annual expenditures. Total General Fund balance was \$10,653,251, or 58.7 percent of annual General Fund expenditures.

The fund balance of the City of York's General Fund increased by \$711,905 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 was as follows: Water Fund – \$10,741,406, Sewer Fund – \$6,134,463, and Landfill Fund – \$4,345,656. The change in net position for the proprietary funds was as follows: Water Fund – increase of \$1,074,722, Sewer Fund – increase of \$652,890, and Landfill Fund – increase of \$995,647. 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, 2025.

### **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, 2025, amounts to \$96,501,921 (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:

- Auditorium sound system - \$54,149
- Auditorium stage curtains - \$53,486
- Emergency generator at auditorium - \$121,430
- Outdoor wall and fence padding at Leavitt Stadium (50% paid by York Public Schools) - \$75,993
- Playground equipment at Harrison Park - \$149,676
- 2025 Ford Interceptor for police - \$72,715
- Vision fitness and weight equipment for Community Center - \$54,847
- Lobby video wall at Convention Center - \$65,697
- Construction in progress on airport layout plan - \$164,550
- 2023 Ford ambulance - \$238,875
- Construction in progress on fire/EMS station project - \$5,908,201
- Two 2026 Freightliner dump trucks - \$226,330
- Construction in progress donated by NDOT on Project Access pedestrian safety & trails project - \$143,160
- 963D loader rebuild for landfill - \$390,887
- Landfill netting system - \$248,405
- Two Race Track Flygt 4660 mixers for sewer - \$81,276
- 11 – 275' KPSI water level probes - \$79,059

**CITY OF YORK, NEBRASKA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued**  
**For The Year Ended September 30, 2025**

- Standard LX valve maintenance trailer - \$98,492
- Water main improvements - \$249,184
- Construction in progress on 4" potable water main project - \$66,754

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

	<u>Year Ended September 30, 2025</u>			<u>Year Ended September 30, 2024</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	\$ 4,351,331	\$ 632,667	\$ 4,983,998
Construction in Progress	9,186,239	66,754	9,252,993	2,848,898	-	2,848,898
Infrastructure	10,524,333	-	10,524,333	11,703,045	-	11,703,045
Buildings and Improvements	22,392,419	6,134,171	28,526,590	23,892,903	6,103,854	29,996,757
Distribution Systems	-	36,188,954	36,188,954	-	37,828,001	37,828,001
Equipment	3,109,405	2,870,500	5,979,905	2,678,209	2,740,202	5,418,411
Vehicles	914,820	130,328	1,045,148	762,310	180,872	943,182
<b>Total</b>	<u>\$ 50,478,547</u>	<u>\$ 46,023,374</u>	<u>\$ 96,501,921</u>	<u>\$ 46,236,696</u>	<u>\$ 47,485,596</u>	<u>\$ 93,722,292</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, 2025</u>			<u>Year Ended September 30, 2024</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	\$ 28,480,000	\$ 4,825,000	\$ 33,305,000	\$ 25,620,000	\$ 5,540,000	\$ 31,160,000
Notes Payable	32,433	19,711,276	19,743,709	113,137	21,101,515	21,214,652
<b>Total</b>	<u>\$ 28,512,433</u>	<u>\$ 24,536,276</u>	<u>\$ 53,048,709</u>	<u>\$ 25,733,137</u>	<u>\$ 26,641,515</u>	<u>\$ 52,374,652</u>

The City of York's total debt increased by \$674,057 (1.3 percent) during the current fiscal year as the City issued \$4,845,000 of Series 2024 Limited Sales Tax Infrastructure Bonds.

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.

**CITY OF YORK, NEBRASKA  
MANAGEMENT’S DISCUSSION AND ANALYSIS, Continued  
For The Year Ended September 30, 2025**

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The following selected financial information is presented:

Total 2025 Taxable Valuation	\$881,045,528
Total General Obligation and Limited Tax Obligation Debt	28,512,433
Total Revenue Debt	24,536,276
Total Sales Tax Revenues	6,746,990

**Economic Factors and Next Year’s Budgets and Rates**

- Property tax asking for the year ending September 30, 2026 of \$2,026,405 is \$25,289 (1.3 percent) higher than last year.
- The City has remaining contractual commitments of \$131,889 on the pedestrian safety access project which is expected to be completed by September 2028.
- The City has remaining contractual commitments of \$2,067,046 on the fire/EMS building project which is expected to be completed by Spring 2026.
- The City has remaining contractual commitments of \$1,684,919 on the 4” potable water main project expected to be completed by October 2026.

**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, 2025**

	Primary Government			Component Unit (Accrual Basis)
	Governmental Activities (Modified Accrual Basis)	Business-type Activities (Accrual Basis)	Total	
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 4,539,380	\$ 6,107,231	\$ 10,646,611	\$ 275,990
Certificates of deposit	6,690,578	14,132,638	20,823,216	500,000
Investments	-	-	-	574,011
County treasurer cash	113,132	-	113,132	-
Accounts receivable	446,207	521,871	968,078	-
Unbilled revenue	-	557,816	557,816	-
Special assessments receivable	502,802	-	502,802	-
Due from other governments	1,342,104	-	1,342,104	-
Current portion of notes receivable	6,653	-	6,653	-
Accrued interest receivable	72,713	77,444	150,157	1,858
Due from (to) other funds	(63,427)	63,427	-	-
Prepaid expenses	244,234	69,303	313,537	-
Inventory	72,605	159,647	232,252	-
Total current assets	<u>13,966,981</u>	<u>21,689,377</u>	<u>35,656,358</u>	<u>1,351,859</u>
Noncurrent assets:				
Restricted cash and cash equivalents	2,064,786	619,691	2,684,477	-
Restricted certificates of deposit	6,884,576	4,055,472	10,940,048	-
Noncurrent portion of notes receivable	6,779	-	6,779	-
Capital assets:				
Land	4,351,331	632,667	4,983,998	131,247
Construction in progress	9,186,239	66,754	9,252,993	-
Other capital assets, net of depreciation	36,940,977	45,323,953	82,264,930	-
Net capital assets	<u>50,478,547</u>	<u>46,023,374</u>	<u>96,501,921</u>	<u>131,247</u>
Total noncurrent assets	<u>59,434,688</u>	<u>50,698,537</u>	<u>110,133,225</u>	<u>131,247</u>
<b>Total assets</b>	<u>73,401,669</u>	<u>72,387,914</u>	<u>145,789,583</u>	<u>1,483,106</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	1,071,886	152,768	1,224,654	-
Claims incurred but not paid	386,641	-	386,641	-
Accrued wages and vacation	636,569	103,426	739,995	-
Payroll withholding	(6,645)	-	(6,645)	-
Accrued interest	366,872	106,859	473,731	-
Sales tax payable	2,172	25,975	28,147	-
Customer deposits	1,750	109,280	111,030	-
Unavailable special assessments	486,245	-	486,245	-
Current portion of long-term obligations	2,137,433	2,142,770	4,280,203	-
Total current liabilities	<u>5,082,923</u>	<u>2,641,078</u>	<u>7,724,001</u>	<u>-</u>
Noncurrent liabilities:				
Noncurrent compensated absences	383,540	78,824	462,364	-
Accrued closure/post-closure costs	-	2,805,500	2,805,500	-
Noncurrent portion of long-term obligations	26,375,000	22,393,506	48,768,506	-
Total noncurrent liabilities	<u>26,758,540</u>	<u>25,277,830</u>	<u>52,036,370</u>	<u>-</u>
<b>Total liabilities</b>	<u>31,841,463</u>	<u>27,918,908</u>	<u>59,760,371</u>	<u>-</u>
<b>NET POSITION</b>				
Net investment in capital assets	21,966,114	21,487,098	43,453,212	-
Restricted for:				
Street improvements	1,435,145	-	1,435,145	-
Debt service	679,583	776,911	1,456,494	-
Landfill closure/post closure	-	983,472	983,472	-
Federal programs	324,129	-	324,129	-
Economic development	404,683	-	404,683	-
Capital projects	5,534,476	-	5,534,476	-
Creative District	26,882	-	26,882	-
Public safety	78,761	-	78,761	-
Recreation	84,669	-	84,669	-
Museum	1,265	-	1,265	-
Unrestricted	<u>11,024,499</u>	<u>21,221,525</u>	<u>32,246,024</u>	<u>1,483,106</u>
<b>Total net position</b>	<u>\$ 41,560,206</u>	<u>\$ 44,469,006</u>	<u>\$ 86,029,212</u>	<u>\$ 1,483,106</u>

See notes to financial statements.

**CITY OF YORK, NEBRASKA**  
**STATEMENT OF ACTIVITIES**  
**For the year ended September 30, 2025**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Charges for Services</u>	<u>Program Revenues Operating Grants and Contributions</u>
<b>Primary government:</b>			
<b>Governmental activities</b>			
<b>(modified accrual basis):</b>			
General government	\$ 1,333,282	\$ 309,602	\$ -
Economic development	318,650	3,215	101,837
Public safety	6,220,939	803,508	458,194
Public works	1,804,047	7,008	12,387
Environment and leisure	4,215,875	1,012,505	119,537
Airport	416,897	283,670	-
Interest and fees on long-term debt	834,753	-	-
Depreciation - unallocated	3,421,645	-	-
Total governmental activities	18,566,088	2,419,508	691,955
<b>Business-type activities</b>			
<b>(accrual basis):</b>			
Water	1,950,657	2,401,797	-
Sewer	3,329,558	3,730,038	-
Landfill	1,718,916	2,351,499	-
Total business-type activities	6,999,131	8,483,334	-
<b>Total primary government</b>	\$ 25,565,219	\$ 10,902,842	\$ 691,955
<b>Component unit (accrual basis):</b>			
Kilgore Library Foundation	\$ 19,437	\$ -	\$ 40,800

See notes to financial statements.

Net (Expenses) Revenues and Changes in Net Position				
Primary Government				
<u>Capital Grants and Contributions</u>	<u>Governmental Activities (Modified Accrual Basis)</u>	<u>Business-type Activities (Accrual Basis)</u>	<u>Total</u>	<u>Component Unit (Accrual Basis)</u>
\$ -	\$ (1,023,680)		\$ (1,023,680)	
-	(213,598)		(213,598)	
28,612	(4,930,625)		(4,930,625)	
188,390	(1,596,262)		(1,596,262)	
292,480	(2,791,353)		(2,791,353)	
147,835	14,608		14,608	
-	(834,753)		(834,753)	
-	(3,421,645)		(3,421,645)	
<u>657,317</u>	<u>(14,797,308)</u>	\$ -	<u>(14,797,308)</u>	
38,935	-	490,075	490,075	
-	-	400,480	400,480	
-	-	632,583	632,583	
<u>38,935</u>	<u>-</u>	<u>1,523,138</u>	<u>1,523,138</u>	
<u>\$ 696,252</u>	<u>(14,797,308)</u>	<u>1,523,138</u>	<u>(13,274,170)</u>	
<u>\$ -</u>				\$ 21,363
General revenues:				
Taxes:				
Property	2,162,400	-	2,162,400	-
Motor vehicle	243,398	-	243,398	-
Occupation/franchise	3,386,771	-	3,386,771	-
Sales tax	6,746,990	-	6,746,990	-
Special assessments	61,667	-	61,667	-
TIF proceeds	105,333	-	105,333	-
State allocation	1,520,371	-	1,520,371	-
Gain on sale of capital assets	-	100,672	100,672	-
Miscellaneous	28,834	-	28,834	-
Investment income	967,229	1,099,449	2,066,678	53,763
Total general revenues	<u>15,222,993</u>	<u>1,200,121</u>	<u>16,423,114</u>	<u>53,763</u>
Change in net position	425,685	2,723,259	3,148,944	75,126
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>
Net position - September 30, 2025	<u>\$ 41,560,206</u>	<u>\$ 44,469,006</u>	<u>\$ 86,029,212</u>	<u>\$ 1,483,106</u>

**CITY OF YORK, NEBRASKA**

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

**September 30, 2025**

	<u>General Fund</u>	<u>Street Fund</u>	<u>CDBG Fund</u>	<u>Debt Service Fund</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 3,363,095	\$ 542,781	\$ 128,814	\$ 211,463
Certificates of deposit	6,852,812	1,145,589	144,684	479,408
County treasurer cash	113,132	-	-	-
Accounts receivable	425,618	20,017	-	-
Special assessments receivable	-	364,560	-	138,242
Due from other governments	835,248	60,454	-	-
Accrued interest receivable	36,712	6,136	775	2,568
Inventory	-	-	-	-
Prepaid insurance	192,888	41,184	-	-
	<u>192,888</u>	<u>41,184</u>	<u>-</u>	<u>-</u>
<b>Total assets</b>	<b><u>\$ 11,819,505</u></b>	<b><u>\$ 2,180,721</u></b>	<b><u>\$ 274,273</u></b>	<b><u>\$ 831,681</u></b>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ 600,874	\$ 294,405	\$ -	\$ -
Accrued interest payable	312	-	-	13,856
Accrued wages and vacation	567,791	61,984	-	-
Payroll liabilities	(6,645)	-	-	-
Due to other funds	-	-	-	-
Customer deposits	1,750	-	-	-
Sales tax payable	2,172	-	-	-
Unavailable special assessments	-	348,003	-	138,242
	<u>-</u>	<u>348,003</u>	<u>-</u>	<u>138,242</u>
<b>Total liabilities</b>	<b>1,166,254</b>	<b>704,392</b>	<b>-</b>	<b>152,098</b>
Fund balances:				
Nonspendable:				
Prepaid assets	192,888	41,184	-	-
Restricted for:				
Street improvements	-	1,435,145	-	-
Debt service	-	-	-	679,583
Federal programs	49,856	-	274,273	-
Economic development	-	-	-	-
Capital projects	3,073,577	-	-	-
Creative District	-	-	-	-
Police	23,272	-	-	-
Fire	55,489	-	-	-
Recreation	84,669	-	-	-
Museum	1,265	-	-	-
Assigned for:				
Budgetary stabilization	2,286,137	-	-	-
Other purposes	-	-	-	-
Unassigned	4,886,098	-	-	-
	<u>4,886,098</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total fund balances</b>	<b><u>10,653,251</u></b>	<b><u>1,476,329</u></b>	<b><u>274,273</u></b>	<b><u>679,583</u></b>
<b>Total liabilities and fund balances</b>	<b><u>\$ 11,819,505</u></b>	<b><u>\$ 2,180,721</u></b>	<b><u>\$ 274,273</u></b>	<b><u>\$ 831,681</u></b>

See notes to financial statements.

LB 357 Fund	Capital Projects Fund	Other Funds	Total Governmental Funds
\$ 785,458	\$ 40,470	\$ 968,158	\$ 6,040,239
1,657,783	85,415	2,019,243	12,384,934
-	-	-	113,132
-	-	572	446,207
-	-	-	502,802
298,567	-	147,835	1,342,104
8,880	457	10,810	66,338
-	-	72,605	72,605
-	-	10,162	244,234
<u>\$ 2,750,688</u>	<u>\$ 126,342</u>	<u>\$ 3,229,385</u>	<u>\$ 21,212,595</u>
\$ -	\$ -	\$ 176,607	\$ 1,071,886
352,704	-	-	366,872
-	-	6,794	636,569
-	-	-	(6,645)
63,427	-	-	63,427
-	-	-	1,750
-	-	-	2,172
-	-	-	486,245
<u>416,131</u>	<u>-</u>	<u>183,401</u>	<u>2,622,276</u>
-	-	10,162	244,234
-	-	-	1,435,145
-	-	-	679,583
-	-	-	324,129
-	-	404,683	404,683
2,334,557	126,342	-	5,534,476
-	-	26,882	26,882
-	-	-	23,272
-	-	-	55,489
-	-	-	84,669
-	-	-	1,265
-	-	-	2,286,137
-	-	2,605,836	2,605,836
-	-	(1,579)	4,884,519
<u>2,334,557</u>	<u>126,342</u>	<u>3,045,984</u>	<u>18,590,319</u>
<u>\$ 2,750,688</u>	<u>\$ 126,342</u>	<u>\$ 3,229,385</u>	<u>\$ 21,212,595</u>

**CITY OF YORK, NEBRASKA**

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

**September 30, 2025**

**Total fund balances - governmental funds** \$ 18,590,319

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. 13,432

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 \$83,072,827 and the accumulated depreciation is \$32,594,280. 50,478,547

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. 1,373,881

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	\$ (28,480,000)	
Note payable	(32,433)	
Noncurrent compensated absences	(383,540)	(28,895,973)

**Total net position - governmental activities** \$ 41,560,206

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, 2025**

	<u>General Fund</u>	<u>Street Fund</u>	<u>CDBG Fund</u>
<b>REVENUES</b>			
Taxes:			
Property	\$ 2,162,400	\$ -	\$ -
Motor vehicle	243,398	-	-
Special assessments	-	61,667	-
Occupation/franchise	3,386,771	-	-
Sales tax	4,657,960	402,282	-
TIF proceeds	-	-	-
Intergovernmental	662,701	1,345,751	-
Charges for services	2,125,780	7,008	-
Grants	42,096	-	101,461
Loan collections	-	-	2,372
Contributions	70,431	-	-
Interest income	684,722	43,361	291
Loan/bond proceeds	4,845,000	-	-
Insurance proceeds	34,257	-	-
Other	9,676	19,158	-
Total revenues	18,925,192	1,879,227	104,124
<b>EXPENDITURES</b>			
General government	1,211,872	-	-
Economic development	-	-	91,029
Public safety	5,824,722	-	-
Public works	-	1,774,148	-
Environment and leisure	4,173,803	-	-
Airport	-	-	-
Capital outlay	6,823,893	305,221	121,430
Principal payments on debt	31,523	49,181	-
Interest on long-term debt	1,847	882	-
Bond fees	79,736	-	-
Total expenditures	18,147,396	2,129,432	212,459
Excess (deficiency) of revenues over expenses before transfers	777,796	(250,205)	(108,335)
<b>INTERFUND TRANSFERS</b>			
Transfers from other funds	-	-	-
Transfers to other funds	(65,891)	(2,960,093)	-
Net interfund transfers	(65,891)	(2,960,093)	-
<b>Net change in fund balances</b>	711,905	(3,210,298)	(108,335)
Fund balances - September 30, 2024	9,941,346	4,686,627	382,608
Fund balances - September 30, 2025	\$ 10,653,251	\$ 1,476,329	\$ 274,273

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>
\$ -	\$ -	\$ -	\$ -	\$ 2,162,400
-	-	-	-	243,398
-	-	-	-	61,667
-	-	-	-	3,386,771
-	1,686,748	-	-	6,746,990
-	-	-	105,333	105,333
-	-	-	-	2,008,452
-	-	-	294,447	2,427,235
-	-	188,390	247,263	579,210
-	-	-	-	2,372
-	-	-	9,515	79,946
16,402	82,404	2,083	55,897	885,160
-	-	-	-	4,845,000
-	-	-	-	34,257
-	-	-	1,237	30,071
<u>16,402</u>	<u>1,769,152</u>	<u>190,473</u>	<u>713,692</u>	<u>23,598,262</u>
-	-	-	1,792	1,213,664
-	8,446	-	220,412	319,887
-	-	-	-	5,824,722
-	-	-	9,040	1,783,188
-	-	-	30,466	4,204,269
-	-	-	411,739	411,739
-	-	-	238,644	7,489,188
955,000	1,030,000	-	-	2,065,704
48,898	696,390	-	-	748,017
5,250	1,750	-	-	86,736
<u>1,009,148</u>	<u>1,736,586</u>	<u>-</u>	<u>912,093</u>	<u>24,147,114</u>
(992,746)	32,566	190,473	(198,401)	(548,852)
963,342	-	-	2,113,080	3,076,422
-	-	(50,438)	-	(3,076,422)
<u>963,342</u>	<u>-</u>	<u>(50,438)</u>	<u>2,113,080</u>	<u>-</u>
(29,404)	32,566	140,035	1,914,679	(548,852)
<u>708,987</u>	<u>2,301,991</u>	<u>(13,693)</u>	<u>1,131,305</u>	<u>19,139,171</u>
<u>\$ 679,583</u>	<u>\$ 2,334,557</u>	<u>\$ 126,342</u>	<u>\$ 3,045,984</u>	<u>\$ 18,590,319</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, 2025**

<b>Total net change in fund balances - governmental funds</b>	\$ (548,852)
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.	(6,530)
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 (\$7,663,496) exceeded depreciation expense (\$3,421,645). Asset additions of \$174,308 were donated to the City.	4,241,851
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.	(268,908)
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.	(212,580)
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.	(4,845,000)
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>2,065,704</u>
<b>Change in net position of governmental activities</b>	<u><u>\$ 425,685</u></u>

See notes to financial statements.

**CITY OF YORK, NEBRASKA**

**STATEMENT OF FUND NET POSITION - PROPRIETARY FUNDS**

**September 30, 2025**

	Enterprise Funds				Internal Service Fund
	Water Fund	Sewer Fund	Landfill Fund	Total	Fund
<b>ASSETS</b>					
Current assets:					
Cash and cash equivalents	\$ 3,149,566	\$ 1,542,763	\$ 1,414,902	\$ 6,107,231	\$ 563,927
Certificates of deposit	7,045,262	4,101,093	2,986,283	14,132,638	1,190,220
Accounts receivable	193,573	328,298	-	521,871	-
Unbilled revenue	257,639	300,177	-	557,816	-
Accrued interest receivable	38,151	21,967	17,326	77,444	6,375
Due from other funds	63,427	-	-	63,427	-
Prepaid expenses	13,247	43,597	12,459	69,303	-
Inventory	159,647	-	-	159,647	-
Total current assets	10,920,512	6,337,895	4,430,970	21,689,377	1,760,522
Noncurrent assets:					
Restricted cash	219,357	400,334	-	619,691	-
Restricted certificates of deposit	266,500	-	3,788,972	4,055,472	-
Capital assets:					
Land	24,625	344,330	263,712	632,667	-
Construction in progress	66,754	-	-	66,754	-
Distribution systems	21,580,456	35,659,101	-	57,239,557	-
Buildings and improvements	270,742	-	8,907,608	9,178,350	-
Equipment	1,464,264	5,713,588	3,514,106	10,691,958	-
Vehicles	104,250	570,000	-	674,250	-
Less accumulated depreciation	(10,895,835)	(16,608,468)	(4,955,859)	(32,460,162)	-
Net capital assets	12,615,256	25,678,551	7,729,567	46,023,374	-
Total noncurrent assets	13,101,113	26,078,885	11,518,539	50,698,537	-
<b>Total assets</b>	24,021,625	32,416,780	15,949,509	72,387,914	1,760,522
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable	68,770	52,003	31,995	152,768	-
Claims incurred but not paid	-	-	-	-	386,641
Accrued wages and vacation	42,943	30,520	29,963	103,426	-
Accrued interest payable	21,714	73,666	11,479	106,859	-
Sales tax payable	7,022	18,953	-	25,975	-
Customer deposits	109,280	-	-	109,280	-
Current portion of long-term obligations	628,375	1,089,395	425,000	2,142,770	-
Total current liabilities	878,104	1,264,537	498,437	2,641,078	386,641
Noncurrent liabilities:					
Noncurrent compensated absences	38,657	28,290	11,877	78,824	-
Accrued closure/post-closure costs	-	-	2,805,500	2,805,500	-
Noncurrent portion of long-term obligations	3,655,039	15,748,467	2,990,000	22,393,506	-
Total noncurrent liabilities	3,693,696	15,776,757	5,807,377	25,277,830	-
<b>Total liabilities</b>	4,571,800	17,041,294	6,305,814	27,918,908	386,641
<b>NET POSITION</b>					
Net investment in capital assets	8,331,842	8,840,689	4,314,567	21,487,098	-
Restricted for debt service	376,577	400,334	-	776,911	-
Restricted for landfill closure/post closure	-	-	983,472	983,472	-
Unrestricted	10,741,406	6,134,463	4,345,656	21,221,525	1,373,881
<b>Total net position</b>	\$19,449,825	\$15,375,486	\$9,643,695	\$44,469,006	\$1,373,881

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, 2025**

	Enterprise Funds			Total	Internal Service Fund
	Water Fund	Sewer Fund	Landfill Fund		
<b>Operating revenues:</b>					
Sales	\$ 2,148,000	\$ 3,685,934	\$ 2,348,299	\$ 8,182,233	\$ -
Services charges	33,161	24,679	-	57,840	-
Tap fees	200	-	-	200	-
Rent income	174,615	-	3,200	177,815	-
Health insurance premiums	-	-	-	-	1,931,090
Other revenue	45,821	19,425	-	65,246	-
<b>Total operating revenues</b>	<u>2,401,797</u>	<u>3,730,038</u>	<u>2,351,499</u>	<u>8,483,334</u>	<u>1,931,090</u>
<b>Operating expenses:</b>					
Personnel	642,840	662,119	549,015	1,853,974	-
Insurance	32,685	105,120	31,802	169,607	-
Professional fees	22,228	57,965	105,446	185,639	-
Meetings, seminars, and dues	2,551	2,193	255	4,999	-
Repairs and maintenance	104,545	226,244	165,118	495,907	-
Contract services	8,203	31,104	63,106	102,413	-
Transportation	7,564	9,894	49,424	66,882	-
Utilities and telephone	84,616	212,060	24,098	320,774	-
Supplies	16,277	40,866	9,745	66,888	-
Closure/post-closure costs	-	-	134,314	134,314	-
Farm rental expenses	120,652	-	-	120,652	-
Other expenses	103,756	80,229	24,286	208,271	-
Depreciation	704,688	1,518,296	505,617	2,728,601	-
Insurance claims/health premiums	-	-	-	-	2,282,066
<b>Total operating expenses</b>	<u>1,850,605</u>	<u>2,946,090</u>	<u>1,662,226</u>	<u>6,458,921</u>	<u>2,282,066</u>
<b>Operating income (loss)</b>	<u>551,192</u>	<u>783,948</u>	<u>689,273</u>	<u>2,024,413</u>	<u>(350,976)</u>
<b>Nonoperating revenues (expenses):</b>					
Interest income	483,975	252,410	363,064	1,099,449	82,068
Grant income	38,935	-	-	38,935	-
Gain on sale of assets	100,672	-	-	100,672	-
Interest expense	(76,640)	(259,961)	(56,066)	(392,667)	-
Bond/DEE loan fees	(23,412)	(123,507)	(624)	(147,543)	-
<b>Total nonoperating     revenues (expenses)</b>	<u>523,530</u>	<u>(131,058)</u>	<u>306,374</u>	<u>698,846</u>	<u>82,068</u>
<b>Change in net position</b>	<u>1,074,722</u>	<u>652,890</u>	<u>995,647</u>	<u>2,723,259</u>	<u>(268,908)</u>
Net position - September 30, 2024	<u>18,375,103</u>	<u>14,722,596</u>	<u>8,648,048</u>	<u>41,745,747</u>	<u>1,642,789</u>
Net position - September 30, 2025	<u>\$ 19,449,825</u>	<u>\$ 15,375,486</u>	<u>\$ 9,643,695</u>	<u>\$ 44,469,006</u>	<u>\$ 1,373,881</u>

See notes to financial statements.

**CITY OF YORK, NEBRASKA**

**STATEMENT OF CASH FLOWS -  
PROPRIETARY FUNDS**

**For the year ended September 30, 2025**

	<u>Water Fund</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Receipts from customers	\$ 2,404,912
Receipts from employees and other funds	-
Payments to suppliers	(780,690)
Payments to employees	(617,768)
Net cash provided (used) by operating activities	1,006,454
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>	
Decrease in due from other funds	63,426
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>	
Purchase of property and equipment	(526,534)
Proceeds from sale of assets	100,672
Grant funds received	38,935
Payment of loan administration fees	(23,412)
Principal payments on capital debt	(617,002)
Interest paid on capital debt	(79,189)
Net cash used by capital and related financing activities	(1,106,530)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	
Increase in certificates of deposit	(348,347)
Increase in restricted cash	(109,852)
Increase in restricted certificates of deposit	-
Interest received	490,278
Net cash provided (used) by investing activities	32,079
Increase (decrease) in cash and cash equivalents	(4,571)
Cash and cash equivalents - beginning of the year	3,154,137
Cash and cash equivalents - end of the year	\$ 3,149,566

Enterprise Funds			Internal Service Fund
Sewer Fund	Landfill Fund	Total	Fund
\$ 3,617,029	\$ 2,351,499	\$ 8,373,440	\$ -
-	-	-	1,931,090
(799,861)	(463,049)	(2,043,600)	(2,011,086)
(639,656)	(525,493)	(1,782,917)	-
<u>2,177,512</u>	<u>1,362,957</u>	<u>4,546,923</u>	<u>(79,996)</u>
-	-	63,426	-
(93,624)	(646,221)	(1,266,379)	-
-	-	100,672	-
-	-	38,935	-
(123,507)	(624)	(147,543)	-
(1,073,237)	(415,000)	(2,105,239)	-
(264,656)	(56,757)	(400,602)	-
<u>(1,555,024)</u>	<u>(1,118,602)</u>	<u>(3,780,156)</u>	<u>-</u>
(621,857)	(218,176)	(1,188,380)	(11,688)
(400,334)	-	(510,186)	-
-	(320,620)	(320,620)	-
253,276	365,410	1,108,964	83,427
<u>(768,915)</u>	<u>(173,386)</u>	<u>(910,222)</u>	<u>71,739</u>
(146,427)	70,969	(80,029)	(8,257)
<u>1,689,190</u>	<u>1,343,933</u>	<u>6,187,260</u>	<u>572,184</u>
<u>\$ 1,542,763</u>	<u>\$ 1,414,902</u>	<u>\$ 6,107,231</u>	<u>\$ 563,927</u>

**CITY OF YORK, NEBRASKA**

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

**For the year ended September 30, 2025**

	<u>Water Fund</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>	
Operating income (loss)	\$ 551,192
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation	704,688
Increase in estimated accrued closure/post-closure costs	-
Change in assets and liabilities:	
Accounts receivable and unbilled revenue	12,473
Prepaid expenses	(336)
Inventories	(47,499)
Accounts payable	(229,778)
Claims incurred but not paid	-
Accrued expenses	25,072
Sales tax payable	(9,133)
Customer deposits	(225)
Net cash provided (used) by operating activities	<u>\$ 1,006,454</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>	
\$ 783,948	\$ 689,273		\$ 2,024,413	\$ (350,976)
1,518,296	505,617		2,728,601	-
-	134,314		134,314	-
(112,515)	-		(100,042)	-
(7,310)	(1,144)		(8,790)	-
-	-		(47,499)	-
(26,876)	11,375		(245,279)	(42,307)
-	-		-	313,287
22,463	23,522		71,057	-
(494)	-		(9,627)	-
-	-		(225)	-
<u>\$ 2,177,512</u>	<u>\$ 1,362,957</u>		<u>\$ 4,546,923</u>	<u>\$ (79,996)</u>

**CITY OF YORK, NEBRASKA**  
**NOTES TO FINANCIAL STATEMENTS**

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**CITY OF YORK, NEBRASKA**  
**NOTES TO FINANCIAL STATEMENTS**

**September 30, 2025**

**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, 2025**

**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, 2025**

**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, 2025**

**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:

<b><u>Fund</u></b>	<b><u>Brief Description</u></b>
<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, 2025

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

2. **Basis of Presentation, continued**

Major and Nonmajor Funds, continued

<b><u>Fund</u></b>	<b><u>Brief Description</u></b>
<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, 2025**

**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, 2025**

**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, 2025**

**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	\$ 835,248	Sales Tax
Street	60,454	Sales Tax
LB357	298,567	Sales Tax
Aviation	147,835	Federal Grant
	<u>\$1,342,104</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, 2025**

**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**

During the year ended September 30, 2025, the City adopted GASB No. 101, *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, 2025**

**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, 2025

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.

**CITY OF YORK, NEBRASKA**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2025**

**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 2024-2025 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, 2025**

**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, 2025**

**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, 2025**

**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 Investments**

**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, 2025. The categories of collateral are defined as follows:

**CITY OF YORK, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**September 30, 2025**

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

**1. Cash and Investments, 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	\$ 46,240,653	\$ 1,378,443	\$ 44,862,210	\$ -	\$ <u>45,870,342</u>
Reconciliation to Government-wide Statement of Net Position:					
Primary Government –					
Unrestricted cash and cash equivalents					\$ 10,646,611
Unrestricted certificates of deposit					20,823,216
Restricted cash and cash equivalents					2,684,477
Restricted certificates of deposit					<u>10,940,048</u>
Total primary government					45,094,352
Component Unit –					
Unrestricted cash and cash equivalents					275,990
Unrestricted certificates of deposit					<u>500,000</u>
Total component unit					<u>775,990</u>
Total					\$ <u>45,870,342</u>

**CITY OF YORK, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**September 30, 2025**

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

**1. Cash and Investments, continued**

**Investments – Kilgore Library Foundation**

At September 30, 2025, the Kilgore Library Foundation had investment accounts at Cornerstone Investments consisting of approximately 43 percent equities and 57 percent fixed income securities. The market value of the investments was \$574,011 and the cost basis was \$565,982 at September 30, 2025. The investments are reported at market value in the accompanying financial statements.

**2. Restricted Assets**

The restricted assets as of September 30, 2025, 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	\$ 2,064,786	\$ 619,691	\$ 2,684,477	\$ -
Certificates of deposit	<u>6,884,576</u>	<u>4,055,472</u>	<u>10,940,048</u>	<u>-</u>
	<u>\$ 8,949,362</u>	<u>\$ 4,675,163</u>	<u>\$ 13,624,525</u>	<u>\$ -</u>

The governmental restricted assets consist of the following: \$49,856 in the General Fund for Federal programs, \$3,073,577 in the General Fund for capital projects, \$78,761 in the General Fund for public safety, \$84,669 in the General Fund for recreation, \$1,265 in the General Fund for the museum, \$1,688,370 in the Street Fund for street operations and improvements, \$273,498 in the CDBG Fund for federal programs, \$690,871 in the Debt Service Fund for debt service, \$2,443,241 in the LB 357 Fund for capital projects, \$125,885 in the Capital Projects Fund for capital projects, \$36,152 in the Creative District Fund for projects, and \$403,217 in the TIF Fund for economic development.

Restricted assets for business-type funds consist of \$109,280 restricted cash for customer deposits in the Water Fund, \$376,577 of Water Fund cash and certificates of deposit restricted for debt service, \$400,334 of Sewer Fund cash restricted for debt service, and \$3,788,972 of Landfill Fund certificates of deposit restricted for closure and post-closure costs.

**CITY OF YORK, NEBRASKA**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2025**

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

**3. Accounts and Other Receivables**

Governmental receivables detail at September 30, 2025, is as follows:

	<u>Governmental Activities</u>
Accounts receivable - ambulance	\$ 275,129
Hotel occupation tax receivable	81,029
Other governmental accounts receivable	<u>90,049</u>
Total governmental accounts receivable	<u>\$ 446,207</u>

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

**4. Notes Receivable**

Notes receivable at September 30, 2025, 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>\$ 13,432</u>
Current portion	\$ 6,653
Noncurrent portion	<u>6,779</u>
Total	<u>\$ 13,432</u>

**CITY OF YORK, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**September 30, 2025**

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

**5. Capital Assets**

Capital asset activity for the year ended September 30, 2025, was as follows:

	Balance at October 1, <u>2024</u>	<u>Additions</u>	<u>Disposals</u>	<u>Reclass</u>	Balance at September 30, <u>2025</u>
<b><u>Governmental Activities:</u></b>					
Capital assets not being depreciated:					
Land	\$ 4,351,331	\$ -	\$ -	\$ -	\$ 4,351,331
Construction in progress	2,848,898	6,337,341	-	-	9,186,239
Total capital assets not being depreciated	7,200,229	6,337,341	-	-	13,537,570
Other capital assets being depreciated:					
Infrastructure	21,271,020	-	-	-	21,271,020
Buildings and improvements	37,237,196	14,440	(85,720)	-	37,165,916
Equipment	6,217,470	931,176	(87,882)	-	7,060,764
Vehicles	3,717,600	380,539	(60,582)	-	4,037,557
Total other capital assets at historical cost	68,443,286	1,326,155	(234,184)	-	69,535,257
Less accumulated depreciation for:					
Infrastructure	(9,567,975)	(1,178,712)	-	-	(10,746,687)
Buildings and improvements	(13,344,293)	(1,514,924)	85,720	-	(14,773,497)
Equipment	(3,539,261)	(499,980)	87,882	-	(3,951,359)
Vehicles	(2,955,290)	(228,029)	60,582	-	(3,122,737)
Total accumulated depreciation	(29,406,819)	(3,421,645) *	234,184	-	(32,594,280)
Other capital assets, net	39,036,467	(2,095,490)	-	-	36,940,977
Governmental activities capital assets, net	\$ 46,236,696	\$ 4,241,851	\$ -	\$ -	\$ 50,478,547

\*Depreciation expense was incurred by the following governmental activities:

CITY OF YORK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2025

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

5. Capital Assets, continued

Governmental Activities, continued:

General Fund:

General government:

Administration \$ 22,695

Public safety:

Police 131,528

Fire/EMS 140,875

Total public safety 272,403

Environment and leisure:

Auditorium 193,607

Ball Field Complex 510,865

Soccer Complex 16,074

Community Center 37,230

Convention Center 349,629

Library 66,086

Museum 2,220

Park 297,315

Pool 149,958

Senior Center 11,337

Total environment and leisure 1,634,321

Total General Fund 1,929,419

Special Revenue Funds:

Airport 175,959

Street 1,316,267

Total Governmental Activities  
depreciation expense \$ 3,421,645

Construction in progress at September 30, 2025, consists of \$393,099 of costs on the airport layout plan project, \$1,798,018 of costs on the pedestrian safety access project, \$6,873,692 of costs on the fire/EMS station project, and \$121,430 of costs on the emergency generator at the auditorium. See Note D3 for details of commitments in place on these projects as of September 30, 2025.

**CITY OF YORK, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**September 30, 2025**

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

**5. Capital Assets, continued**

	Balance at October 1, <u>2024</u>	<u>Additions</u>	<u>Disposals</u>	<u>Reclass</u>	Balance at September 30, <u>2025</u>
<b><u>Business-type Activities:</u></b>					
Capital assets not being depreciated:					
Land	\$ 632,667	\$ -	\$ -	\$ -	\$ 632,667
Construction in progress	-	66,754	-	-	66,754
Total capital assets not being depreciated	632,667	66,754	-	-	699,421
Other capital assets being depreciated:					
Distribution systems	56,970,927	268,630	-	-	57,239,557
Buildings and improvements	8,929,945	248,405	-	-	9,178,350
Equipment	10,111,599	682,590	(102,231)	-	10,691,958
Vehicles	674,250	-	-	-	674,250
Total other capital assets at historical cost	76,686,721	1,199,625	(102,231)	-	77,784,115
Less accumulated depreciation for:					
Distribution systems	(19,142,926)	(1,907,677)	-	-	(21,050,603)
Buildings and improvements	(2,826,091)	(218,088)	-	-	(3,044,179)
Equipment	(7,371,397)	(552,292)	102,231	-	(7,821,458)
Vehicles	(493,378)	(50,544)	-	-	(543,922)
Total accumulated depreciation	(29,833,792)	(2,728,601) *	102,231	-	(32,460,162)
Other capital assets, net	46,852,929	(1,528,976)	-	-	45,323,953
Business-type capital assets, net	\$ 47,485,596	\$ (1,462,222)	\$ -	\$ -	\$ 46,023,374

\*Depreciation expense was charged to functions as follows:

Water	\$ 704,688
Sewer	1,518,296
Landfill	<u>505,617</u>
Total Business-type Activities depreciation expense	\$ <u>2,728,601</u>

Construction in progress at September 30, 2025, consists of \$66,754 of costs on 4” potable water main project. See Note D3 for details of commitments in place on these projects as of September 30, 2025.

**CITY OF YORK, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**September 30, 2025**

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

**5. Capital Assets, continued**

	Balance at October 1, <u>2024</u>	<u>Additions</u>	<u>Disposals</u>	Balance at September 30, <u>2025</u>
<b><u>Kilgore Library Foundation:</u></b>				
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>2024</u>	<u>Additions</u>	<u>Deductions</u>	Balance September 30, <u>2025</u>	<u>Amounts Due Within One Year</u>
<b>Governmental Activities:</b>					
Bonds payable	\$ 25,620,000	\$ 4,845,000	\$ (1,985,000)	\$ 28,480,000	\$ 2,105,000
Notes payable	113,137	-	(80,704)	32,433	32,433
Total	\$ 25,733,137	\$ 4,845,000	\$ (2,065,704)	\$ 28,512,433	\$ 2,137,433
<b>Business-type Activities:</b>					
Bonds payable	\$ 5,540,000	\$ -	\$ (715,000)	\$ 4,825,000	\$ 730,000
Notes payable	21,101,515	-	(1,390,239)	19,711,276	1,412,770
Total	\$ 26,641,515	\$ -	\$ (2,105,239)	\$ 24,536,276	\$ 2,142,770

The following is a summary of changes in long-term debt for the year ended September 30, 2025:

**Governmental Activities**

As of September 30, 2025, 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.

\$ 5,960,000

**CITY OF YORK, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**September 30, 2025**

**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. 7,925,000

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. 4,610,000

Series 2024 Limited Sales Tax Supported Infrastructure Bonds for \$4,845,000 dated October 16, 2024 issued for financing the fire/EMS station project. The bonds bear interest ranging from 3.05 to 5.00 percent with final maturity April 1, 2044. Payments are made by the LB 357 Fund. 4,845,000

Series 2021 General Obligation Highway Allocation Refunding Bonds for \$1,710,000 dated November 21, 2021 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. 670,000

**CITY OF YORK, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**September 30, 2025**

**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. 555,000

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. 3,915,000

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. -

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. -

CITY OF YORK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2025

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. 32,433

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. -

Total governmental activities long-term debt \$ 28,512,433

Current portion \$ 2,137,433

Noncurrent portion 26,375,000

Total governmental long-term debt \$ 28,512,433

Business-type Activities

As of September 30, 2025, 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. \$ 738,306

**CITY OF YORK, NEBRASKA**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2025**

**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. 2,135,108

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. 16,837,862

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. 3,415,000

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. 1,410,000

Total business-type activity debt \$ 24,536,276

Current portion \$ 2,142,770

Noncurrent portion 22,393,506

Total \$ 24,536,276

**CITY OF YORK, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**September 30, 2025**

**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, 2025, are as follows:

<u>September 30,</u>	<u>Governmental Activities</u>			
	<u>Other Debt Issues</u>		<u>Direct Placement Debt</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2026	\$ 2,105,000	\$ 747,300	\$ 32,433	\$ 937
2027	2,155,000	714,083	-	-
2028	2,185,000	677,242	-	-
2029	1,995,000	637,674	-	-
2030	2,035,000	595,812	-	-
2031-2035	8,285,000	2,417,348	-	-
2036-2040	5,820,000	1,443,082	-	-
2041-2044	3,900,000	411,844	-	-
	<u>\$ 28,480,000</u>	<u>\$ 7,644,385</u>	<u>\$ 32,433</u>	<u>\$ 937</u>

<u>September 30,</u>	<u>Business-type Activities</u>				
	<u>Other Debt Issues</u>		<u>Direct Placement Debt</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Fees</u>
2026	\$ 730,000	\$ 67,830	\$ 1,412,770	\$ 304,357	\$ 136,384
2027	735,000	61,034	1,435,671	281,456	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	245,000	37,886	1,506,669	210,458	94,581
2031-2035	1,285,000	122,681	7,239,219	703,595	319,213
2036-2039	555,000	11,918	5,175,381	176,192	82,223
	<u>\$ 4,825,000</u>	<u>\$ 403,234</u>	<u>\$ 19,711,276</u>	<u>\$ 2,168,746</u>	<u>\$ 979,692</u>

**CITY OF YORK, NEBRASKA**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2025**

**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 \$1,665,604, with post-closure care costs of \$765,938, for a total of \$2,431,542 as of September 30, 2025, which is based on 90.3 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 \$329,160, with post-closure care costs of \$29,402 for a total of \$358,562 as of September 30, 2025. The estimated liability for the old landfill post-closure care costs is \$15,396 as of September 30, 2025.

It is estimated that an additional \$693,440 and \$128,037, 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 \$3,626,978 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, 2025. However, 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, 2025, restricted funds of \$3,788,972 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, 2025**

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

**8. Accrued Compensated Absences**

Accrued compensated absences for the City consisted of the following as of September 30, 2025:

	<u>Balance at</u> <u>9/30/2024</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at</u> <u>9/30/2025</u>	<u>Current</u> <u>Portion</u>
Accrued compensated absences:					
Governmental activities	<u>\$ 551,035</u>	<u>\$ 290,668</u>	<u>\$ -</u>	<u>\$ 841,703</u>	<u>\$ 383,540</u>
Business-type activities	<u>\$ 84,711</u>	<u>\$ 57,885</u>	<u>\$ -</u>	<u>\$ 142,596</u>	<u>\$ 78,824</u>

**9. Interfund Transactions and Balances**

Transfers consisted of the following:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund:		
To Nonmajor Governmental Funds	\$ -	\$ 65,891
Street Fund:		
To Debt Service	-	912,904
To Nonmajor Governmental Funds	-	2,047,189
Total Street Fund	-	2,960,093
Debt Service Fund:		
From Street	912,904	
From Capital Projects	50,438	-
Total Debt Service Fund	963,342	-
Capital Projects Fund		
To Debt Service	-	50,438
Nonmajor Governmental Funds:	2,113,080	-
	<u>\$ 3,076,422</u>	<u>\$ 3,076,422</u>

**CITY OF YORK, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**September 30, 2025**

**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 \$3,708,518, with the City contributing \$241,054 and the employees contributing \$283,388 for the year ended September 30, 2025.

**Firefighters** – Firefighters are covered by a defined contribution plan. Eligible employees are required to contribute 8.7 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 \$1,551,197 with the City contributing \$201,656 and the employees contributing \$134,954 for the year ended September 30, 2025.

**CITY OF YORK, NEBRASKA**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2025**

**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 \$1,573,880. Both the City's contribution of \$110,172 and the employees' contributions of \$110,172 were made for the year ended September 30, 2025.

**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, 2025

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, 2025, 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 2025	\$ 10,675,357
November 2025	532,800
December 2025	1,214,724
March 2026	5,881,323
April 2026	956,997
June 2026	4,105,543
July 2026	1,029,583
August 2026	1,087,232
September 2026	<u>6,279,705</u>
	\$ <u>31,763,264</u>

CITY OF YORK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2025

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, 2025, the City’s certificates of deposit consisted of the following:

<u>Financial Institution</u>	<u>Amount</u>
Cornerstone Bank	\$ 19,657,104
Henderson State Bank	<u>12,106,160</u>
	\$ <u>31,763,264</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, 2025.

3. Commitments and Contingencies

Lease Commitments

The City had the following lease commitments at September 30, 2025:

<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, 2025**

**NOTE D – OTHER NOTES, continued**

**3. Commitments and Contingencies, continued**

**Contractual Commitments**

At September 30, 2025, the City had the following commitments for capital assets:

	<u>Contract Amount</u>	<u>Incurred as of September 30, 2025</u>	<u>Remaining Commitment</u>	<u>Expected Completion</u>
Fire/EMS building:				
Engineering	\$ 726,561	\$ 717,657	\$ 8,904	
Contractor	<u>7,861,680</u>	<u>5,803,538</u>	<u>2,058,142</u>	
Total	<u>8,588,241</u>	<u>6,521,195</u>	<u>2,067,046</u>	Spring 2026
Auditorium emergency generator:				
Contractors	39,651	-	39,651	December 2025
Airport layout plan:				
Engineer	329,100	296,190	32,910	September 2027
Pedestrian safety access project:				
Nebraska Dept of Transportation	177,096	45,207	131,889	September 2028
Comprehensive plan	50,000	30,000	20,000	December 2025
Water main project:				
Engineering	120,060	-	120,060	
Contractor	<u>1,564,859</u>	<u>-</u>	<u>1,564,859</u>	
Total	<u>1,684,919</u>	<u>-</u>	<u>1,684,919</u>	October 2026
	<u><u>\$ 10,869,007</u></u>	<u><u>\$ 6,892,592</u></u>	<u><u>\$ 3,976,415</u></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, 2025, will not be significant to the City's financial statements.

**CITY OF YORK, NEBRASKA**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2025**

**NOTE D – OTHER NOTES, continued**

**4. Interlocal Agreements**

The City had the following interlocal agreements in effect as of September 30, 2025:

<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
York Public Schools	April 2024 to indefinite	School Resource Officer
Upper Big Blue Natural Resources District	December 2022 through December 2027	Project Grow

**5. CDBG Housing Loans**

At September 30, 2025, 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, 2025**

**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, 2025 is as follows:

<u>TIF Project:</u>	Years Remaining on <u>TIF Agreements</u>	<u>2025 TIF Valuation</u>	<u>TIF Proceeds Received during the year 9-30-2025</u>
Levander’s of York	8	\$ 428,232	\$ 7,049
Beaver Creek	8	761,970	8,424
Nutrition Service	9	2,142,031	35,264
Creekside Apartments	10	4,351,574	44,608
Bukaska Builders	10	375,747	6,186
Bosselman	15	24,226	-
4 Micro TIF’s	14	635,423	<u>3,802</u>
			<u>\$ 105,333</u>

**7. Related Party Transactions**

The City purchased office supplies of \$38,994 and plumbing contractor services of \$47,873 from businesses owned by two Council members during the year ended September 30, 2025. The City also paid \$105,890 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, 2025**

**NOTE D – OTHER NOTES, continued**

**8. Subsequent Events**

Management has evaluated subsequent events through January 6, 2026, the date on which the financial statements were available for issue.

On October 2, 2025, Council approved a \$66,176 bid from First Wireless for a fire station communications system.

On October 2, 2025, Council approved a \$120,000 agreement with Benesch for construction engineering services on the water main replacement project.

On October 2, 2025, Council approved a contract for \$134,794 with CCS for the Holthus Convention Center project.

On November 6, 2025, Council approved task order 46 for the YASWA 2025-2025 annual engineering services of \$100,000 and capital engineering services of \$100,000 for a total contract of \$200,000 with HDR Engineering.

**SUPPLEMENTARY AND OTHER INFORMATION**

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

**Year ended September 30, 2025**

	<u>Budget</u> (Original and Final)	<u>Actual</u>	Variances - Actual Over (Under) Final <u>Budget</u>
<b>RESOURCES (INFLOWS)</b>			
Taxes:			
Property	\$ 2,086,003	\$ 2,162,400	\$ 76,397
Motor vehicle	220,000	243,398	23,398
Occupation/franchise	2,860,846	3,386,771	525,925
Sales tax	4,437,586	4,618,442	180,856
Intergovernmental	641,714	662,701	20,987
Charges for services	1,697,807	2,268,850	571,043
Grants	709,702	42,096	(667,606)
Contributions	88,000	70,431	(17,569)
Interest income	253,700	687,745	434,045
Loan/bond proceeds	7,190,000	4,845,000	(2,345,000)
Insurance proceeds	-	34,257	34,257
Other	14,500	9,676	(4,824)
	<u>20,199,858</u>	<u>19,031,767</u>	<u>(1,168,091)</u>
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS)</b>			
Administrative	1,299,180	1,177,128	(122,052)
Public safety:			
Police	3,274,479	2,854,018	(420,461)
Fire/EMS	11,131,362	8,937,151	(2,194,211)
Police pension	117,452	110,172	(7,280)
Fire pension	241,991	245,271	3,280
Total public safety	<u>14,765,284</u>	<u>12,146,612</u>	<u>(2,618,672)</u>
Environment and leisure:			
Auditorium	272,542	259,899	(12,643)
Parks	1,427,168	837,594	(589,574)
Community center	766,493	701,679	(64,814)
Aquatic center	430,415	376,717	(53,698)
Ball park	633,228	625,303	(7,925)
Soccer complex	279,608	230,751	(48,857)
Senior center	23,142	14,197	(8,945)
Convention center	864,882	728,386	(136,496)
Museum	140,786	121,004	(19,782)
Library	1,132,753	781,108	(351,645)
Total environment and leisure	<u>5,971,017</u>	<u>4,676,638</u>	<u>(1,294,379)</u>
Total charges to appropriations	<u>22,035,481</u>	<u>18,000,378</u>	<u>(4,035,103)</u>
Revenues over (under) charges to appropriations before transfers	(1,835,623)	1,031,389	2,867,012
<b>TRANSFERS FROM (TO) OTHER FUNDS</b>	<u>4,272,160</u>	<u>(65,891)</u>	<u>(4,338,051)</u>
<b>RESOURCES OVER CHARGES TO APPROPRIATIONS AND TRANSFERS</b>	<u>\$ 2,436,537</u>	<u>\$ 965,498</u>	<u>\$ (1,471,039)</u>

**CITY OF YORK, NEBRASKA**

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

**Year ended September 30, 2025**

	Budget (Original and Final)	Actual	Variances - Actual Over (Under) Final Budget
<b>RESOURCES (INFLOWS)</b>			
Special assessments	\$ 17,600	\$ 61,667	\$ 44,067
Sales tax	389,993	403,592	13,599
Intergovernmental	1,370,098	1,335,215	(34,883)
Charges for services	18,187	7,008	(11,179)
Grants	10,000	-	(10,000)
Interest income	100,000	57,884	(42,116)
Other	5,000	19,158	14,158
	<hr/>	<hr/>	<hr/>
Total resources	1,910,878	1,884,524	(26,354)
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS)</b>			
Street operations and maintenance	2,110,591	1,556,573	(554,018)
Capital outlay	766,503	305,221	(461,282)
Principal payments on debt	-	49,181	49,181
Interest expense	-	1,323	1,323
	<hr/>	<hr/>	<hr/>
Total charges to appropriations	2,877,094	1,912,298	(964,796)
Revenues under charges to appropriations before transfers	(966,216)	(27,774)	938,442
<b>TRANSFERS TO OTHER FUNDS</b>	<hr/>	<hr/>	<hr/>
	(3,033,484)	(2,960,093)	73,391
<b>RESOURCES AND TRANSFERS UNDER CHARGES TO APPROPRIATIONS</b>	<hr/>	<hr/>	<hr/>
	\$ (3,999,700)	\$ (2,987,867)	\$ 1,011,833

**CITY OF YORK, NEBRASKA**

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

**Year ended September 30, 2025**

	Budget (Original and Final)	<u>Actual</u>	Variances - Actual Over (Under) Final <u>Budget</u>
<b>RESOURCES (INFLOWS)</b>			
Grants	\$ 450,000	\$ 101,461	\$ (348,539)
Loan collections	-	2,372	2,372
Interest income	-	564	564
	<hr/>	<hr/>	<hr/>
Total resources	450,000	104,397	(345,603)
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS)</b>			
Economic development	831,375	91,029	(740,346)
Capital outlay	-	121,430	121,430
	<hr/>	<hr/>	<hr/>
Total charges to appropriations	831,375	212,459	(618,916)
<b>RESOURCES UNDER CHARGES TO APPROPRIATIONS</b>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	\$ (381,375)	\$ (108,062)	\$ 273,313

**CITY OF YORK, NEBRASKA**

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

**Year ended September 30, 2025**

	Budget (Original and Final)	<u>Actual</u>	Variances - Actual Over (Under) Final <u>Budget</u>
<b>RESOURCES (INFLOWS)</b>			
Interest income	\$ -	\$ 17,118	\$ 17,118
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS)</b>			
Principal payments	955,000	955,000	-
Interest expense	51,175	51,176	1
Bond fees	<u>2,250</u>	<u>5,250</u>	<u>3,000</u>
Total charges to appropriations	<u>1,008,425</u>	<u>1,011,426</u>	<u>3,001</u>
Revenues under charges to appropriations before transfers	(1,008,425)	(994,308)	14,117
<b>TRANSFERS FROM OTHER FUNDS</b>	<u>1,008,425</u>	<u>963,342</u>	<u>(45,083)</u>
<b>RESOURCES AND TRANSFERS UNDER CHARGES TO APPROPRIATIONS</b>	<u>\$ -</u>	<u>\$ (30,966)</u>	<u>\$ (30,966)</u>

**CITY OF YORK, NEBRASKA**

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

**Year ended September 30, 2025**

	Budget (Original and Final)	<u>Actual</u>	Variances - Actual Over (Under) Final <u>Budget</u>
<b>RESOURCES (INFLOWS)</b>			
Sales tax	\$ 1,609,193	\$ 1,670,638	\$ 61,445
Interest income	84,209	84,531	322
	<hr/>	<hr/>	<hr/>
Total resources	1,693,402	1,755,169	61,767
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS)</b>			
Economic development	-	8,446	8,446
Capital outlay	63,427	88,000	24,573
Principal payments	1,155,000	1,030,000	(125,000)
Interest expense	693,149	611,834	(81,315)
Bond fees	2,000	1,750	(250)
	<hr/>	<hr/>	<hr/>
Total charges to appropriations	1,913,576	1,740,030	(173,546)
<b>RESOURCES OVER (UNDER) CHARGES TO APPROPRIATIONS</b>			
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	\$ (220,174)	\$ 15,139	\$ 235,313

**CITY OF YORK, NEBRASKA**

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

**Year ended September 30, 2025**

	Budget (Original and Final)	<u>Actual</u>	Variances - Actual Over (Under) Final <u>Budget</u>
<b>RESOURCES (INFLOWS)</b>			
Grants	\$ 1,900,000	\$ 188,390	\$ (1,711,610)
Interest income	-	1,566	1,566
Other income	100,000	-	(100,000)
	<hr/>	<hr/>	<hr/>
Total resources	2,000,000	189,956	(1,810,044)
 <b>CHARGES TO APPROPRIATIONS (OUTFLOWS)</b>			
Capital outlay	2,089,683	-	(2,089,683)
	<hr/>	<hr/>	<hr/>
Revenues under charges to appropriations before transfers	(89,683)	189,956	279,639
 <b>TRANSFERS FROM (TO) OTHER FUNDS</b>	<hr/>	<hr/>	<hr/>
	(202,160)	(50,438)	151,722
 <b>RESOURCES OVER (UNDER) CHARGES TO APPROPRIATIONS</b>			
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	\$ (291,843)	\$ 139,518	\$ 431,361

**CITY OF YORK, NEBRASKA**

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

**Year ended September 30, 2025**

**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>
<b>Sources/inflows of resources:</b>						
Actual amounts of resources (budgetary basis) from the budgetary comparison schedules	\$ 19,031,767	\$ 1,884,524	\$ 104,397	\$ 17,118	\$ 1,755,169	\$ 189,956
Differences - budget to MAB:						
Cash to MAB adjustments	<u>(106,575)</u>	<u>(5,297)</u>	<u>(273)</u>	<u>(716)</u>	<u>13,983</u>	<u>517</u>
Total revenues as reported on the statement of revenues, expen- ditures, and changes in fund balances - governmental funds	<u>\$ 18,925,192</u>	<u>\$ 1,879,227</u>	<u>\$ 104,124</u>	<u>\$ 16,402</u>	<u>\$ 1,769,152</u>	<u>\$ 190,473</u>
<b>Uses/outflows of resources:</b>						
Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedules	\$ 18,000,378	\$ 1,912,298	\$ 212,459	\$ 1,011,426	\$ 1,740,030	\$ -
Differences - budget to MAB:						
Cash to MAB adjustments	<u>147,018</u>	<u>217,134</u>	<u>-</u>	<u>(2,278)</u>	<u>(3,444)</u>	<u>-</u>
Total expenditures as reported on the statement of revenues, expen- ditures, and changes in fund balances - governmental funds	<u>\$ 18,147,396</u>	<u>\$ 2,129,432</u>	<u>\$ 212,459</u>	<u>\$ 1,009,148</u>	<u>\$ 1,736,586</u>	<u>\$ -</u>

**CITY OF YORK, NEBRASKA**

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

**September 30, 2025**

	Special Revenue Funds			
	Creative District Fund	Aviation Fund	Keno Fund	Sinking Fund
<b>ASSETS</b>				
Cash and cash equivalents	\$ 11,622	\$ 70,519	\$ -	\$ 114,999
Certificates of deposit	24,530	148,837	-	215,250
Accounts receivable	-	572	-	-
Due from other governments	-	147,835	-	-
Inventory	-	34,776	-	37,829
Accrued interest receivable	131	797	-	1,153
Prepaid insurance	-	10,162	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total assets</b>	<u>\$ 36,283</u>	<u>\$ 413,498</u>	<u>\$ -</u>	<u>\$ 369,231</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ 9,401	\$ 167,206	\$ -	\$ -
Accrued wages and vacation	-	6,794	-	-
	<u>9,401</u>	<u>174,000</u>	<u>-</u>	<u>-</u>
Fund balances:				
Nonspendable:				
Prepaid assets	-	10,162	-	-
Restricted for:				
Economic development	-	-	-	-
Creative District	26,882	-	-	-
Assigned for:				
Industrial Park development	-	-	-	369,231
Fire station	-	-	-	-
Airport	-	229,336	-	-
Unassigned	-	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total fund balances	<u>26,882</u>	<u>239,498</u>	<u>-</u>	<u>369,231</u>
<b>Total liabilities and fund balances</b>	<u>\$ 36,283</u>	<u>\$ 413,498</u>	<u>\$ -</u>	<u>\$ 369,231</u>

<u>Special Revenue Funds</u>			Total
<u>Fire Station Sinking Fund</u>	<u>E911 Fund</u>	<u>TIF Fund</u>	<u>Nonmajor Governmental Funds</u>
\$ 642,964	\$ (1,573)	\$ 129,627	\$ 968,158
1,357,036	-	273,590	2,019,243
-	-	-	572
-	-	-	147,835
-	-	-	72,605
7,269	(6)	1,466	10,810
-	-	-	10,162
<u>\$ 2,007,269</u>	<u>\$ (1,579)</u>	<u>\$ 404,683</u>	<u>\$ 3,229,385</u>
\$ -	\$ -	\$ -	\$ 176,607
-	-	-	6,794
<u>-</u>	<u>-</u>	<u>-</u>	<u>183,401</u>
-	-	-	10,162
-	-	404,683	404,683
-	-	-	26,882
-	-	-	369,231
2,007,269	-	-	2,007,269
-	-	-	229,336
-	(1,579)	-	(1,579)
<u>2,007,269</u>	<u>(1,579)</u>	<u>404,683</u>	<u>3,045,984</u>
<u>\$ 2,007,269</u>	<u>\$ (1,579)</u>	<u>\$ 404,683</u>	<u>\$ 3,229,385</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, 2025**

	Special Revenue Funds			
	Creative District Fund	Aviation Fund	Keno Fund	Sinking Fund
<b>REVENUES</b>				
TIF proceeds	\$ -	\$ -	\$ -	\$ -
Charges for services	6,685	283,670	-	843
Grants	99,428	147,835	-	-
Contributions	2,609	-	-	-
Interest income	1,869	11,073	26	13,899
Other	-	-	-	1,237
Total revenues	<u>110,591</u>	<u>442,578</u>	<u>26</u>	<u>15,979</u>
<b>EXPENDITURES</b>				
General government	-	-	1,792	-
Economic development	-	-	-	39,284
Public works	-	-	-	-
Airport	-	411,739	-	-
Environment and leisure	30,466	-	-	-
Capital outlay	53,486	172,050	-	-
Total expenditures	<u>83,952</u>	<u>583,789</u>	<u>1,792</u>	<u>39,284</u>
Excess (deficiency) of revenues over expenditures before transfers	26,639	(141,211)	(1,766)	(23,305)
<b>INTERFUND TRANSFERS</b>				
Transfers from other funds	<u>-</u>	<u>63,080</u>	<u>-</u>	<u>50,000</u>
Net change in fund balances	26,639	(78,131)	(1,766)	26,695
Fund balances - September 30, 2024	<u>243</u>	<u>317,629</u>	<u>1,766</u>	<u>342,536</u>
Fund balances - September 30, 2025	<u>\$ 26,882</u>	<u>\$ 239,498</u>	<u>\$ -</u>	<u>\$ 369,231</u>

Fire Station Sinking Fund	Special Revenue Funds		Total Nonmajor Governmental Funds
	E911 Fund	TIF Fund	
\$ -	\$ -	\$ 105,333	\$ 105,333
-	3,249	-	294,447
-	-	-	247,263
-	-	6,906	9,515
7,269	417	21,344	55,897
-	-	-	1,237
<u>7,269</u>	<u>3,666</u>	<u>133,583</u>	<u>713,692</u>
-	-	-	1,792
-	-	181,128	220,412
-	9,040	-	9,040
-	-	-	411,739
-	-	-	30,466
-	13,108	-	238,644
<u>-</u>	<u>22,148</u>	<u>181,128</u>	<u>912,093</u>
7,269	(18,482)	(47,545)	(198,401)
<u>2,000,000</u>	<u>-</u>	<u>-</u>	<u>2,113,080</u>
2,007,269	(18,482)	(47,545)	1,914,679
<u>-</u>	<u>16,903</u>	<u>452,228</u>	<u>1,131,305</u>
<u>\$ 2,007,269</u>	<u>\$ (1,579)</u>	<u>\$ 404,683</u>	<u>\$ 3,045,984</u>

**CITY OF YORK, NEBRASKA**

**COMBINING STATEMENT OF REVENUES AND EXPENDITURES -  
MODIFIED ACCRUAL BASIS - GENERAL FUND DEPARTMENTS**

**Year ended September 30, 2025**

	<u>General</u>	<u>Capital Projects</u>	<u>Auditorium</u>	<u>Parks</u>	<u>Police</u>	<u>Community Center</u>
<b>REVENUES</b>						
Taxes:						
General property tax	\$ 2,162,400	\$ -	\$ -	\$ -	\$ -	\$ -
Motor vehicle tax	243,398	-	-	-	-	-
Sales tax	4,657,960	-	-	-	-	-
Occupation/franchise	3,386,771	-	-	-	-	-
Intergovernmental revenue:						
State assistance	187,007	-	-	-	-	-
County funding	-	-	-	-	-	-
School funding	-	-	-	-	27,000	-
Rural fire district	-	-	-	-	-	-
Charges for services	309,603	-	28,559	56,646	3,105	256,832
Grants	-	-	-	-	2,852	-
Contributions	-	-	2,287	34,673	-	9,044
Interest income	595,668	85,044	-	373	1,394	-
Loan/bond proceeds	-	4,845,000	-	-	-	-
Insurance proceeds	-	-	-	28,997	-	-
Other revenues	629	-	-	2,600	2,154	(640)
Total revenues	<u>11,543,436</u>	<u>4,930,044</u>	<u>30,846</u>	<u>123,289</u>	<u>36,505</u>	<u>265,236</u>
<b>EXPENDITURES</b>						
Personnel services:						
Salaries and benefits	583,001	-	100,721	327,031	2,277,118	427,231
Operating expenses:						
Insurance	98,875	-	-	32,177	88,021	20,695
Advertising/publicity	94,280	-	542	-	-	6,748
Contract labor/outside services	62,582	-	10,426	-	34,750	14,759
Rent	-	-	-	-	-	-
Professional fees	79,705	-	-	-	-	-
Meetings, seminars, and dues	64,100	-	-	6,862	38,048	6,129
Repairs and maintenance	111,762	-	15,518	139,694	76,160	37,551
Printing and postage	13,956	-	-	-	-	-
Transportation	-	-	-	12,602	30,770	-
Utilities and telephone	23,800	-	33,944	45,024	233,641	48,308
Total operating expenses	<u>549,060</u>	<u>-</u>	<u>60,430</u>	<u>236,359</u>	<u>501,390</u>	<u>134,190</u>
Supplies	13,329	-	41,951	56,562	24,347	56,262
Other expenses	66,482	-	2,648	15,529	6,143	29,149
Capital outlay	30,089	5,908,201	54,149	202,113	107,848	54,847
Principal on long-term debt	-	-	-	-	31,523	-
Interest on long-term debt	-	-	-	-	1,847	-
Bond fees	-	79,736	-	-	-	-
Total expenditures	<u>1,241,961</u>	<u>5,987,937</u>	<u>259,899</u>	<u>837,594</u>	<u>2,950,216</u>	<u>701,679</u>
Excess (deficiency) of revenues over expenditures before transfers	10,301,475	(1,057,893)	(229,053)	(714,305)	(2,913,711)	(436,443)
<b>TRANSFERS (TO) FROM OTHER FUNDS</b>	<u>(9,503,948)</u>	<u>-</u>	<u>237,042</u>	<u>796,113</u>	<u>3,143,123</u>	<u>597,243</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AFTER TRANSFERS</b>	<u>\$ 797,527</u>	<u>\$ (1,057,893)</u>	<u>\$ 7,989</u>	<u>\$ 81,808</u>	<u>\$ 229,412</u>	<u>\$ 160,800</u>

Aquatic Center	Ball Park	Senior Center	Convention Center	Fire/EMS	Library	Museum	Soccer Complex	Police & Fire Pension	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,162,400
-	-	-	-	-	-	-	-	-	243,398
-	-	-	-	-	-	-	-	-	4,657,960
-	-	-	-	-	-	-	-	-	3,386,771
-	-	-	-	-	-	-	-	-	187,007
-	-	-	-	351,194	17,500	-	-	-	368,694
-	-	-	-	-	-	-	-	-	27,000
-	-	-	-	80,000	-	-	-	-	80,000
82,792	238,805	-	297,239	807,252	8,096	-	36,851	-	2,125,780
-	-	-	38,244	-	1,000	-	-	-	42,096
500	-	-	-	20,500	2,117	1,310	-	-	70,431
-	-	-	-	2,828	41	-	-	(626)	684,722
-	-	-	-	-	-	-	-	-	4,845,000
-	-	-	-	5,260	-	-	-	-	34,257
-	637	-	-	-	294	-	4,002	-	9,676
<u>83,292</u>	<u>239,442</u>	<u>-</u>	<u>335,483</u>	<u>1,267,034</u>	<u>29,048</u>	<u>1,310</u>	<u>40,853</u>	<u>(626)</u>	<u>18,925,192</u>
215,231	311,105	437	359,612	1,865,545	564,385	70,949	99,481	355,443	7,557,290
16,492	10,958	-	34,205	132,868	13,338	385	395	-	448,409
3,696	1,670	-	-	-	-	2,677	300	-	109,913
5,618	16,799	-	31,310	156,014	35,907	5,285	5,014	-	378,464
-	-	-	-	-	-	12,000	5,000	-	17,000
-	-	-	-	-	-	-	-	-	79,705
4,361	10,326	-	4,265	6,263	7,829	1,027	3,926	-	153,136
29,120	71,115	4,804	90,808	79,715	32,917	4,195	14,183	-	707,542
-	-	-	-	-	4,401	-	-	-	18,357
-	5,744	-	-	26,757	-	-	-	-	75,873
53,750	51,786	8,956	65,583	250,278	18,211	6,239	26,702	-	866,222
<u>113,037</u>	<u>168,398</u>	<u>13,760</u>	<u>226,171</u>	<u>651,895</u>	<u>112,603</u>	<u>31,808</u>	<u>55,520</u>	<u>-</u>	<u>2,854,621</u>
44,432	95,322	-	27,434	117,322	23,855	7,511	22,739	-	531,066
4,017	10,474	-	23,265	25,518	80,265	1,997	1,933	-	267,420
-	40,004	-	91,904	274,921	-	8,739	51,078	-	6,823,893
-	-	-	-	-	-	-	-	-	31,523
-	-	-	-	-	-	-	-	-	1,847
-	-	-	-	-	-	-	-	-	79,736
<u>376,717</u>	<u>625,303</u>	<u>14,197</u>	<u>728,386</u>	<u>2,935,201</u>	<u>781,108</u>	<u>121,004</u>	<u>230,751</u>	<u>355,443</u>	<u>18,147,396</u>
(293,425)	(385,861)	(14,197)	(392,903)	(1,668,167)	(752,060)	(119,694)	(189,898)	(356,069)	777,796
<u>316,415</u>	<u>351,728</u>	<u>23,142</u>	<u>523,882</u>	<u>1,965,781</u>	<u>822,753</u>	<u>120,286</u>	<u>184,107</u>	<u>356,442</u>	<u>(65,891)</u>
<u>\$ 22,990</u>	<u>\$ (34,133)</u>	<u>\$ 8,945</u>	<u>\$ 130,979</u>	<u>\$ 297,614</u>	<u>\$ 70,693</u>	<u>\$ 592</u>	<u>\$ (5,791)</u>	<u>\$ 373</u>	<u>\$ 711,905</u>

**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, 2025, and the related notes to the financial statements, which collectively comprise the City’s financial statements, and have issued our report thereon dated January 6, 2026. 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  
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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 6, 2026



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, 2025, and have issued our report thereon dated January 6, 2026. 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 August 15, 2025. Professional standards also require that we communicate to you the following information related to our audit.

#### Significant Audit Matters

##### *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. The City adopted GASB No. 101, *Compensated Absences*, during the year ended September 30, 2025. 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.

#### SHAREHOLDERS:

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A PROFESSIONAL  
CORPORATION

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 \$458,231. Five audit adjustments decreased the net position of the business-type funds by \$1,617,150. One audit adjustment did not change the net position of the component unit. The following material misstatements detected as a result of audit procedures were corrected by management:

1. Ambulance accounts receivable and revenue were both decreased \$86,601 to adjust the allowance for uncollectible accounts.
2. Accrued interest and interest expense were both decreased \$46,554 on the LB357 Fund.
3. The liability for landfill closure/post-closure costs was increased \$134,314 with a corresponding decrease to expense.
4. Capital assets were increased and expenses were decreased \$1,266,379 to capitalize assets on the utility funds.
5. Depreciation expense of \$2,728,601 was recorded on the utility funds.
6. The liability for claims incurred but not paid was increased \$309,220 with a corresponding increase to expense.

#### *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 6, 2026.

### *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, 2025, 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 conducting the credit card test, we noted a late fee of \$318.49 on the July 2025 statement for the Visa card. We also noted a late fee of \$39.99 and interest of \$357.97 on the July 2025 statement for the Sam’s Club card. We recommend ensuring credit cards are being paid by the due date to avoid late fees and interest.
2. During price testing of water inventory, we noticed that items cost values are not being updated in the inventory system regularly. We understand the City is working with its inventory vendors to update these costs. We recommend establishing a regular process (at least annually) to update vendor inventory costs per item.
3. During our audit of the Kilgore Library Foundation, we noted some vendor documentation provided were the vendor statements rather than the detailed invoices. We recommend obtaining and retaining detailed invoices to substantiate all cash disbursements.

### 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 6, 2026