

Public Finance, Judiciary, and Personnel Committee
Tuesday, March 12, 2024 4:00 PM
Columbus Community Building/Community Room
2500 14 Street
Columbus, NE 68601

The Mayor and City Council reserve the right to go into closed session as per Section 84-1410 of the Nebraska Revised Statutes. A current agenda is on file at City Hall, 2500 14 Street, Columbus, Nebraska. For more information, call 402-562-4224 or visit our website at www.columbusne.us.

{{Name: Agenda Item Name}}

1. Statement of Compliance with Open Meetings Act and roll call.

NEBRASKA OPEN MEETINGS ACT

84-1407. Act, how cited.

Sections 84-1407 to 84-1414 shall be known and may be cited as the Open Meetings Act.

Source: Laws 2004, LB 821, § 34.

84-1408. Declaration of intent; meetings open to public.

It is hereby declared to be the policy of this state that the formation of public policy is public business and may not be conducted in secret.

Every meeting of a public body shall be open to the public in order that citizens may exercise their democratic privilege of attending and speaking at meetings of public bodies, except as otherwise provided by the Constitution of Nebraska, federal statutes, and the Open Meetings Act.

Source: Laws 1975, LB 325, § 1; Laws 1996, LB 900, § 1071; Laws 2004, LB 821, § 35.

Annotations

- Nebraska's public meetings laws do not apply to school board deliberations pertaining solely to disputed adjudicative facts. *McQuinn v. Douglas Cty. Sch. Dist. No. 66*, 259 Neb. 720, 612 N.W.2d 198 (2000).
- The primary purpose of the public meetings law is to ensure that public policy is formulated at open meetings. *Marks v. Judicial Nominating Comm.*, 236 Neb. 429, 461 N.W.2d 551 (1990).
- The public meetings law is broadly interpreted and liberally construed to obtain the objective of openness in favor of the public, and provisions permitting closed sessions must be narrowly and strictly construed. *Grein v. Board of Education of Fremont*, 216 Neb. 158, 343 N.W.2d 718 (1984).
- Although a committee was a subcommittee of a natural resources district board, it was not subject to the Open Meetings Act because there was never a quorum of board members in attendance and the committee did not hold hearings, make policy, or take formal action on behalf of the board. *Koch v. Lower Loup NRD*, 27 Neb. App. 301, 931 N.W.2d 160 (2019).
- A county board of equalization is a public body whose meetings shall be open to the public. *Wolf v. Grubbs*, 17 Neb. App. 292, 759 N.W.2d 499 (2009).

84-1409. Terms, defined.

For purposes of the Open Meetings Act, unless the context otherwise requires:

(1)(a) Public body means (i) governing bodies of all political subdivisions of the State of Nebraska, (ii) governing bodies of all agencies, created by the Constitution of Nebraska, statute, or otherwise pursuant to law, of the executive department of the State of Nebraska, (iii) all independent boards, commissions, bureaus, committees, councils, subunits, or any other bodies created by the Constitution of Nebraska, statute, or otherwise pursuant to law, (iv) all study or advisory committees of the executive department of the State of Nebraska whether having continuing existence or appointed as special committees with limited existence, (v) advisory committees of the bodies referred to in subdivisions (i), (ii), and (iii) of this subdivision, and (vi) instrumentalities exercising essentially public functions; and

(b) Public body does not include (i) subcommittees of such bodies unless a quorum of the public body attends a subcommittee meeting or unless such subcommittees are holding hearings, making policy, or taking formal action on behalf of their parent body, except that all meetings of any subcommittee established under section 81-15,175 are subject to the Open Meetings Act, (ii) entities conducting judicial proceedings unless a court or other judicial body is exercising rulemaking authority, deliberating, or deciding upon the issuance of administrative orders, and (iii) the Judicial Resources Commission or subcommittees or subgroups of the commission;

(2) Meeting means all regular, special, or called meetings, formal or informal, of any public body for the purposes of briefing, discussion of public business, formation of tentative policy, or the taking of any action of the public body; and

(3) Virtual conferencing means conducting or participating in a meeting electronically or telephonically with interaction among the participants subject to subsection (2) of section 84-1412.

Source: Laws 1975, LB 325, § 2; Laws 1983, LB 43, § 1; Laws 1989, LB 429, § 42; Laws 1989, LB 311, § 14; Laws 1992, LB 1019, § 124; Laws 1993, LB 635, § 1; Laws 1996, LB 1044, § 978; Laws 1997, LB 798, § 37; Laws 2004, LB 821, § 36; Laws 2007, LB296, § 810; Laws 2011, LB366, § 2; Laws 2021, LB83, § 11; Laws 2022, LB922, § 12.

Operative Date: July 21, 2022

Annotations

- A township is a political subdivision, and as such, a township board is subject to the provisions of the public meetings laws. *Steenblock v. Elkhorn Township Bd.*, 245 Neb. 722, 515 N.W.2d 128 (1994).
- A county agricultural society is a public body to which the provisions of the Nebraska public meetings law are applicable. *Nixon v. Madison Co. Ag. Soc'y*, 217 Neb. 37, 348 N.W.2d 119 (1984).
- Failure by a public governing body, as defined under section 84-1409, R.R.S.1943, to take and record a roll call vote on an action, as required by section 84-1413(2), R.S.Supp.,1980, grants any citizen the right to sue for the purpose of

having the action declared void. In this case such failure could not be later corrected by a nunc pro tunc order because there was no showing that a roll call vote on the disputed action was actually taken, and even if it was the record showed it was not recorded until over a year later. Sections 23-1301, R.R.S.1943, and 23-1302, R.R.S.1943, make it the duty of the county clerk to record proceedings of the board of county commissioners. *State ex rel. Schuler v. Dunbar*, 208 Neb. 69, 302 N.W.2d 674 (1981).

- Although a committee was a subcommittee of a natural resources district board, it was not subject to the Open Meetings Act because there was never a quorum of board members in attendance and the committee did not hold hearings, make policy, or take formal action on behalf of the board. *Koch v. Lower Loup NRD*, 27 Neb. App. 301, 931 N.W.2d 160 (2019).
- Although the Open Meetings Act does not define "subcommittee," a subcommittee is generally defined as a group within a committee to which the committee may refer business. *Koch v. Lower Loup NRD*, 27 Neb. App. 301, 931 N.W.2d 160 (2019).
- The Open Meetings Act does not require policymakers to remain ignorant of the issues they must decide until the moment the public is invited to comment on a proposed policy. By excluding nonquorum subgroups from the definition of a public body, the Legislature has balanced the public's need to be heard on matters of public policy with a practical accommodation for a public body's need for information to conduct business. *Koch v. Lower Loup NRD*, 27 Neb. App. 301, 931 N.W.2d 160 (2019).
- As an administrative agency of the county, a county board of equalization is a public body. *Wolf v. Grubbs*, 17 Neb. App. 292, 759 N.W.2d 499 (2009).
- The electors of a township at their annual meeting are a public body under the Open Meetings Act. *State ex rel. Newman v. Columbus Township Bd.*, 15 Neb. App. 656, 735 N.W.2d 399 (2007).
- The meeting at issue in this case was a "meeting" within the parameters of subsection (2) of this section because it involved the discussion of public business, the formation of tentative policy, or the taking of any action of the public power district. *Hansmeyer v. Nebraska Pub. Power Dist.*, 6 Neb. App. 889, 578 N.W.2d 476 (1998).
- Informational sessions in which the governmental body hears reports are briefings. *Johnson v. Nebraska Environmental Control Council*, 2 Neb. App. 263, 509 N.W.2d 21 (1993).

84-1410. Closed session; when; purpose; reasons listed; procedure; right to challenge; prohibited acts; chance meetings, conventions, or workshops.

(1) Any public body may hold a closed session by the affirmative vote of a majority of its voting members if a closed session is clearly necessary for the protection of the public interest or for the prevention of needless injury to the reputation of an individual and if such individual has not requested a public meeting. The subject matter and the reason necessitating the closed session shall be identified in the motion to close. Closed sessions may be held for, but shall not be limited to, such reasons as:

(a) Strategy sessions with respect to collective bargaining, real estate purchases, pending litigation, or litigation which is imminent as evidenced by communication of a claim or threat of litigation to or by the public body;

(b) Discussion regarding deployment of security personnel or devices;

(c) Investigative proceedings regarding allegations of criminal misconduct;

(d) Evaluation of the job performance of a person when necessary to prevent needless injury to the reputation of a person and if such person has not requested a public meeting;

(e) For the Community Trust created under section 81-1801.02, discussion regarding the amounts to be paid to individuals who have suffered from a tragedy of violence or natural disaster; or

(f) For public hospitals, governing board peer review activities, professional review activities, review and discussion of medical staff investigations or disciplinary actions, and any strategy session concerning transactional negotiations with any referral source that is required by federal law to be conducted at arms length.

Nothing in this section shall permit a closed meeting for discussion of the appointment or election of a new member to any public body.

(2) The vote to hold a closed session shall be taken in open session. The entire motion, the vote of each member on the question of holding a closed session, and the time when the closed session commenced and concluded shall be recorded in the minutes. If the motion to close passes, then the presiding officer immediately prior to the closed session shall restate on the record the limitation of the subject matter of the closed session. The public body holding such a closed session shall restrict its consideration of matters during the closed portions to only those purposes set forth in the motion to close as the reason for the closed session. The meeting shall be reconvened in open session before any formal action may be taken. For purposes of this section, formal action shall mean a collective decision or a collective commitment or promise to make a decision on any question, motion, proposal, resolution, order, or ordinance or formation of a position or policy but shall not include negotiating guidance given by members of the public body to legal counsel or other negotiators in closed sessions authorized under subdivision (1)(a) of this section.

(3) Any member of any public body shall have the right to challenge the continuation of a closed session if the member determines that the session has exceeded the reason stated in the original motion to hold a closed session or if the member contends that the closed session is neither clearly necessary for (a) the protection of the public interest or (b) the prevention of needless injury to the reputation of an individual. Such challenge shall be overruled only by a majority vote of the members of the public body. Such challenge and its disposition shall be recorded in the minutes.

(4) Nothing in this section shall be construed to require that any meeting be closed to the public. No person or public body shall fail to invite a portion of its members to a meeting, and no public body shall designate itself a subcommittee of the whole body for the purpose of circumventing the Open Meetings Act. No closed session, informal meeting, chance meeting, social gathering, email, fax, or other electronic communication shall be used for the purpose of circumventing the requirements of the act.

(5) The act does not apply to chance meetings or to attendance at or travel to conventions or workshops of members of a public body at which there is no meeting of the body then intentionally convened, if there is no vote or other action taken regarding any matter over which the public body has supervision, control, jurisdiction, or advisory power.

Source: Laws 1975, LB 325, § 3; Laws 1983, LB 43, § 2; Laws 1985, LB 117, § 1; Laws 1992, LB 1019, § 125; Laws 1994, LB 621, § 1; Laws 1996, LB 900, § 1072; Laws 2004, LB 821, § 37; Laws 2004, LB 1179, § 1; Laws 2006, LB 898, § 1; Laws 2011, LB390, § 29; Laws 2012, LB995, § 17.

Annotations

- There is no absolute discovery privilege for communications that occur during a closed session. *State ex rel. Upper Republican NRD v. District Judges*, 273 Neb. 148, 728 N.W.2d 275 (2007).
- If a person present at a meeting observes a public meetings law violation in the form of an improper closed session and fails to object, that person waives his or her right to object at a later date. *Wasikowski v. Nebraska Quality Jobs Bd.*, 264 Neb. 403, 648 N.W.2d 756 (2002).
- The public interest mentioned in this section is that shared by citizens in general and by the community at large concerning pecuniary or legal rights and liabilities. *Grein v. Board of Education*, 216 Neb. 158, 343 N.W.2d 718 (1984).
- Hearing in closed executive session was contrary to this section since there was no showing of necessity or reason under subdivision (1)(a), (b), or (c), but did not result in reversal of board decision. *Simonds v. Board of Examiners*, 213 Neb. 259, 329 N.W.2d 92 (1983).
- Negotiations for the purchase of land need not be conducted at an open meeting but the deliberations of a city council as to whether an offer to purchase real estate

should be made should take place in an open meeting. *Pokorny v. City of Schuyler*, 202 Neb. 334, 275 N.W.2d 281 (1979).

- Public meeting law was not violated where the Board of Regents of the University of Nebraska voted to hold a closed session to consider the university president's resignation, and also discussed the appointment of an interim president during such session. *Meyer v. Board of Regents*, 1 Neb. App. 893, 510 N.W.2d 450 (1993).

84-1411. Meetings of public body; notice; method; contents; when available; right to modify; duties concerning notice; virtual conferencing authorized; requirements; emergency meeting without notice; appearance before public body.

(1)(a) Each public body shall give reasonable advance publicized notice of the time and place of each meeting as provided in this subsection. Such notice shall be transmitted to all members of the public body and to the public.

(b)(i) Except as provided in subdivision (1)(b)(ii) of this section, in the case of a public body described in subdivision (1)(a)(i) of section 84-1409 or such body's advisory committee, such notice shall be published in a newspaper of general circulation within the public body's jurisdiction and, if available, on such newspaper's website.

(ii) In the case of the governing body of a city of the second class or village or such body's advisory committee, such notice shall be published by:

(A) Publication in a newspaper of general circulation within the public body's jurisdiction and, if available, on such newspaper's website; or

(B) Posting written notice in three conspicuous public places in such city or village. Such notice shall be posted in the same three places for each meeting.

(iii) In the case of a public body not described in subdivision (1)(b)(i) or (ii) of this section, such notice shall be given by a method designated by the public body.

(c) In addition to a method of notice required by subdivision (1)(b)(i) or (ii) of this section, such notice may also be provided by any other appropriate method designated by such public body or such advisory committee.

(d) Each public body shall record the methods and dates of such notice in its minutes.

(e) Such notice shall contain an agenda of subjects known at the time of the publicized notice or a statement that the agenda, which shall be kept continually current, shall be readily available for public inspection at the principal office of the public body during normal business hours. Agenda items shall be sufficiently descriptive to give the public reasonable notice of the matters to be considered at the meeting. Except for items of an emergency nature, the agenda shall not be altered later than (i) twenty-four hours before the scheduled commencement of the meeting or

(ii) forty-eight hours before the scheduled commencement of a meeting of a city council or village board scheduled outside the corporate limits of the municipality. The public body shall have the right to modify the agenda to include items of an emergency nature only at such public meeting.

(2)(a) The following entities may hold a meeting by means of virtual conferencing if the requirements of subdivision (2)(b) of this section are met:

(i) A state agency, state board, state commission, state council, or state committee, or an advisory committee of any such state entity;

(ii) An organization, including the governing body, created under the Interlocal Cooperation Act, the Joint Public Agency Act, or the Municipal Cooperative Financing Act;

(iii) The governing body of a public power district having a chartered territory of more than one county in this state;

(iv) The governing body of a public power and irrigation district having a chartered territory of more than one county in this state;

(v) An educational service unit;

(vi) The Educational Service Unit Coordinating Council;

(vii) An organization, including the governing body, of a risk management pool or its advisory committees organized in accordance with the Intergovernmental Risk Management Act;

(viii) A community college board of governors;

(ix) The Nebraska Brand Committee;

(x) A local public health department;

(xi) A metropolitan utilities district;

(xii) A regional metropolitan transit authority; and

(xiii) A natural resources district.

(b) The requirements for holding a meeting by means of virtual conferencing are as follows:

(i) Reasonable advance publicized notice is given as provided in subsection (1) of this section, including providing access to a dial-in number or link to the virtual conference;

(ii) In addition to the public's right to participate by virtual conferencing, reasonable arrangements are made to accommodate the public's right to attend at a physical site and participate as provided in section 84-1412, including reasonable seating, in at least one designated site in a building open to the public and identified in the notice, with: At least one member of the entity holding such meeting, or his or her designee, present at each site; a

recording of the hearing by audio or visual recording devices; and a reasonable opportunity for input, such as public comment or questions, is provided to at least the same extent as would be provided if virtual conferencing was not used;

(iii) At least one copy of all documents being considered at the meeting is available at any physical site open to the public where individuals may attend the virtual conference. The public body shall also provide links to an electronic copy of the agenda, all documents being considered at the meeting, and the current version of the Open Meetings Act; and

(iv) Except as otherwise provided in this subdivision or subsection (4) of section 79-2204, no more than one-half of the meetings of the state entities, advisory committees, boards, councils, organizations, or governing bodies are held by virtual conferencing in a calendar year. In the case of an organization created under the Interlocal Cooperation Act that sells electricity or natural gas at wholesale on a multistate basis or an organization created under the Municipal Cooperative Financing Act, the organization may hold more than one-half of its meetings by virtual conferencing if such organization holds at least one meeting each calendar year that is not by virtual conferencing. The governing body of a risk management pool that meets at least quarterly and the advisory committees of the governing body may each hold more than one-half of its meetings by virtual conferencing if the governing body's quarterly meetings are not held by virtual conferencing.

(3) Virtual conferencing, emails, faxes, or other electronic communication shall not be used to circumvent any of the public government purposes established in the Open Meetings Act.

(4) The secretary or other designee of each public body shall maintain a list of the news media requesting notification of meetings and shall make reasonable efforts to provide advance notification to them of the time and place of each meeting and the subjects to be discussed at that meeting.

(5) When it is necessary to hold an emergency meeting without reasonable advance public notice, the nature of the emergency shall be stated in the minutes and any formal action taken in such meeting shall pertain only to the emergency. Such emergency meetings may be held by virtual conferencing. The provisions of subsection (4) of this section shall be complied with in conducting emergency meetings. Complete minutes of such emergency meetings specifying the nature of the emergency and any formal action taken at the meeting shall be made available to the public by no later than the end of the next regular business day.

(6) A public body may allow a member of the public or any other witness to appear before the public body by means of virtual conferencing.

(7)(a) Notwithstanding subsections (2) and (5) of this section, if an emergency is declared by the Governor pursuant to the Emergency Management Act as defined in section 81-829.39, a public body the territorial jurisdiction of which is included in the emergency declaration, in whole or in part, may hold a meeting by virtual conferencing during such emergency if the

public body gives reasonable advance publicized notice as described in subsection (1) of this section. The notice shall include information regarding access for the public and news media. In addition to any formal action taken pertaining to the emergency, the public body may hold such meeting for the purpose of briefing, discussion of public business, formation of tentative policy, or the taking of any action by the public body.

(b) The public body shall provide access by providing a dial-in number or a link to the virtual conference. The public body shall also provide links to an electronic copy of the agenda, all documents being considered at the meeting, and the current version of the Open Meetings Act. Reasonable arrangements shall be made to accommodate the public's right to hear and speak at the meeting and record the meeting. Subsection (4) of this section shall be complied with in conducting such meetings.

(c) The nature of the emergency shall be stated in the minutes. Complete minutes of such meeting specifying the nature of the emergency and any formal action taken at the meeting shall be made available for inspection as provided in subsection (5) of section 84-1413.

(8) In addition to any other statutory authorization for virtual conferencing, any public body not listed in subdivision (2)(a) of this section may hold a meeting by virtual conferencing if:

(a) The purpose of the virtual meeting is to discuss items that are scheduled to be discussed or acted upon at a subsequent non-virtual open meeting of the public body;

(b) No action is taken by the public body at the virtual meeting; and

(c) The public body complies with subdivisions (2)(b)(i) and (2)(b)(ii) of this section.

Source: Laws 1975, LB 325, § 4; Laws 1983, LB 43, § 3; Laws 1987, LB 663, § 25; Laws 1993, LB 635, § 2; Laws 1996, LB 469, § 6; Laws 1996, LB 1161, § 1; Laws 1999, LB 47, § 2; Laws 1999, LB 87, § 100; Laws 1999, LB 461, § 1; Laws 2000, LB 968, § 85; Laws 2004, LB 821, § 38; Laws 2004, LB 1179, § 2; Laws 2006, LB 898, § 2; Laws 2007, LB199, § 9; Laws 2009, LB361, § 2; Laws 2012, LB735, § 1; Laws 2013, LB510, § 1; Laws 2017, LB318, § 1; Laws 2019, LB212, § 5; Laws 2020, LB148, § 3; Laws 2021, LB83, § 12; Laws 2022, LB742, § 1; Laws 2022, LB908, § 1; Laws 2022, LB922, § 13.

Note: The Revisor of Statutes has pursuant to section 49-769 correlated LB742, section 1, with LB908, section 1, and LB922, section 13, to reflect all amendments.

Note: Changes made by LB742 and LB908 became effective July 21, 2022. Changes made by LB922 became operative July 21, 2022.

Cross References

- **Intergovernmental Risk Management Act**, see section 44-4301.
- **Interlocal Cooperation Act**, see section 13-801.
- **Joint Public Agency Act**, see section 13-2501.

- **Municipal Cooperative Financing Act**, see section 18-2401.

Annotations

- Under subsection (1) of this section, the Legislature has imposed only two conditions on the public body's notification method of a public meeting: (1) It must give reasonable advance publicized notice of the time and place of each meeting and (2) it must be recorded in the public body's minutes. *City of Elkhorn v. City of Omaha*, 272 Neb. 867, 725 N.W.2d 792 (2007).
- An emergency is "(a)ny event or occasional combination of circumstances which calls for immediate action or remedy; pressing necessity; exigency; a sudden or unexpected happening; an unforeseen occurrence or condition." *Steenblock v. Elkhorn Township Bd.*, 245 Neb. 722, 515 N.W.2d 128 (1994).
- An agenda which gives reasonable notice of the matters to be considered at a meeting of a city council complies with the requirements of this section. *Pokorny v. City of Schuyler*, 202 Neb. 334, 275 N.W.2d 281 (1979).
- When notice is required, a notice of a special meeting of a city council posted in three public places at 10:00 p.m. on the day preceding the meeting is not reasonable advance publicized notice of a meeting as is required by this section. *Pokorny v. City of Schuyler*, 202 Neb. 334, 275 N.W.2d 281 (1979).
- Teacher waived right to object to lack of public notice in board of education employment hearing by voluntary participation in the hearing without objection. *Alexander v. School Dist. No. 17*, 197 Neb. 251, 248 N.W.2d 335 (1976).
- A county board of commissioners and a county board of equalization are not required to give separate notices when the notice states only the time and place that the boards meet and directs a citizen to where the agendas for each board can be found. *Wolf v. Grubbs*, 17 Neb. App. 292, 759 N.W.2d 499 (2009).
- A county board of equalization is a public body which is required to give advanced publicized notice of its meetings. *Wolf v. Grubbs*, 17 Neb. App. 292, 759 N.W.2d 499 (2009).
- Notice of recessed and reconvened meetings must be given in the same fashion as the original meeting. *Wolf v. Grubbs*, 17 Neb. App. 292, 759 N.W.2d 499 (2009).
- True notice of a meeting is not given by burying such in the minutes of a prior board proceeding. *Wolf v. Grubbs*, 17 Neb. App. 292, 759 N.W.2d 499 (2009).
- An agenda notice which merely stated "work order reports" was an inadequate notice under this section because it did not give interested persons knowledge that plans for a 345 kv transmission line through the district was going to be discussed and voted upon at the meeting. Inadequate agenda notice under this section meant there was a substantial violation of the public meeting laws; however, later actions by the board of directors cured the defects in notice, and such actions were in substantial compliance with the statute. *Hansmeyer v. Nebraska Pub. Power Dist.*, 6 Neb. App. 889, 578 N.W.2d 476 (1998).

84-1412. Meetings of public body; rights of public; public body; powers and duties.

(1) Subject to the Open Meetings Act, the public has the right to attend and the right to speak at meetings of public bodies, and all or any part of a meeting of a public body, except for closed sessions called pursuant to section 84-1410, may be videotaped, televised, photographed, broadcast, or recorded by any person in attendance by means of a tape recorder, a camera, video equipment, or any other means of pictorial or sonic reproduction or in writing.

(2) It shall not be a violation of subsection (1) of this section for any public body to make and enforce reasonable rules and regulations regarding the conduct of persons attending, speaking at, videotaping, televising, photographing, broadcasting, or recording its meetings, including meetings held by virtual conferencing. A body may not be required to allow citizens to speak at each meeting, but it may not forbid public participation at all meetings.

(3) No public body shall require members of the public to identify themselves as a condition for admission to the meeting nor shall such body require that the name of any member of the public be placed on the agenda prior to such meeting in order to speak about items on the agenda. The body shall require any member of the public desiring to address the body to identify himself or herself, including an address and the name of any organization represented by such person unless the address requirement is waived to protect the security of the individual.

(4) No public body shall, for the purpose of circumventing the Open Meetings Act, hold a meeting in a place known by the body to be too small to accommodate the anticipated audience.

(5) No public body shall be deemed in violation of this section if it holds its meeting in its traditional meeting place which is located in this state.

(6) No public body shall be deemed in violation of this section if it holds a meeting outside of this state if, but only if:

(a) A member entity of the public body is located outside of this state and the meeting is in that member's jurisdiction;

(b) All out-of-state locations identified in the notice are located within public buildings used by members of the entity or at a place which will accommodate the anticipated audience;

(c) Reasonable arrangements are made to accommodate the public's right to attend, hear, and speak at the meeting, including making virtual conferencing available at an in-state location to members, the public, or the press, if requested twenty-four hours in advance;

(d) No more than twenty-five percent of the public body's meetings in a calendar year are held out-of-state;

(e) Out-of-state meetings are not used to circumvent any of the public government purposes established in the Open Meetings Act; and

(f) The public body publishes notice of the out-of-state meeting at least twenty-one days before the date of the meeting in a legal newspaper of statewide circulation.

(7) Each public body shall, upon request, make a reasonable effort to accommodate the public's right to hear the discussion and testimony presented at a meeting.

(8) Public bodies shall make available at the meeting or the instate location for virtual conferencing as required by subdivision (6)(c) of this section, for examination and copying by members of the public, at least one copy of all reproducible written material to be discussed at an open meeting, either in paper or electronic form. Public bodies shall make available at least one current copy of the Open Meetings Act posted in the meeting room at a location accessible to members of the public. At the beginning of the meeting, the public shall be informed about the location of the posted information.

Source: Laws 1975, LB 325, § 5; Laws 1983, LB 43, § 4; Laws 1985, LB 117, § 2; Laws 1987, LB 324, § 5; Laws 1996, LB 900, § 1073; Laws 2001, LB 250, § 2; Laws 2004, LB 821, § 39; Laws 2006, LB 898, § 3; Laws 2008, LB962, § 1; Laws 2021, LB83, § 13.

Annotations

- To preserve an objection that a public body failed to make documents available at a public meeting as required by subsection (8) of this section, a person who attends a public meeting must not only object to the violation, but must make that objection to the public body or to a member of the public body. *Stoetzel & Sons v. City of Hastings*, 265 Neb. 637, 658 N.W.2d 636 (2003).

84-1413. Meetings; minutes; roll call vote; secret ballot; when; agenda and minutes; required on website; when.

(1) Each public body shall keep minutes of all meetings showing the time, place, members present and absent, and the substance of all matters discussed.

(2) Any action taken on any question or motion duly moved and seconded shall be by roll call vote of the public body in open session, and the record shall state how each member voted or if the member was absent or not voting. The requirements of a roll call or viva voce vote shall be satisfied by a public body which utilizes an electronic voting device which allows the yeas and nays of each member of such public body to be readily seen by the public.

(3) The vote to elect leadership within a public body may be taken by secret ballot, but the total number of votes for each candidate shall be recorded in the minutes.

(4) The minutes of all meetings and evidence and documentation received or disclosed in open session shall be public records and open to public inspection during normal business hours.

(5) Minutes shall be written or kept as an electronic record and shall be available for inspection within ten working days or prior to the next convened meeting, whichever occurs

earlier, except that cities of the second class and villages may have an additional ten working days if the employee responsible for writing or keeping the minutes is absent due to a serious illness or emergency.

(6) Beginning July 31, 2022, the governing body of a natural resources district, the city council of a city of the metropolitan class, the city council of a city of the primary class, the city council of a city of the first class, the county board of a county with a population greater than twenty-five thousand inhabitants, and the school board of a school district shall make available on such entity's public website the agenda and minutes of any meeting of the governing body. The agenda shall be placed on the website at least twenty-four hours before the meeting of the governing body. Minutes shall be placed on the website at such time as the minutes are available for inspection as provided in subsection (5) of this section. This information shall be available on the public website for at least six months.

Source: Laws 1975, LB 325, § 6; Laws 1978, LB 609, § 3; Laws 1979, LB 86, § 9; Laws 1987, LB 663, § 26; Laws 2005, LB 501, § 1; Laws 2009, LB361, § 3; Laws 2015, LB365, § 2; Laws 2016, LB876, § 1; Laws 2021, LB83, § 14; Laws 2022, LB742, § 2.

Effective Date: July 21, 2022

Annotations

- If a person present at a meeting observes and fails to object to an alleged public meetings laws violation in the form of a failure to conduct rollcall votes before taking actions on questions or motions pending, that person waives his or her right to object at a later date. *Hauser v. Nebraska Police Stds. Adv. Council*, 264 Neb. 944, 653 N.W.2d 240 (2002).
- Subsection (2) of this section does not require the record to state that the vote was by roll call, but requires only that the record show if and how each member voted. Neither does the statute set a time limit for recording the results of a vote, after which no corrections of the record can be made. If no intervening rights of third persons have arisen, a board of county commissioners has power to correct the record of the proceedings had at a previous meeting so as to make them speak the truth, particularly where the correction supplies some omitted fact or action and is done not to contradict or change the original record but to have the record show that a certain action was taken or thing done, which the original record fails to show. *State ex rel. Schuler v. Dunbar*, 214 Neb. 85, 333 N.W.2d 652 (1983).
- Failure by a public governing body, as defined under section 84-1409, R.R.S.1943, to take and record a roll call vote on an action, as required by section 84-1413(2), R.S.Supp.,1980, grants any citizen the right to sue for the purpose of having the action declared void. In this case such failure could not be later corrected by a nunc pro tunc order because there was no showing that a roll call vote on the disputed action was actually taken, and even if it was the record showed it was not recorded until over a year later. Sections 23-1301, R.R.S.1943,

and 23-1302, R.R.S.1943, make it the duty of the county clerk to record proceedings of the board of county commissioners. *State ex rel. Schuler v. Dunbar*, 208 Neb. 69, 302 N.W.2d 674 (1981).

- There is no requirement that a public body make a record of where notice was published or posted. *Wolf v. Grubbs*, 17 Neb. App. 292, 759 N.W.2d 499 (2009).

84-1414. Unlawful action by public body; declared void or voidable by district court; when; duty to enforce open meeting laws; citizen's suit; procedure; violations; penalties.

(1) Any motion, resolution, rule, regulation, ordinance, or formal action of a public body made or taken in violation of the Open Meetings Act shall be declared void by the district court if the suit is commenced within one hundred twenty days of the meeting of the public body at which the alleged violation occurred. Any motion, resolution, rule, regulation, ordinance, or formal action of a public body made or taken in substantial violation of the Open Meetings Act shall be voidable by the district court if the suit is commenced more than one hundred twenty days after but within one year of the meeting of the public body in which the alleged violation occurred. A suit to void any final action shall be commenced within one year of the action.

(2) The Attorney General and the county attorney of the county in which the public body ordinarily meets shall enforce the Open Meetings Act.

(3) Any citizen of this state may commence a suit in the district court of the county in which the public body ordinarily meets or in which the plaintiff resides for the purpose of requiring compliance with or preventing violations of the Open Meetings Act, for the purpose of declaring an action of a public body void, or for the purpose of determining the applicability of the act to discussions or decisions of the public body. It shall not be a defense that the citizen attended the meeting and failed to object at such time. The court may order payment of reasonable attorney's fees and court costs to a successful plaintiff in a suit brought under this section.

(4) Any member of a public body who knowingly violates or conspires to violate or who attends or remains at a meeting knowing that the public body is in violation of any provision of the Open Meetings Act shall be guilty of a Class IV misdemeanor for a first offense and a Class III misdemeanor for a second or subsequent offense.

Source: Laws 1975, LB 325, § 9; Laws 1977, LB 39, § 318; Laws 1983, LB 43, § 5; Laws 1992, LB 1019, § 126; Laws 1994, LB 621, § 2; Laws 1996, LB 900, § 1074; Laws 2004, LB 821, § 40; Laws 2006, LB 898, § 4.

Annotations

- The Legislature has granted standing to a broad scope of its citizens for the very limited purpose of challenging meetings allegedly in violation of the Open Meetings Act, so that they may help police the public policy embodied by the act. *Schauer v. Grooms*, 280 Neb. 426, 786 N.W.2d 909 (2010).

- Any citizen of the state may commence an action to declare a public body's action void. *City of Elkhorn v. City of Omaha*, 272 Neb. 867, 725 N.W.2d 792 (2007).
- The reading of ordinances constitutes a formal action under subsection (1) of this section. *City of Elkhorn v. City of Omaha*, 272 Neb. 867, 725 N.W.2d 792 (2007).
- If a person present at a meeting observes a public meetings law violation in the form of an improper closed session and fails to object, that person waives his or her right to object at a later date. *Wasikowski v. Nebraska Quality Jobs Bd.*, 264 Neb. 403, 648 N.W.2d 756 (2002).
- Under the Public Meetings Act, a county lacks capacity to maintain an action to declare its official conduct "void" for noncompliance with the act. *County of York v. Johnson*, 230 Neb. 403, 432 N.W.2d 215 (1988).
- When a petitioner under this section is successful in the district court, that court may allow attorney fees. *Tracy Corp. II v. Nebraska Pub. Serv. Comm.*, 218 Neb. 900, 360 N.W.2d 485 (1984).
- Informal discussions between the Tax Commissioner and the State Board of Equalization in which instructions were clarified, with such clarification leading to the amendment of hearing notices, did not constitute a public meeting subject to the provisions of this section. *Box Butte County v. State Board of Equalization and Assessment*, 206 Neb. 696, 295 N.W.2d 670 (1980).
- The right to collaterally attack an order made in contravention of the Public Meeting Act must occur within a period of one year as is specifically provided by this section. *Witt v. School District No. 70*, 202 Neb. 63, 273 N.W.2d 669 (1979).
- Statutory change, requiring "publicized notice" for board of education employment hearings, occurring between dates meeting scheduled and conducted, held not to void proceedings. *Alexander v. School Dist. No. 17*, 197 Neb. 251, 248 N.W.2d 335 (1976).
- Voiding an entire meeting is a proper remedy for violations of the Open Meetings Act. Once a meeting has been declared void pursuant to Nebraska's public meetings law, board members are prohibited from considering any information obtained at the illegal meeting. *Wolf v. Grubbs*, 17 Neb. App. 292, 759 N.W.2d 499 (2009).
- Actions by the board of directors were merely voidable under this section, and not void. Pursuant to subsection (3) of this section, the plaintiffs were awarded partial attorney fees because they were successful in having the court declare that the board of directors was in substantial violation of the statute, even though the plaintiffs did not get the relief requested of having the board's actions declared void. *Hansmeyer v. Nebraska Pub. Power Dist.*, 6 Neb. App. 889, 578 N.W.2d 476 (1998).

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Source: http://nebraskalegislature.gov/laws/display_html.php?begin_section=84-1407&end_section=84-1414

Date: July 2022

2. Election of chair and vice chair.

3. Financial and Compliance Audit for year-end September 30, 2023.

City of Columbus, Nebraska

**Independent Auditor's Reports and
Financial Statements**

September 30, 2023

PRELIMINARY

**City of Columbus, Nebraska
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City of Columbus, Nebraska
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PRELIMINARY



Independent Auditor's Report

Honorable Mayor and Members
of the City Council
City of Columbus
Columbus, Nebraska

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City, as of September 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the City, 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

As discussed in Note 1 to the financial statements, in 2023, the City adopted Governmental Accounting Standards Board (GASB) Statement No. 96, Subscription-Based Information Technology Arrangements (SBITAs). Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for 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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

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

Required Supplementary Information (Continued)

Management has omitted the management’s discussion and analysis and pension information that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City’s basic financial statements. The Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March __, 2024, on our consideration of the City’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City’s internal control over financial reporting and compliance.

Omaha, Nebraska
March __, 2024

City of Columbus
Statement of Net Position
September 30, 2023

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	\$ (1,401,064)	\$ 10,491,928	\$ 9,090,864
Cash at county treasurer	343,096	-	343,096
Investments	22,169,032	14,150,991	36,320,023
Accounts receivable	3,805,087	2,411,193	6,216,280
Special assessments receivable	1,964,040	-	1,964,040
Notes receivable	1,607,265	-	1,607,265
Unbilled receivables	-	2,256,241	2,256,241
Inventory	-	312,707	312,707
Land	3,728,689	709,058	4,437,747
Equipment	26,602,162	10,213,231	36,815,393
Buildings	170,479,345	128,115,526	298,594,871
Leased assets - buildings	698,980	-	698,980
SBITA	723,866	-	723,866
Construction in progress	42,022,570	4,526,578	46,549,148
Less accumulated depreciation and amortization	(72,984,977)	(58,085,358)	(131,070,335)
Restricted cash, cash equivalents, and investments	1,779,248	10,335,756	12,115,004
Total assets	<u>201,537,339</u>	<u>125,437,851</u>	<u>326,975,190</u>
Liabilities			
Accounts payable	960,282	378,507	1,338,789
Accrued expenses	350,879	62,396	413,275
Compensated absences	1,273,902	271,194	1,545,096
Unearned revenue	733,914	-	733,914
Interest payable	154,613	358,463	513,076
Long-term debt, net	-	-	-
Unamortized bond premium	958,544	3,484,231	4,442,775
Payable within one year	1,802,336	2,040,000	3,842,336
Payable after one year	34,849,648	33,400,000	68,249,648
Total liabilities	<u>41,084,118</u>	<u>39,994,791</u>	<u>81,078,909</u>
Deferred Inflows of Resources			
Deferred inflows related to leases	420,186	-	420,186
Net Position			
Net investment in capital assets	133,660,107	46,554,804	180,214,911
Restricted for debt service	1,779,248	10,335,756	12,115,004
Unrestricted	24,593,680	28,552,500	53,146,180
Total net position	<u>160,033,035</u>	<u>85,443,060</u>	<u>245,476,095</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 201,537,339</u>	<u>\$ 125,437,851</u>	<u>\$ 326,975,190</u>

See accompanying notes to the basic financial statements.

City of Columbus
Statement of Activities
Year Ended September 30, 2023

Functions/Programs	Expenses	Program Revenues			Net Revenues (Expenses) and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Net Total
General services	\$ 4,250,844	\$ -	\$ 190,165	3,419,634	\$ (641,045)	\$ -	\$ (641,045)
Public safety	11,219,098	1,116,453	356,457	-	(9,746,188)	-	(9,746,188)
Public works	6,778,345	157,409	-	118,195	(6,502,741)	-	(6,502,741)
Cultural and recreation	7,475,383	1,703,853	2,636,843	-	(3,134,687)	-	(3,134,687)
Community development	1,405,736	798,308	81,869	-	(525,559)	-	(525,559)
Interest	916,615	-	-	-	(916,615)	-	(916,615)
Health insurance	(18,639)	107,371	-	-	126,010	-	126,010
Total governmental activities	32,027,382	3,883,394	3,265,334	3,537,829	(21,340,825)	-	(21,340,825)
Business-type activities							
Water	3,140,004	4,546,817	-	-	-	1,406,813	1,406,813
Sewer	5,985,793	8,593,375	-	-	-	2,607,582	2,607,582
Electric	163,667	4,406,469	-	-	-	4,242,802	4,242,802
Storm water	519,878	512,894	-	-	-	(6,984)	(6,984)
Solid waste	2,105,005	2,567,081	-	-	-	462,076	462,076
Total business-type activities	11,914,347	20,626,636	-	-	-	8,712,289	8,712,289
Total primary government	<u>\$ 43,941,729</u>	<u>\$ 24,510,030</u>	<u>\$ 3,265,334</u>	<u>\$ 3,537,829</u>	<u>\$ (21,340,825)</u>	<u>\$ 8,712,289</u>	<u>\$ (12,628,536)</u>
General revenues							
Property taxes					6,486,116	-	6,486,116
Sales taxes					14,366,722	-	14,366,722
Other taxes and fees					3,715,106	-	3,715,106
Miscellaneous					733,050	-	733,050
Investment earnings					1,158,797	967,468	2,126,265
Gain (loss) on disposal of capital assets					26,674	(969)	25,705
Transfers					2,139,636	(2,139,636)	-
Total general revenues					28,626,101	(1,173,137)	27,452,964
Change in net position					7,285,276	7,539,152	14,824,428
Net position - beginning of year					153,020,413	77,743,501	230,763,914
Prior period adjustment					(272,654)	160,407	(112,247)
Net position - beginning of year, as restated					152,747,759	77,903,908	230,651,667
Net position - end of year					<u>\$ 160,033,035</u>	<u>\$ 85,443,060</u>	<u>\$ 245,476,095</u>

See accompanying notes to the basic financial statements.

City of Columbus
Balance Sheet - Governmental Funds
September 30, 2023

	<u>General Fund</u>	<u>Streets Engineering Fund</u>	<u>Sales Tax Fund</u>
Assets			
Cash and cash equivalents	\$ 1,959,440	\$ 39,349	\$ (2,808,434)
Cash at county treasurer	318,430	-	-
Due from other funds	-	-	-
Investments	5,726,828	691,472	8,345,380
Receivables			
Accounts, net of allowance	22,817	726	-
Due from other governments	46,364	-	1,101,705
Property taxes	43,112	337,864	-
Special assessments	-	1,794,738	-
Notes	-	127,835	-
Grants	1,193,997	-	-
Leases	317,315	-	-
Restricted assets			
Cash and cash equivalents	-	-	-
Investments	-	-	-
	<u>\$ 9,628,303</u>	<u>\$ 2,991,984</u>	<u>\$ 6,638,651</u>
Liabilities			
Accounts payable	\$ 617,113	\$ 79,464	\$ -
Accrued expenses	292,840	32,879	-
Due to other funds	-	-	-
Unearned revenue	-	-	-
Total liabilities	<u>909,953</u>	<u>112,343</u>	<u>-</u>
Deferred Inflows of Resources			
Unavailable revenues	1,193,997	1,794,738	-
Deferred inflows related to leases	297,147	-	-
Total deferred inflows of resources	<u>1,491,144</u>	<u>1,794,738</u>	<u>-</u>
Fund Balances			
Nonspendable	-	-	-
Restricted	-	1,084,903	6,638,651
Committed	-	-	-
Assigned	174,231	-	-
Unassigned	7,052,975	-	-
Total fund balances	<u>7,227,206</u>	<u>1,084,903</u>	<u>6,638,651</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 9,628,303</u>	<u>\$ 2,991,984</u>	<u>\$ 6,638,651</u>

See accompanying notes to the basic financial statements.

<u>1/2 Cent Sales Tax Fund</u>	<u>ARP Act Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ (1,690,226)	\$ 822,702	\$ (51,478)	\$ (1,728,647)
-	-	24,666	343,096
-	-	-	-
-	24,828	5,105,610	19,894,118
-	-	8,129	31,672
502,759	-	100,552	1,751,380
-	-	4,022	384,998
-	-	169,302	1,964,040
-	-	1,479,430	1,607,265
-	-	-	1,193,997
-	-	125,725	443,040
-	-	-	-
<u>1,779,248</u>	<u>-</u>	<u>-</u>	<u>1,779,248</u>
<u>\$ 591,781</u>	<u>\$ 847,530</u>	<u>\$ 6,965,958</u>	<u>\$ 27,664,207</u>
\$ -	\$ -	\$ 38,827	\$ 735,404
-	-	25,160	350,879
-	-	-	-
-	733,914	-	733,914
<u>-</u>	<u>733,914</u>	<u>63,987</u>	<u>1,820,197</u>
-	-	1,672,318	4,661,053
-	-	123,039	420,186
<u>-</u>	<u>-</u>	<u>1,795,357</u>	<u>5,081,239</u>
-	-	135,928	135,928
591,781	113,616	4,274,687	12,703,638
-	-	1,151,125	1,151,125
-	-	-	174,231
-	-	(455,126)	6,597,849
<u>591,781</u>	<u>113,616</u>	<u>5,106,614</u>	<u>20,762,771</u>
<u>\$ 591,781</u>	<u>\$ 847,530</u>	<u>\$ 6,965,958</u>	<u>\$ 27,664,207</u>

PRELIMINARY

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City of Columbus
Reconciliation of the Balance Sheet to
the Statement of Net Position - Governmental Funds
September 30, 2023

Total fund balances - governmental funds \$ 20,762,771

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in governmental funds.

Capital assets	244,255,612
Less accumulated depreciation	(72,984,977)

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:

Bond principal payable	(29,630,000)
Leases payable	(501,971)
SBITA payable	(675,013)
Compensated absences payable	(1,273,902)
COPs	(5,845,000)
Bond premium	(958,544)

Deferred outflows of resources and deferred inflows of resources are created as a result of various differences related to pensions that are not recognized in the governmental funds.

Deferred outflows of resources related to pensions	
Deferred inflows of resources related to pensions	

Governmental funds do not report a liability for accrued interest until due and payable.	(154,613)
------------------------------------------------------------------------------------------	-----------

Delinquent receivables will be collected in subsequent years, but are not available soon enough to pay for the current period's expenditures and, therefore, are deferred in the funds.	4,661,053
-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------

The Internal Service Fund is used by management to charge the costs of self-insurance and employee benefits; the assets and liabilities of the Internal Service Fund are reported in the governmental activities in the statement of net position.

2,377,619

Total net position - governmental activities	<u>\$ 160,033,035</u>
----------------------------------------------	-----------------------

City of Columbus
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Governmental Funds
Year Ended September 30, 2023

	General Fund	Streets Engineering Fund	Sales Tax Fund
Revenues			
Property taxes	\$ 5,954,405	\$ -	\$ -
Fees, taxes, permits and licenses	889,366	658,712	-
Sales tax	1,628,586	3,263,435	6,216,033
Charges for services	2,772,015	145,539	-
Donations	128,496	-	-
Grants	864,926	702,750	-
Investment earnings	164,570	53,567	231,975
Miscellaneous	337,882	28,253	-
Total revenues	<u>12,740,246</u>	<u>4,852,256</u>	<u>6,448,008</u>
Expenditures			
Current			
General government	2,611,531	-	-
Public safety	8,238,461	-	-
Public works	-	3,096,080	-
Cultural and recreation	5,972,298	-	-
Community development	728,903	-	-
Capital outlay	16,018,674	9,057,194	-
Debt service			
Principal on leases	104,281	-	-
Interest on leases	24,250	-	-
Principal	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	<u>33,698,398</u>	<u>12,153,274</u>	<u>-</u>
Excess of revenues over (under) expenditures	(20,958,152)	(7,301,018)	6,448,008
Other Financing Sources (Uses)			
SBITA	51,459	-	-
Transfers in	24,218,538	5,059,996	-
Transfers out	(480,000)	-	(9,265,809)
Total other financing sources (uses)	<u>23,789,997</u>	<u>5,059,996</u>	<u>(9,265,809)</u>
Net change in fund balances	2,831,845	(2,241,022)	(2,817,801)
Fund Balances			
Beginning of year, as originally reported	4,395,361	3,598,579	9,456,452
Prior period adjustment (note 13)	-	(272,654)	-
Beginning of year, as restated	<u>4,395,361</u>	<u>3,325,925</u>	<u>9,456,452</u>
End of year	<u>\$ 7,227,206</u>	<u>\$ 1,084,903</u>	<u>\$ 6,638,651</u>

See accompanying notes to the basic financial statements.

1/2 Cent Sales Tax Fund	ARP Act Fund	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 531,711	\$ 6,486,116
-	-	156,970	1,705,048
2,807,552	-	427,772	14,343,378
-	-	989,037	3,906,591
-	-	2,061,392	2,189,888
-	3,419,634	228,639	5,215,949
128,276	100,365	422,381	1,101,134
-	-	1,612,254	1,978,389
<u>2,935,828</u>	<u>3,519,999</u>	<u>6,430,156</u>	<u>36,926,493</u>
-	-	-	2,611,531
-	-	2,276,653	10,515,114
-	-	287,711	3,383,791
-	-	3,907	5,976,205
-	-	684,289	1,413,192
-	-	435,242	25,511,110
-	-	-	104,281
-	-	-	24,250
630,000	-	845,000	1,475,000
594,223	-	399,020	993,243
<u>1,224,223</u>	<u>-</u>	<u>4,931,822</u>	<u>52,007,717</u>
1,711,605	3,519,999	1,498,334	(15,081,224)
-	-	472,787	524,246
-	-	804,291	30,082,825
(4,764,250)	(3,419,634)	(10,013,496)	(27,943,189)
<u>(4,764,250)</u>	<u>(3,419,634)</u>	<u>(8,736,418)</u>	<u>2,663,882</u>
(3,052,645)	100,365	(7,238,084)	(12,417,342)
3,644,426	13,251	12,344,698	33,452,767
-	-	-	(272,654)
<u>3,644,426</u>	<u>13,251</u>	<u>12,344,698</u>	<u>33,180,113</u>
<u>\$ 591,781</u>	<u>\$ 113,616</u>	<u>\$ 5,106,614</u>	<u>\$ 20,762,771</u>

City of Columbus
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances to the
Statement of Activities - Governmental Funds
Year Ended September 30, 2023

Net change in fund balances - governmental funds	\$ (12,417,342)
Amounts reported for governmental activities in the Statement of Activities are different because:	
Capital outlay is reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense.	
Capital outlay	26,294,000
Depreciation and amortization expense	(8,070,519)
Remaining book value of disposed assets	(244,214)
Compensated absences are recognized as paid in the governmental funds but recognized as the expense is incurred in the Statement of Activities.	
	(5,238)
Principal payments on long-term debt are recognized as expenditures in the governmental funds but as an increase in the net position in the Statement of Activities.	
	1,628,134
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due and thus requires use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.	
	11,102
The issuance of long-term debt provides current financial resources to governmental funds and has no effect on net position. These amounts are reported in the governmental funds as a source of funds. These amounts are not shown as revenues in the Statement of Activities, but rather constitute long-term liabilities in the Statement of Net Position.	
	(524,246)
The governmental funds report the effect of bond premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Amortization of bond premiums	
	79,595
Delinquent receivables will be collected this year, but are not available soon enough to pay for the current period's expenditures and, therefore, are not revenues in the funds.	
Special assessments delinquent	459,771
Notes receivable	(83,489)
Other receivables	(36,134)
The Internal Service Fund is used by management to charge the costs of self-insurance and employee benefits the net revenue of the Internal Service Fund is reported with the governmental activities	
	193,856
Change in net position - governmental activities	\$ 7,285,276

City of Columbus
Statement of Net Position - Proprietary Funds
September 30, 2023

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Electric Fund</u>
Assets			
Current assets			
Cash and cash equivalents	\$ 2,910,420	\$ 5,567,551	\$ 13,974
Investments	9,223,371	1,756,104	698,468
Receivables			
Interfund	-	-	2,362,040
Accounts and leases (net of allowance)	614,563	1,454,843	-
Unbilled receivables	377,770	641,936	1,182,926
Inventory	279,742	32,965	-
Total current assets	<u>13,405,866</u>	<u>9,453,399</u>	<u>4,257,408</u>
Noncurrent assets			
Capital assets			
Land	243,714	356,806	-
Buildings	31,614,569	65,045,002	6,191,214
Equipment	5,259,729	3,040,922	-
Construction in progress	868,036	3,455,134	-
Accumulated depreciation	(18,699,207)	(21,580,500)	(5,651,916)
Total capital assets, net	<u>19,286,841</u>	<u>50,317,364</u>	<u>539,298</u>
Restricted Assets			
Investments	1,139,393	9,196,363	-
Total assets	<u>33,832,100</u>	<u>68,967,126</u>	<u>4,796,706</u>
Liabilities			
Current liabilities			
Accounts payable	\$ 140,053	\$ 150,073	\$ -
Accrued expenses	6,396	43,331	-
Interfund payable	-	-	-
Interest payable	39,739	318,099	-
Current portion of long-term obligations	225,032	1,589,968	-
Total current liabilities	<u>411,220</u>	<u>2,101,471</u>	<u>-</u>
Noncurrent liabilities			
Compensated absences	23,810	199,209	-
Unamortized bond premiums	701,252	2,782,979	-
Noncurrent portion of long-term obligations	1,402,043	31,537,957	-
Total noncurrent liabilities	<u>2,127,105</u>	<u>34,520,145</u>	<u>-</u>
Total liabilities	<u>2,538,325</u>	<u>36,621,616</u>	<u>-</u>
Deferred Inflows of Resources			
Deferred inflows related to pensions	-	-	-
Net Position			
Net investment in capital assets	16,958,514	14,406,460	539,298
Restricted for debt service	1,139,393	9,196,363	-
Unrestricted	13,195,868	8,742,687	4,257,408
Total net position	<u>31,293,775</u>	<u>32,345,510</u>	<u>4,796,706</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 33,832,100</u>	<u>\$ 68,967,126</u>	<u>\$ 4,796,706</u>

See accompanying notes to the basic financial statements.

Storm Water Fund	Solid Waste Fund	Total Enterprise Funds	Governmental Activities Internal Service Fund
\$ 650,971	\$ 1,349,012	\$ 10,491,928	\$ 327,583
484,266	1,988,782	14,150,991	2,274,914
-	-	2,362,040	-
155,064	186,723	2,411,193	-
30,066	23,543	2,256,241	-
-	-	312,707	-
<u>1,320,367</u>	<u>3,548,060</u>	<u>31,985,100</u>	<u>2,602,497</u>
3,000	105,538	709,058	-
19,706,764	5,557,977	128,115,526	-
40,378	1,872,202	10,213,231	-
203,408	-	4,526,578	-
(9,610,398)	(2,543,337)	(58,085,358)	-
<u>10,343,152</u>	<u>4,992,380</u>	<u>85,479,035</u>	<u>-</u>
-	-	10,335,756	-
<u>11,663,519</u>	<u>8,540,440</u>	<u>127,799,891</u>	<u>2,602,497</u>
\$ 6,759	\$ 81,622	\$ 378,507	\$ 224,878
-	12,669	62,396	-
-	2,362,040	2,362,040	-
-	625	358,463	-
-	225,000	2,040,000	-
<u>6,759</u>	<u>2,681,956</u>	<u>5,201,406</u>	<u>224,878</u>
-	48,175	271,194	-
-	-	3,484,231	-
-	460,000	33,400,000	-
-	508,175	37,155,425	-
<u>6,759</u>	<u>3,190,131</u>	<u>42,356,831</u>	<u>224,878</u>
-	-	-	-
10,343,152	4,307,380	46,554,804	-
-	-	10,335,756	-
<u>1,313,608</u>	<u>1,042,929</u>	<u>28,552,500</u>	<u>2,377,619</u>
<u>11,656,760</u>	<u>5,350,309</u>	<u>85,443,060</u>	<u>2,377,619</u>
\$ 11,663,519	\$ 8,540,440	\$ 127,799,891	\$ 2,602,497

See accompanying notes to the basic financial statements.

City of Columbus
Statement of Revenues, Expenses, and Changes
in Fund Net Position - Proprietary Funds
Year Ended September 30, 2023

	Water Fund	Sewer Fund	Electric Fund
Operating revenues			
Charges for services	\$ 4,166,735	\$ 7,864,559	\$ -
Franchise fees	-	-	4,406,469
Fees, taxes, permits, and licenses	97,940	53,924	-
Sales tax	33,659	577,500	-
Operating grants	-	-	-
Misc operating revenues	248,483	97,392	-
Total operating revenues	<u>4,546,817</u>	<u>8,593,375</u>	<u>4,406,469</u>
Operating expenses			
Personnel services	1,016,215	1,632,818	-
Insurance	40,551	103,976	-
Supplies	365,905	301,713	-
Professional services	2,450	1,597	-
Repairs and maintenance	329,299	327,112	-
Heat, light and power, phone	223,090	302,750	-
Landfill disposal	-	-	-
Sales tax remitted	66,787	474,099	-
Other operating	79,475	25,666	-
Depreciation	1,015,012	1,946,210	163,667
Advertising and promotion	199	-	-
Total operating expenses	<u>3,138,983</u>	<u>5,115,941</u>	<u>163,667</u>
Operating income (loss)	1,407,834	3,477,434	4,242,802
Nonoperating revenues (expenses)			
Interest expense, net	(1,021)	(869,852)	-
Investment earnings	397,363	396,000	53,155
Total nonoperating revenues (expenses)	<u>396,342</u>	<u>(473,852)</u>	<u>53,155</u>
Change in net position before transfers	1,804,176	3,003,582	4,295,957
Operating transfers			
Transfers in	625,000	2,794,634	-
Transfers out	(120,000)	(120,000)	(5,270,270)
Gain (loss) on disposal of asset	(1,061)	-	-
Change in net position	<u>2,308,115</u>	<u>5,678,216</u>	<u>(974,313)</u>
Net position			
Beginning of year, as previously stated	29,006,040	26,704,430	5,771,019
Prior period adjustment (Note 12)	(20,380)	(37,136)	-
Beginning of year	<u>28,985,660</u>	<u>26,667,294</u>	<u>5,771,019</u>
End of year	<u>\$ 31,293,775</u>	<u>\$ 32,345,510</u>	<u>\$ 4,796,706</u>

See accompanying notes to the basic financial statements.

Storm Water Fund	Solid Waste Fund	Total Enterprise Funds	Governmental Activities Internal Service Fund
\$ -	\$ 2,545,291	\$ 14,576,585	\$ 38,291
-	-	4,406,469	-
487,918	1,200	640,982	69,080
24,976	-	636,135	-
-	-	-	-
-	20,590	366,465	-
<u>512,894</u>	<u>2,567,081</u>	<u>20,626,636</u>	<u>107,371</u>
39,134	664,118	3,352,285	-
-	21,825	166,352	-
1,586	168,917	838,121	-
10,811	886	15,744	(18,639)
7,784	143,338	807,533	-
558	12,910	539,308	-
-	793,409	793,409	-
29,344	-	570,230	-
828	52,758	158,727	-
428,049	242,869	3,795,807	-
1,784	-	1,983	-
<u>519,878</u>	<u>2,101,030</u>	<u>11,039,499</u>	<u>(18,639)</u>
(6,984)	466,051	9,587,137	126,010
-	(3,975)	(874,848)	-
29,949	91,001	967,468	67,846
<u>29,949</u>	<u>87,026</u>	<u>92,620</u>	<u>67,846</u>
22,965	553,077	9,679,757	193,856
-	-	3,419,634	-
-	(49,000)	(5,559,270)	-
-	92	(969)	-
<u>22,965</u>	<u>504,169</u>	<u>7,539,152</u>	<u>193,856</u>
11,415,872	4,846,140	77,743,501	2,183,763
217,923	-	160,407	-
<u>11,633,795</u>	<u>4,846,140</u>	<u>77,903,908</u>	<u>2,183,763</u>
<u>\$ 11,656,760</u>	<u>\$ 5,350,309</u>	<u>\$ 85,443,060</u>	<u>\$ 2,377,619</u>

See accompanying notes to the basic financial statements.

City of Columbus
Statement of Cash Flows - Proprietary Funds
Year Ended September 30, 2023

	Water Fund	Sewer Fund	Electric Fund
Cash Flows - Operating Activities			
Receipts from customers and users	\$ 4,391,229	\$ 8,503,717	\$ 4,455,926
Payments to suppliers	(1,164,738)	(1,474,049)	-
Payments to employees	(1,012,334)	(1,613,570)	-
Other receipts	248,483	97,392	-
Net cash flows - operating activities	<u>2,462,640</u>	<u>5,513,490</u>	<u>4,455,926</u>
Cash Flows - Noncapital Financing Activities			
Transfer from other funds	625,000	2,794,634	-
Transfer to other funds	(120,000)	(120,000)	(5,270,270)
Net cash flows - noncapital financing activities	<u>505,000</u>	<u>2,674,634</u>	<u>(5,270,270)</u>
Cash Flows - Capital and Related Financing Activities			
Principal paid on debt	(218,990)	(1,591,010)	-
Interest paid on debt	(158,543)	(1,305,110)	-
Proceeds from disposal of capital assets	38,427	77,460	-
Acquisition of capital assets	(3,633,549)	(3,241,255)	-
Net cash flows - capital and related financing activities	<u>(3,972,655)</u>	<u>(6,059,915)</u>	<u>-</u>
Cash Flows - Investing Activities			
Net (purchase) sales of investments	352,521	2,864,009	(16,330)
Interest and dividends	397,363	396,000	53,155
Net cash flows - investing activities	<u>749,884</u>	<u>3,260,009</u>	<u>36,825</u>
Net change in cash and cash equivalents	(255,131)	5,388,218	(777,519)
Cash and Cash Equivalents			
Beginning of year	<u>4,304,944</u>	<u>9,375,696</u>	<u>791,493</u>
End of year	<u>\$ 4,049,813</u>	<u>\$ 14,763,914</u>	<u>\$ 13,974</u>
Reconciliation of Operating Income (Loss) to Net Cash Flows - Operating Activities			
Operating income (loss)	\$ 1,407,834	\$ 3,477,434	\$ 4,242,802
Adjustments to reconcile operating income (loss) to net cash flows - operating activities			
Depreciation expense	1,015,012	1,946,210	163,667
Accounts receivable	133,260	7,734	49,457
Inventory	(74,693)	26,658	-
Accounts payable	17,711	36,206	-
Salaries payable	3,881	19,248	-
Unearned revenues	(40,365)	-	-
Total adjustments	<u>1,054,806</u>	<u>2,036,056</u>	<u>213,124</u>
Net cash flows - operating activities	<u>\$ 2,462,640</u>	<u>\$ 5,513,490</u>	<u>\$ 4,455,926</u>
Noncash Investing, Capital, and Related Financing Activities			
Amortization of bond premiums and discounts	<u>\$ 151,600</u>	<u>\$ 370,035</u>	<u>\$ -</u>

See accompanying notes to the basic financial statements.

Storm Water Fund	Solid Waste Fund	Total Enterprise Funds	Governmental Activities Internal Service Fund
\$ 389,830	\$ 2,543,451	\$ 20,284,153	\$ 126,010
(49,512)	(1,186,359)	(3,874,658)	13,675
(39,134)	(654,390)	(3,319,428)	-
-	20,590	366,465	-
<u>301,184</u>	<u>723,292</u>	<u>13,456,532</u>	<u>139,685</u>
-	-	3,419,634	-
-	(49,000)	(5,559,270)	-
-	(49,000)	(2,139,636)	-
-	(220,000)	(2,030,000)	-
-	(5,134)	(1,468,787)	-
550	92	116,529	-
(105,996)	(230,840)	(7,211,640)	-
<u>(105,446)</u>	<u>(455,882)</u>	<u>(10,593,898)</u>	<u>-</u>
(7,972)	(23,637)	3,168,591	(18,093)
29,949	91,001	967,468	67,846
<u>21,977</u>	<u>67,364</u>	<u>4,136,059</u>	<u>49,753</u>
217,715	285,774	4,859,057	189,438
<u>433,256</u>	<u>1,063,238</u>	<u>15,968,627</u>	<u>138,145</u>
<u>\$ 650,971</u>	<u>\$ 1,349,012</u>	<u>\$ 20,827,684</u>	<u>\$ 327,583</u>
\$ (6,984)	\$ 466,051	\$ 9,587,137	\$ 126,010
428,049	242,869	3,795,807	-
(123,064)	(3,040)	64,347	-
-	-	(48,035)	-
3,183	7,684	64,784	13,675
-	9,728	32,857	-
-	-	(40,365)	-
<u>308,168</u>	<u>257,241</u>	<u>3,869,395</u>	<u>13,675</u>
<u>\$ 301,184</u>	<u>\$ 723,292</u>	<u>\$ 13,456,532</u>	<u>\$ 139,685</u>
\$ -	\$ -	\$ 521,635	\$ -

City of Columbus
Statement of Fiduciary Net Position - Fiduciary Funds
September 30, 2023

	Custodial Funds
Assets	
Cash	\$ 589,240
Total Assets	589,240
Liabilities	
Accounts payable and amounts due to others	\$ 589,240
Total Liabilities	589,240
Net Position	\$ -

PRELIMINARY

City of Columbus
Statement of Changes in Fiduciary Net Position - Fiduciary Funds
For the Year Ended September 30, 2023

	Custodial Funds
Additions	
Collections for schools	\$ 18,017
Collections for tax increment financing	1,107,517
Total additions	1,125,534
Deductions	
Payments to schools	18,017
Payments for tax increment financing	1,107,517
Total Deductions	1,125,534
Change in Net Assets	-
Net Assets	
Beginning of Year	-
Ending of Year	\$ -

PRELIMINARY

City of Columbus, Nebraska
Notes to Basic Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The City of Columbus, Nebraska, (the “City”) is a tax-exempt political subdivision and operates under a Mayor and an eight-member City Council form of government.

A. Reporting Entity

In evaluating how to define the reporting entity for financial reporting purposes, management has considered all potential component units. The decision to include a component unit in the reporting entity was made by applying the criteria set forth in Governmental Accounting Standards Board pronouncements. These criteria state that the financial reporting entity consist of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but 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 or incomplete. Based on these criteria, the Gerrard Park Trust, the Library Endowment Fund, and the Library Foundation should be included in the financial statements of the City. These entities are considered blended component units of the City and are reported as if they were a part of the primary government.

B. Government-Wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all the nonfiduciary activities of the government. For the most part the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of Activities demonstrates the degree to which the direct expenses of a given function, or a segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*. Internally dedicated resources are reported as *general revenues* rather than as program revenues.

Fund Financial Statements - Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and individual proprietary funds are reported as separate columns in the fund financial statements.

Proprietary funds are used to account for operations that are financed in a manner similar to private business enterprises, (a) where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

City of Columbus, Nebraska
Notes to Basic Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide Financial Statements (Continued)

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

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Description of Funds:

Major Governmental Funds:

The General Fund - This is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Streets/Engineering Fund - This fund accounts for funds required to be used for streets, public works and other infrastructure projects.

The Sales Tax Fund and ½ Cent Sales Tax Fund - These funds account for City-enacted sales tax, as further described in Note 16, and expenditures for transportation purposes, which include construction and maintenance of streets, roads, and bridges to the extent of tax revenues.

The ARP Act Fund - This fund accounts for funds received from the American Rescue Plan Act. Additionally, the City reports the following non-major fund types:

Special Revenue Funds - These funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for certain purposes. These nonmajor funds consist of the Airport, E911, Wireless E911, E911 Equipment Share, Housing Rehabilitation and Loans, Economic Development Reuse, Progress and Jobs Growth, Keno, Community Redevelopment Authority, Tax Increment Financing, and Library Foundation funds.

City of Columbus, Nebraska
Notes to Basic Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Description of Funds:(Continued)

Major Governmental Funds: (Continued)

Capital Projects Fund - The nonmajor Capital Projects Fund is used to account for resources restricted for the acquisition or construction of specific capital projects with transfer made to governmental funds.

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

Permanent Funds - The Permanent Funds account for assets held by the City pursuant to trust agreements. The principal portion of this fund type must remain intact, but the earnings may be used to achieve the objectives of the fund. These nonmajor funds consist of the Library Trust and Gerrard Park Trust funds.

Major Proprietary Funds:

The *Water, Sewer, Stormwater, and Solid Waste Funds* are used to account for all activities necessary for the provision of water, sewer, and waste disposal services to City residents.

The *Electric Fund* accounts for franchise fees received from Loup Power District. Revenues are used to maintain distribution lines to City customers.

Additionally, the City reports the following fund types:

The *Internal Service Fund* accounts for self-insurance reserves and employee benefits for covered employees provided to other departments or agencies of the City on a cost reimbursement basis.

The *Custodial Fund* accounts for the receipts and disbursements of funds on behalf of other organizations.

D. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

E. Cash and Investments

For the purpose of the Statement of Net Position and Balance Sheet, "cash and cash equivalents" include all demand accounts and savings accounts. For the purpose of 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.

City of Columbus, Nebraska
Notes to Basic Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Cash and Investments (Continued)

Nonnegotiable certificates of deposit and money market funds are carried at amortized cost, which approximates fair value. All other investments are carried at fair value. Fair value is determined using quoted market prices.

Investment income includes dividend and interest income and the net change for the year in the fair value of investments carried at fair value. Investment income is assigned to the funds with which the related investment asset is associated.

F. Receivables

Accounts receivable represents the amounts due from customers for services provided. An allowance for uncollectible accounts is recorded based on historical collection information. Property taxes are recorded as a receivable when levied. Historically, the uncollectible portion of taxes receivable has been negligible and no allowance for uncollectible taxes has been recorded. Property taxes levied for the 2022-2023 tax year are recorded as revenue in the governmental fund financial statements when levied and collected within 60 days after September 30, 2023. The portion not collected within 60 days after year-end is recorded as a deferred inflow of resources - unavailable revenue in the governmental funds.

The City considers sales and use tax and highway allocation funds receivable and available when collected by the State of Nebraska. Amounts recorded as due from other governments include the portion of sales and use taxes and highway allocations due to the City from the State of Nebraska. The proprietary funds use the reserve method of accounting for bad debts. Allowance for uncollectible accounts, in the amount of \$1,200 and \$1,800 in the Sewer Fund and Water Fund, respectively, as of September 30, 2023, are shown netted against the respective accounts receivable balances for the proprietary funds. The City records an estimated amount of unbilled revenue for services rendered but not yet billed as of the close of the year.

G. Lease Receivables

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

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

H. Inventories

In the governmental funds, disbursements for inventory type items, which consist of expendable supplies held for consumption, are considered expenditures at the time of purchase and not at the time the items are used.

City of Columbus, Nebraska
Notes to Basic Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Inventories (Continued)

For the proprietary funds, inventory consists of plumbing supplies and replacement parts. Inventory is valued at the lower of cost or market, using a first-in, first-out (FIFO) method. Inventory is recorded as an expenditure when consumed, rather than when purchased.

I. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and proprietary funds balance sheet. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value on the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as the projects are constructed.

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

Land Improvements and Buildings	5-50 Years
Equipment	3-20 Years
Vehicles	5-30 Years

J. Leased Assets

Leased assets are initially recorded at the initial measurement of the lease liability, plus lease payments made at or before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease, plus initial direct costs that are ancillary to place the asset into service. Leased assets are amortized on the straight-line basis over the shorter of the lease term or the useful life of the underlying asset.

K. Restricted Assets

Certain resources are classified as restricted assets because their use is limited by applicable covenants, contracts, agreements, and statutes.

L. Deferred Inflows of Resources

In addition to liabilities, the statement of net position or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The City has two items that qualifies for reporting in this category. The unavailable revenues reported in the governmental funds balance sheet are from property taxes, special assessments, grants receivable and certain other receivables that are deferred and recognized as an inflow of resources in the period that the amounts become available. The deferred inflow for lease receivables are future lease revenues to be collected for lease agreements entered into with third parties. It is recognized as an inflow of resources in a systematic and rational manner over the lease term.

City of Columbus, Nebraska
Notes to Basic Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Net Position

Net position is classified as net investment in capital and lease assets, unrestricted net position and restricted net position.

N. Fund Balance

Fund balances for the City's governmental funds are classified as follows:

- ◆ *Nonspendable* - These are resources which cannot be spent because they are either (a) not in spendable form (such as inventory); or (b) legally or contractually required to be maintained intact.
- ◆ *Restricted* - These are resources with constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- ◆ *Committed* - These are resources which are subject to limitations the government imposes upon itself at its highest level of decision-making authority and that remain binding unless removed in the same manner.
- ◆ *Assigned* - These are resources neither restricted nor committed for which a government has a stated intended use as established by the City Council or a body or official to which the City Council has delegated the authority to assign amounts for specific purposes.
- ◆ *Unassigned* - These are resources which cannot be properly classified as one of the other four categories. The General fund should be the only fund that reports a positive unassigned fund balance amount.

The City's policy is to spend restricted amounts first when both restricted and unrestricted fund balances are available unless there are legal restrictions that prohibit doing so. Additionally, the City is to first spend committed, then assigned, and lastly unassigned amounts of unrestricted fund balances when expenditures are made.

The City does not have a formal minimum fund balance policy.

O. Interfund Transfers

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

P. Compensated Absences

City employees earn sick, vacation and comp leave throughout each month and leave is fully vested when earned. All accumulated sick, vacation and comp leave, subject to limitations, is paid at separation. All vacation and sick leave is accrued when incurred in the government-wide and proprietary fund financial statements. In the governmental funds, only compensated absences that have matured as of year-end, for example, as a result of employee resignations and retirements, are recorded as a fund liability.

City of Columbus, Nebraska
Notes to Basic Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Compensated Absences (Continued)

Accruals are based on current salary rates plus an additional amount for compensation-related payments such as Social Security and Medicare taxes and pension amounts using rates in effect at that date.

NOTE 2 - BUDGET PROCESS AND PROPERTY TAXES

For the fiscal year ended September 30, 2023, the City followed these procedures in establishing the budgetary data reflected in the accompanying financial statements:

Prior to September 1, the City submitted to the City Council a proposed operating budget for the fiscal year commencing October 1. The operating budget included proposed expenditures and the means of financing them.

The budget is published with subsequent public hearings to obtain taxpayer comments. Prior to September 30, the budget was legally adopted by the City Council and was then filed with the appropriate state and county officials.

Property taxes were levied in October of 2022 on the assessed value of listed property. The County Assessor of Platte County, Nebraska, determined the City of Columbus's valuation to be \$2,019,761,372 in August of 2022.

The City, through the budget process, requested a total of \$6,366,005 in property taxes. Based on the August of 2022 valuation previously mentioned, the tax levy for the City of Columbus was established at \$0.315186 per \$100 of property value.

NOTE 3 - DEPOSITS AND INVESTMENTS

Nebraska Statutes provide that the City may, by and with the consent of the City Council, invest the funds of the City in securities, including repurchase agreements. Appropriate securities include those that would normally be acquired by individuals of prudence, discretion and intelligence when dealing with the property of another.

A. Deposits

The City's deposits consist of cash, certificates of deposit and securities. Some balances held at a financial institution were covered by federal depository insurance or collateralized with securities held by the pledging financial institution's trust department or agent in the government's name. A portion of the cash balances are held in an investment account and not at a financial institution.

Custodial Credit Risk - Deposits: This is the risk that, in the event of a bank failure, the City's deposits may not be returned to it. The City's policy regarding custodial credit risk is determined by state statute as described above.

For reporting purposes, the collateral on the City's bank deposits is classified in these categories:

1. Insured or collateralized with securities held by the City or by its agent in the City's name.
2. Collateralized with securities held by the pledging financial institution's trust department or agent in the City's name.
3. 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.

City of Columbus, Nebraska
Notes to Basic Financial Statements

NOTE 3 - DEPOSITS AND INVESTMENTS (CONTINUED)

A. Deposits (Continued)

None of the City's deposits in excess of the amount insured by the Federal Deposit Insurance Corporation shall be allowed to accumulate in any financial institution unless (a) the financial institution gives a surety bond, (b) the financial institution provides the City with securities as collateral on the excess funds or (c) the financial institution issues a joint custody receipt to the benefit of the City where a third party financial institution actually holds the security.

Interest Rate Risk: As a means of limiting its exposure to changes in interest rates, the City's policy for certificates of deposit is to limit maturities to less than two years. All of the City's certificates of deposit are classified as investments on the statements of net position/balance sheets and mature within one year of September 30, 2022.

B. Investments

The City's investments consist of investments in nonnegotiable certificates of deposits, equity securities, fixed income funds, mutual funds, and money markets.

The City attempts to mitigate the following types of deposit and investment risks through compliance with the state statutes. The types of deposit and investment risks are the following:

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 maturities of investments are as follows:

Investment Type	Investment Maturities			
	Fair Value	Less than One Year	1-5 Years	6-10 Years
Certificates of deposit	\$ 25,066,083	\$ 25,066,083	\$ -	\$ -
Equities	51,520	51,520	-	-
Fixed income funds	82,281	82,281	-	-
Mutual funds	1,132,221	1,132,221	-	-
Money markets	22,102,922	22,102,922	-	-
Total Investments	\$ 48,435,027	\$ 48,435,027	\$ -	\$ -

Credit Risk: The City's investment policies regarding credit risk are governed by state statutes as described above.

Concentration of Credit Risk: The City's investment policy places no limits on the amounts that may be invested in any one issuer.

Custodial Credit Risk - Investments: Custodial credit risk for investments 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 investments or collateral securities that are in possession of an outside party. The City's policy regarding custodial credit risk is determined by state statute as described above.

City of Columbus, Nebraska
Notes to Basic Financial Statements

NOTE 3 - DEPOSITS AND INVESTMENTS (CONTINUED)

C. Fair Value of Investments

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

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

Level 2 - Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that **are**

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

The City's investments in certificates of deposit and money markets are carried at cost, and thus are not included within the fair value hierarchy.

D. Recurring Measurements

The following table presents the fair value measurements of investments recognized in the accompanying financial statements measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at September 30, 2023:

Investment Type	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Observable Inputs (Level 3)
Equities	\$ 51,520	\$ 51,520	\$ -	\$ -
Fixed income funds	82,281	82,281	-	-
Mutual funds	1,132,221	1,132,221	-	-
Total Investments	\$ 1,266,022	\$ 1,266,022	\$ -	\$ -

E. Summary of Carrying Values

Deposits and investments of the City at September 30, 2022, consisted of the following:

Deposits	\$ 9,680,104
Investments	48,435,027
	<u>\$ 58,115,131</u>

Included in the following statement of net position captions:

	Government-Wide	Fiduciary Funds	Total
Cash and cash equivalents	\$ 9,090,864	\$ 589,240	\$ 9,680,104
Investments	36,320,023	-	36,320,023
Restricted cash, cash equivalents, and investments	12,115,004	-	12,115,004
Total	\$ 57,525,891	\$ 589,240	\$ 58,115,131

City of Columbus, Nebraska
Notes to Basic Financial Statements

NOTE 4 - NOTES RECEIVABLE

On August 3, 2012, the City loaned Central American Foods, LLC \$45,000 and on October 15, 2012, the City loaned \$46,000 for a total of \$91,000 for equipment purchases to support the cheese-making business in Columbus. The loan carries no interest and payments of \$22,750 are due annually beginning July 1, 2014, with the final payment due July 1, 2017. The outstanding balance at September 30, 2023, is \$88,075.

On February 2, 2015, the City loaned Blazer Holdings, LLC and Blazer, LLC collectively \$300,000 for start-up expenses relating to the purchase of a business. The loan carries interest at 1.00% and is payable in monthly installments of \$5,130 beginning March 1, 2016, with the final payment due February 1, 2021. The outstanding balance at September 30, 2022, is \$0. On February 21, 2018, the City gave a second loan to Blazer, LLC for \$150,000 for expenses relating to the purchase of a business. The loan carries interest at 1.00% and is payable in monthly installments of \$3,190 beginning March 21, 2019 with the final payment due February 21, 2023. The outstanding balance at September 30, 2023, is \$6,334.

On October 1, 2018, the City loaned Columbus Hydraulics \$600,000. The loan carries interest at 1.00% and is payable in monthly installments of \$5,130 starting on November 1, 2020, with the final payment due on October 1, 2025. An additional balloon payment of \$300,000 is also due on October 1, 2025. The outstanding balance at September 30, 2023, is \$431,778.

On April 7, 2021, the City loaned Habitat for Humanity of Columbus, Nebraska \$103,000. The loan carries interest at 1.00% and is payable in a onetime lump sum payment on April 7, 2026. The outstanding balance at September 30, 2023, is \$103,000.

On September 19, 2022, the City loaned Columbus Area Childcare \$225,000. The loan carries interest at 1.00% and is payable in a onetime lump sum payment on April 30, 2026. The outstanding balance at September 30, 2023 is \$225,000.

The City has issued various down-payment assistance loans to residents. The loans are second mortgages on the houses and will be repaid after the first mortgage is paid in full. The outstanding balance at September 30, 2023, is \$625,243.

On December 5, 2017, the City loaned the East District Health Department \$286,254. The loan carries interest at 4.00% and is payable in monthly installments of \$3,000 starting on January 5, 2018 with the final payment due on August 5, 2027. The outstanding balance at September 30, 2023, is \$127,835.

City of Columbus, Nebraska
Notes to Basic Financial Statements

NOTE 4 - NOTES RECEIVABLE (CONTINUED)

The following is a summary of notes receivable outstanding as of September 30, 2022, detailed above:

	<u>Original Date</u>	<u>Due Date</u>	<u>Original Amount</u>	<u>Interest Rate</u>	<u>2023 Balance</u>
2012 Central American Foods	8/3/2012	7/1/2017	\$ 91,000	0.00%	\$ 88,075
2018 Blazer	2/21/2018	2/21/2023	150,000	1.00%	6,334
2019 Columbus Hydraulics	10/1/2018	10/1/2025	600,000	1.00%	431,778
2021 Habitat for Humanity of Columbus	4/7/2021	4/7/2026	103,000	1.00%	103,000
2022 Columbus Area Childcare	9/19/2022	4/30/2026	225,000	1.00%	225,000
Total					<u>854,187</u>
Housing rehabilitation loans	Various	Various	Various	Various	625,243
East Central District Health Department	12/5/2017	8/5/2027	286,254	4.00%	127,835
Total					<u>\$ 1,607,265</u>

NOTE 5 - LEASES RECEIVABLE

The City leases land to various third parties, the terms of which expire in 2023 through 2041. Revenue recognized under lease contracts during the year ended September 30, 2023, was \$22,711 in the general fund, \$88,542 in the nonmajor governmental funds, and \$40,365 in the water fund.

City of Columbus, Nebraska
Notes to Basic Financial Statements

NOTE 6 - CAPITAL AND LEASE ASSETS

Capital and lease asset activity for the year ended September 30, 2023, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets not being depreciated				
Land	\$ 3,728,689	\$ -	\$ -	\$ 3,728,689
Construction in progress	37,490,146	15,517,514	10,985,090	42,022,570
Total capital assets not being depreciated	<u>41,218,835</u>	<u>15,517,514</u>	<u>10,985,090</u>	<u>45,751,259</u>
Capital assets being depreciated				
Buildings	155,247,355	17,057,374	1,825,384	170,479,345
Machinery, equipment and vehicles	23,177,981	4,280,804	856,623	26,602,162
SBITA	199,621	524,245	-	723,866
Leased assets - buildings	698,980	-	-	698,980
Total capital assets being depreciated	<u>179,323,937</u>	<u>21,862,423</u>	<u>2,682,007</u>	<u>198,504,353</u>
Less accumulated depreciation for				
Buildings	(50,824,278)	(5,670,595)	(1,617,688)	(54,877,185)
Machinery, equipment and vehicles	(16,312,502)	(2,300,999)	(787,964)	(17,825,537)
SBITA	-	(53,005)	-	(53,005)
Leased assets - buildings	(114,625)	(114,625)	-	(229,250)
Total accumulated depreciation	<u>(67,251,405)</u>	<u>(8,139,224)</u>	<u>(2,405,652)</u>	<u>(72,984,977)</u>
Total capital assets being depreciated, net	<u>112,072,532</u>	<u>13,723,199</u>	<u>276,355</u>	<u>125,519,376</u>
Governmental activities capital position, net	<u>\$ 153,291,367</u>	<u>\$ 29,240,713</u>	<u>\$ 11,261,445</u>	<u>\$ 171,270,635</u>

City of Columbus, Nebraska
Notes to Basic Financial Statements

NOTE 6 - CAPITAL AND LEASE ASSETS (CONTINUED)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities				
Capital assets not being depreciated				
Land	\$ 709,058	\$ -	\$ -	\$ 709,058
Construction in progress	1,275,783	3,498,445	247,650	4,526,578
Total capital assets not being depreciated	<u>1,984,841</u>	<u>3,498,445</u>	<u>247,650</u>	<u>5,235,636</u>
Capital assets being depreciated				
Land improvements and buildings	124,607,441	3,515,573	7,488	128,115,526
Equipment	9,892,639	568,135	247,543	10,213,231
Total capital assets being depreciated	<u>134,500,080</u>	<u>4,083,708</u>	<u>255,031</u>	<u>138,328,757</u>
Total accumulated depreciation	<u>(54,464,628)</u>	<u>(3,792,826)</u>	<u>(172,096)</u>	<u>(58,085,358)</u>
Total capital assets being depreciated, net	<u>80,035,452</u>	<u>290,882</u>	<u>82,935</u>	<u>80,243,399</u>
Business-type activities capital assets, net	<u>\$ 82,020,293</u>	<u>\$ 3,789,327</u>	<u>\$ 330,585</u>	<u>\$ 85,479,035</u>

Depreciation and amortization expense was charged to functions/programs of the primary government as follows:

Governmental activities	
General government	\$ 1,359,729
Public safety	1,816,601
Public works	3,403,728
Cultural and recreation	1,499,178
Community development	6,983
Total depreciation expense - governmental activities	<u>\$ 8,086,219</u>
Business-type activities	
Water	\$ 1,012,031
Sewer	1,946,210
Electric	163,667
Storm water	428,049
Solid waste	242,869
Total depreciation expense - business-type activities	<u>\$ 3,792,826</u>

City of Columbus, Nebraska
Notes to Basic Financial Statements

NOTE 7 - LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the year ended September 30, 2023:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Governmental activities					
General obligation bonds	\$ 7,165,000	\$ -	\$ (495,000)	\$ 6,670,000	\$ 515,000
Sales tax revenue bonds	23,590,000	-	(630,000)	22,960,000	660,000
Certificates of participation	6,195,000	-	(350,000)	5,845,000	365,000
Leases	606,252	-	(104,281)	501,971	111,055
SBITA	199,621	524,245	(48,853)	675,013	151,281
Unamortized bond premiums	1,038,137	-	(79,593)	958,544	-
	<u>38,794,010</u>	<u>524,245</u>	<u>(1,707,727)</u>	<u>37,610,528</u>	<u>1,802,336</u>
Compensated absences	1,268,664	5,238	-	1,273,902	-
Total governmental activities	<u>40,062,674</u>	<u>529,483</u>	<u>(1,707,727)</u>	<u>38,884,430</u>	<u>1,802,336</u>
Business-type activities					
Certificates of participation	905,000	-	(220,000)	685,000	225,000
Bonds payable	36,565,000	-	(1,810,000)	34,755,000	1,815,000
Unamortized bond premiums	4,005,866	-	(521,635)	3,484,231	-
	<u>41,475,866</u>	<u>-</u>	<u>(2,551,635)</u>	<u>38,924,231</u>	<u>2,040,000</u>
Compensated absences	272,021	-	(827)	271,194	-
Total business-type activities	<u>41,747,887</u>	<u>-</u>	<u>(2,552,462)</u>	<u>39,195,425</u>	<u>2,040,000</u>
Total primary government	<u>\$ 81,810,561</u>	<u>\$ 529,483</u>	<u>\$ (4,260,189)</u>	<u>\$ 78,079,855</u>	<u>\$ 3,842,336</u>

A. General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital activities. General obligation bonds have been issued for governmental activities only.

General obligation bonds are direct obligations and pledge the full faith and credit of the City. These bonds generally are issued as 15-year serial bonds with substantially equal debt service payments each year. General obligation bonds currently outstanding are as follows:

On December 27, 2013, the City issued General Obligation Flood Control Refunding Bonds in the amount of \$4,750,000. This note was refinanced in the fiscal year ending September 30, 2020. The new issue bears interest from 0.72 to 0.87%. Final payment is due on November 15, 2023. The outstanding balance as of September 30, 2023, is \$495,000.

On September 1, 2021, the City issued General Obligation Highway Allocation Fund Pledge Bonds in the amount of \$6,175,000. The issue bears interest at 3.00%. Final payment is due on December 15, 2036. The outstanding balance as of September 30, 2023, is \$6,175,000.

On September 25, 2018 the City issued Public Safety Sales Tax bonds in the amount of \$15,840,000. The issue bears interest from 3.625 to 5.00%. Final payment is due on September 30, 2038. The outstanding balance at September 30, 2023 is \$12,960,000.

On April 15, 2021, the City issued Sales Tax Revenue Bond Anticipation Notes (Community Building Project) in the amount of \$10,000,000. The issue bears interest of 0.85%. Final payment is June 15, 2024. The outstanding balance at September 30, 2023 is \$10,000,000.

City of Columbus, Nebraska
Notes to Basic Financial Statements

NOTE 7 - LONG-TERM LIABILITIES (CONTINUED)

A. General Obligation Bonds (Continued)

On June 30, 2021, the City issued Certificates of Participation in the amount of \$6,540,000. The issue bears interest from 3.00 to 4.00%. Final payment is due on June 15, 2036. The outstanding balance at September 30, 2023 is \$5,845,000.

The City has received bond premiums in governmental funds totaling \$1,234,791. The City is amortizing the bond premiums using the straight-line method over the life of the various bond issues as a reduction of interest expense. Amortization for the year ended September 30, 2023, totaled \$79,593. The unamortized premium balance at September 30, 2023, is \$958,544 and is reported as an addition to long-term debt.

Annual debt service requirement to maturity, including principal and interest, for long-term debt as of September 30, 2023, are as follows:

Year Ending December 31,	Governmental Activities					
	General Obligation Bonds		Sales Tax Revenue Bonds		Certificates of Participation	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 515,000	\$ 187,103	\$ 10,660,000	\$ 467,138	\$ 365,000	\$ 186,750
2025	75,000	183,525	690,000	440,738	380,000	172,150
2026	135,000	180,375	715,000	413,138	395,000	156,950
2027	195,000	175,425	745,000	384,538	410,000	141,150
2028	260,000	168,600	775,000	354,738	425,000	128,850
2029-2033	2,400,000	666,750	4,295,000	1,348,450	2,310,000	445,950
2034-2038	3,090,000	184,500	5,080,000	565,500	1,560,000	94,500
Total	<u>\$ 6,670,000</u>	<u>\$ 1,746,278</u>	<u>\$ 22,960,000</u>	<u>\$ 3,974,240</u>	<u>\$ 5,845,000</u>	<u>\$ 1,326,300</u>

B. Business-Type Activity Debt

On March 21, 2014, the City issued Certificates of Participation in the amount of \$2,470,000. The issue bears interest from 0.45 to 3.40%. Final payment is due on September 15, 2026. The outstanding balance at September 30, 2023, is \$685,000.

On August 7, 2012, the City issued Combined Revenue and Refunding Bonds in the amount of \$5,785,000. The issue bears interest from 0.30 to 3.10%. Final payment was due on June 15, 2027. On July 23, 2015, the City issued Series 2015A Combined Revenue Refunding Bonds in the amount of \$4,030,000. The issue bears interest from 2.00 to 3.30%. Final payment was due on June 15, 2030. The outstanding balance at September 30, 2023, is \$2,980,869.

On August 26, 2015, the City issued Series 2015B Combined Revenue Bonds in the amount of \$9,800,000. The issue bears interest from 3.00 to 3.55%. Final payment was due on June 15, 2035. These 3 bonds were refinanced into one bond on August 19, 2020. This issue bears interest from 4 - 5% and final payment is due on June 15, 2035. The outstanding balance at September 30, 2023, is \$9,264,131.

On December 3, 2015, the City issued Series 2015C Combined Revenue Refunding Bonds in the amount of \$8,530,000. The issue bears interest from 0.60 to 2.05%. Final payment is due on December 15, 2023. The outstanding balance at September 30, 2023, is \$955,000.

City of Columbus, Nebraska
Notes to Basic Financial Statements

NOTE 7 - LONG-TERM LIABILITIES (CONTINUED)

B. Business-Type Activity Debt (Continued)

On September 30, 2016, the City issued Series 2016 Combined Revenue Refunding Bonds in the amount of \$13,760,000. The issue bears interest from 2.00 to 4.00%. Final payment is due on December 15, 2036. The outstanding balance at September 30, 2023, is \$11,175,000.

On December 27, 2018, the City issued Series 2018 Combined Revenue Bonds in the amount of \$10,380,000. The issue bears interest from 4.00 to 5.00%. Final payment is due on June 15, 2038. The outstanding balance at September 30, 2023, is \$10,380,000.

The City has received bond premiums totaling \$5,534,939. The City is amortizing the bond premiums using the straight-line method over the life of the various bond issues as a reduction of interest expense. Amortization for the year ended September 30, 2023, totaled \$521,634. The unamortized premium balance at September 30, 2022, is \$3,484,232 and is reported as an addition to long-term debt.

Annual debt service requirement to maturity, including principal and interest, for long-term debt as of September 30, 2023, are as follows:

Year Ending December 31,	Business-Type Activities			
	Certificates of Participation		Bonds Payable	
	Principal	Interest	Principal	Interest
2024	\$ 225,000	\$ 7,495	\$ 1,815,000	\$ 1,415,414
2025	230,000	5,290	1,965,000	1,374,524
2026	230,000	2,806	2,020,000	1,282,024
2027	-	-	2,130,000	1,192,725
2028	-	-	2,205,000	1,095,575
2029-2033	-	-	12,700,000	3,832,375
2034-2038	-	-	11,920,000	1,063,863
Total	<u>\$ 685,000</u>	<u>\$ 15,591</u>	<u>\$ 34,755,000</u>	<u>\$ 11,256,500</u>

City of Columbus, Nebraska
Notes to Basic Financial Statements

NOTE 8 - LEASE LIABILITIES

The City leases building and parking lot space, the terms of which expire in various years through 2031.

The following is a schedule by year of payments under the leases as of September 30, 2023:

<u>Year Ending December 31,</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 111,055	\$ 20,079	\$ 131,134
2025	118,152	15,637	133,789
2026	125,587	10,911	136,498
2027	133,375	5,887	139,262
2028	3,089	552	3,641
2029-2031	10,713	877	11,590
Total	\$501,971	\$53,943	\$555,914

NOTE 9 - DEFINED CONTRIBUTION RETIREMENT PLANS

The City has multiple defined contribution plans.

A. Employees' Pension Plan

All regular full-time civilian employees of the City are covered by a voluntary defined contribution plan. Contributions made by the City equal 6% of the participants' compensation. Participants also contribute 6% of their earnings. Vesting of employer contributions occurs over seven years of employment. The amount of employer and employee contributions to this plan during the fiscal year was \$578,834 and \$560,671, respectively. There were no forfeitures used to offset employer contributions for the year ended September 30, 2023. The Plan is administered by a trustee independent of the City and is, therefore, not included in these financial statements.

B. Fire Retirement Plan

All regular full-time fire fighters of the City are covered by a defined contribution plan. Certain fire fighters are also covered by a single employer defined benefit pension plan (see Note 10). Participants are required to contribute 6.50% of their earnings but may contribute up to the maximum amount allowed under the Internal Revenue Code. Contributions made by the City equal 13% of the participants' earnings. Vesting of employer contributions occurs between four and seven years of employment. Forfeitures shall be allocated to the Unallocated Employer Account and if the Unallocated Employer Account is sufficient to meet Plan liabilities, then forfeitures shall first be used to pay expenses of administration and then to reduce City contributions. The plan members and the City contributed \$97,412 and \$194,824, respectively, to the plan during the year ended September 30, 2023. The Plan is administered by a trustee independent of the City and is, therefore, not included in these financial statements.

City of Columbus, Nebraska
Notes to Basic Financial Statements

NOTE 9 - DEFINED CONTRIBUTION RETIREMENT PLANS (CONTINUED)

C. Police Retirement Plan

All regular full-time sworn officers of the City are covered by a defined contribution plan. Certain sworn officers are also covered by a single employer defined benefit pension plan (see Note 10). Participants are required to contribute 7.0% of their earnings but may contribute up to the maximum amount allowed under the Internal Revenue Code. Contributions made by the City equal 7.0% of the participants' earnings. Vesting of employer contributions occurs between two and seven years of employment. Forfeitures shall be allocated to the Unallocated Employer Account and if the Unallocated Employer Account is sufficient to meet Plan liabilities, then forfeitures shall first be used to pay expenses of administration and then to reduce City contributions. The plan members and the City contributed \$207,193 and \$207,193, respectively, to the plan during the year ended September 30, 2023. The Plan is administered by a trustee independent of the City and is, therefore, not included in these financial statements.

Note 10 - Defined Benefit Pension Plan

A. Fire Plan

Employees who were hired prior to January 1, 1984, the date at which the Fire Plan was amended from a defined benefit plan to the 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.

Plan Description

The City has a single-employer defined benefit pension plan covering fire fighters hired on or before December 31, 1983. The plan is closed to new employees. The terms of the plan, including contribution rates and minimum pension benefits are established through State Statute. The City does not issue a separate report that includes financial statements and required supplementary information for the fire pension plan.

Summary of Benefit Provisions

Contribution rates are described for the defined contribution plan in Note 9. The accumulated value of the employee and employer account including contributions and investment earnings is the Retirement Account Value. In the event that a participant's retirement account value will not provide for the minimum pension benefits of the plan, the City will be required to contribute an additional amount to fund the minimum pension benefits specified in Statute. Participants must have been employed on January 1, 1984 and continuously employed by the City through retirement date after attaining age 55 and completing 25 years of service. Minimum pension benefit equals 40% of regular pay for commencement between ages 55 and 60; 50% of regular pay for commencement at age 60 or later offset by the State Statute Actuarial Equivalence of the Retirement Account Value.

Plan Membership

As of September 30, 2023, plan membership consists of 1 inactive member entitled to but not yet receiving benefits and 1 inactive member currently receiving benefits.

Contributions and Funding Policy

The City's contributions for the additional amount to fund minimum pension benefits are limited to amounts paid to retirees during the fiscal year. Contributions made by the City for the year ended September 30, 2023, were \$7,308.

City of Columbus, Nebraska
Notes to Basic Financial Statements

NOTE 10 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

B. Actuarial Methods and Assumptions and Pension Liability

Actuarially determined contribution rates are calculated as the City's contributions paid to retirees during the fiscal year to fund the minimum pension benefits of the plan. Valuations were determined using the following actuarial assumptions:

Valuation Date	December 31, 2020
Measurement Date	September 30, 2021
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	1.00%

Pub-2010 Public Safety Retiree and Public Safety Contingent Annuitant Median Mortality Table (Amount- Weighted), both with fully generational projection of mortality improvements using Scale MP-2020.

The City's obligation is unfunded at September 30, 2023. The City has assigned an allocation of certificates of deposit totaling \$79,163 for pension benefits as of September 30, 2023, but these assets are not held in trust. The actuarial present value of future benefits at December 31, 2020, the most recent actuarial valuation date, was \$125,423. After deducting the actuarial value of the assets allocated by the City of \$79,163, the remaining balance of \$46,260 has been deemed immaterial by management and is not recorded in the governmental activities financial statements.

NOTE 11 - COMMITMENTS AND CONTINGENCIES

The City participates in numerous federal- and state-assisted grant programs which are governed by various rules and regulations of the grantor agencies. These programs are subject to financial and compliance audits by the granting agencies. To the extent that the City has not complied with the rules and regulations governing the grants, refunds of any money received may be required. In the opinion of the City, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants.

The City has elected to be a reimbursable employer with regard to unemployment claims filed by former employees. Therefore, the City is required to reimburse to State of Nebraska for any claims paid on behalf of the City. As of September 30, 2023, the amount of liability, if any, is indeterminable.

Various lawsuits and claims against the City are presently pending involving claims for personal injury, tax appeals, and miscellaneous cases. In the opinion of management, suits or claims, either individually or in the aggregate, will not have a material effect on the financial position of the City. The City had construction project commitments of \$12,479,609 as of September 30, 2023 as outlined below:

- ◆ The SID 184 project had contract price of \$2,417,125. As of September 30, 2022, \$573,100 had been paid. The remaining commitment is \$1,844,025,
- ◆ The Community Building had a contract price of \$26,328,096. As of September 30, 2022, \$16,713,590 had been paid. The remaining commitment is \$9,614,506.
- ◆ The Fire Station #2 had a contract price of \$1,802,494. As of September 30, 2022, \$815,720 had been paid. The remaining commitment is \$986,774.
- ◆ The Pawnee Park Baseball Lighting had a contract price of \$539,691. As of September 30, 2022, \$505,387 had been paid. The remaining commitment is \$34,304.

City of Columbus, Nebraska
Notes to Basic Financial Statements

NOTE 12 - MAJOR CUSTOMERS

The City received approximately 25% of the total water revenues and approximately 24% of total sewer revenues from one major customer in the year ended September 30, 2023.

NOTE 13 - SELF-INSURANCE PLAN

The City’s health insurance coverage is a partially self-insured plan administered by a third-party administrator. The City pays the administrator to manage the employee health plan operations and to purchase reinsurance to cover specific claims over \$80,000 and aggregate claims that are over \$3,535,723 or 100% of the expected annual claims, whichever is greater.

NOTE 14 - 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. During the year, the City carried commercial insurance for general liability, linebacker, property, umbrella, worker’s compensation, inland marine, automobile, law enforcement and crime coverage. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 15 - INTERFUND BALANCES AND TRANSFERS

In 2014, the Electric fund loaned \$2,362,040 to the Solid Waste fund for the acquisition and construction of a transfer station. The loan is to be repaid in annual installments, with fixed or variable interest as determined by the Mayor and Finance Director at the time payment is issued. Interest-only payments began September 15, 2014, and principal payments begin September 15, 2027. Final payment is due September 15, 2034.

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Those that are related to goods and services transactions are classified as “due to and from other funds”.

	Due to			
	Electric Fund	Health Insurance Fund	General Fund	Total
Due from				
General	\$ -	\$ -	\$ -	\$ -
1/2 Cent Sales Tax Fund	-	-	-	-
Nonmajor Governmental Funds	-	-	-	-
Solid Waste Fund	2,362,040	-	-	2,362,040
Total due to other funds	\$ 2,362,040	\$ -	\$ -	\$ 2,362,040

City of Columbus, Nebraska
Notes to Basic Financial Statements

NOTE 15 - INTERFUND BALANCES AND TRANSFERS (CONTINUED)

Transfers between funds are to cover operational expenses for the funds and to move assets to the appropriate funds.

	Transfer From							Total	
	General	Sales Tax	1/2 Cent Sales Tax	Nonmajor Governmental	Water	Sewer	Electric		Solid Waste
Transfer to									
General	\$ -	\$ 4,382,858	\$ 4,764,250	\$ 9,512,160	\$ 120,000	\$ 120,000	\$ 5,270,270	\$ 49,000	\$ 24,218,538
Streets/Engineering	340,000	4,719,996	-	-	-	-	-	-	5,059,996
Nonmajor Governmental	140,000	162,955	-	501,336	-	-	-	-	804,291
Water	625,000	-	-	-	-	-	-	-	625,000
Sewer	2,794,634	-	-	-	-	-	-	-	2,794,634
Total due to other funds	<u>\$ 3,899,634</u>	<u>\$ 9,265,809</u>	<u>\$ 4,764,250</u>	<u>\$ 10,013,496</u>	<u>\$ 120,000</u>	<u>\$ 120,000</u>	<u>\$ 5,270,270</u>	<u>\$ 49,000</u>	<u>\$ 33,502,459</u>

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

NOTE 16 - SALES TAX

The City has received voter approval ten times since 1995 for a one percent or one-half percent City sales tax. Currently, the local sales tax rate is a total of one and one-half percent (1.50%). Through March of 2027, the 1% may be used for capital improvements, including street and drainage projects and to repay debt for the same type of projects, and to fund the operation of Pawnee Plunge Water Park and Columbus Aquatic Center.

The one-half percent tax was reauthorized at the May 10, 2016, election. The one-half percent is for funding Police and Fire facilities and a Library/Cultural Arts Center. This tax will cease upon the later of the completion of such projects, voter rejection of bond elections for such projects or the date on which there are no outstanding bonds.

NOTE 17 - TAX ABATEMENTS

The City provides tax abatements through three programs: Tax Increment Financing (TIF) program, Employment and Investment Growth Act, and Nebraska Advantage Act.

The City issued Tax Increment Financing Bonds in the amount of \$368,694 for the Westgate Center Redevelopment Project, Slumberland, on February 19, 2013. These bonds shall be payable solely from the tax increment revenues and other funding as provided.

The City issued Tax Increment Financing Bonds in the amount of \$510,000 for the NBC Capital Redevelopment Project, Ramada-Columbus, on November 18, 2013. These bonds shall be payable solely from the tax increment revenues and other funding as provided.

City of Columbus, Nebraska
Notes to Basic Financial Statements

NOTE 17 - TAX ABATEMENTS (CONTINUED)

The City issued Tax Increment Financing Bonds in the amount of \$226,000 for the Westgate Center Redevelopment Project, Hobby Lobby, on November 14, 2014. These bonds shall be payable solely from the tax increment revenues and other funding as provided.

The bonds shall not, in any event, be a debt of the City, except to the extent of the pledge of the tax increment revenue for the payment of the principal and interest on the bonds. Therefore, no liability relating to the bonds is recorded.

The Tax Increment Financing Law allows for the increased property taxes generated by the improvement of blighted property to be used to pay for financing of community redevelopment projects. The City declares the area as substandard, blighted and in need of redevelopment and is required to prepare a redevelopment plan. TIF bonds may be issued for the acquisition of property, site preparation, and public improvements. An agreement is entered into between the City and the Developer and a base valuation is established. The base property valuation remains assessable to all taxing entities. Any increase in value and the resulting property taxes are used to pay off debt incurred for the redevelopment project within a 15- year period.

Information relevant to the TIF abatements granted by the City for the year ended September 30, 2022 follows:

Project	Years Remaining on Agreement	2022 TIF Valuation	Proceeds Paid During Year-End 9/30/2023
NBC Capital (Ramada)	5	\$ 3,736,690	\$ 31,013
Westgate Center Redevelopment Project (Slumberland)	2	\$ 3,152,815	\$ 27,060
Westgate Center Redevelopment Project (Hobby Lobby)	6	\$ 2,717,750	\$ 30,693

The Employment and Investment Growth Act and the Nebraska Advantage Act provide benefits in the form of sales tax rebates for businesses which invest and/or increase employment by specified amounts. Businesses that qualify must be involved in research, data processing, finance or businesses transporting, wholesaling, storing, or selling products, but not retailers who do not make their own products. Businesses must propose a qualifying project and be approved by the State of Nebraska Department of Revenue. The obligations of each party are set out in a contract with the State. If the project qualifies for benefits, but later falls below the required levels of jobs or investment, the company receives no benefits for that year and one-seventh of the benefits already received are recaptured for each year the company fails to qualify.

For the year ended September 30, 2022, the State of Nebraska on behalf of the City abated approximately \$18,500 in sales tax revenue under these two programs.

City of Columbus, Nebraska
Notes to Basic Financial Statements

NOTE 18 - FUND BALANCES

As of September 30, 2023, governmental fund balances are classified as follows:

	General Fund	Streets/ Engineering Fund	Sales Tax Fund	1/2 Cent Sales Tax Fund	ARP Act Fund	Other Governmental Funds	Total
Nonspendable							
Gerrard Park Trust	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 135,928	\$ 135,928
Restricted for							
Debt service	-	-	-	591,781	-	-	591,781
Public safety	-	-	-	-	-	45,629	45,629
Airport	-	-	-	-	-	974,404	974,404
Capital improvements	-	1,084,903	6,638,651	-	113,616	-	7,837,170
Housing	-	-	-	-	-	93,596	93,596
Economic development	-	-	-	-	-	2,399,987	2,399,987
Library	-	-	-	-	-	761,071	761,071
Total restricted	<u>-</u>	<u>1,084,903</u>	<u>6,638,651</u>	<u>591,781</u>	<u>113,616</u>	<u>4,274,687</u>	<u>12,703,638</u>
Committed for							
Library endowment	-	-	-	-	-	1,151,125	1,151,125
Total committed	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,151,125</u>	<u>1,151,125</u>
Assigned for							
Pension benefits	79,163	-	-	-	-	-	79,163
Library	95,068	-	-	-	-	-	95,068
Total assigned	<u>174,231</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>174,231</u>
Unassigned	7,052,975	-	-	-	-	(455,126)	6,597,849
Total fund balances	<u>\$ 7,227,206</u>	<u>\$ 1,084,903</u>	<u>\$ 6,638,651</u>	<u>\$ 591,781</u>	<u>\$ 113,616</u>	<u>\$ 5,106,614</u>	<u>\$ 20,762,771</u>

PRELIMINARY

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REQUIRED SUPPLEMENTARY INFORMATION

PRELIMINARY

City of Columbus
Schedule of Receipts, Disbursements and Changes in
Fund Balances - Budget to Actual - Budget Basis - General Fund
Year Ended September 30, 2023

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Over (Under)
Revenues			
Property taxes	\$ 6,104,665	\$ 5,974,297	\$ (130,368)
Fees, taxes, permits, and licenses	609,000	879,173	270,173
Sales tax	1,669,740	1,582,222	(87,518)
Donations	23,200	128,496	105,296
Charges for services	2,334,700	2,762,555	427,855
Grants	1,712,911	864,926	(847,985)
Other local revenues	26,950	337,882	310,932
Investment income	37,650	164,570	126,920
Total revenues	<u>12,518,816</u>	<u>12,694,121</u>	<u>175,305</u>
Expenditures			
General government	2,317,510	2,746,364	428,854
Public safety	8,110,095	8,506,510	396,415
Parks and recreation	5,564,220	6,192,717	628,497
Community development	722,140	750,580	28,440
Capital outlay	22,287,115	18,210,618	(4,076,497)
Total expenditures	<u>39,001,080</u>	<u>36,406,789</u>	<u>(2,594,291)</u>
Excess of revenues over (under) expenditures	<u>(26,482,264)</u>	<u>(23,712,668)</u>	<u>2,769,596</u>
Other Financing Sources (Uses)			
Proceeds from long-term debt, net	4,300,000	-	(4,300,000)
Transfers in (out), net	22,998,674	23,738,538	739,864
Total other financing sources (uses)	<u>27,298,674</u>	<u>23,738,538</u>	<u>(3,560,136)</u>
Net change in fund balances	<u>\$ 816,410</u>	<u>\$ 25,870</u>	<u>\$ (790,540)</u>

City of Columbus, Nebraska
Schedule of Receipts, Disbursements and
Changes in Fund Balances - Budget to Actual - Budget Basis -
Streets/Engineering Fund
Year Ended September 30, 2023

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Over (Under)
Revenues			
Fees, taxes, permits, and licenses	\$ 3,365,357	\$ 3,928,783	\$ 563,426
Charges for services	132,500	145,539	13,039
Grants	536,495	702,750	166,255
Other local revenues	60,000	32,052	(27,948)
Investment income	12,750	53,567	40,817
Total revenues	<u>4,107,102</u>	<u>4,862,691</u>	<u>755,589</u>
Expenditures			
Public works	2,964,708	3,160,243	195,535
Capital outlay	10,452,868	9,057,194	(1,395,674)
Total expenditures	<u>13,417,576</u>	<u>12,217,437</u>	<u>(1,200,139)</u>
Excess of revenues over (under) expenditures	<u>(9,310,474)</u>	<u>(7,354,746)</u>	<u>1,955,728</u>
Other Financing Sources (Uses)			
Proceeds from long-term debt, net	2,396,868	-	(2,396,868)
Transfers in (out), net	5,285,282	5,059,996	(225,286)
Total other financing sources (uses)	<u>7,682,150</u>	<u>5,059,996</u>	<u>(2,622,154)</u>
Net change in fund balances	<u>\$ (1,628,324)</u>	<u>\$ (2,294,750)</u>	<u>\$ (666,426)</u>

City of Columbus, Nebraska
Schedule of Receipts, Disbursements and Changes in Fund
Balances - Budget to Actual - Budget Basis - Sales Tax Fund
Year Ended September 30, 2023

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Over (Under)
Revenues			
Sales tax	\$ 5,508,333	\$ 6,185,066	\$ 676,733
Investment income	100,000	231,975	131,975
Total revenues	<u>5,608,333</u>	<u>6,417,041</u>	<u>808,708</u>
Excess of revenues over expenditures	<u>5,608,333</u>	<u>6,417,041</u>	<u>808,708</u>
Other Financing Sources (Uses)			
Transfers in (out), net	<u>(10,418,586)</u>	<u>(9,265,809)</u>	<u>1,152,777</u>
Total other financing sources (uses)	<u>(10,418,586)</u>	<u>(9,265,809)</u>	<u>1,152,777</u>
Net change in fund balances	<u>\$ (4,810,253)</u>	<u>\$ (2,848,768)</u>	<u>\$ 1,961,485</u>

PRELIMINARY

City of Columbus, Nebraska
Schedule of Receipts, Disbursements and Changes in Fund Balances -
Budget to Actual - Budget Basis - ½ Cent Sales Tax Fund
Year Ended September 30, 2023

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Over (Under)
Revenues			
Sales tax	\$ 2,566,667	\$ 2,801,135	\$ 234,468
Investment income	40,000	128,276	88,276
Total revenues	<u>2,606,667</u>	<u>2,929,411</u>	<u>322,744</u>
Expenditures			
Principal	630,000	630,000	-
Other	583,640	594,223	10,583
Total expenditures	<u>1,213,640</u>	<u>1,224,223</u>	<u>10,583</u>
Excess of revenues over expenditures	<u>1,393,027</u>	<u>1,705,188</u>	<u>312,161</u>
Other Financing Sources (Uses)			
Transfers in (out), net	(6,450,000)	(4,764,250)	1,685,750
Total other financing sources (uses)	<u>(6,450,000)</u>	<u>(4,764,250)</u>	<u>1,685,750</u>
Net change in fund balances	<u>\$ (5,056,973)</u>	<u>\$ (3,059,062)</u>	<u>\$ 1,997,911</u>

PRELIMINARY

City of Columbus
Schedule of Receipts, Disbursements and Changes in
Fund Balances - Budget to Actual - Budget Basis - ARP Act Fund
Year Ended September 30, 2023

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Over (Under)
Revenues			
Investment income	\$ -	\$ 100,365	\$ 100,365
Total revenues	<u>-</u>	<u>100,365</u>	<u>100,365</u>
Excess of revenues over expenditures	<u>-</u>	<u>100,365</u>	<u>100,365</u>
Other Financing Sources (Uses)			
Transfers in (out), net	(4,025,000)	(3,419,634)	605,366
Total other financing sources (uses)	<u>(4,025,000)</u>	<u>(3,419,634)</u>	<u>605,366</u>
Net change in fund balances	<u>\$ (4,025,000)</u>	<u>\$ (3,319,269)</u>	<u>\$ 705,731</u>

PRELIMINARY

City of Columbus
Note to Required Supplementary Information

NOTE 1 - BUDGETARY ACCOUNTING

Annual budgets are adopted on a basis consistent with the Nebraska Budget Act. The Nebraska Budget Act requires that the City adopt its budget on a *cash basis*. All annual appropriations lapse at fiscal year-end.

The appropriated budget is prepared by fund, function, and department. The City's department heads may make transfers of appropriations within a fund with the City Administrator's approval. Transfers of appropriations between funds require the approval of the City Council. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the city level.

Encumbrances (e.g., purchase orders, contracts) outstanding at year-end do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year.

Amounts presented on a non-GAAP budget basis of accounting differ from those presented in accordance with GAAP due to the treatment afforded accruals, encumbrances, and funds for which legally adopted annual budgets are established. A reconciliation for the year ended September 30, 2023, which discloses the nature and amount of the adjustments necessary to convert the actual GAAP data to the budgetary basis, is presented below:

	General Fund	Streets/ Engineering Fund	Sales Tax Fund	1/2 Cent Tax Fund	ARP Act Fund
Excess (deficiency) of revenues over expenditures and other financing uses (budgetary basis)	\$ 25,870	\$ (2,294,750)	\$ (2,848,768)	\$ (3,059,062)	\$ (3,319,269)
Adjustments					
To adjust revenues for receivables and deferred revenue	46,125	(10,435)	30,967	6,417	3,419,634
To adjust expenses for payables and accrued expenses	2,759,850	64,163			
To adjust other financing sources and (uses) for receivables and deferred revenue	-	-	-	-	-
	<u>\$ 2,831,845</u>	<u>\$ (2,241,022)</u>	<u>\$ (2,817,801)</u>	<u>\$ (3,052,645)</u>	<u>\$ 100,365</u>

PRELIMINARY

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PRELIMINARY

REQUIRED SUPPLEMENTARY INFORMATION

City of Columbus
Schedule of Expenditures of Federal Awards
Year Ended September 30, 2023

Federal Agency/Pass Through Agency/Program Title	Federal Assistance Living Number	Expenditures
U.S. Department of Homeland Security		
COVID-19 - Disaster Grants - Public Assistance	97.036	\$ 96,224
Building Resilient Infrastructure and Communities	97.047	162,134
Total U.S. Department of Homeland Security		<u>258,358</u>
US Department of Justice		
Bulletproof Vest Partnership Program	16.607	1,885
Total U.S. Department of Justice		<u>1,885</u>
U.S. Department of Transportation		
Highway Safety Cluster		
Through Nebraska Department of Transportation		
State Community Highway Safety	20.600	18,250
Total U.S. Department of Transportation and Highway Safety Cluster		18,250
Through Nebraska Department of Transportation		
Formula Grants for Rural Areas	20.509	152,588
Airport Improvement Program	20.106	16,619
Total U.S. Department of Transportation		<u>187,457</u>
U.S. Department of Treasury		
Through State of Nebraska		
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	3,419,634
Total U.S. Department of Treasury		<u>3,419,634</u>
Total Federal Expenditures		<u>\$ 3,867,334</u>

City of Columbus
Notes to the Schedule of Expenditures of Federal Awards
Year Ended September 30, 2023

NOTE 1 - BASIS OF PRESENTATION

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, or other applicable regulatory guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3 - INDIRECT COST RATE

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

PRELIMINARY

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

Independent Auditor's Report

Honorable Mayor and Members
of the City Council
City of Columbus
Columbus, Nebraska

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Columbus, Nebraska (the City), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March __, 2024.

Report on Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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 have not been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2023-001 to be a material weakness.

Report on Internal Control Over Financial Reporting (Continued)

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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2023-002 to be a significant deficiency.

Report on Compliance and Other Matters

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

The City’s Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City’s response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. 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 City’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Omaha, Nebraska
March __, 2024



**Report on Compliance for the Major Federal Program
and Report on Internal Control over Compliance in Accordance with
the Uniform Guidance**

Independent Auditor's Report

Honorable Mayor and Members
of the City Council
City of Columbus
Columbus, Nebraska

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

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

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

Basis for Opinion on the Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

Report on Internal Control Over Compliance (Continued)

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

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

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

Omaha, Nebraska

March __, 2024

**City of Columbus, Nebraska
Schedule of Findings and Questioned Costs
Year Ended June 30, 2023**

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:

We issued an unmodified opinion on the fair presentation of the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information in accordance with accounting principles generally accepted in the United States of America (GAAP).

Internal control over financial reporting:

- ◆ Material weakness(es) identified?
- ◆ Significant deficiency(ies) identified?

Yes, Audit finding 2023-001
Yes, Audit finding 2023-002

Noncompliance material to financial statement noted?

No

Federal Awards

Type of auditor's report issued on compliance for major programs:

Unmodified

Internal control over major programs:

- ◆ Material weakness(es) identified?
- ◆ Significant deficiency(ies) identified?

No
None reported

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?

No

Identification of Major Programs

Assistance Listing No:
Name of Federal Program

21.027
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between type A and type B programs:

\$750,000

Auditee qualified as low risk auditee?

No

**City of Columbus, Nebraska
Schedule of Findings and Questioned Costs
Year Ended June 30, 2023**

SECTION II - FINANCIAL STATEMENT FINDINGS

2023-001 Material Weakness

Adjusting Journal Entries

Condition:

Audit adjustments were proposed to properly report various areas of financial reports.

Criteria:

Management is responsible for the preparation of financial statements in accordance with accounting principles generally accepted in the United States of America. Procedures were not maintained throughout the year that allowed for proper evaluation of potential adjustments that, individually or in the aggregate, had a significant effect on the financial statements.

Effect or Potential Effect:

Current year adjustments were identified through assistance from the auditor.

Recommendation:

Management should consider modification to procedures to ensure controls and resources are in place to allow for preparation of the financial statements in accordance with accounting principles generally accepted in the United States of America. Management should also reconcile the general ledger to the capital asset module periodically throughout the year.

Responsible Official's Response:

Management has reviewed the adjustments and will implement procedures to identify and record any necessary entries in the future.

**City of Columbus, Nebraska
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022**

SECTION II - FINANCIAL STATEMENT FINDINGS (CONTINUED)

2023-002 Significant Deficiency

Segregation of Duties

Condition:

The City utilizes its office and accounting personnel to segregate duties where feasible but due to the size of the accounting and office staff during the year the City did not have appropriate segregation of duties in all areas. There are instances where individuals responsible for performing or overseeing accounting functions also have access to cash and cash items.

Criteria:

Proper internal accounting controls require segregation of duties so that no one individual has access to both the accounting records and cash items or handles a transaction from inception to completion.

Effect or Potential Effect:

Intentional or unintentional errors could be made and not be detected within a timely period by the City's management in the normal course of performing their assigned functions.

Recommendation:

A remedy for this situation would be for the City to reassign duties to other personnel, accounting staff or an outsourced accountant to allow for improved internal accounting control and segregation of duties.

Responsible Official's Response:

The City continues to evaluate its processes and controls and will implement changes to improve its internal control structure where feasible.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

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

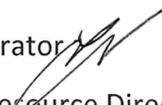
Reference Number	Summary of Finding	Status
2022-001	Audit Adjustments Proposed and Restatement of Beginning Balances	Partially Corrected See 2023-001
2022-002	Segregation of Duties	Uncorrected See 2023-002

PRELIMINARY

4. Quote from Capital City Concepts in the amount of \$22,000 for benefit and wage study of non-unionized employees.



City of Columbus
Human Resources / Risk Management
2500 14th St. Suite 3
Columbus, NE 68601
402-562-4243
www.columbusne.us

DATE: February 15, 2024
TO: Tara Vasicek, City Administrator 
FROM: Tammy Orender, Human Resource Director
RE: Benefit/Wage Study 2024

RECOMMENDATION:

Have Capital City Concepts complete a benefit/wage study on all non-union job positions.

DISCUSSION:

Having a study completed is valuable for the city to attract new people and retain the great workforce we currently have. We want to make sure we are competitive with other Cities our size. The study will also include how comparable cities handle employee raises, merit pay and cost of living increases and the number of fulltime employees that are allocated to each position. The last study that was completed was in 2019. The cost to have Capital City Concepts complete the study this year will be \$22,000.

CAPITAL CITY CONCEPTS, LLC

February 15, 2024

Tammy Orender
Human Resources Director
2500 14th St., Suite 3
P.O. BOX 1677
Columbus, NE 68602-1677

Dear Tammy,

Per your request of, I have attached a proposal for a Comparability Study. This study should provide information necessary to establish compensation parameters for the City of Columbus non- union employees. The comparability study would be conducted under Nebraska Commission of Industrial Relations Guidelines and use current commission methods for the calculations of comparable wage and benefit information.

NCIR study, this type of study would include only cities that meet the criteria established by the NCIR. Data collection with each proximate array member, gathering wage data and obtaining specific job match information, while making detailed comparisons of benefit packages at the various locations (as well as future cost projection). The wage administration process, organizational structure, and where employees are allocated will also be reviewed. The fee for this study would be \$22,000 expenses included, except travel expenses to Columbus. NCIR studies are more concerned with following Statute 48-818.

Thank you for the opportunity to work on this study with you as we do enjoy the challenges that they offer.

Sincerely,

Paul W. Essman
Capital City Concepts L.L.C.

SCOPE OF SERVICES AND ASSOCIATED COSTS

A. OBJECTIVE

To establish pay lines for the non-union employees of the City of Columbus that are comparable to the prevalent wage rates within a selected labor market and to meet the requirements of Nebraska Statute 48-818. The wage administration process, organizational structure, and where employees are allocated will also be reviewed. All benefits provided by Columbus will be reviewed and of course, current Commission of Industrial Relations standards would be used to exhibit benefit information.

B. PROCESS

1. A management review of current job descriptions to ensure that the descriptions reflect work being performed.
2. Select survey sources. Survey sources will be selected by a consultant, with consultation from City.
3. Design survey package. Consultant will design survey instrument to fit City of Columbus information needs.
4. Establish data collection schedule. With some initial contact provided by City of Columbus, Consultant will contact array members.
5. Collect data and informational material from each input.
6. Analyze data. Using established Commission criteria.
7. Compute findings.
8. Issue reports.

C. PROJECT COST

- 1. Wage / Benefit NCIR Study \$ 22,000.00 *
- 2. Payment in full after report issued.

* Expenses included, except travel to Columbus.

D. PROJECT TIMELINE

This part of the project is dependent upon job description update. The wage study can be completed approximately 90 days after Step B (1) is finished.

E. PROJECT CONSULTANTS

Sheila Schukei
 Nebraska Pay Surveys
 2701 Dover Drive
 Norfolk, NE 68701
 (402) 649-1183

Paul W. Essman
 Capital City Concepts L.L.C.
 4136 Boulder Drive
 Lincoln, NE 68516
 (402) 475-4994

The wage survey proposal is accepted as of _____. This agreement is between Paul W. Essman, doing business as Capital City Concepts, LLC (“Consultant”) and City of Columbus (“Client”).

IN WITNESS WHEREOF, the parties hereto have signed this agreement on the dates written below.

City of Columbus, Client

Paul W. Essman, Consultant

Date: _____

Date: _____

5. Adjournment.