



**CITY OF SEWARD
City Council
Regular Meeting
Agenda**

Tuesday, February 1, 2022

7:00 PM

Municipal Building Council Chambers

NOTICE IS HEREBY GIVEN that a meeting of the City Council of the City of Seward, Nebraska will be held at 7:00 PM on Tuesday, February 1, 2022, in the Council Chambers, 142 7th Street, Seward, Nebraska in which the meeting will be open to the public. The Mayor and City Council reserve the right to adjourn into Closed Session as per Section 84-1410 of the Nebraska Revised Statutes. An Agenda for such meeting, kept continually current, is available at the Office of the City Clerk, 537 Main Street, Seward, Nebraska, during normal business hours. Individuals requiring physical or sensory accommodations, who desire to attend or participate, please contact the City Clerk's Office at 402.643.2928 no later than 3:30 PM on the Friday preceding the Council Meeting.

City financial claims and related invoices will be available for Council member review, audit and voluntary signatures at Council Chambers beginning 30 minutes prior to the scheduled meeting time.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

DISCLOSURE OF OPEN MEETINGS ACT & OTHER NOTIFICATIONS

This is an Open Meeting of the Seward Nebraska Governing Body. The City of Seward abides by the Nebraska Open Meetings Act in conducting business. A copy of the Nebraska Open Meetings Act is displayed on the north wall of this meeting room facility as required. Disclosure of meeting recording processes is posted in the Meeting Room. A participant sign-in sheet is available for use by any Citizen addressing the Council. Presenters shall approach the podium, state their name & address for the Clerk's record and are asked to limit remarks to five minutes. All remarks shall be directed to the Mayor who shall determine by whom any appropriate response shall be made. The City of Seward reserves the right to adjust the order of items on this Agenda if necessary and may elect to take action on any of the items listed.

ROLL CALL

MINUTES

1. Draft Minutes of January 18, 2022 Meeting - City Clerk Bargmann

January 18, 2022

The Seward City Council met at 7:00 p.m. on Tuesday, January 18, 2022 with Mayor Joshua Eickmeier presiding and City Clerk Derek Bargmann recording the proceedings. Upon roll call, the following Councilmembers were present: Ellen Beck, Alyssa Hendrix, Sid Kamprath, Jessica Kolterman, John Singleton, Jonathon Wilken. Councilmembers Absent: Karl Miller, Matt Stryson. Other officials present: City Administrator Greg Butcher, City Attorney Kelly Hoffschneider, City Engineer Mike Oneby, and Chief of Police Brian Peters.

Notice of the meeting was given in advance thereof by the method of communicating advance notice of the regular and special meetings of the City Council of the City of Seward, Nebraska, as stated in Ordinance No. 2015-08, which was adopted on the 5th day of May, 2015; said method stating that the notice of such meeting, with the agenda thereon, be posted in the following places: City Hall, Municipal Building, Seward County Courthouse, CityofSewardNE.com, and Seward Memorial Library. The certificate of posting notice is attached to these minutes. Notice of this meeting was simultaneously given to the Mayor and all members of the City Council and a copy of their acknowledgment of receipt of notice and the agenda are attached to these minutes. Availability of the agenda was communicated in the advance notice and in the notice to the Mayor and Council of this meeting. All proceedings hereafter shown were taken while the convened meeting was open to the attendance of the public.

THE PLEDGE OF ALLEGIANCE

Mayor Eickmeier announced that a copy of the Agenda for this meeting is posted in the Council Chambers of the Municipal Building and copies are available where a copy of the Open Meetings Act is also posted for public inspection. He also noted that any citizen wishing to address the Council should come to the podium, state their name and address and limit their comments to five minutes. All remarks should be directed to the Mayor/Chairperson, who will then determine who will make any appropriate response. The City of Seward reserves the right to adjust the order of items on this agenda if necessary and may elect to take action on any of the items listed.

APPROVAL OF MINUTES OF JANUARY 4, 2022 COUNCIL MEETING

Councilmember Singleton moved, seconded by Councilmember Kamprath, that the minutes of the January 4, 2022 City Council meeting be approved.

Aye: Beck, Hendrix, Kamprath, Kolterman, Singleton, Wilken.

Nay: None.

Absent: Miller, Stryson. Motion carried.

CONSENT AGENDA CONSIDERATION ITEMS

The following Consent Agenda items were approved in one single motion made by Councilmember Singleton, seconded by Councilmember Kolterman:

1. Claims & Payables Reports

CLAIMS LIST
1-18-22

COUNCIL MEETING

Abbreviations: BE, Benefits; BU, Building Upkeep; CI, Capital Improvements; DO, Donations; EQ, Equipment; EX, Expense; FA, Fixed Asset; GS, Gas; GU,

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Ground Upkeep; IT, Technology; IV, Inventory; MA, Maintenance; MC, Miscellaneous; MH, Merchandise; MI, Mileage; ML, Meals; MS, Memberships; OI, Oil; OP, Operations; PO, Postage; PU, Publications; RE, Repairs; RI, Reimbursement; SA, Salaries, SE, Services; SL, Sales; ST, Sales Tax; SU, Supplies; TG, Training; TO, Tools; TR, Transfer; UN, Uniforms; UT, Utilities,

ADE	RE	305.00
AKRS Equipment Inc	RE	659.94
All Copy Products Inc	MA	19.15
All Road Barricades Inc	SU	447.84
Altec Industries Inc	TO	229.39
Amazon.Com Credit Service	SU	1,849.79
American Fence Co Lincoln	GU	375.53
Anderson Auto Group	RE	1,941.04
ARPS	CI	630.00
Autographix Inc	MC	150.00
Baker & Taylor	SU	2,710.09
Baldinger Charlotte	MI	4.48
Beaver Hardware	SU	78.97
Bern'S Body Shop	RE	1,077.81
Bizco Technologies	IT	11,610.57
Black Hills Energy	UT	2,081.65
Blue Cross Blue Shield Ne	BE	62,372.78
Blum Brittany	MC	40.00
Border States Industries	IV	774.03
Capital Autoglass	RE	549.79
Capital Business-Cheyenne	MA	9.34
Carroll Construction Supp	SU	208.00
Chapters Books & Gifts	SU	47.98
Cheng Heidi	SE	200.00
City Seward Library Petty	PO	70.20
City Seward Merchant Serv	SE	2,170.51
Cornhusker International	RE	1,843.43
Danko Emergency Equipment	EQ	367.04
Dworak Tim	OP	90.00
E M C Insurance Companies	BE	500.00
Ecolab	SU	30.66
Eso Solutions Inc	IT	1,932.00
Farmers Coop Seward	GS	7,446.80
Fast Mart	GS	98.56
FYR-TEK	RE	2,476.98
Gehring Construction	CI	161,053.37
Great Plains Communicatio	SE	490.00
Hansen Dan	OP	90.00
Hawkins Inc	MA	1,271.52
Helmlink Printing/Grph Inc	SE	65.00
Hobson Automotive & Tire	RE	187.84
Husker Electric Supply Co	BU	775.70
Hydraulic Equipment Servi	EQ	98.09
Jackson Services Inc	SU	122.46
Johnson Controls Inc	SU	661.42
Kocian Tyler	OP	90.00
Last Mile Network Consult	IT	90.00
Lintt Mark	OP	90.00
Lynn Peavey Co	SU	108.36
Matheson Tri-Gas Inc	OP	130.80
Memorial Health-Drug	SE	584.00
Mid-American Benefits Inc	BE	2,339.23

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Midwest Auto Parts	SU	350.71
Midwest Laboratories Inc	MA	921.58
Miers Robert M	OP	90.00
Municipal Supply Omaha	RE	152.45
Nat'L Audio Company	SU	166.00
Nebraska Equipment Inc	OI	66.66
Nebraska Generator	RE	1,447.18
Niemann'S Port-A-Pot Llc	SE	75.00
Norris Public Power Distr	UT	852.00
Oborny Tanner	OP	90.00
Odeys Inc	SU	832.50
Olsson	SE	10,730.00
One Call Concepts Inc	SE	49.62
One Source Background Che	SE	19.00
O'Reilly Automotive Inc	SU	122.68
Orscheln Farm & Home	SU	781.44
Pac 'N' Save Discount Foo	ML	1,725.35
Piitz Lonnie	SE	150.00
Plunkett'S Pest Control	BU	96.59
Principal Financial Group	BE	2,406.66
Quill Corp	SU	394.79
Richters Inc	BU	97.55
Sam'S Club (Lib-Rec-Pool)	MS	192.60
Santo Whitney	MC	40.00
Schemmer Architects Engin	CI	1,740.00
Schranz Jacquelyn	RI	293.46
Seward County Chamber & D	RI	153.03
Seward County Independent	PU	1,070.33
Seward County Treasurer	SE	15,949.25
Seward Lumber & Home Cent	SU	1,112.43
Seward Veterans Foreign W	SU	80.00
Seward Wind Llc	UT	39,152.51
Sparqdata Solutions	MS	4,100.00
Title Services Of Blue Va	FA	325.00
Tk Elevator Corp	MS	2,016.00
United Rentals	OP	1,135.88
Verizon Wireless	SE	258.24
Vessco Inc	OP	265.71
Visa - Pinnacle Bank		948.11
Bluestem	SE	115.00
Demco	SU	312.80
Game & Fish	MS	40.00
Harlequin	SU	27.93
Hemmings	MS	47.95
Menard's	SU	43.88
Sam's Club	SU	168.85
Walmart	SU	175.67
Zoom	SE	16.03
Voehl Cindy	MI	7.28
Watson Wendell B	OP	90.00
Web Cemeteries	FA	7,340.70
Wesco Distribution Inc	IV	1,165.23
White Cap	FA	10,386.88
Windstream Nebraska Inc	SE	1,965.31
Woods & Aitken Llp	SE	732.00
York Equipment	FA	25,412.74
	CLAIMS TOTAL	\$411,197.59

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2. City Treasurer Report
3. City Codes Director Report
4. Police Department Report
5. Refuse Hauler's Annual License Renewal

Aye: Beck, Hendrix, Kamprath, Kolterman, Singleton, Wilken.

Nay: None.

Absent: Miller, Stryson. Motion carried.

CONFIRMATION OF MAYOR APPOINTMENTS

1. REAPPOINT MEMBERS TO VARIOUS BOARDS AND COMMITTEES

Councilmember Kamprath moved, seconded by Councilmember Kolterman, that Mayor Eickmeier's reappointments to the following Boards and Commissions be confirmed:

Brett Wobken, Andrea Baack, and Jim Placke to the Parks & Recreation Board for a 3-Yr Term.

Aye: Beck, Hendrix, Kamprath, Kolterman, Singleton, Wilken.

Nay: None.

Absent: Miller, Stryson. Motion carried.

PUBLIC HEARINGS

1. TAX INCREMENT FINANCING (TIF) APPLICATION BY DWELL DEVELOPMENT, LLC FOR 1313 WEST HWY 34, SEWARD

A. PRESENTATION AND REVIEW OF TIF APPLICATION

B. PRESENTATION AND REVIEW OF REDEVELOPMENT PLAN AMENDMENT AND COST BENEFIT ANALYSIS

C. PRESENTATION AND REVIEW OF REDEVELOPMENT AGREEMENT

TIF Attorney Andrew Willis of Cline Williams provided an overview of the TIF application submitted by Dwell Development, LLC. He noted that this application was approved unanimously by the Planning Commission and Community Redevelopment Authority. Specifically, the applicant would look to construct a 43-unit apartment complex on the site targeting workforce housing. The current plan is to complete construction of the complex by June 1, 2023.

Regarding TIF impacts, it is expected the project will be around \$62.5k annually or \$654k over the 15-year period. In regards to other development aspects, it will create one job, provide workforce housing to enhance creation of other jobs within the City, expands housing diversity, has no adverse effects, no traffic/parking impacts and fits within the goals of the redevelopment plan.

Mayor Eickmeier and Councilmember Beck expressed their excitement over the project and opportunities it will provide. Councilmember Kamprath inquired about the proposed rents for the units and comparability to similar units. Jonathan Jank, President and CEO of the Seward County Chamber & Development Partnership, responded affirmatively about their comparability to other rents for the targeted workforce population.

Mayor Eickmeier opened the public hearing at 7:18 p.m. Rachel Glock, applicant, expressed her excitement for this project and outlined the goals of the Dwell Development Group as a whole. Councilmember Hendrix inquired about property management plans for the complex. Ms. Glock responded they were

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planning to use a third-party manager hired locally. Councilmember Kamprath asked if LB840 and rural workforce housing monies have been secured. Ms. Glock responded that rural workforce housing funds had been secured and LB840 funds would be considered the following week.

Mr. Jank expressed his excitement over this project, specifically using this site, and presented four letters of support from local companies.

With no further public comments, Mayor Eickmeier closed the public hearing at 7:24 p.m.

D. RESOLUTION APPROVING THE REDEVELOPMENT PLAN AMENDMENT AND ADOPTING A COST BENEFIT ANALYSIS FOR THE REDEVELOPMENT PROJECT

Councilmember Kamprath introduced the following resolution:

CITY OF SEWARD, NEBRASKA

RESOLUTION # 2022-1

(Redevelopment Plan Amendment - Dwell Development Redevelopment Project)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEWARD, NEBRASKA, APPROVING AN AMENDMENT OF THE REDEVELOPMENT PLAN FOR THE CITY OF SEWARD, NEBRASKA, INCLUDING THE DWELL DEVELOPMENT REDEVELOPMENT PROJECT.

RECITALS

A. The Community Redevelopment Authority of the City of Seward, Nebraska ("CRA") has recommended that the Redevelopment Plan for the City of Seward, a copy of which is on file and available for public inspection with the City Clerk (the "Redevelopment Plan"), should be amended to include a project for the redevelopment of certain real property within the Redevelopment Area identified and legally defined in said amendment (the "Project Site").

B. The proposed amendment to the Redevelopment Plan (the "Redevelopment Plan Amendment") is on file and available for public inspection with the City Clerk.

C. The Redevelopment Plan Amendment includes a redevelopment project identified as the Dwell Development Redevelopment Project (the "Project") that will utilize Tax Increment Financing pursuant to Neb. Rev. Stat. § 18-2147.

D. The CRA submitted the question of whether the Redevelopment Plan Amendment should be recommended to the City Council to the Planning Commission of the City of Seward.

E. The Planning Commission recommended the approval of the Redevelopment Plan Amendment.

F. Notice of public hearing regarding the adoption and approval of the Redevelopment Plan Amendment by the City Council was provided in conformity with the Open Meetings Act, Neb. Rev. Stat. § 84-1407 et seq., the Community Development Law, Neb. Rev. Stat. §§ 18-2115 and 18-2115.01, and Nebraska law.

G. On January 18, 2022, the City Council held a public hearing relating to the question of whether the Redevelopment Plan Amendment should be adopted and approved by the City. All interested parties were afforded at such public hearing a reasonable opportunity to express their views respecting the submitted question.

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H. The City Council has reviewed the Redevelopment Plan Amendment, the cost benefit analysis prepared by the CRA and attached to the Redevelopment Plan Amendment, the recommendations of the Planning Commission, and has duly considered all statements made and material submitted related to the submitted question.

NOW THEREFORE, it is found by the City Council of the City of Seward, Nebraska, in accordance with the Community Development Law, Neb. Rev. Stat. §§ 18-2101 through 18-2155 (the "Act"), as follows:

1. The Project Site is in need of redevelopment to remove blight and substandard conditions identified pursuant to the Act.
2. The Redevelopment Plan Amendment will, in accordance with the present and future needs of the City of Seward, promote the health, safety, morals, order, convenience, prosperity, and the general welfare of the community in conformance with the legislative declarations and determinations set forth in the Act.
3. The Redevelopment Plan Amendment is in conformance with the general plan for development of the City of Seward as a whole, as set forth in the City of Seward Comprehensive Plan, as amended.
4. The cost and benefits set forth in the Project cost benefit analysis are found to be in the long-term best interest of the City of Seward.
5. The Project would not be economically feasible without the use of Tax Increment Financing.
6. The Project would not occur on the Redevelopment Area without the use of Tax Increment Financing.

BE IT FURTHER RESOLVED, that pursuant to the provisions of the Act and in light of the foregoing findings and determinations, the Redevelopment Plan Amendment is hereby approved and adopted by the City Council as the governing body for the City of Seward.

Dated this 18th day of January, 2022.

NEBRASKA

CITY OF SEWARD,

By: _____
Mayor

ATTEST: _____
City Clerk

Councilmember Kolterman moved, seconded by Councilmember Beck, to approve Resolution 2022-1, approving an amendment to the redevelopment plan for the City of Seward, Nebraska, including the Dwell Development Redevelopment project.

Aye: Beck, Hendrix, Kamprath, Kolterman, Singleton, Wilken.
Nay: None.

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Absent: Miller, Stryson. Motion carried.

E. RESOLUTION APPROVING THE REDEVELOPMENT PLAN AGREEMENT FOR A
REDEVELOPMENT PROJECT INCLUDING THE ISSUANCE OF TIF INDEBTEDNESS FOR
THE REDEVELOPMENT PROJECT AND OTHER SUCH ACTIONS UNDER THE COMMUNITY
DEVELOPMENT LAW

Councilmember Beck introduced the following resolution:

CITY OF SEWARD, NEBRASKA

RESOLUTION # 2022-2

(Redevelopment Agreement - Dwell Development Redevelopment Project)

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEWARD, NEBRASKA,
APPROVING THE FORM OF THE REDEVELOPMENT AGREEMENT AND AUTHORIZING THE
COMMUNITY REDEVELOPMENT AUTHORITY TO ENTER INTO SAID AGREEMENT.**

RECITALS

A. Pursuant to the Community Development Law, Neb. Rev. Stat. §§ 18-2101 through 18-2155, as amended (the "Act"), the City of Seward, Nebraska ("City"), has adopted a redevelopment plan (the "Redevelopment Plan") for certain portions of the City. A copy of the Redevelopment Plan is on file with the City Clerk for inspection.

B. The Redevelopment Plan, as amended, includes a specific redevelopment project identified as the Dwell Development Redevelopment Project that will include the use of Tax Increment Financing (the "Project").

C. On January 12, 2022, the CRA approved the Redevelopment Agreement for the Project.

D. The City Council has reviewed the Redevelopment Agreement and has found it to be in conformity with the Act and the General Comprehensive Development Plan of the City, and in the best interests of the City.

NOW THEREFORE, BE IT RESOLVED, by the City Council of the City of Seward, Nebraska, that the Redevelopment Agreement between the Community Redevelopment Authority of the City of Seward, Nebraska and Dwell Development LLC which is on file with the City Clerk and available for public inspection, is hereby approved.

BE IT FURTHER RESOLVED, the CRA is hereby authorized to execute and deliver the Redevelopment Agreement, with such changes, modifications, additions, and deletions therein and shall they seem necessary, desirable or appropriate, for and on behalf of the CRA.

BE IT FURTHER RESOLVED, the CRA is hereby authorized to take all actions contemplated and required in the Redevelopment Agreement including, without limitation, the issuance of such TIF Indebtedness as set forth in the Redevelopment Agreement. Such TIF Indebtedness shall be repaid solely from the Tax Increment created by the Project and does not represent the general obligation of the CRA of the City.

BE IT FURTHER RESOLVED that all Resolutions or parts thereof in conflict with the provisions of this Resolution or to the extent of such conflicts, are hereby repealed.

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Dated this 18th day of January, 2022.

CITY OF SEWARD, NEBRASKA

By: _____
Mayor

ATTEST: _____
City Clerk

Councilmember Kamprath moved, seconded by Councilmember Wilken, to approve Resolution 2022-2, approving the redevelopment plan agreement for the Dwell Development Redevelopment project.

Aye: Beck, Hendrix, Kamprath, Kolterman, Singleton, Wilken.
Nay: None.
Absent: Miller, Stryson. Motion carried.

2. SPECIAL USE PERMIT FOR 335, 353, 379, 401, AND 409 S 3RD STREET AND 348, 340, AND 336 ASH STREET TO ALLOW CONSTRUCTION OF SINGLE-FAMILY HOMES AND RESIDENTIAL LIVING IN THE CENTRAL BUSINESS DISTRICT

City Administrator Greg Butcher provided a background on the request and indicated that in the CNG Development re-plat, the sites above were included in the Central Business District (CBD). As such, any construction of new homes within the CBD would require a special-use permit, thus the necessity of this application. He mentioned that this application was unanimously approved by the Planning Commission. Due to elevation concerns on the proposed Ash Street locations, Mr. Butcher noted that the townhouses would not be facing Ash Street. Instead, the developer would sign a private drive for persons occupying those homes for access that would not be maintained by the City.

Councilmember Hendrix queried about the designation of a property as residential use if the building was constructed for business use. Mr. Butcher responded that any new housing construction in the CBD would require a special use permit, even it were a converted business building.

Mayor Eickmeier opened the public hearing at 7:33 p.m. With no public comments, Mayor Eickmeier closed the public hearing at 7:33 p.m.

Councilmember Singleton moved, seconded by Councilmember Kamprath, to approve the special use permit as submitted by the applicant.

Aye: Beck, Hendrix, Kamprath, Kolterman, Singleton, Wilken.
Nay: None.
Absent: Miller, Stryson. Motion carried.

ADMINISTRATIVE ITEMS

1. ORDINANCE AMENDING THE SEWARD MUNICIPAL CODE, CHAPTER 12 BOARDS, COMMISSIONS AND COMMITTEES, ARTICLE VIII AIRPORT AUTHORITY, SECTION 1 MEMBERSHIP; SCOPE OF AUTHORITY

City Administrator Butcher mentioned a review of this City code was borne out of a recent vacancy in the Airport Authority Board and the length

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the appointee could serve. City Administration noticed a discrepancy in City Code and State Statute, and as such, drafted a revised ordinance to align City Code to the Statute.

Councilmember Kolterman introduced Ordinance No. 2022-1. Councilmember Kamprath moved, seconded by Councilmember Wilken to dispense with the statutory rule. Councilmember Kolterman moved, seconded by Councilmember Kamprath, that the minutes of the proceedings of the Mayor and Council of the City of Seward, Seward County, Nebraska in the matter of passing and adopting: **Ordinance No. 2022-1**, "AN ORDINANCE TO AMEND THE MUNICIPAL CODE OF THE CITY OF SEWARD, CHAPTER 12 BOARDS COMMISSIONS AND COMMITTEES, ARTICLE 8 AIRPORT AUTHORITY; TO CLARIFY THE LENGTH OF APPOINTMENT FOR AN APPOINTED BOARD MEMBER; TO REPEAL ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT; TO PROVIDE FOR AN EFFECTIVE DATE; TO PROVIDE FOR PUBLICATION OF THIS ORDINANCE IN PAMPHLET FORM."

Aye: Beck, Hendrix, Kamprath, Kolterman, Singleton, Wilken.

Nay: None.

Absent: Miller, Stryson. Motion carried.

Councilmember Wilken moved, seconded by Councilmember Kolterman that all ordinances be added to the permanent record.

Aye: Beck, Hendrix, Kamprath, Kolterman, Singleton, Wilken.

Nay: None.

Absent: Miller, Stryson. Motion carried.

2. ANNUAL CERTIFICATION OF FIRE DEPARTMENT LIST

Mr. Butcher identified this item as annual certification to be submitted to the Nebraska Department of Revenue for incentives.

Councilmember Kolterman moved, seconded by Councilmember Beck, to approve the fire department list to be submitted to the State of Nebraska.

Aye: Beck, Hendrix, Kamprath, Kolterman, Singleton, Wilken.

Nay: None.

Absent: Miller, Stryson. Motion carried.

3. RESOLUTION PROHIBITING PARKING ON THE NORTH SIDE OF LINCOLN STREET, BETWEEN 6TH AND 9TH STREET DURING SNOW CONDITIONS

Mr. Butcher stated this resolution started as a request from a citizen to review the 'no parking' conditions from November-March on Lincoln Street. The Traffic Committee-City Administrator Butcher, Street Superintendent Bob Miers, Chief of Police Brian Peters, and City Engineer Mike Oneby-reviewed the request and recommended an alteration in the signage on Lincoln Street between 6th and 9th streets. Mr. Butcher mentioned the new signage would be a test to see if these conditions could be expanded to other portions of the City. Mayor Eickmeier mentioned that the language of 'snow conditions' was intentionally left generic to limit confusion for residents in requirement to move their vehicles.

Councilmember Kamprath introduced the following resolution:

RESOLUTION NO. 2022-3

WHEREAS, Section 382-4.4 of the City Municipal Code of the City of

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Seward, Nebraska provides that the City may, by Resolution, prohibit or fix the time for parking or stopping of vehicles on any street or streets as may be designated in such resolution, and

WHEREAS, it is deemed necessary to prohibit or fix the time for parking and stopping of vehicles on portions of streets as hereinafter designated in the City of Seward, Nebraska.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF SEWARD, NEBRASKA THAT:

1. The parking of motor vehicles shall be prohibited when snow removal conditions exist, streets are snow covered, and no vehicles shall be parked or permitted to stand or stop, whether attended or unattended at any time during the day or night on the following described areas or portions of streets, to-wit:

a. The north side of Lincoln Street, west of 6th Street intersection and east of 9th Street intersection.

2. All previous resolutions in conflict with this resolution as they relate of the above described area or portion of street are hereby revoked.

3. Appropriate signs or markings shall be placed limiting and prohibiting parking at appropriate locations in accordance with this resolution.

Dated: 18th day of January, 2022

THE CITY OF SEWARD, NEBRASKA

ATTEST:

Joshua Eickmeier, Mayor

Derek Bargmann
City Clerk

Councilmember Wilken moved, seconded by Councilmember Kolterman, to approve Resolution 2022-3, prohibiting parking on the north side of Lincoln Street, between 6th and 9th Street, during snow conditions.

Aye: Beck, Hendrix, Kamprath, Kolterman, Singleton, Wilken.

Nay: None.

Absent: Miller, Stryson. Motion carried.

4. RESOLUTION PLACING ADA PARKING STALLS ALONG WEST SIDE OF 5TH STREET, BETWEEN MAIN STREET AND SEWARD STREET, ALONG THE COURTHOUSE SQUARE

Mr. Butcher identified this resolution as a continuation of downtown parking review and adhering to the Americans with Disabilities Act (ADA). The ADA guidelines suggest one ADA compliant parking stall per City block. As such, the request presented is to add two parking stalls to the west side of 5th Street

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along the courthouse square. Based on the placement of the existing sidewalk, City Administration thought this would be the best spot to increase access opportunities for handicapped individuals. With three sides being utilized as parking, the designation of these spots in addition to the existing spot on the northeast corner will now bring the courthouse square into compliance with ADA guidelines.

Additionally, it was noted by Mr. Butcher that this item was unanimously approved by the Seward County Commissioners.

Councilmember Kamprath introduced the following resolution:

RESOLUTION NO. 2022-4

WHEREAS, Section 382-4.4 of the City Code of the City of Seward, Nebraska provides that the City may designate parking spaces for the exclusive use of handicapped or disabled persons whose vehicles display the distinguishing license plate or permit issued to such individuals pursuant to Neb. Rev. Stat. Sections 60-3113 to 60-3,113.08, such other handicapped or disabled persons as certified by the Governing Body whose vehicles display such identification as determined by the Department of Motor Vehicles, and such other motor vehicles as certified by the Governing Body which display such identification, and

WHEREAS, it is necessary or desirable to designate parking spaces for the exclusive use of handicapped or disabled persons at the location hereinafter designated in the City of Seward, Nebraska:

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF SEWARD, NEBRASKA THAT:

1. No vehicle shall be parked or permitted to stand or stop, whether attended or unattended at any time at the following locations except those designated and used exclusively for handicapped or disabled persons:

- a. Two (2) diagonal parking spaces eight feet (8') in width, with an eight foot (8') walkway located on the west side of 5th Street, beginning one hundred eleven feet four inches (111'4") north of the curb line of Main Street (Highway 34) at the northwest corner of the intersection of said 5th and Main Streets, thence extending north, as depicted on the attached "Figure 1".

2. The above designated parking spaces shall be indicated by a sign which is in conformance with the most current edition of the Highway Administration Manual on Uniform Traffic Control Devices for streets and highways and such other appropriate lines and markings shall be placed at said locations as are authorized by the City Code of the City of Seward, Nebraska.

3. All previous resolutions in conflict with the resolution as they relate to the above described locations are hereby revoked.

Dated: _____ day of _____, 2022

THE CITY OF SEWARD, NEBRASKA

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ATTEST:

Joshua Eickmeier, Mayor

Derek Bargmann
City Clerk

Councilmember Kolterman moved, seconded by Councilmember Beck, to approve Resolution 2022-4, placing ADA parking stalls on the west side of 5th Street, between Main Street and Seward Street, along the courthouse square.

Aye: Beck, Hendrix, Kamprath, Kolterman, Singleton, Wilken.

Nay: None.

Absent: Miller, Stryson. Motion carried.

5. CONSIDERATION OF A RESOLUTION APPROVING SUPPLEMENTAL AGREEMENT NO. 5 WITH THE SCHEMMER ASSOCIATES, INC. FOR PRELIMINARY ENGINEERING SERVICES ON THE SEWARD TRAIL PROJECT - NDOR ENH-80(33)

After a long delay, Mr. Butcher reported that the Federal Department of Transportation has officially agreed to provide their financial support for the Trail Project. As such, the next step will be to design the next portion of trail. Due to the significant work to be done in engineering and the proposed engineer's familiarity to the Seward Trail Project, the recommendation is to sign an agreement with The Schemmer Associates for engineering services.

Councilmember Beck queried about the crossing to be placed at Highway 15 near the Waverly Road intersection. Mr. Butcher responded that it will be an at-grade crossing as determined by the State.

Councilmember Wilken introduced the following resolution:

EXHIBIT "C"

RESOLUTION

**PRELIMINARY ENGINEERING SERVICES AGREEMENT
SUPPLEMENTAL AGREEMENT NO. 5 - BK1313**

CITY OF SEWARD

Resolution No. _____

Whereas: City of Seward and The Schemmer Associates, Inc. have previously executed a Preliminary Engineering Services Agreement (BK1313) for a transportation project for which the Local Public Agency (LPA) would like to obtain Federal funds; and

Whereas: City of Seward understands that it must continue to strictly follow all Federal, State and local laws, rules, regulations, policies and guidelines applicable to the funding of this Federal-aid project; and

Whereas: City of Seward and The Schemmer Associates, Inc. wish to enter into a preliminary engineering services supplemental agreement setting out

January 18, 2022

modifications and/or additional duties and/or funding responsibilities for the Federal-aid project.

Be It Resolved: by the City Council of the City of Seward, Nebraska that:

Joshua Eickmeier, Mayor of the City of Seward, is hereby authorized to sign the attached Preliminary Engineering Services Supplemental Agreement No. 5 between the City of Seward and The Schemmer Associates, Inc.

NDOT Project Number: ENH-

80(33) NDOT Control Number:

13225

NDOT Project Description: Seward Trail

Adopted this _____ day of _____, 20____ at Nebraska.

The City Council of City of Seward, Nebraska:

Board/Council Member Moved the adoption of said resolution

Member Seconded the Motion

Roll Call: Yes No Abstained Absent Resolution adopted, signed and billed as adopted

Attest:

Signature City Clerk

Councilmember Singleton moved, seconded by Councilmember Beck, to approve Resolution 2022-5, approving supplemental agreement no. 5 with The Schemmer Associates, Inc. for Preliminary Engineering Services on the Seward Trail Project.

Aye: Beck, Hendrix, Kamprath, Kolterman, Singleton, Wilken.

Nay: None.

Absent: Miller, Stryson. Motion carried.

6. AGREEMENT FOR PROFESSIONAL ENGINEERING SERVICES WITH THE SCHEMMER ASSOCIATES, INC. FOR KAROL KAY BOULEVARD BOX CULVERT IMPROVEMENTS NEAR PLUM CREEK PARK

Mr. Butcher identified this agreement as a need that has arisen in this area for deterioration of the existing box culvert near the Plum Creek Park (on the east side of Karol Kay Boulevard). Essentially, the issue is causing undermining to the roadway and the box culvert will need to be fixed to prevent future damage to the roadway.

Councilmember Singleton moved, seconded by Councilmember Kolterman, to approve the agreement with The Schemmer Associates, Inc. for professional engineering services.

Aye: Beck, Hendrix, Kamprath, Kolterman, Singleton, Wilken.

Nay: None.

Absent: Miller, Stryson. Motion carried.

January 18, 2022

REPORTS

1. CITY ADMINISTRATOR'S REPORT

Councilmember Kolterman moved, seconded by Councilmember Wilken, that City Administrator Butcher's report of January 18, 2022 be accepted.

Aye: Beck, Hendrix, Kamprath, Kolterman, Singleton, Wilken.

Nay: None.

Absent: Miller, Stryson. Motion carried.

FUTURE REQUESTS FOR COUNCIL AGENDA ITEMS OR ADMINISTRATIVE ACTION

Councilmember Hendrix - cracking on west Lincoln Street past the Seward Manor; Dilapidated property at 1115 N Columbia Street

ANNOUNCEMENT OF UPCOMING EVENTS

January 25, 2022 - Coffee & Contacts (Bell Chiropractic)

January 27, 2022 - COVID Zoom briefing

January 31, 2022 - SCCDP Annual Awards Banquet

STRATEGY SESSION

1. STRATEGY SESSION WITH CITY ATTORNEY TO PROVIDE NEGOTIATION GUIDANCE CONCERNING REAL ESTATE INTERESTS AT THE COMMERCIAL RAIL CAMPUS DEVELOPMENT AREA

At 8:05 p.m., Councilmember Kolterman moved, seconded by Councilmember Singleton, that the Council enter a closed session with the Mayor, City Administrator, City Clerk, and City Attorney, for the protection of the public interest and to discuss current real estate interests at the Commercial Rail Campus Development Area and to provide the City Attorney with negotiating guidance for a period not to exceed 30 minutes.

Aye: Beck, Hendrix, Kamprath, Kolterman, Singleton, Wilken.

Nay: None.

Absent: Miller, Stryson. Motion carried.

Mayor Eickmeier stated the Council has voted to go into closed session for the protection of the public interest and to discuss real estate interests and to provide the City Attorney with negotiating guidance.

At 8:33 p.m., the closed session ended, and the following Councilmembers reconvened to regular session: Beck, Hendrix, Kamprath, Kolterman, Singleton, Wilken.

Mayor Eickmeier announced that no formal action was taken during the executive session.

MOTION TO ADJOURN

Councilmember Singleton moved, seconded by Councilmember Wilken, that the January 18, 2022 City Council Meeting be adjourned.

Aye: Hendrix, Beck, Kamprath, Kolterman, Singleton, Wilken.

Nay: None.

Absent: Miller, Stryson. Motion carried.

January 18, 2022

Adjourned approximately 8:33 p.m.

THE CITY OF SEWARD, NEBRASKA

Joshua Eickmeier, Mayor

Derek Bargmann
City Clerk

DRAFT

CONSENT AGENDA

1. Claims & Payables Reports

CLAIMS LIST

2-1-22

COUNCIL MEETING

Abbreviations: BE, Benefits; BU, Building Upkeep; CI, Capital Improvements; DO, Donations; EQ, Equipment; EX, Expense; FA, Fixed Asset; GS, Gas; GU, Ground Upkeep; IT, Technology; IV, Inventory; MA, Maintenance; MC, Miscellaneous; MH, Merchandise; MI, Mileage; ML, Meals; MS, Memberships; OI, Oil; OP, Operations; PO, Postage; PU, Publications; RE, Repairs; RI, Reimbursement; SA, Salaries, SE, Services; SL, Sales; ST, Sales Tax; SU, Supplies; TG, Training; TO, Tools; TR, Transfer; UN, Uniforms; UT, Utilities,

Ade	SU		187.07
Altec Industries Inc	TO		4,439.80
Aqua-Chem Inc	MA		342.30
Baird Holm Attorneys At Law	SE		397.50
Beaver Hardware	SU		134.91
Bishop Michael	OP		90.00
Bluestem Network LLC	SE		100.00
Brady Worldwide Inc	SU		4,211.02
Brunckhorst Kent	OP		90.00
Callaway Golf	MH		92.50
Capital Business-Dallas	MA		583.44
Central States Hydraulic	RE		401.77
Chargepoint Inc	MA		670.00
Chase Card Service			11,947.01
4Imprint	SU	551.08	
Amazon	SU	500.95	
ConstantContact	SE	20.00	
Costco	SU	470.79	
Dragon Palace	ML	132.37	
The Fort	UN	439.70	
General Fire and Safe	TO	64.35	
Int'l Code Council	MS	145.00	
JD's Coffee Shop	SE	67.50	
Microsoft	SE	158.90	
Miles Mobile Storage	EQ	140.00	
Nebraskaland	RE	237.40	
Office Depot/Max	SU	736.58	
Practice Sports	EQ	971.00	
Quizlet	TG	17.99	
Sams Club	SU	479.98	
SCP Distributors	FA	4,889.10	
SuperSaaS	IT	246.40	
Supplyhouse	BU	699.78	
Uline	SU	169.97	
Univ. of NE Event Reg	TG	320.00	
USPS	PO	31.15	
Valentino's	ML	90.57	
Walmart	SU	104.88	
WPSG	SU	47.68	
Zoom	SE	213.89	
Cihal Alan	OP		90.00
City Seward Buildings/Gr	RI		3,000.00
City Seward Library Petty	PO		81.28
City Seward Payroll Account	SA		165,023.96
Conner Psych Services	SE		385.00
Consolidated Management	ML		17.48
Constellation Newenergy	UT		4,064.50

Elliott Equipment Co	RE	2,251.96
Fastenal Company	SU	1,778.74
General Fire & Safety Equip	SE	143.65
Gleason Logan	PO	90.00
Hobson Automotive & Tire	OI	107.50
Hochstein Jared	PO	90.00
Home Depot Pro	SU	184.86
Interstate All Battery Ce	RE	90.00
Int'L Assoc Chiefs Of Pol	MS	190.00
Jones Bank	FA	70.00
Klein Transit & Laser	MC	189.00
Languein Connie	TG	2,250.00
Last Mile Network Consult	IT	75.30
Lee'S Refrigeration	SU	56.44
Lindner Roger	MC	1,200.00
Mailand'S Clothing	UN	91.00
Menards North	GU	119.90
Meyer Automotive	RE	219.20
Mid-American Benefits Inc	BE	1,481.85
Midwest Service & Sales	EQ	5,962.60
Midwest Turf Inc	RE	935.40
Midwest Turf & Irrigation	RE	240.93
Ne Environment & Energy	TG	550.00
Nebraska D A S Acct Ocio	MA	231.00
Nebraska Fire Marshal	MA	120.00
Nebraska Generator	MA	790.70
Nebraska Health Environment	MA	138.00
Nebraska Law Enforcement	TG	216.00
Nebraska Revenue	ST	514.39
Nebraskaland Tire	RE	723.41
Niemann'S Port-A-Pot LLC	GU	350.00
O'Hare Richard	MC	1,200.00
Orscheln Farm & Home	SU	592.44
Overhead Door Co-Lincoln	BU	85.00
Pac 'N' Save Discount Foo	ML	2,685.26
Pecka Brook	OP	90.00
Promes Thomas	MC	400.00
Quill Corp	SU	53.98
Resco	CI	586.60
Ruether Larry L	OP	90.00
Sack Lumber Company	MC	768.00
Sam'S Club (Lib-Rec-Pool)	SU	150.36
Sargent Drilling Inc	MA	30,340.58
Seward Electronics	SE	570.09
Short Elliott Hendrickson	CI	16,923.97
Sid Dillon - Crete	RE	73.50
Smetter Sam	MC	600.00
Southern Source Ind	SU	572.64
Sports Express	UN	208.57
St Louis Michelle	MC	90.00
Suhr & Lichty Insurance A	MS	23,265.00
Surplus Center	RE	767.45
Time Warner Cable	SE	759.17
Total Tool Supply Inc	TO	603.82
Truck Center Companies	RE	3,673.25
Upper Big Blue Nat Resource	CI	100.00
Verizon Wireless	UT	264.72
Vessco Inc	SU	197.38
Woodburn, Drew	MC	225.00
York Equipment	RE	36.04

CLAIMS
TOTAL

303,774.19

CONFIRMATION OF MAYOR APPOINTMENTS

1. Appoint Members to Various Boards and Committees:
 - A. Ken Norseen (replaces Zachary Hartmann) to the Airport Authority Board for the Remainder of Term

PUBLIC HEARINGS

1. Public Hearing - 7:00 PM - House Moving Permit Application of Jerome and Victoria Glaser - Building/Zoning & Code Enf Director Dworak

STREET CLOSING PERMIT

NAME: Tielken House Moving Co DATE: 1-25-2022

ADDRESS: PO Box 226 Cordova, NE 68330

TELEPHONE NO. 402-648-1518 E-MAIL ADDRESS _____

LOCATION OF STREET CLOSING: Bemis Dr to Ash St.
on South Columbia

DATE & HOURS OF CLOSING: February 2, 2022 8 am - 3 pm

REASON/EVENT FOR CLOSING: House moving

ADJACENT PROPERTY OWNERS' SIGNATURES:

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

REGULATIONS: No alcoholic beverages in street or public right-of-way, no excessive/prolonged noise/music, no closures allowed on July 4th

Dated: _____



Street Superintendent

Mayor


Police Chief

A Certificate of Liability Insurance naming the City of Seward as additionally insured in the amount of \$1,000,000.00 is required. The Certificate of Insurance should be delivered to the City before the event date.

Date insurance certificate filed with City: 1/12/22

use page 2 for additional signatures

STREET CLOSING PERMIT

NAME: Tieken House Moving Co. DATE: 1-25-2022

ADDRESS: PO Box 226 Cordova NE 68330

TELEPHONE NO. 402-643-1518 E-MAIL ADDRESS _____

LOCATION OF STREET CLOSING: Bemis Drive to Ash st on
South Columbia

DATE & HOURS OF CLOSING: February 2, 2022 8am-3pm

REASON/EVENT FOR CLOSING: House Moving

ADJACENT PROPERTY OWNERS' SIGNATURES:

423	<u>[Signature]</u>	325	
432	<u>John Laska</u>	338	See email
		328	
406	<u>Cindy Selby</u>	429	Abandon
339	<u>Rodney F. Jase</u>	439	
456	<u>[Signature]</u>	438	<u>Mary Patricia Nedas</u>
403		451	<u>Randall P. Colberg</u>

REGULATIONS: No alcoholic beverages in street or public right-of-way, no excessive/prolonged noise/music, no closures allowed on July 4th

Dated: _____

Street Superintendent

Mayor

Police Chief

A Certificate of Liability Insurance naming the City of Seward as additionally insured in the amount of \$1,000,000.00 is required. The Certificate of Insurance should be delivered to the City before the event date.

Date insurance certificate filed with City: _____

CITY OF SEWARD
HOUSE MOVING PERMIT APPLICATION



PAID
1-10-2022 CLK

Moved From Address: 216 N 8th St			Permit No. <i>B21-301</i>
Legal	Lot No. <i>7&8</i>	Block <i>39</i>	Addition <i>Cloyd's Addition</i>
Email <i>ticken house moving@gmail.com</i>			
1. Owner: <i>Jerome & Victoria Glaser</i>	Address: <i>216 N 8th St, Seward, NE 68434</i>		Phone
2. Contractor: <i>Ticken House Moving</i>	Address: <i>PO Box 226, Cordova, NE 68330</i>		Phone <i>(402) 643-1518</i>
3. Moved To: <i>413 S Columbia Ave</i>	Address		
4. Moving Date: End of December <i>February</i>	Moving Height When Loaded : <i>17'-10"</i>		
5. Describe Work	Residential <i>401</i>	Garage	Commercial

Show or Describe Moving Route: **See Attached**
Wed before 10 am. NO parking on streets

NOTICE

All work shall be done in accordance with Chapter 225 of the Seward Municipal Code.

I am the owner of record of the above property, or have entered a contract with the owner of record, to demolish the above building/s. I assume complete responsibility for any and all liability arising from the demolition of the above building/s and I understand that I, as the owner or his agent, must insure the following is completed:

- Sewer and water lines must be abandoned at the main and inspected before a demolition permit will be issued. A deposit of \$500.00 is required from the applicant to ensure that the water service is disconnected from the water main, and that the sewer line is capped from the main at the property line.
- Electric and gas companies must be contacted and services must be disconnected before commencing any demolition work.
- State and/or federal agencies must be contacted regarding any asbestos removal and all Inspection and abatement reports must be submitted to the City.
- Barricades must be provided and maintained around the location until the structure is completely demolished. Should the demolition of the structure/s include the removal and filling of a basement, and the job is not completed during daylight hours, barricades shall be maintained until the hole is cleared of all debris and completely filled with clean fill and leveled.
- If during the course of demolition any damage is done to city sidewalks, alleys, streets or utilities, such damage shall be repaired at the contractors expense.
- Streets and alleys that might be barricaded during the actual demolition will be cleared of debris and opened to normal traffic when work is completed each day.

Signature of Licensed House Mover *[Signature]* (Date) _____

Signature of Owner _____ (Date) _____

Permit Validation CK. MO. Cash

Special Approvals	Required	Received	Not Required
Sewer Abandonment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Water Abandonment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ownership Verified	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Proof of Insurance	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Bond Required	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Gas	XX	X	
Permit Fee	\$ 50.00		
Utility Disconnect & Foundation Deposit	\$ 5,000.00 <i>500</i>		
<i>Public Hearing notice</i>	<i>5.00</i>		
Total	Permit	<i>100.00</i>	
Application Accepted By <i>Dvorak</i>	Date 1-10-2022		
Approved By City Council	Date <i>1-10-2022</i>		
Final	Date		

When properly validated (in this space), this is your permit

PERFORMANCE BOND

(For pavement, etc., cutting and/or excavation)

KNOW ALL MEN BY THESE PRESENTS:

That, Timothy A Tieken dba Tieken House Moving, as PRINCIPAL and Nationwide Mutual Insurance Company, as SURETY(IES), hereinafter called "Surety", are held and firmly bound unto THE CITY OF SEWARD, NEBRASKA, as Obligee, hereinafter called "City", in the amount of FIVE THOUSAND AND NO/100 DOLLARS (\$5,000.00) for the payment whereof Principal and Surety bind themselves, their heirs, personal representatives, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, Principal may file, from time to time, applications for, and be granted, permits by the City for certain cutting or excavation on City property in accordance with the City ordinances and resolutions adopted pursuant thereto.

NOW, THEREFORE, the condition of this obligation is that the Principal will, on each and every permit granted:

1. Cover and provide the cost of any unfinished, unskilled and inadequate work.
2. If requested by the City, properly replace and repair each and every place cut into pavement, curb, cut or sidewalk under the rules as prescribed by the Street Commissioner in as good as condition as before the same was cut.
3. Promptly compensate the City for all work done by the City in replacing or repairing any places cut in pavement, curb or sidewalk, or for any excavation made into any City property in order to place the same in as good condition as it was before the same was cut.
4. Obey the ordinances, resolutions and regulations of the City relating to said permit and application and work authorized by said permit.
5. Defend, save harmless any indemnify the City of Seward, Nebraska from any and all liability claimed, damages, judgments, costs and expenses of every nature and description caused by or growing out of the cutting or removal of any paving, curb or sidewalk or any excavation made on City property not covered by or provided for by liability or property damage insurance.

If the Principal shall promptly and faithfully perform the work for which said permit was granted, then this obligation shall be null and void; otherwise, it shall remain in full force and effect.

Whenever Principal shall be, and declared by the City to be, in default, the surety may promptly remedy the default or shall promptly:

1. Complete the work permitted in accordance with the ordinances, resolutions and regulations applicable, or
2. Obtain a bid or bids for the completion of such work as required by the ordinances, resolutions and regulations of the City and upon determination by Surety of the lowest responsible bidder, or if the City elects, upon determination by the City and the Surety jointly of the lowest responsible bidder, arrange for a contract between such bidder and City and make available, as work progresses, sufficient funds to pay the cost of completion of the work permitted and required of Principal, but not exceeding, including other costs, the damages for which the Surety may be liable hereunder, the amount set forth in the first paragraph hereof.

Any action may be maintained upon this bond by the City, or by anyone injured by breach of its conditions for a period of one (1) year after the completion of such cutting, excavation or replacement of concrete on City property, the Principal and Surety consent, although the City is sole obligee in this bond, that any such action may be maintained, and such action shall inure to the injured party and his/her or its personal representatives, heirs, beneficiaries, successors or assigns.

This bond may be canceled at any time as to future liability upon the Surety's giving at least thirty (30) days written notice to the Building and Purchasing Department, City Hall, P.O. Box 38, Seward, Nebraska, in which event, this Surety's liability shall terminate at the expiration of such notice period, except as to acts covered by this bond occurring thereto.

This bond expires April 30 20 22.

Signed and sealed this 12th day of January, 20 22.

Timothy A Tieken dba Tieken House Moving

Witness

Principal

Title

Nationwide Mutual Insurance Company
Surety

Witness

Signature CONNOR LEMON

Attorney in Fact

Title



Power of Attorney

KNOW ALL MEN BY THESE PRESENTS THAT:

Nationwide Mutual Insurance Company, an Ohio corporation

hereinafter referred to severally as the "Company" and collectively as "the Companies" does hereby make, constitute and appoint:

CONNOR LEMON

each in their individual capacity, its true and lawful attorney-in-fact, with full power and authority to sign, seal, and execute on its behalf any and all bonds and undertakings, and other obligatory instruments of similar nature, in penalties not exceeding the sum of

Five Thousand and no/100 dollars (\$5,000.00)

and to bind the Company thereby, as fully and to the same extent as if such instruments were signed by the duly authorized officers of the Company; and all acts of said Attorney pursuant to the authority given are hereby ratified and confirmed.

This power of attorney is made and executed pursuant to and by authority of the following resolution duly adopted by the board of directors of the Company:

"RESOLVED, that the president, or any vice president be, and each hereby is, authorized and empowered to appoint attorneys-in-fact of the Company, and to authorize them to execute and deliver on behalf of the Company any and all bonds, forms, applications, memorandums, undertakings, recognizances, transfers, contracts of indemnity, policies, contracts guaranteeing the fidelity of persons holding positions of public or private trust, and other writings obligatory in nature that the business of the Company may require; and to modify or revoke, with or without cause, any such appointment or authority; provided, however, that the authority granted hereby shall in no way limit the authority of other duly authorized agents to sign and countersign any of said documents on behalf of the Company."

"RESOLVED FURTHER, that such attorneys-in-fact shall have full power and authority to execute and deliver any and all such documents and to bind the Company subject to the terms and limitations of the power of attorney issued to them, and to affix the seal of the Company thereto; provided, however, that said seal shall not be necessary for the validity of any such documents."

This power of attorney is signed and sealed under and by the following bylaws duly adopted by the board of directors of the Company.

Execution of Instruments. Any vice president, any assistant secretary or any assistant treasurer shall have the power and authority to sign or attest all approved documents, instruments, contracts, or other papers in connection with the operation of the business of the company in addition to the chairman of the board, the chief executive officer, president, treasurer or secretary; provided, however, the signature of any of them may be printed, engraved, or stamped on any approved document, contract, instrument, or other papers of the Company.

IN WITNESS WHEREOF, the Company has caused this instrument to be sealed and duly attested by the signature of its officer the 20th day of August, 2021.

[Handwritten Signature]

Antonio C. Albanese, Vice President of Nationwide Mutual Insurance Company

ACKNOWLEDGMENT

STATE OF NEW YORK COUNTY OF NEW YORK: ss

On this 20th day of August, 2021, before me came the above-named officer for the Company aforesaid, to me personally known to be the officer described in and who executed the preceding instrument, and he acknowledged the execution of the same, and being by me duly sworn, deposes and says, that he is the officer of the Company aforesaid, that the seal affixed hereto is the corporate seal of said Company, and the said corporate seal and his signature were duly affixed and subscribed to said instrument by the authority and direction of said Company.



Stephanie Rubino McArthur
Notary Public, State of New York
No. 02MC6270117
Qualified in New York County
Commission Expires October 19, 2024

[Handwritten Signature]

Notary Public
My Commission Expires
October 19, 2024

CERTIFICATE

I, Laura B. Guy, Assistant Secretary of the Company, do hereby certify that the foregoing is a full, true and correct copy of the original power of attorney issued by the Company; that the resolution included therein is a true and correct transcript from the minutes of the meetings of the boards of directors and the same has not been revoked or amended in any manner; that said Antonio C. Albanese was on the date of the execution of the foregoing power of attorney the duly elected officer of the Company, and the corporate seal and his signature as officer were duly affixed and subscribed to the said instrument by the authority of said board of directors; and the foregoing power of attorney is still in full force and effect.

IN WITNESS WHEREOF, I have hereunto subscribed my name as Assistant Secretary, and affixed the corporate seal of said Company this 12th day of January, 2022.

[Handwritten Signature]

Assistant Secretary

ADMINISTRATIVE ITEMS

1. Presentation and Acceptance for the 2020-2021 Annual Audit - Marcy Luth, AMGL,
PC

CITY OF SEWARD, NEBRASKA

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

September 30, 2021

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council
City of Seward, Nebraska

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Seward, Nebraska, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Seward Airport Authority, which represent 82.5 percent, 81.1 percent, and 41.8 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Seward Airport Authority, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation

SHAREHOLDERS:
Robert D. Almquist
Phillip D. Maltzahn
Marcy J. Luth
Heidi A. Ashby
Christine R. Shenk
Michael E. Hoback
Joseph P. Stump
Kyle R. Overturf
Tracy A. Cannon

1203 W 2nd Street
P.O. Box 1407
Grand Island, NE 68802
P 308-381-1810
F 308-381-4824
EMAIL cpa@gicpas.com

and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, based on our audit and the report of other auditors, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Seward, Nebraska, as of September 30, 2021, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 5-13 and 66-69 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Seward, Nebraska's financial statements. The nonmajor fund combining statements and the component unit combining statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The nonmajor fund combining statements and the component unit combining statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information described in the first sentence of this paragraph are 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 January 10, 2022, on our consideration of the City of Seward, Nebraska's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Seward's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Seward, Nebraska's internal control over financial reporting and compliance.

AMGL, P.C.

Grand Island, Nebraska
January 10, 2022

CITY OF SEWARD, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For The Year Ended September 30, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Seward, we offer readers of the City of Seward financial statements this narrative overview and analysis of the financial activities of the City of Seward for the fiscal year ended September 30, 2021. For information on the Seward Airport Authority component unit included in these financial statements, please see the separate audit report for the Airport.

Financial Highlights

- The assets of the City of Seward exceeded its liabilities at the close of the most recent fiscal year by \$60,387,788 (*net position*). Of this amount, \$17,674,103 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- As of the close of the current fiscal year, the City of Seward's governmental funds reported combined ending net position of \$28,660,238. Approximately 24.0 percent of this total amount, \$6,869,044, is *unrestricted net position*.
- At the end of the current fiscal year, the General Fund had unassigned fund balance of \$4,630,552, or 89.9 percent of total General Fund expenditures.

Overview of the Financial Statements

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

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

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

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

CITY OF SEWARD, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
For The Year Ended September 30, 2021

Both of the government-wide financial statements distinguish functions of the City of Seward that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City of Seward include general government, public safety, highways and streets, economic development, and culture and recreation. The business-type activities of the City of Seward include the Electric, Water, and Sewer Enterprise Funds.

The government-wide financial statements include not only the City of Seward itself (known as the *primary government*), but also legally separate entities, the Seward Airport Authority and the Seward Library Foundation, for which the City of Seward is financially accountable. Financial information for these *component units* is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 14 and 15 of this report.

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

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

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

The City of Seward maintains seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Street Fund, and the Debt Service Fund, all of which are considered to be major funds. Data from the other four governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

CITY OF SEWARD, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
For The Year Ended September 30, 2021

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

The basic governmental fund financial statements can be found on pages 16-19 of this report.

Proprietary funds. The City of Seward maintains one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of Seward uses enterprise funds to account for its Electric, Water, and Sewer Funds.

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

The basic proprietary fund financial statements can be found on pages 20-23 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 24-65 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City of Seward's budgetary comparison schedules. Required supplementary information can be found on pages 66-69 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds and the component units are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 70-73 of this report.

CITY OF SEWARD, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
For The Year Ended September 30, 2021

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Seward, assets exceeded liabilities by \$60,387,788 at the close of the most recent fiscal year.

Summary Statements of Net Position

	September 30, 2021			September 30, 2020		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Current and Other Assets	\$ 10,607,793	\$ 14,782,533	\$ 25,390,326	\$ 10,795,628	\$ 13,151,571	\$ 23,947,199
Capital Assets	25,308,142	27,154,947	52,463,089	22,759,331	27,075,817	49,835,148
Total Assets	<u>35,915,935</u>	<u>41,937,480</u>	<u>77,853,415</u>	<u>33,554,959</u>	<u>40,227,388</u>	<u>73,782,347</u>
Long-term Liabilities	5,383,585	8,162,007	13,545,592	6,340,566	9,073,487	15,414,053
Other Liabilities	1,872,112	2,047,923	3,920,035	1,452,442	1,932,888	3,385,330
Total Liabilities	<u>7,255,697</u>	<u>10,209,930</u>	<u>17,465,627</u>	<u>7,793,008</u>	<u>11,006,375</u>	<u>18,799,383</u>
Net Position:						
Net Investment in						
Capital Assets	18,984,212	18,154,947	37,139,159	15,416,198	17,165,367	32,581,565
Restricted	2,806,982	2,767,544	5,574,526	1,234,271	1,990,824	3,225,095
Unrestricted	6,869,044	10,805,059	17,674,103	9,111,482	10,064,822	19,176,304
Total Net Position	<u>\$ 28,660,238</u>	<u>\$ 31,727,550</u>	<u>\$ 60,387,788</u>	<u>\$ 25,761,951</u>	<u>\$ 29,221,013</u>	<u>\$ 54,982,964</u>

By far the largest portion of the City of Seward's net position (61.5 percent) reflects its investment in capital assets (land, infrastructure, buildings, machinery, vehicles, and equipment), net of any related debt used to acquire those assets that is still outstanding. The City of Seward uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City of Seward's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City of Seward's net position (9.2 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (\$17,674,103) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City of Seward is able to report positive balances in all three categories of net position, for the government as a whole as well as for its separate governmental and business-type activities.

CITY OF SEWARD, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
For The Year Ended September 30, 2021

Expenses and Program Revenues - Governmental Activities

<u>Function</u>	<u>Year Ended September 30, 2021</u>		<u>Year Ended September 30, 2020</u>	
	<u>Program Revenues</u>	<u>Program Expenses</u>	<u>Program Revenues</u>	<u>Program Expenses</u>
General Government	\$ 167,330	\$ 399,475	\$ 248,739	\$ 474,796
Economic Development	17,827	528,202	13,030	647,513
Public Safety	53,142	1,300,575	264,702	1,282,940
Public Works	2,136,328	1,580,594	1,103,604	1,205,909
Environment and Leisure	842,918	2,297,138	967,086	2,086,010
Interest	-	126,053	-	181,922
Depreciation	-	1,183,663	-	1,146,852
Total	<u>\$ 3,217,545</u>	<u>\$ 7,415,700</u>	<u>\$ 2,597,161</u>	<u>\$ 7,025,942</u>

Revenues by Source - Governmental Activities

SOURCES OF REVENUE

	<u>Year Ended September 30, 2021</u>		<u>Year Ended September 30, 2020</u>	
Charges for Services	\$ 1,011,115	9.80 %	\$ 1,107,141	12.03 %
Operating Grants and Contributions	863,285	8.37	661,594	7.19
Capital Grants and Contributions	1,343,145	13.02	828,426	9.00
Property Taxes	1,721,273	16.69	1,618,469	17.58
Motor Vehicle Taxes	183,067	1.77	165,993	1.80
Sales Tax	2,121,607	20.57	2,161,079	23.48
Franchise Tax	1,283,360	12.44	1,158,124	12.58
Occupation Tax	317,240	3.08	322,364	3.50
TIF Proceeds	328,894	3.19	254,189	2.76
State Allocation	927,028	8.99	821,988	8.93
Miscellaneous	16,509	0.16	1,745	0.02
Interest	32,871	0.32	63,145	0.69
Gain on Sale of Assets	164,593	1.60	40,403	0.44
Total	<u>\$ 10,313,987</u>	<u>100.00 %</u>	<u>\$ 9,204,660</u>	<u>100.00 %</u>

Net position increased \$2,898,287 in the governmental funds during the year ended September 30, 2021.

CITY OF SEWARD, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
For The Year Ended September 30, 2021

Business-type activities. Business-type activities increased the City of Seward's net position by \$2,506,537 for the year ended September 30, 2021. Key elements of this increase are as follows:

Expenses and Program Revenues - Business-type Activities

<u>Function</u>	<u>Year Ended September 30, 2021</u>		<u>Year Ended September 30, 2020</u>	
	<u>Program Revenues</u>	<u>Program Expenses</u>	<u>Program Revenues</u>	<u>Program Expenses</u>
Electric	\$ 10,826,093	\$ 10,003,351	\$ 9,655,699	\$ 9,388,448
Water	2,816,580	1,532,024	2,038,074	1,481,692
Sewer	1,776,581	1,460,613	1,609,991	1,344,545
Total	<u>\$ 15,419,254</u>	<u>\$ 12,995,988</u>	<u>\$ 13,303,764</u>	<u>\$ 12,214,685</u>

Revenues by Source - Business-type Activities

<u>SOURCES OF REVENUE</u>	<u>Year Ended September 30, 2021</u>		<u>Year Ended September 30, 2020</u>	
Charges for Services	\$ 14,778,432	95.33 %	\$ 13,297,412	98.91 %
Operating Grants and Contributions	2,250	0.01	781	0.01
Capital Grants and Contributions	638,572	4.12	5,571	0.04
Interest	67,085	0.43	122,548	0.91
Gain on Sale of Assets	4,400	0.03	-	-
Miscellaneous	11,786	0.08	17,684	0.13
Total	<u>\$ 15,502,525</u>	<u>100.00 %</u>	<u>\$ 13,443,996</u>	<u>100.00 %</u>

Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, the City of Seward's governmental funds reported combined ending fund balances of \$9,113,446. Approximately 50.8 percent of this total amount (\$4,630,552) constitutes *unassigned fund balance*, which is available for spending at the government's discretion. The remainder of fund balances is not available for new spending because it has already been 1) restricted to pay debt service (\$536,680), 2) restricted for street projects (\$1,706,547), 3) restricted for Federal programs (\$17,538), 4) restricted for economic development (\$306,785), 5) placed in a nonspendable endowment for cemetery perpetual care (\$239,432), 6) committed for public safety (\$443,090), 7) committed for sports complex lights

CITY OF SEWARD, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
For The Year Ended September 30, 2021

(\$31,007), 8) assigned for parks (\$50,379), 9) assigned for cemetery (\$150,810), 10) assigned for unemployment compensation (\$6,248), or 11) assigned for budgetary stabilization (\$994,378).

The General Fund is the chief operating fund of the City of Seward. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$4,630,552, while total fund balance reached \$6,306,464. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 89.9 percent of total General Fund expenditures, while total fund balance represents 122.5 percent of that same amount.

The fund balance of the City of Seward's General Fund increased by \$559,487 during the current fiscal year, and the Street Fund decreased \$1,027,075.

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

Unrestricted net position of the proprietary funds at the end of the year were as follows: Electric Fund - \$5,669,680, Water Fund - \$3,007,804, and Sewer Fund - \$2,127,575. The change in net position for the proprietary funds was as follows: Electric Fund – increase of \$884,452, Water Fund – increase of \$1,294,554, and Sewer Fund – increase of \$327,531. Other factors concerning the finances of these three funds have already been addressed in the discussion of the City of Seward's business-type activities.

Budgetary Highlights

There was no difference between the original budget and the final adopted budget for the City of Seward.

Capital Asset and Debt Administration

Capital Assets. The City of Seward's investment in capital assets for its governmental and business-type activities as of September 30, 2021, amounts to \$52,463,089 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, building and system improvements, machinery and equipment, park facilities, roads, highways, and bridges.

Major capital asset events during the current fiscal year included the following:

- Construction in progress on Karol Kay Blvd - \$1,077,242
- Construction costs on East Seward Street project - \$483,295
- Construction in progress on Waverly Road project - \$1,303,761
- 2020 Case wheel loader - \$115,700
- Toro Reelmaster - \$47,459
- Seward Trail paid for by Nebraska Department of Transportation - \$306,430

CITY OF SEWARD, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
For The Year Ended September 30, 2021

- Three-stage model MPV pump for water department - \$96,245
- Construction in progress on 6th Street water main project - \$184,564
- Construction in progress on new water well project - \$291,894
- Construction in progress on Waverly road sewer extension - \$129,999
- Construction in progress on wastewater treatment plant update project - \$360,636
- Construction in progress on rail campus electrical improvements - \$306,240
- Bobcat T770 track loader - \$65,627

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

	<u>Year Ended September 30, 2021</u>			<u>Year Ended September 30, 2020</u>		
	<u>Governmental</u>	<u>Business-type</u>	<u>Total</u>	<u>Governmental</u>	<u>Business-type</u>	<u>Total</u>
	<u>Activities</u>	<u>Activities</u>		<u>Activities</u>	<u>Activities</u>	
Land	\$ 564,351	\$ 1,931,102	\$ 2,495,453	\$ 596,405	\$ 1,931,102	\$ 2,527,507
Construction						
in progress	4,112,111	4,115,543	8,227,654	4,517,483	3,842,414	8,359,897
Infrastructure	10,562,314	-	10,562,314	7,226,384	-	7,226,384
Buildings	7,988,986	791,857	8,780,843	8,189,054	815,833	9,004,887
Equipment	2,080,380	1,171,363	3,251,743	2,230,005	1,193,628	3,423,633
Distribution						
Systems	-	19,145,082	19,145,082	-	19,292,840	19,292,840
Total	<u>\$ 25,308,142</u>	<u>\$ 27,154,947</u>	<u>\$ 52,463,089</u>	<u>\$ 22,759,331</u>	<u>\$ 27,075,817</u>	<u>\$ 49,835,148</u>

Additional information on the City of Seward's capital assets can be found in Note C4 on pages 47-50 of this report.

Long-term debt. At the end of the current fiscal year, the City of Seward had total long-term debt outstanding of \$15,323,930. Of this amount, \$5,874,000 comprises debt backed by the full faith and credit of the government. The remainder of the City of Seward's debt represents bonds and notes secured solely by specified revenue sources (i.e., revenue bonds and notes payable and capital lease obligations).

City of Seward's Outstanding Debt

	<u>Year Ended September 30, 2021</u>			<u>Year Ended September 30, 2020</u>		
	<u>Governmental</u>	<u>Business-type</u>	<u>Total</u>	<u>Governmental</u>	<u>Business-type</u>	<u>Total</u>
	<u>Activities</u>	<u>Activities</u>		<u>Activities</u>	<u>Activities</u>	
General Obligation						
Bonds	\$ 4,995,000	\$ -	\$ 4,995,000	\$ 5,769,550	\$ 30,450	\$ 5,800,000
Highway Allocation						
Bonds	750,000	-	750,000	805,000	-	805,000
Public Safety						
Bonds	129,000	-	129,000	170,000	-	170,000
Revenue Bonds	-	9,000,000	9,000,000	-	9,880,000	9,880,000
Note Payable	79,986	-	79,986	131,478	-	131,478
Capital Leases	369,944	-	369,944	467,105	-	467,105
Total	<u>\$ 6,323,930</u>	<u>\$ 9,000,000</u>	<u>\$ 15,323,930</u>	<u>\$ 7,343,133</u>	<u>\$ 9,910,450</u>	<u>\$ 17,253,583</u>

CITY OF SEWARD, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
For The Year Ended September 30, 2021

The City of Seward's total debt decreased by \$1,929,653 (11.2 percent) during the current fiscal year, as the City made scheduled principal payments. The City also issued \$3,055,000 of Series 2021 Sewer Revenue Refunding Bonds to refinance the Series 2016 Sewer Revenue Refunding Bonds.

Additional information on the City of Seward's long-term debt can be found in Note C6 on pages 51-58 of this report.

Economic Factors and Next Year's Budgets and Rates

The City's Enterprise Funds maintained strong cash positions and the City has been able to keep up with the increasing costs of operations.

- Property tax asking for the year ending September 30, 2022 of \$1,834,024 is \$96,024 (5.5 percent) higher than the prior year. The property valuation also increased 5.5 percent over the prior year.
- The City had a contractual commitment of \$629,555 on the AMI water metering system project expected to be completed by September 2024.
- At September 30, 2021, the City had a contractual commitment of \$838,505 on the Aclara AMI electric metering system expected to be completed by September 2023.
- The City has a contractual commitment of \$393,695 on a sewer cleaning truck and body expected to be received by December 2021.
- The City also had a \$404,411 contractual commitment on the Progressive Road underground lines project expected to be completed by September 2022.
- At September 30, 2021, the City had contractual commitments totaling \$1,095,759 on the Waverly Road improvement project with expected completion by December 2021.
- The City also had a contractual commitment of \$273,465 for a fire truck tanker expected to be received by September 2022.

All of these factors were considered in preparing the City of Seward's budget for the 2022 fiscal year.

Request for Information

This financial report is designed to provide a general overview of the City of Seward's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City Treasurer, City of Seward, 537 Main Street, P.O. Box 38, Seward, NE 68434.

CITY OF SEWARD, NEBRASKA
STATEMENT OF NET POSITION

September 30, 2021

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 5,658,783	\$ 5,599,872	\$ 11,258,655	\$ 257,803
Certificates of deposit	437,577	3,682,993	4,120,570	85,314
County treasurer cash	42,712	-	42,712	3,405
Investments	-	-	-	723,527
Receivables:				
Property tax	37,270	-	37,270	4,118
Accounts, net of allowance for doubtful accounts	-	1,532,538	1,532,538	620
Unbilled revenue	-	400,614	400,614	-
Grants	500,000	-	500,000	-
Interest	149	3,385	3,534	10
Current portion of notes	115,049	-	115,049	-
Due from other governments	444,494	-	444,494	-
Prepaid insurance	-	-	-	14,872
Inventory	80,369	677,154	757,523	-
Total current assets	<u>7,316,403</u>	<u>11,896,556</u>	<u>19,212,959</u>	<u>1,089,669</u>
Noncurrent assets:				
Restricted cash and cash equivalents	2,576,661	1,516,015	4,092,676	-
Restricted certificates of deposit	15,000	1,369,962	1,384,962	-
Permanently restricted investments	-	-	-	85,616
Noncurrent notes receivable	699,729	-	699,729	-
Capital assets:				
Land	564,351	1,931,102	2,495,453	105,156
Construction in progress	4,112,111	4,115,543	8,227,654	-
Other capital assets, net of depreciation	20,631,680	21,108,302	41,739,982	4,082,343
Net capital assets	<u>25,308,142</u>	<u>27,154,947</u>	<u>52,463,089</u>	<u>4,187,499</u>
Total noncurrent assets	<u>28,599,532</u>	<u>30,040,924</u>	<u>58,640,456</u>	<u>4,273,115</u>
Total assets	<u>35,915,935</u>	<u>41,937,480</u>	<u>77,853,415</u>	<u>5,362,784</u>
LIABILITIES				
Current liabilities:				
Accounts payable	536,157	746,460	1,282,617	-
Accrued interest	38,227	25,908	64,135	3,720
Other accrued expenses	190,209	197,122	387,331	-
Customer deposits	-	118,433	118,433	-
Unavailable property tax	30,099	-	30,099	-
Unearned revenue	37,914	-	37,914	21,014
Current portion of long-term obligations	1,039,506	960,000	1,999,506	221,625
Total current liabilities	<u>1,872,112</u>	<u>2,047,923</u>	<u>3,920,035</u>	<u>246,359</u>
Noncurrent liabilities:				
Compensated absences - noncurrent	99,161	122,007	221,168	-
Noncurrent portion of long-term obligations	5,284,424	8,040,000	13,324,424	136,270
Total noncurrent liabilities	<u>5,383,585</u>	<u>8,162,007</u>	<u>13,545,592</u>	<u>136,270</u>
Total liabilities	<u>7,255,697</u>	<u>10,209,930</u>	<u>17,465,627</u>	<u>382,629</u>
NET POSITION				
Net investment in capital assets	18,984,212	18,154,947	37,139,159	3,829,604
Restricted for:				
Debt service	536,680	2,128,972	2,665,652	-
Street projects	1,706,547	-	1,706,547	-
Federal programs	17,538	638,572	656,110	-
Economic development	306,785	-	306,785	-
Cemetery perpetual care	239,432	-	239,432	-
Permanently restricted-Guthal	-	-	-	85,616
Unrestricted	6,869,044	10,805,059	17,674,103	1,064,935
Total net position	<u>\$ 28,660,238</u>	<u>\$ 31,727,550</u>	<u>\$ 60,387,788</u>	<u>\$ 4,980,155</u>

See notes to financial statements.

CITY OF SEWARD, NEBRASKA

STATEMENT OF ACTIVITIES

For the year ended September 30, 2021

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Charges for Services</u>	<u>Program Revenues Operating Grants and Contributions</u>
Primary government:			
Governmental activities:			
General government	\$ 399,475	\$ 38,641	\$ 128,689
Economic development	528,202	17,827	-
Public safety	1,300,575	5,275	47,867
Public works	1,580,594	333,658	511,546
Environment and leisure	2,297,138	615,714	175,183
Interest and related expenses	126,053	-	-
Depreciation - unallocated	1,183,663	-	-
Total governmental activities	7,415,700	1,011,115	863,285
Business-type activities:			
Electric	10,003,351	10,823,843	2,250
Water	1,532,024	2,178,008	-
Sewer	1,460,613	1,776,581	-
Total business-type activities	12,995,988	14,778,432	2,250
Total primary government	\$ 20,411,688	\$ 15,789,547	\$ 865,535
Component units:			
Seward Airport Authority	\$ 402,104	\$ 107,008	\$ -
Seward Library Foundation	19,623	-	628,071
Total component units	\$ 421,727	\$ 107,008	\$ 628,071

See notes to financial statements.

Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position			Component Units
	Primary Government		Total	
	Governmental Activities	Business-type Activities		
\$ -	\$ (232,145)		\$ (232,145)	
-	(510,375)		(510,375)	
-	(1,247,433)		(1,247,433)	
1,291,124	555,734		555,734	
52,021	(1,454,220)		(1,454,220)	
-	(126,053)		(126,053)	
-	(1,183,663)		(1,183,663)	
<u>1,343,145</u>	<u>(4,198,155)</u>	\$ -	<u>(4,198,155)</u>	
-	-	822,742	822,742	
638,572	-	1,284,556	1,284,556	
-	-	315,968	315,968	
<u>638,572</u>	<u>-</u>	<u>2,423,266</u>	<u>2,423,266</u>	
<u>\$ 1,981,717</u>	<u>(4,198,155)</u>	<u>2,423,266</u>	<u>(1,774,889)</u>	
\$ 186,164				\$ (108,932)
-				608,448
<u>\$ 186,164</u>				<u>499,516</u>
General revenues:				
Taxes:				
Property	1,721,273	-	1,721,273	190,222
Motor vehicle	183,067	-	183,067	-
Sales tax	2,121,607	-	2,121,607	-
Franchise	1,283,360	-	1,283,360	-
Occupation	317,240	-	317,240	-
TIF proceeds	328,894	-	328,894	-
State allocation	927,028	-	927,028	-
Miscellaneous	16,509	11,786	28,295	7,399
Interest income	32,871	67,085	99,956	2,456
Gain on sale of assets	164,593	4,400	168,993	54,914
Total general revenues	<u>7,096,442</u>	<u>83,271</u>	<u>7,179,713</u>	<u>254,991</u>
Change in net position	<u>2,898,287</u>	<u>2,506,537</u>	<u>5,404,824</u>	<u>754,507</u>
Net position - September 30, 2020	<u>25,761,951</u>	<u>29,221,013</u>	<u>54,982,964</u>	<u>4,225,648</u>
Net position - September 30, 2021	<u>\$ 28,660,238</u>	<u>\$ 31,727,550</u>	<u>\$ 60,387,788</u>	<u>\$ 4,980,155</u>

CITY OF SEWARD, NEBRASKA

**BALANCE SHEET -
GOVERNMENTAL FUNDS**

September 30, 2021

	<u>General</u>	<u>Street</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and cash equivalents	\$ 5,658,783	\$ -	\$ -	\$ -	\$ 5,658,783
Certificates of deposit	437,577	-	-	-	437,577
County treasurer cash	42,712	-	-	-	42,712
Receivables:					
Grants	-	500,000	-	-	500,000
Interest	120	-	-	29	149
Property tax	37,270	-	-	-	37,270
Due from other governments	314,526	129,968	-	-	444,494
Inventory	-	80,369	-	-	80,369
Restricted assets:					
Cash	-	1,491,249	536,680	548,732	2,576,661
Certificates of deposit	-	-	-	15,000	15,000
Total assets	<u><u>\$ 6,490,988</u></u>	<u><u>\$ 2,201,586</u></u>	<u><u>\$ 536,680</u></u>	<u><u>\$ 563,761</u></u>	<u><u>\$ 9,793,015</u></u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 51,536	\$ 484,615	\$ -	\$ 6	\$ 536,157
Accrued expenses	64,975	10,424	-	-	75,399
Unearned golf revenue	37,914	-	-	-	37,914
Unavailable property tax	30,099	-	-	-	30,099
Total liabilities	<u>184,524</u>	<u>495,039</u>	<u>-</u>	<u>6</u>	<u>679,569</u>
Fund balances:					
Nonspendable					
Cemetery perpetual care	-	-	-	239,432	239,432
Restricted for:					
Debt service	-	-	536,680	-	536,680
Street projects	-	1,706,547	-	-	1,706,547
Federal programs	-	-	-	17,538	17,538
Economic development	-	-	-	306,785	306,785
Committed for:					
Public safety	443,090	-	-	-	443,090
Sports complex lights	31,007	-	-	-	31,007
Assigned for:					
Budgetary stabilization	994,378	-	-	-	994,378
Parks	50,379	-	-	-	50,379
Cemetery	150,810	-	-	-	150,810
Unemployment compensation	6,248	-	-	-	6,248
Unassigned	4,630,552	-	-	-	4,630,552
Total fund balances	<u>6,306,464</u>	<u>1,706,547</u>	<u>536,680</u>	<u>563,755</u>	<u>9,113,446</u>
Total liabilities and fund balances	<u><u>\$ 6,490,988</u></u>	<u><u>\$ 2,201,586</u></u>	<u><u>\$ 536,680</u></u>	<u><u>\$ 563,761</u></u>	<u><u>\$ 9,793,015</u></u>

See notes to financial statements.

CITY OF SEWARD, NEBRASKA

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

September 30, 2021

Total fund balances - governmental funds	\$	9,113,446
<p>Amounts reported for <i>governmental activities</i> in the statement of net position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets is \$40,526,984, and the accumulated depreciation is \$15,218,842.</p>		
		25,308,142
<p>Notes receivable are not financial resources and therefore are not reported as assets in governmental funds. The notes receivable are reported as assets in the statement of net position.</p>		
		814,778
<p>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:</p>		
Compensated absences	\$	(213,971)
Accrued interest on long-term debt		(38,227)
Bonds payable		(5,874,000)
Note payable		(79,986)
Capital lease obligations		(369,944)
		<u>(6,576,128)</u>
Total net position - governmental activities	\$	<u>28,660,238</u>

See notes to financial statements.

CITY OF SEWARD, NEBRASKA

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

For the year ended September 30, 2021

	<u>General</u>	<u>Street</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES					
Taxes:					
Property	\$ 1,721,273	\$ -	\$ -	\$ -	\$ 1,721,273
Motor vehicle	183,067	-	-	-	183,067
Sales tax	985,130	291,321	695,156	150,000	2,121,607
Franchise	1,283,360	-	-	-	1,283,360
Occupation	317,240	-	-	-	317,240
TIF proceeds	-	-	-	328,894	328,894
Intergovernmental	68,538	912,322	-	-	980,860
Charges for services	964,233	29,055	-	17,827	1,011,115
Loan collections	-	-	-	119,377	119,377
Interest income	9,092	3	3,682	1,116	13,893
Grants	514,414	145,318	-	87,868	747,600
Contributions	249,592	-	-	9,600	259,192
Sale of property	200,514	-	-	-	200,514
Other income	16,509	-	-	-	16,509
Total revenues	<u>6,512,962</u>	<u>1,378,019</u>	<u>698,838</u>	<u>714,682</u>	<u>9,304,501</u>
EXPENDITURES					
General government	311,607	-	-	87,868	399,475
Economic development	-	-	-	560,269	560,269
Public safety	1,293,648	-	-	-	1,293,648
Public works	887,383	685,865	-	145	1,573,393
Environment and leisure	2,297,138	-	-	-	2,297,138
Capital outlay	279,835	2,179,595	-	-	2,459,430
Principal payments on debt	69,735	190,585	922,042	-	1,182,362
Interest on long-term debt	9,129	8,731	115,432	-	133,292
Bond fees	-	-	2,700	-	2,700
Total expenditures	<u>5,148,475</u>	<u>3,064,776</u>	<u>1,040,174</u>	<u>648,282</u>	<u>9,901,707</u>
Excess (deficiency) of revenues over expenditures	1,364,487	(1,686,757)	(341,336)	66,400	(597,206)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	805,000	145,318	-	950,318
Transfers out	<u>(805,000)</u>	<u>(145,318)</u>	<u>-</u>	<u>-</u>	<u>(950,318)</u>
Net transfers	<u>(805,000)</u>	<u>659,682</u>	<u>145,318</u>	<u>-</u>	<u>-</u>
Net change in fund balances	559,487	(1,027,075)	(196,018)	66,400	(597,206)
Fund balances - September 30, 2020	<u>5,746,977</u>	<u>2,733,622</u>	<u>732,698</u>	<u>497,355</u>	<u>9,710,652</u>
Fund balances - September 30, 2021	<u>\$ 6,306,464</u>	<u>\$ 1,706,547</u>	<u>\$ 536,680</u>	<u>\$ 563,755</u>	<u>\$ 9,113,446</u>

See notes to financial statements.

CITY OF SEWARD, NEBRASKA

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

For the year ended September 30, 2021

Total net change in fund balances - governmental funds	\$ (597,206)
Amounts reported for <i>governmental activities</i> in the statement of activities are different because:	
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capitalized capital outlay (\$3,768,395) exceeded depreciation expense (\$1,183,663) and new capital lease obligations (\$163,159) during the period. Additions of \$1,145,806 were paid for directly by Nebraska Department of Transportation.	2,421,573
Basis remaining of capital asset disposals does not impact the governmental funds, but the remaining basis reduces the gain on sale of capital assets in the statement of activities.	(35,921)
Collection of loan proceeds on economic development loans is reported as revenue in the governmental funds, but reduces assets in the statement of net position.	(100,399)
The issuance of economic development loans is reported as an expense in the governmental funds, but increases assets in the statement of net position.	45,000
Forgiveness of LB840 loans is not reported in the fund financial statements, but is reported as economic development expense in the statement of activities.	(12,933)
The change in compensated absences is reported as an expense in the statement of net position. Compensated absences are not reported in the governmental funds.	(14,128)
The change in accrued interest payable is reported as an expense in the statement of net position. Accrued interest payable is not reported in the governmental funds.	9,939
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	<u>1,182,362</u>
Change in net position of governmental activities	<u><u>\$ 2,898,287</u></u>

See notes to financial statements.

CITY OF SEWARD, NEBRASKA
STATEMENT OF FUND NET POSITION - PROPRIETARY FUNDS
September 30, 2021

	Enterprise Funds			Total
	Electric Fund	Water Fund	Sewer Fund	
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 1,284,466	\$ 2,576,850	\$ 1,738,556	\$ 5,599,872
Certificates of deposit	3,232,245	156,552	294,196	3,682,993
Receivables:				
Accounts, net of allowance for doubtful accounts	1,155,817	218,589	158,132	1,532,538
Unbilled revenue	281,363	66,205	53,046	400,614
Interest	2,513	557	315	3,385
Inventory	595,582	81,572	-	677,154
Total current assets	<u>6,551,986</u>	<u>3,100,325</u>	<u>2,244,245</u>	<u>11,896,556</u>
Noncurrent assets:				
Restricted cash and cash equivalents	201,907	1,112,276	201,832	1,516,015
Restricted certificates of deposit	468,292	521,334	380,336	1,369,962
Capital assets:				
Land	1,737,460	103,548	90,094	1,931,102
Construction in progress	3,019,052	950,412	146,079	4,115,543
Distribution systems	17,433,299	15,786,859	12,686,719	45,906,877
Buildings	842,719	138,776	378,769	1,360,264
Equipment	2,685,744	505,625	969,028	4,160,397
Less accumulated depreciation	(13,946,127)	(8,175,182)	(8,197,927)	(30,319,236)
Net capital assets	<u>11,772,147</u>	<u>9,310,038</u>	<u>6,072,762</u>	<u>27,154,947</u>
Total noncurrent assets	<u>12,442,346</u>	<u>10,943,648</u>	<u>6,654,930</u>	<u>30,040,924</u>
Total assets	<u>18,994,332</u>	<u>14,043,973</u>	<u>8,899,175</u>	<u>41,937,480</u>
LIABILITIES				
Current liabilities:				
Accounts payable	664,454	16,199	65,807	746,460
Customer deposits	118,213	220	-	118,433
Accrued interest payable	11,658	12,170	2,080	25,908
Other accrued expenses	65,095	32,891	30,511	128,497
Sales tax payable	68,625	-	-	68,625
Current portion of long-term obligations	405,000	290,000	265,000	960,000
Total current liabilities	<u>1,333,045</u>	<u>351,480</u>	<u>363,398</u>	<u>2,047,923</u>
Noncurrent liabilities:				
Compensated absences - noncurrent	72,474	31,261	18,272	122,007
Noncurrent portion of long-term obligations	3,380,000	2,125,000	2,535,000	8,040,000
Total noncurrent liabilities	<u>3,452,474</u>	<u>2,156,261</u>	<u>2,553,272</u>	<u>8,162,007</u>
Total liabilities	<u>4,785,519</u>	<u>2,507,741</u>	<u>2,916,670</u>	<u>10,209,930</u>
NET POSITION				
Net investment in capital assets	7,987,147	6,895,038	3,272,762	18,154,947
Restricted for:				
Debt service	551,986	994,818	582,168	2,128,972
Federal programs	-	638,572	-	638,572
Unrestricted	5,669,680	3,007,804	2,127,575	10,805,059
Total net position	<u>\$ 14,208,813</u>	<u>\$ 11,536,232</u>	<u>\$ 5,982,505</u>	<u>\$ 31,727,550</u>

See notes to financial statements.

CITY OF SEWARD, NEBRASKA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN NET POSITION - PROPRIETARY FUNDS

For the year ended September 30, 2021

	Enterprise Funds			Total
	Electric Fund	Water Fund	Sewer Fund	
Operating revenues:				
User charges	\$ 10,765,728	\$ 2,036,936	\$ 1,753,804	\$ 14,556,468
Customer service charges	38,550	9,308	9,954	57,812
Other revenue	19,565	131,764	12,823	164,152
Total operating revenues	<u>10,823,843</u>	<u>2,178,008</u>	<u>1,776,581</u>	<u>14,778,432</u>
Operating expenses:				
Cost of power	6,322,696	-	-	6,322,696
Personnel	853,772	507,858	446,052	1,807,682
Contract services	56,282	16,480	29,496	102,258
Utilities	78,742	152,520	74,818	306,080
Repairs and maintenance	458,727	191,933	108,197	758,857
Supplies	72,816	25,684	19,230	117,730
Professional fees	73,940	51,576	52,060	177,576
Insurance	65,416	39,186	38,166	142,768
Fuel and transportation	15,804	7,137	7,786	30,727
Dues, memberships & training	18,518	9,752	10,903	39,173
Miscellaneous	11,206	5,574	6,045	22,825
Franchise fees	1,085,329	109,079	88,952	1,283,360
Depreciation	793,023	371,010	461,109	1,625,142
Total operating expenses	<u>9,906,271</u>	<u>1,487,789</u>	<u>1,342,814</u>	<u>12,736,874</u>
Operating income	917,572	690,219	433,767	2,041,558
Nonoperating revenues (expenses):				
Interest income	45,086	13,660	8,339	67,085
Miscellaneous income	8,562	-	3,224	11,786
Grant revenue	2,250	638,572	-	640,822
Gain on disposal of capital assets	4,400	-	-	4,400
Interest expense	(96,280)	(42,902)	(64,352)	(203,534)
Loan administration fees	(800)	(1,333)	(53,447)	(55,580)
Total nonoperating revenues (expenses)	<u>(36,782)</u>	<u>607,997</u>	<u>(106,236)</u>	<u>464,979</u>
Income before interfund transfers	880,790	1,298,216	327,531	2,506,537
Interfund transfers:				
Transfer from (to) other funds	3,662	(3,662)	-	-
Change in net position	884,452	1,294,554	327,531	2,506,537
Net position - September 30, 2020	<u>13,324,361</u>	<u>10,241,678</u>	<u>5,654,974</u>	<u>29,221,013</u>
Net position - September 30, 2021	<u>\$ 14,208,813</u>	<u>\$ 11,536,232</u>	<u>\$ 5,982,505</u>	<u>\$ 31,727,550</u>

See notes to financial statements.

CITY OF SEWARD, NEBRASKA

**STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS**

For the year ended September 30, 2021

	Enterprise Funds			
	Electric Fund	Water Fund	Sewer Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers	\$ 10,668,114	\$ 2,174,768	\$ 1,761,687	\$ 14,604,569
Payments to suppliers	(8,304,758)	(601,396)	(375,371)	(9,281,525)
Payments to employees	(856,667)	(511,372)	(452,873)	(1,820,912)
Net cash provided by operating activities	1,506,689	1,062,000	933,443	3,502,132
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Transfers to other funds	3,662	(3,662)	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Purchase of property and equipment	(577,509)	(593,450)	(538,112)	(1,709,071)
Proceeds from sale of capital assets	5,537	3,662	-	9,199
Grant proceeds	2,250	638,572	-	640,822
Proceeds from the issuance of long-term debt	-	-	3,055,000	3,055,000
Principal payments on capital debt	(400,000)	(330,200)	(3,235,250)	(3,965,450)
Interest paid on capital debt	(97,286)	(44,990)	(65,202)	(207,478)
Loan administration fees	(800)	(1,333)	(53,447)	(55,580)
Net cash used by capital and related financing activities	(1,067,808)	(327,739)	(837,011)	(2,232,558)
CASH FLOWS FROM INVESTING ACTIVITIES:				
(Increase) decrease in certificates of deposit	(31,994)	(704)	(1,298)	(33,996)
(Increase) decrease in restricted certificates of deposit	(442)	(2,739)	(372)	(3,553)
Interest received	48,736	13,978	8,395	71,109
Net cash provided by investing activities	16,300	10,535	6,725	33,560
Increase in cash and cash equivalents	458,843	741,134	103,157	1,303,134
Cash and cash equivalents - beginning of the year	1,027,530	2,947,992	1,837,231	5,812,753
Cash and cash equivalents - end of the year	\$ 1,486,373	\$ 3,689,126	\$ 1,940,388	\$ 7,115,887
Composition of cash and cash equivalents:				
Cash and cash equivalents	\$ 1,284,466	\$ 2,576,850	\$ 1,738,556	\$ 5,599,872
Restricted cash and cash equivalents	201,907	1,112,276	201,832	1,516,015
Total cash and cash equivalents	\$ 1,486,373	\$ 3,689,126	\$ 1,940,388	\$ 7,115,887

See notes to financial statements.

CITY OF SEWARD, NEBRASKA

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

For the year ended September 30, 2021

	Enterprise Funds			
	Electric Fund	Water Fund	Sewer Fund	Total
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	\$ 917,572	\$ 690,219	\$ 433,767	\$ 2,041,558
Adjustments to reconcile operating income to net cash provided by operating activities:				
Miscellaneous nonoperating revenue	8,562	-	3,224	11,786
Depreciation expense	793,023	371,010	461,109	1,625,142
Change in assets and liabilities:				
Accounts receivable	(172,132)	(3,160)	(18,118)	(193,410)
Inventories	(99,630)	(1,263)	-	(100,893)
Accounts payable	54,348	8,788	60,282	123,418
Customer deposits	1,456	(80)	-	1,376
Sales tax payable	6,385	-	-	6,385
Accrued expenses	(2,895)	(3,514)	(6,821)	(13,230)
Net cash provided by operating activities	\$ 1,506,689	\$ 1,062,000	\$ 933,443	\$ 3,502,132

See notes to financial statements.

CITY OF SEWARD, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

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CITY OF SEWARD, NEBRASKA
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Seward, Nebraska (City) are prepared in accordance with generally accepted accounting principles (GAAP). The City’s reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements.

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

1. Financial Reporting Entity

The City of Seward, Nebraska, was incorporated in 1868. The City operates under a Mayor-Council form of government with an elected Mayor, and an elected legislative body, Council, composed of eight members. The Mayor is elected at large for a four-year term, and the eight members of the City Council are elected, two from each of four wards, on alternating four-year terms. The administration of the City government is performed under the direction of the Mayor by the City Administrator. Services provided to residents include public safety, highways and streets, planning and zoning, parks, recreation, development, electric, water, and sanitary sewer systems, transfer station, and general administrative services.

The City’s financial reporting entity comprises the following:

Primary Government:	City of Seward
Discretely Presented Component Units:	Seward Airport Authority Seward Library Foundation

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

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

1. Financial Reporting Entity, continued

Blended Component Units

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

Discretely Presented Component Units

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

Brief Description of Activities and Relationship to the City:

Seward Airport Authority

Established to provide for the operation of the Seward Airport. The component unit information was obtained from financial statements which can be obtained by contacting the Seward Airport Authority.

Seward Library Foundation

Established to support the Seward library.

2. Basis of Presentation

Government-wide Financial Statements

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

CITY OF SEWARD, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

2. Basis of Presentation, continued

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into two major categories: governmental and proprietary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

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

The funds of the financial reporting entity are described below:

Governmental Funds

General Fund

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

Special Revenue Funds

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

Debt Service Fund

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

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

2. Basis of Presentation, continued

Governmental Funds, continued

Permanent Fund

The Permanent Fund accounts for assets held by the City pursuant to a trust agreement. The principal portion of this fund type must remain intact, but the earnings may be used to achieve the objectives of the fund.

Proprietary Funds

Enterprise Funds

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

Major and Nonmajor Funds

The funds are further classified as major or non-major as follows:

<u>Fund</u>	<u>Brief Description</u>
<i>Major:</i>	
Governmental:	
General	See page 27 for description.
Street	The Street Fund is a special revenue fund that accounts for the City's share of highway allocation from the State of Nebraska.
Debt Service	See page 27 for description.

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

2. **Basis of Presentation, continued**

Major and Nonmajor Funds, continued

<u>Fund</u>	<u>Brief Description</u>
<i>Major, continued:</i>	
Proprietary:	
Enterprise:	
Electric, Water, and Sewer	See page 28 for description.
<i>Nonmajor:</i>	
Special Revenue:	
CDBG	Special revenue fund that accounts for community development grants and related expenses.
LB840	Special revenue fund that accounts for sales tax to be used for economic development under LB840.
TIF	Special revenue fund that accounts for tax increment financing projects used to promote economic development.
Perpetual Care	Permanent fund that accounts for the monies in a permanent care endowment fund for the cemetery.

3. **Measurement Focus and Basis of Accounting**

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

Measurement Focus

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

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

3. Measurement Focus and Basis of Accounting, continued

Measurement Focus, continued

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

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

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, governmental and business-like activities and the discretely presented component units are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within 60 days after year end. Expenditures (including capital outlay) are recorded when the related fund liability is incurred.

CITY OF SEWARD, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

3. Measurement Focus and Basis of Accounting, continued

Basis of Accounting, continued

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

4. Assets, Liabilities, and Equity

Estimates

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

Cash and Investments

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

Certificates of deposit and investments are carried at fair value. Fair value is based on quoted market price. Additional cash and investment disclosures are presented in Notes B2, C1, and D2.

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

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

4. Assets, Liabilities, and Equity, continued

Receivables

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

In the fund financial statements, receivables in governmental funds include revenue accruals such as special assessments and property taxes, since they are usually both measurable and available. Proprietary fund receivables consist of all revenues earned at year end and not yet received. Utility accounts receivable and unbilled revenue compose the majority of proprietary fund receivables. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable.

Due from Other Governments

The total due from other governments consists of the following:

<u>Fund</u>	<u>Amount</u>	<u>Service</u>
General	\$ 314,526	Sales Tax
Street	41,661	Sales Tax
Street	16,333	Motor Vehicle Fees
Street	<u>71,974</u>	Highway Allocation
	<u>\$ 444,494</u>	

Inventory

All inventories are valued at cost using the first-in/first-out (FIFO) method.

Restricted Assets

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

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

4. Assets, Liabilities, and Equity, continued

Capital Assets

The accounting treatment over property, plant, and equipment (capital assets) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

Government-wide Statements

In the government-wide financial statements, capital assets that are purchased or acquired with an original cost of \$5,000 or more are capitalized and reported on the Statement of Net Position. Capital assets are valued at historical cost or estimated historical cost if actual is unavailable, except for donated capital assets, which are recorded at their estimated fair value at the date of donation. The City has elected the depreciation approach for reporting infrastructure.

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

Buildings	25-40 years
Improvements	5-25 years
Machinery and Equipment	5-20 years
Utility System	20-50 years
Infrastructure	20-50 years

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

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

4. Assets, Liabilities, and Equity, continued

Capital Assets, continued

Fund Financial Statements

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

Unavailable Revenues

Unavailable revenues consist of property taxes and special assessments expected to be collected after 60 days.

Compensated Absences

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

Employees generally earn sick leave at the rate of one day per month with the total accumulation up to 900 hours. In the event of retirement, an employee is reimbursed 50 percent of the accumulated sick leave if the employee meets certain eligibility requirements.

Long-term Debt

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

CITY OF SEWARD, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

4. Assets, Liabilities, and Equity, continued

Long-term Debt, continued

Government-wide Statements

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

Fund Financial Statements

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

Equity Classifications

Government-wide Statements

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

- a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

Fund Financial Statements

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

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

4. Assets, Liabilities, and Equity, continued

Equity Classifications, continued

Fund Financial Statements, continued

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

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

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

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

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

Unassigned—All amounts not included in other spendable classifications.

The details of the fund balances are included in the Governmental Funds Balance Sheet (page 16). Restricted funds are used first as appropriate. Assigned Funds are reduced to the extent that expenditure authority has been budgeted by the City Council or the Assignment has been changed by the Mayor. Decreases to fund balance first reduce Unassigned Fund balance; in the event that Unassigned Fund Balance becomes zero, then Assigned and Committed Fund Balances are used in that order.

CITY OF SEWARD, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

5. Revenues, Expenditures, and Expenses

Sales and Use Tax

The City presently levies a 1.5 cent sales tax on taxable sales within the City. The sales tax is collected by the Nebraska Department of Revenue and remitted to the City in the month following receipt. The Nebraska Department of Revenue receives the sales tax approximately one month after collection by vendors. The sales tax allocated to the General and Debt Service Funds for property tax relief, with up to \$150,000 per year approved for the LB840 Fund to be used for economic development. Sales tax collected on the sale of motor vehicles is restricted for street improvements as required by LB904.

Sales taxes collected by the State in September (which represent sales for August) and received by the City in October have been accrued and are included under the caption “Due from other governments.”

Property Taxes

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

The tax levies for all political subdivisions in Seward County are certified by the County Board on or before October 15. Real estate taxes are due on December 31 and attach as an enforceable lien and become delinquent in two equal installments on May 1 and September 1. Personal property taxes are due in the same manner as real estate taxes. Delinquent taxes bear 14 percent interest.

CITY OF SEWARD, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

5. Revenues, Expenditures, and Expenses, continued

Property Taxes, continued

Property taxes levied for 2020-2021 are recorded as revenue when expected to be collected within 60 days after September 30, 2021. Prior-year levies were recorded using these same principles, and remaining receivables are re-evaluated annually. Property taxes expected to be collected after 60 days are recorded as deferred revenue on the fund balance sheets.

The City-owned electric, water, and sewer utilities make payments in lieu of taxes (10 percent of gross revenues for electric, 5 percent of gross revenues for water, and 5 percent of gross revenues for sewer).

Operating Revenues and Expenses

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

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.

In the fund financial statements, expenditures are classified as follows:

Governmental Funds – by Character and Function

Proprietary Fund – by Operating and Nonoperating

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

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

5. Revenues, Expenditures, and Expenses, continued

Interfund Transfers

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

NOTE B – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

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

1. Fund Accounting Requirements

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

2. Deposit Laws and Regulations

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

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

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

NOTE B – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY, continued

3. Revenue Restrictions

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

4. Debt Restrictions and Covenants

Bonds Payable

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

5. Budgetary Data

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

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

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

- a. On or before August 1, the City prepares a budget for the fiscal year commencing October 1. The budget includes proposed expenditures and resources available.
- b. The budget is published with subsequent public hearings to obtain taxpayer comments.

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

NOTE B – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY, continued

5. Budgetary Data, continued

- c. Prior to September 20, the City Council adopts the budget, which is then filed with the appropriate state and county officials.
- d. Total expenditures may not legally exceed total appropriations. Appropriations lapse at year end and any revisions require board approval.
- e. The County Clerk certifies a preliminary property tax levy for each fund of the City which levied property taxes in the county the previous year based on the combined valuation and amount required for the City the prior year. The preliminary levy becomes the final levy unless the governing board passes, by a majority vote, a resolution setting the levy at a different amount.
- f. The property tax requirements resulting from the budget process are utilized by the County Assessor to establish the tax levy. Taxes are levied annually on or before October 15. Real property taxes and personal property taxes are due December 31 with the first half delinquent May 1 and the second half delinquent September 1.
- g. Appropriations lapse at the end of the fiscal year, except for capital improvement appropriations and certain encumbrances against operating budgets.
- h. The City of Seward adopts a budget by resolution for all fund types.

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS

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

1. Cash and Investments

Deposits

The City's policies regarding deposits of cash are discussed in Note A4. The table presented below is designed to disclose how its deposits were insured or secured with collateral at September 30, 2021. The categories of collateral are defined as follows:

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

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

1. Cash and Investments, continued

Deposits, continued

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

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

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

<u>Types of Deposits</u>	<u>Total Bank Balance</u>	<u>Category 1</u>	<u>Category 2</u>	<u>Category 3</u>	<u>Total Carrying Value</u>
Demand deposits and certificates of deposit	\$ 22,126,746	\$ 1,488,299	\$ 20,638,447	\$ -	\$ <u>21,199,980</u>

Reconciliation to Government-wide Statement of Net Position:

Primary Government –

Unrestricted cash and cash equivalents	\$ 11,258,655
Unrestricted certificates of deposit	4,120,570
Restricted cash and cash equivalents	4,092,676
Restricted certificates of deposit	1,384,962

Component Units –

Unrestricted cash and cash equivalents	257,803
Unrestricted certificates of deposit	<u>85,314</u>
	\$ <u>21,199,980</u>

Investments

The City’s policies and applicable laws regarding investments are discussed in Notes A4 and B2. The table presented below is designed to disclose whether the investments are insured or registered and who holds the security at September 30, 2021. The categories of investments are defined as follows:

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

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

1. Cash and Investments, continued

Investments, continued

Category 1 – Insured or registered with securities held by the entity or its agent in the entity’s name.

Category 2 – Uninsured and unregistered with securities held by the counterparty’s trust department or agent in the entity’s name.

Category 3 – Uninsured and unregistered with securities held by the counterparty or by its trust department or agent but not in the City’s name.

<u>Type of Investment</u>	Category <u>1</u>	Category <u>2</u>	Category <u>3</u>	<u>Carrying Amount</u>	<u>Fair Value</u>
Publicly Traded Equities	\$ -	\$ 809,143	\$ -	\$ <u>809,143</u>	\$ <u>809,143</u>

Reconciliation to Government-wide Statement of Net Position:

Component Units –

Unrestricted investments	\$ 723,527
Permanently restricted investments	<u>85,616</u>
	\$ <u>809,143</u>

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

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

2. Restricted Assets

The restricted assets as of September 30, 2021, are as follows:

	<u>Governmental Activities</u>	<u>Business- type Activities</u>	<u>Total Primary Government</u>	<u>Component Unit</u>
Type of Restricted Assets:				
Cash and cash equivalents	\$ 2,576,661	\$ 1,516,015	\$ 4,092,676	\$ -
Certificates of deposit	15,000	1,369,962	1,384,962	-
Investments	-	-	-	<u>85,616</u>
	<u>\$ 2,591,661</u>	<u>\$ 2,885,977</u>	<u>\$ 5,477,638</u>	<u>\$ 85,616</u>

Restricted cash and investments for governmental activities consists of \$1,491,249 of Street Fund cash restricted for street projects, \$536,680 of Debt Service Fund cash restricted for debt service, \$17,538 of CDBG Fund cash restricted for Federal programs, \$105,445 of LB840 Fund cash restricted for economic development, \$201,346 of TIF Fund cash restricted for economic development, and \$239,403 of Perpetual Care Fund cash and certificates of deposit restricted for cemetery perpetual care.

Restricted business-type assets consist of debt service reserves of \$551,986 for the Electric Fund, \$994,818 for the Water Fund, and \$582,168 for the Sewer Fund. The Electric Fund has \$118,213 and the Water Fund has \$220 restricted for customer deposits. The Water Fund also has \$638,572 restricted for Federal programs.

The Seward Library Foundation has \$85,616 of permanently restricted investments endowed for the income only to be used to support the Seward library.

3. Accounts and Notes Receivable

Accounts receivable of the business-type activities consist of utilities receivable. Accounts receivable for the component units consist of minor receivables. Receivables detail at September 30, 2021, is as follows:

	<u>Governmental Activities</u>	<u>Business- type Activities</u>	<u>Total Primary Government</u>	<u>Component Units</u>
Accounts receivable	\$ -	\$ 1,534,858	\$ 1,534,858	\$ 620
Allowance for doubtful accounts	<u>-</u>	<u>(2,320)</u>	<u>(2,320)</u>	<u>-</u>
Net accounts receivable	<u>\$ -</u>	<u>\$ 1,532,538</u>	<u>\$ 1,532,538</u>	<u>\$ 620</u>

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

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

3. Accounts and Notes Receivable, continued

Notes receivable for the governmental activities consist of the following at September 30, 2021:

<u>Type of Loan</u>	<u>Due From</u>	Note Balance at September 30, <u>2021</u>	<u>Terms</u>
LB840	Squire Wards, LLC	\$ 38,729	1.625%; monthly payments due over 42 months; final payment due 9/1/24
LB840	La Cocina	30,000	5.0%; 20 percent forgivable annually if borrower retains improvements; due 1/7/24
LB840	Seward Hotel Group	46,020	3.25%; monthly payments over 15 years; final payment due 9/1/27
LB840	ECES, Inc	30,331	2.625%; monthly payments due over 10 years; final payment due 1/1/29
LB840	Barely Legal Distilling, LLC	70,000	2.25%; monthly payments due over 5 years; final payment due 2/1/23
LB840	Green Future Properties	208,971	2.75%; monthly payments due over 15 years; 12% of the loan will be forgiven after 166 payments have been made; final payment due 9/1/34
LB840	Cornerstone Interiors & Design	42,833	2.13%; monthly payments due over 10 years; final payment due 1/1/28
LB840	Gilgorevic	1,458	5.0%; 20 percent forgivable annually if borrower retains improvements; due 10/16/24

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

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

3. Accounts and Notes Receivable, continued

<u>Note Held By</u>	<u>Due From</u>	Note Balance at September 30, <u>2021</u>	<u>Terms</u>
LB840	Turning Point Behavioral Health & Addiction Counseling	13,701	1.75%; monthly payments due over 10 years; final payment due 12/1/26
LB840	Bottle Rocket Brewing	3,791	5.0%; 20 percent forgivable annually if borrower retains improvements; due 9/30/24
LB840	Kirby Roth Insurance	5,218	5.0%; 20 percent forgivable annually if borrower retains improvements; due 7/23/25
LB840	Hexagon Properties	74,170	1.875%; monthly payments due over 15 years; final payment due 3/30/32
LB840	Red Path Gallery & Tasting Room	38,958	2.375%; monthly payments due over 10 years; final payment due 8/1/28
LB840	The Alps Dog Retreat	67,006	2.375%; monthly payments due over 72 months; \$13,081.50 is forgivable after 64 payments; final payment due 12/1/26
LB840	Fullfield Ag, LLC	143,592	1.875%; monthly payments due over 15 years; final payment due 2/15/32
	Total notes receivable	\$ <u>814,778</u>	
	Current portion	\$ 115,049	
	Noncurrent portion	<u>699,729</u>	
		\$ <u>814,778</u>	

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

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

4. Capital Assets

Capital asset activity for the year ended September 30, 2021, was as follows:

	<u>Balance at October 1, 2020</u>	<u>Additions</u>	<u>Disposals</u>	<u>Reclass</u>	<u>Balance at September 30, 2021</u>
<u>Governmental Activities:</u>					
Capital assets not being depreciated:					
Land	\$ 596,405	\$ -	\$ (32,054)	\$ -	\$ 564,351
Construction in progress	4,517,483	2,393,237	-	(2,798,609)	4,112,111
Total capital assets not being depreciated	5,113,888	2,393,237	(32,054)	(2,798,609)	4,676,462
Other capital assets being depreciated:					
Infrastructure	13,439,693	937,490	-	2,798,609	17,175,792
Buildings	11,895,085	51,100	-	-	11,946,185
Machinery and equipment	6,450,510	386,568	(108,533)	-	6,728,545
Total other capital assets at historical cost	31,785,288	1,375,158	(108,533)	2,798,609	35,850,522
Less accumulated depreciation for:					
Infrastructure	(6,213,309)	(400,169)	-	-	(6,613,478)
Buildings	(3,706,031)	(251,168)	-	-	(3,957,199)
Machinery and equipment	(4,220,505)	(532,326)	104,666	-	(4,648,165)
Total accumulated depreciation	(14,139,845)	(1,183,663) *	104,666	-	(15,218,842)
Other capital assets, net	17,645,443	191,495	(3,867)	2,798,609	20,631,680
Governmental activities capital assets, net	<u>\$ 22,759,331</u>	<u>\$ 2,584,732</u>	<u>\$ (35,921)</u>	<u>\$ -</u>	<u>\$ 25,308,142</u>

* Depreciation expense was charged to governmental activities as follows:

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

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

4. Capital Assets, continued

Governmental Activities, continued:

General government	\$ 22,791
Public safety	
Fire	149,312
Police	<u>68,493</u>
Total public safety	217,805
Public works:	
Streets and storm sewers	458,760
Cemetery	<u>23,297</u>
Total public works	482,057
Environment and leisure:	
Civic Center	17,006
Golf	74,288
Library	107,579
Parks and recreation	195,146
Senior Center	19,393
Trails	<u>47,598</u>
Total environment and leisure	<u>461,010</u>
Total governmental depreciation expense	\$ <u>1,183,663</u>

Construction in progress at September 30, 2021, consists of \$2,693,975 for the Waverly Road street project, \$1,405,901 for the Karol Kay Blvd project, and \$12,235 for the cemetery mapping software. See Note D3 for additional details on these projects.

CITY OF SEWARD, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2021

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

4. Capital Assets, continued

	Balance at <u>October 1, 2020</u>	<u>Additions</u>	<u>Disposals</u>	<u>Reclass</u>	Balance at <u>September 30, 2021</u>
<u>Business-type Activities:</u>					
Capital assets not being depreciated:					
Land	\$ 1,931,102	\$ -	\$ -	\$ -	\$ 1,931,102
Construction in progress	3,842,414	923,961	-	(650,832)	4,115,543
Total capital assets not being depreciated	5,773,516	923,961	-	(650,832)	6,046,645
Other capital assets being depreciated:					
Buildings	1,348,559	11,705	-	-	1,360,264
Distribution systems	44,912,915	468,902	(125,772)	650,832	45,906,877
Equipment	3,967,447	304,503	(111,553)	-	4,160,397
Total other capital assets at historical cost	50,228,921	785,110	(237,325)	650,832	51,427,538
Less accumulated depreciation for:					
Buildings	(532,726)	(35,681)	-	-	(568,407)
Distribution systems	(25,620,075)	(1,267,492)	125,772	-	(26,761,795)
Equipment	(2,773,819)	(321,969)	106,754	-	(2,989,034)
Total accumulated depreciation	(28,926,620)	(1,625,142) *	232,526	-	(30,319,236)
Other capital assets, net	21,302,301	(840,032)	(4,799)	650,832	21,108,302
Business-type capital assets, net	<u>\$ 27,075,817</u>	<u>\$ 83,929</u>	<u>\$ (4,799)</u>	<u>\$ -</u>	<u>\$ 27,154,947</u>

* Depreciation expense was charged to functions as follows:

Electric	\$ 793,023
Water	371,010
Sewer	461,109
Total business-type activities depreciation expense	<u>\$ 1,625,142</u>

Construction in progress at September 30, 2021, consists of \$2,146,612 on the Electric Fund, for the rail campus project, \$78,274 of costs on the Dale's Hotel electric update project, \$713,633 of costs on the Seward Industrial Substation electrical project, \$70,631 of costs on the Waverly Road electrical project, \$9,902 for a downpayment on radio detection software, \$68,839 of costs on the SW3 well project, \$265,593 of costs on the water tower project, \$615,980 of costs on the 6th Street water main project, and \$146,079 of costs on the Waverly Road sewer extension. See Note D3 for additional detail of the construction in progress at September 30, 2021.

CITY OF SEWARD, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2021

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

4. Capital Assets, continued

	<u>Balance at</u> <u>October 1, 2020</u>	<u>Additions</u>	<u>Disposals</u>	<u>Reclass</u>	<u>Balance at</u> <u>September 30, 2021</u>
<u>Airport Authority:</u>					
Capital assets not being depreciated:					
Land	\$ 105,156	\$ -	\$ -	\$ -	\$ 105,156
Construction in progress	1,121,910	-	-	(1,121,910)	-
	<u>1,227,066</u>	<u>-</u>	<u>-</u>	<u>(1,121,910)</u>	<u>105,156</u>
Other capital assets being depreciated:					
Buildings	2,881,320	297,863	-	1,121,910	4,301,093
Improvements	2,543,114	-	-	-	2,543,114
Equipment	165,593	73,380	-	-	238,973
Total other capital assets at historical cost	<u>5,590,027</u>	<u>371,243</u>	<u>-</u>	<u>1,121,910</u>	<u>7,083,180</u>
Less accumulated depreciation for:					
Buildings	(1,272,476)	(115,389)	-	-	(1,387,865)
Improvements	(1,398,013)	(85,144)	-	-	(1,483,157)
Equipment	(117,955)	(11,860)	-	-	(129,815)
Total accumulated depreciation	<u>(2,788,444)</u>	<u>(212,393)</u>	<u>-</u>	<u>-</u>	<u>(3,000,837)</u>
Other capital assets, net	<u>2,801,583</u>	<u>158,850</u>	<u>-</u>	<u>1,121,910</u>	<u>4,082,343</u>
Airport Authority capital assets, net	<u>\$ 4,028,649</u>	<u>\$ 158,850</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,187,499</u>

5. Accounts Payable

Payables in the general, capital projects, other governmental, and proprietary funds are primarily composed of payables to vendors.

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

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

6. Long-term Debt

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

Changes in Long-term Debt

The following is a summary of changes in long-term debt for the year ended September 30, 2021:

<u>Type of Debt</u>	<u>Balance 9/30/2020</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 9/30/2021</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds payable	\$ 6,744,550	\$ -	\$ (870,550)	\$ 5,874,000	\$ 867,000
Note payable	131,478	-	(51,492)	79,986	53,016
Capital leases	467,105	163,159	(260,320)	369,944	119,490
Total governmental	<u>\$ 7,343,133</u>	<u>\$ 163,159</u>	<u>\$ (1,182,362)</u>	<u>\$ 6,323,930</u>	<u>\$ 1,039,506</u>
Business-type Activities					
Bonds payable	<u>\$ 9,910,450</u>	<u>\$ 3,055,000</u>	<u>\$ (3,965,450)</u>	<u>\$ 9,000,000</u>	<u>\$ 960,000</u>
Component Units:					
Airport Authority	<u>\$ 380,398</u>	<u>\$ 143,000</u>	<u>\$ (165,503)</u>	<u>\$ 357,895</u>	<u>\$ 221,625</u>

Governmental Activities

As of September 30, 2021, the governmental long-term liabilities consisted of the following:

Bonds payable:

General obligation refunding bonds - series 2012, with original issue amount of \$1,373,850 (71 percent of the issue). Interest ranges from 0.30 to 2.15 percent with final maturity December 15, 2022. \$ 325,000

Highway allocation bonds - series 2012, with original issue amount of \$190,000. Interest is 2.35 percent with maturity December 15, 2023. 190,000

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

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

6. Long-term Debt, continued

Governmental Activities, continued

Bonds payable, continued:

General obligation refunding bonds - series 2020, with original issue amount of \$4,725,000. Interest ranges from 1.15 to 1.80 percent with final maturity April 15, 2030. 4,270,000

Public safety tax bonds - series 2014, with original issue amount of \$404,000. Interest ranges from 1.15 to 2.55 percent with final maturity April 1, 2024. 129,000

General obligation refunding bonds - series 2014, with original issue amount of \$500,000. Interest ranges from 0.20 to 2.25 percent with final maturity December 15, 2022. 80,000

Highway allocation bonds – series 2016, with original issue amount of \$825,000. Interest ranges from 2.0 to 4.0 percent with final maturity October 1, 2031. 560,000

General obligation refunding bonds - series 2016, with original issue amount of \$1,085,000. Interest ranges from 0.60 to 1.50 percent with final maturity December 15, 2022. 320,000

Total bonds payable 5,874,000

Note payable:

On February 19, 2016, the City borrowed \$350,000 from Jones National Bank to finance the golf course purchase. The note bears interest of 2.75 percent and is due in 14 semi-annual installments of \$27,430 through November 1, 2022. 79,986

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

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

6. Long-term Debt, continued

Governmental Activities, continued

Capital Leases:

Capital lease obligation due to Cattle National Bank dated December 29, 2017, with original issue amount of \$56,737 to finance a Toro Workman mower for golf. The lease bears interest of 2.85 percent with annual principal and interest payments due July 1, 2018 through July 1, 2022. 11,832

Capital lease obligation due to Cattle National Bank dated January 18, 2019, with original issue amount of \$65,625 to finance a Groundmaster mower. The lease bears interest of 3.75 percent and is due in five annual principal and interest payments of \$15,000 commencing June 30, 2019 through June 30, 2023. 25,114

Capital lease obligation due to Exchange Bank dated September 1, 2020, with original issue amount of \$148,882 to finance golf carts. The lease bears interest of 3.25 percent and is due in 30 monthly principal and interest payments of \$3,300, commencing April 1, 2021 through September 1, 2025 (no lease payments are due October through March each year), with a final installment of \$64,762 due September 1, 2025. 130,450

Capital lease obligation due to Jones National Bank dated November 20, 2019, with original issue amount of \$63,797 to finance a Kubota tractor and mower. The lease bears interest of 3.29 percent and is due in five annual principal and interest payments of \$13,760, commencing March 21, 2020 through March 31, 2024. 38,705

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

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

6. Long-term Debt, continued

Governmental Activities, continued

Capital Leases, continued:

Capital lease obligation due to Cattle National Bank dated October 1, 2020, with original issue amount of \$115,700 to finance a 2020 Case 621GXR wheel loader. The lease bears interest of 2.20 percent and is due in five annual principal and interest payments of \$24,245, commencing November 30, 2020 through November 30, 2024. 91,872

Capital lease obligation due to Jones National Bank dated June 7, 2017, with original issue amount of \$161,925 to finance a street sweeper. The lease bears interest of 2.22 percent and is due in ten semi-annual principal and interest payments of \$17,796, commencing November 1, 2017 through May 1, 2022. 34,085

Capital lease obligation due to Jones National Bank dated December 4, 2020, with original issue amount of \$47,459 to finance a Toro Reelmaster 3555-D. The lease bears interest of 2.13 percent and is due in five annual principal and interest payments of \$9,980, commencing April 30, 2021 through April 30, 2025. 37,886

Total capital lease obligations 369,944

Total governmental activities long-term obligations \$ 6,323,930

Current portion \$ 1,039,506

Noncurrent portion 5,284,424

Total \$ 6,323,930

The Debt Service Fund is making the bond payments, the General Fund is making the note payments, and the General Fund and Street Fund are making the capital lease payments.

CITY OF SEWARD, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2021

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

6. Long-term Debt, continued

Business-type Activities

As of September 30, 2021, the long-term debt payable from proprietary fund resources consisted of the following:

Bonds and notes payable:

Electric revenue refunding bonds - series 2012, with original issue amount of \$1,855,000. Interest ranges from 0.40 to 2.55 percent with final maturity February 15, 2025.	\$ 400,000
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Electric revenue refunding bonds - series 2016, with original issue amount of \$4,755,000. Interest ranges from 0.85 to 3.20 percent with final maturity February 15, 2036.	3,385,000
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Water general obligation bonds - series 2012, with original issue amount of \$464,400 (24 percent of the issue). Interest ranges from 0.30 to 2.15 percent with final maturity December 15, 2020.	-
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Water revenue refunding bonds - series 2020, with original issue amount of \$1,635,000. Interest ranges from 1.2 to 2.15 percent with final maturity February 15, 2036.	1,550,000
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Water revenue refunding bonds - series 2015, with original issue amount of \$1,305,000. Interest ranges from 2.0 to 2.35 percent with final maturity June 1, 2023. Bonds maturing June 1, 2022 and June 1, 2023 were called for early redemption on April 17, 2020.	-
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Water revenue refunding bonds - series 2016, with original issue amount of \$1,205,000. Interest ranges from 0.95 to 1.80 percent with final maturity June 1, 2026.	865,000
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CITY OF SEWARD, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2021

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

6. Long-term Debt, continued

Business-type Activities, continued

Bonds and notes payable, continued:

Sewer general obligation bonds – series 2012, with original issue amount of \$96,750 (5 percent of the issue). Interest ranges from 0.30 to 2.15 percent with final maturity December 15, 2020.	-
Sewer revenue bonds – series 2013, with original issue amount of \$90,000. Interest is 3.20 percent with maturity September 1, 2032. These bonds were called for refinancing during the year ended September 30, 2021.	-
Sewer revenue refunding bonds – series 2016, with original issue amount of \$3,860,000. Interest ranges from 2.0 to 2.75 percent with final maturity September 15, 2031. These bonds were called for refinancing during the year ended September 30, 2021.	-
Sewer revenue refunding bonds – series 2021, with original issue amount of \$3,055,000. Interest ranges from 0.25 to 1.50 percent with final maturity September 1, 2032.	<u>2,800,000</u>
Total business-type activity debt	<u>\$ 9,000,000</u>
Current portion	\$ 960,000
Noncurrent portion	<u>8,040,000</u>
Total	<u>\$ 9,000,000</u>

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

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

6. Long-term Debt, continued

Component Unit

Airport debt:

Series 2011 bonds payable with original principal amount of \$545,000, bearing interest ranging from 1.20 to 3.55 percent with final maturity January 15, 2024. \$ 120,000

Series 2009 bonds payable with original principal amount of \$20,000, bearing interest of 4.75 percent with maturity January 15, 2024. 20,000

Note payable with original principal amount of \$155,761, to fund project costs until Federal and state grant money is received, bearing interest of 4.35 percent, due December 31, 2021. 155,761

Nebraska Department of Aeronautics loan with original principal amount of \$220,253, due in 120 monthly installments of \$1,322, bearing no interest through August 31, 2025. 62,134

Total Airport notes and bonds payable \$ 357,895

Current portion \$ 221,625

Noncurrent portion 136,270

Total \$ 357,895

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

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

6. Long-term Debt, continued

Annual debt service requirements to maturity, including principal and interest, for long-term debt as of September 30, 2021, are as follows:

<u>Year Ending</u> <u>September 30,</u>	Governmental Activities			
	Direct Placement Debt		Other Debt Issues	
	Principal	Interest	Interest	Interest
2022	\$ 172,506	\$ 12,099	\$ 867,000	\$ 88,219
2023	99,151	7,449	933,000	86,031
2024	62,780	5,005	759,000	71,903
2025	115,493	3,295	530,000	60,874
2026	-	-	535,000	52,800
2027-2031	-	-	2,185,000	122,228
2032-2036	-	-	65,000	1,300
	\$ 449,930	\$ 27,848	\$ 5,874,000	\$ 483,355

<u>Year Ending</u> <u>September 30,</u>	Business-type Activities		Component Unit	
	Other Debt Issues		Other Debt Issues	
	Principal	Interest	Principal	Interest
2022	\$ 960,000	\$ 152,346	\$ 221,625	\$ 4,323
2023	980,000	139,243	60,864	2,636
2024	1,015,000	126,364	60,864	919
2025	1,035,000	111,082	14,542	-
2026	1,040,000	95,005	-	-
2027-2031	2,720,000	314,041	-	-
2032-2036	1,250,000	84,505	-	-
	\$ 9,000,000	\$ 1,022,586	\$ 357,895	\$ 7,878

7. Interfund Transactions and Balances

The General Fund transferred \$805,000 to the Street Fund during the year ended September 30, 2021. Also, the Street Fund transferred \$145,318 to the Debt Service Fund during the year ended September 30, 2021.

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

NOTE D – OTHER NOTES

1. Employee Pension and Other Benefit Plans

Under Nebraska statutes, the City is to maintain a retirement plan for City policemen. This plan is funded through employee and employer contributions. The total contributions under this plan are deposited under a money purchase retirement plan with Ameritas Retirement. This plan requires that covered employees and the City contribute an amount equal to seven percent of the employee's monthly salary until such employee becomes eligible for regular retirement, at which time contributions shall cease. The eligible and covered payroll amounted to \$653,100 for the year ended September 30, 2021. Both the City and the covered employees' required contribution of \$45,717 was made for the year ended September 30, 2021. The employer contributions vest at the following rate: 0 to 2 years - 0 percent, 2 to 3 years - 40 percent, 4 years - 60 percent, 5 to 6 years - 80 percent, 7 years - fully vested. The employees also have the ability to make voluntary contributions to a deferred compensation plan in accordance with Internal Revenue Code Section 457. No voluntary 457 contributions were made during the year ended September 30, 2021.

The City maintains a defined contribution plan for the City employees in accordance with Internal Revenue Code Sections 457 and 401(a). The plan is available to all full-time City employees after six months of service. This plan is funded through employee and employer contributions. The total contributions under this plan are deposited with Ameritas Retirement. This plan requires that both covered employees and the City contribute six percent of the employee's salary to the plan. The total payroll amounted to \$2,969,442 and the covered payroll amounted to \$2,230,870 for the year ended September 30, 2021. The City and the employees contributed \$133,852 and \$133,852, respectively, for the year ended September 30, 2021. The employees also contributed \$29,759 to a deferred compensation plan in accordance with Internal Revenue Code Section 457 during the year ended September 30, 2021.

2. Risk Management

Insurance

The City is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or natural disasters. The City purchases commercial insurance to protect against risks listed above. Insurance is maintained for the various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; dishonest employees; injuries to employees; and natural disasters. During the year ended September 30, 2021, the City did not reduce insurance coverage from levels in place during the prior year. No settlements have exceeded coverage levels in place during the past three fiscal years.

CITY OF SEWARD, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2021

NOTE D – OTHER NOTES, continued

2. Risk Management, continued

Deposits and Investments

Custodial Credit Risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. All of the underlying securities for the City’s investments at September 30, 2021, are held by the counterparties not in the name of the City. The underlying securities consist of cash, direct obligations of or guaranteed by the full faith and credit of the U.S. Government, and other similar obligations of the U.S. Government or its agencies.

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City’s investment policy requires that market conditions and investment securities be analyzed to determine the maximum yield to be obtained and to minimize the impact of rising interest rates. The certificate of deposit maturities are as follows:

<u>Maturities by Month</u>	<u>Amount</u>
December 2021	\$ 1,189,257
March 2022	118,554
April 2022	455,317
May 2022	83,210
June 2022	892,304
July 2022	124,127
August 2022	156,552
October 2022	337,520
November 2022	701,438
January 2023	165,606
March 2023	300,545
May 2023	263,976
July 2023	220,072
December 2023	113,940
March 2025	71,939
September 2026	<u>311,175</u>
	\$ <u>5,505,532</u>

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

CITY OF SEWARD, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2021

NOTE D – OTHER NOTES, continued

2. Risk Management, continued

Deposits and Investments, continued

Concentration of Credit Risk. The City’s investment policy places no limit on the amount that may be invested in any one issuer. At September 30, 2021, the City’s investments in certificates of deposit consisted of the following:

<u>Financial Institution</u>	<u>Amount</u>
Cattle National Bank	\$ 2,953,544
Jones National Bank	2,331,916
Union Bank	<u>220,072</u>
	<u>\$ 5,505,532</u>

Foreign Currency Risk. This risk relates to adverse effects on the fair value of an investment from changes in exchange rates. The City’s investments had no exposure to foreign currency risk and the City held no investments denominated in foreign currency at September 30, 2021.

3. Commitments and Contingencies

Construction/Contractual Commitments

The City has numerous construction projects and other contracts in progress. The City intends to fund the construction through operations or long-term financing.

<u>Project</u>	<u>Contract Amount</u>	<u>Paid Through 9/30/21</u>	<u>Obligation Pending</u>	<u>Expected Completion Date</u>
Water tower/transmission mains	\$ 79,440	\$ 23,841	\$ 55,599	April 2023
AMI electric metering system	838,505	-	838,505	September 2023
AMI water metering system	629,555	-	629,555	September 2024
Sewer cleaning truck body	393,695	-	393,695	December 2021
Progressive Rd underground lines	404,411	-	404,411	September 2022
Waverly Road improvements	4,010,271	2,914,512	1,095,759	December 2021
Cemetery mapping software	24,469	12,234	12,235	September 2022
Fire truck tanker	273,465	-	273,465	September 2022

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

NOTE D – OTHER NOTES, continued

3. Commitments and Contingencies, continued

Power Contract

In December 2015, the City entered into a contract with the Nebraska Public Power District (NPPD) for the purchase of electric power on a wholesale basis for a term of 20 years. The contract stipulates that if the City determines at any time that it wished to obtain power from another source, it must give written notice to NPPD five years prior to the time it proposes to change wholesale providers. Beginning on the date of the change, the City would be obligated to pay each month for an amount of power equal to an average of the maximum amounts of power purchased during the same month in each of the five years prior to the date of change. As of the date of this report, the City plans to continue its contract with NPPD and thus, no liability associated with this commitment has been accruing in the financial statements.

Lease Commitments

On February 1, 2016, the City entered into a seven year lease through December 31, 2022 for the golf course. The lease calls for annual rent of \$1,950. In addition, the City must pay the real estate tax on the property. The City also entered into a 60 month copier lease on February 1, 2020. The lease requires monthly payments of \$351 through January 2025.

The City paid rent of \$4,758 during the year ended September 30, 2021.

Lease commitments as of September 30, 2021, are as follows:

<u>Year ending September 30,</u>	<u>Commitment</u>
2022	\$ 6,162
2023	4,212
2024	4,212
2025	<u>1,404</u>
	\$ <u>15,990</u>

Contingencies

As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen worldwide. While the disruption this pandemic is causing is currently expected to be temporary, there is considerable uncertainty around the duration. Therefore, the financial impact to the City that could occur as a result of this issue is unknown and cannot be reasonably estimated at this time.

CITY OF SEWARD, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

NOTE D – OTHER NOTES, continued

4. Interlocal Agreements

The City has the following interlocal agreements in effect as of September 30, 2021:

Parties to Agreement	Agreement Period	Descriptions
Civil Defense	1981 - ongoing	Joint City/County Organization
Police Department	1990 – ongoing	Interlocal cooperative “RAP”/Rural Apprehension Program
Nebraska Community Energy Alliance	6/17/14 thru 6/17/2074	Advancement of Natural Gas & Electric Vehicle Infrastructure and Use
Seward County	06/01/2021 thru 05/31/2022	Prosecution Services/Per Year
Seward County	2004 – ongoing	Emergency Management Organization (Joint County-City)
Seward County	1997 – ongoing	EL overhead line-Section 27 & 28, Township N Range 3E
Seward County	1995 – ongoing	Combined Communications Center (Enhanced 911)
Seward County	1999 – ongoing	Police firearms range
Seward County	2011 – ongoing	Wellhead protection/City pays admin & Legal fees
Seward County Public Power	1980 – ongoing	Joint use of poles/SPPD to pay \$1.50/pole
South Crest Subdivision	1982 – ongoing	Sanity Imp Dist #3-WA & SE/City to provide routine maintenance
Staplehurst, Village of	2000 – ongoing	Use of burnsite for brush & untreated wood/Staplehurst pays \$1,000/yr
Statewide Communications Alliance	2002 – 2032	Jointly own, operate, regulate, manage and maintain statewide system
Upper Big Blue Natural Resources District	05/02/2017 thru 06/30/2020	Construction costs for hiking/bicycle trail \$150,000 paid by Upper Big Blue Natural Resource
Seward County Rural Fire Protection District	07/01/2020 thru 06/30/2021	Fire Protection/Equipment

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

NOTE D – OTHER NOTES, continued

5. Tax Abatements/Conduit Debt

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

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

Information relevant to the abatements granted by the CDA for the year ended September 30, 2021 is as follows:

<u>TIF Project:</u>	<u>Years Remaining on TIF Agreements</u>	<u>2021 TIF Valuation</u>	<u>TIF Proceeds Received during the year 9-30-2021</u>
Progressive Sheet Metal	7	\$ 183,594	\$ 3,914
Sports Express	7	179,903	2,979
Cobblestone Inn	7	1,883,763	39,886
B & M Seed	7	449,098	7,451
Jones Bank	9	1,035,594	60,349
Jones Insurance	8	599,584	9,937
Grimes Construction	9	353,931	5,723
CNG, Inc.	10	4,964,753	76,767
Lindner	9	332,463	9,042
Two Creeks Holding	10	370,616	6,684
Bottle Rocket Brewing	10	290,847	13,754
Bradford	11	260,364	4,148
Peek Properties	9	95,061	2,651
Plex Homes	14	1,153,345	15,024
Project Superior	14	15,102,134	43,869
Green Futures	14	566,672	8,889
Kach 647	15	22,803	-
Kach 640/644	15	48,892	-
Else & Burger	15	314,315	-

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

NOTE D – OTHER NOTES, continued

5. Tax Abatements/Conduit Debt, continued

<u>TIF Project:</u>	<u>Years Remaining on TIF Agreements</u>	<u>2021 TIF Valuation</u>	<u>TIF Proceeds Received during the year 9-30-2021</u>
Seward Dairy Queen	15	589,125	-
GH Coffee	15	261,369	-
Levanders Body Shop	15	207,116	-
Two Creeks Storage	13	134,362	2,120
Fast Mart	12	744,665	<u>15,707</u>
			<u>\$ 328,894</u>

6. Related Party Transactions

A council member is the redeveloper on three TIF projects in Note D5 (Bradford, Kach 647, and Kach 640/644). Another entity owned by this council member (Kach 646) received CDBG grant proceeds totaling \$63,474 for downtown revitalization during the year ended September 30, 2021.

7. Subsequent Events

Management has evaluated subsequent events through January 10, 2022, the date on which the financial statements were available for issue.

On October 5, 2021, the City purchased a Case 580SN backhoe for \$100,000 plus a trade in of a New Holland LB90 backhoe.

On October 19, 2021, Council approved the acquisition of real estate for \$167,000 to be used for the water tower project.

On November 16, 2021, the City was awarded a \$435,000 Community Development Block Grant for phase III of the downtown revitalization project.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF SEWARD, NEBRASKA
BUDGETARY COMPARISON SCHEDULE -
GENERAL FUND

Year ended September 30, 2021

	Budget (Original and <u>Final</u>)	<u>Actual</u>	Variances - Actual Over (Under) Final <u>Budget</u>
RESOURCES (INFLOWS)			
Taxes:			
Property	\$ 1,726,889	\$ 1,724,619	\$ (2,270)
Motor vehicle	148,000	183,067	35,067
Sales tax	744,844	1,018,240	273,396
Franchise	1,188,687	1,283,360	94,673
Occupation	327,000	317,240	(9,760)
Intergovernmental	66,335	68,538	2,203
Charges for services	907,626	984,748	77,122
Interest income	20,650	9,613	(11,037)
Grants	180,100	712,292	532,192
Contributions	386,860	249,592	(137,268)
Sale of property	-	200,514	200,514
Other	4,270	16,509	12,239
	5,701,261	6,768,332	1,067,071
CHARGES TO APPROPRIATIONS (OUTFLOWS)			
General government	362,747	304,957	(57,790)
Public safety	1,838,538	1,284,221	(554,317)
Public works	461,504	887,383	425,879
Environment and leisure	2,263,370	2,297,138	33,768
Capital outlay	730,685	279,835	(450,850)
Principal payments on debt	-	69,735	69,735
Interest expense	-	9,129	9,129
	5,656,844	5,132,398	(524,446)
Resources over charges to appropriations	44,417	1,635,934	1,591,517
OTHER FINANCING USES			
Transfers out	(805,000)	(805,000)	-
RESOURCES OVER CHARGES TO APPROPRIATIONS AND OTHER FINANCING USES	\$ (760,583)	\$ 830,934	\$ 1,591,517

CITY OF SEWARD, NEBRASKA

**BUDGETARY COMPARISON SCHEDULE -
STREET FUND**

Year ended September 30, 2021

	Budget (Original and <u>Final</u>)	<u>Actual</u>	Variances - Actual Over (Under) Final <u>Budget</u>
RESOURCES (INFLOWS)			
Taxes:			
Sales tax	\$ 198,000	\$ 306,078	\$ 108,078
Intergovernmental	756,561	912,322	155,761
Charges for services	22,750	31,836	9,086
Interest income	-	3	3
Grants	145,318	145,318	-
Other income	4,000	-	(4,000)
	<hr/>	<hr/>	<hr/>
Total resources	1,126,629	1,395,557	268,928
CHARGES TO APPROPRIATIONS (OUTFLOWS)			
Public works	723,072	688,801	(34,271)
Capital projects	1,761,072	1,727,511	(33,561)
Principal payments on debt	-	190,585	190,585
Interest on long-term debt	-	8,731	8,731
	<hr/>	<hr/>	<hr/>
Total charges to appropriations	2,484,144	2,615,628	131,484
Resources under charges to appropriations	(1,357,515)	(1,220,071)	137,444
OTHER FINANCING SOURCES (USES)			
Transfers in	805,000	805,000	-
Transfers out	(145,318)	(145,318)	-
Net transfers	<hr/>	<hr/>	<hr/>
	659,682	659,682	-
RESOURCES AND OTHER FINANCING SOURCES (USES) UNDER CHARGES TO APPROPRIATIONS			
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	\$ (697,833)	\$ (560,389)	\$ 137,444

CITY OF SEWARD, NEBRASKA

**BUDGETARY COMPARISON SCHEDULE -
DEBT SERVICE FUND**

Year ended September 30, 2021

	Budget (Original and <u>Final</u>)	<u>Actual</u>	Variances - Actual Over (Under) Final <u>Budget</u>
RESOURCES (INFLOWS)			
Sales tax	\$ 695,156	\$ 695,156	\$ -
Interest income	5,000	3,682	(1,318)
	<hr/>	<hr/>	<hr/>
Total resources	700,156	698,838	(1,318)
CHARGES TO APPROPRIATIONS (OUTFLOWS)			
Principal payments	922,138	922,042	(96)
Interest and fees	118,336	118,132	(204)
	<hr/>	<hr/>	<hr/>
Total charges to appropriations	1,040,474	1,040,174	(300)
Resources under charges to appropriations	(340,318)	(341,336)	(1,018)
OTHER FINANCING SOURCES			
Transfer in	145,318	145,318	-
	<hr/>	<hr/>	<hr/>
RESOURCES AND OTHER FINANCING SOURCES UNDER CHARGES TO APPROPRIATIONS	<u>\$ (195,000)</u>	<u>\$ (196,018)</u>	<u>\$ (1,018)</u>

CITY OF SEWARD, NEBRASKA

**BUDGETARY COMPARISON SCHEDULES -
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION**

Year ended September 30, 2021

**Note A - Explanation of Differences between Budgetary Inflows and Outflows and
GAAP Revenue and Expenditures**

	<u>General Fund</u>	<u>Street Fund</u>	<u>Debt Service Fund</u>
Sources/inflows of resources:			
Actual amounts of resources (budgetary basis) from the budgetary comparison schedules	\$ 6,768,332	\$ 1,395,557	\$ 698,838
Differences - budget to GAAP:			
Cash to accrual adjustments	<u>(255,370)</u>	<u>(17,538)</u>	<u>-</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 6,512,962</u>	<u>\$ 1,378,019</u>	<u>\$ 698,838</u>
Uses/outflows of resources:			
Actual amounts (budgetary basis) total charges to appropriations from the budgetary comparison schedules	\$ 5,132,398	\$ 2,615,628	\$ 1,040,174
Differences - budget to GAAP:			
Cash to accrual adjustments	<u>16,077</u>	<u>449,148</u>	<u>-</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 5,148,475</u>	<u>\$ 3,064,776</u>	<u>\$ 1,040,174</u>

SUPPLEMENTARY INFORMATION

CITY OF SEWARD, NEBRASKA
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS

September 30, 2021

	Special Revenue Funds			Permanent Fund	Total Nonmajor Governmental Funds
	<u>CDBG</u>	<u>LB840</u>	<u>TIF</u>	Perpetual Care	
ASSETS					
Interest receivable	\$ -	\$ -	\$ -	\$ 29	\$ 29
Restricted assets:					
Cash and cash equivalents	17,538	105,445	201,346	224,403	548,732
Certificates of deposit	-	-	-	15,000	15,000
Total assets	\$ 17,538	\$ 105,445	\$ 201,346	\$ 239,432	\$ 563,761
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ 6	\$ -	\$ -	\$ 6
Fund balances:					
Nonspendable:					
Cemetery perpetual care	-	-	-	239,432	239,432
Restricted for:					
Federal programs	17,538	-	-	-	17,538
Economic development	-	105,439	201,346	-	306,785
Total fund balances	17,538	105,439	201,346	239,432	563,755
Total liabilities and fund balances	\$ 17,538	\$ 105,445	\$ 201,346	\$ 239,432	\$ 563,761

CITY OF SEWARD, NEBRASKA

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

For the year ended September 30, 2021

	<u>Special Revenue Funds</u>			<u>Permanent Fund</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>CDBG</u>	<u>LB840</u>	<u>TIF</u>	<u>Perpetual Care</u>	
REVENUES					
Sales tax	\$ -	\$ 150,000	\$ -	\$ -	\$ 150,000
TIF proceeds	-	-	328,894	-	328,894
Grant revenue	87,868	-	-	-	87,868
Charges for services	-	-	17,805	22	17,827
Contributions	-	-	-	9,600	9,600
Loan collections	-	119,377	-	-	119,377
Interest income	-	169	333	614	1,116
Total revenues	<u>87,868</u>	<u>269,546</u>	<u>347,032</u>	<u>10,236</u>	<u>714,682</u>
EXPENDITURES					
General government	87,868	-	-	-	87,868
Economic development	-	195,031	365,238	-	560,269
Public works	-	-	-	145	145
Total expenditures	<u>87,868</u>	<u>195,031</u>	<u>365,238</u>	<u>145</u>	<u>648,282</u>
Net change in fund balances	-	74,515	(18,206)	10,091	66,400
Fund balances - September 30, 2020	<u>17,538</u>	<u>30,924</u>	<u>219,552</u>	<u>229,341</u>	<u>497,355</u>
Fund balances - September 30, 2021	<u>\$ 17,538</u>	<u>\$ 105,439</u>	<u>\$ 201,346</u>	<u>\$ 239,432</u>	<u>\$ 563,755</u>

CITY OF SEWARD, NEBRASKA

**COMBINING STATEMENT OF NET POSITION -
COMPONENT UNITS**

September 30, 2021

	<u>Seward Airport Authority</u>	<u>Seward Library Foundation</u>	<u>Total Component Units</u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 182,913	\$ 74,890	\$ 257,803
Certificates of deposit	30,000	55,314	85,314
County treasurer cash	3,405	-	3,405
Investments	-	723,527	723,527
Receivables:			
Property tax	4,118	-	4,118
Accounts receivable	620	-	620
Interest	10	-	10
Prepaid insurance	14,872	-	14,872
Total current assets	<u>235,938</u>	<u>853,731</u>	<u>1,089,669</u>
Noncurrent assets:			
Permanently restricted investments	-	85,616	85,616
Capital assets:			
Land	105,156	-	105,156
Other capital assets, net of depreciation	4,082,343	-	4,082,343
Net capital assets	<u>4,187,499</u>	<u>-</u>	<u>4,187,499</u>
Total noncurrent assets	<u>4,187,499</u>	<u>85,616</u>	<u>4,273,115</u>
Total assets	4,423,437	939,347	5,362,784
LIABILITIES			
Current liabilities:			
Accrued interest payable	3,720	-	3,720
Unearned revenue	21,014	-	21,014
Current portion of long-term debt	221,625	-	221,625
Total current liabilities	<u>246,359</u>	<u>-</u>	<u>246,359</u>
Noncurrent liabilities:			
Noncurrent portion of long-term debt	136,270	-	136,270
Total liabilities	<u>382,629</u>	<u>-</u>	<u>382,629</u>
NET POSITION			
Net investment in capital assets	3,829,604	-	3,829,604
Permanently restricted-Guthal	-	85,616	85,616
Unrestricted	211,204	853,731	1,064,935
Total net position	<u>\$ 4,040,808</u>	<u>\$ 939,347</u>	<u>\$ 4,980,155</u>

CITY OF SEWARD, NEBRASKA

**COMBINING STATEMENT OF ACTIVITIES -
COMPONENT UNITS**

For the year ended September 30, 2021

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Charges for Services</u>	<u>Program Revenues Operating Grants and Contributions</u>
Seward Airport Authority:			
Airport	\$ 402,104	\$ 107,008	\$ -
Seward Library Foundation:			
Library support	19,623	-	628,071
Total component units	\$ 421,727	\$ 107,008	\$ 628,071

Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position		
	Airport Authority	Community Development Agency	Total Component Units
\$ 186,164	\$ (108,932)	\$ -	\$ (108,932)
-	-	608,448	608,448
<u>\$ 186,164</u>	<u>(108,932)</u>	<u>608,448</u>	<u>499,516</u>
General revenues:			
Taxes:			
Property	190,222	-	190,222
Interest income	555	1,540	2,095
Dividends	-	361	361
Gain on investments	-	54,914	54,914
Other income	7,399	-	7,399
Total general revenues	<u>198,176</u>	<u>56,815</u>	<u>254,991</u>
Change in net position	89,244	665,263	754,507
Net position - beginning of year	<u>3,951,564</u>	<u>274,084</u>	<u>4,225,648</u>
Net position - end of year	<u>\$ 4,040,808</u>	<u>\$ 939,347</u>	<u>\$ 4,980,155</u>

**INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

SHAREHOLDERS:
Robert D. Almquist
Phillip D. Maltzahn
Marcy J. Luth
Heidi A. Ashby
Christine R. Shenk
Michael E. Hoback
Joseph P. Stump
Kyle R. Overturf
Tracy A. Cannon

To the Honorable Mayor and Members of the City Council
City of Seward, Nebraska

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Seward, Nebraska, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City’s financial statements, and have issued our report thereon dated January 10, 2022.

Internal Control Over Financial Reporting

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

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

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

Segregation of Duties

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

Compliance and Other Matters

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

City of Seward's Response to Findings

The City of Seward's response to the findings identified in our audit is that due to the small size of the City, it is impractical to further segregate duties. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

AMGL, P.C.

Grand Island, Nebraska
January 10, 2022

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

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Seward for the year ended September 30, 2021, and have issued our report thereon dated January 10, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated August 9, 2021. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City of Seward are described in Note A to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended September 30, 2021. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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

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

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

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

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. Twenty-two audit adjustments decreased the fund balances of the City's governmental funds by \$818,346. Twelve audit adjustments increased the net position of the City's business-type funds by \$954,994. The following material misstatements detected as a result of audit procedures were corrected by management:

1. Sales tax receivable and revenue were both decreased \$39,885 on the governmental funds.
2. County treasurer cash and property tax revenue were both decreased \$85,385 on the General Fund.
3. General Fund accounts payable was increased \$6,688, Street Fund accounts payable was increased \$452,083, Electric fund accounts payable was increased \$54,348, Water accounts payable was increased \$8,788, and Sewer accounts payable was increased \$60,282 with corresponding increases to various expenses.
4. Unbilled receivables and revenue were increased \$65,987 on the business-type funds.
5. Capital assets were increased and expenses decreased \$1,705,409 on the business-type funds.
6. Depreciation expense of \$1,625,142 was recorded on the business-type funds.
7. Long-term debt was decreased \$990,450 with corresponding decreases to expenses on the business-type funds.
8. Grants receivable and revenue were decreased \$197,878 on the General Fund.

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated January 10, 2022.

Management Consultations with Other Independent Accountants

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

Other Audit Findings or Issues

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

In connection with our audit of the financial statements of the City of Seward as of September 30, 2021, we noted certain matters that we believe you should consider. Our observations were formed as a by-product of our audit procedures, which did not include a comprehensive review for the purpose of submitting detailed recommendations.

1. Currently, the City's chart of accounts is not broken down by funds. Accounts are mixed across funds in one trial balance. This makes it very difficult to budget, audit, and manage revenue and expenses by fund, which governmental entities must do. We recommend changing the accounting system to operate on a fund basis, with each fund being a self-balancing subset of the entire City's chart of accounts.
2. The account numbering system does not discern between assets, liabilities, equity, revenue and expenses. We recommend incorporating an account numbering system that makes it possible to identify what type of account it is by number. (For example, assets could have a 1 as the leading digit, liabilities could have 2, equity could have 3, revenue could have 4, and expenses could have 5.)

3. During our audit of inventory, we noted that the street department inventory pricing is not current. We recommend reviewing current invoices or contacting vendors to get updated pricing.
4. During our audit of accrued vacation, we noted that the October 2021 pay rates were used to calculate the accrued vacation. We recommend using the September 30 pay rates in the future.

Other Matters

We applied certain limited procedures to the Management Discussion and Analysis and the budgetary comparison schedules, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

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

Restriction on Use

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

AMGL, P.C.

Grand Island, Nebraska
January 10, 2022

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

In planning and performing our audit of the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Seward as of and for the year ended September 30, 2021, in accordance with auditing standards generally accepted in the United States of America, we considered the City's internal control over financial reporting (internal control) as a basis for designing our auditing 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 were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be 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 did not identify any deficiencies in internal control that we consider to be material weaknesses.

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 following deficiencies in the City of Seward's internal control to be significant deficiencies:

The size of the City's accounting and administrative staff precludes certain internal controls that would be preferred if the office staff were large enough to provide optimum segregation of duties. This lack of segregation of duties creates an opportunity for employees to commit fraud that may go undetected. This situation suggests that the City Council remain involved in the financial affairs of the City to provide oversight and independent review functions.

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Grand Island, Nebraska
January 10, 2022

City of Seward
September 30,

	Reference	Recommended	2021	2020	2019	2018	2017
Population			7,643	6,964	6,964	6,964	6,964
Valuation		\$ 328,576,928	\$ 546,539,892	\$ 512,267,318	\$ 492,355,409	\$ 466,375,160	\$ 450,516,392
Per Capita		\$ 61,476	\$ 71,509	\$ 73,559	\$ 70,700	\$ 66,969	\$ 64,692
1) Unrestricted Net Position/Total Net Position							
Government Wide	Page 14	35%	29.27%	34.88%	34.48%	36.03%	35.34%
Governmental Activities	Page 14	25%	23.97%	35.37%	27.45%	21.23%	18.49%
Business-Type Activities	Page 14	40%	34.06%	34.44%	40.39%	48.35%	48.60%
2) Top 5 Sources of Revenues - Governmental Activities							
Sales Tax	Page 9	\$300 per Capita	\$ 278	\$ 310	\$ 260	\$ 234	\$ 217
Property Taxes		\$254 per Capita	225	232	223	212	205
State Allocation		\$177 per Capita	121	118	118	110	106
Grants and Contributions		\$235 per Capita	289	214	82	97	94
Franchise Tax		\$105 per Capita	168	166	165	167	161
3) State Allocations							
Highway Allocation		\$130 Per Capita	\$ 111	\$ 109	\$ 109	\$ 100	\$ 97
Municipal Equalization		\$47 Per Capita	2	-	-	-	-
4) Governmental Expenses (Excludes capital outlay)							
Administration		\$90 Per Capita	\$ 41	\$ 39	\$ 38	\$ 38	\$ 35
Cemetery		\$25 Per Capita	17	19	25	19	18
Civic Center		\$20 Per Capita	18	21	18	17	19
Dowding Pool		\$30 Per Capita	28	22	32	29	32
Fire and Rescue		\$70 Per Capita	18	14	19	17	24
Library		\$60 Per Capita	67	69	71	71	74
Recreation		\$40 Per Capita	36	33	31	29	28
Police		\$225 Per Capita	154	174	172	172	164
Building Inspection		\$10 Per Capita	9	10	12	13	17
Golf		\$50 Per Capita	54	51	47	46	43
Senior Center		\$30 Per Capita	17	18	17	18	16
5) Outstanding GO Debt/Valuation							
	Page 13	< 5%-Good < 3%-Excellent	1.16%	1.43%	0.71%	0.87%	1.14%

	Reference	Recommended	2021	2020	2019	2018	2017
6) Unassigned Fund Balance/General Fund Expenditures	Pages 16 & 18	30%	89.94%	89.18%	80.29%	58.76%	60.68%
7) Months Expense in Street Cash Reserve	Pages 16 & 18	12.0	6.7	5.4	4.6	7.0	16.6
8) Levy Rates							
General		0.38	0.318000	0.318000	0.318000	0.318000	0.318000
Airport Authority		\$228/Capita	\$ 227	\$ 234	\$ 225	\$ 213	\$ 206
Total Levy		0.03	0.025022	0.035000	0.035209	0.034653	0.035000
		\$43/Capita	\$ 18	\$ 26	\$ 25	\$ 23	\$ 23
			0.343022	0.353000	0.353209	0.352653	0.353000
9) Net Depreciable Capital Assets/Original Cost							
Governmental Activities	Page 47	> 35%	57.55%	55.51%	56.98%	59.92%	62.51%
Business-type Activities	Page 49	> 35%	41.04%	42.41%	44.83%	47.54%	50.60%
10) Operating Income/Total Operating Revenue	Page 21						
Electric Fund		15.00%	8.48%	3.85%	1.73%	2.91%	4.15%
Water Fund		15.00%	31.69%	31.79%	28.11%	27.56%	6.22%
Sewer Fund		15.00%	24.42%	20.74%	16.27%	16.68%	15.21%
11) Debt Coverage Ratio							
Electric Fund	Pages 21 & 22	1.50	3.44	2.36	1.99	2.09	1.85
Water Fund		1.50	2.83	0.49	2.15	2.02	1.06
Sewer Fund		1.50	0.27	2.29	2.15	2.00	1.88
12) Cash, Investments & Treasurer Cash							
General Fund (unassigned):	Pages 16/18/47						
Operating		2,435,000					
Replacement		-					
(Budgetary stabilization = \$895,978)		2,435,000	4,630,552	4,227,087	3,604,961	3,089,194	2,492,533
Business-type Activities (Excluding Depreciation/Amortization)	Pages 20/21/49						
Operating		5,555,000					
Restricted		2,885,000					
Replacement		4,605,000					
		13,045,000	12,168,842	10,828,159	12,077,337	13,884,075	13,705,016

2. Amended Downtown Revitalization Facade Improvement/Commercial Rehabilitation Program Guidelines - City Administrator Butcher

DOWNTOWN REVITALIZATION FAÇADE IMPROVEMENT/COMMERCIAL REHABILITATION PROGRAM

I. Program Overview

Statement of Purpose:

To improve downtown buildings by restoring, renovating, replacing, or reconstructing facades, structural repairs, exterior building repairs, and internal code compliance. These improvements will be in accordance with historic preservation to achieve five (5) significant goals and are part of an overall strategy to attract consumers and new businesses, as well as to support existing businesses. These five (5) goals are:

1. Enhance the environmental and historical quality of the Downtown area.
2. Improve the economic potential of individual buildings and the Downtown area.
3. Strengthen property values.
4. Improve the blighted appearance of buildings.
5. Encourage pride in the downtown area.

Funding Mechanism:

A DTR façade improvement program administered by the City of Seward and funded by the Community Development Block Grant Downtown Revitalization funds.

Program Details:

- Available to property owners, business owners, and tenants within the designated DTR Revitalization Area as identified in the 2017 Phase 1 DTR Study prepared by RDG Planning and Design.
- Eligible improvements include the rehabilitation of buildings.
- Single family residences shall not be eligible for this program.
- The Seward City Council shall appoint a Downtown Revitalization Committee (“DTR Committee”), whom shall also be the currently serving members of the City of Seward LB 840 Application Review Board.
- Application deadline will be determined by the DTR Committee. If funds are still available after the first application cycle, additional cycles will be determined by the DTR Committee.
- **Requires a minimum 25% match.**
- Request amounts and design will be reviewed by the DTR Committee.
- The DTR Committee will make project funding recommendations to the Seward City Council, with the City Council making the awards.

CITY OF SEWARD MISSION STATEMENT

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- Work must be completed and invoices submitted before **April 24, 2024**.

II. Program Guidelines

The purpose of this program is to assist in the creation of a cohesive, cost-effective, and vibrant downtown district and if applicable to restore, improve, or create historic architectural features to facades of buildings anywhere within Downtown Seward as identified within the 2017 Downtown Revitalization Plan.

1. Eligible improvements include the rehabilitation of sidewalk, building facades, and building structural components. Eligible improvements include but are not limited to:
 - Brick/masonry repair or restoration.
 - New or replacement of awnings and signs.
 - Exterior wall repairs, including the repair, restorative installation of decorative details and other design features.
 - Building mounted façade lighting.
 - Entries, door and window repairs and replacements.
 - Miscellaneous façade improvements.
 - Façade code violation eradication.
 - Repairs of building code compliance issues identified in an inspection conducted by the City of Seward.
 - Painting is eligible for exterior façade improvements in combination with above activities or permanent signage for restoration and historic preservation that are fixed to structure.
2. **Requires a minimum 25% match by the applicant.** Matching funds by the applicant may not be from City of Seward LB 840 Funds or City of Seward CDBG Reuse Loan Funds (RLF).
3. Projects shall be located in the designated downtown revitalization area as stated in the City of Seward 2017 Downtown Revitalization Plan. Copy of the designated map is attached hereto as Exhibit “A”.
4. **Request amounts and design will be reviewed by the DTR Committee. The DTR Committee will make project funding recommendations for approval by the Seward City Council. Priorities shall be given on a first-come, first-serve basis.**
5. Each application will be considered solely on its merits, without regard to age (provided the applicant is of age as prescribed by law), color, creed, marital status, national origin, political party affiliation, race or gender of the applicant(s).
6. Applicants will be notified via first class mail of the recommendation of the DTR Committee and the final approval/non-approval by the City Council in an authorizing document signed and dated by the Mayor.
7. **\$25,000 shall be set aside for administrative costs, and \$10,000 for construction management.**

CITY OF SEWARD MISSION STATEMENT

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8. \$400,000 shall be set aside for forgivable loans in amount greater than \$1,000 but no greater than \$50,000, for eligible applicants and eligible improvements.
9. The DTR project funds will be reimbursed to the applicant for eligible project costs and will become a five (5) year forgivable loan. The loan will be prorated at 20% forgiven each year. This is done to insure that the improvements will remain in place.
10. The five (5) year forgivable loan can be transferred by the property owner at the time of a sale to the purchaser if approved by the Seward City Council.
11. For each forgivable loan, the applicant will be required to sign a Promissory Note and the property owner will be required to sign a Deed of Trust.
12. Improvements must remain intact for a minimum period of five (5) years from the date of completion. Changes to funded improvements prior to five (5) years may trigger repayment.
13. Where practical, building facades shall be resorted to historic standards. If it is deemed not practical by the DTR Committee then a similar architectural design shall be used.
14. If a building does not have a historic significant architectural design or feature, another proposed design may be submitted to qualify for the program.
15. No work for which funding is sought shall begin until authorized by the CDBG Grant Administrator.
16. To qualify for funds, an application with appropriate conceptual plans and other documents must be submitted to the Seward City Clerk, 537 Main Street, Seward, NE 68434.
17. The work proposed by the applicant requires at least two (2) bids from outside sources to verify that costs are within reasonable parameters. The DTR Committee may waive this requirement in special circumstances.
18. All projects must comply with City of Seward Building Codes as currently adopted by the City as well as all relevant Nebraska Statutes, Rules and Regulations.
19. Contractors are required to comply with Davis-Bacon Wage Determinations, System for Award Management (SAM) registration, and E-Verify requirements.
20. Applicants are responsible for any architectural fees, preparing design specifications, any engineering, and any other costs.
21. Attestation of U.S. Citizenship form will be required if applicant is an individual or a sole proprietor.

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22. Projects are subject to a Tier II environmental review and approval from the State Historical Preservation Office (SHPO).
23. All amendments to the program guidelines shall be approved by the Seward City Council with prior approval or recommendation of the Nebraska Department of Economic Development.

III. Implementation Guidelines

For the benefit of the entire City of Seward, this Program encourages the improvement of facades and buildings in the downtown district, so as to accentuate the historic elements of the district through the restoration, renovation, replacement, or reconstruction of facades and buildings, as defined:

Façade shall mean the exterior wall of a building exposed to public view from the building's exterior. This will typically include a visual impact with items such as awnings, windows, and signage.

Restoration is the preferred treatment for building facades and improvements. Restoration is most applicable to buildings where there has been very little change to the building over time. This results in the return of the building to its original appearance through the use of authentic materials and the replication of missing or deteriorated components.

Renovation results in improvements which do not attempt to return the building to its original appearance. Improvements made should be sensitive to historic details and materials and should respect whatever original character remains.

Replacement of facades or improvements is appropriate when the majority of the original façade or building is missing or has been significantly altered so as to make restoration or renovation impractical. Designs should select materials, dimensions, and architectural details that are similar or compatible to surrounding buildings such as height, size and spacing, materials, and colors. **It should be noted that in some cases the current façade alterations may be considered historic in their own right, even if the current look is not original. Projects that intend to replace any aspects of the façade or structure are encouraged to consult with SHPO before application to identify potential project challenges.**

Reconstruction takes place when the building and its features no longer exist. With reconstruction, designs are created through new construction to replicate, mimic, resemble, or accentuate historic period details.

SHPO encourages applicants to contact their office before final project plans are made. Early contact with their office can help identify potential project delays and clarify what may be considered appropriate or inappropriate work for grant projects. SHPO may be reached at [402-471-4787](tel:402-471-4787).

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IV. Design and Document Approval Flow Chart

1. The City undertook a thorough Phase I DTR planning process to gauge community interest and **completed a Phase II DTR implementation**. Based on the strong support for the City's proposed DTR Phase III project, stakeholders, City leaders, and CBD business/building owners vetted the proposed plan. The City of Seward and Seward County Chamber & Development Partnership (SCCDP) will promote the program with ongoing advertisement through the Partnership's Facebook page, Seward (Nebraska) Community Chat's group (4,889 members), monthly Blue River Buzz e-newsletter (over 800 subscribers), and through hand-delivering applications.
2. Application is filled out and submitted to City Clerk, 537 Main Street, Seward, NE 68434, along with sketches and a description of the intended use of the funds, which may be amended.
 - a. Note: Sketches and description of the planned improvements need only be conceptual but must show enough detail so the DTR Committee can make comments and recommendations.
3. The DTR Committee conducts a preliminary review of the applications.
4. Applications receiving preliminary approval by the DTR Committee are forwarded to the CDBG Grant Administrator for a Tier II environmental review.
5. If the applicant wishes to participate in the program, then the applicant arranges for preparation of construction drawings and price quotations and provides a copy for review. If no changes are suggested by the DTR Committee, the applicant completes the application material outlined under "Supporting Data Checklist" and submits two (2) copies to the City of Seward.
6. The DTR Committee reviews the formal application and makes a recommendation to the City Council.
7. The City Council awards funding.
8. CDBG Administrator meets with the applicant and contractors to review and complete paperwork and legal documents at a preconstruction meeting.
9. After formal approval and completion of all necessary documents the CDBG Administrator issues a Notice to Proceed to the applicant.
10. After receiving the Notice to Proceed the project is started according to approved design. Any changes must be reviewed by the DTR Committee, SHPO, undergo further Tier II environmental review, and be approved by the City Council in an authorizing document signed and dated by the Mayor.

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11. The applicant must ensure that the selected contractor is aware of Davis Bacon Wage Requirements prior to final selection of the contractor. SENDD will serve as the Labor Standards Compliance Officer.
12. The Contractor must be registered on the System for Award Management (SAM) prior to signing of the contract between the applicant and contractor.
13. The Contractor must work with the CDBG Grant Administrator.
14. The applicant must submit invoices and corresponding cancelled checks to the City.
15. At the project completion, the CDBG Grant Administrator will conduct a final review to ensure that the project has been completed as proposed in an authorizing document signed and dated by the Mayor.
16. The CDBG Grant Administrator prepares the grant drawdown documents.
17. The City of Seward will distribute grant funds as a forgivable loan to the applicant upon receipt from Nebraska Department of Economic Development.
18. The DTR Committee reviews façade and building improvements annually for a period of five (5) years to ensure that approved designs remain intact.

V. Supporting Data Checklist

The following information shall be submitted with the application.

Façade:

- Provide a drawing of changes
- Submit two (2) detailed written estimates from contractors of your choice
- Submit color photo of existing façade on all exposed sides
- Timeline for the proposed improvements

Paint:

- Provide samples of the colors chosen
- Mark which color will be the body color and which will be accent colors
- Note where each color will be used
- Submit two (2) detailed written estimates from contractors of your choice
- Submit color photo of existing façade on all exposed sides
- Timeline for the proposed improvements.

Windows:

- Provide details on windows being replaced
- Provide details on replacement windows
- Submit two (2) detailed written estimates from contractors of your choice
- Submit color photo of existing façade on all exposed sides

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- Timeline for the proposed improvements.

Sidewalk:

- Provide details on the sidewalk to be replaced
- Provide details on if the existing sidewalk is hollow
- Submit two (2) detailed written estimates from contractors of your choice
- Submit color photo of all existing sidewalk
- Timeline for the proposed improvements.

Structural/Building Code Compliance:

- Provide details of the structural components or code issues to be replaced or repaired
- Note where these items are located
- Provide details on the condition of the existing items
- Submit two (2) detailed written estimates from contractors of your choice
- Submit color photos of existing conditions
- Submit a copy of a code inspection conducted by the City of Seward
- Timeline for the proposed improvements.

All:

- Submit signed Hold Harmless Agreement
- If applying as an individual or sole proprietor, submit signed Attestation of U.S. Citizenship
- If applying as a business owner or tenant, provide written authorization from the property owner for the improvements
- Submit a copy of City building permit, if applicable.

Conflict of Interest

No member of the governing body of the City of Seward and no other official, employee or agent of those organizations who exercises policy, decision-making functions or responsibilities in connection with the planning and implementation of this program shall:

- be directly or indirectly eligible for this Program;
- accept gratuities, favors or anything of monetary value from contractors, potential contractors or parties to sub agreement;
- obtain a financial interest or benefit from a Program activity;
- have an interest in any contract, subcontract or agreement for themselves or for persons with business or family ties.

Grievance Procedure

Complaints concerning the Downtown Revitalization Program shall be in writing and addressed to the DTR Committee. A written response will be made within 15 working days. If the project owner is not satisfied, complaints may be filed with the City Council. The City Council shall meet, as soon as practicable, to review all factors in the complaint for a determination and solution.

CITY OF SEWARD MISSION STATEMENT

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3. Authorization for Mayor to Sign All Documents Related to the Request for Release of Funds and Certification for Downtown Revitalization Grant CDBG # 21DTR011 - City Administrator Butcher

Request for Release of Funds and Certification

U.S. Department of Housing and Urban Development
Office of Community Planning and Development

OMB No. 2506-0087
(exp. 08/31/2023)

This form is to be used by Responsible Entities and Recipients (as defined in 24 CFR 58.2) when requesting the release of funds, and requesting the authority to use such funds, for HUD programs identified by statutes that provide for the assumption of the environmental review responsibility by units of general local government and States. Public reporting burden for this collection of information is estimated to average 36 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

Part 1. Program Description and Request for Release of Funds (to be completed by Responsible Entity)

1. Program Title(s) <input type="text"/>	2. HUD/State Identification Number <input type="text"/>	3. Recipient Identification Number (optional) <input type="text"/>
4. OMB Catalog Number(s) <input type="text"/>	5. Name and address of responsible entity <input type="text"/>	
6. For information about this request, contact (name & phone number) <input type="text"/>		
8. HUD or State Agency and office unit to receive request <input type="text"/>	7. Name and address of recipient (if different than responsible entity) <input type="text"/>	

The recipient(s) of assistance under the program(s) listed above requests the release of funds and removal of environmental grant conditions governing the use of the assistance for the following

9. Program Activity(ies)/Project Name(s) <input type="text"/>	10. Location (Street address, city, county, State) <input type="text"/>
--	--

11. Program Activity/Project Description

Part 2. Environmental Certification (to be completed by responsible entity)

With reference to the above Program Activity(ies)/Project(s), I, the undersigned officer of the responsible entity, certify that:

1. The responsible entity has fully carried out its responsibilities for environmental review, decision-making and action pertaining to the project(s) named above.
2. The responsible entity has assumed responsibility for and complied with and will continue to comply with, the National Environmental Policy Act of 1969, as amended, and the environmental procedures, permit requirements and statutory obligations of the laws cited in 24 CFR 58.5; and also agrees to comply with the authorities in 24 CFR 58.6 and applicable State and local laws.
3. The responsible entity has assumed responsibility for and complied with and will continue to comply with Section 106 of the National Historic Preservation Act, and its implementing regulations 36 CFR 800, including consultation with the State Historic Preservation Officer, Indian tribes and Native Hawaiian organizations, and the public.
4. After considering the type and degree of environmental effects identified by the environmental review completed for the proposed project described in Part 1 of this request, I have found that the proposal did did not require the preparation and dissemination of an environmental impact statement.
5. The responsible entity has disseminated and/or published in the manner prescribed by 24 CFR 58.43 and 58.55 a notice to the public in accordance with 24 CFR 58.70 and as evidenced by the attached copy (copies) or evidence of posting and mailing procedure.
6. The dates for all statutory and regulatory time periods for review, comment or other action are in compliance with procedures and requirements of 24 CFR Part 58.
7. In accordance with 24 CFR 58.71(b), the responsible entity will advise the recipient (if different from the responsible entity) of any special environmental conditions that must be adhered to in carrying out the project.

As the duly designated certifying official of the responsible entity, I also certify that:

8. I am authorized to and do consent to assume the status of Federal official under the National Environmental Policy Act of 1969 and each provision of law designated in the 24 CFR 58.5 list of NEPA-related authorities insofar as the provisions of these laws apply to the HUD responsibilities for environmental review, decision-making and action that have been assumed by the responsible entity.
9. I am authorized to and do accept, on behalf of the recipient personally, the jurisdiction of the Federal courts for the enforcement of all these responsibilities, in my capacity as certifying officer of the responsible entity.

Signature of Certifying Officer of the Responsible Entity

Title of Certifying Officer

X

Date signed

Address of Certifying Officer

Part 3. To be completed when the Recipient is not the Responsible Entity

The recipient requests the release of funds for the programs and activities identified in Part 1 and agrees to abide by the special conditions, procedures and requirements of the environmental review and to advise the responsible entity of any proposed change in the scope of the project or any change in environmental conditions in accordance with 24 CFR 58.71(b).

Signature of Authorized Officer of the Recipient

Title of Authorized Officer

X

Date signed

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

4. Consideration of Approval of Farm Lease Agreements for a Term of Three Years -
City Attorney Hoffschneider
 - A. Tract 1 (NE of Dog Park) - 15 Acres, 22-11-3- Jarod Haas



January 26, 2022

VIA EMAIL

Jared Haas
1686 350th Road
Seward, NE 68434

RE: Farm Lease

Dear Mr. Haas:

Enclosed with this letter please find a proposed Cash Lease for the farm that you were the successful bidder on at the City of Seward Farm Lease auction. Please review and let me know if you have any questions or proposed changes to be made to the documents. If there are none, please sign where indicated and return the original Lease to our office. I will then forward to the Seward City Council for approval.

If there are any other questions, please do not hesitate to contact my office.

Very Truly Yours,

A handwritten signature in blue ink, appearing to read 'Kelly R. Hoffschneider', written over a horizontal line.

Kelly R. Hoffschneider
kelly@hoffschneiderlaw.com

KRH/cdw

Enclosures

cc: Derek Bargmann

CASH FARM LEASE

Landlord agrees to lease to Tenant and Tenant agrees to lease from Landlord the following described real estate under the following described terms:

Landlord: City of Seward, a Nebraska Municipal Corporation

Address: P.O. Box. 38; 537 Main Street, Seward, Nebraska 68434

Tenant: Jared Haas

Address: 1686 350th Road, Seward, Nebraska 68434

Real Estate: See Attached Legal Description, Exhibit "A".

1. **Term:** This term of this lease shall commence on March 1, 2022, and shall expire on February 28, 2025. The term of the lease covers the 2022, 2023 and 2024 crop years.

2. **Rent:** Landlord and Tenant stipulate and agree that cash rent is based on 15 acres of farmland. The rent shall be Seventy Five Dollars (\$75) per acre or One Thousand One Hundred Twenty Five Dollars (\$1,125) per year, payable in cash in equal payments of Five Hundred Sixty Two Dollars and Fifty Cents (\$562.50) on March 1 of each year and Five Hundred Sixty Two Dollars and Fifty Cents (\$562.50) on September 1 of each year.

3. **Provisions:**

A. As long as the rent herein is paid and the obligations of the Tenant herein followed, Landlord shall give Tenant peaceful possession of the premises through the term.

B. Tenant agrees to maintain the farm and to keep all fences and other improvements on the leased premises in as good a repair and condition as they are in when they enter possession, reasonable wear and tear excepted.

C. Tenant agrees to farm the leased premises in a good husbandry-like manner, keep the premises free from weed infestation, destroy weeds before they ripen to seed, and to the extent not cropped, keep the premises mowed.

D. Unless otherwise noted in an attachment hereto, Tenant shall maintain all personal property leased herewith.

E. Tenant shall not assign this lease or sublet the premises without the written consent of the Landlord.

F. Tenant is authorized to enter any farm programs, government or otherwise, which apply solely to the leased term hereof or for the specific crop year herein set forth. Tenant is not authorized to enter into any farm programs, government or otherwise, extending beyond the expiration date of this lease. Program benefits within the term inure to the Tenant. Any programs beyond the term shall be subject to separate agreement or addendum hereto.

G. Tenant shall keep in good repair all grass waterways, terraces, open ditches, and inlets and outlets of tile drains and fences.

4. **Insurance:** Landlord shall insure any personal property for fire and such other coverage as Landlord may desire in its sole discretion. Tenant shall carry such liability and other insurance as Landlord may reasonably require. Tenant shall provide insurance coverage for any insurable risk of Tenant.

5. **Holding Over:** Upon expiration of the initial term hereof, this lease shall automatically be renewed for a further period of one year, and thereafter for succeeding and consecutive one-year periods until either party gives written notice to the other that the lease will terminate at the end of the current one-year period. Notice of termination shall be given by August 31 of the one-year period.

6. **Entry:** Landlord or its agents may enter the premises at any and all reasonable times to inspect the property, plant fall crops during the fall prior to the termination of this lease (provided such entry does not interfere with Tenant's regular farming operation), for improvements, and to perform any obligation of Landlord hereunder.

7. **General Terms:**

A. The agent signing below warrants and represents that he has good and lawful authority to enter this lease on behalf of the Landlord.

B. Any sale or transfer of title to the real estate shall be subject to the terms and provisions of this lease.

C. This agreement shall extend to and be binding upon the parties hereto, their heirs, devisees, personal representatives, and assigns

D. The parties expressly acknowledge and agree that the entering into of this lease in no way constitutes a partnership between the Landlord and the Tenant.

E. The lease may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same agreement.

F. This lease supersedes all previous agreements between the Landlord and the Tenant relating to its subject matter. There are no other understandings or agreements between them.

[Rest of Page Left Intentionally Blank. Signatures are on the following page.]

IN WITNESS WHEREOF, the parties have hereunto signed their names this _____ day of February, 2022.

LANDLORD:

JOSHUA EICKMEIER, CITY MAYOR

TENANT:

JARED HAAS

ATTACHMENT "A"

The Southwest Quarter of the Northwest Quarter (SW 1/4 NW 1/4) and the Northwest Quarter of the Southwest Quarter (NW 1/4 SW 1/4) of Section Twenty-two (22), Township Eleven (11), North, Range, Three (3), East of the 6th P.M., Seward County, Nebraska, EXCEPT the following: Commencing at the Southeast Corner of the NW 1/4 SW 1/4 of said Section 22; thence Northerly along the East Line of said NW 1/4, a distance of 804.15 feet to the Point of Beginning; thence continuing Northerly along said East Line, a distance of 523.15 feet to the Northeast Corner of said NW 1/4; thence Northerly along the East Line of the SW 1/4 NW 1/4, on a deflection angle of 0°29' left, a distance of 683.0 feet to the Southerly right-of-way line of the Burlington Northern Railroad; thence Westerly along said right-of-way line on a deflection angle of 107°14' left, a distance of 28.35 feet to the beginning of a curve concave Southeasterly, having a radius of 1177.77 feet; thence Southwesterly along said right-of-way line on a deflection angle of 14°27' left, a chord distance of 894.4 feet; thence Southwesterly on a deflection angle of 21°18' left, a distance of 522.9 feet; thence Southwesterly on a deflection angle of 4°39' left, a distance of 352.47 feet; thence Easterly on a deflection angle of 148°07' left, a distance of 1287.31 feet to the Point of Beginning. And also EXCEPTING the following: Commencing at the North 1/16th Corner of said SW 1/4; thence along the East Line of the NW 1/4 SW 1/4 S0°29'43" W 524.65 feet; thence N 89°25'13" W 1229.08 feet to the Point of Beginning; thence continuing along the last described course N89°25'13" W 58.16 feet to a point on the Southeasterly right-of-way line of the Burlington Northern Railroad; thence along said right-of-way S32°21'58" W 19.43 feet to a point 33.0 feet East of the West Line of said SW 1/4; thence parallel to said West Line S0°28'23" W 94.79 feet; thence N32°05'02" E 130.55 feet to the Point of Beginning.

Said tract to INCLUDE the following: Beginning at the North 1/16th Corner of said SW 1/4; thence along the East Line of the NW 1/4 SW 1/4 S0°29'43" W 524.65 feet; thence N89°25'13" W 1012.64 feet; thence N56°59'10" E 212.54 feet; thence N37°42'14" E 139.01 feet; thence N 15°59'32" E 510.82 feet; thence parallel to the North Line of said Southwest Quarter, N89°39'13" W 175.00 feet to a point on the Southeasterly right-of-way line of the Burlington Northern Railroad; thence along said right-of-way for the next two courses, along a railroad curve to the right, having a central angle of 44°37'49", a radius of 1177.77 feet and a chord bearing and distance of N58°19'43" E 894.40 feet; thence N72°46'43" E 28.35 feet to a point on the East Line of the SW 1/4 NW 1/4 of said Section 22; thence along said East Line S0°00'39" W 681.50 feet to the Point of Beginning. And to also INCLUDE the following: Commencing at the North 1/16th Corner of said SW 1/4; thence along the East Line of the NW 1/4 SW 1/4 S0°29'43" W 524.65 feet; thence N89°25'13" W 1012.64 feet to the Point of Beginning; thence continuing along the last described course N89°25'13" W 216.44 feet; thence N32°05'02" E 95.84 feet; thence S63°15'39" E 185.34 feet to the Point of Beginning.

B. Tract 2 (East of Karol Kay) - 32.41 Acres, 15-11-3- Chris Beckler

CASH FARM LEASE

Landlord agrees to lease to Tenant and Tenant agrees to lease from Landlord the following described real estate under the following described terms:

Landlord: City of Seward, a Nebraska Municipal Corporation

Address: P.O. Box. 38; 537 Main Street, Seward, Nebraska 68434

Tenant: Chris Beckler

Address: 1371 252nd, Seward, Nebraska 68434

Real Estate: See Attached Legal Description, Exhibit "A".

1. **Term:** This term of this lease shall commence on March 1, 2022, and shall expire on February 28, 2025. The term of the lease covers the 2022, 2023 and 2024 crop years.

2. **Rent:** Landlord and Tenant stipulate and agree that cash rent is based on 32.41 acres of farmland. The rent shall be Two Hundred Forty Dollars (\$240) per acre or Seven Thousand Seven Hundred Seventy Eight Dollars and Forty Cents (\$7,778.40) per year, payable in cash in equal payments of Three Thousand Eight Hundred Eighty Nine Dollars and Twenty Cents (\$3,889.20) on March 1 of each year and Three Thousand Eight Hundred Eighty Nine Dollars and Twenty Cents (\$3,889.20) on September 1 of each year.

3. **Provisions:**

A. As long as the rent herein is paid and the obligations of the Tenant herein followed, Landlord shall give Tenant peaceful possession of the premises through the term.

B. Tenant agrees to maintain the farm and to keep all fences and other improvements on the leased premises in as good a repair and condition as they are in when they enter possession, reasonable wear and tear excepted.

C. Tenant agrees to farm the leased premises in a good husbandry-like manner, keep the premises free from weed infestation, destroy weeds before they ripen to seed, and to the extent not cropped, keep the premises mowed.

D. Unless otherwise noted in an attachment hereto, Tenant shall maintain all personal property leased herewith.

E. Tenant shall not assign this lease or sublet the premises without the written consent of the Landlord.

F. Tenant is authorized to enter any farm programs, government or otherwise, which apply solely to the leased term hereof or for the specific crop year herein set forth. Tenant is not authorized to enter into any farm programs, government or otherwise, extending beyond the expiration date of this lease. Program benefits within the term inure to the Tenant. Any programs beyond the term shall be subject to separate agreement or addendum hereto.

G. Tenant shall keep in good repair all grass waterways, terraces, open ditches, and inlets and outlets of tile drains and fences.

4. **Insurance:** Landlord shall insure any personal property for fire and such other coverage as Landlord may desire in its sole discretion. Tenant shall carry such liability and other insurance as Landlord may reasonably require. Tenant shall provide insurance coverage for any insurable risk of Tenant.

5. **Holding Over:** Upon expiration of the initial term hereof, this lease shall automatically be renewed for a further period of one year, and thereafter for succeeding and consecutive one-year periods until either party gives written notice to the other that the lease will terminate at the end of the current one-year period. Notice of termination shall be given by August 31 of the one-year period.

6. **Entry:** Landlord or its agents may enter the premises at any and all reasonable times to inspect the property, plant fall crops during the fall prior to the termination of this lease (provided such entry does not interfere with Tenant's regular farming operation), for improvements, and to perform any obligation of Landlord hereunder.

7. **General Terms:**

A. The agent signing below warrants and represents that he has good and lawful authority to enter this lease on behalf of the Landlord.

B. Any sale or transfer of title to the real estate shall be subject to the terms and provisions of this lease.

C. This agreement shall extend to and be binding upon the parties hereto, their heirs, devisees, personal representatives, and assigns

D. The parties expressly acknowledge and agree that the entering into of this lease in no way constitutes a partnership between the Landlord and the Tenant.

E. The lease may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same agreement.

F. This lease supersedes all previous agreements between the Landlord and the Tenant relating to its subject matter. There are no other understandings or agreements between them.

IN WITNESS WHEREOF, the parties have hereunto signed their names this _____ day of February, 2022.

LANDLORD:

JOSHUA EICKMEIER, CITY MAYOR

TENANT:



CHRIS BECKLER

ATTACHMENT "A"

32.41 tillable acres located in a portion of Wilderness Park First Addition Corrected Plat, Seward, Seward County Nebraska, beginning at the Southwest corner of Section 15 Township 11 Range 3 East of the 6th P.M., thence North 89°16'46"W for a distance of 211.09 feet, thence North 18°03'23"W for a distance of 603.76 feet, thence North 00°12'32"E for a distance of 750 feet, thence South 89°08'37"E along the North line of the South One-Half of the Southeast Quarter of said Section 16, for a distance of 400 feet to the Northeast corner of the South One-Half of the Southeast Quarter of said section 16, thence North 00°14'31"E along the East line of the North One-Half of the Southeast Quarter of said Section 16 for a distance of 607.56 feet, thence South 89°56'30"E for a distance of 1149.96 feet to the centerline of Plum Creek, thence North 15°12'34"W along the centerline of Plum Creek for a distance of 466.78 feet, thence North 80°52'50"W along the centerline a Plum Creek for a distance of 403.20 feet, thence North 00°03'30"E for a distance of 200 feet to a point on the north line of the Southwest Quarter of said Section 15, thence easterly along the north line of the Southwest Quarter of said Section 15 to a point of intersection with the eastern boundary of Wilderness Park First Addition Corrected Plat, thence continuing easterly along the north line of the Southwest Quarter of said Section 15, South 89°56'30"E for a distance of 309.59 feet, thence South 00°03'32"W for a distance of 1172.56 feet, thence North 89°56'31"W for a distance of 206.50 feet, thence South 00°06'19"W for a distance of 162.68 feet, thence South 25°06'19"W for a distance of 115.28 feet, thence South 53°51'20"W for a distance of 377.35 feet, thence South 41°23'56"W for a distance of 346.21 feet, thence South 74°54'53"W for a distance of 302.45 feet, thence South 17°04'30"W for a distance of 670 feet to a point on the South line of the Southwest Quarter of said Section 15, thence westerly along the South line of the Southwest Quarter of said Section 15 to the point of beginning.

Except a tract of land known as the Karol Kay Boulevard Dedication plat filed on September 26, 2019, as instrument number 201902091 in drawer 113-050 in the Seward County Register of Deeds Office.

C. Tract 3 (N of Walker Substation) - 12 Acres, 29-11-3 - Mike Gerdes



January 26, 2022

VIA EMAIL

Michael D. Gerdes
3805 West Little Salt Road
Valparaiso, Nebraska 68065

RE: Farm Lease

Dear Mr. Gerdes:

Enclosed with this letter please find a proposed Cash Lease for the farm that you were the successful bidder on at the City of Seward Farm Lease auction. Please review and let me know if you have any questions or proposed changes to be made to the documents. If there are none, please sign where indicated and return the original Lease to our office. I will then forward to the Seward City Council for approval.

If there are any other questions, please do not hesitate to contact my office.

Very Truly Yours,

A handwritten signature in blue ink, appearing to read 'Kelly R. Hoffschneider', written over a blue horizontal line.

Kelly R. Hoffschneider
kelly@hoffschneiderlaw.com

KRH/cdw

Enclosure

cc: Derek Bargmann

CASH FARM LEASE

Landlord agrees to lease to Tenant and Tenant agrees to lease from Landlord the following described real estate under the following described terms:

Landlord: City of Seward, a Nebraska Municipal Corporation

Address: P.O. Box. 38; 537 Main Street, Seward, Nebraska 68434

Tenant: Michael D. Gerdes

Address: 3805 West Little Salt Road, Valparaiso, Nebraska 68065

Real Estate: A tract of land located in the Northwest Quarter of the Northeast Quarter of Section 29, Township 11 North, Range 3 East of the 6th P.M., Seward County, Nebraska containing approximately 12 tillable acres.

1. **Term:** This term of this lease shall commence on March 1, 2022, and shall expire on February 28, 2025. The term of the lease covers the 2022, 2023 and 2024 crop years.

2. **Rent:** Landlord and Tenant stipulate and agree that cash rent is based on 12 acres of farmland. The rent shall be One Hundred Twenty Five Dollars (\$125) per acre or One Thousand Five Hundred Dollars (\$1,500) per year, payable in cash in equal payments of Seven Hundred Fifty Dollars (\$750) on March 1 of each year and Seven Hundred Fifty Dollars (\$750) on September 1 of each year.

3. **Provisions:**

A. As long as the rent herein is paid and the obligations of the Tenant herein followed, Landlord shall give Tenant peaceful possession of the premises through the term.

B. Tenant agrees to maintain the farm and to keep all fences and other improvements on the leased premises in as good a repair and condition as they are in when they enter possession, reasonable wear and tear excepted.

C. Tenant agrees to farm the leased premises in a good husbandry-like manner, keep the premises free from weed infestation, destroy weeds before they ripen to seed, and to the extent not cropped, keep the premises mowed.

D. Unless otherwise noted in an attachment hereto, Tenant shall maintain all personal property leased herewith.

E. Tenant shall not assign this lease or sublet the premises without the written consent of the Landlord.

F. Tenant is authorized to enter any farm programs, government or otherwise, which apply solely to the leased term hereof or for the specific crop year herein set forth. Tenant is not authorized to enter into any farm programs, government or otherwise, extending beyond the expiration date of this lease. Program benefits within the term inure to the Tenant. Any programs beyond the term shall be subject to separate agreement or addendum hereto.

G. Tenant shall keep in good repair all grass waterways, terraces, open ditches, and inlets and outlets of tile drains and fences.

4. **Insurance:** Landlord shall insure any personal property for fire and such other coverage as Landlord may desire in its sole discretion. Tenant shall carry such liability and other insurance as Landlord may reasonably require. Tenant shall provide insurance coverage for any insurable risk of Tenant.

5. **Holding Over:** Upon expiration of the initial term hereof, this lease shall automatically be renewed for a further period of one year, and thereafter for succeeding and consecutive one-year periods until either party gives written notice to the other that the lease will terminate at the end of the current one-year period. Notice of termination shall be given by August 31 of the one-year period.

6. **Entry:** Landlord or its agents may enter the premises at any and all reasonable times to inspect the property, plant fall crops during the fall prior to the termination of this lease (provided such entry does not interfere with Tenant's regular farming operation), for improvements, and to perform any obligation of Landlord hereunder.

7. **General Terms:**

A. The agent signing below warrants and represents that he has good and lawful authority to enter this lease on behalf of the Landlord.

B. Any sale or transfer of title to the real estate shall be subject to the terms and provisions of this lease.

C. This agreement shall extend to and be binding upon the parties hereto, their heirs, devisees, personal representatives, and assigns

D. The parties expressly acknowledge and agree that the entering into of this lease in no way constitutes a partnership between the Landlord and the Tenant.

E. The lease may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same agreement.

F. This lease supersedes all previous agreements between the Landlord and the Tenant relating to its subject matter. There are no other understandings or agreements between them.

IN WITNESS WHEREOF, the parties have hereunto signed their names this _____ day of February, 2022.

LANDLORD:

JOSHUA EICKMEIER, CITY MAYOR

TENANT:

MICHAEL D. GERDES

D. Tract 4 (Parade of Flags) - 29.48 Acres, 21-11-3 - Chris Beckler

CASH FARM LEASE

Landlord agrees to lease to Tenant and Tenant agrees to lease from Landlord the following described real estate under the following described terms:

Landlord: City of Seward, a Nebraska Municipal Corporation

Address: P.O. Box. 38; 537 Main Street, Seward, Nebraska 68434

Tenant: Chris Beckler

Address: 1371 252nd, Seward, Nebraska 68434

Real Estate: See Attached Legal Description, Exhibit "A".

1. **Term:** This term of this lease shall commence on March 1, 2022, and shall expire on February 28, 2025. The term of the lease covers the 2022, 2023 and 2024 crop years.

2. **Rent:** Landlord and Tenant stipulate and agree that cash rent is based on 29.48 acres of farmland. The rent shall be Two Hundred Forty Five Dollars (\$245) per acre or Seven Thousand Two Hundred Twenty Two Dollars and Sixty Cents (\$7,222.60) per year, payable in cash in equal payments of Three Thousand Six Hundred Eleven Dollars and Thirty Cents (\$3,611.30) on March 1 of each year and Three Thousand Six Hundred Eleven Dollars and Thirty Cents (\$3,611.30) on September 1 of each year.

3. **Provisions:**

A. As long as the rent herein is paid and the obligations of the Tenant herein followed, Landlord shall give Tenant peaceful possession of the premises through the term.

B. Tenant agrees to maintain the farm and to keep all fences and other improvements on the leased premises in as good a repair and condition as they are in when they enter possession, reasonable wear and tear excepted.

C. Tenant agrees to farm the leased premises in a good husbandry-like manner, keep the premises free from weed infestation, destroy weeds before they ripen to seed, and to the extent not cropped, keep the premises mowed.

D. Unless otherwise noted in an attachment hereto, Tenant shall maintain all personal property leased herewith.

E. Tenant shall not assign this lease or sublet the premises without the written consent of the Landlord.

F. Tenant is authorized to enter any farm programs, government or otherwise, which apply solely to the leased term hereof or for the specific crop year herein set forth. Tenant is not authorized to enter into any farm programs, government or otherwise, extending beyond the expiration date of this lease. Program benefits within the term inure to the Tenant. Any programs beyond the term shall be subject to separate agreement or addendum hereto.

G. Tenant shall keep in good repair all grass waterways, terraces, open ditches, and inlets and outlets of tile drains and fences.

4. **Insurance:** Landlord shall insure any personal property for fire and such other coverage as Landlord may desire in its sole discretion. Tenant shall carry such liability and other insurance as Landlord may reasonably require. Tenant shall provide insurance coverage for any insurable risk of Tenant.

5. **Holding Over:** Upon expiration of the initial term hereof, this lease shall automatically be renewed for a further period of one year, and thereafter for succeeding and consecutive one-year periods until either party gives written notice to the other that the lease will terminate at the end of the current one-year period. Notice of termination shall be given by August 31 of the one-year period.

6. **Entry:** Landlord or its agents may enter the premises at any and all reasonable times to inspect the property, plant fall crops during the fall prior to the termination of this lease (provided such entry does not interfere with Tenant's regular farming operation), for improvements, and to perform any obligation of Landlord hereunder.

7. **General Terms:**

A. The agent signing below warrants and represents that he has good and lawful authority to enter this lease on behalf of the Landlord.

B. Any sale or transfer of title to the real estate shall be subject to the terms and provisions of this lease.

C. This agreement shall extend to and be binding upon the parties hereto, their heirs, devisees, personal representatives, and assigns

D. The parties expressly acknowledge and agree that the entering into of this lease in no way constitutes a partnership between the Landlord and the Tenant.

E. The lease may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same agreement.

F. This lease supersedes all previous agreements between the Landlord and the Tenant relating to its subject matter. There are no other understandings or agreements between them.

IN WITNESS WHEREOF, the parties have hereunto signed their names this _____ day of February, 2022.

LANDLORD:

JOSHUA EICKMEIER, CITY MAYOR

TENANT:



CHRIS BECKLER

ATTACHMENT "A"

A 28.68 acre tract of land located in the Southeast Quarter of Section 21, Township 11 North Range 3 East of the 6th P.M., Seward County, Nebraska and more particularly described as follows:

Beginning at the Northeast corner of the South One-Half of the Northwest Quarter of the Southeast Quarter of said Section 21. Thence in a Westerly direction, along the North line of the South One-half of the Northwest Quarter of the Southeast Quarter of Section 21, on an assumed bearing of North 89 degrees 39 minutes 12 seconds West for a distance of 272.75 feet to a point in the centerline of Plum Creek.

THENCE South 07 degrees 33 minutes 18 seconds West, along the centerline of Plum Creek, for a distance of 76.09 feet

THENCE South 38 degrees 58 minutes 56 seconds West, along the centerline of Plum Creek, for a distance of 89.04 feet

THENCE South 67 degrees 32 minutes 01 seconds West, along the centerline of Plum Creek, for a distance of 83.04 feet

THENCE South 40 degrees 27 minutes 42 seconds West, along the centerline of Plum Creek, for a distance of 53.64 feet

THENCE South 34 degrees 20 minutes 45 seconds East, along the centerline of Plum Creek, for a distance of 56.56 feet

THENCE North 88 degrees 05 minutes 38 seconds East, along the centerline of Plum Creek, for a distance of 236.77 feet

THENCE South 60 degrees 37 minutes 51 seconds East, along the centerline of Plum Creek, for a distance of 81.35 feet

THENCE South 12 degrees 36 minutes 44 seconds West, along the centerline of Plum Creek, for a distance of 66.00 feet

THENCE South 40 degrees 45 minutes 05 seconds West, along the centerline of Plum Creek, for a distance of 216.70 feet

THENCE South 25 degrees 54 minutes 54 seconds West, along the centerline of Plum Creek, for a distance of 184.51 feet

THENCE South 21 degrees 49 minutes 34 seconds West, along the centerline of Plum Creek, for a distance of 206.81 feet to a point on the Northerly 40.0 foot Right-of-Way line of U.S. Highway #34

THENCE South 40 Degrees 03 minutes 20 seconds East, along the said Northerly 40.0 foot Right-of-Way line of U.S. Highway #34, for a distance of 43.81 feet

THENCE North 49 degrees 56 minutes 40 seconds East for a distance of 20.00 feet to a point on the Northerly 60.0 foot Right-of-Way line of U.S. Highway #34

THENCE South 40 degrees 03 minutes 20 seconds East, along the said Northerly 60.0 foot Right-of-Way line of U.S. Highway #34, for a distance of 197.15 feet

THENCE North 64 degrees 35 minutes 12 seconds East for a distance of 204.84 feet

THENCE South 89 degrees 56 minutes 44 seconds East for a distance of 218.00 feet

THENCE South 42 degrees 52 minutes 21 seconds West for a distance of 367.71 feet to a point on the said Northerly 60.0 foot Right-of-Way line of U.S. Highway #34

THENCE South 40 degrees 03 minutes 20 seconds East, along the said Northerly 60.0 foot Right-of-Way line of U.S. Highway #34, for a distance of 52.35 feet

THENCE continuing along the said Northerly 60.0 foot Right-of-Way line of U.S. Highway #34 on a curve to the left having a radius of 1849.86 feet and an arc length of 343.27 feet, being subtended by a chord of South 45 degrees 22 minutes 18 seconds East for a distance of 342.78 feet to a point on the former Westerly Right-of-Way line of the Burlington Northern Railroad

THENCE along the said former Westerly Right-of-Way line of the Burlington Northern Railroad on a curve to the left having a radius of 1382.68 feet and an arc length of 158.58 feet, being subtended by a chord of North 35 degrees 34 minutes 24 seconds East for a distance of 158.49 feet to the Point of Tangency of said curve.

THENCE North 32 degrees 17 minutes 16 seconds East, along the said former Westerly Right-of-Way line of the Burlington Northern Railroad for a distance of 1631.43 feet to a point on the North line of the South One-half of the Northeast Quarter of the Southeast Quarter of said Section 21

THENCE North 89 degrees 39 minutes 12 seconds West, along the North line of the South One-half of the Northeast Quarter of the Southeast Quarter of said Section 21, for a distance of 1140.27 feet to the Point of Beginning. Together with and subject to covenants, easements, and restrictions of record. Said property contains 29.68 acres more or less;

And a 12.74 acre tract of land located in the Southeast Quarter of the Southeast Quarter of Section 21, Township 11 North Range 3 East of the 6th P.M., Seward County, Nebraska and more particularly described as follows:

Beginning at the Northeast corner of the Southeast Quarter of the Southeast Quarter of said Section 21. THENCE in a Southerly direction, along the East line of the Southeast Quarter of the Southeast Quarter of said Section 21, on an assumed bearing of South 00 degrees 00 minutes 00 seconds East for a distance of 662.29 feet

THENCE North 89 degrees 53 minutes 56 seconds West, parallel to the South line of the Southeast Quarter of the Southeast Quarter of said Section 21, for a distance of 300.00 feet

THENCE North 00 degrees 00 minutes 00 seconds West, parallel to the East line of the Southeast Quarter of the Southeast Quarter of said Section 21, for a distance of 47.77 feet

THENCE along a curve to the right having a radius of 1249.86 feet and an arc length of 233.29 feet, being subtended by a chord of North 68 degrees 22 minutes 32 seconds West for a distance of 232.95 feet

THENCE South 16 degrees 32 minutes 07 seconds West for a distance of 606.77 feet to a point on the Northerly 60.0 foot Right-of-Way line of U.S. Highway #34

THENCE along said Northerly 60.0 foot Right-of-Way line of U.S. Highway #34 on a curve to the right having a radius of 1849.86 feet and an arc length of 408.38 feet, being subtended by a chord of North 60 degrees 06 minutes 37 seconds West for a distance of 407.55 feet to a point on the former Easterly Right-of-Way line of the Burlington Northern Railroad

THENCE along the said former Easterly Right-of-Way line of the Burlington Northern Railroad on a curve to the left having a radius of 1482.68 and an arc length of 168.13 feet, being subtended by a chord of North 35 degrees 32 minutes 11 seconds East for a distance of 168.04 feet to the Point of Tangency of said curve

THENCE continuing along the said former Easterly Right-of-Way line of the Burlington Northern Railroad on a bearing of North 32 degrees 17 minutes 16 seconds East for a distance of 913.55 feet to a point on the North line of the Southeast Quarter of the Southeast Quarter of said Section 21

THENCE South 89 degrees 42 minutes 33 seconds East, along the North line of the Southeast Quarter of the Southeast Quarter of said Section 21, for a distance of 456.93 feet to the Point of Beginning. Together with and subject to covenants, easements, and restrictions of record, Said property contains 12.74 acres more or less.

E. Tract 5 (NE of S 2nd Street & Izaak Walton Road) - 6 Acres, 28-11-3 - Gerald Schaben



January 26, 2022

Gerald Schaben
2751 Izaak Walton Road
Seward, Nebraska 68434

RE: Farm Lease

Dear Mr. Schaben:

Enclosed with this letter please find a proposed Cash Lease for the farm that you were the successful bidder on at the City of Seward Farm Lease auction. Please review and let me know if you have any questions or proposed changes to be made to the documents. If there are none, please sign where indicated and return the original Lease to our office in the enclosed envelope. I will then forward to the Seward City Council for approval.

If there are any other questions, please do not hesitate to contact my office.

Very Truly Yours,

A handwritten signature in black ink, appearing to read 'Kelly R. Hoffschneider', written over a horizontal line.

Kelly R. Hoffschneider
kelly@hoffschneiderlaw.com

KRH/cdw

Enclosure

cc: Derek Bargmann

Kelly R. Hoffschneider, Esq.*

Timothy J. Kubert, Esq

1120 K Street, Suite 200, Lincoln, NE 68508

402.261.7677

FAX 402.261.7678

www.hoffschneiderlaw.com

*Licensed in both Nebraska and South Dakota

CASH FARM LEASE

Landlord agrees to lease to Tenant and Tenant agrees to lease from Landlord the following described real estate under the following described terms:

Landlord: City of Seward, a Nebraska Municipal Corporation

Address: P.O. Box. 38; 537 Main Street, Seward, Nebraska 68434

Tenant: Gerald Schaben

Address: 2751 Izaak Walton Road, Seward, Nebraska 68434

Real Estate: See Attached Legal Description, Exhibit "A".

1. **Term:** This term of this lease shall commence on March 1, 2022, and shall expire on February 28, 2025. The term of the lease covers the 2022, 2023 and 2024 crop years.

2. **Rent:** Landlord and Tenant stipulate and agree that cash rent is based on 6 acres of farmland. The rent shall be One Hundred Ten Dollars (\$110) per acre or Six Hundred Sixty Dollars (\$660) per year, payable in cash in equal payments of Three Hundred Thirty Dollars (\$330) on March 1 of each year and Three Hundred Thirty Dollars (\$330) on September 1 of each year.

3. **Provisions:**

A. As long as the rent herein is paid and the obligations of the Tenant herein followed, Landlord shall give Tenant peaceful possession of the premises through the term.

B. Tenant agrees to maintain the farm and to keep all fences and other improvements on the leased premises in as good a repair and condition as they are in when they enter possession, reasonable wear and tear excepted.

C. Tenant agrees to farm the leased premises in a good husbandry-like manner, keep the premises free from weed infestation, destroy weeds before they ripen to seed, and to the extent not cropped, keep the premises mowed.

D. Unless otherwise noted in an attachment hereto, Tenant shall maintain all personal property leased herewith.

E. Tenant shall not assign this lease or sublet the premises without the written consent of the Landlord.

F. Tenant is authorized to enter any farm programs, government or otherwise, which apply solely to the leased term hereof or for the specific crop year herein set forth. Tenant is not authorized to enter into any farm programs, government or otherwise, extending beyond the expiration date of this lease. Program benefits within the term inure to the Tenant. Any programs beyond the term shall be subject to separate agreement or addendum hereto.

G. Tenant shall keep in good repair all grass waterways, terraces, open ditches, and inlets and outlets of tile drains and fences.

4. **Insurance:** Landlord shall insure any personal property for fire and such other coverage as Landlord may desire in its sole discretion. Tenant shall carry such liability and other insurance as Landlord may reasonably require. Tenant shall provide insurance coverage for any insurable risk of Tenant.

5. **Holding Over:** Upon expiration of the initial term hereof, this lease shall automatically be renewed for a further period of one year, and thereafter for succeeding and consecutive one-year periods until either party gives written notice to the other that the lease will terminate at the end of the current one-year period. Notice of termination shall be given by August 31 of the one-year period.

6. **Entry:** Landlord or its agents may enter the premises at any and all reasonable times to inspect the property, plant fall crops during the fall prior to the termination of this lease (provided such entry does not interfere with Tenant's regular farming operation), for improvements, and to perform any obligation of Landlord hereunder.

7. **General Terms:**

A. The agent signing below warrants and represents that he has good and lawful authority to enter this lease on behalf of the Landlord.

B. Any sale or transfer of title to the real estate shall be subject to the terms and provisions of this lease.

C. This agreement shall extend to and be binding upon the parties hereto, their heirs, devisees, personal representatives, and assigns

D. The parties expressly acknowledge and agree that the entering into of this lease in no way constitutes a partnership between the Landlord and the Tenant.

E. The lease may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same agreement.

F. This lease supersedes all previous agreements between the Landlord and the Tenant relating to its subject matter. There are no other understandings or agreements between them.

IN WITNESS WHEREOF, the parties have hereunto signed their names this _____ day of February, 2022.

LANDLORD:

JOSHUA EICKMEIER, CITY MAYOR

TENANT:

GERALD SCHABEN

ATTACHMENT "A"

Tax Lot 19, SW $\frac{1}{4}$ of the NE $\frac{1}{4}$, West of the river in the East $\frac{1}{2}$ of the NW $\frac{1}{4}$ South of the river and East of the road, in Section 28, Township 11 North, Range 3 East of the 6th P.M., Seward County, Nebraska more particularly described as follows:

Beginning at the southwest corner of Lot 7, in Woods and Mortons Subdivision of the East Half of the Northwest Quarter of Section 28, Township 11 North, Range 3, East of the 6th P.M., as the same appears of record in Book T at page 216 of the records of Seward County, Nebraska, and running thence south 8° 45' E 51 feet, thence south 63° 8' East 190 feet, thence north 82° East 200 feet, thence north 74° 52' East 256 feet more or less to an intersection with the East line of the East Half of the Northwest Quarter of said Section 28, thence north on said last described line 136 feet more or less to an intersection with the center of the channel of the Big Blue River, thence in a westerly direction following the center of the channel of said River to an intersection with the south line of said Lot 7, thence west along said last named line, 1.50 chains, more or less to the place of beginning, containing 1.30 acres, more or less.

Also, beginning at a point where the center of the channel of the Big Blue River intersects the west line of the East half of the Southwest Quarter of the Northeast Quarter of Section 28, Township 11 North, Range 3, East of the 6th P.M., Seward County, Nebraska, the same being 50 feet more or less North of the southwest corner of said East Half of the Southwest Quarter of the Northeast quarter, thence north along the west line of said E1/2 of SW $\frac{1}{4}$ of NE1/4, 400 feet more or less to the center of the channel of said Big Blue River, thence in a southeasterly direction following the center of the channel of said river downstream to the starting point, containing one acre more or less;

Also, the South Half of the West Half of the Southwest Quarter of the Northeast Quarter of Section 28, Township 11 North, Range 3, East of the 6th P.M., in Seward County, Nebraska, except a tract along the south line lying south of the center of the channel of the Big Blue River, containing one (1) acres more or less, more particularly described in a certain deed executed by Bert Miers and Tina Miers, his wife, to Earnest Wall, dated Nov. 21, 1927, filed for record November 21, 1927, and recorded in Book 41, page 255 of the Deed Records of Seward County, Nebraska;

All that part of Tax Lot 19, lying East of the County Road, as now located, and north of the east and west half section line and lying west and south of the center of the present channel of the Big Blue River and all being in the Southeast Quarter of the Northwest Quarter (SE $\frac{1}{4}$ NW $\frac{1}{4}$) of Section 28, Township 11,

North Range 3, East of the 6th P.M., Seward County, Nebraska, more particularly described as follows:

Beginning at a point 51 feet south and 8° 45' east of the southwest corner of Lot 7 of Woods and Mortons Subdivision of the East Half of the Northwest Quarter of Section 28, Township 11, Range 3, East, Seward County, Nebraska, as said Plat is shown in Book T, page 216, and on the east line of a county road that runs northerly and southerly through Tax Lot 19 of said East Half of Northwest Quarter of said Section 28; thence south 63° 8' East, 190 feet; thence North 82° East, 200 feet; thence north 74° 52" east 256 feet, more or less, to an intersection with the East line of said East Half of Northwest Quarter of Section 28, which point is 136 feet, more or less, south of the center of the channel of the Big Blue River; thence South along the east line of the East Half of the Northwest Quarter of said Section 28, to the center of said Section 28; thence west along the south line of the south half Northwest Quarter of said Section 28, to a point where said center line intersects the east line of the said first mentioned county road; thence northerly along the east line of said county road, to the point of beginning.

5. Amendments to the Employee Handbook Dated November 15, 2016 - City Administrator Butcher
 - A. Item 4.1 Holidays - Addition of Personal Day Leave



P.O. Box 38, 537 Main Street, Seward, Nebraska 68434. Phone: 402-643-2928. Fax: 402-643-6491. www.CityofSewardNE.gov

Date: January 21, 2022

To: *Department Heads*

From: *HR Director*

Re: **Item 4.1 Update – Addition of Personal Day**

During the 117th Congress (2021-2022), Public Law 117-17 establishes Juneteenth National Independence Day, June 19, as a legal public holiday. The Personnel, Finance, and Audit Committee met on January 18th to discuss the City of Seward's response to the establishment of a new federal holiday. It was recommended by the Committee to add an additional personal day—moving from 24 hours to 32 hours annually for full time, moving from 12 hours annually for part-time to 16 hours annually—in response to this public law. The City of Seward would like to respect employees who wish to partake in Juneteenth activities by either offering the employee an opportunity to take leave on this day as either a vacation or personal leave day. For those employees who do not wish to partake in any activities on this day, the employee should report for work during regular hours. Each employee, depending on classification, will be allotted an additional eight (8) hours of personal leave to be used between January 1 – December 31 annually in lieu of celebration of Juneteenth. Please refer to the personal day cap as identified in section 4.1, as these additional hours will not be eligible to be carried over from each year—a maximum of 32 hours (16 hours) will be available each January 1st for an employee. City offices will not be closed on June 19th each year and will function as normal.

Attached, please find the proposed edit to the Employee Personnel Handbook. This item will be presented to the City Council at the February 1st regular meeting for review and consideration. If approved, a communication will be released to all employees.

4. EMPLOYEE BENEFITS FOR REGULAR FULL-TIME EMPLOYEES

4.1 Holidays (Updated 11-15-16)

1) Official Holidays Declared, Closing of Offices.

The following named days shall be the official holidays for City of Seward Employees:

New Year's Day - January 1
Birthday of Martin Luther King Jr. - third Monday in January
Memorial Day-last Monday in May
Independence Day-July 4
Labor Day-1st Monday in September
Veteran's Day-November 11
Thanksgiving Day-4th Thursday in November
Discretionary-Day after Thanksgiving
Christmas Day-December 25

~~43~~ Personal Days (~~twenty-four (24) hours~~ thirty-two (32) hours) – **subject to Personal Day Cap**
(Effective 3-1-06-eliminated Birthday Holiday)

City offices, except the Police Department and such other offices that are open twenty-four (24) hours a day shall be closed on the above noted Holidays. If an official holiday shall occur on a Saturday, when such offices are normally closed, the holiday shall be determined to occur as on the Friday just preceding it. If said holiday shall occur on a Sunday, when such offices are normally closed, the holiday shall be determined to occur on the Monday following.

Personal Day Cap: All full-time employees will acquire ~~twenty-four~~ thirty-two (32 24) hours of Personal leave time each January 1 (~~twelve- sixteen (16 12)~~ hours for regular part-time). Any Personal leave time not used by December 31 of each year will be carried over to the next year; however, time carried forward from the prior year will be deducted from the ~~twenty-four~~ thirty-two (32 24) hours acquired on January 1 so that no employee will have more than ~~twenty-four~~ thirty-two (32) hours (~~twelve- sixteen (16 12)~~ hours for regular part-time) of Personal time available at any given time. Personal leave must be taken a minimum of two hours at a time. (New employees will be eligible for this leave on a pro-rated basis from their date of hire). Unused Personal leave payouts upon resignation, termination or employee death will follow the vacation payout policy. (Updated 11-15-16)

Due to the work schedule of the Police Department, all regular full-time sworn Police Officers will be compensated for authorized holidays on the day of the actual holiday, all other Police non-sworn personnel and salaried sworn personnel, will take the holiday off on the same date all other regular, general full-time personnel of the City take the holiday. Compensation for those Police personnel working on the designated holiday is time and one-half for the hours worked. For Police personnel not working on the designated holiday, compensation is eight (8) regular-time hours for each holiday. (Updated 12/29/04 – effective 1-3-05)

B. Items 1.1 - 1.20 - Updated General Personnel Policies



P.O. Box 38, 537 Main Street, Seward, Nebraska 68434. Phone: 402-643-2928. Fax: 402-643-6491. www.CityofSewardNE.gov

Date: January 21, 2022

To: Department Heads

From: HR Director

Re: **Employee Handbook Review – Items 1.1 – 1.20 Change Highlights**

As many of you have previously heard, City Administrator Butcher and I have commenced the process of a full employee handbook review. The last comprehensive review occurred in 2016, and as such, items within the handbook need close review. The only change that has occurred between the 2016 review and today was the update on comp time found in section 3.10 (page 35) that was implemented in November 2020. To that end, Mr. Butcher and I have decided to review and update the handbook in sections—currently we are reviewing section 1 of the handbook, which covers pages 10-32 and sections 1.1 – 1.20. When this section is updated, we will continue with section 2 and so on until completion—depending on the length of sections, we may update multiple sections concurrently.

The Personnel, Finance, and Audit Committee met on January 18th and their suggestions are incorporated into the document presented to you. Before we bring to the City Council meeting on February 1st, we wanted to provide an opportunity for Department Heads to review the changes and for your suggestions and/or comments to be considered as we undertake this review. Ultimately, our goals are to create a modern document that anticipates our current workplace climate in a way that is succinct in nature and serves our employees in the best manner.

Below, you will find some highlights from those sections to inform you of the proposed changes as well as an attached redlined version of the changes.

SECTION 1 - GENERAL PERSONNEL POLICIES (Renamed 'Employee Responsibilities and Conduct')

1.1 Appearance and Conduct (Renamed 'Standards for Appearance:')

The previous version mentioned 'proper' standards of appearance and conduct but did not define what constituted either. In section 1 as a whole, we feel that proper conduct is achieved through review and adherence to the section, and as such, we sought to define proper appearance in section 1.1. The section identifies proper general attire, with the ability to be determined by Department Head based on task, as well as identifying proper 'casual' workday attire.

1.2 Attendance & 1.3 Hours of Work

Item 1.3 has been eliminated due to redundancy and incorporated into item 1.2, 'Attendance.' The alteration of this section is removal of language constituting eight hours as a normal workday, as some Departments may work more or less than that daily depending on task. Additionally, language is added identifying at a minimum of how many days an employee will be notified if their regular hours are changing—this was not previously identified.

1.4 Complaint Policy (will be numbered 1.3 in future)

The previous version was not detailed in the procedure. The updated version reflects the grievance policy in both procedure and due dates along the process.

1.5 Personal Business (will be numbered 1.4 in future)

No change.

1.5(1) Cell Phone Policy (will be numbered 1.5 and renamed 'Cell Phone Usage')

We felt this section was too detailed for a handbook and as such, simplified language identifying excessive personal use as disruptive and characterizing the situation in which an employee may be issued a cell phone allowance or a City-owned cell phone. A separate policy identifying cell phone allowance or rules governing a City-issued cell phone will be created.

1.6 Outside Employment

The process for notification of outside employment is updated, including identification of form.

1.7 Political Activity

The only change is indicating that non-City issued uniforms may denote the employee as a City employee and may cause undue association as to the City's non-position on political activities.

1.8 Suggestions

Removed entirely from handbook. Employees may submit suggestions informally or formally to their Department Heads or Department Heads to City Administration.

1.8(1) Social Media Policy (will be numbered 1.8 and renamed 'Social Media Usage')

We also felt this section was unnecessarily detailed and sought to simplify our language. Social media norms are more understood among employees in today's age, so we thought more generic information about personal use would be sufficient—essentially, remember that people in the community view you through the prism of being a City employee and as such, you should consider your public position before expressing personal viewpoints. Additionally, language about whom will use City social media accounts and what they shall post is added.

1.9 Care and City Use of Property

The language regarding care of City-issued property is more well defined and the language regarding rental of general equipment is clarified (this equipment is available to public, so in these instances an employee is governed by the same rules as a citizen).

1.9(1) Smoke Free Policy (will be numbered 1.9.1 and possibly renamed)

No current changes, but we are reviewing this item for future revision.

1.9(2) ACCEPTABLE USE GUIDELINES FOR COMPUTERS & INTERNET SERVICES (will be renumbered 1.9.2 and renamed 'Guidelines for Computers & Internet Services')

We felt that the handbook should identify guidelines for usage, rather than a detailed policy, and as such sought to simplify language for usage. Essentially the information is more or less the same as before, but in a more succinct manner. Employees should not use computers/internet for excess personal use, personal gain, to download harmful materials, and to transmit obscene materials—an employee should not have an expectation of privacy and the City reserves the right to access any City-owned computer at any time.

1.9(3) Drug and Alcohol Use and Testing Policy/Procedure (will be numbered 1.9.3 and renamed 'Controlled Substances and Alcohol Testing Procedure')

This section was copied verbatim from DOT and as such became outdated as language has changed. We sought to simplify the language and condense this section so that it would not become outdated with future changes that occur at DOT. We also identified which employees will

be tested—permanent full-time, permanent part-time and any seasonal, part-time, or summer employees that will use equipment or vehicles.

1.10 Use of City-Owned Vehicles (will be numbered 1.9.4 in the future)

The biggest changes in this section are more clearly identifying who the 'appropriate authority' is as well as 'non-city employees'. We also wanted to identify the mechanism in which it would be acceptable for an employee to take a City-owned vehicle home for an evening.

1.11 Safety (will be numbered 1.10 in the future)

More clarity regarding worksite access is incorporated as well as discretion for discipline.

1.12 Reporting of Accidents and Injuries (will become subsection 3 of item 1.11 in the future)

We felt this belonged in the 'Safety' section since it identifies how measures should an accident happen during the workday. The EMC OnCall nurse line is identified in the process.

1.13 Changes in Name, Address and Dependents & 1.14 Records (will be numbered as 1.11 and renamed 'Maintenance of Personal Records')

We felt these sections could be combined—no significant changes in language.

1.15 Peddling, solicitation, etc. (will be numbered as 1.12 in the future)

This update clarifies what constitutes peddling and the instance it will be acceptable for employees.

1.16 Conflict of Interest (will be numbered as 1.13 in the future)

No significant changes.

1.17 Gratuities (will be numbered as 1.14 in the future)

Removes superfluous language from this item.

1.18 Sexual Harassment Policy (will be numbered 1.15 in the future)

This section was re-written by Legal Counsel and clarifies protected employees, anti-retaliation, and investigatory procedures to be undertaken by the City if reported.

1.19 National Origin Policy and other protected classifications (will be numbered 1.16 and renamed 'Discrimination or Harassment Policy and Complaint Procedure')

This section was re-written by Legal Counsel and clarifies protected employees, anti-retaliation, and investigatory procedures to be undertaken by the City if reported.

1.20 Workplace Violence (will be renumbered 1.17 in the future)

This section was re-written by Legal Counsel and clarifies what is considered 'violence' as well as what are considered weapons. This also updates the employees responsibility in violence prevention.

1. GENERAL PERSONNEL POLICIES EMPLOYEE RESPONSIBILITIES AND CONDUCT

1.1 Appearance and Conduct: Standards for Appearance:

~~The City of Seward expects all City employees to maintain a neat, well-groomed appearance at all times. Employees should use good judgement and avoid extremes in dress and personal appearance. As City representatives, employees should present a clean and professional appearance when in contact with other employees, elected officials, and members of the public. Employees are expected to use good judgement and common sense in choosing their workday attire. It is the intent of the City of Seward that any dress code standards created hereunder shall not discriminate against any employee based on race, color, religion, sex (including pregnancy, sexual orientation or gender identify), national origin, age, disability, marital status, military status, genetic information or any other protected class under the law. If the employee would request an accommodation based on any of the preceding factors, they should discuss the need with their immediate supervisor and/or the City Administrator. Instances of violation will be reported in the following order based on seriousness: immediate supervisor, Department Head, City Administrator or proper authorities.~~

1.1.1 General Workday Attire

~~Generally, all employees will dress in a manner that projects a professional, neat, business-appropriate appearance. With the prior approval of the City Administrator, Department Heads may have the ability to create different dress codes for their entire department, or within certain divisions, and even by certain work locations or sites. Several factors will be considered by the City Administrator in considering the request for an alternative dress code, including, but not limited to:~~

- ~~• The nature of the assigned work tasks and job assignments;~~
- ~~• whether such employee will be working primarily indoors or outdoors;~~
- ~~• federal, state and local safety regulations and requirements;~~
- ~~• interactions and meetings with the public, business agents, elected officials, and other officers.~~

~~Certain employees may be provided with uniforms and other City equipment, tools, and safety gear as needed to successfully complete job tasks.~~

1.1.2 Casual Workday Attire

~~Casual dress day may be observed by some departments on a designated day of every week, for a holiday or at any specified time by the City Administrator. An employee's participation in casual dress day is optional. Employees should not participate in any casual dress day when that employee has a scheduled meeting or presentation in which such casual dress wear would not be business or task-appropriate. Generally, on designated days these guidelines should be followed:~~

- ~~• No attire that is ripped, torn or has holes~~
- ~~• No attire that is unduly revealing and/or provocative~~
- ~~• No attire that is not appropriate for the task being performed for that day~~
- ~~• No attire that portrays a negative image or has inappropriate advertising or logos (eg. Drugs or alcohol related materials, obscene or inappropriate portrayals or pictures).~~

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~~The orderly and efficient operations of the City of Seward require that employees maintain proper standards of conduct at all times to succeed and promote efficiency, productivity and~~

Employee Initials _____

~~cooperation throughout their operations. All Departments shall strictly adhere to all Insurance underwriting criteria and recommendations on proper safety clothing and equipment requirements. Police Department and Pool employees may be regulated by separate policies based upon the conditions and risks associated with their positions.~~

~~Employees who fail to maintain proper standards of appearance and conduct toward their work environment, co-workers or customers, or who violate any of the City's policies will be subject to disciplinary action, up to and including termination of employment. In enforcing this dress and personal appearance policy, supervisors must make reasonable accommodations for dress or grooming directly related to the employees' religion, ethnicity, or disability, and specify any additional or alternate requirements that are necessary to maintain public health and employees' safety. Employees should discuss the accommodations they need with their supervisor or City Administrator.~~

~~All instances of misconduct shall be reported to the City Administrator, or appropriate authority. (Revised 12/2012)~~

1.2 Attendance

Employees shall promptly be in attendance at their place of work in accordance with the policies regarding hours of work, holidays and leave. Work hours shall be established by the Department Head and be approved by the City Administrator beforehand. If a department's regular work hours are altered, employees will be notified a minimum of 14 calendar days before the incorporated change.

If an employee, for some unavoidable reason, cannot report for work, the employee shall notify their supervisor or Department Head in advance of the first normal duty hour; in addition, if an employee has to leave work during the day for some unavoidable reason, they shall notify their Department Head or supervisor before they leave. Failure on the part of an employee to comply with these policies shall be cause for disciplinary action. ~~(Updated 1-29-09)~~

1.3 Hours of Work

~~Work hours shall be established by the Department Head and be approved by the City Administrator or appropriate authority. Generally, eight (8) hours shall constitute a day's work and five (5) days shall constitute a work week. (Updated 3/2/99)~~

1.3 4- Complaint Policy

In situations where an employee feels a work-related complaint in regard to policy and handbook implementation is in order, the following steps should be taken:

~~1.3.1a) If an employee believes that he/shethey has/have a legitimate work-related complaint, the employee is encouraged to first attempt to resolve the issue(s) with their Department Head/Supervisor. The complaint shall be presented in writing, on forms available at City Hall to their Department Head within five (5) business days from time of incident. The complaint shall clearly state the basis for the complaint and the relief requested. The Department Head will review the complaint and respond to the employee in writing within five (5) business days of receipt.~~

~~1.3.1b2) An employee remaining dissatisfied after receiving response from the Department Head may then submit the complaint to the City Administrator within five (5) business days after receiving response. The City~~

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Administrator will then review and respond within five (5) business days of receiving the complaint. Meetings may be held with employee, the Human Resources Department, and any other employee to discuss the complaint and remedy. If the situation is not satisfactorily settled within two working days, barring extenuating circumstances, the employee may request a meeting on their concern/complaint with their Department Head and the City Administrator.

1.3.2-3) If a Department Head believes that they have a legitimate work-related complaint, the Department Head is encouraged to first attempt to resolve the issue(s) with the City Administrator. The complaint shall be presented in writing, on forms available at City Hall to the City Administrator within five (5) business days from time of incident. The complaint shall clearly state the basis for the complaint and the relief requested. The City Administrator will review the complaint and respond to the Department Head in writing within five (5) business days of receipt. If the complaint is between a Department Head and the City Administrator, the employee may request a meeting on their concern/complaint with the City Administrator and the Mayor.

1.3.2b A Department Head remaining dissatisfied after receiving response from the City Administrator may then submit the complaint to the Mayor within five (5) business days from that date. The Mayor will investigate utilizing any or all of the following tools - written summary of the complaint, a review of the City Administrator's response, and/or consultation with the City Labor Attorney - and respond within ten (10) business days of receiving the complaint. Meetings may be held with employee, City Administration, and the Human Resources Department to discuss the complaint and remedy. After the investigation is completed, the Mayor or City Attorney will advise the employee in writing of the results of their investigation and decision. The decision on the complaint shall be final and binding.

Time limits will strictly be enforced. Late submission of a complaint at any stage of the procedure shall bar its consideration, unless there are extenuating circumstances. Similarly, if a Department Head or the City Administrator should fail to provide a written response within five (5) business days of receipt of complaint, the employee shall be allowed to advance their request to the next higher authority.

The City will attempt to answer the employee's concerns/complaints within a reasonable time period. (Updated 12/2012)

1.4 1.5- Personal Business (Updated 10-06)

While on duty, personal phone calls (both incoming and outgoing), appointments and visitors should be conducted at break times or avoided unless absolutely necessary.

1.5(1) Cell Phone Policy Usage

While at work, employees are expected to exercise the same discretion in using personal cell phones and electronic devices as is expected for the use of city phones. Excessive texting and personal calls during the work day, regardless of the phone or device used, can interfere with employee and department productivity and can be distracting to others. Employees are encouraged to text and make any other personal calls on non-work time where possible and to ensure that friends and family members are aware this policy.

Where workload needs demand immediate access to an employee, the City may issue a cell phone or other electronic device for work related communications or a fee arrangement may

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be made to have the employee carry their own cell phone on an agreed upon schedule. As requested, the employee may be asked to produce this cell phone or electronic device for immediate return or inspection.

All employees are expected to follow applicable state or federal laws or regulations regarding the use of cell phones or other electronic devices. Employees whose jobs responsibilities include regular or occasional driving as a part of the work day shall refrain from texting or using the keypad while driving. Safety must come before all other concerns. Bring the vehicle to a safe stop before texting or using the keypad of the cell phone or electronic device.

Where possible, hands-free equipment will be provided with city issued phones and other electronic devices to facilitate the provisions of usage.

~~The City of Seward recognizes the need for certain City personnel to own and use cell phones to complete and enhance their job performance. This policy establishes the procedures for the use of City or personal cell phones, and allows for possible reimbursement for personal cell phone use.~~

~~All phone calls conducted while on duty should be for business related calls. Any personal phone calls should be conducted during break times or avoided unless absolutely necessary as outlined in Section 1.5 – Personal Business.~~

~~In instances where cell phones have been purchased and provided by the City of Seward, all usage will be for business-related calls and Department Heads or the appropriate authority will be required to review monthly statements to insure that this policy is adhered to. If unavoidable personal calls are made with a City owned cell phone, the employee shall reimburse the City for such use.~~

~~The following policy will apply for employees who choose to use their own personal cell phone:~~

- ~~— Department Heads must first verify the need and authorize an employee to use his/her personal cell phone for business related purposes by completing a "Cell Phone Policy Agreement/Authorization Form".~~
- ~~— Employees will be reimbursed \$30.00 per month for use of their personal cell phones for business related purposes. The reimbursement will be paid quarterly. Employees requesting reimbursement shall present a claim to their Department Head quarterly and may be required to provide a copy of their cell phone bills that clearly illustrate business related calls.~~

~~The following additional rules shall apply when using a cell phone during employment with the City of Seward:~~

- ~~— Employees shall be required to get off the road to make or answer cell phone calls, unless they are using some type of hands free device. Law Enforcement officials are exempt from this policy when handling emergency situations. In those emergency situations, law enforcement employees will be expected to drive safely and obey the rules of the road.~~
- ~~— No cell phone use will be allowed while driving in adverse weather or difficult traffic situations.~~

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~~Cell phone texting by all employees is expressly prohibited while operating a vehicle or equipment.~~

~~Employees are prohibited from taking photos with their cell phones without the specific permission of the City Administrator or appropriate authority, except in law enforcement situations where the photos are necessary for completing reports or providing investigative information. (Updated 12/2012)~~

1.6 Outside Employment

Employees of the City of Seward may take occasional or part-time jobs if there is no conflict with normal working hours; the employee's efficiency in his work is not hampered; or conflicts with the interests of the City do not arise. The employee shall complete an "Outside Employment Form" and advise his-their Department Head of the nature of the outside employment, hours involved, and any other appropriate information prior to acceptance of the outside employment. The Department Head shall then recommend to the City Administrator or appropriate authority whether the outside employment should be approved. Outside employment by City employees shall not be authorized unless first approved by the City Administrator or appropriate authority. In any situation wherein extra duty will be necessary in an employee's normal City work, such extra duty shall be in preference to his outside employment.

1.7 Political Activity

No employee shall be prohibited from participating in political activities except during work hours or when otherwise engaged in the performance of his or her official duties. No employee shall engage in any political activity while wearing a City uniform ~~required by the City or wearing clothing denoting themselves as a City of Seward employee.~~

1.8 Suggestions

~~Suggestions for the improvement of any portion of the City's services are encouraged and welcomed. Suggestions shall be submitted to the Department Head, City Administrator, or appropriate authority, in writing, dated and signed. It shall be the responsibility of each Department Head to give full and fair consideration to each suggestion made by an employee. The Department Head shall consult with the employee on the merit and status of any suggestion in order to insure that the employee's suggestion has not been ignored or forgotten. (Updated 3/2/99)~~

1.8(1) Social Media Policy (New 11-15-16) Usage

~~Employees shall refrain from using social media while on work time, unless it is work-related as authorized by the Department Head or consistent with the Cell Phone, Computer and Internet Services policy. Employees shall not use the City of Seward's email addresses to register on social networks, blogs or other online tools utilized for personal use.~~

1.8.1. General Social Media Use

The City of Seward takes no position on an employee's decision to start or maintain a blog or to participate in other social networking activities. However, it is the right and duty of the City to protect itself from unauthorized disclosure of confidential information and information expressly exempted from Nebraska's public records laws. Unless specifically instructed, employees are not authorized and therefore are restricted from speaking on behalf of the City. Employees may not publicly discuss

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confidential information or information expressly exempted from Nebraska's public records laws outside of City-authorized communications. Employees are expected to protect privileged data. For example, employees, vendors or clients are prohibited from disclosing personal employee and nonemployee information and any other proprietary and nonpublic information to which employees have access. Such information includes but is not limited to citizen financial information, legal process information, and personnel issues.

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Employees are cautioned that they should have no expectation of privacy while using the internet. Postings can be reviewed by anyone, including City staff. The City reserves the right to monitor comments or discussions about the City, its employees, vendors and contractors posted on the internet by anyone, including employees and non-employees. The City may use blog-search tools and software to monitor forums such as blogs and other types of personal journals, diaries, personal and business discussion forum, and social networking sites.

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Employees are cautioned that they should have no expectation of privacy while using City equipment or facilities for any digital purpose. The City reserves the right to use content management tools to monitor, review or block content on city blogs that violate City blogging rules and guidelines.

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1.8.2. Authorized Social Media Use on Behalf of the City

Only authorized employees can prepare and modify content for the City of Seward website and/or the social networking entries located on the web. Content must be relevant, add value and meet at least one of the specific goals or purposes developed by the City. If uncertain about any information, material or conversation, discuss the content with the respective Department Head and/or City Administration. Access to City-owned social media sites will be discontinued upon resignation or termination of an employee who posts on behalf of the City.

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Any copyrighted information where written reprint information has not been obtained in advance cannot be posted by an authorized employee.

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The City of Seward understands that social media can be a fun and rewarding way to share life and opinions with family, friends and co-workers around the world. However, use of social media also presents certain risks and carries with it certain responsibilities. This policy applies to all employees.

Guidelines

In the rapidly expanding world of electronic communication, *social media* can mean many things. *Social media* includes all means of communicating or posting information or content of any sort on the Internet, including to your own or someone else's web log or blog, journal or diary, personal web site, social networking or affinity web site, web bulletin board or a chat room, whether or not associated or affiliated with the City of Seward, as well as any other form of electronic communication. The same principles and guidelines found in the City of Seward policies and three basic beliefs apply to your activities online. Ultimately, you are solely responsible for what you post online. Before creating online content, consider some of the risks and rewards that are involved. Keep in mind that any of your conduct that adversely affects your job performance, the performance of fellow associates or otherwise

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adversely affects members, customers, suppliers, people who work on behalf of the City of Seward or the City of Seward's legitimate business interests may result in disciplinary action up to and including termination.

Know and Follow the Rules

Carefully read these guidelines. Inappropriate postings that may include discriminatory remarks, harassment, and threats of violence or similar inappropriate or unlawful conduct will not be tolerated and may subject you to disciplinary action up to and including termination.

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Be Respectful

Be fair and courteous to fellow city employees, co-workers, elected officials, other government officials and employees, customers, citizens, board and committee members, suppliers and volunteers who work on behalf of the City of Seward. Also, keep in mind that you are more likely to resolve work-related complaints by speaking directly with your co-workers or Supervisor than by posting complaints to a social media outlet. Nevertheless, if you decide to post complaints or criticism, avoid using statements, photographs, video or audio that reasonably could be viewed as malicious, obscene, threatening or intimidating, that disparage or that might constitute harassment or bullying. Examples of such conduct might include offensive posts meant to intentionally harm someone's reputation or posts that could contribute to a hostile work environment on the basis of race, sex, disability, religion or any other status protected by law or City of Seward policy.

Be Honest and Accurate

Make sure you are always honest and accurate when posting information or news, and if you make a mistake, correct it quickly. Be open about any previous posts you have altered. Remember that the Internet archives almost everything; therefore, even deleted postings can be searched. Never post any information or rumors that you know to be false.

Post Only Appropriate and Respectful Content

- Maintain the City of Seward's confidential information. Do not post internal reports, policies, procedures or other internal business-related confidential communications.
- Respect financial disclosure laws.
- Do not create a link from your blog, website or other social networking site to a City of Seward website without identifying yourself as a City of Seward employee.
- Express only your personal opinions. Never represent yourself as a spokesperson for the City of Seward. If the City of Seward is a subject of the content you are creating, be clear and open about the fact that you are an employee and make it clear that your views do not represent those of the City of Seward, fellow city employees, co-workers, elected officials, other government officials and employees, customers, citizens, board and committee members, suppliers and volunteers working on behalf of the City of Seward. If you do publish a blog or post online related to the work you do or subjects associated with the City of Seward, make it clear that you are not speaking on behalf of the City of Seward. It is best to include a disclaimer

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such as "The postings on this site are my own and do not necessarily reflect the views of the City of Seward."

Using Social Media at Work

Refrain from using social media while on work time, unless it is work-related as authorized by your Supervisor or consistent with the Cell Phone, Computer and Internet Services policy. Do not use the City of Seward's email addresses to register on social networks, blogs or other online tools utilized for personal use. (Added 10/2016)

1.9 Care and Use of City Property (Updated 1/98)

The City of Seward provides a pleasant, comfortable and well maintained working environment for its employees. City equipment is also provided and kept up to date. Proper use and care of both the facilities and equipment is required of all employees. Any employee who does not maintain city facilities and equipment in a proper manner or who is found to be responsible for damage to or loss of City equipment through negligence, carelessness or abuse shall be subject to disciplinary action and may be required to reimburse the City for such damage or loss.

Employees shall be responsible for the proper care and use of all City property entrusted or available to them. Employees damaging or losing City property through negligence or abuse shall be subject to disciplinary action and may be required to reimburse the City for such damage or loss. City equipment, keys, materials, and supplies shall not be used for private purposes and shall not be removed from authorized locations without proper supervisory approval. Employees leaving the City service shall return any tools, uniforms, or other City property issued to them before receiving their final pay.

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Based not only on the Accountability & Disclosure rulings, but also for liability reasons, at no time will any employee or member of the public be allowed to use/borrow City equipment, or place or park their own personal vehicle in a City owned garage, shop or building. (This includes parking on city premises to change oil, wash vehicles, etc.). City employees shall only be entitled to utilize and borrow City-owned equipment and facilities as per the policies of general use from the public.

This policy shall not apply to non-powered equipment such as chairs, tables, picnic tables, benches, ice skates, disc golf sets, field chalking equipment and like items which have been routinely loaned; or to the exchange of equipment to other City, County, School or approved group within the City of Seward.

The Seward Volunteer Fire Department members are not employees and therefore will be governed by the rules and regulations as outlined and enforced by the Fire Department Board of Control and Department Standard Operating Procedures.

1.9(1) SMOKE FREE POLICY (New section added 11-01)

Smoking by the public and City employees shall be prohibited in all municipal buildings and vehicles.

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1.9(2) ACCEPTABLE USE GUIDELINES FOR COMPUTERS & INTERNET SERVICES

The City of Seward recognizes the need for computer & technology services to provide a productive professional work environment and will provide the necessary equipment to conduct such business. (Updated 11-15-16)

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~~General Principles: Computers and internet services are provided by the City of Seward to support open communications and exchange of information and the opportunity for collaborative government related work. The City of Seward encourages the use of electronic communications by its departments and employees. Although access to information and information technology is essential to the missions of government agencies and their users, use of computers and internet services is a revocable privilege. Conformance with acceptable use, as expressed in this policy statement, is required. City departments are expected to maintain and enforce this policy. Abuse of the internet access provided by the City in violation of law or City policy will result in disciplinary action, up to and including termination of employment. Employees may be held personally liable for any violations of this policy.~~

~~During business hours, computer use and internet communications to and from City employees and with outside government agencies, are presumed to be work related. City computers and data stored in them are the property of the City, and may be accessed at any time by authorized City officials. The equipment, services, and technology provided to access the internet offered by the City remain at all times property of the City. As such, the City reserves the right to monitor internet traffic, and retrieve and read any data composed, sent, or received through their online connections and stored in their computer systems. Employees should not expect privacy in the use of City computers.~~

~~At a minimum, users of computers and internet services provided by the City of Seward are expected to:~~

~~1) Make a reasonable effort to inform themselves of this acceptable use policy, and acceptable and unacceptable uses of computer equipment and the internet in general. This burden of responsibility is on the user as to acceptable and unacceptable uses prior to use. Compliance with all applicable acceptable use restrictions is mandatory.~~

~~2) During on-duty hours, City provided computers and internet services are to be used only for City government related activities.~~

~~The City library provides use of computers and internet services to the public free of charge. Therefore, no charge will be assessed to employees who use the computers and these internet services during off-duty hours for personal business of a legal/ethical nature.~~

~~3) Respect the legal protection provided by copyright and license of programs and data.~~

~~4) Respect the privileges of other users.~~

~~5) Respect the integrity of computing systems connected to the internet.~~

~~6) Know and follow generally accepted etiquette of the internet. For example, always use civil forms of communication and avoid being drawn into "flame wars".~~

~~7) Avoid uses of the network that reflect poorly on other agencies or on the City.~~

~~8) During normal requirements of the various jobs within the City, protection of programs, data and select files may be required. Encrypting and/or use of passwords may be necessary to protect sensitive data. Sensitive data to be defined as personnel records, any information used in pending legal action, draft materials, and/or any information that if released prior to appropriate action may be detrimental to any City function. All passwords and/or encrypting methods including~~

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~~encrypting programs in use on City of Seward-owned or leased computerized equipment must be on file with the Department Head or City Administrator. Such passwords shall be listed on forms provided by City offices. The password or encrypting information must be filed and available within three working days from the date the password or encryption is used. When changing or updating passwords the three working days is from the date that change is made.~~

~~Evaluation of the guidelines of this acceptable use policy may require the City Administrator, Department Heads or supervisors to view any document, program or materials displayed on any City computer, terminal or monitor on request.~~

~~Users should remember that the City of Seward's personnel rules and regulations on employee conflict of interest, legal/ethical conduct, and appropriate use of City property apply to the use of electronic communications systems supplied by the City.~~

~~SPECIALLY ACCEPTABLE USES:~~

- ~~1) Communication and information exchange directly related to the mission and goals of the City, and work tasks of its departments.~~
- ~~2) Communication and exchange for continuing professional development, to maintain currency of training and education, or to discuss issues related to the user's City activities.~~
- ~~3) Application for or administration of grants or City contracts.~~
- ~~4) Utilization for advisory, standards, research, analysis, and professional society activities related to the user's City work tasks and duties.~~
- ~~5) Announcement of new City regulations, ordinances, procedures, policies, rules, services, programs, information, or activities.~~
- ~~6) Any other City administrative communications not requiring a high level of security.~~
- ~~7) Communication incidental to otherwise acceptable use, except for illegal or specifically unacceptable uses.~~

~~SPECIFICALLY UNACCEPTABLE USES FOR CITY INTERNET USAGE:~~

- ~~1) Any purpose which violates a federal, state or local law.~~
- ~~2) Any for profit activities unless specific to the mission, goals or duties of the City, or related work tasks of a department.~~
- ~~3) Purposes not directly related to the City's mission and goals or department's work tasks during normal business hours.~~
- ~~4) Using the City's time and resources for personal gain.~~
- ~~5) Access to and distribution of: a) Patently offensive representations or descriptions of ultimate sexual acts, normal or perverted, actual or simulated offensive representations or descriptions of excretory functions, masturbation, or lewd exhibition of the genitals, b) Material sent or received in violation of the Protection of Children Against Sexual Exploitation Act of 1977, as amended, 18 U.S.C. 2252.~~

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~~An exemption is allowed for authorized City law enforcement officers searching for information pertaining to specific criminal activity directly related to active investigations within the jurisdiction of the City of Seward.~~

- ~~6) Access to and distribution of computer games that have no bearing on the City's mission and goals or a department's work tasks. Some games that help teach, illustrate, training, or simulate City related issues may be acceptable.~~
- ~~7) Interference with or disruption of network users, services or equipment.~~
- ~~8) Intentionally seeking out information on, obtain copies of, or modify files and other data which are confidential under federal, state, or local law, unless specifically authorized to do so once the legal conditions for release are satisfied.~~

~~No intentional copy is to be made of any software, electronic file, program or data using City provided internet services without a prior, good faith determination that such copying is, in fact, permissible. Any efforts to obtain permission should be adequately documented.~~

- ~~9) Intentionally seeking information on, obtaining copies of, or modifying files or data belonging to others without authorization of the file owner. Seeking passwords of others or the exchanging of passwords is specifically prohibited.~~
- ~~10) Users intentionally representing themselves electronically as others, either on the City internet or elsewhere on the internet unless explicitly authorized to do so by those other users. Users shall not circumvent established policies defining eligibility for access to information or systems.~~
- ~~11) Intentionally developing programs designed to harass other users or infiltrate a computer or computing system and/or damage or alter software components of same.~~
- ~~12) Fund raising or public relations activities not specifically related to City activities.~~
- ~~13) Using the internet for political causes or activities, religious activities, or any sort of gambling.~~
- ~~14) Sending or posting discriminatory, harassing, or threatening messages or images.~~
- ~~15) Sending or posting messages or material that could damage the City's image or reputation.~~
- ~~16) Participating in the viewing or exchange of pornography or obscene materials.~~
- ~~17) Refusing to cooperate with a security investigation.~~

~~**ADDITIONAL GUIDELINES:** Computer viruses on downloaded software. Any software obtained from outside City government should be virus checked prior to use. Internet users should take the necessary anti-virus precautions before downloading or copying any file from the Internet. All downloaded files are to be checked for viruses; all compressed files are to be checked before and after decompression.~~

~~**Use by Contractors.** Contractors and other non-City employees may be granted access to City provided internet services as the discretion of the City Administrator. Acceptable use by contractors and other non-City employees working for the City is the responsibility of the~~

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~~contract administrator. The contract administrator is expected to provide contractors who use City Internet services with this information.~~

~~Passwords. Use passwords associated with the City information system only on that system. When setting up an account at a different information system that will be accessed using the Internet, choose a password different from ones used on City information systems. Do not use the same password for both local and remote internet accessed site.~~

~~Logoff (Exiting). Always make a reasonable attempt to complete the logoff or other termination procedure when finished using a remote, Internet accessed system or resource. This will help prevent potential breaches of security.~~

~~E-Mail Security. Unencrypted electronic mail sent or received outside any Department and on the internet cannot be expected to be secure.~~

~~Large File Transfers and Internet Capacity. The internet connection is a shared resource. While routine electronic mail and file transfer activities won't impact other users much, large file transfers and intensive multimedia activities will impact the service levels of other users.~~

~~Users contemplating file transfers over 10 megabytes per transfer or interactive video activities should, to be considerate of other users, schedule these activities early or late in the day.~~

~~Disclaimers. Users should avoid being drawn into discussions where disclaimers like "this represents my personal opinion and not that of my Department or the City of Seward" need to be used. When you are using Internet services provided by the City, users need to remember that they are representing the City of Seward.~~

~~PROCEDURES: The City Administrator, Department Head or their delegated representative are responsible for their employees' compliance with the provisions of this policy and for investigating non-compliance. When an instance of non-compliance with this policy is discovered or suspected, the management shall take action in accord with City personnel policies. Suspension of service to users may occur when deemed necessary to maintain the operation and integrity of the City of Seward Internetwork. User accounts and password access may be withdrawn without notice if a user knowingly violates the acceptable use policy. Discipline may be appropriate in cases of criminal or civil action where laws are violated.~~

1.9.2 GUIDELINES FOR COMPUTERS & INTERNET SERVICES

The City of Seward recognizes the need for computers and technology services to provide a productive professional work environment and will provide the necessary equipment to conduct such business. Computers and internet services are provided by the City of Seward to support open communications and exchange of information and the opportunity for collaborative government-related work. During business hours, computer use and internet communications to and from City employees and with outside entities, are presumed to be work-related. Although access to information and information technology is essential to the missions of government agencies and their users, use of computers and internet services is a revocable privilege. Abuse of the internet access provided by the City in violation of law or City policy will result in disciplinary action, up to and including termination of employment. Employees may be held personally liable for any violations of this policy. The following guidelines have been established to help ensure responsible and productive Internet usage.

All Internet data composed, transmitted, or received via the City's computer communications systems is subject to disclosure to law enforcement and other third parties.

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Employees should always ensure that the information contained in Internet e-mail messages and other transmissions is accurate, appropriate, ethical, and lawful.

City computers and data stored in them are the property of the City and may be accessed at any time by authorized City officials. The equipment, services, and technology provided to access the internet offered by the City remain at all times property of the City. As such, the City reserves the right to monitor internet traffic, and retrieve and read any data composed, sent, or received through their online connections and stored in their computer systems. Employees should not expect privacy in the use of City computers.

Data that is composed, transmitted, accessed or willingly received via the Internet must not contain content that could be considered discriminatory, offensive, obscene, threatening, harassing, intimidating or disruptive to any employee or other person; except in the cases necessary for the performance of a specific job-related duty. Examples of unacceptable content may include, but are not limited to sexual comments or images, racial slurs, gender-specific comments or any other comments or images that could reasonably offend someone on the basis of race, color, age, sex/gender, religious or political beliefs, military status, national origin, disability, sexual orientation, marital status, pregnancy, genetic information, gender identity or any other characteristic protected by law.

The unauthorized use, installation, copying or distribution of copyrighted, trademarked or patented material on the Internet is expressly prohibited. As a general rule, if an employee did not create material, does not own the rights to it, or has not gotten authorization for its use, it should not be put on the Internet. Employees are also responsible for ensuring that the person sending any material over the Internet has the appropriate distribution rights.

The Internet is full of useful programs that can be downloaded, but some of them may contain computer viruses that can damage computers. Any software obtained from outside City government should be virus checked prior to use. Internet users should take the necessary anti-virus precautions before downloading or copying any file from the Internet. All downloaded files are to be checked for viruses; all compressed files are to be checked before and after decompression.

The use of e-mail through the City's network is for business purposes. Minimal personal use of the electronic mail system and Internet is permitted; however the personal use is limited to the user's own time and is not to interfere with the job responsibilities and must adhere to all rules referenced herein. Employees should not use any e-mail messaging account or service other than that provided by the City.

When an instance of non-compliance with these guidelines is discovered or suspected, management shall take action in accord with City personnel policies. Suspension of service to users may occur when deemed necessary to maintain the operation and integrity of the City of Seward network. User accounts and password access may be withdrawn without notice if a user knowingly violates the acceptable use policy. Abuse of the Internet access provided by the City in violation of law or the City policies will result in disciplinary action, up to and including termination of employment. Employees may also be held personally liable for any violations of the policy.

The following behaviors are examples of previously stated or additional actions and activities that are prohibited and can result in disciplinary action:

- a. Any purpose which violates a federal, state or local law;
- b. Sending or posting discriminatory, harassing or threatening messages or images;

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- c. Using the organization's time and resources for personal gain or for fundraising or public relations activities not specifically related to City activities;
- d. Stealing, using or disclosing someone else's code or password without authorization;
- e. Copying, pirating, downloading or installing software and electronic files without permission;
- f. Sending or posting confidential material, trade secrets or proprietary information without authorization;
- g. Violating copyright law;
- h. Failing to observe licensing agreements;
- i. Engaging in unauthorized transactions that may incur a cost to the organization or initiate unwanted internet services and transmissions;
- j. Sending or posting messages or materials that could damage the organization's image or reputation;
- k. Participating in the viewing or exchanging of pornography or obscene materials;
- l. Sending or posting messages that defame, harass or slander other individuals;
- m. Attempting to break into the computer system of another organization or person except in the cases necessary for the performance of a specific job-related duty;
- n. Refusing to cooperate with a security investigation;
- o. Sending or posting chain letters, solicitations or advertisements not related to business purposes or activities;
- p. Using the internet for political causes or activities, religious activities or any sort of gambling;
- q. Jeopardizing the security of the organization's electronic communications system;
- r. Passing off personal views as representing those of the City or other users;
- s. Sending anonymous e-mail messages;
- t. Accessing or distributing computer games that have no relation to City activities;
- u. Other similar actions.

1.9(3) Drug and Alcohol Use and Testing Policy/Procedure (New section added 11-01)

~~Drug Testing Policy: All full time and regular part-time employees shall be subject to a drug and alcohol test prior to being hired. Applicants who test positive without a suitable explanation will not be offered a position.~~

~~Employees can be asked to submit to a test if cause exists to indicate that their health or ability to perform work might be impaired. Factors that could establish cause include, but are not limited to:~~

- ~~1) Sudden changes in work performance;~~
- ~~2) Repeated failure to follow instructions or operating procedures;~~
- ~~3) Violation of City safety policies;~~
- ~~4) Involvement in an accident or near-accident;~~
- ~~5) Discovery or presence of illegal or suspicious substances or materials in an employee's possession or near the employee's workplace;~~
- ~~6) Odor of alcohol and/or residual odor peculiar to some clinical or controlled substances;~~

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- 7) ~~Unexplained and/or frequent absenteeism;~~
- 8) ~~Personality changes or disorientation; and~~
- 9) ~~Arrest or conviction for violation of a criminal drug statute.~~

~~Employees may be tested if they are involved in an on-the-job vehicle accident cited for a moving vehicle violation, personal injury, or property accident on the job. Employees are prohibited from using alcohol or controlled substances following such an incident until they have been tested. Any employee who is seriously injured and cannot provide a specimen at the time of the incident must provide the necessary authorization for obtaining hospital records and other documents that would indicate whether there was alcohol and/or controlled substances in the employee's system. (Added 12/2012)~~

~~The following policy provides the City of Seward regulations for compliance with the United States Department of Transportation regulations regarding a drug and alcohol free transportation environment and applies to all persons who are commercially licensed drivers in service to the City.~~

~~Policy: It is the policy of the City of Seward that its commercially licenses drivers be free from substance abuse and alcohol abuse. Consequently, the use of illegal drugs by drivers is prohibited. Further, drivers shall not use alcohol to engage in "prohibited conduct" as defined herein. The overall goal of this policy is to ensure a drug and alcohol free transportation environment and to reduce accidents injuries and fatalities.~~

~~This policy has been adopted as part of the City's required compliance with United States Department of Transportation (DOT) regulations 49 C.F.R. Part 382. Those portions of this policy regarding disciplinary action or related to compliance with Nebraska law are based upon independent authority and are not prescribed by the DOT regulations.~~

~~In addition to this policy, employees and other persons may be subject to other City policies and governmental regulations relating to alcohol and drug abuse affecting work activities that are not governed by DOT regulations related to functions performed by commercially licensed drivers.~~

~~Refusal to Test: Refusal to submit to drug and alcohol tests described herein will be grounds for refusal to hire driver/applicants and to terminate employment of existing drivers. Refusal to test means either failure to provide adequate breath or urine sample without valid medical explanations or engaging in any conduct which would obstruct the implementation of any test required herein.~~

~~Consequences of Policy Violation: Any driver who becomes unqualified or engages in prohibited conduct as set forth herein is subject to disciplinary action up to and including discharge.~~

~~Types of Tests: The City has implemented six circumstances for drug and alcohol tests pursuant to regulations promulgated by the U.S. Department of Transportation (DOT); 1) pre-employment testing; 2) random testing; 3) post-accident testing; 4) reasonable suspicion testing; 5) return-to-duty testing; and 6) follow-up testing.~~

~~Pre-Employment Testing: All applicants for positions requiring a Commercial Driver's License (CDL) must submit to urine drug tests, or provide documentation that they have participated in a drug testing program within the previous 30 days and have no records of a violation of the DOT drug misuse rules within the previous 6 months (verified through previous employers); and were drug tested within the past 6 months (from date of~~

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application) or participated in a random drug testing program for the previous 12 months (also from the date of application).

Random Tests: The City conducts random drug and alcohol testing for persons it assigns to operate Commercial Motor Vehicle (CMV). The City will submit all CDL drivers to a random selections system which provides an equal chance for each driver to be selected each time random selection occurs. Random selections will be reasonably spread throughout the year.

The City will drug test, at a minimum, 25% of the average number of driver positions in each calendar year. The City will select, at a minimum 10% of the average number of driver positions for random alcohol testing. Random selection, by its very nature, may result in drivers being selected in successive selections or more than once a calendar year. Alternatively, some drivers may not be selected in a calendar year.

A City official will notify the driver when a driver is selected at random for either drug or alcohol testing. Once notified, the driver must take appropriate action intended to lead to testing. Any conduct by the driver which does not lead to a test as soon as possible after notification may be considered a refusal to test.

Post-Accident Test: As soon as practicable following an occurrence involving a commercial motor vehicle operating on a public road in commerce, each employer shall test for alcohol for each of its surviving drivers: (1) who was performing safety-sensitive functions with respect to the vehicle, if the accident involved the loss of human life; or (2) who receives a citation within 8 hours of the occurrence under State or local law for a moving traffic violation arising from the accident.

Note: Safety sensitive functions means any of those on duty functions set forth in 49 Code of Federal Regulations 395.2, on-duty time, paragraphs (1) through (7), generally, driving and related activities. See Attachment 1 following this section for a reproduction of these requirements.

A driver involved in an accident must contact his or her supervisor as soon as possible following the accident. The driver must comply with the instructions contained on the DOT post-accident cab cards contained in the vehicle's glove compartment.

The DOT requires that any time a post-accident drug or alcohol test is required, it must be performed as soon as possible following the accident. If a test is not administered within two hours, the responsible supervisor must report the reasons why, in writing, to the City Administrator. Attempts to collect a breath sample are to cease in instances where alcohol collection cannot be made within 8 hours. Attempts to collect urine samples are to cease in instances where urine collection cannot be completed for purposes of post-accident testing within 32 hours.

The results of a breath, blood, or urine tests for the use of alcohol, or controlled substances, conducted by Federal, State, or local officials having independent authority for the test, shall be considered to meet the requirements of this section, provided such tests conform to the applicable Federal, State or local alcohol testing requirements, and that the results of the tests are obtained by the employer. The employee must sign a release allowing the City to obtain the test result from federal, state or local officials.

A driver who is unable to provide a urine or breath specimen at the time of the accident because of serious injuries, must provide necessary authorization for the City to obtain hospital records or other documents that would indicate whether there were controlled substances or alcohol in the driver's system at the time of the accident.

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A driver who is subject to post-accident testing shall remain readily available for such testing or may be deemed by the employer to have refused to submit to testing. Nothing in this section shall be construed to require the delay of necessary medical attention for injured people following an accident or to prohibit a driver from leaving the scene of an accident for the period necessary to obtain assistance in responding to the accident, or to obtain necessary emergency medical care.

Reasonable Cause/Reasonable Suspicion Test: Reasonable cause/reasonable suspicion for requiring a driver to submit to drug and/or alcohol testing must be based on specific, contemporaneous, articulable observations concerning the appearance, behavior, speech or body odors of the driver. Such driver must be witnessed by at least one supervisor trained in compliance with DOT regulations.

NOTE: 49 Code of Federal Regulations 382.307, Reasonable Suspicion Testing, discusses reasonable suspicion testing in detail. See Attachment 2 for a reproduction of these requirements.

PROHIBITED CONDUCT UNDER DOT REGULATIONS: The content of Title 49 of the Code of Federal Regulations, Part 382 Controlled Substances and Alcohol Use and Testing, subpart B Prohibitions, is reproduced below. Drivers who fail to comply with the following requirements will be considered to have engaged in prohibited conduct for the purposes of this policy.

"No driver shall report for duty or remain on duty requiring the performance of safety sensitive functions while having an alcohol concentration of .04 or greater. No employer having knowledge that a driver has an alcohol concentration of 0.04 or greater shall permit the driver to perform or continue to perform safety sensitive functions."

"No driver shall use alcohol while performing safety sensitive functions. No employer having actual knowledge that a driver is using alcohol while performing safety sensitive functions shall permit the driver to perform or continue to perform safety sensitive functions."

"No driver shall perform safety sensitive functions within four (4) hours after using alcohol. No employer having actual knowledge that a driver has used alcohol within four hours shall permit a driver to perform or continue to perform safety sensitive functions. (Alcohol use in this context means consumption of any beverage, mixture, or preparation, including any medication, containing alcohol.)

"No driver required to take a post-accident alcohol test under 382.303 of this part (Post-accident testing) shall use alcohol for eight hours following the accident, or until he/she undergoes a post-accident alcohol test, whichever occurs first."

"No driver shall refuse to submit to a pre-employment controlled substance test required under §382.301, a post-accident alcohol or controlled substance test required under §382.303, a random alcohol or controlled substances test required under §382.305, a reasonable suspicion alcohol or controlled substance test required under §382.307, a return-to-duty alcohol or controlled substances test required under §382.309, or a follow-up alcohol or controlled substance test required under §382.311. No employer shall permit a driver who refuses to submit to such tests to perform or continue to perform safety sensitive functions."

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~~"No driver shall report for duty or remain on duty requiring the performance of safety sensitive functions when the driver uses any drug or substance identified in 21 CFR 1308.11 Schedule I."~~

~~"No driver shall report for duty or remain on duty requiring the performance of safety sensitive functions when the driver uses any non-Schedule I drug or substance that is identified in the other Schedules in 21 CFR part 1308 except when the use is pursuant to the instructions of a licensed medical practitioner, as defined in §382.107, who is familiar with the driver's medical history and has advised the driver that the substance will not adversely affect the driver's ability to safely operate a commercial motor vehicle."~~

~~"No employer having actual knowledge that a driver has used a controlled substance shall permit the driver to perform or continue to perform a safety sensitive function."~~

~~"An employer may require a driver to inform the employer of any therapeutic drug use."~~

~~"No driver shall report for duty, remain on duty or perform a safety sensitive function, if the driver tests positive or has adulterated or substituted a test specimen for controlled substances. No employer having knowledge that a driver has tested positive or has adulterated or substituted a test specimen for controlled substances shall permit the driver to perform or continue to perform safety sensitive functions"~~

The City may require the driver to submit to drug and/or alcohol testing if the City has actual knowledge or has reason to believe that a driver has engaged in prohibited conduct.

A driver who engages in prohibited conduct is not qualified to drive a commercial motor vehicle and must be immediately removed from service. The City may, in its discretion and at the request of the driver, keep the driver's position open during a period of disqualification from driving a commercial vehicle resulting from failure to comply with the above laws, while the driver attempts to become re-qualified. The City may also take disciplinary action against the employee up to and including discharge.

RELATED NEBRASKA STATUTES

Persons with commercial driver's licenses must comply with Nebraska law concerning operation of commercial motor vehicles when using commercial motor vehicles during working hours, in response to calls when scheduled to be on call, in response to unscheduled call-outs, or at any other time:

SUBSTANCE ABUSE EVALUATION AND TREATMENT AND RETURN TO DUTY AND FOLLOW-UP TESTING

Any driver who engages in prohibited conduct will be provided with the name, address and telephone number of qualified substance abuse professionals. If the driver desires to become re-qualified, the driver must be evaluated by a Substance Abuse Professional (SAP) and submit to any treatment prescribed by the SAP following evaluation and treatment, if any, in order to become re-qualified, the driver must submit to and successfully complete a return to duty drug and/or alcohol test.

Such driver is also subject to follow up testing. Follow up testing is separate from and in addition to the City's reasonable cause, post accident, and random testing procedures. Follow up testing will be on a random basis and be in accordance with the instructions of the Substance Abuse Professional. Follow up testing may continue for a period of up to 60

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months following the driver's return to duty. No fewer than six tests will be performed in the first 12 months of follow-up testing. The City does not guarantee or promise a position to the driver should he or she regain qualified status.

AUTHORIZATION FOR PREVIOUS TEST RECORDS

DOT requires the City to obtain certain Drug and Alcohol testing records from a driver's employers for the previous two years. This must be done within 14 days of assigning the driver to perform safety sensitive functions. Accordingly, as a condition of employment, the driver must provide a written authorization for such employers to release required drug and alcohol testing records.

DRUG URINALYSIS

Drug testing shall be performed by urinalysis for the presence of drugs and/or metabolites of the following controlled substances: (1) marijuana, (2) cocaine, (3) opiates, (4) amphetamines, (5) phencyclidine (PCP).

The urinalysis procedure starts with the collection of an urine specimen by an authorized Collection Site Person (CSP). The CSP will submit the urine specimen(s) to a Substance Abuse and Mental Health Services Administration (SAMHSA) approved laboratory for testing. As part of the collection process, the specimen provided will be split into two vials; a primary vial and a secondary vial. The SAMHSA-certified laboratory will perform initial screening on all primary vials. In the event that the primary specimen tests positive, a confirmation test of that specimen will be performed before being reported by the laboratory to the MRO as a positive.

The testing laboratory will report all results to a MRO designed by the City. The MRO will report all negative test results to the City. The MRO will attempt to contact the driver to discuss positive test results before reporting it to the City. However, the MRO will contact the City Administrator if unable to contact the driver directly. The City Administrator will then contact the driver and direct the driver to contact the MRO. The driver must contact the MRO immediately upon notification or, if after the MRO's business hours and the MRO is unavailable, at the start of the MRO's next business day. It is the MRO's sole discretion to determine whether a result is positive or negative.

Pursuant to DOT regulations, individual test results for driver/applicants and drivers will be released to the City and will be kept strictly confidential unless consent for the release of the test results have been obtained. Any individual who has submitted to drug testing in compliance with this policy is entitled to receive the results of such testing upon timely written request.

An individual testing positive may make a request of MRO to have the secondary vial tested. The driver may request that the secondary vial be tested by a different SAMHSA-certified lab than the one which tested the primary specimen. The individual making the request for a test of the second specimen must pre-pay all costs of the additional test and all handling and shipping costs associated with the transfer of the specimens to the different laboratory. The request for testing of a second specimen is timely if it is made to the MRO within 72 hours of the individual being notified by the MRO of a positive test result.

ALCOHOL TESTS

An authorized Breath Alcohol Technician will perform alcohol tests using an evidential breath testing device. The driver must follow all instructions given by the Breath Alcohol Technician.

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~~A driver with a blood alcohol content of .02 to .0299 based on an evidential breath test will be removed from duty for 24 hours or until the next scheduled on duty time, whichever is longer. Tests indicating a blood alcohol concentration of .04 or over will be considered evidence the employee engaged in prohibited conduct and may result in disciplinary action up to and including discharge.~~

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REVIEW OF DETERMINATIONS-APPEALS

~~Persons determined to have positive alcohol or drug test results will have a right to an impartial internal management review of those determinations when a review is requested. This review must be in accordance with the appeal process outlined in the City's Personnel Manual with such modification as are necessary to accommodate alcohol and drug testing pursuant to the DOT regulations. Disciplinary action taken against an employee because of such positive alcohol or drug test results is reviewable under the City's Grievance Policy.~~

TRAINING

~~The City Administrator or his/her designated representative will develop specific training for drivers and their supervisors. (For purposes of this policy, a supervisor is any person who assigns or directs an individual to perform Safety Sensitive Functions as defined in Attachment 1). A supervisor must complete this training before assuming this responsibility. The City will provide at least 60 minutes of training on alcohol misuse and at least an additional 60 minutes of training on controlled substances to affected supervisors. The training will cover the physical, behavioral, speech, and performance indicators of probable use of controlled substances and alcohol misuse.~~

~~The City will also provide each driver with education materials which explain the DOT drug and alcohol testing regulations and the City's policies for compliance. DOT regulations require each driver to sign a statement certifying receipt of these materials.~~

ATTACHMENT 1

DEFINITION OF SAFETY SENSITIVE FUNCTIONS

~~Title 49 of the Code of Federal Regulations Part 382 (Controlled Substances and Alcohol Use and Testing) defines "safety sensitive function" as "all time from the time a driver begins to work or is required to be in readiness to work until the time he/she is relieved from work and all responsibility for performing work. Safety sensitive functions shall include:~~

- ~~1) All time at an employer or shipper plant, terminal, facility, or other property, or on any public property, waiting to be dispatched, unless the driver has been relieved from duty by the employer;~~
- ~~2) All time inspecting equipment as required by § 392.7 and 392.8 of this subchapter or otherwise inspecting, servicing, or conditioning any commercial motor vehicle at any time;~~
- ~~3) All time spent at the driving controls of a commercial motor vehicle in operation;~~
- ~~4) All time, other than driving time, in or upon any commercial motor vehicle except time spent resting in sleeper berth (a berth conforming to the requirements of § 393.76 of this chapter)~~
- ~~5) All time loading or unloading a vehicle, supervising, or assisting in the loading or unloading, attending a vehicle being loaded or unloaded, remaining in readiness to operate the vehicle, or in giving or receiving receipts for shipments loaded or unloaded; and~~
- ~~6) All time repairing, obtaining assistance, or remaining in attendance upon a disabled vehicle.~~

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ATTACHMENT 2
REASONABLE SUSPICION TESTING

Title 49 Code of Federal Regulations 382.307, Reasonable Suspicion Testing, discusses reasonable suspicion testing in detail. This section is reproduced below. Referenced to "subpart B of this part" means Title 49 of the Code of Federal Regulations, Part 382- Controlled Substances and Alcohol Use and Testing, subpart B-Prohibitions. The test of subpart B is reproduced in this policy in the section title "Prohibited Conduct Under DOT Regulations".

382.307 Reasonable Suspicion Testing:

- 1) An employer shall require a driver to submit to an alcohol test when the employer has reasonable suspicion to believe that the driver has violated the prohibitions of subpart B of this part concerning alcohol. The employer's determination that reasonable suspicion exists to require the driver to undergo an alcohol test must be based on specific, contemporaneous, articulable observations concerning the appearance, behavior, speech or body odors of the driver.
- 2) An employer shall require a driver to submit to a controlled substances test when the employer has reasonable suspicion to believe that the driver has violated the prohibitions of subpart B of this part concerning controlled substances. The employer's determination that reasonable suspicion exists to require the driver to undergo a controlled substances test must be based on specific, contemporaneous, articulable observations concerning the appearance, behavior, speech or body odors of the driver. The observations may include indications of the chronic and withdrawal effects of controlled substances.
- 3) The required observations for alcohol and/or controlled substances reasonable suspicion testing shall be made by a supervisor or company official who is trained in accordance with §382.603. The person who makes the determination that reasonable suspicion exists to conduct an alcohol test shall not conduct the alcohol test of the driver.
- 4) Alcohol testing is authorized by this section only if the observations required by paragraph (a) of this section are made during, just preceding, or just after the period of the work day that the driver is required to be in compliance with this part. A driver may be directed by the employer to only undergo reasonable suspicion testing while the driver is performing safety sensitive functions, just before the driver is to perform safety sensitive functions, or just after the driver has ceased performing such functions.
- 5) a) If an alcohol test required by this section is not administered within two hours following the determination under paragraph (a) of this section, the employer shall prepare and maintain on file a record stating the reasons the alcohol test was not promptly administered. If an alcohol test required by this section is not administered within eight hours following the determination under paragraph (a) of this section, the employer shall cease attempts to administer an alcohol test and shall state in the record the reasons for not administering the test.
b) Notwithstanding the absence of a reasonable suspicion alcohol test under this section, no driver shall report for duty or remain on duty

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~~requiring the performance of safety-sensitive functions while the driver is under the influence of or impaired by alcohol, as shown by the behavioral, speech, and performance indicators of alcohol misuse, nor shall an employer permit the driver to perform or continue to perform safety-sensitive functions, until:~~

~~i. An alcohol test is administered and the driver's alcohol concentration measures less than 0.02; or~~

~~ii. Twenty four hours have elapsed following the determination under paragraph (a) of this section that there is reasonable suspicion to believe that the driver has violated the prohibitions in this part concerning the use of alcohol.~~

~~c) — Except as provided in paragraph (5)(b) of this section, no employer shall take any action under this part against a driver based solely on the driver's behavior and appearance, with respect to alcohol use, in the absence of an alcohol test. This does not prohibit an employer with independent authority of this part from taking any action otherwise consistent with law.~~

~~6) — A written record shall be made of the observations leading to a controlled substance reasonable suspicion test, and signed by the supervisor or company official who made the observations, within 24 hours of the observed behavior or before the results of the alcohol or controlled substances test are released, whichever is earlier."~~

1.9.3 Controlled Substance and Alcohol Testing Procedure

A. General Procedure

While at work, each City employee has a responsibility to the public to deliver services in a safe, efficient, and conscientious manner. In order to perform a job in the safest manner possible, City employees must be able to work in a drug free environment and themselves be free from the effects of alcohol and other job impairing substances while on the job. Accordingly, while on the job or in a City vehicle, the use, sale, distribution, possession, or being under the influence of an intoxicating liquor, controlled substance, drug not medically authorized, or any other substance that impairs job performance or poses a hazard to the safety and welfare of the employee, the public, or other employees, is strictly prohibited and may result in suspension or termination. Furthermore, the City is obligated to comply with the Department of Transportation (DOT) regulations relating to controlled substances and alcohol use. The City will ensure that the controlled substances and alcohol testing conducted conforms to DOT workplace testing requirements.

To that end, a medical examination for prospective employees for the City of Seward shall include a substance abuse screen. Substances of abuse to be tested for include, but shall not limited to, amphetamines, barbiturates, benzodiazepines, cocaine, methadone, opiates, phencyclidine (PCP), propoxphene, and marijuana. A prospective employee is defined as any employee who might be considered for employment by the City whether they are permanent full-time, permanent part-time and any seasonal, part-time or summer employees that operate equipment or vehicles. Equipment includes but is not limited to lawnmowers, chainsaws, weed whips and other potentially hazardous equipment. Any offer of employment shall be contingent upon a negative substance abuse test result. Any preliminary employment arrangement shall be immediately terminated if the result is positive.

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Additionally, employees can be asked to submit to a test if cause exists to indicate that their health or ability to perform work might be impaired. Factors that could establish cause include, but are not limited to:

- 1) Sudden changes in work performance;
- 2) Repeated failure to follow instructions or operating procedures;
- 3) Violation of City safety policies;
- 4) Involvement in an accident or near-accident;
- 5) Discovery or presence of illegal or suspicious substances or materials in an employee's possession or near the employee's workplace;
- 6) Odor of alcohol and/or residual odor peculiar to some clinical or controlled substances;
- 7) Unexplained and/or frequent absenteeism;
- 8) Personality changes or disorientation; and
- 9) Arrest or conviction for violation of a criminal drug statute.

Employees may be tested if they are involved in an on-the-job vehicle accident cited for a moving vehicle violation, personal injury, or property accident on the job. Employees are prohibited from using alcohol or controlled substances following such an incident until they have been tested. Any employee who is seriously injured and cannot provide a specimen at the time of the incident must provide the necessary authorization for obtaining hospital records and other documents that would indicate whether there was alcohol and/or controlled substances in the employee's system.

B. Procedures for Employees with Commercial Driver's License (CDL)

It is the policy of the City of Seward that its commercially-licensed drivers be free from controlled substance use and alcohol misuse. This policy has been adopted as part of the City's required compliance with United States Department of Transportation (DOT) regulations 49 C.F.R. Part 382. Those portions of this policy regarding disciplinary action or related to compliance with Nebraska law are based upon independent authority and are not prescribed by the DOT regulations.

Consequently, the use of illegal drugs by drivers is prohibited and drivers shall not use alcohol to engage in "prohibited conduct" as defined herein. Prohibited conduct is defined as the performance of safety-sensitive functions if under the influence of or impaired by alcohol. In addition to this policy, employees and other persons may be subject to other City policies and governmental regulations relating to alcohol misuse and controlled substance use affecting work activities that are not governed by DOT regulations related to functions performed by commercially-licensed drivers. Any driver who engages in prohibited conduct resulting in positive test result is subject to disciplinary action up to and including termination. Persons determined to have positive alcohol or drug test results will have a right to an impartial internal management review of those determinations when a review is requested. This review must be in accordance with the appeal process outlined in the City's Personnel Handbook with such modification as are necessary to accommodate alcohol and drug testing pursuant to the DOT regulations. Disciplinary action taken against an employee because of such positive alcohol or controlled substances test results is reviewable under the City's Grievance Policy.

- 1) Types of Tests: §382.301-382.311 The City has implemented six circumstances for controlled substances and alcohol tests pursuant to regulations promulgated by the U.S. Department of Transportation (DOT)
 - a. §382.301 Pre-Employment testing—Prior to the first time a driver performs safety-sensitive functions for an employer, the driver shall undergo testing for controlled substances as a condition prior to being used, unless the employer uses the exception in paragraph (b) of this section. No employer shall allow a driver, who the employer intends to

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hire or use, to perform safety-sensitive functions unless the employer has received a controlled substances test result from the Medical Review Officer (MRO) or Consortium/Third-Party Administrators (C/TPA) indicating a verified negative test result for that driver.

- b. **§382.303 Post-Accident Testing**—A driver involved in an accident must contact his or her supervisor as soon as possible following the accident. As soon as practicable following an occurrence involving a commercial motor vehicle operating on a public road in commerce, each employer shall test for alcohol for each of its surviving drivers: (1) who was performing safety-sensitive functions with respect to the vehicle, if the accident involved the loss of human life; or (2) who receives a citation within 8 hours of the occurrence under State or local law for a moving traffic violation arising from the accident, if the accident involved:
- (i) Bodily injury to any person who, as a result of the injury, immediately receives medical treatment away from the scene of the accident; or
 - (ii) One or more motor vehicles incurring disabling damage as a result of the accident, requiring the motor vehicle to be transported away from the scene by a tow truck or other motor vehicle.
- c. **§382.305 Random Testing**--The City conducts random alcohol and control substance testing for persons it assigns to operate Commercial Motor Vehicles (CMV). The City will administer the City's drug and alcohol testing program through a Third-Party Administrator (TPA), responsible for compliance with DOT regulations. Selections will be at random the City will drug test, at a minimum, 25% of the average number of driver positions in each calendar year. The City will also select, at a minimum 10% of the average number of driver positions for random alcohol testing. Each employee who is notified of selection for random alcohol and/or controlled substances testing will proceed to the test site immediately.
- d. **§382.307 Reasonable Suspicion Testing**—An employee shall be required to submit to an alcohol test when the employer has reasonable suspicion. The employer's determination that reasonable suspicion exists to require the driver to undergo an alcohol test must be based on specific, contemporaneous, articulable observations concerning the appearance, behavior, speech or body odors of the driver.
- e. **§382.309 Return-to-Duty Testing**—The City will conduct testing in accordance with 49 CFR part 40, subpart O.
- f. **§382.311 Follow-up Testing**—The City will conduct testing in accordance with 49 CFR part 40, subpart O.

2) **Refusal to Test: §382.211** Refusal to submit to required alcohol or controlled substance tests described herein will be grounds for refusal to hire driver/applicants and to terminate employment of existing drivers.

C. **Provision of Training and Information (§382.601, §382.603)**

The City Administrator or their designated representative will develop specific training for drivers and their supervisors. The City shall ensure that all persons designated to supervise drivers receive at least 60 minutes of training on alcohol misuse and receive at least an additional 60 minutes of training on controlled substances use. The training will be used by the supervisors to determine whether reasonable suspicion exists to require a driver to undergo testing under §382.307-Reasonable Suspicion Testing. The training shall include the physical, behavioral,

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speech, and performance indicators of probable alcohol misuse and use of controlled substances.

The City shall provide educational materials to each driver prior to the start of alcohol and controlled substances testing that explain the requirements of the DOT drug and controlled substances testing regulations and the City's policies for compliance. DOT regulations require each driver to sign a statement certifying receipt of these materials.

D. Substance Abuse Professionals and the Return-to-Duty Process (§40.287)

Each employee (including an applicant or new employee) who violates a DOT drug and alcohol regulation, must be provided a listing of Substance Abuse Professionals (SAPs) readily available to the employee and acceptable to the employer, with names, addresses, and telephone numbers. If the driver desires to become re-qualified, the driver must be evaluated by a SAP and submit to any treatment prescribed by the SAP following evaluation and treatment, if any, in order to become re-qualified, the driver must submit to and successfully complete a return-to-duty drug and/or alcohol test.

Such driver is also subject to follow-up testing. Follow-up testing is separate from and in addition to the City's reasonable cause, post-accident, and random testing procedures. Follow-up testing will be on a random basis and be in accordance with the instructions of the Substance Abuse Professional. **§40.307** No fewer than six unannounced follow-up tests will be performed in the first 12 months of safety-sensitive duty following the employee's return. Follow-up testing may continue for a period of up to 60 months following the driver's return to duty. The City does not guarantee or promise a position to the driver should he or she regain qualified status.

1.101.9.4 Use of City-Owned Vehicles (Updated 10-06)

Department Heads and other employees, as designated by the ~~appropriate authority~~ Department Head, shall be allowed to use City-owned vehicles during on-duty hours. ~~In certain instances, the City Administrator may permit employees to take City-owned vehicles home for the evening or to overnight trainings, conferences, seminars.~~ Such vehicles shall not be used for other than official City business. Non-City employees ~~(engineers, other government officials, spouses) – consultants, contractors, and other government officials -~~ will be allowed to ride in City-owned vehicles for City related business, meetings or conferences with the approval of the ~~Mayor,~~ City Administrator or ~~appropriate authority~~ Department Head. In addition, ~~both City and n~~Non-City employees ~~shall be allowed to may~~ participate in the Police Department ride along program with approval of the Chief of Police. Employees using City vehicles will be expected to keep them clean ~~and, to~~ schedule regular service checks and shall ~~always drive such vehicles in a manner so as to conform with existing traffic regulations and not bring discredit upon the City-abide by all federal, state and local traffic regulations.~~

1.101 Safety (Updated 11/01)

Employees shall observe prudent safety precautions at all times. Department Heads shall train their personnel to work safely. Each employee shall know what to do in case of fire or other disaster as well as the location and use of first aid supplies. Safety precautions include the observance of traffic regulations when driving or operating City vehicles and equipment.

- 1) Equipment

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- A. Safety Belts - All employees shall wear safety belts (shoulder and/or lap), ~~as supplied by the City,~~ when driving ~~or,~~ operating or riding in City vehicles and equipment.
- B. Hard Hats - All employees shall wear hard hats, as supplied by the City, whenever working in an environment where a blow to the head could occur. Specifically, City employees shall wear hard hats in the following activities:
 - i) When cutting, trimming and/or loading trees, shrubs and overgrowth;
 - ii) When working in or around an area ~~involving concrete removal where a jackhammer is being used to remove concrete;~~
 - iii) When working in or around an area where a backhoe or loader is to be used on the project;
 - iv) When working in or around an area where others are working overhead. For example, when working in a trench or pit or when working in or around scaffolding or buildings under construction or repair;
 - v) When working in a bucket truck or digger derrick and when working as a groundman for ~~employee #nemen~~ in a bucket truck;
 - vi) When working with underground electrical work.

~~C. Worksite Access - Persons, including contractors or consultants, authorized by a Department Head or worksite foreman shall observe all safety and hard hat requirements at all work and construction sites. Non-authorized persons shall not be allowed to be at a construction site or other area where hard hats are required.~~

~~C. D. Safety Vests -- Reflective vests Orange, reflectorized vests, as provided by the City, shall be worn by all City employees working on construction, repair or a maintenance project on a public street or similar work site. Said vests shall be in addition to the necessary barricades and flashers used at a street construction site.~~

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2) Violations of Safety Rules

Violations of safety rules as set forth herein, as well as violations of internal departmental safety rules or the employee safety manual, shall not be tolerated. Any employee found in violation of safety rules will result in disciplinary action, up to and including termination of employment. ~~shall receive an oral reprimand for the first violation. Written reprimands shall be issued for any employee having a second safety violation. Suspension and/or dismissal shall result for employees who have been found to violate safety rules on three occasions in any one year. The City reserves the right to forego progressive discipline in certain situations.~~

The City employee official in charge at the site of any project shall be deemed responsible for all employees working at the site. Said official employee shall be equally subject to disciplinary action if the official employee has ~~willingly~~ allowed safety violations to exist.

~~3)1-12~~ Reporting of Accidents and Injuries

Employee Initials _____

Employees shall report all accidents and injuries to their Department Head as soon as possible after the incident. Injuries of a minor, first aid nature may be treated at the job site or department office. If the injury requires medical attention, the employee may consult his family doctor or the EMC OnCall Nurse line. Rescue Squad services shall be used to transport employees to a hospital if the accident or injury results in incapacitation of the employee. Employees who have an accident with a City-owned vehicle shall first notify a law enforcement agency and then the Department Head. This shall be done regardless of how minor the accident. Within twenty-four (24) hours of the incident, the affected employee and Department Head shall file an accident-injury report at City Hall for insurance and Safety Committee review purposes. In addition, the Department Head shall ~~insure~~ ensure that the City's insurance carrier is notified of the accident/injury if a claim may be filed. These same conditions apply when employees are operating privately owned vehicles while conducting City business.

~~1.11 1.13-~~ Maintenance of Personnel Records/Changes in Name, Address and Dependents

Employees shall report to the Department Head, payroll administrator and City Clerk's Office any changes of name resulting from a change in marital status, and any change of dependents. Also to be reported are any changes in address, telephone number or information which will impact the personnel record of the employee. This information is required for insurance and tax purposes.

~~1.14~~ Records

The City Clerk shall maintain records on each employee to include pertinent personal data such as name, address, telephone number, title of position held, the department to which assigned, current salary and changes in employment status.

~~1.12 1.15-~~ Peddling, solicitation, etc.

~~No peddling, solicitation or sale for charitable purposes or other reasons shall be allowed among or by City employees during working hours and in working areas, unless approved by the City Administrator or appropriate authority, or the Chief of Police for Police Department personnel.~~

~~In order to avoid disruption to City services and operation, the City has established the following criteria related to solicitations and distribution of literature on City property:~~

- ~~a. Non-employees may not solicit or distribute literature on City property at any time for any purpose;~~
- ~~b. Employees may not distribute literature during working time for any purpose; and~~
- ~~c. Employees may not distribute literature at any time in working areas.~~

~~Working time includes the working time of both the employee doing the soliciting and distributing and the employee to whom the soliciting or disrupting is being directed. Working time does not include break periods, meal periods, or any other specified periods during the workday when employees are properly not engaged in performing their work tasks.~~

~~1.13 1.6~~ Conflict of Interest

No employee shall engage in any activity or enterprise which conflicts with ~~his~~ their duties as a City employee or with the duties, functions and responsibilities of the department in which ~~he/she is~~ they are employed. The following activities shall be considered a conflict of interest with City employment:

Employee Initials _____

- 1) Any employment, activity or enterprise which involves the use for private gain of the City's time, facilities, equipment or supplies, or the badge, uniform, prestige or influence of a City office or employment.
- 2) Involves the receipt or acceptance by the ~~officer or~~ employee of any money or other consideration from anyone other than the City for performance of an act ~~in which the officer or~~ employee would be required or expected to render in the regular course of City employment or as part of ~~his~~their duties as a City employee.
- 3) Involves the performance of an act in other than ~~his~~their capacity as a City ~~officer or~~ employee which may later be subject, directly or indirectly, to the control, inspection, review, audit or enforcement by such ~~officer or~~ employee or the department by which ~~he is~~they are employed.
- 4) Involves so much of the employee's time that it impairs ~~his~~their attendance or efficiency in the performance of ~~his~~their duties as a City ~~officer or~~ employee.

1.14 ~~17~~ – Gratuities

No employee of the City of Seward shall accept any fee, reward, gift or gratuity that has any connection with said employee's municipal employment or from the performance of an employee's official duties. This acceptance limitation of any gift or gratuity shall not apply in those instances where a departmental gift or gratuity of nominal value is given by some individual or organization. The policy is intended, however, to discourage all gifts and gratuities which may be offered any employee or group of employees. Each employee should decline acceptance of such gifts or gratuities in the most courteous manner possible. ~~For those individuals or organizations who may be offended by the nonacceptance of gifts or gratuities, it is recommended that the employee suggest the contribution be donated to a nonprofit organization on behalf of the City; for example, the United Way, the hospital, a local church, etc.~~

1.15 ~~18~~ – Sexual Harassment Policy.

The City of Seward expressly prohibits its officials or employees from engaging in any form of unlawful harassment or discrimination ~~as well as any behavior that would be inconsistent with the spirit and intent of this policy.~~ Harassment or discrimination of any employee is a serious violation of City policy and will not be tolerated. ~~This policy sets forth procedures by which allegations of sexual harassment may be filed, promptly addressed (and investigated if necessary), and appropriate action taken if warranted. (Added 12/2012)~~

~~It is the policy of the The City of Seward to provide an environment free of. prohibits unlawful unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct or communication constituting sexual harassment. Sexual harassment is unlawful when it: (1) is based on the individual's sex; (2) is unwelcome; (3) is severe or pervasive in nature; and (4) is made a condition of employment, unreasonable interferes with an individual's work performance, or has the purpose or effect of creating an intimidating, hostile or offensive work environment. The purpose of this policy statement is to establish clearly and unequivocally that the City prohibits sexual harassment by and of its employees and to set forth procedures by which allegations of sexual harassment may be filed, investigated and adjudicated.~~

~~It is not possible to define every action or word that could be interpreted as sexual harassment. Sexual harassment may encompass a wide range of verbal, physical and/or~~

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~~visual behaviors. Each situation depends on a number of factors. In some cases, one incident will be sufficient to constitute harassment. In other cases, a pattern or series of incidents may be necessary. In addition, even if the behavior in question may not constitute unlawful sexual harassment, it may still be inappropriate in our workplace and subject to disciplinary action.~~

~~Sexual harassment is a form of employee misconduct which interferes with work productivity and wrongfully deprives employees of the opportunity to work in an environment free from unsolicited and unwelcome sexual advances, requests for sexual favors and other such verbal or physical misconduct. Sexual harassment is a prohibited personnel practice and is a violation of the law.~~

~~Examples of behaviors that might constitute sexual harassment (depending on the circumstances) and are the types of behaviors in which an employee should not engage include, but are not limited to: The U.S. Equal Employment Opportunity Commission has issued guidelines interpreting Section 703 of Title VII as prohibiting sexual harassment. Sexual harassment is defined in those guidelines as follows:~~

~~Unwelcome sexual advances, requests for sexual favors, and other verbal or physical misconduct of a sexual nature constitutes sexual harassment when:~~

- ~~1) Submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment;~~
- ~~2) Submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual, or;~~
- ~~3) Such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.~~

~~It shall be a violation of City policy to harass another employee sexually or to permit the sexual harassment of an employee by a non-employee. Sexual harassment may take many forms, including, but not limited to:~~

- ~~1) Unwelcome sexual advances;~~
- ~~2) Verbal harassment or abuse;~~
- ~~3) Subtle pressure or requests for sexual activity;~~
- ~~4) Unnecessary touching of an individual, e.g., patting, pinching, hugging, repeated brushing against another employee's body;~~
- ~~5) Requesting or demanding sexual favors accompanied by implied or overt threats concerning an individual's employment status; or~~
- ~~6) Requesting or demanding sexual favors accompanied by implied or overt promise of preferential treatment with regard to an individual's employment status;~~
- ~~7) Sexually explicit language, gestures, pictures, jokes or objects; or~~
- ~~8) Distribution of representations or descriptions of actual or simulated sexual acts, representations or descriptions of excretory functions, masturbation, or~~

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lewd exhibition of the genitals in hard copy, email, cell phone cameras, IMS, texts or in any other manner.

In addition, this policy prohibits retaliation against any employee because he/she files a complaint under this policy, cooperates with any internal investigation, or otherwise pursues their legal rights.

Complaint Procedure: Any employee who feels in good faith that they have he or she has been subjected to sexual harassment has several ways to make their ~~his or her~~ concerns known.

- 1) Aggrieved persons who feel comfortable doing so should directly inform the person engaging in sexual harassing conduct or communication that such conduct or communication is offensive and must stop.
- 2) If an aggrieved person does not wish to communicate directly with the person whose conduct or communication is offensive or if direct communication with the offending party has been unavailing, the aggrieved employee shall contact his or her supervisor or the offending party's supervisor.
- 3) Aggrieved employees alleging either sexual harassment by anyone with supervisory authority or the failure of a supervisor to take immediate action on the employee's complaint should communicate with the supervisor at the next level of command or file a grievance in accordance with the provisions of the appropriate grievance procedure.

Regardless of the means selected for resolving the problem, the City will take every reasonable measure to address (and investigate if necessary) the situation and take appropriate action if warranted. Employees filing a complaint will not be subjected to retaliation for bringing such matters to the City's attention in good faith. All concerns will be handled with the utmost confidence, to the extent reasonably possible and consistent with a fair resolution of the problem.

~~Regardless of the means selected for resolving the problem, the initiation of a complaint of sexual harassment will not cause any reflection on the complainant nor will it affect such person's future business dealings with the City, his or her employment, compensation or work assignments. (Updated 1-19-10)~~

1.16 ~~19~~ National Origin Policy and other protected classifications: (updated 8/2001) No Discrimination or Harassment Policy and Complaint Procedure

~~The City of Seward~~ The City of Seward expressly prohibits its officials or employees from engaging in any form of unlawful harassment or discrimination as well as any behavior that would be inconsistent with the spirit and intent of this policy. Harassment or discrimination of any employee is a serious violation of City policy and will not be tolerated. ~~(Added 12/2012)~~

~~It is the City's policy that h~~Harassment of ~~its-City~~ employees by anyone, whether management/supervisory personnel, co-workers, or others on the basis of race, color, religion, sex (including pregnancy, sexual orientation or gender identify--gender ~~(nonsexual in nature,~~ sexual harassment is covered by a separate policy), national origin, age, ~~or~~ disability, marital status, military status, genetic information or any other prohibited basis of discrimination protected by law, will not be tolerated. Such conduct will result in immediate disciplinary action, including possible termination of employment.

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~~Harassment is verbal or physical conduct that denigrates or show hostility or aversion toward an individual because unlawful when it: (1) is based on of his/her race, color, religion, sex (including pregnancy, sexual orientation or gender identity)gender, national origin, age, or disability, marital status, military status, genetic information or any other characteristic protected by law; or that of his/her relatives, friends, or associates, and that: (2) is unwelcome; (3) is severe or pervasive in nature; and (4) is made a condition of employment, unreasonably interferes with an individual's work performance, or h~~

- ~~1) ——— Has the purpose or effect of creating an intimidating, hostile or offensive work environment.~~
- ~~2) ——— Has the purpose or effect of unreasonably interfering with an individual's work performance, or~~
- ~~3) ——— Otherwise adversely affects an individual's employment opportunities.~~

~~It is not possible to define every action or word that could be interpreted as harassment. Harassment may encompass a wide range of verbal, physical and/or visual behaviors. Each situation depends on a number of factors. In some cases, one incident will be sufficient to constitute harassment. In other cases, a pattern or series of incidents may be necessary. In addition, even if the behavior in question may not constitute unlawful harassment, it may still be inappropriate in our workplace and subject to disciplinary action.~~

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Examples of behaviors that might constitute harassment of a non-sexual nature includes, Harassing conduct includes, but is not limited to, the following:

- 1) Epithets, slurs, negative stereotyping, or threatening, intimidating or hostile acts, ~~that relate to because of an individual's~~ race, color, religion, sex (including pregnancy, sexual orientation or gender identity), gender, national origin, age, ~~or disability, marital status, military status, genetic information or any other characteristic protected by law.~~ This includes acts that purport to be "jokes" or "pranks" but that are hostile or demeaning with regard to ~~race, color, religion, gender, national origin, age, or disability any protected characteristic.~~
- 2) Written or graphic material that denigrates or show hostility or aversion toward an individual or group because of race, color, religion, sex (including pregnancy, sexual orientation or gender identity)gender, national origin, age, ~~or disability, marital status, military status, genetic information or any other characteristic protected by law~~ and that is placed on walls, bulletin boards, or elsewhere on the employer's premises, or circulated in the workplace.

It is the responsibility of management personnel to maintain a working environment free of harassment on any of these bases and to make known to employees the policy of the City on such harassment. In addition, management is expected to take immediate action to deal promptly with known situations involving such harassment.

In addition, this policy prohibits retaliation against any employee because they file a complaint under this policy, cooperates with any internal investigation, or otherwise pursues their legal rights.

It is the employee's responsibility to report all incidents or perceived incidents of such harassment, pursuant to the following complaint procedure:

Complaint Procedure: Any employee who feels he or she has been subjected to harassment has several ways to make his or her concerns known.

- 1) Aggrieved persons who feel comfortable doing so should directly inform the person engaging in harassing conduct or communication that such conduct or communication is offensive and must stop.
- 2) If an aggrieved person does not wish to communicate directly with the person whose conduct or communication with the offending party has been unavailing, the aggrieved employee shall contact his/her supervisor or the offending party's supervisor.
- 3) Aggrieved employees alleging either harassment by anyone with supervisory authority or the failure of a supervisor to take action on the employee's complaint should communicate with the supervisor at the next level of command or file a grievance in accordance with the provisions of the appropriate grievance procedure.

Regardless of the means selected for resolving the problem, the City will take every reasonable measure to address (and investigate if necessary) the situation and take appropriate action if warranted. Employees filing a complaint will not be subjected to retaliation for bringing such matters to the City's attention in good faith. All concerns will be handled with the utmost confidence, to the extent reasonably possible and consistent with a fair resolution of the problem. the initiation of a complaint of harassment will not cause any

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~~reflection on the complainant nor will it affect such person's future relationship with the City, his or her employment, compensation or work assignments.~~

1.17 20 Workplace Violence (New section added 11/01)

~~The City takes the safety of its employees very seriously. As a result, The City of Seward expressly prohibits its officials or employees from engaging in any form of unlawful harassment or discrimination. Harassment or discrimination of any employee is a serious violation of City policy and will not be tolerated. (Added 12/2012)~~

~~It is the policy of the City will not tolerate to expressly prohibit any acts or threats of violence by any employee or former employee in or about its facilities or elsewhere at any time. The City will not condone prohibits any acts or threats of violence against its employees, customers, or visitors by any individual on the City's premises at any time or while such individual is engaged in business with or on behalf of the City, on or off the City's premises. The City considers violence to include such things as physically harming, shoving, pushing, harassing, intimidating, or coercing another person. In addition, threatening, discussion of, describing, or joking about violence is considered violence as well.~~

In keeping with the spirit and intent of this policy, and to ensure the City's objectives in this regard, the City is committed to the following:

- 1) Providing a safe and healthful work environment;
- 2) Taking prompt remedial action up to and including immediate termination against any employee who engages in any threatening behavior or acts of violence or who uses any obscene, abusive or threatening language or gestures;
- 3) Taking appropriate action when dealing with customers, former employees, or visitors to the City's facilities who engage in such behavior. Such action may include notifying police or other law enforcement personnel and prosecuting violators of this policy to the maximum extent of the law; and
- 4) Prohibiting employees, ~~former employees, customers, and visitors~~ from ~~bringing, possessing or carrying any unauthorized~~ firearms or other weapons, ~~while on -onto the City's City's property premises or while performing work as a City employee. For purposes of this policy, weapons include guns, knives, explosives, and other potential weapons.-~~

~~Duty to Warn: In furtherance of this policy, employees have a "duty to warn" role in preventing violence as well. If an employee believes a co-worker, former employee, customer, or visitor may become violent or they know of a violation of this policy, the employee must immediately report this to their supervisors of any suspicious workplace activity, situations, or incidents that they observe or know of that involve other employees, former employees, customers, or visitors and that appear problematic. This would include, for example, threats or acts of violence, aggressive behavior, offensive acts, threatening or offensive comments or remarks, and the like. Employee reports made pursuant to this policy will be held in confidence, to the maximum possible extent. The City prohibits ~~will not condone~~ any form of retaliation against any employee for making a report in good faith under this policy.~~

2. EMPLOYMENT – APPOINTMENT

2.1 Procedure (Updated 12/2012)

Employee Initials _____

6. Discussion on Downtown Sidewalks and Replacement of Ornamental Bricks - City Administrator Butcher

REPORTS

1. City Administrator's Report - City Administrator Butcher

CITY ADMINISTRATORS REPORT – 2/1/22

- Monitoring a number of street projects Waverly Road (electrical work and grading), design work on East Seward and East Hillcrest.
- Covid-19 response to inquiries and issues, a number of employees out.
- Working on finalizing grants for Petsource/Rail Campus – EOP.
- Assisting City Attorney with a number of real estate items and related matters.
- Covid-19 Unified Command Calls
- Briefed with Wellness Center Committee on a number of items related to CCCFF Grant, Sales Tax Agenda Item, and design matters.
- Met with bond counsel, Finance Director, and City Attorney to discuss bond issue and sales tax vote on the proposed Seward Wellness Center.
- Reviewed Handbook amendments with City Clerk for preparing first meetings with Department Heads and City Council.
- Reviewed a number of floodplain permits.
- Assisted with planning for annual awards banquet.
- Worked on the Dwell Development LB 840 Application.
- Attended LB 840 Committee and presented on Dwell Development and updated DTR Guidelines.
- Reviewed items related to water tower design.
- Attended quarterly safety meeting.
- Worked with Olsson, Electric Department, Petsource, and Stellar to finalize plans for electrical power for the Petsource expansion.
- Scheduled meetings for Petsource expansion TIF application.
- Met with Prairie View Development and Valley View HOA representatives to discuss drainage near Highway 34.
- Met with County Commissioner Zabrocki and Highway Superintendent Terry Wicht to discuss East Seward Street Plans and Specs.
- Attended Personnel Finance and Audit Committee Meeting.
- Reviewed annual Audit with Finance Director Nick Wolf.
- Reviewed December financials, budget season autopsy and discussed chart of accounts with Finance Director Wolf.
- Attended site visit for economic development project in Seward Rail Campus.
- Reviewed local sex offender city codes and regulations with Police Department.
- Met via Zoom with NDED and SENDD to discuss CDBG Funding for Petsource electrical expansion.
- Met multiple times with City Engineer, Building Inspector, and Street Superintendent to discuss and formulate solutions for downtown sidewalks.
- Assisted Four Corners Health with establishing the Library Drive Thru as a location for distribution of in home Covid Tests purchased by the State of Nebraska.
- Met with representatives from UNL looking to establish an arctic research facility for ice drilling at the old missile silo in Seward County.
- Conducted Farm Lease auction along with City Clerk and City Attorney.

The departments are working on the following projects to name a few:

Police Department

- Nebraska Drug Forum.
- E-911 Board.

City Clerk/Human Resources/City Hall

- Farm Lease Auction was January 24. Post auction preparation for Council approval.
- Booking venue and caterer for the Awards Banquet. Looking at March 4 or 5 for dates.
- Meeting with Greg and Dr. Matt Dominy on Jan. 25 to go over next steps for the CCCFF Grant.
- Tracking and reaching out to outstanding applicants for 2022 permits. Final notice letter was sent out to Burnsite Key delinquents on January 24.

Water/Wastewater Department

- Setup sampler for additional information for Engineers.
- Sump pit pump replacement in Raw lift station basement, install new piping.
- 2021 DNR Ground Water Use Reports due.
- Working on data for SEH and Olsson's projects.

Parks and Rec/Cemetery/Golf/Pool

- Youth basketball on Saturday's is ongoing.
- Women's volleyball is ongoing.
- Mulching trees.
- Trimming and removal of trees in the parks.
- Plum Creek Sports Complex parking lot is getting rocked.

Civic Center

- Meetings as usual.

Electric Department

- Counting street lights.
- Pick up trucks from York.
- Focus on mapping.
- Work on metering project.
- Team up with contractor on Progressive Avenue project for testing wire and inspecting cabinets.
- CPR classes.

Street Department

- Tree trimming.
- Work on alleys.
- Shop projects.
- Sign replacement non reflective all areas of town.

Library

- One or more interview(s) for Library Clerk this week.
- Scheduling meeting with spring diversity lecture series speakers.
- Continue work on state statistical report that is due in February.

Building Inspection/Planning Department

- The Planning Commission will be meeting Monday, February 28 instead of the 14 for the Prairie View Subdivision that will be held at the Library upstairs meeting room.
- Possible meeting with Stellar regarding Petsource.
- Documentation will be sent to Derek for City Council for the Glaser house move. The house was moved off the foundation. The move is scheduled for Wednesday, February 2 at 8am.
- Regular inspections and plan reviews.

Engineering

- Survey on Park Avenue, 8th Street, Hillcrest with JEO.
- Design commencement, stakeholder meeting, BNSF agreement for Shared Use Path (aka Bike Trail).
- Edits to site plans, SRF funding application, tower logo design, communication provider requirements.

- Update Facilities Plan for WWTP Upgrade.
- Draft subdivision agreement, comments on revised plan set and coordinate stormwater management with SEH.

Finance Dept.

- Payroll & claims.
- 1099 forms for the City (due Jan. 31).
- 1095 & 1094 forms.
- Meet with City Administrator to review December financials, chart of accounts and budget season autopsy.

**FUTURE REQUESTS FOR COUNCIL AGENDA ITEMS OR ADMINISTRATIVE
ACTION
ANNOUNCEMENT OF UPCOMING EVENTS
MOTION TO ADJOURN**

I, Derek Bargmann, the duly appointed qualified and acting City Clerk of the City of Seward, Nebraska, hereby certify that the foregoing Notice of Meeting and Agenda for such meeting has been posted in the following places: Seward City Hall, Seward Municipal Building, Seward County Courthouse, Seward Memorial Library and CityofSewardNE.gov

IN WITNESS WHEREOF, I have hereunto set my hand officially and affixed the seal of the City.

Derek Bargmann, City Clerk

Date