

**NEW MONEY
BOOK-ENTRY-ONLY**

**RATINGS: Moody's: Aa2
S&P Global Ratings: AA+
(See "RATINGS" herein)**

In the opinion of Bond Counsel, under existing laws, regulations, rulings and judicial decisions, interest on the Bonds (including any original issue discount properly allocable to the owner of a Bond) is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. Interest on the Bonds may affect the federal alternative minimum tax imposed on certain corporations. Bond Counsel also is of the opinion that, under existing laws of the State of Nebraska, interest on the Bonds is exempt from Nebraska state income taxation as long as it is exempt for purposes of the federal income tax. See "TAX MATTERS" herein.

**\$20,850,000
CITY OF OMAHA PUBLIC FACILITIES CORPORATION
LEASE REVENUE BONDS
SERIES 2024A**

Dated: Date of Delivery

Due: As shown on reverse of Cover Page

The above captioned bonds (the "Bonds") are issuable in fully registered form in the denominations of \$5,000 and integral multiples thereof. Interest is payable semiannually on the dates set forth herein, by check, draft or wire transfers on each interest payment date to the registered owner as of the applicable record date as shown on the books of registration of the City of Omaha Public Facilities Corporation, a Nebraska nonprofit corporation (the "Corporation"), maintained by BOKF, National Association, as Trustee and Paying Agent (the "Trustee"). Principal of the Bonds is payable upon presentation and surrender of such Bonds at the principal corporate office of the Trustee in Lincoln, Nebraska. The Bonds are subject to redemption prior to maturity, as more fully set forth herein. See "THE BONDS—Optional Redemption," "Sinking Fund Redemption" and "—Extraordinary Optional Redemption" herein.

The Bonds initially will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Bonds. Purchases of the Bonds may be made only in book-entry form in authorized denominations by credit to participating broker-dealers and other institutions on the books of DTC as described herein. Purchasers will not receive certificates evidencing the Bonds. Principal of, premium, if any, and interest on the Bonds will be payable by the Paying Agent directly to DTC as the registered owner thereof. Disbursement of such payments to the DTC Participants is the responsibility of DTC, and disbursement of such payments to the beneficial owners is the responsibility of the DTC Participants and the Indirect Participants, as more fully described herein. Any purchaser of a beneficial interest in the Bonds must maintain an account with a broker or dealer who is, or acts through, a DTC Participant to receive payment of the principal of, premium, if any, and interest on such Bonds. See "THE BONDS—Book-Entry-Only System" herein.

The Bonds are being issued to provide funds for the Corporation, on behalf of the City of Omaha, Nebraska (the "City") to (a) purchase streetcars to be used in connection with the City's streetcar system, and (b) pay the costs of issuing the Bonds.

**MATURITY SCHEDULE
(On Reverse of Cover Page)**

The Bonds are being issued pursuant to the provisions of that certain Master Indenture of Trust, as supplemented by that certain First Supplemental Indenture, each dated as of February 1, 2024, by and between the Corporation and the Trustee. **THE BONDS ARE NOT A DEBT OF THE CITY, OR A PLEDGE OF ITS FAITH AND CREDIT. THE BONDS ARE PAYABLE SOLELY FROM THE CASH RENTALS, TO BE PAID BY THE CITY UNDER THAT CERTAIN MASTER LEASE-PURCHASE AGREEMENT DATED AS OF FEBRUARY 1, 2024 BY AND BETWEEN THE CORPORATION AND THE CITY, AS DESCRIBED HEREIN. SEE "SECURITY FOR THE BONDS" HEREIN.**

This cover page contains information for convenient reference only. It is not a summary of the Bonds. Investors must read the entire Official Statement to obtain information essential and material to the making of an informed investment decision.

The Bonds are being offered when, as and if issued by the Corporation and accepted by the Underwriter, subject to the approval of legality of the Bonds by Kutak Rock LLP, Bond Counsel, and to certain other conditions. Certain legal matters will be passed upon for the City of Omaha by the City Law Department. It is expected that delivery of the Bonds will be made on or about February 1, 2024 at DTC against payment therefor.



Dated: January 24, 2024.

MATURITY SCHEDULE

\$20,850,000 **Lease Revenue Bonds** **Series 2024A**

| Type | Maturity Date (October 15) | Principal Amount | Interest Rate | Price (% of Par) | CUSIP+ (681785) |
|-------------|---------------------------------------|-----------------------------|--------------------------|-----------------------------|----------------------------|
| Term | 2049 | \$ 4,240,000 | 4.125% | 96.834 | MV0 |
| Term | 2054 | 4,415,000 | 4.250 | 96.989 | MW8 |
| Term | 2057 | 3,125,000 | 4.250 | 95.678 | MZ1 |
| Term | 2064 | 9,070,000 | 4.500 | 97.264 | MX6 |

†The City of Omaha, or the City of Omaha Public Facilities Corporation shall not be responsible for the use of the CUSIP numbers selected, nor is any representation made as to their correctness indicated herein. They are included solely for the convenience of the holders.

No dealer, broker, salesperson or other person has been authorized by the City, the Corporation or the Underwriter to give any information or to make any representations in connection with the Bonds or the matters described herein, other than those contained in this Official Statement, and, if given or made, such other information or representations must be relied upon as having been authorized by the City, the Corporation or the Underwriter. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information and expressions of opinion contained herein are subject to change, without notice, and neither the delivery of this Official Statement, nor any sale made hereunder, shall, under any circumstances, create any implication that there has been no change in the matters described herein since the date hereof. This Official Statement is submitted in connection with the sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose. The Underwriter may offer and sell Bonds to certain dealers and others at prices lower than the offering prices stated on the cover page hereof. The offering prices may be changed from time to time by the original purchasers.

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IN CONNECTION WITH ITS REOFFERING OF THE BONDS, THE UNDERWRITER OF THE BONDS MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN MARKET PRICES OF THE BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

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OFFICIAL STATEMENT

\$20,850,000
CITY OF OMAHA PUBLIC FACILITIES CORPORATION
LEASE REVENUE BONDS
SERIES 2024A

INTRODUCTION

This Official Statement and the cover page and reverse cover page (excluding prices) are furnished in connection with the offering by the City of Omaha Public Facilities Corporation, a nonprofit corporation organized under the laws of the State of Nebraska (the “Corporation”) of \$20,850,000 aggregate principal amount of its Lease Revenue Bonds, Series 2024A (the “Bonds”). The Bonds are issued pursuant to that certain Master Indenture of Trust (Streetcar Projects), as supplemented by that certain First Supplemental Indenture, each dated as of February 1, 2024 (collectively, the “Indenture”) by and between the Corporation and BOKF, National Association, as trustee and paying agent (the “Trustee”).

The proceeds of the Bonds will be provided to the Trustee for (i) deposit in the 2024A Account of the Acquisition Fund (as defined in the Indenture) to finance on behalf of the City of Omaha, Nebraska (the “City”) all or a portion of the costs of purchasing streetcars (collectively, the “2024A Project”) in connection with the City’s modern streetcar system (the “Project”), and (b) deposit in the Cost of Issuance Subaccount of the Acquisition Fund (as defined in the Indenture) to finance the costs of issuing the Bonds.

The Bonds will be secured by the pledge of the cash rentals, payable by the City under that certain Master Lease-Purchase Agreement (the “Agreement”) dated as of February 1, 2024 by and between the Corporation and the City, and assigned by the Corporation to the Trustee under the Indenture. The Trustee will receive such cash rentals and act as Paying Agent for the Bonds.

The Corporation previously has issued on behalf of the City and there remain outstanding, as of February 1, 2024, \$213,276,890 aggregate principal amount of lease revenue bonds. The Bonds are issued on parity with such outstanding bonds (collectively, the “Parity Bonds”). Other nonprofit corporations previously have issued lease revenue bonds on behalf of the City, of which bonds in the aggregate principal amount of \$13,260,000 remain outstanding. See “EXISTING LEASE-PURCHASE OBLIGATIONS” and “SECURITY FOR THE BONDS—General.”

THE CORPORATION

The Corporation was incorporated on May 20, 2005 under the Nebraska Nonprofit Corporation Act, Sections 21-1901 – 21-1991, Reissue Revised Statutes of Nebraska, as amended. The only purpose for which the Corporation was organized is to assist the City with the acquisition, construction, furnishing and equipping of public facilities and the acquisition of equipment on behalf of the City.

The Corporation has three directors, who serve without compensation. Their names and principal occupations are as follows:

| Name and Office | Occupation |
|-----------------------------------|--|
| Amy Hicks, President | Deputy Manager of Accounting Division, City of Omaha Finance Department |
| Don Drazdys, Vice President | Manager of Accounting Division, City of Omaha Finance Department |
| Andrew Brott, Secretary/Treasurer | Manager of the Budget Division, City of Omaha Finance Department |

The directors hold office until death or resignation, in which case the City may designate a successor, but if the City does not designate a successor within 30 days after the death or resignation, the remaining directors shall appoint a successor.

THE PROJECT

As more fully described under “SECURITY FOR THE BONDS,” the Bonds are payable from and secured solely by the cash rentals to be paid by the City from its General Fund under the Agreement.

The Corporation will use the proceeds of the Bonds to pay (or reimburse itself for the payment of) all or a portion of the costs of acquiring and installing the 2024A Project on behalf of the City and to pay the issuance costs of the Bonds. The City will lease the 2024A Project from the Corporation pursuant to the Agreement.

The City previously entered into that certain Interlocal Agreement dated as of April 7, 2022 (as amended, the “Interlocal Agreement”) with the Transit Authority of the City of Omaha d/b/a Metro, a political subdivision of the State of Nebraska, created by the City pursuant to the Transit Authority Law and organized and existing under the laws of the State of Nebraska with headquarters in Omaha, Douglas County, Nebraska (“Metro”). The Interlocal Agreement provides, among other things, for the transfer of control from the City of the Project to the Omaha Streetcar Authority (“OSA”). Pursuant to the Interlocal Agreement, OSA will operate the Project on behalf of the Corporation and the City. The Corporation will be responsible to fund the Project as set forth herein and, in the Indenture, and Agreement.

SOURCES AND USES OF FUNDS

Following are the aggregate sources and uses of the Bond proceeds (net of accrued interest, if any):

Sources of Funds

| | |
|------------------------------|------------------------|
| Bonds Principal Amount | \$20,850,000.00 |
| Less Original Issue Discount | <u>(650,391.75)</u> |
| Total | <u>\$20,199,608.25</u> |

Uses of Funds

| | |
|--|------------------------|
| Acquisition Fund Deposit | \$20,003,437.37 |
| Underwriter’s Discount and Costs of Issuance | <u>196,170.88</u> |
| Total | <u>\$20,199,608.25</u> |

EXISTING LEASE-PURCHASE OBLIGATIONS

The City previously has incurred lease-purchase obligations in addition to those relating to the Bonds and the Parity Bonds in conjunction with the issuance by several nonprofit corporations similar to

the Corporation of lease revenue bonds for the acquisition of real and personal property on behalf of the City. See “LONG-TERM CONTRACTUAL AGREEMENTS” in Appendix B. Such lease revenue bonds, exclusive of the Bonds and the Parity Bonds, are outstanding in the aggregate principal amount of \$13,260,000 and have a final stated maturity of 2033. In conjunction with such lease revenue bonds and related projects, the City, as lessor, and each related corporation, as lessee, entered into site lease agreements (if applicable), and each such corporation, as lessor, and the City, as lessee, entered into lease-purchase agreements (collectively, the “Outstanding Leases”).

The Corporation was incorporated to consolidate into a single entity the functions previously performed on behalf of the City by the aforesaid nonprofit corporations. With the exception of refunding bonds, the City does not plan to request any such corporation to issue to any additional lease revenue bonds on behalf of the City.

The Outstanding Leases and the corresponding indentures of trust contain substantially identical provisions as those in the Agreement and the Indenture summarized herein under “THE AGREEMENT” and “THE INDENTURE,” respectively. The obligations of the City under the Outstanding Leases are general obligations of the City payable from the City’s General Fund without preference or priority over the City’s obligation under the Agreement with respect to the Bonds. See “SECURITY FOR THE BONDS—General.” In the event, however, of a payment default by the City under an Outstanding Lease, and the exercise by the trustee for the related lease revenue bonds, as the case may be, of the remedy of sale, lease or taking over the operation of the project as described under “THE INDENTURE—Default Remedies” or by such nonprofit corporation of the remedy of taking possession of the project described under “THE AGREEMENT—Default,” the net proceeds of a sale, lease or operation by the trustee or such corporation of the related project would accrue to the benefit of the holders of such lease revenue bonds, ahead of the holders of the Bonds. Notwithstanding the foregoing, no such occurrence would relieve the City of its unconditional obligation to the Corporation to pay the cash rentals due under the Agreement.

In addition to issuing the Bonds, the Corporation anticipates issuing \$50,000,000 in aggregate principal amount of its Lease Revenue Bonds, Series 2024B (the “Series 2024B Bonds”), on February 1, 2024, the same date on which the Corporation anticipates issuing the Bonds. The Corporation is issuing the Series 2024B Bonds to finance infrastructure and transportation costs associated with the Project. The Series 2024B Bonds will be secured on parity with the Bonds and the Parity Bonds.

SECURITY FOR THE BONDS

General

The Corporation and the City have entered into the Agreement whereby the Corporation has leased the 2024A Project to the City for the period ending not later than the final maturity date of the Bonds. Under the Agreement, the City is obligated to pay, semiannually, cash rentals equal in amount to the principal of and interest on the Bonds, which cash rental payments will be due in such amounts and at such times as to provide sufficient funds to meet the principal and interest payments on the Bonds as the same become due. The City is also obligated to provide insurance and pay any taxes, maintenance expenses and other miscellaneous expenses so that the cash rentals are net to the Corporation. See “THE AGREEMENT.”

The cash rentals due from the City will be assigned to and received by the Trustee for payment of principal of and interest on the Bonds.

Under Section 5.17 of the Home Rule Charter of the City of Omaha, 1956, as amended (the “City Charter”), the City is specifically authorized to enter into lease-purchase agreements, and, under Section

5.27 of the City Charter, the amount of any such lease-purchase agreement is not chargeable against the City's debt limit. See "APPENDIX B—LONG-TERM CONTRACTUAL AGREEMENTS."

The City's obligation under the Agreement is a general obligation of the City payable from the City's General Fund each year of the lease-purchase term on the same basis as operating expenses and other contractual obligations of the City. The Agreement is an unconditional obligation of the City and is not subject to annual renewal. The City is required to annually include in its General Fund budget appropriations for paying the lease-purchase obligation. See "LONG-TERM CONTRACTUAL AGREEMENTS" in Appendix B. The City's primary sources of General Fund revenues are:

- (a) A general property tax not exceeding \$0.6125 per \$100 of actual taxable value plus certain other amounts more fully described under the caption "AUTHORITY TO LEVY TAXES" in Appendix B hereto.
- (b) A city sales and use tax of 1½%.

See the captions "CITY OF OMAHA NEBRASKA GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE" and "AUTHORITY TO LEVY TAXES" in Appendix B for further details on the City's sources of revenue. The payment of the Bonds, however, is not secured by any such revenues or by any specific source of taxes.

The Bonds are payable from and secured solely by the cash rentals to be paid by the City under the Agreement. With respect to the Bonds, the Corporation has no assets other than the Project, or revenues other than such cash rentals.

Section 12 of the Agreement contains the following provision:

City agrees that no delay, failure or insufficiency, for any reason whatsoever (including, in particular, but without limitation, an insufficiency in the amount of Bonds proceeds to pay the cost of the Project, or unencumbered title to the equipment described in Schedule I not being vested in City or any defect in or lien or encumbrance on City's title), in the acquisition, equipping or operation of the Project or any part thereof, shall entitle City to terminate this Agreement or operate in any way to suspend, abate or reduce the Rental Payments due or to become due under the terms of . . . this Agreement.

Revision of State Property Tax System

The State of Nebraska's system of assessing and taxing real and personal property for purposes of local ad valorem taxation for support of local political subdivisions, including the City, has been the subject in recent years of a constitutional amendment, legislation and litigation the result of which has been to substantially resolve certain challenges to the validity of the tax system.

Governmental units in Nebraska may not adopt budgets for fiscal years beginning on or after July 1, 1998, in excess of 102.5% of the prior fiscal year's budget plus allowable growth (which includes increases in taxable valuation for such things as new construction and annexations). However, such budgetary limitations do not apply to, among other things, revenue pledged to retire bonded indebtedness or budgeted for capital improvements. Governmental units may exceed the budget limit for a given fiscal year by up to an additional 1% upon the affirmative vote of at least 75% of the governing body or in such amount as is approved by a majority vote of the electorate. Effective July 1, 1998, the property tax levies of incorporated cities and villages, such as the City, are limited to a maximum of 45¢/\$100 of taxable valuation (plus an additional 5¢/\$100 to pay the municipality's share of revenue required under interlocal

agreements). The levy limit does not apply to levies for preexisting lease-purchase contracts approved prior to July 1, 1998, to bonded indebtedness approved according to law and secured by a levy on property and to pay judgments. The Agreement was approved after July 1, 1998, and the City's levy limit does apply to its obligation under the Agreement. The City's 2023 General Fund levy, exclusive of such unlimited levies, is 28.33¢/\$100 of taxable valuation. A political subdivision may exceed its levy limitation for a period of up to five years by majority vote of the electorate.

There can be no assurance that Nebraska's system of assessing and taxing real and personal property will remain substantially unchanged, given the possibility of additional legislation, constitutional initiatives and referendums and litigation. Such changes could materially and adversely affect the amount of property tax and other revenues the City could collect in future years. The City does not believe, however, that the Nebraska Legislature, subject to any constitutional restrictions, would leave the City without adequate taxing resources to pay for its programs and meet its financial obligations, including the repayment of its bonds, lease-purchase obligations and other obligations. The opinion of Bond Counsel will be rendered based on the law existing as of the date of issuance of the Bonds and in reliance upon general legal presumptions in favor of the constitutionality of statutes and upon the holdings of existing case law.

THE BONDS

Description of the Bonds

The Bonds will be issued in one series, as designated and in the aggregate principal amount set out on the cover page of this Official Statement. The Bonds will be dated the date of their delivery, will be issued in fully registered form and will mature as set forth on the reverse of the cover page of this Official Statement. The Bonds shall bear interest from their date of delivery and shall be payable semiannually on April 15 and October 15, starting October 15, 2024.

Place of Payment

The principal of the Bonds will be payable in lawful money of the United States of America at the principal corporate trust office of BOKF, National Association, as trustee and paying agent, in Lincoln, Nebraska. Interest on the Bonds will be paid by wire transfer of the Trustee to the registered owner of \$1,000,000 in aggregate principal amount of the Bonds upon written notice by the registered owner given to the Trustee not later than the close of business on the Record Dates (as defined in the Indenture), as the case may be, or by check or draft mailed to the person in whose name a Bond is registered as of the Record Dates immediately preceding each interest payment date.

Book-Entry Only System

The Bonds initially will be issued solely in book-entry form to be held in the book-entry only system maintained by The Depository Trust Company ("DTC"), New York, New York. So long as such book-entry system is used, only DTC will receive or have the right to receive physical delivery of Bonds and, except as otherwise provided herein with respect to tenders by Beneficial Owners of Beneficial Ownership Interests (each as hereinafter defined), Beneficial Owners will not be or be considered to be, and will not have any rights as, owners or holders of the Bonds under the Indenture. The following information about the book-entry only system applicable to the Bonds has been supplied by DTC. Neither the Corporation nor the Trustee makes any representations, warranties or guarantees with respect to its accuracy or completeness.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of each stated maturity of the Bonds and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of "AA+." The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to

augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Trustee and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in the Bonds to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City, as soon as possible after the Record Date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the Record Date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Corporation or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name" and will be the responsibility of such Participant and not of DTC, the Trustee or the Corporation, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal of, premium, if any, and interest on the Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Trustee or the Corporation, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Corporation or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered to DTC.

The Corporation may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

Each Beneficial Owner for whom a Direct Participant or Indirect Participant acquires an interest in the Bonds, as nominee, may desire to make arrangements with such Direct Participant or Indirect Participant to receive a credit balance in the records of such Direct Participant or Indirect Participant, to have all notices of redemption, elections to tender Bonds or other communications to or by DTC which may affect such Beneficial Owner forwarded in writing by such Direct Participant or Indirect Participant, and to have notification made of all debt service payments.

Beneficial Owners may be charged a sum sufficient to cover any tax, fee, or other governmental charge that may be imposed in relation to any transfer or exchange of their interests in the Bonds.

SO LONG AS CEDE & CO., AS NOMINEE FOR DTC, IS THE REGISTERED OWNER OF THE BONDS, THE CITY, THE CORPORATION AND THE TRUSTEE WILL TREAT CEDE & CO. AS THE ONLY OWNER OF THE BONDS FOR ALL PURPOSES UNDER THE INDENTURE,

INCLUDING RECEIPT OF ALL PAYMENTS OF PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS, RECEIPT OF NOTICES AND VOTING.

Upon (i) the written direction of a Corporation or (ii) the written consent of 100% of the Bondholders, the Trustee shall withdraw the affected Bonds from DTC and authenticate and deliver Bond certificates fully registered to the assignees of DTC or its nominee. If the request for such withdrawal is not the result of any Corporation action or inaction, such withdrawal, authorization and delivery shall be at the cost and expense of the persons requesting such withdrawal, authentication and delivery.

THE CORPORATION AND THE TRUSTEE CANNOT AND DO NOT GIVE ANY ASSURANCES THAT THE DIRECT PARTICIPANTS OR THE INDIRECT PARTICIPANTS WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE BONDS (i) PAYMENTS OF PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS, (ii) BONDS REPRESENTING AN OWNERSHIP INTEREST OR OTHER CONFIRMATION OF BENEFICIAL OWNERSHIP INTERESTS IN THE BONDS OR (iii) REDEMPTION OR OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS NOMINEE, AS THE REGISTERED OWNERS OF THE BONDS, OR THAT THEY WILL DO SO ON A TIMELY BASIS OR THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT. THE CURRENT "RULES" APPLICABLE TO DTC ARE ON FILE WITH THE SECURITIES AND EXCHANGE COMMISSION, AND THE CURRENT "PROCEDURES" OF DTC TO BE FOLLOWED IN DEALING WITH DIRECT PARTICIPANTS ARE ON FILE WITH DTC. NEITHER THE CORPORATION NOR THE TRUSTEE HAS ANY RESPONSIBILITY OR OBLIGATIONS TO THE DIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO (A) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANT; (B) THE PAYMENT BY DTC OR ANY DTC PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNERS IN RESPECT OF THE PRINCIPAL, PREMIUM, IF ANY, AND INTEREST ON THE BONDS; (C) THE DELIVERY OR TIMELINESS OF DELIVERY BY DTC OR ANY DIRECT PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE INDENTURE TO BE GIVEN TO BONDHOLDERS; (D) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENTS IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE BONDS; OR (E) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC OR ITS NOMINEE, CEDE & CO., AS BONDHOLDER.

Optional Redemption

The Bonds are subject to redemption at the option of Corporation from any source, in whole or in part at any time, in such order of maturities as determined by Corporation (and by lot or other random selection method within a maturity) on or after October 15, 2034 at the redemption price of 100% of the principal amount to be redeemed plus accrued interest to the date of redemption.

Mandatory Sinking Fund Redemption

The Bonds are subject to mandatory sinking fund redemption from cash rental sinking fund payments prior to the maturity date, by lot (or other random selection method) selected by Trustee, at a price of par without premium in the years and principal amounts set forth below:

| Years of Redemption (October 15) | Principal Required to be Redeemed | Years of Redemption (October 15) | Principal Required to be Redeemed |
|---|--|---|--|
| 2044 | \$635,000 | 2055 | \$1,000,000 |
| 2045 | \$665,000 | 2056 | \$1,040,000 |
| 2046 | \$690,000 | 2057 (final maturity) | \$1,085,000 |
| 2047 | \$720,000 | 2058 | \$1,130,000 |
| 2048 | \$750,000 | 2059 | \$1,180,000 |
| 2049 (final maturity) | \$780,000 | 2060 | \$1,235,000 |
| 2050 | \$810,000 | 2061 | \$1,290,000 |
| 2051 | \$845,000 | 2062 | \$1,350,000 |
| 2052 | \$880,000 | 2063 | \$1,410,000 |
| 2053 | \$920,000 | 2064 (final maturity) | \$1,475,000 |
| 2054 (final maturity) | \$960,000 | | |

To the extent that the Bonds have been previously called for redemption in part and otherwise than from the sinking fund, each related aforesaid annual sinking fund payment for the Bonds of such maturity shall be reduced by the amount obtained by multiplying the principal amount of such Bonds of such maturity so called for redemption, by the ratio which each annual sinking fund payment for the Bonds of such maturity and series bears to the total sinking fund payments of such Bonds subject to sinking fund redemption, and by rounding each sinking fund payment to the nearest \$5,000 multiple.

In case a Bond subject to sinking fund redemption is of a denomination larger than \$5,000, a portion of such Bond (\$5,000 or any multiple thereof) may be redeemed, but Bonds shall be redeemed only in the principal amount of \$5,000 each or any integral multiple thereof. On or before the thirtieth day prior to each such sinking fund payment date, Trustee shall proceed to select for redemption (by lot in such manner, as Trustee may determine), from all Outstanding Bonds subject to sinking fund redemption, a principal amount of such Bonds equal to the aggregate principal amount of such Bonds redeemable with the required sinking fund payment, and shall call such Bonds or portions thereof (\$5,000 or any integral multiple thereof) for redemption from such sinking fund on the next sinking fund redemption date, and give notice of such call.

Extraordinary Optional Redemption

The Bonds are also subject to redemption at any time, in whole or in part, in the event of damage to or destruction of the Project and election by the City that the proceeds of such damage or destruction shall not be used to repair or repurchase the Project. Any such redemption shall be at a principal amount of the Bonds equal to the ratio of the dollar amount of such damage or destruction to the principal amount of the Bonds then outstanding, plus accrued interest to the redemption date.

Additional Bonds

Additional Bonds on parity with the Bonds (the "Additional Bonds") may be issued only if the Agreement is amended to increase the cash rentals payable by the City to provide sufficient funds at the times and in the amounts necessary to pay principal of and interest when due on the outstanding Bonds, the Parity Bonds and the proposed Additional Bonds.

Refunding Bonds

Other bonds to refund all or any of the Bonds may be issued at any time so long as (i) the cash rentals payable by the City are sufficient to cover the principal and interest requirements on all Bonds outstanding, including the refunding bonds, and (ii) the issuance of the refunding bonds shall in no manner adversely affect the exclusion from gross income of the interest on the refunded Bonds for federal income tax purposes.

THE BILL OF SALE

The following is a summary of the Bill of Sale. Reference should be made to the actual Bill of Sale for a complete statement of the provisions.

The City will transfer ownership of the Project to the Corporation pursuant to one or more Bills of Sale. Upon execution of one or more Bills of Sale, the Corporation will lease the Project to the City pursuant to the Agreement. Upon payment in full of the Bonds, the ownership of the Project will be returned to the City. Pursuant to the Interlocal Agreement, OSA will operate the Project, as funded by the Corporation.

THE AGREEMENT

The following is a summary of certain common provisions of the Agreement. Reference should be made to the Agreement for a complete statement of their respective provisions. References in the following summary to the Agreement, the Project and the Bonds (and corresponding terms) are to the Agreement, the Project and the Bonds.

Term. The term of the Agreement will begin as of the date the Bonds are issued and end on October 15, 2064; unless sooner terminated or extended as provided in the Agreement.

Rental. The City agrees to pay to the Corporation cash basic rent (“Basic Rent”) in the amounts and on or before the dates shown in the Agreement. The due dates of the cash rental payments are the principal and interest payment dates of the Bonds, and the amount of each rental installment is equal to the principal and interest next due. The City agrees that the cash rent shall be net to the Corporation and that all costs, expenses and obligations of every kind which may arise or become due with respect to the Project during the term of the Agreement shall be paid by the City.

Assignment of Rentals. The Trustee is the assignee of all of the Corporation’s rights to collect Basic Rent due under the Agreement, and such Basic Rent shall be paid by the City directly to the Trustee for the benefit of the owners of the Bonds.

Prepayment. The City shall have the right at its option, exercisable at any time, to prepay all or a portion of the Basic Rent without prepayment penalty or premium. The City shall select and shall provide written notice to the Trustee and the Corporation of the Bonds to which any prepayments shall be applied. To the extent such prepayments extinguish all Basic Rent obligations of the City associated with the Bonds the Agreement shall terminate in respect to the Bonds. Such prepayments shall be applied to redeem all or a portion of the Bonds identified by the City on such Bond’s first permitted redemption date, plus interest to accrue on such Bonds to said redemption date all as provided by the terms of the Indenture.

Additional Payments by City. As additional rental, the City has agreed (or OSA shall on the City’s behalf in connection with the Interlocal Agreement), as between itself and the Corporation, to pay all taxes related to the Project, if applicable, and all utility charges incurred in the operation, maintenance and use

of the Project, the fees and expenses of the Trustee under the Indenture and the expenses of any audit or examination of the Corporation's records requested by the City.

Repairs and Maintenance. The City has agreed, at its own expense, to put and maintain the Project in good and safe order and condition and to make all necessary repairs required for any reason. Compliance by the City or OSA with the corresponding provisions of the Interlocal Agreement shall be deemed to be in satisfaction of this covenant.

Insurance, Damage or Destruction. The City has agreed:

(a) to obtain and keep in force during the term of the Agreement fire and extended-coverage insurance with respect to the Project in an amount at least equal to the full insurable value thereof, with the City, the Corporation and the Trustee, as their interests may appear, to be named as insured parties, but with any loss to be adjusted by and paid to the City so long as the City is not in default; and

(b) that no damage to or destruction of any part of the Project by fire or other casualty shall entitle the City to terminate the Agreement or to fail to comply with any of its provisions or in any way suspend, abate or reduce the rent then due or thereafter becoming due under the terms of the Agreement unless the City shall elect not to replace or restore the Project or a part thereof and shall provide to the Trustee funds sufficient to redeem Bonds or, if only a portion of the Project is not replaced or restored, a portion of the Bonds then outstanding in an amount equal to the ratio of the dollar amount of damage to or destruction of the Project to the principal amount of the Bonds then outstanding in accordance with the Indenture, with the Agreement and the terms and conditions of the Agreement remaining in effect for all remaining portions of the Project.

The City may self-insure by means of an adequate self-insurance fund set aside and maintained out of its revenues if the City insures equipment and/or infrastructure similar to the Project by self-insurance. Furthermore, in connection with the Project, compliance by the City or OSA with the corresponding provisions of the Interlocal Agreement shall be deemed to be in satisfaction of this insurance covenant.

Indemnification of the Corporation. The City has agreed to indemnify Corporation and any of its officers, directors, agents or employees (collectively, the "Indemnified Parties") against all liabilities, penalties, damages and expenses which may be imposed upon, incurred by or asserted against the Indemnified Parties as a result of (a) City's performance of, or the failure of City to perform, any obligation to be performed by City under the Agreement; (b) any use or condition of the Project or any part thereof; (c) any personal injury, including death resulting therefrom, or property damage occurring by operation or casualty of or on or about the Project; (d) the failure of City to comply with any requirement of any governmental authority; or (e) any lien or security agreement filed against the Project or any part thereof.

Alterations, Additions and Improvements. The City (or OSA on its behalf) has the right to make any alterations, additions or improvements to the Project which will not diminish the value thereof, and any such alterations, additions or improvements shall become a part of the Project and shall be covered by the Agreement.

Use of Project. The Project shall be used by the City (including for this purpose OSA under the Interlocal Agreement) as a streetcar system intended for use as a mode of public transportation and other such uses as the City shall deem appropriate from time to time; provided, however, that any other use of the Project shall not impair the City's use of the Project as a streetcar system.

No Right of Surrender by the City. The City has no right to surrender the Project to the Corporation, and no abandonment of the Project or failure or inability of the City to use the Project at any time shall relieve the City of its obligation to pay the agreed rentals for the entire term of the Agreement.

Conveyance of Project to the City. The Corporation has agreed to convey the Project to the City upon full payment of the rentals due under the Agreement.

Default. The Corporation has the right to terminate the Agreement and take possession of the Project in the event the City defaults in the performance of any of its obligations under the Agreement and such default continues for a period of 5 days after written notice to the City. No such termination shall operate to relieve the City of its obligation to the Corporation to pay the cash rentals due under the Agreement, and the City shall continue to be liable for payment of the Basic Rent.

Donations Held as Trust Fund. The City has agreed that any donation received by the City to assist in acquiring and equipping the Project shall be held in trust and (unless the use is otherwise specified by the donor) used only to satisfy the City's obligations under the Agreement, to apply to the purchase of the Project from the Corporation and to pay costs of acquiring, constructing and equipping the Project.

THE INDENTURE

The following is a summary of certain provisions of the Indenture. Reference should be made to the Indenture for a complete statement of their respective provisions. References in the following summary to the Indenture, the Agreement and the Bonds (and corresponding terms) are to the Indenture, the Agreement and the Bonds.

Investment of Funds. All moneys held by the Trustee for the credit of any fund or account under the Indenture shall be invested and reinvested by the Trustee upon the written direction of the Corporation, but only in investments authorized by 14-563, Reissue Revised Statutes of Nebraska, as amended, viz. securities of the United States of America, the State of Nebraska, the City, Douglas County, Nebraska, a school district of the City, municipally owned and operated public utility property and plants of the City, or in the same manner as funds of the State of Nebraska are invested, and certificates of deposit from and make time deposits in bank or capital stock financial institutions or qualifying mutual financial institutions selected as depositories of City funds, or money market mutual funds (1) that invest in Government Obligations, and (2) that are rated in either of the two highest categories by a nationally recognized rating agency; provided that moneys deposited from cash rental payments to the credit of the Bond Fund shall only be invested and reinvested by the Trustee in direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America. Any such investment shall mature at such time and in such amounts so that funds will be available when required. Income from all investments shall be credited to the fund from which the investment was made.

For the purposes of this section, "Government Obligations" means the following:

(a) bonds, notes, certificates of indebtedness, treasury bills or other securities constituting direct obligations of, or obligations the principal of and interest on are fully and unconditionally guaranteed by, the United States of America; and

(b) evidences of direct ownership of a proportionate or individual interest in future interest or principal payments on specified direct obligations of, or obligations for which the full and timely payment of the principal and interest is unconditionally guaranteed by, the United States of America, which obligations are held by a bank or trust company organized and existing under the laws of the United States of America or any state thereof in the capacity of custodian in form and substance satisfactory to the Trustee.

Amendment of Indenture. An amendment which would extend the maturity of or reduce the interest rate on or principal amount of any Bond or affect the pledge and assignment of the cash rentals payable by the City or permit any priority of any Bond over any other Bond or reduce the percentage of Bondholders required to consent to any amendment of the Indenture requires the specific consent of the owner of each Bond which would be affected thereby. In the case of all other amendments, the Indenture may not be modified or amended without the consent of the owners of at least two-thirds of the principal amount of the Bonds outstanding, except to (i) correct an ambiguity or formal defect or omission, including any subsequent amendments thereto; (ii) grant and confer upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers, authority or security that may be lawfully granted to or conferred upon the Bondholders or the Trustee; (iii) issue Additional Bonds or refunding bonds; (iv) comply with such requirements of the Code as are necessary in the opinion of nationally recognized bond counsel to make the interest on the Bonds (as applicable) excludable from gross income of the Bondholders for federal income tax purposes; (v) to make any amendment which relates exclusively to and/or sets forth the terms of one or more series of bonds under the Master Indenture pursuant to a subsequent supplemental indenture; or (vi) modify, alter, amend or supplement the Indenture in any other respect which in the judgment of the Corporation, as concurred in by the Trustee, is not materially adverse to the Bondholders.

Amendment of the Agreement. No amendment to the Agreement shall be made without the written consent of the Trustee. Amendments may be made with the consent of the owners of two-thirds of the principal amount of all Bonds outstanding, but in no event shall the cash rental payable by the City be reduced or the payment dates extended without the consent of the owners of all Bonds outstanding.

Notice of Redemption of Bonds. If a Bond in book-entry-only form is called for redemption, notice shall be mailed to the Depository not less than 30 days or more than 60 days prior to the redemption date. If a Bond not in book-entry-only form is called for redemption, notice shall be given by mailing a copy of the redemption notice by first-class mail not less than 30 days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books of the Corporation kept by the Trustee.

Defeasance. The Corporation's obligation as to any Bond shall be discharged when there has been deposited with the Trustee, in trust solely for such purpose, cash or United States government direct or guaranteed obligations maturing in such amount and at such times as will provide funds sufficient to retire such Bond at maturity or earlier permitted redemption date and pay interest and premium, if any, thereon to such retirement date.

Events of Default. The following constitute events of default under the Indenture:

- (a) default in the due and punctual payment of the principal of or the interest on any outstanding Bond (or any bond issued under the Master Indenture) and the continuance thereof for a period of five days;
- (b) default in the due and punctual payment of the basic cash rental payments to the Trustee and the continuance thereof for a period of five days; or
- (c) default in the performance or observance of any other of the covenants, agreements or conditions on the Corporation's part contained in the Indenture, or in the Bonds, and the continuance thereof for a period of 30 days after written notice thereof to the Corporation by the Trustee, or by the owners of not less than 20% in aggregate principal amount of Bonds outstanding under the Master Indenture.

Default Remedies. Upon the occurrence of an event of default under the Indenture, the Trustee may, and upon the written request of the owners of 20% in aggregate principal amount of the Bonds outstanding under the Master Indenture, shall, accelerate the principal of and the interest on the Bonds and all other bonds outstanding under the Master Indenture. The Trustee may rescind its declaration of acceleration and waive any default under the Indenture under certain circumstances. The owners of not less than 20% in principal amount of Bonds then outstanding under the Master Indenture shall have the right to request the Trustee, upon being indemnified to its satisfaction, to exercise any remedies available under the Agreement and, to the extent consistent therewith, may sell, lease or manage any portion of the Project and apply the net proceeds thereof as provided in the Indenture and, whether or not it has done so, proceed to take any other steps needful for its protection and enforcement of its rights and the rights of the owners of the Bonds and all other bonds outstanding under the Master Indenture, as shall be provided by law, including a suit, action or special proceeding in equity or at law.

UNDERWRITING

Under a Bond Purchase Agreement (the “Bond Purchase Agreement”) entered into by the Corporation and D.A. Davidson & Co., as Underwriter (the “Underwriter”), the Bonds are being purchased at an aggregate price of \$20,058,870.75 (the aggregate principal amount of the Bonds, less original issue discount in the amount of \$650,391.75, and less \$140,737.50 Underwriter’s Discount). The Bond Purchase Agreement provides that the Underwriter will purchase all of the Bonds if any are purchased. The obligation of the Underwriter to accept delivery of the Bonds is subject to various conditions contained in the Bond Purchase Agreement, including the absence of pending or threatened litigation questioning the validity of the Bonds or any proceedings in connection with the issuance thereof and the absence of material adverse changes in the financial or business condition of the Corporation or the City.

The Underwriter intends to offer the Bonds to the public initially at the offering prices set forth on the inside cover page of this Official Statement, which prices may subsequently change without any requirement of prior notice. The Underwriter reserves the right to join with dealers and other underwriters in offering the Bonds to the public. The Underwriter may offer and sell Bonds to certain dealers (including dealers depositing Bonds into investment trusts) at prices lower than the public offering price.

CONTINUING DISCLOSURE

The City has entered into an undertaking (the “Undertaking”) for the benefit of the holders and beneficial owners of the Bonds to send certain financial information and operating data to the Municipal Securities Rulemaking Board (“MSRB”) annually and to provide notice to the MSRB of certain events, pursuant to the requirements of Section (b)(5)(i) of Securities and Exchange Commission Rule 15c2-12 (17 C.F.R. § 240.15c2-12) (the “Rule”). See “APPENDIX C—FORM OF CONTINUING DISCLOSURE LETTER AGREEMENT.

A failure by the City to comply with the Undertaking will not constitute an Event of Default under the Indenture or the Agreement, although any bondholder will have any available remedy at law or in equity, including seeking specific performance by court order, to cause the City to comply with its obligations under the Undertaking. Any such failure must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

During the past five years, the City did not file or link or timely file or link certain annual operating data for its fiscal years ended December 31, 2018 through 2022, and did not file notice of its failure to

provide the aforementioned information on or before the date specified in its prior continuing disclosure undertakings.

LITIGATION

No litigation is pending or, to the knowledge of the Corporation, threatened in any court to restrain or enjoin the issuance or delivery of any of the Bonds or in any way contesting or affecting the validity of the Bonds, the related resolutions of the Corporation, the Agreement, the Indenture or the City's Ordinance approving the issuance of the Bonds (the "Ordinance"), or contesting the powers or authority of the Corporation to issue its Bonds or to adopt the resolutions or of the City to execute and deliver the Agreement or pass the Ordinance.

TAX MATTERS

Legal Matters

Legal matters incident to the authorization and issuance of the Bonds are subject to the approving opinion of Kutak Rock LLP, Bond Counsel, a copy of whose approving opinion will be delivered with the Bonds, and the form of which opinion comprises Appendix D. Certain other legal matters will be passed upon for the City by the City Law Department.

Bonds

General. In the opinion of Bond Counsel to be delivered at the time of original issuance of the Bonds, under existing laws, regulations, rulings and judicial decisions, interest on the Bonds (including any original issue discount properly allocable to the owner of a Bond) (a) is excludable from gross income for federal income tax purposes and (b) is not a specific item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals. Interest on the Bonds may affect the federal alternative minimum tax imposed on certain corporations.

The opinions set forth above are subject to continuing compliance by the City with its covenants regarding federal tax laws in the Ordinance. Failure to comply with such covenants could cause interest on the Bonds to be included in gross income retroactive to the date of issue of the Bonds. Bond Counsel has expressed no opinion regarding other federal tax consequences arising with respect to the Bonds

The accrual or receipt of interest on the Bonds may otherwise affect the federal income tax liability of the owners of the Bonds. The extent of these other tax consequences will depend on such owners' particular tax status and other items of income or deduction. Bond Counsel has expressed no opinion regarding any such consequences.

Purchasers of the Bonds, particularly purchasers that are corporations (including S corporations, foreign corporations operating branches in the United States of America, and certain corporations subject to the alternative minimum tax imposed on corporations), property or casualty insurance companies, banks, thrifts or other financial institutions, certain recipients of social security or railroad retirement benefits, taxpayers entitled to claim the earned income credit, taxpayers entitled to claim the refundable credit in Section 36B of the Code for coverage under a qualified health plan or taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, should consult their tax advisors as to the tax consequences of purchasing or owning the Bonds.

In Bond Counsel's further opinion, under the existing laws of the State of Nebraska, the interest on the Bonds is exempt from Nebraska state income taxation as long as it is exempt for purposes of the federal income tax.

Original Issue Discount. The Bonds that have an original yield above their respective interest rates, as shown on the inside cover of this Official Statement (collectively, the "Discount Bonds"), are being sold at an original issue discount. The difference between the initial public offering prices of such Discount Bonds and their stated amounts to be paid at maturity (excluding "qualified stated interest" within the meaning of Section 1.1273-1 of the Regulations) constitutes original issue discount treated in the same manner for federal income tax purposes as interest, as described above.

The amount of original issue discount that is treated as having accrued with respect to a Discount Bond is added to the cost basis of the owner of the bond in determining, for federal income tax purposes, gain or loss upon disposition of such Discount Bond (including its sale, redemption or payment at maturity). Amounts received on disposition of such Discount Bond that are attributable to accrued or otherwise recognized original issue discount will be treated as tax-exempt interest, rather than as taxable gain, for federal income tax purposes.

Original issue discount is treated as compounding semiannually, at a rate determined by reference to the yield to maturity of each individual Discount Bond, on days that are determined by reference to the maturity date of such Discount Bond. The amount treated as original issue discount on such Discount Bond for a particular semiannual accrual period is equal to (a) the product of (i) the yield to maturity for such Discount Bond (determined by compounding at the close of each accrual period) and (ii) the amount that would have been the tax basis of such Discount Bond at the beginning of the particular accrual period if held by the original purchaser, less (b) the amount of any interest payable for such Discount Bond during the accrual period. The tax basis for purposes of the preceding sentence is determined by adding to the initial public offering price on such Discount Bond the sum of the amounts that have been treated as original issue discount for such purposes during all prior periods. If such Discount Bond is sold between semiannual compounding dates, original issue discount that would have been accrued for that semiannual compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

Owners of Discount Bonds should consult their tax advisors with respect to the determination and treatment of original issue discount accrued as of any date and with respect to the state and local tax consequences of owning a Discount Bond. Subsequent purchasers of Discount Bonds that purchase such bonds for a price that is higher or lower than the "adjusted issue price" of the bonds at the time of purchase should consult their tax advisors as to the effect on the accrual of original issue discount.

Backup Withholding. An owner of a Bond may be subject to backup withholding at the applicable rate determined by statute with respect to interest paid with respect to the Bonds if such owner fails to provide to any person required to collect such information pursuant to Section 6049 of the Code with such owner's taxpayer identification number, furnishes an incorrect taxpayer identification number, fails to report interest, dividends or other "reportable payments" (as defined in the Code) properly, or, under certain circumstances, fails to provide such persons with a certified statement, under penalty of perjury, that such owner is not subject to backup withholding.

Future Legislation

From time to time, there are legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to above or adversely affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether

if enacted it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Bonds or their market value would be affected thereby. Purchasers of the Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives or litigation.

RATINGS

Moody's Investors Service, Inc. ("Moody's") and S&P Global Ratings, a Standard and Poor's Financial Services LLC ("S&P"), have assigned the Bonds the ratings of "Aa2" and "AA+," respectively. Such credit ratings of the Bonds by Moody's and S&P reflect only the views of such credit rating agencies. An explanation of the significance of such credit ratings may be obtained from Moody's or S&P, as the case may be. There is no assurance that such credit ratings will continue for any given period of time or that they will not be reviewed or withdrawn entirely by such credit rating agencies, if in their judgment circumstances so warrant. None of the City, the Corporation or the Underwriter has undertaken any responsibility either to bring to the attention of the owners of the Bonds any proposed change in or withdrawal of such credit ratings or to oppose any such proposed revision. Any such downward change in or withdrawal of such credit ratings may have an adverse effect on the market price of the Bonds.

FINANCIAL STATEMENTS

The comprehensive annual financial report of the City as of and for the year ended December 31, 2022 included as Part Two of Appendix B has been audited by RSM, LLP, independent certified public accountants, as stated in its report appearing therein. RSM, LLP, the City's independent auditor, has not been engaged to perform and has not performed, since the date of its report included therein, any procedures on the financial statements addressed in that report. RSM, LLP also has not performed any procedures relating to this Official Statement.

MISCELLANEOUS

Any statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. This Official Statement is not to be construed as a contract or agreement between the Corporation and the purchasers or owners of any of the Bonds.

The information contained in this Official Statement has been taken from the City, DTC and other sources considered to be reliable, but is not guaranteed. To the best of the knowledge of the undersigned, this Official Statement (insofar as it relates to the Bonds represented by the undersigned) does not include any untrue statement of a material fact, nor does it omit the statement of any material fact required to be stated therein, or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

The execution and delivery of this Official Statement have been duly authorized by the Corporation as of the date shown on the cover hereof.

CITY OF OMAHA PUBLIC FACILITIES
CORPORATION

By /s/ Amy Hicks
President

APPENDIX A

CITY OF OMAHA—SELECTED ECONOMIC INDICATORS

Omaha MSA¹ Population and Employment

| | Population | Non-Farm Employment |
|------|------------|------------------------|
| 2018 | 941,298 | 502,700 |
| 2019 | 948,747 | 507,000 |
| 2020 | 968,493 | 484,700 |
| 2021 | 971,637 | 492,400 |
| 2022 | 976,671 | 500,500 |

¹ Includes the five Nebraska Counties in the eight County MSA (Nebraska Counties of MSA are Cass, Douglas, Sarpy, Washington and Saunders).

Source: U.S. Census Bureau, Population Division; U.S. Bureau of Labor Statistics: State and Area Employment, Hours and Earnings

Omaha MSA (Eight Counties) Non-Farm Employment

| Industry | Average for 2022 | | Average for 2021 | |
|-------------------------------------|------------------|---------------|------------------|---------------|
| | Number | % of Total | Number | % of Total |
| Mining, Logging and Construction | 31,600 | 6.3% | 30,100 | 6.1% |
| Manufacturing | 34,800 | 7.0% | 33,800 | 6.9% |
| Trade, Transportation and Utilities | 93,200 | 18.6% | 92,600 | 18.8% |
| Information | 10,300 | 2.1% | 10,800 | 2.2% |
| Financial Activities | 42,500 | 8.5% | 43,900 | 8.9% |
| Professional and Business Services | 72,200 | 14.4% | 70,200 | 14.3% |
| Education and Healthcare Services | 80,600 | 16.1% | 79,700 | 16.2% |
| Leisure and Hospitality | 50,900 | 10.2% | 47,800 | 9.7% |
| Other Services | 18,500 | 3.7% | 17,900 | 3.6% |
| Government | 65,900 | 13.2% | 65,700 | 13.3% |
| Total Non-Farm Employment | 500,500 | 100.0% | 492,400 | 100.0% |

Source: U.S. Bureau of Labor Statistics: State and Area Employment, Hours and Earnings

Omaha MSA Personal Income (per capita)

| Year | Personal Income (000) | Per Capita Personal Income | U.S. Per Capita Personal Income |
|------|-----------------------|-------------------------------|------------------------------------|
| 2018 | \$62,812,492 | \$65,438 | \$62,129 |
| 2019 | \$64,298,928 | \$65,762 | \$63,586 |
| 2020 | \$66,200,903 | \$67,730 | \$66,888 |
| 2021 | \$62,407,156 | \$70,499 | \$69,586 |
| 2022 | \$66,986,349 | \$68,586 | \$65,470 |

Source: Bureau of Economic Analysis, CA1: Personal Income Summary.

Omaha MSA Net Taxable Sales

| Year | Total Non-Motor Vehicle Net Taxable Sales (000) | Net Taxable Sales of Motor Vehicles (000) |
|------|---|--|
| 2018 | 13,659,524 | 1,870,846 |
| 2019 | 14,114,856 | 1,993,799 |
| 2020 | 13,877,547 | 2,061,464 |
| 2021 | 15,712,504 | 2,442,199 |
| 2022 | 17,183,187 | 2,533,006 |

Source: Nebraska Department of Revenue and Iowa Department of Revenue.

Value of Building Permits—City of Omaha

| Year | Amount |
|------|---------------|
| 2019 | 1,070,222,591 |
| 2020 | 1,087,939,155 |
| 2021 | 1,148,705,452 |
| 2022 | 860,631,316 |
| 2023 | 803,812,744 |

Source: Division of Permits and Inspections, City of Omaha; 2023 data through October, 2023.

Largest Employers—Omaha Combined Statistical Area (CSA) May 2023

| Company | Product/Service | Number of Employees |
|---------------------------------------|-----------------------------------|---------------------|
| Offutt Airforce Base* | Public Administration | 5,000 and over |
| Nebraska Medicine | Health Care and Social Assistance | 5,000 and over |
| CHI | Health Care and Social Assistance | 5,000 and over |
| Omaha Public Schools (OPS) | Educational Services | 5,000 and over |
| Methodist Health System | Health Care and Social Assistance | 5,000 and over |
| University of Nebraska Medical Center | Health Care and Social Assistance | 5,000 and over |
| City of Omaha | Public Administration | 2,500 to 4,999 |
| First National Bank | Finance and Insurance | 2,500 to 4,999 |
| Mutual of Omaha | Finance and Insurance | 2,500 to 4,999 |
| Fiserv | Information | 2,500 to 4,999 |
| Union Pacific Railroad | Transportation and Warehousing | 2,500 to 4,999 |
| Douglas County | Public Administration | 2,500 to 4,999 |
| Millard Public Schools | Educational Services | 2,500 to 4,999 |
| Valmont Industries | Manufacturing | 2,500 to 4,999 |
| Children's Hospital | Health Care and Social Assistance | 2,500 to 4,999 |
| Charles Schwab | Finance and Insurance | 1,000 to 2,499 |
| PayPal | Finance and Insurance | 1,000 to 2,499 |
| University of Nebraska-Omaha | Educational Services | 1,000 to 2,499 |
| Tyson Foods, Inc. | Manufacturing | 1,000 to 2,499 |
| ConAgra | Manufacturing | 1,000 to 2,499 |
| Nebraska Furniture Mart | Retail Trade | 1,000 to 2,499 |
| Creighton University | Educational Services | 1,000 to 2,499 |
| VA Nebraska-Western Iowa Health Care | Health Care and Social Assistance | 1,000 to 2,499 |
| Boys Town | Health Care and Social Assistance | 1,000 to 2,499 |
| Omaha Public Power District | Utilities | 1,000 to 2,499 |

*Located in Sarpy County (immediately south of Omaha).

Source: Greater Omaha Chamber Top 25 Employer List, (Ranked by Number of Employees)

APPENDIX B

CITY OF OMAHA—FINANCIAL INFORMATION

Part One

Selected City of Omaha Financial Information

Part Two

*Comprehensive Annual Financial Report
(December 31, 2022)*

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APPENDIX B

CITY OF OMAHA—FINANCIAL INFORMATION

PART ONE

Selected City of Omaha Financial Information

CITY OF OMAHA, NEBRASKA
GENERAL FUND STATEMENT OF REVENUE,
EXPENDITURES AND CHANGES IN FUND BALANCE
Five Years ended December 31

| Revenue: | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| General Property Tax | \$87,659,218 | \$ 93,228,241 | \$106,341,360 | \$121,906,167 | \$121,448,642 |
| Motor Vehicle Taxes | 13,710,189 | 14,881,269 | 14,946,798 | 15,506,247 | 15,173,644 |
| City sales & use tax | 159,805,073 | 166,336,262 | 162,192,938 | 194,393,374 | 212,887,241 |
| Business taxes | 67,345,145 | 68,128,064 | 55,044,899 | 69,074,831 | 68,974,471 |
| Taxes in lieu | 8,041,212 | 8,141,518 | 7,895,478 | 10,153,936 | 9,223,905 |
| Licenses & permits | 9,944,170 | 10,759,372 | 9,920,064 | 10,780,131 | 11,421,703 |
| Charges for services | 24,889,852 | 23,997,883 | 22,451,394 | 26,037,434 | 27,909,008 |
| Investment income | 810,112 | 2,626,230 | 5,470,665 | (432,646) | (5,902,360) |
| Rents & royalties | 870,559 | 5,326,019 | 4,673,375 | 4,102,137 | 6,246,352 |
| Miscellaneous | 30,155 | 13,303 | 129,927 | 392,594 | 511 |
| Total Revenue | <u>\$373,105,685</u> | <u>\$393,438,161</u> | <u>\$389,066,898</u> | <u>\$451,914,205</u> | <u>\$467,383,117</u> |
| Expenditures: | | | | | |
| Legislative & Executive | \$2,972,711 | \$3,245,478 | \$3,082,048 | \$3,522,162 | \$3,577,739 |
| Law, Personnel & Human Relations | 7,622,017 | 8,682,169 | 8,856,566 | 9,145,405 | 9,522,107 |
| Finance | 4,205,328 | 4,340,435 | 4,332,637 | 4,815,144 | 4,609,284 |
| Planning | 8,910,071 | 9,541,991 | 9,096,497 | 10,056,309 | 10,968,422 |
| Parks, Recreation & Public Property | 22,417,352 | 23,019,296 | 20,311,365 | 24,132,829 | 25,646,967 |
| Fire | 103,693,010 | 107,402,985 | 89,103,095 | 102,556,393 | 120,272,157 |
| Police | 147,151,045 | 152,352,729 | 135,812,908 | 145,578,232 | 163,638,068 |
| Public Works | 21,208,547 | 21,521,515 | 25,127,518 | 34,337,507 | 31,308,652 |
| Convention and Tourism | 1,200,000 | 1,515,000 | 1,600,000 | 4,800,000 | 2,000,000 |
| Public Library | 13,956,559 | 13,514,636 | 10,589,836 | 14,274,827 | 18,867,347 |
| Employee Benefits | 18,325,905 | 19,056,310 | 18,943,952 | 19,112,283 | 19,549,452 |
| Agency & Other Accounts | 30,467,683 | 35,029,528 | 60,587,259 | 82,755,023 | 59,076,571 |
| Total Expenditures | <u>\$382,130,228</u> | <u>\$399,222,072</u> | <u>\$387,443,681</u> | <u>\$455,086,114</u> | <u>\$469,036,766</u> |
| Excess (deficit) of revenues over expenditures: | <u>(\$9,024,543)</u> | <u>(\$5,783,911)</u> | <u>\$1,623,217</u> | <u>(\$3,171,909)</u> | <u>(\$1,653,649)</u> |
| Other sources (uses) of financial resources: | | | | | |
| Operating transfers and encumbrance adjustments (net) | <u>\$3,632,403</u> | <u>\$1,436,284</u> | <u>\$626,556</u> | <u>\$4,171,909</u> | <u>\$1,653,649</u> |
| Excess (deficiency) of revenues over expenditures & other sources (uses) of financial resources | <u>(\$5,392,140)</u> | <u>(\$4,347,627)</u> | <u>\$2,249,773</u> | <u>\$1,000,000</u> | <u>-</u> |
| Fund balance, beginning of year | <u>\$22,489,995</u> | <u>\$17,097,855</u> | <u>\$12,750,227</u> | <u>\$15,000,000</u> | <u>\$16,000,000</u> |
| Fund balance, end of year | <u>\$17,097,855</u> | <u>\$12,750,228</u> | <u>\$15,000,000</u> | <u>\$16,000,000</u> | <u>\$16,000,000</u> |

Source: Records of the Finance Department, City of Omaha

* The City of Omaha's procedure in General Fund budgeting is as follows: at the end of each fiscal year, any excess of revenues and adjustments over expenditures and encumbrances is determined. Any such excess, less any extraordinary transfers out, is used as the initial credit to the General Fund Budget for the second year following the year of the excess. The 2022 year-end fund balance of \$16,000,000 is comprised of the 2021 carryover of \$8,000,000 to 2023 and the 2022 carryover of \$8,000,000 to 2024.

CITY OF OMAHA, NEBRASKA
DEBT SERVICE FUND* STATEMENT OF REVENUE,
EXPENDITURES AND CHANGES IN FUND BALANCE
Five Years Ended December 31

| | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| REVENUE: | | | | | |
| Taxes | \$61,464,776 | \$65,945,075 | \$62,704,920 | \$60,530,786 | \$63,603,887 |
| In-lieu-of taxes | 205,862 | 197,565 | 176,355 | 158,186 | 162,901 |
| Interest income | 594,159 | 349,284 | 230,333 | 171,604 | 128,277 |
| Parking fees | 819,180 | 899,794 | 355,902 | 646,551 | 1,019,880 |
| Seat tax | 301,125 | 320,748 | 125,134 | 208,099 | 366,797 |
| State turn back revenue | 3,456,104 | 4,169,005 | 2,062,186 | 1,442,812 | 3,562,354 |
| Contributions from annexed areas | 6,547,412 | 823,613 | 4,244,267 | 1,110,430 | 73,386 |
| Build America Bond Credits | 270,078 | 253,811 | 71,982 | 36,122 | - |
| Total revenue and contributions | <u>\$73,658,696</u> | <u>\$72,958,895</u> | <u>\$69,971,079</u> | <u>\$64,304,590</u> | <u>\$68,917,482</u> |
| EXPENDITURES: | | | | | |
| Outside services: | | | | | |
| Professional fees & liabilities | \$1,135,754 | \$803,688 | \$1,183,817 | \$1,002,062 | \$576,578 |
| Collection fees | 621,663 | 649,576 | 589,362 | 561,032 | 579,762 |
| Total outside services | <u>\$1,757,417</u> | <u>\$1,453,264</u> | <u>\$1,773,179</u> | <u>\$1,563,094</u> | <u>\$1,156,340</u> |
| General obligation bonds: | | | | | |
| Interest expense | \$21,190,343 | \$21,353,599 | \$20,835,690 | \$18,832,948 | \$20,092,578 |
| Bonds retired | 47,706,599 | 46,828,499 | \$48,608,508 | 55,245,000 | 59,195,000 |
| Total general obligation bonds | <u>\$68,896,942</u> | <u>\$68,182,098</u> | <u>\$69,444,198</u> | <u>\$74,077,948</u> | <u>79,287,578</u> |
| Total expenditures | <u>\$70,654,359</u> | <u>\$69,635,362</u> | <u>\$71,217,377</u> | <u>\$75,641,042</u> | <u>80,443,918</u> |
| Excess (deficit) of revenues and contributions over (under) expenditures | \$3,004,337 | \$3,323,533 | (\$1,246,297) | (\$11,336,452) | (\$11,526,436) |
| Other Financing sources (uses): | | | | | |
| Refunding bonds | \$925,805 | (\$8,855,832) | \$777,660 | \$19,730,124 | \$554,770 |
| Excess (deficit) of revenues and contributions over (under) expenditures and other financing sources (uses) | \$3,930,142 | (\$5,532,299) | (\$468,637) | \$8,393,672 | (\$10,971,666) |
| Fund balance at beginning of year | \$38,008,346 | \$41,938,488 | \$36,406,189 | \$35,937,552 | \$44,331,223 |
| Fund balance at end of year: | <u>\$41,938,488</u> | <u>\$36,406,189</u> | <u>\$35,937,552</u> | <u>\$44,331,224</u> | <u>\$33,359,557</u> |

* This fund was created by the City Charter and is sustained by a separate debt service fund property tax levy. Its purpose is to accumulate resources for servicing the general obligation bonded debt of the City. The actual property tax revenues are derived from a levy of 19.421 cents per one hundred dollars of assessed value in 2018. In 2019, the rate decreased to 18.743 cents per one hundred dollars of assessed value and decreased again in 2020 to 16.743 cents per one hundred dollars of assessed value. In 2021, the rate decreased to 14.893 cents per one hundred dollars of assessed value. In 2022, the rate remained constant at 14.893 cents per one hundred dollars of assessed value.

**CITY OF OMAHA SPECIAL TAX REVENUE REDEVELOPMENT
AND SPECIAL OBLIGATION DEBT SERVICE FUND**

Five Years Ended December 31

| | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| Revenues: | | | | | |
| Property tax revenue | \$4,627,177 | \$9,130,573 | \$9,778,791 | \$10,586,503 | \$10,850,928 |
| Tax allocation revenue | 1,239,983 | 1,291,898 | 527,154 | 243,402 | 163,417 |
| Douglas County Miller Park contribution | 159,354 | 13,178 | 13,178 | 13,178 | - |
| Naming rights convention center | - | - | - | - | - |
| Other Income | 71,377 | 34,012 | - | - | - |
| Investment Earnings | 68,419 | 67,738 | 31,920 | 27,100 | 21,807 |
| Sewer Revenue Fees* | 414,201 | 414,201 | 509,422 | 509,422 | 332,138 |
| Total revenues | \$6,580,511 | \$10,951,600 | \$10,860,465 | \$11,379,605 | \$11,368,290 |
| Expenditures: | | | | | |
| Agency and other accounts | \$43,092 | \$88,743 | \$91,285 | \$97,585 | \$101,236 |
| Principal payment | 5,935,000 | 6,135,000 | 5,930,000 | 6,575,000 | 31,286,225 |
| Interest | 3,874,544 | 3,533,718 | 3,744,281 | 3,493,823 | 3,195,234 |
| Sewer Special Obligation debt service* | 414,201 | 414,201 | 509,422 | 509,422 | 525,979 |
| Professional fees | 4,959 | 11,317 | 2,500 | 143,296 | 294,899 |
| Total expenditures | \$10,271,796 | \$10,182,979 | \$10,277,488 | \$10,819,126 | \$35,403,573 |
| Excess (deficit) of revenues over expenditures | (\$3,691,285) | \$768,621 | \$582,977 | \$560,479 | (\$23,841,442) |
| Other Financing Sources(uses): | | | | | |
| Refunding bonds | - | (\$3,257,044) | - | - | \$24,768,158 |
| Excess (deficit) of revenues and contributions over (under) expenditures and other financing sources (uses) | (\$3,691,285) | (\$2,488,423) | \$582,977 | \$560,479 | \$926,715 |
| Fund balance, beginning of year | \$12,117,625 | \$8,426,340 | \$5,937,917 | \$6,520,894 | \$7,081,373 |
| Fund balance, end of year | \$8,426,340 | \$5,937,917 | \$6,520,894 | \$7,081,373 | \$8,008,088 |

This redevelopment levy is used to pay bond and interest payments on Redevelopment Bonds. The levy for 2013 through 2017 was 1.594 cents. In 2018 the levy was reduced to 1.344 cents. In 2019, the levy was increased to 2.600 cents (the maximum permissible levy). The State Development Law authorizes a taxing authority of 2.6 cents on each \$100 upon actual value of all taxable property in the City. The Omaha Special Tax Revenue Redevelopment and Special Obligation Debt Service Fund services the following issuances:

| <u>Name</u> | <u>Year of Issue</u> | <u>Year of Maturity Date</u> |
|--|----------------------|------------------------------|
| Special Tax Revenue Refunding Series 2012A | 2012 | 2032 |
| Special Tax Revenue Refunding Series 2012 | 2012 | 2024 |
| Riverfront Redevelopment Project Series 2012* | 2012 | 2032 |
| Special Tax Revenue Refunding Series 2017A | 2017 | 2028 |
| Special Tax Revenue Crossover Refunding Series 2017B | 2017 | 2029 |
| Riverfront Redevelopment Refunds Series 2017D* | 2017 | 2026 |
| Special Tax Revenue Redevelopment Series 2018A | 2018 | 2038 |
| Special Tax Revenue Redevelopment Taxable Series 2018B | 2018 | 2038 |
| Special Tax Revenue Redevelopment Series 2019A | 2019 | 2040 |
| Special Obligation Refunding Bonds, Taxable Series 2008* | 2008 | 2026 |
| Special Tax Revenue Redevelopment and RFD 2022A | 2022 | 2032 |
| Special Obligation Refunding Series 2022B* | 2022 | 2032 |

The Riverfront Redevelopment Refunding Bonds Series 2008, Series 2012, and Series 2017D are serviced by a variety of revenue sources including Property Tax Revenue, Tax Allocation Revenue, Douglas County Miller Park Contribution, Sewer Fees and Land Sales.

* The debt service for the sewer-related portion of Special Obligation Refunding Bonds, Series 2017D, and Special Obligation Riverfront Redevelopment Bonds, Series 2022B paid directly from the Sewer Revenue Enterprise Fund.

CITY OF OMAHA, NEBRASKA
SUMMARY OF 2023 GENERAL FUND REVENUES AND EXPENDITURES
THIRD QUARTER ACTUAL AND YEAR END PROJECTIONS 2023

| | 2023 Budgeted | Actual 9/30/2023 | Projected 12/31/2023 | Projected Over (Under) Budget |
|---|-----------------------|----------------------|-------------------------|----------------------------------|
| Revenues: | | | | |
| General Property Tax | \$127,106,030 | \$124,926,204 | \$127,106,030 | \$- |
| Motor Vehicle Taxes | 16,525,053 | 10,659,511 | 16,525,053 | \$- |
| City Sales and Use Tax | 205,728,173 | 168,624,223 | 230,413,016 | 24,684,843 |
| Business Taxes | 21,478,310 | 15,576,353 | 23,034,331 | 1,586,621 |
| Restaurant Tax | 39,792,146 | 28,152,949 | 44,178,670 | 4,386,524 |
| Tobacco Tax | 4,463,967 | 2,954,781 | 4,463,967 | - |
| Licenses and Permits | 10,551,083 | 8,806,718 | 11,617,665 | 1,035,982 |
| Taxes in lieu | 9,671,311 | 3,894,367 | 10,996,100 | 1,324,789 |
| Charges for Services | 24,200,561 | 22,041,925 | 28,157,616 | 3,957,055 |
| Investment Income | 1,530,000 | 6,683,496 | 7,883,496 | 6,353,496 |
| Miscellaneous Other Revenue | 5,644,034 | 5,501,397 | 6,246,864 | 602,830 |
| Prior Year General Fund Balance | 8,000,000 | 6,000,000 | 8,000,000 | - |
| Total General Fund Revenue | \$ 474,690,668 | \$403,821,924 | \$ 518,622,808 | \$ 43,932,140 |
| <hr/> | | | | |
| Expenditures: | | | | |
| Legislative & Executive | \$ 4,000,270 | \$2,965,832 | \$3,857,867 | (142,403) |
| Law, Personnel & Human Relations | 11,421,523 | 7,765,507 | 10,840,030 | (581,493) |
| Finance | 5,725,787 | 3,851,917 | 5,213,488 | (512,299) |
| Planning | 12,742,158 | 8,644,582 | 12,336,231 | (405,927) |
| Parks, Recreation & Public Property | 25,905,584 | 22,756,816 | 27,350,962 | 1,445,378 |
| Fire | 125,555,593 | 94,178,075 | 125,963,747 | 408,154 |
| Police | 178,017,198 | 126,693,821 | 176,797,237 | (1,219,961) |
| Public Works | 32,256,581 | 36,237,762 | 32,051,386 | (205,195) |
| Public Library | 16,381,558 | 12,488,616 | 16,246,234 | (135,324) |
| Convention & Tourism | 2,200,000 | 2,200,000 | 2,200,000 | - |
| Other Budgetary Accounts - Benefits | 20,545,444 | 17,558,150 | 20,113,412 | (432,032) |
| Other Budgetary Accounts - Other | 28,754,592 | 26,431,343 | 63,589,897 | 34,835,305 |
| Other Budgetary Accounts - Debt Service | 11,184,380 | 10,423,087 | 11,269,380 | 85,000 |
| Total General Fund Expenditures | \$474,690,668 | \$372,195,508 | \$507,829,871 | \$33,139,203 |
| Revenues Over Expenditures | | | \$10,792,937 | |
| Potential Health Care Overage | | | (\$2,792,937) | |
| Projected 2023 General Fund Budget Carryover Reserve | | | \$8,000,000 | |

Source: Unaudited records and projections of the Finance Department, City of Omaha as September 30, 2023.

These records and projections have not been reviewed by the City's outside auditors - projections are projections only. Actual results based on the 2023 year-end audit may differ significantly.

The 2023 year-end fund balance of \$16,000,000 is comprised of the 2022 carryover of \$8,000,000 to 2024 and the 2023 carryover of \$8,000,000 to 2025.

**CITY OF OMAHA, NEBRASKA
GENERAL FUND
FISCAL YEAR 2023 BUDGET AND RECOMMENDED 2024 BUDGET**

| | 2023 Budget | 2024 Recommended Budget |
|---|----------------------|--|
| Revenues: | | |
| Initial Credit | \$ 8,000,000 | \$ 8,000,000 |
| City Sales Tax (net of credits) | 205,728,173 | 228,442,868 |
| Property Tax | 127,106,030 | 126,016,632 |
| Restaurant Tax | 39,792,146 | 44,747,351 |
| Charges for Service | 24,200,561 | 29,220,950 |
| Occupation Tax Telephone Co | 6,528,688 | 5,797,616 |
| Motor Vehicle Tax | 16,525,053 | 15,733,065 |
| Licenses and Permits | 10,551,083 | 11,806,465 |
| Omaha Public Power District | 1,704,983 | 1,773,183 |
| Cable Television Franchise Fee | 5,610,262 | 4,775,243 |
| EEA Occupation | 30,600 | 55,117 |
| Hotel/Motel Occupancy Tax | 5,367,714 | 6,878,536 |
| In Lieu | 9,671,311 | 10,082,227 |
| Tobacco Tax | 4,463,967 | 4,228,388 |
| Vehicle Rental Occupation | 1,124,993 | 1,806,262 |
| Rents, Royalties, & Other | 5,298,407 | 6,330,981 |
| Keno Revenue | 1,111,070 | 1,035,645 |
| Investment Income | 1,530,000 | 1,000,000 |
| Contributions & Grants | 345,627 | 42,798 |
| Total Revenue | \$474,690,668 | \$507,773,327 |
| Expenditures: | | |
| Mayor's Office | \$ 1,680,126 | \$ 1,733,189 |
| City Council | 1,458,923 | 1,526,960 |
| City Clerk | 861,221 | 896,238 |
| Law | 6,190,056 | 6,274,925 |
| Human Resources | 3,820,985 | 4,278,822 |
| Human Rights & Relations | 1,410,482 | 1,530,291 |
| Finance | 5,725,787 | 5,882,518 |
| Planning | 12,742,158 | 13,433,762 |
| Police | 178,017,198 | 185,411,306 |
| Fire | 125,555,593 | 127,627,109 |
| Parks | 25,905,584 | 27,406,458 |
| Convention & Tourism | 2,200,000 | 2,300,000 |
| Public Works | 32,256,581 | 33,178,969 |
| Library | 16,381,558 | 18,681,577 |
| Other Budgetary Accounts - Benefits | 20,545,444 | 20,449,822 |
| Other Budgetary Accounts - Misc | 28,027,532 | 42,833,872 |
| Other Budgetary Accounts - Debt Service | 11,184,380 | 11,847,509 |
| Transfers | 727,060 | 2,480,000 |
| Total Expenditures | \$474,690,668 | \$507,773,327 |

Source: Finance Department, City of Omaha

The major portion of the City's day-to-day operations, some annual contributions, and various lease-purchase agreements are financed by the General Fund. Appropriations are also made from the fund for operating the Public Library System. Further appropriations are provided for the City's contribution to employee benefit plans including pension systems, hospitalization, life insurance, and social security taxes.

DEBT SERVICE REQUIREMENTS

The annual debt service requirements on outstanding Lease Revenue Bonds, including the Parity Bonds, are shown below, together with the annual debt service requirements on the Bonds.

| Period Ending | Debt Service on the Parity Bonds ¹ | | | Debt Service on the Bonds | | | |
|------------------|---|------------------|-------------------------------|---------------------------|-----------------|-------------------------------|--------------------|
| | Principal | Interest | Total Principal & Interest | Principal | Interest | Total Principal & Interest | Total Debt Service |
| 12/31/2024 | \$ 9,286,653 | \$ 9,182,693.69 | \$ 18,469,346.46 | \$ - | \$ 656,343.06 | \$ 656,343.06 | \$ 19,125,689.52 |
| 12/31/2025 | 9,861,653 | 8,757,753.77 | 18,619,406.54 | - | 930,250.00 | 930,250.00 | 19,549,656.54 |
| 12/31/2026 | 9,742,524 | 8,327,896.39 | 18,070,420.85 | - | 930,250.00 | 930,250.00 | 19,000,670.85 |
| 12/31/2027 | 9,815,460 | 7,916,472.22 | 17,731,932.53 | - | 930,250.00 | 930,250.00 | 18,662,182.53 |
| 12/31/2028 | 10,131,332 | 7,499,035.37 | 17,630,367.37 | - | 930,250.00 | 930,250.00 | 18,560,617.37 |
| 12/31/2029 | 10,159,268 | 7,067,772.47 | 17,227,040.32 | - | 930,250.00 | 930,250.00 | 18,157,290.32 |
| 12/31/2030 | 10,675,000 | 6,627,329.59 | 17,302,329.59 | - | 930,250.00 | 930,250.00 | 18,232,579.59 |
| 12/31/2031 | 11,330,000 | 6,170,961.46 | 17,500,961.46 | - | 930,250.00 | 930,250.00 | 18,431,211.46 |
| 12/31/2032 | 11,545,000 | 5,698,925.21 | 17,243,925.21 | - | 930,250.00 | 930,250.00 | 18,174,175.21 |
| 12/31/2033 | 12,380,000 | 5,213,527.16 | 17,593,527.16 | - | 930,250.00 | 930,250.00 | 18,523,777.16 |
| 12/31/2034 | 11,220,000 | 4,753,321.93 | 15,973,321.93 | - | 930,250.00 | 930,250.00 | 16,903,571.93 |
| 12/31/2035 | 11,860,000 | 4,312,287.35 | 16,172,287.35 | - | 930,250.00 | 930,250.00 | 17,102,537.35 |
| 12/31/2036 | 12,155,000 | 3,851,072.05 | 16,006,072.05 | - | 930,250.00 | 930,250.00 | 16,936,322.05 |
| 12/31/2037 | 5,610,000 | 3,511,581.90 | 9,121,581.90 | - | 930,250.00 | 930,250.00 | 10,051,831.90 |
| 12/31/2038 | 5,970,000 | 3,294,272.78 | 9,264,272.78 | - | 930,250.00 | 930,250.00 | 10,194,522.78 |
| 12/31/2039 | 6,345,000 | 3,058,996.73 | 9,403,996.73 | - | 930,250.00 | 930,250.00 | 10,334,246.73 |
| 12/31/2040 | 5,765,000 | 2,824,251.98 | 8,589,251.98 | - | 930,250.00 | 930,250.00 | 9,519,501.98 |
| 12/31/2041 | 8,435,000 | 2,537,039.93 | 10,972,039.93 | - | 930,250.00 | 930,250.00 | 11,902,289.93 |
| 12/31/2042 | 7,720,000 | 2,193,476.70 | 9,913,476.70 | - | 930,250.00 | 930,250.00 | 10,843,726.70 |
| 12/31/2043 | 8,215,000 | 1,846,651.43 | 10,061,651.43 | - | 930,250.00 | 930,250.00 | 10,991,901.43 |
| 12/31/2044 | 8,735,000 | 1,477,734.68 | 10,212,734.68 | 520,000.00 | 930,250.00 | 1,450,250.00 | 11,662,984.68 |
| 12/31/2045 | 9,280,000 | 1,085,638.20 | 10,365,638.20 | 545,000.00 | 904,250.00 | 1,449,250.00 | 11,814,888.20 |
| 12/31/2046 | 9,850,000 | 669,273.75 | 10,519,273.75 | 575,000.00 | 877,000.00 | 1,452,000.00 | 11,971,273.75 |
| 12/31/2047 | 10,450,000 | 227,444.25 | 10,677,444.25 | 605,000.00 | 848,250.00 | 1,453,250.00 | 12,130,694.25 |
| 12/31/2048 | | | | 635,000.00 | 818,000.00 | 1,453,000.00 | 1,453,000.00 |
| 12/31/2049 | | | | 665,000.00 | 786,250.00 | 1,451,250.00 | 1,451,250.00 |
| 12/31/2050 | | | | 700,000.00 | 753,000.00 | 1,453,000.00 | 1,453,000.00 |
| 12/31/2051 | | | | 735,000.00 | 718,000.00 | 1,453,000.00 | 1,453,000.00 |
| 12/31/2052 | | | | 770,000.00 | 681,250.00 | 1,451,250.00 | 1,451,250.00 |
| 12/31/2053 | | | | 810,000.00 | 642,750.00 | 1,452,750.00 | 1,452,750.00 |
| 12/31/2054 | | | | 850,000.00 | 602,250.00 | 1,452,250.00 | 1,452,250.00 |
| 12/31/2055 | | | | 890,000.00 | 559,750.00 | 1,449,750.00 | 1,449,750.00 |
| 12/31/2056 | | | | 935,000.00 | 515,250.00 | 1,450,250.00 | 1,450,250.00 |
| 12/31/2057 | | | | 980,000.00 | 468,500.00 | 1,448,500.00 | 1,448,500.00 |
| 12/31/2058 | | | | 1,030,000.00 | 419,500.00 | 1,449,500.00 | 1,449,500.00 |
| 12/31/2059 | | | | 1,080,000.00 | 368,000.00 | 1,448,000.00 | 1,448,000.00 |
| 12/31/2060 | | | | 1,135,000.00 | 314,000.00 | 1,449,000.00 | 1,449,000.00 |
| 12/31/2061 | | | | 1,195,000.00 | 257,250.00 | 1,452,250.00 | 1,452,250.00 |
| 12/31/2062 | | | | 1,255,000.00 | 197,500.00 | 1,452,500.00 | 1,452,500.00 |
| 12/31/2063 | | | | 1,315,000.00 | 134,750.00 | 1,449,750.00 | 1,449,750.00 |
| 12/31/2064 | | | | 1,380,000.00 | 69,000.00 | 1,449,000.00 | 1,449,000.00 |
| | \$226,536,890.16 | \$108,105,410.99 | \$334,642,301.15 | \$18,605,000.00 | \$30,195,846.06 | \$48,800,843.06 | \$383,443,144.21 |

¹ Does not include the Series 2024B Bonds which the Corporation expects to issue on February 1, 2024.

PROPERTY VALUATIONS AND DEBT RATIOS
As of December 31 of the years shown

| | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|------------------|------------------|------------------|------------------|------------------|
| Actual Valuation | \$35,320,928,325 | \$37,647,600,400 | \$40,403,561,350 | \$42,222,744,745 | \$45,176,000,625 |
| Net Direct General Obligation Bonded Debt | \$464,206,513 | \$454,018,811 | \$472,697,448 | \$504,843,766 | \$545,855,443 |
| % of Net Direct General Obligation Bonded Debt to Actual Valuation | 1.31% | 1.21% | 1.17% | 1.20% | 1.20% |

Source: Records of Accounting Department, Office of the Douglas County Clerk.

Population, Net General Bonded Debt and Per Capita Debt

| Year | Population¹ | Net Direct General Obligation Bonded Debt^{2,3} | Per Capita Net Direct General Obligation Bonded Debt |
|-------------|-------------------------------|--|---|
| 1950 | 251,117 | \$ 11,100,500 | \$ 44.00 |
| 1960 | 301,598 | 30,697,871 | 102.00 |
| 1970 | 346,929 | 71,586,248 | 206.00 |
| 1980 | 313,911 | 73,939,298 | 236.00 |
| 1990 | 335,795 | 115,435,013 | 344.00 |
| 2000 | 390,007 | 408,103,671 | 1,046.00 |
| 2010 | 409,850 | 509,486,524 | 1,246.00 |
| 2011 | 416,855 | 500,154,602 | 1,200.00 |
| 2012 | 419,041 | 498,105,711 | 1,189.00 |
| 2013 | 421,570 | 474,783,181 | 1,126.00 |
| 2014 | 434,353 | 487,068,965 | 1,121.00 |
| 2015 | 446,599 | 483,727,275 | 1,083.00 |
| 2016 | 443,887 | 471,485,281 | 1,062.00 |
| 2017 | 446,970 | 440,376,654 | 985.25 |
| 2018 | 463,081 | 464,206,513 | 1,002.43 |
| 2019 | 478,192 | 454,018,811 | 949.45 |
| 2020 | 486,051 | 472,697,448 | 972.53 |
| 2021 | 491,841 | 504,843,776 | 1,026.44 |
| 2022 | 492,744 | 545,855,443 | 1,107.79 |

¹Source: United States Census and Metropolitan Area Planning Agency, City of Omaha.

²Records of the Finance Department, City of Omaha.

³In 1982, the City of Omaha inaugurated a new annexation policy. The current annexation policy is designed to create annual, balanced annexation packages and establish consistency from year to year. Such annexation packages combine areas with relatively high outstanding indebtedness in relation to assessed valuation with other areas that have a more positive financial picture. These balanced packages can then be added to the City without tax increase to cover retirement of the additional debt assumed by the City. Under this approach, Omaha has grown by approximately 158,633 people and 52 square miles as a result of annexations since 1980.

OVERLAPPING DEBT

Listed below are the political subdivisions which have the power to levy taxes and the amount of net bonded indebtedness of each, as reported to the State of Nebraska Auditor of Public Accounts on August 31, 2022, applicable to the taxable property within the City of Omaha:

| | Bonds Outstanding | % Applicable to City of Omaha | Amount Applicable |
|---|------------------------|----------------------------------|------------------------|
| Douglas County ¹ | \$ 57,395,000 | 78.73% | \$ 45,187,084 |
| Omaha-Douglas Public Building Commission ² | 142,759,566 | 78.73 | 112,394,606 |
| School District of Omaha ³ | 820,785,000 | 85.93 | 705,300,551 |
| School District of Ralston ³ | 42,715,000 | 76.44 | 32,651,346 |
| School District of Millard ³ | 194,890,000 | 72.69 | 141,665,541 |
| School District of Elkhorn ³ | 307,460,000 | 55.77 | 171,470,442 |
| Westside Community Schools ³ | 73,702,245 | 100.00 | 73,702,245 |
| Total | \$1,639,706,811 | | \$1,282,371,815 |

¹ Douglas County, under various lease purchase agreements, is obligated to provide for annual rental payments. The annual payments on those lease purchase agreements, mostly short-term, are in each case \$500,000 or less.

² Payable from certain property tax revenues and payments to be made to it by the City of Omaha and Douglas County under certain contractual agreements. Actual rental payments by the City for 2022 were \$2,272,413.90. The act authorizing issuance of bonds by the Omaha-Douglas Public Building Commission (the "Commission") permits the Commission to levy a tax of \$0.017 per \$100 of actual valuation on all the taxable property in Douglas County; the levy for 2021-22 is \$0.017 per \$100 of actual valuation. However, although the same act authorizes the City to levy a tax on all the taxable property in the City, except intangible property, of \$0.017 per \$100 of actual valuation in excess of the Charter limitation described under "AUTHORITY TO LEVY PROPERTY TAXES," if and to the extent necessary to make the City's payments to the Commission, no such levy has ever been made by the City for such purpose.

³ Tax levies for general obligation bond sinking fund purposes are unlimited as to amount. Residents of the City reside in one of the five school districts and pay taxes only to that school district and the Learning Community. These numbers represent bonds outstanding as of December 31, 2022.

The City's ratio of direct and overlapping debt (\$2,241,749,738) to its 2022 property valuation (\$45,176,000,625) is 4.96%.

LONG-TERM CONTRACTUAL AGREEMENTS

The City of Omaha, under certain existing contractual agreements (including lease purchase agreements), is obligated to provide for annual payments which are a charge on the General Fund and the Parking Revenue Fund. From 2022 to 2047, the highest annual payment is \$20,244,699 (in 2023), the lowest is \$8,589,252 (in 2040), and the average annual payment is \$14,572,460. Such annual payments are included as General Fund budgetary items for which annual appropriations are required. Under the Charter of the City of Omaha, the outstanding amount of any lease purchase agreements executed by the City as vendee or as lessee is not chargeable against the City debt limit.

**CITY OF OMAHA AND LOCAL AUTHORITIES AND DISTRICTS
REVENUE AND SPECIAL OBLIGATION BONDS OUTSTANDING ¹
AS OF DECEMBER 31, 2022**

| | |
|--|----------------|
| City of Omaha: | |
| Tax Increment Bonds and Notes | \$ 426,814,507 |
| Special Tax Revenue Bonds | 41,190,000 |
| Highway Allocation Revenue Bonds | 600,000 |
| Special Obligation Bonds ² | 43,380,000 |
| Sanitary Sewerage System Revenue Bonds | 375,415,000 |
| Omaha Public Power District | 2,792,169,000 |
| Airport Authority of the City of Omaha | 29,139,112 |
| Metropolitan Utilities District | 398,441,454 |

¹ Revenue bond indebtedness is not general obligation debt of the City. Principal and interest are paid solely from revenues arising from operations of the respective City facilities or of the Authority or District issuing such revenue bonds. No taxes are levied for payment of either principal or interest. Nor are the Tax Increment Bonds and Notes and Special Tax Revenue Bonds referred to above general obligations of the City. Principal and interest are paid (1) either from that portion of the ad valorem tax on real property in a redevelopment project which is in excess of that portion of the ad valorem tax upon real property in such redevelopment project produced by the levy at the rate fixed each year by or for each public body levying a tax in such redevelopment project on the valuation for assessment of the taxable real property as last certified for the year prior to the providing for division of such taxes pursuant to the redevelopment plan or (2) from special tax revenues collected pursuant to redevelopment laws.

² Including \$12,273,360 principal amount payable from sewer revenues.

AUTHORITY TO LEVY PROPERTY TAXES

Under the City Charter, the tax levy of the City in any year for all purposes shall not exceed the total of (i) \$0.6125 per \$100 of actual taxable value plus (ii) whatever tax levy is necessary to provide for principal and interest payments on the indebtedness of the City, for the administrative expenses incurred in issuing and maintaining bonds, and for the satisfaction of judgments and litigation expenses in connection therewith, plus (iii) whatever amount is required to finance certain overtime and holiday pay for members of the police force. In addition, the Omaha Douglas Public Building Commission Act, pursuant to which the Commission issues bonds, empowers the City to levy a tax on all the taxable property in the City, except intangible property, of \$0.0175 per \$100 of actual valuation in excess of the Charter limitation if and to the extent necessary to make the City's payments to the Commission.

Effective July 1, 1998, the tax levy of the City (exclusive of levies for preexisting lease purchase contracts and bonded indebtedness approved according to law and secured by a levy on property) is limited by state law to 45¢/\$100 of taxable valuation.

The City's General Fund tax levy during its current fiscal year ending December 31, 2023 is 28.33 cents per \$100, plus 15.9 cents per \$100 for payment of the City's general obligation indebtedness, plus 0.600 cents per \$100 for satisfaction of judgments and 2.1 cents per \$100 for payment on the City's Special Redevelopment Levy, for a total levy of 46.92 cents per \$100.

**TOTAL PROPERTY TAX LEVIES IN THE CITY OF OMAHA
(Levied on Real and Tangible Personal Property)**

| | 2019 | 2020 | 2021 | 2022 | 2023 |
|--|--------------|--------------|--------------|--------------|--------------|
| City of Omaha | | | | | |
| <i>Amount per \$100 of actual Valuation (Rounded to four decimals)</i> | | | | | |
| General Fund | \$.2598 | \$.2798 | \$.2983 | \$.2883 | \$.2833 |
| Debt Service Fund | .1874 | .1674 | .1489 | .1489 | .1589 |
| Judgment Fund | .0060 | .0060 | .0060 | .0060 | .0060 |
| Redevelopment Fund | <u>.0260</u> | <u>.0260</u> | <u>.0260</u> | <u>.0260</u> | <u>.0210</u> |
| Total for City of Omaha | .4792 | .4792 | .4792 | .4692 | .4692 |

| | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 |
|---|-----------|------------|------------|------------|------------|
| <i>(Amount per \$100 of actual Valuation)</i> | | | | | |
| Other Taxing Units⁴ | | | | | |
| Douglas County | \$0.28059 | \$0.295590 | \$0.295590 | \$0.295590 | \$0.295590 |
| Library-(Unincorporated Areas Only) | 0.027890 | 0.020850 | 0.031206 | 0.025895 | 0.028240 |
| School District of Omaha ¹ | 1.24501 | 1.246654 | 1.240809 | 1.233098 | 1.231091 |
| School District No. 66 of Douglas County ¹ | 1.38491 | 1.382400 | 1.357000 | 1.335000 | 1.285226 |
| School District of Ralston ¹ | 1.25750 | 1.252652 | 1.254741 | 1.170713 | 1.254939 |
| School District of Millard ¹ | 1.25100 | 1.226000 | 1.220100 | 1.219100 | 1.21000 |
| School District of Elkhorn ¹ | 1.04558 | 1.771950 | 1.791300 | 1.418000 | 1.383066 |
| State Educational Service Units ² | 0.01500 | 0.01500 | 0.015000 | 0.015000 | 0.015000 |
| Douglas Sarpy Learning Community ³ | 0.01625 | 0.016052 | 0.016250 | 0.016243 | 0.016128 |
| Omaha-Douglas Public Building Commission | 0.01700 | 0.01700 | 0.017000 | 0.017000 | 0.017000 |
| Papio Missouri River Natural Resources District | 0.037590 | 0.037384 | 0.036490 | 0.035669 | 0.034758 |
| Metropolitan Technical Community College | 0.09500 | 0.09500 | 0.095000 | 0.095000 | 0.095000 |
| Omaha Transit Authority | 0.05101 | 0.049530 | 0.047770 | 0.047310 | 0.067430 |

¹ Residents in Omaha reside in one of the above five school districts and pay taxes only to that school district.

² Residents residing in school districts other than the School District of Omaha pay this additional levy.

³ The Douglas Sarpy Learning Community's (the "Learning Community") levy was reduced in 2018. To mitigate against this levy reduction, the Learning Community's member school districts increased their individual levies. The Learning Community continues to levy a tax for the elementary schools of its member school districts.

MAJOR TAXPAYERS

The following are firms located within the City of Omaha with real estate valuations in excess of \$30,000,000 as of January 1, 2023.

| | |
|--------------------------------|---------------|
| FIRST NATIONAL BANK OF OMAHA | \$180,335,600 |
| WESTROADS MALL LLC | 98,544,000 |
| 168 TH AND DODGE LP | 94,913,600 |
| CITY OF OMAHA | 80,680,200 |
| FIRST DATA RESOURCES INC | 76,489,300 |
| UNITED OF OMAHA LIFE INS | 74,370,000 |
| RIVERFRONT CAMPUS DEVELOPERS | 69,941,300 |
| TD AMERITRADE SERVICE CO | 68,270,000 |
| NEBRASKA FURNITURE MART | 65,376,500 |
| SFI LTD PARTNERSHIP | 58,500,000 |
| WALMART INC | 53,798,000 |
| CONAGRA FOODS INC | 48,742,700 |
| CLARKSON REGIONAL HEALTH | 43,408,600 |
| COMMERCIAL FEDERAL SAV & LOAN | 43,358,400 |
| TL STREET MARKETPLACE NE LLC | 40,560,600 |
| TARGET CORPORATION | 40,227,900 |
| NS-WH APTS NE LLC | 40,018,900 |
| HILLSBOROUGH POINTE LLC | 39,953,800 |
| CASEYS RETAIL COMPANY | 38,800,000 |
| REGENCY LAKESIDE ASSOC LLC | 38,565,100 |
| PHYSICIANS REALTY TRUST | 38,786,400 |
| EDWARD ROSE DEVELOPMENT COMP | 35,429,900 |
| COLE OF OMAHA NE LLC | 35,338,700 |
| MFR PARTNERS VII LLC | 34,659,000 |
| DOUGLAS BUILDING LLC | 34,296,100 |
| TAULBORG FAMILY LLC | 34,275,200 |
| CENTENNIAL STEEPLECHASE LLC | 33,833,800 |
| TRADITION AT PACIFIC LLC | 33,758,000 |
| EDWARD ROSE DEVELOPMENT CO | 33,617,600 |
| TKA PROPERTIES LLP | 33,586,200 |
| OAK HILLS VIEW LLC | 33,470,500 |
| NODDLE VPI LLC | 33,062,100 |
| DODGE STREET APARTMENTS | 32,406,800 |
| SR OFFICE LI LLC | 32,373,200 |
| DAKOTA UPREIT LIMITED PARTNER | 32,341,800 |
| VANDERBILT LTD | 32,155,800 |
| SRE TAB BRANDEIS LLC | 30,925,700 |
| IRET-WHISPERING RIDGE ETAL | 30,629,400 |
| SFI LTD PARTNERSHIP 12 | 30,565,100 |
| ATRIUM FINANCE III LP | 30,510,400 |
| ONE MIRACLE PLACE LLC | 30,424,000 |
| SFI LTD PARTNERSHIP 13 ETAL | 30,138,100 |

Source: Records of the Tax Control Supervisor, Office of the Douglas County Clerk.

PROPERTY TAXES

Property taxes on tangible property, real and personal, are levied by the City, collected by the Douglas County Treasurer and remitted to the City. Real property taxes are levied September 1 of each year and become due December 31. The first half of tax payable becomes delinquent the following April 1 and the second half August 1. Personal property taxes also are levied September 1 of each year, become due the following December 31 and become delinquent in halves on the succeeding April 1 and August 1.

Taxes for Year Shown

| Year Ended December 31 | Certified | Amount Collected | % Collected | Prior Years' Taxes Collected | Total Collections | % of Total Collections to Current Year Taxes |
|---------------------------|---------------|---------------------|----------------|------------------------------------|----------------------|---|
| 2018 | \$156,720,275 | \$153,301,882 | 97.8% | \$1,647,355 | \$154,949,237 | 98.9% |
| 2019 | \$168,736,627 | \$169,475,053 | 100.4% | \$1,178,343 | \$170,653,396 | 101.1% |
| 2020 | \$180,414,830 | \$179,506,948 | 99.5% | \$1,816,186 | \$181,323,134 | 100.5% |
| 2021 | \$193,621,947 | \$194,227,970 | 100.3% | \$1,402,244 | \$195,630,214 | 101.0% |
| 2022 | \$198,116,296 | \$198,177,794 | 100.3% | \$931,357 | \$199,109,152 | 100.5% |

Source: Records of Finance Department, City of Omaha.

Property Valuation and Property Tax Levies

| | 2019 | 2020 | 2021 | 2022 | 2023 |
|--|------------------|------------------|------------------|------------------|------------------|
| Actual Valuation | \$37,647,600,440 | \$40,403,561,350 | \$42,222,474,745 | \$45,176,000,625 | \$49,844,333,410 |
| Levy (per \$100 actual valuation) | 47.922¢ | 47.922¢ | 46.922¢ | 46.922¢ | 46.922¢ |

Source: Records and Projections of Finance Department, City of Omaha.

City taxable property valuations have increased 33.40% from 2019 to 2023. The property tax base has been enhanced through orderly annexation of developed sanitary and improvement districts contiguous to the City.

DEBT MANAGEMENT

General Obligation Debt Margin

Article V, Section 5.27, Home Rule Charter of the City of Omaha, 1956, as amended, provides:

The total amount of general obligation indebtedness outstanding at any time, which shall include bonds issued but shall not include bonds authorized until they are issued, shall not exceed 3.5 per cent of the actual value of taxable real and personal property in the city.

Computation of the general obligation debt margin as defined in the Home Rule Charter, based upon valuations, reflects the following:

| | |
|---|-------------------------|
| Maximum debt limit (3.5% of total assessed 2022 valuation) | \$1,581,160,022 |
| General obligation bonds outstanding | \$579,215,000 |
| Less balance in General Obligation Debt Service Fund December 31, 2022 | (33,359,557) |
| General obligation debt margin | <u>\$ 1,035,304,579</u> |

Revenue bond indebtedness, special obligation bonds, general obligation notes and lease purchase agreements are not chargeable against the general obligation debt margin. The City of Omaha has no general obligation notes outstanding. Revenue and special obligation bond indebtedness and lease purchase agreement obligations are set forth herein under the captions “LONG TERM CONTRACTUAL AGREEMENTS” and “CITY OF OMAHA AND LOCAL AUTHORITIES AND DISTRICTS REVENUE AND SPECIAL OBLIGATION BONDS OUTSTANDING.”

Debt Payment Record

The City of Omaha has never defaulted on its obligations to pay principal of or interest on its indebtedness.

General Obligation Bonds Authorized But Unissued

The City has \$458,985,000 of general obligation bonds authorized but unissued which were approved by the City electorate during elections conducted on May 13, 2018 (\$99,585,956), May 12, 2020 (\$99,099,044), May 10, 2022 (\$260,300,000). The City anticipates that these bonds will be issued in varying amounts annually through 2029.

CASH RESERVE FUND

At a special City election held on November 6, 1984, voters of the City approved an amendment to Section 5.03 of the City Charter to provide in subsection (10) for the establishment of a cash reserve fund (“Cash Reserve Fund”) for the purpose of meeting emergencies arising from:

- (a) the loss or partial loss of a revenue source;
- (b) an unanticipated expenditure demand due to a natural disaster, casualty loss or act of God;
- (c) expenditure demand for the satisfaction of judgments and litigation expenses when the Judgment Levy Fund balance is inadequate; or
- (d) conditions wherein serious loss of life, health or property is threatened or has occurred.

The 1984 amendment to the City Charter authorized the appropriation at the close of any fiscal year for credit to the Cash Reserve Fund of any amount, or portion thereof, held as General Fund surplus. Income earned on amounts credited to the Cash Reserve Fund is retained in the fund. The maximum size of the Cash Reserve Fund was established at an amount equal to 8% of General Fund appropriations.

The ordinance adopted by the City Council to close Fiscal 1984 Accounts provided that the sum of \$1,600,000 be transferred from 1984 available budgetary balances as the initial credit to the Cash Reserve Fund to be held as provided in Section 5.03(10) of the City Charter. In 2022, \$3,044,174 was transferred from the General Fund to the Cash Reserve Fund, resulting in a balance as of December 31, 2022 of \$30,810,808.

EMPLOYEE RELATIONS: RETIREMENT SYSTEMS

General

The City of Omaha negotiates with four major unions: The Civilian Management Professional and Technical Employees Council; The Omaha City Employees, Local No. 251; The Omaha Association of Firefighters, Local No. 385 (the “Fire Union”); and The Omaha Police Officer’s Association, Local No. 101 (the “Police Union”). Current agreements with the four unions expire or expired as follows: The Civilian Management Professional and Technical Employees Council—December 20, 2025; Fire Union—December 23, 2023; Omaha City Employees, Local No. 251—December 20, 2025; and Police Union—December 20, 2025.

The negotiating procedure involves meeting with the designated union representatives and discussing economic and noneconomic items regarding contractual agreements. At any time, should an impasse be reached, Nebraska law provides that either party may file an action with the Nebraska Commission of Industrial Relations (the “Commission”). Either party may appeal the decision of such Commission to the Nebraska Supreme Court, whose decision is final.

Investors should note that (i) the information included herein relating to the City’s Uniform Plan and Civilian Plan (each as hereinafter defined) relies on information produced by Milliman, Inc. (the “Actuary”), (ii) actuarial assessments are “forward-looking” information that reflect the judgment of the fiduciaries of the plans, and (iii) actuarial assessments are based upon a variety of assumptions, one or more of which may prove to be inaccurate or be changed in the future, and will change with the future experience of plans. The City engaged Milliman, Inc in 2022 pursuant to a request for proposal process.

Actuarial Methods and Assumptions

Valuations of the plans use the “entry age-normal” cost method. Under this actuarial method, the value of future costs attributable to future employment of participants is determined. The value of future costs attributable to past employment of participants, which is called the actuarial liability, is equal to the present value of benefits less the present value of future normal costs. The unfunded actuarial liability (“UAL”) is equal to the excess of the actuarial liability over assets.

For the Civilian Plan (defined below), the UAL is funded on a “layered” basis, with the initial base being funded as a level percent of payroll over a 25-year closed period that began on January 1, 2016. In addition, a new base is created in each valuation which is equal to the unexpected change in the UAL from actual versus expected experience, as measured in that valuation. Each experience base is funded as a level percent of payroll over a 20-year closed period. Each assumption change base is funded as a level percent of payroll over a closed period selected by the respective Pension Board.

For the Uniform Plan (defined below), the UAL will be amortized using a “layered” approach beginning with the 2018 valuation. Under this method, the UAL as of January 1, 2018 will continue to be amortized over a 30-year closed period that began on January 1, 2014 (21 years remain as of January 1, 2023). Any new UAL generated as a result of actuarial experience in subsequent years will be “layered” and amortized as a level-percent of pay of a closed 20-year period.

As experience develops with the plans, actuarial gains and actuarial losses result. These actuarial gains and losses indicate the extent to which actual experience is deviating from that expected on the basis of the actuarial assumptions. In each year, as they occur, actuarial gains and losses are recognized in the unfunded actuarial liability as of the actuarial valuation date.

The plans use an asset-smoothing method in the actuarial valuation process. As a result, each plan's funded status and the targeted contribution are based on the actuarial (smoothed) value of assets – not the actual market value. See the two tables below for a comparison of each plan's Market Value of Assets to its Actuarial Value of Assets.

CIVILIAN PLAN

| Date | Market Value of Assets (MVA) | Actuarial Value of Assets (AVA) | AVA / MVA |
|-------------|-------------------------------------|--|------------------|
| 1/1/2019 | \$236,701,312 | \$249,518,547 | 105.4% |
| 1/1/2020 | \$255,460,062 | \$253,722,439 | 99.3% |
| 1/1/2021 | \$271,868,537 | \$260,980,355 | 96.0% |
| 1/1/2022 | \$304,077,329 | \$274,543,515 | 90.3% |
| 1/1/2023 | \$266,514,803 | \$277,286,721 | 104.0% |

UNIFORM PLAN

| Date | Market Value of Assets (MVA) | Actuarial Value of Assets (AVA) | AVA / MVA |
|-------------|-------------------------------------|--|------------------|
| 1/1/2019 | \$694,210,435 | \$737,383,005 | 106.2% |
| 1/1/2020 | \$800,871,242 | \$787,558,791 | 98.3% |
| 1/1/2021 | \$868,912,882 | \$849,308,716 | 97.7% |
| 1/1/2022 | \$1,045,470,024 | \$936,545,978 | 89.6% |
| 1/1/2023 | \$960,092,132 | \$983,258,448 | 102.4% |

CITY OF OMAHA EMPLOYEES' RETIREMENT SYSTEM

The City of Omaha Employees' Retirement System (the "Civilian Plan") became effective on January 1, 1949. The Civilian Plan affects members of the Civilian Management Professional and Technical Employees Council Union and the Omaha City Employees, Local No. 251 Union. Certain of its provisions, which are governed by Chapter 22.21 of the Omaha Municipal Code, are summarized herein. The Civilian Plan is a single-employer defined benefit plan with a fiscal year that ends December 31. As of 12/31/2022, under the Civilian Plan, there are 1,279 active members, 1,164 retirees, 299 beneficiaries, 35 disabled members, 102 deferred vested members, and 110 deferred non-vested members for a total of 2,989 plan participants.

All city employees except the following are covered by the Civilian Plan: police; firefighters; persons paid on a contractual or fee basis; seasonal, temporary and part-time employees; and elected officials who do not make written application to the Civilian Plan. Prior service credit is granted for employment with the City before January 1, 1949, and membership service credit is granted for employment thereafter. Compulsory military duty and voluntary military duty in time of war count as service.

Under a negotiated contractual arrangement, the City successfully reached agreement with participants of the Civilian Plan to set new retirement benefits for future and existing members of the Civilian Plan as follows:

- Members who were within five years of normal retirement as of March 1, 2015 under the eligibility criteria set forth in the prior 2009 through 2012 labor agreement will be eligible for a service retirement if (a) they are age 60 with 5 years of service or (b) meet the Rule of 80 (age plus years of service is 80 or more with a minimum age of 50). A member is eligible for a service

retirement after reaching age 55 with 5 years of service, but the pension payment is reduced 8% per year for years prior to age 60.

- Members who were more than five but less than ten years from normal retirement as of March 1, 2015 under the eligibility set forth in the prior 2009 through 2012 labor agreement are eligible to retire at age 55 if their age plus years of service is 85 or more (Rule of 85). Otherwise, a member is eligible to retire after age 57 and 5 years of service, but the pension is reduced 8% per year for years prior to age 62.
- Members who were not within ten years of normal retirement as of March 1, 2015 under the eligibility criteria set forth in the prior 2009 through 2012 labor agreement, are eligible to retire after age 55 if their age plus years of service is 85 or more (Rule of 85). Otherwise, such member is eligible to retire after age 60 with five years of service, but the pension is reduced 8% per year for years prior to age 65.

For the members listed above, an employee’s monthly pension is equal to 2.25% of average final monthly compensation for years of service during and before 2014 and is equal to 1.90% for years of service during and after 2015.

Members who are hired on or after March 1, 2015 are eligible to retire after age 55 with ten years of service. For these members, a cash balance account is maintained for each employee and shall be equal to the sum of the employee’s pay credits, interest credits, and dividends. On the last day of each plan year, each cash balance account shall receive an interest credit equal to 4.0% of the balance at the beginning of the year. Each account may be credited with a dividend equal to 75% of the plan’s investment return on a market value basis that is over 7.0% on a rolling five-year return. The dividend is capped at 3.0% until January 1, 2020. On the last day of each plan year, each cash balance account shall receive a pay credit equal to the following percentages of the member’s pensionable earnings for the plan year:

| <u>Years of Service</u> | <u>Percentage</u> |
|-------------------------|-------------------|
| Less than 8 | 13.0% |
| 8 - 15 | 14.0% |
| 16 - 23 | 15.0% |
| 24 or More | 16.0% |

The historical City contributions to the Civilian Plan are as follows:

| Fiscal Year Ending | Annual Required Contribution (ARC) (a) | Total Employer Contribution (b) | % of ARC Contributed (b/a) |
|---------------------------|---|--|---------------------------------------|
| 12/31/2019 | \$17,313,632 | \$13,645,009 | 91.02% |
| 12/31/2020 | \$17,297,752 | \$15,028,329 | 86.80% |
| 12/31/2021 | \$17,400,605 | \$15,120,763 | 87.41% |
| 12/31/2022 | \$18,393,098 | \$15,354,180 | 88.24% |
| 12/31/2023 | \$19,351,351 | TBD | TBD |

Notes Regarding the above table: (1) The actuarial value of assets is determined based on a method that smooths the effects of short term volatility in the market value of investments. The actuarial value is equal to the expected value, based on the assumed rate of return, plus 25% of the difference between market and expected values. A corridor of 80% to 120% of market value is also applied; and (2) Economic assumptions are as follows: (a) Investment return rate: 7.50%, (b) Salary increase rates: 3.25% at 20 years of service, (c) Inflation rate: 2.50%, (d) Payroll growth: 3.00%, (e) Post-retirement benefit increases: Applicable after 5 years equal to the lesser of 3% or \$50 per month for members (and their beneficiaries) who retired on or before January 28, 1998. The amortization method is a closed 25-year period, level percentage of payroll (the UAL is amortized over 25 years as of January 1,

2016). Changes to the UAL in subsequent years will be set up on a new amortization base with payments determined as a level percentage of payroll over a closed 20 year period beginning on that valuation date.

Following is a cash flow analysis of the Civilian Plan for the last five fiscal years (as of December 31 of each year):

| Receipts | 2018 | 2019 | 2020 | 2021 | 2022 |
|---------------------------------------|-----------------------|----------------------|----------------------|----------------------|----------------------|
| Employee Contributions | \$ 7,330,393 | \$ 8,073,053 | \$ 8,123,498 | \$ 8,344,145 | \$ 9,016,455 |
| Employer Contributions | 13,645,009 | 15,028,329 | 15,120,763 | 15,354,180 | 16,662,274 |
| Investment Income | (750,974) | 34,668,411 | 32,752,842 | 49,061,084 | (22,394,376) |
| Total Receipts | <u>\$ 20,224,428</u> | <u>\$ 57,769,793</u> | <u>\$ 55,997,103</u> | <u>\$72,759,409</u> | <u>\$ 3,284,352</u> |
| Disbursements | | | | | |
| Retirement Pensions | \$ 35,643,060 | \$ 36,444,363 | \$36,783,695 | \$37,237,821 | \$ 37,348,849 |
| Death Benefits | 142,500 | 235,000 | 182,622 | 239,662 | 233,084 |
| Refunds | 987,095 | 975,343 | 1,131,660 | 1,512,735 | 1,847,388 |
| Other Disbursements | 1,282,599 | 1,356,336 | 1,490,650 | 1,560,406 | 1,417,557 |
| Total Disbursements | <u>\$ 38,055,254</u> | <u>\$ 39,011,043</u> | <u>\$39,588,628</u> | <u>\$40,550,624</u> | <u>\$ 40,846,878</u> |
| Excess of Receipts Over Disbursements | <u>\$(17,830,826)</u> | <u>\$ 18,758,750</u> | <u>\$ 16,408,475</u> | <u>\$ 32,208,792</u> | <u>\$ 14,706,893</u> |

Source: Records of Finance Department, City of Omaha.

Funding Status

The actuarial contribution rate of the Civilian Plan is composed of two parts:

- (1) The normal cost (which is the allocation of costs attributed to the current year's membership service), and
- (2) The amortization payment on the Unfunded Actuarial Liability (UAL).

The normal cost rate is independent of the Civilian Plan's funded status and represents the cost, as a percent of payroll, of the benefits provided by the Civilian Plan which is allocated to the current year of service. The total normal cost for the Civilian Plan is 10.139% of pay, or about \$7 million in the 2023 fiscal year. The normal cost represents the long-term cost of the benefit structure of the Civilian Plan.

The Civilian Plan's total actuarial contribution rate (payable as a percentage of member payroll) decreased from 31.319% in the January 1, 2022 valuation to 30.696% in the January 1, 2023 valuation. For the current valuation, the resulting UAL payment is 20.557% of pay. As a result, the total contribution rate for 2023 is 30.696% of pay (10.139% + 20.557%). The scheduled contributions for the year are 28.960%, resulting in a contribution shortfall of 1.736%.

The latest Civilian Plan actuarial study by the Actuary was for the period ended January 1, 2023 and included a 7.50% investment rate of return assumption. The City expects the Actuary to prepare an annual actuarial study updating the information herein. Summarized below is financial information concerning the Civilian Plan for the last five fiscal years.

| Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Liability (AAL) (b) | Unfunded AL (UAL) (b-a) | Funded Ratio (a / b) | Covered Payroll (P / R) (c) | UAL as a Percentage of Covered P / R [(b-a) / c] |
|--------------------------|-------------------------------|-------------------------------|-------------------------|----------------------|-----------------------------|--|
| 1/1/2019 | \$249,518,547 | \$482,025,309 | \$232,506,762 | 51.8% | \$75,407,531 | 308.3% |
| 1/1/2020 | \$253,722,439 | \$483,904,703 | \$230,182,264 | 52.4% | \$79,047,555 | 291.2% |
| 1/1/2021 | \$260,980,355 | \$490,096,765 | \$229,116,410 | 53.3% | \$86,257,017 | 265.6% |
| 1/1/2022 | \$274,543,515 | \$511,008,246 | \$236,464,731 | 53.7% | \$86,837,521 | 272.3% |
| 1/1/2023 | \$277,286,721 | \$518,852,710 | \$241,565,989 | 53.4% | \$94,093,244 | 256.7% |

Asset Allocation

The Pension Board of the Civilian Plan, with the recommendation from its investment committee, approves fund manager agreements. Such management agreements provide specific investment requirements. In May, 2022, the Civilian Plan's investment guidelines were updated as follows:

| <i>Asset Class</i> | <i>Minimum</i> | <i>Target</i> | <i>Maximum</i> |
|--|----------------|---------------|----------------|
| U.S. Large Cap Equities | 8.4% | 13.0% | 17.6% |
| U.S. Mid Cap Equities | 3.2 | 5.0 | 6.8 |
| U.S. Small Cap Equities | 5.2 | 8.0 | 10.8 |
| International Equities – Developed Markets | 3.2 | 5.0 | 6.8 |
| International Equities – Emerging Markets | 6.5 | 10.0 | 13.5 |
| High Yield Bonds | 4.2 | 6.5 | 8.8 |
| Private Real Estate | 15.9 | 24.5 | 33.1 |
| Private Equity | 9.7 | 15.0 | 20.3 |
| Private Debt | 5.2 | 8.0 | 10.8 |
| Farmland | 3.2 | 5.0 | 6.8 |

The investments may be held individually or commingled in mutual funds and investment pools. There are no individual investments greater than 5% with a single issuer. See the table below for a breakdown of investment type and accompanying asset value:

| Investment Type | Market Value 12/31/2022 | Percent Allocated |
|---------------------------|-------------------------|-------------------|
| Corporate Bonds | 35,238 | 0.0% |
| Bond Mutual Funds | 13,231,292 | 5.0% |
| Equity Mutual Funds | 10,135,408 | 3.8% |
| Domestic Equities | 57,055,170 | 21.4% |
| International Equities | 0 | 0.0% |
| Domestic Real Estate | 76,287,034 | 28.7% |
| International Real Estate | 0 | 0.0% |
| Farmland | 18,175,642 | 6.8% |
| Private Equity | 50,395,893 | 18.9% |
| Hedge Funds | 0 | 0.0% |
| Money market mutual funds | 40,717,848 | 15.3% |
| Total | \$266,033,525 | 100% |

Long-Term Rate of Return

The long-term expected rate of return on pension plan investments was reviewed as part of the regular experience study prepared for the Civilian Plan. The results of the most recent experience study were presented in a report dated in July of 2022. Some of the factors used in evaluating the long-term rate of return assumption are as follows: long-term historical data, estimates inherent in current market data, and an analysis of best-estimate ranges of expected future real rates of return (expected returns, net of investment expenses and inflation) which, along with estimates of variability and correlations for each asset class, were developed by the Civilian Plan's investment consultant. These ranges were combined to develop the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation and then adding expected inflation. The Civilian Plan's investment consultant provides capital market assumptions for a thirty-year period and was used in the Actuary's analysis. The target asset allocation and best estimates for the arithmetic real rate of return for each asset class, as provided by the Civilian Plan's investment consultant, as of December 31, 2022 are as follows:

| Asset Class | Target Allocation | Long-term Expected Real Rate of Return |
|------------------------------|-------------------|--|
| US High Yield Bonds | 6.50% | 3.4% |
| Private Credit | 8.00% | 6.1% |
| US Large & Mid Cap Equity | 13.00% | 3.5% |
| US Mid Cap Equity | 5.00% | 3.6% |
| US Small Cap Equity | 8.00% | 4.2% |
| Foreign Developed Equity | 5.00% | 4.5% |
| Emerging Markets Equity | 10.00% | 5.3% |
| Private Real Estate Property | 24.50% | 3.6% |
| Private Equity | 15.00% | 6.2% |
| Farmland | 5.00% | 4.2% |
| Total | <u>100.0%</u> | |

For the year ended December 31, 2022, the annual money-weighted rate of return on Civilian Plan investments, net of Civilian Plan investment expense, was -8.340%. The money rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Changes in the Net Pension Liability

| | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (a) - (b) |
|--|--------------------------------|------------------------------------|------------------------------------|
| Balances at January 1, 2022 | \$ 513,245,338 | \$ 304,077,329 | \$ 209,168,009 |
| Changes for the year: | | | |
| Service cost | 8,355,445 | \$ - | 8,355,445 |
| Interest | 37,668,189 | - | 37,668,189 |
| Benefit term changes | 102,293 | | 102,293 |
| Differences between expected and actual experience | (2,485,537) | - | (2,485,537) |
| Assumption changes | (228,577) | - | (228,577) |
| Employer contributions | - | 16,662,274 | (16,662,274) |
| Employee contributions | - | 9,016,455 | (9,016,455) |
| Net investment income | - | (23,804,960) | 23,804,960 |

| | | | |
|--|-----------------------|-----------------------|-----------------------|
| Benefit payments, including member refunds | (39,429,321) | (39,429,321) | - |
| Administrative expenses | - | (6,974) | 6,974 |
| Net changes | <u>3,982,492</u> | <u>(37,562,526)</u> | <u>41,545,018</u> |
| Balances at December 31, 2022 | <u>\$ 517,227,830</u> | <u>\$ 266,514,803</u> | <u>\$ 250,713,027</u> |

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Civilian Plan, calculated using the discount rate of 7.50%, as well as what the Civilian Plan’s net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%):

| | 1% Decrease (6.50%) | Current Discount Rate (7.50%) | 1% Increase (8.50%) |
|--------------------------------------|--------------------------------|--|--------------------------------|
| Net Pension Liability as of 12/31/22 | \$ 304,881,426 | \$ 250,713,027 | \$ 204,935,648 |

POLICE AND FIRE RETIREMENT SYSTEM

The City of Omaha Police and Fire Retirement System (the “Uniform Plan”) became effective on July 1, 1961. Certain of its provisions, which are governed by Chapter 22.61 of the Omaha Municipal Code, are summarized herein. The Uniform Plan is a single-employer defined benefit plan with a fiscal year that ends December 31. As of 12/31/2022, under the Uniform Plan, there are 1,473 active members, 98 DROP (as defined herein) program participants, 1,123 retirees, 346 beneficiaries, 209 disabled members, 8 deferred vested members, and 14 deferred and non-vested members for a total of 3,271 plan participants.

Membership in the Uniform Plan is limited to and shall include only probationary and regular uniformed personnel of the Police and Fire Departments. The Uniform Plan provides retirement, disability, and death benefits to plan members and beneficiaries. The calculation of monthly retirement benefits for police and fire members is a specific percentage, ranging from 20% to 65% or 75%, of the member’s average final monthly compensation. The specific percentage depends on whether the member is a police or fire member, the member’s hire date, and the member’s age and years of service as of their retirement date. Upon severance of employment by a member not eligible for retirement, a refund of such member’s accumulated contributions, including credited interest, will be paid.

For the Fire Department, members who were either a) age 45 with at least 25 years of service or b) age 50 with at least 20 years of service as of January 1, 2013, the average final monthly compensation is equal to the member’s highest consecutive 26 pay periods of compensation during the final 130 pay periods of service as a member, divided by 12. For all others, the average final monthly compensation is equal to the member’s highest 78 pay periods of compensation during the final 130 pay periods of service as a member, divided by 36. For members who were hired before January 1, 2013, an adjustment is made to include a career average of overtime pay. For all others, overtime pay is excluded from their pensionable pay calculation.

For the Police Department, members who were hired before January 1, 2010, the average final monthly compensation is equal to the member’s highest consecutive 26 pay periods of compensation during the final 130 pay periods of service as a member, divided by 12. For all others, the average final monthly compensation is equal to the member’s highest 78 pay periods of compensation during the final 130 pay periods of service as a member, divided by 36. For members who were hired before January 1, 2010, an

adjustment is made to include a career average of overtime pay. For all others, overtime pay is excluded from their pensionable pay calculation.

A Fire Department member is eligible to retire, without reduction, if they were: a) age 55 with at least 10 years of service; b) age 50 with at least 20 years of service; or c) age 45 with at least 25 years of service if hired before January 1, 2013. A Police Department member is eligible to retire, without reduction if they were a) age 45 with at least 20 years of service if hired on or before January 1, 2010; b) age 50 with at least 20 years of service if hired after January 1, 2010; or c) age 55 with at least 10 years of service. If a member retires with less than 30 years of service, a 7% reduction is applied for each year prior to age 55.

The historical City contributions to the Uniform Plan are as follows:

| Fiscal Year Ending | Annual Required Contribution (ARC) (a) | Total Employer Contribution (b) | % of ARC Contributed (b/a) |
|---------------------------|---|--|---------------------------------------|
| 12/31/2019 | \$51,822,865 | \$49,779,284 | 96.06% |
| 12/31/2020 | \$55,078,027 | \$51,858,647 | 94.15% |
| 12/31/2021 | \$55,590,405 | \$51,983,676 | 93.51% |
| 12/31/2022 | \$55,488,305 | \$52,337,311 | 94.32% |
| 12/31/2023 | \$58,266,876 | TBD | TBD |

Notes Regarding this Schedule: (1) The actuarial value of assets is determined based on a method that smooths the effects of short term volatility in the market value investments. The actuarial value is equal to the expected value, based on the assumed rate of return, plus 1/4 of the difference between market and expected values. A corridor of 80% to 120% of market value is also applied; (2) Economic assumptions are as follows: (a) Investment return rate: 7.75%, (b) Salary increase rates: Merit increases based on service plus a general wage increase, (c) Inflation rate: 2.50%, (d) Payroll growth: 3.25%, (e) Cost of living adjustments (COLA): the lesser of 3% or \$50 (\$65 for Fire retirements after June 30, 2007). The increase will be made annually, beginning in the 13th month of retirement; and (3) The amortization method is a "layered" approach. The unfunded accrued liability (UAL) as of January 1, 2018 will continue to be amortized over a closed 30-year period level percentage of payroll that began January 1, 2014 (21 years remain as of January 1, 2023). Any new UAL generated as a result of actuarial experience in subsequent years will be "layered" and amortized as a level-percent of pay of a closed 20-year period.

Following is a cash flow analysis of the system for the last five fiscal years (as of December 31 of each year):

| | 2018 | 2019 | 2020 | 2021 | 2022 |
|--|-----------------------|----------------------|----------------------|----------------------|-----------------------|
| Receipts | | | | | |
| Employee Contributions | \$23,016,566 | \$23,392,711 | \$24,318,151 | \$24,726,459 | \$25,093,265 |
| Employer Contributions | 47,469,003 | 48,451,684 | 50,531,047 | 51,656,076 | 52,337,311 |
| Prior Service Contributions | 1,327,600 | 1,327,600 | 1,327,600 | 1,327,600 | 1,327,600 |
| Investment Income | <u>(16,631,140)</u> | <u>120,656,598</u> | <u>76,413,404</u> | <u>193,583,296</u> | <u>(64,927,984)</u> |
| Total Receipts | <u>\$55,182,029</u> | <u>\$193,828,593</u> | <u>\$152,590,201</u> | <u>\$271,293,431</u> | <u>\$13,830,192</u> |
| Disbursements | | | | | |
| Retirement Pensions | \$73,753,867 | \$76,822,924 | \$79,882,111 | \$83,489,974 | \$87,944,448 |
| Death Benefits | 37,500 | 138,151 | 92,508 | 39,572 | 109,369 |
| Refunds | 7,083,844 | 7,038,358 | 1,561,935 | 7,600,915 | 7,970,557 |
| Other Disbursements | <u>3,603,428</u> | <u>3,168,353</u> | <u>3,012,009</u> | <u>3,605,828</u> | <u>3,232,78</u> |
| Total Disbursements | <u>84,478,639</u> | <u>87,167,785</u> | <u>84,548,562</u> | <u>94,736,289</u> | <u>99,257,163</u> |
| Excess of Receipts Over Disbursements | <u>\$(29,296,610)</u> | <u>\$106,660,808</u> | <u>\$68,041,640</u> | <u>\$176,557,142</u> | <u>\$(85,426,971)</u> |

Source: Records of Finance Department, City of Omaha.

Funding Status

The latest actuarial study by the Actuary was for the period ended January 1, 2022 and included an 7.75% rate of return investment assumption. Going forward, the City expects the Actuary to annually prepare an actuarial report updating the information included herein. Summarized below is financial information concerning the Uniform Plan for the last five fiscal years for which the City has received updated information.

| Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Liability (AL) (b) | Unfunded AL (UAL) (b-a) | Funded Ratio (a / b) | Covered Payroll (P / R) ¹ (c) | UAL as a Percentage of Covered P / R [(b-a) / c] |
|--------------------------|-------------------------------|------------------------------|-------------------------|----------------------|--|---|
| 1/1/2019 | \$737,383,005 | \$1,406,832,664 | \$669,449,659 | 52.4% | \$143,575,171 | 466.3% |
| 1/1/2020 | \$787,558,791 | \$1,451,452,832 | \$663,894,041 | 54.3% | \$147,301,421 | 450.7% |
| 1/1/2021 | \$849,308,716 | \$1,542,475,231 | \$693,166,515 | 55.1% | \$150,609,022 | 460.2% |
| 1/1/2022 | \$936,545,978 | \$1,627,627,199 | \$691,081,221 | 57.5% | \$154,224,674 | 448.1% |
| 1/1/2023 | \$938,258,448 | \$1,694,709,482 | \$711,451,034 | 58.0% | \$152,835,450 | 465.5% |

Asset Allocation

The Pension Board of the Uniform Plan with the recommendation from its investment committee approves fund manager agreements. Such management agreements outline specific investment policies. In May, 2022, the Uniform Plan's investment guidelines were updated as follows:

| <i>Asset Class</i> | <i>Minimum</i> | <i>Target</i> | <i>Maximum</i> |
|--|----------------|---------------|----------------|
| U.S. Large Cap Equities | 7.1% | 11.0% | 14.9% |
| U.S. Small Cap Equities | 7.1 | 11.0 | 14.9 |
| International Equities – Developed Markets | 3.2 | 5.0 | 6.8 |
| International Equities – Small Cap | 3.2 | 5.0 | 6.8 |
| International Equities – Emerging Markets | 9.8 | 15.0 | 20.2 |
| High Yield Bonds | 3.2 | 5.0 | 6.8 |
| Private Real Estate | 13.0 | 20.0 | 27.0 |
| Farmland | 3.2 | 5.0 | 6.8 |
| Private Equity | 11.7 | 18.0 | 24.3 |
| Private Debt | 3.2 | 5.0 | 6.8 |

The investments may be held individually or commingled in mutual funds and investment pools. There are no individual investments greater than 5% with a single issuer. See the table below for a breakdown of investment type and accompanying asset value:

| Investment Type | Market Value 12/31/2022 | Percent Allocated |
|---------------------------|-------------------------|-------------------|
| Corporate Bonds | - | 0.0% |
| Bond Mutual Funds | 36,515,342 | 3.8% |
| Equity Mutual Funds | 37,802,036 | 3.9% |
| Domestic Equities | 254,066,481 | 26.5% |
| International Equities | 59,146,146 | 6.2% |
| Domestic Real Estate | 215,878,440 | 22.5% |
| International Real Estate | 1,260,387 | 0.1% |

| | | |
|---------------------------|----------------------|----------------|
| Farmland | 58,541,768 | 6.1% |
| Private Equity | 270,116,685 | 28.1% |
| Hedge Funds | 6,575,692 | 0.7% |
| Money market mutual funds | 20,067,003 | 2.1% |
| Total | <u>\$959,970,980</u> | <u>100.00%</u> |

Long-Term Rate of Return

The long-term expected rate of return on Uniform Plan investments was reviewed as part of the regular experience study prepared for the Uniform Plan. The results of the most recent experience study were presented in a report dated July 20, 2022. Some of the factors used in evaluating the long-term rate of return assumption are as follows: long-term historical data, estimates inherent in current market data, and an analysis of best-estimate ranges of expected future real rates of return (expected returns, net of investment expenses and inflation) which, along with estimates of variability and correlations for each asset class, were developed by the Uniform Plan's investment consultant. These ranges were combined to develop the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation and then adding expected inflation. The Uniform Plan's investment consultant provides capital market assumptions for a thirty-year period and was used in the Actuary's analysis. The target asset allocation and best estimates for the arithmetic real rate of return for each asset class, as provided by the Uniform Plan's investment consultant, as of December 31, 2022 are as follows:

| Asset Class | Target Allocation | Long-term Expected Real Rate of Return |
|------------------------------|-------------------|--|
| US High Yield Bonds | 5.0% | 3.38% |
| Private Credit | 5.0% | 6.13% |
| US Large & Mid Cap Equity | 11.0% | 3.47% |
| US Small Cap Equity | 11.0% | 4.18% |
| Foreign Developed Equity | 5.0% | 4.52% |
| Non-US Small Cap Equity | 5.0% | 4.60% |
| Emerging Markets Equity | 15.0% | 5.31% |
| Private Real Estate Property | 20.0% | 3.58% |
| Private Equity | 18.0% | 6.15% |
| Farmland | 5.0% | 4.23% |
| Total | <u>100.0%</u> | |

For the year ended December 31, 2022, the annual money-weighted rate of return on Uniform Plan investments, net of Uniform Plan investment expense, was -6.593%. The money rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Changes in the Net Pension Liability

| | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (a) - (b) |
|---|-----------------------------------|---------------------------------------|---------------------------------------|
| Balances at January 1, 2022 | \$ 1,650,559,664 | \$ 1,045,470,024 | \$ 605,089,640 |
| Changes for the year: | | | |
| Service cost | 28,903,479 | - | 28,903,479 |
| Interest | 126,498,636 | - | 126,498,636 |
| Differences between expected and actual experience | (20,779,086) | - | (20,779,086) |
| Assumption Changes | (4,026,185) | - | (4,026,185) |
| Employer contributions | - | 53,664,911 | (53,664,911) |
| Employee contributions | - | 25,093,265 | (25,093,265) |
| Net investment income | - | (67,870,920) | 67,870,920 |
| Benefit payments, including member refunds | (96,241,091) | (96,241,091) | - |
| Administrative expenses | - | (24,057) | 24,057 |
| Net changes | <u>34,355,753</u> | <u>(85,377,892)</u> | <u>(119,733,645)</u> |
| Balances at December 31, 2022 | <u>\$ 1,684,915,417</u> | <u>\$ 960,092,132</u> | <u>\$ 724,823,285</u> |

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Uniform Plan, calculated using the discount rate of 7.75%, as well as what the Uniform Plan's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75%) or 1-percentage-point higher (8.75%) than the current rate:

| | 1% Decrease (6.75%) | Current Discount Rate (7.75%) | 1% Increase (8.75%) |
|--------------------------------------|------------------------|----------------------------------|------------------------|
| Net Pension Liability as of 12/31/22 | \$ 921,775,642 | \$ 724,823,285 | \$ 562,155,329 |

OTHER POST EMPLOYMENT BENEFITS (OPEB)

Plan Description

The City provides certain post-employment health care benefits to eligible retirees and their dependents up to age 65 when they would be Medicare eligible in accordance with provisions established in Chapter 23 of the Omaha Municipal Code. The benefits include medical and prescription coverage. The rates paid by retirees are substantially lower than they would be under individual health insurance policies. This difference is an implicit rate subsidy and considered other postemployment benefits (OPEB) under GASB 75. The plan is a single-employer defined benefit health care plan that is administered by the City. No assets are accumulated in a trust for the plan, and the plan does not issue separate financial statements. The total number participants covered by the OPEB Plan benefit terms as of January 1, 2022 was 3,957. This total includes 2,765 active employees, 716 retirees, 474 spouses of retirees and 2 beneficiaries.

Funding Policy

The premium payment requirements of plan members and the City are established through labor negotiations, with the Police Union, the Fire Union, the Omaha City Employees Local No. 251, and other

classified civilian and sworn employees. All agreements are approved and can be amended by the City Council. Premium payments are made to the plan based on a pay-as-you-go basis and the City self-insures this benefit therefore the plan has no assets. For the year ended December 31, 2022, the City paid \$12,084,468 for 817 retirees. Retiree premium rates vary from 0% to 23% of an annual estimated premium depending on the bargaining group. Retiree premium payments for 2022 were \$1,291,896.

Total OPEB Liability

The City’s total OPEB liability of \$505,771,438 was determined by an actuarial valuation as of the valuation date, January 1, 2022, calculated based on the discount rate and actuarial assumptions, and projected to the measurement date, December 31, 2022. Changes in the total OPEB liability are summarized below:

| | Total OPEB Liability |
|--|-----------------------------|
| Balance at January 1, 2022 | \$ 512,272,582 |
| Changes for the year: | |
| Service Cost | 30,252,339 |
| Interest on the Total OPEB Liability | 10,932,862 |
| Effects of plan changes | - |
| Effects of economic/demographic gains | 44,519,381 |
| Effect of Assumption Changes or Inputs | (68,477,876) |
| Benefit Payments | (23,727,850) |
| Balance at December 31, 2022 | <u>\$ 505,771,438</u> |

OPEB Expense and Deferred Inflows & Outflows of Resources

For the year ended December 31, 2022, the City recognized OPEB expense of \$45,118,779. At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB as follows.

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|---------------------------------------|--------------------------------------|
| Differences between expected and actual experience | \$ 42,395,962 | |
| Changes of assumption | \$ 39,319,776 | \$ (69,257,087) |
| Changes in proportion of the total OPEB liability since the prior measurement date | | |
| Change in proportion – governmental activity | | \$ (4,605,829) |
| Change in proportion – business-type activity | \$ 4,983,363 | \$ (6,316,546) |
| Total | <u>\$ 92,638,113</u> | <u>\$ (80,179,462)</u> |

Actuarial Methods and Assumptions

The total OPEB liability was determined using the following actuarial assumptions:

| | |
|----------------|--------------------------|
| Inflation Rate | 2.50% |
| Discount Rate | 2.06% |
| Salary Scale | 2.75% |
| Medical Trend | |
| Fire Union | 5.6%-3.80% over 54 years |

| | |
|--|--|
| All Others | 5.6%-3.80% over 54 years |
| Future Coverage | 100% of future eligible retirees are assumed to elect coverage at retirement. Also, 100% of eligible spouses are assumed to elect coverage at retirement. |
| Percent Married | All eligible members are assumed to elect coverage at retirement. 75% of retirees are assumed to elect coverage of a spouse. No retiree is expected to drop coverage prior to age 65. |
| Mortality Rates: Civilians: Active, Retirees, and Beneficiaries | PubG-2010 Mortality Table with generational projection per MP-2019 ultimate scale, with employee rates before benefit commencement and healthy disabled annuitant rates after benefit commencement. This assumption includes a margin for mortality improvement beyond the valuation rate. |
| Disabled | Not Valued. |
| Uniformed Active: | PubS-2010 Mortality Table with generational projection per MP-2019 ultimate scale, with employee rates before benefit commencement and healthy and disabled annuitant rates after benefit commencement. This assumption includes a margin for mortality improvement beyond the valuation date. |
| Disabled | PubS-2010 Mortality Table for disabled retirees with generational projection per MP-2019 ultimate scale, with employee rates before benefit commencement and healthy and disabled annuitant rates after benefit commencement. This assumption includes a margin for mortality improvement beyond the valuation date. |

The discount rate was based on the Bond Buyer General Obligation 20-year Bond Municipal Index. The plan has not had a formal actuarial experience study performed. The discount rate changed to 3.72% as of December 31, 2022 from 2.06%.

Sensitivity Analysis

Discount Rate Sensitivity: The following presents the total OPEB liability of the City, calculated using the discount rate of 3.72%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.72%) or 1 percentage higher (4.72%) than the current rate.

| | 1% Decrease (2.72%) | Current Discount Rate (3.72%) | 1% Increase (4.72%) |
|----------------------|--------------------------------|--|--------------------------------|
| Total OPEB Liability | \$ 549,942,679 | \$ 505,771,438 | \$ 466,138,349 |

Trend Rate Sensitivity: The following presents the total OPEB liability of the City, calculated using the current healthcare cost trend rates as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current trend rates.

| | 1% Decrease | Current Trend Rates | 1% Increase |
|----------------------|--------------------|--------------------------------|--------------------|
| Total OPEB Liability | \$ 455,054,505 | \$ 505,771,438 | \$ 564,821,006 |

OMAHA COMBINED SEWER OVERFLOW CONTROL PROGRAM

The City is addressing its combined sewer overflow (“CSO”) unfunded federal mandate by implementing a Long-Term Control Plan (“LTCP”). CSOs occur when untreated wastewater and stormwater commingle in a single pipe and spill untreated into rivers and creeks. The intent of the LTCP is to reduce the occurrence of untreated overflows from Omaha’s combined sewer system to area waterways (such as the Missouri River and Papillion Creek). The City, in compliance with the requirements of the Clean Water Act, the United States Environmental Protection Agency (“EPA”) Combined Sewer Overflow Control Policy of 1994, and its Administrative Consent Order, as amended (the “Order”) with the Nebraska Department of Energy and the Environment (formerly the Nebraska Department of Environmental Quality) (“NDEE”), developed the LTCP to control overflows from its combined sewer system. The plan was updated in 2014, and again in 2021. A failure by the City to comply with the Order is grounds for NDEE to seek appropriate administrative or judicial enforcement of the Order, and the City reserves the right to exercise and assert any and all defenses to such an enforcement action.

To pay for its implementation of the LTCP, the City has issued eleven series of sanitary sewerage system revenue and revenue refunding bonds (the “Revenue Bonds”), commencing in 2006. Additionally, the City has outstanding a direct placement bond with NDEE (“NDEE Bond” and together with the Revenue Bonds, the “Sewer Revenue Obligations”) in the not too exceed amount of \$31,000,000. The Sewer Revenue Fund comprises deposits of the sewer system fees and charges collected from industrial, commercial and residential sewer system customers and ratepayers within the wastewater service area of the sanitary sewerage system (an area that extends beyond the city limits of Omaha).

The total cost of the LTCP, which the City extended until 2037, is estimated at \$2.1 billion in current dollars. Through the end of 2022, the City has expended just over 1.0 billion on the design and construction of LTCP projects. Additional projects continue to be rolled out in design, with annual capital expenditures averaging about over 75 million. This annual expenditure number can vary widely year to year deepening on the number and type of projects being delivered. Sewer revenues have been sufficient to support these expenses, including related debt service on the City’s outstanding Sewer Revenue Obligations. The City expects to issue further series of Revenue Bonds on an annual, or as needed basis into the future years to finance and refinance costs of the CSO program and other capital improvements of the sanitary sewerage system and further anticipates that it will enter into additional revolving loan contracts with NDEE. The City may issue additional Revenue Bonds and additional NDEE Obligations only upon satisfaction of certain coverage ratios and other additional bonds tests provided by Ordinance No. 37507 passed by the City Council of the City on October 24, 2006. The City has increased and is increasing its annual rates and charges for the sanitary sewerage system, periodically completing rate studies to determine the appropriate revenue needs, along with the accompanying customer rates necessary to generate the required revenues. Most recently in 2021, the City hired Stantec Consulting to complete a Cost-of-Service (COS) study to determine overall revenue needs along with the correct allocation of customer rates to recover the required revenue, for the period of 2024-2028. On November 20, 2022 the Omaha City Council approved a sewer rate ordinance providing for an overall revenue increase of 2.5% annually, with varying annual rate increases depending on the customer class. Previously the rate increases were primarily to support the costs of the CSO program including debt service payments on the Sewer Revenue Obligations and the anticipated additional series of such bonds and notes. Future capital improvements will be spread out more evenly across the entire wastewater collection and treatment system, including major upgrades at both of the City’s two Water Resource Recovery Facilities (WRRF’s).

It is important to note that the current forecasted capital expenditures for the City’s wastewater collection and treatment system have shifted away from the CSO program to be more evenly distributed across the system. In 2012, the CSO program made up approximately 88% of the forecasted capital expenses, through significant cost reductions and a rebalancing of needs across the system, CSO

programmed capital expenses now make up about 35% of the forecasted capital expenses, with the remaining going towards necessary improvements to the treatment plants and upgrades and rehabilitation of the collection system. All of the necessary improvements identified in these areas have the appropriate costs included with the financial plan that was used as a part of the COS study.

In 2017, Stantec Consulting completed a Financial Capability Assessment (FCA) for Omaha's Sewer Revenue Fund. The result of this study showed that as a whole Omaha remains at a relatively "low burden," however portions of the City remain at a "high burden" as defined by the EPA. Future rate increases would potentially add to those in the high-burden category. The results of this study were used as part of the justification to amend the Order, allowing for the time extension to 2037 to complete the work in the CSO LTCP. The City will continue to work with the NDEE to understand the affordability and overall burden of sewer rates, in particular to understand the burden on those within the City's customer base most vulnerable to future rate increases.

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APPENDIX B

CITY OF OMAHA—FINANCIAL INFORMATION

PART TWO

Comprehensive Annual Financial Report

(December 31, 2022)

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City of Omaha, Nebraska

Annual Comprehensive Financial Report

For the Year Ended December 31, 2022

Prepared by the City Finance Department



Office of the Mayor

1819 Farnam Street, Suite 300
Omaha, Nebraska 68183-0300
(402) 444-5000
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City of Omaha
Jean Stothert, Mayor

Dear Citizens of Omaha and Public Officials,

I am pleased to submit the City of Omaha's Annual Comprehensive Financial Report for the fiscal year that ended December 31, 2022.

A public report on the financial transactions and fund balances of governmental entities represents the work of those trusted with public funds on behalf of the citizens. The work of thousands of dedicated public employees is reflected in this report.

Complete and accurate disclosure of explanations of public expenses satisfies government accounting standards and provides the transparency citizens expect and deserve.

Our finance professionals take great pride in the development of this report. I thank them for their efforts and for working daily to enhance the fiscal stability of Omaha.

Sincerely,

Jean Stothert

Mayor, City of Omaha

City of Omaha, Nebraska

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City of Omaha
Jean Stothert, Mayor

Finance Department

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Stephen B. Curtiss
Finance Director
Acting City Comptroller

Allen Herink
Finance Administrator

August 16, 2023

To the Honorable Mayor, Members of the City Council,
and Citizens of the City of Omaha:

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the annual comprehensive financial report of the City of Omaha, Nebraska (the City) for the fiscal year ended December 31, 2022.

This report consists of management's representations concerning the finances of the City of Omaha. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Omaha has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Omaha's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Omaha's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Omaha's financial statements have been audited by RSM US LLP, a firm of licensed and certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Omaha for the fiscal year ended December 31, 2022, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering unmodified opinions that the City of Omaha's financial statements for the fiscal year ended December 31, 2022, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City of Omaha was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are issued separately and available upon request.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Omaha's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The City of Omaha, incorporated in 1857, is located in the eastern part of the state of Nebraska, and is the 42nd largest city in the nation. The City of Omaha currently occupies a land area of 144.9 square miles and serves a population of 487,300. The City of Omaha is empowered to levy a property tax on both real and personal properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing council.

The City of Omaha is operated under the Mayor-Council form of government. The Mayor and seven-member City Council are both elected to four-year terms. The executive and administrative powers of the City of Omaha are vested in the Mayor, who is popularly elected on a non-partisan basis. Agreements with Douglas County provide for the sharing of library, information technology, parks, purchasing, printing, mail, and 911 services between city and county residents.

The City of Omaha provides a full range of services, including police and fire protection, the construction and maintenance of highways, streets, and other infrastructure, recreational activities and cultural events. The City of Omaha is financially accountable for the Metropolitan Entertainment & Convention Authority (MECA) and Heartland Workforce Solutions, Inc. (HWS). MECA is a separate nonprofit corporation that is responsible for the operation of the Omaha Convention Center/Arena and ballpark. HWS is a separate 501(c)(3) nonprofit organization that administers the Workforce Investment Act activities for adults, youth, and dislocated workers in Douglas, Sarpy and Washington Counties in Nebraska. Additional information regarding both MECA and HWS can be found in Note 1 (a) in the notes to basic financial statements.

The annual budget serves as the foundation for the City of Omaha's financial planning and control. All agencies of the City of Omaha are required to submit requests for appropriation to the Finance Director during April of each year. The Finance Director uses these requests as the starting point for developing a proposed budget. The Finance Director then provides the Mayor with a proposed budget. The Mayor reviews all estimates, expenditures, and capital improvements, and makes revisions where necessary. Not later than 30 days before the tax levy certification date, the Mayor then submits the proposed budget to the City Council for consideration, at which time the budget becomes a public record and open to inspection. The City Council is required to hold public hearings on the proposed budget and to adopt a final budget no later than the day prior to the tax levy certification date. The appropriated budget is prepared by fund and department (e.g., police, fire, planning). The Mayor may at any time transfer an unencumbered appropriation balance or portion thereof between appropriations of the same division. Transfers of appropriations between divisions within the same department, however, require the special approval of the City Council.

Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented on page 99 as part of the required supplementary information. For governmental funds, other than the general fund, with appropriated annual budgets, this comparison is presented in the governmental fund subsection of this report, which starts on page 117. Also included in the governmental fund subsection are project-length budget-to-actual comparisons for each governmental fund for which a project-length budget has been adopted (e.g., the capital projects funds).

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Omaha operates.

Local Economy. The City of Omaha currently enjoys a favorable economic environment and local indicators point to continued stability. Unemployment in the City of Omaha at the end of 2022 was 2.7%, well below the national average. The City of Omaha has a high concentration of its employment in trade, transportation and utilities, professional and business services, education, and healthcare services. The City has a relatively small amount of total employment in manufacturing and government. Over the past decade, Omaha has experienced solid growth, despite two recessions at the national level. The City is the corporate headquarters for such Fortune 500 companies as: Berkshire Hathaway, Union Pacific, Peter Kiewit, and Mutual of Omaha, and also Fortune 1000 companies such as: TD Ameritrade, West Corporation, Werner Enterprises, and Valmont Industries.

The Greater Omaha Metropolitan Statistical Area (MSA) (which includes the eight-county region of Douglas, Sarpy, Saunders, Cass, and Washington counties in Nebraska and Pottawattamie, Harrison, and Mills counties in Iowa) has a population of approximately 1.1 Million. In addition, over 1.4 million people live within a 60-minute drive of Omaha. The government's central business district is expected to maintain its current occupancy rate with a variety of stores, specialty shops, commercial businesses, and a rising number of residential living spaces.

Long-Term Financial Planning. The City has a steady capital improvement plan that provides for reinvesting in City streets, public facilities, public safety, libraries, parks, and infrastructure over the next six years.

Combined Sewer Overflow (CSO)

Like many communities across the nation, the City of Omaha is addressing its CSO problem by implementing a CSO Long Term Control Plan. Combined sewer overflow occurs when untreated wastewater and storm water commingle in a single pipe and spill into Omaha's rivers and creeks. The final plan was submitted in October of 2009 and approved in February of 2010 to deal with this federal mandate. The original completion date was October 2024, but due to the floods of 2011, that has been extended to October 2027. The cost is estimated at \$2 billion (current dollars) over 15-20 years. Annual Sewer Fee rate increases through 2023 have been adopted. The annual debt service estimated in the finance plan ranges from \$28 to \$100 million annually, depending on the capital expenditures for the year.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Omaha for its

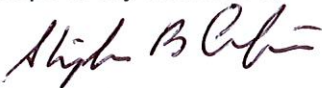
annual comprehensive financial report for the fiscal year ended December 31, 2021. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of only one year. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the City also received the GFOA's Distinguished Budget Presentation Award for its 2023 budget document. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document must be judged as proficient in several categories, including as a policy document, a financial plan, an operations guide, and a communications device.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the Mayor and the City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Omaha's finances.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Stephen B. Curtiss". The signature is written in a cursive, flowing style.

Stephen B. Curtiss
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Omaha
Nebraska**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morill

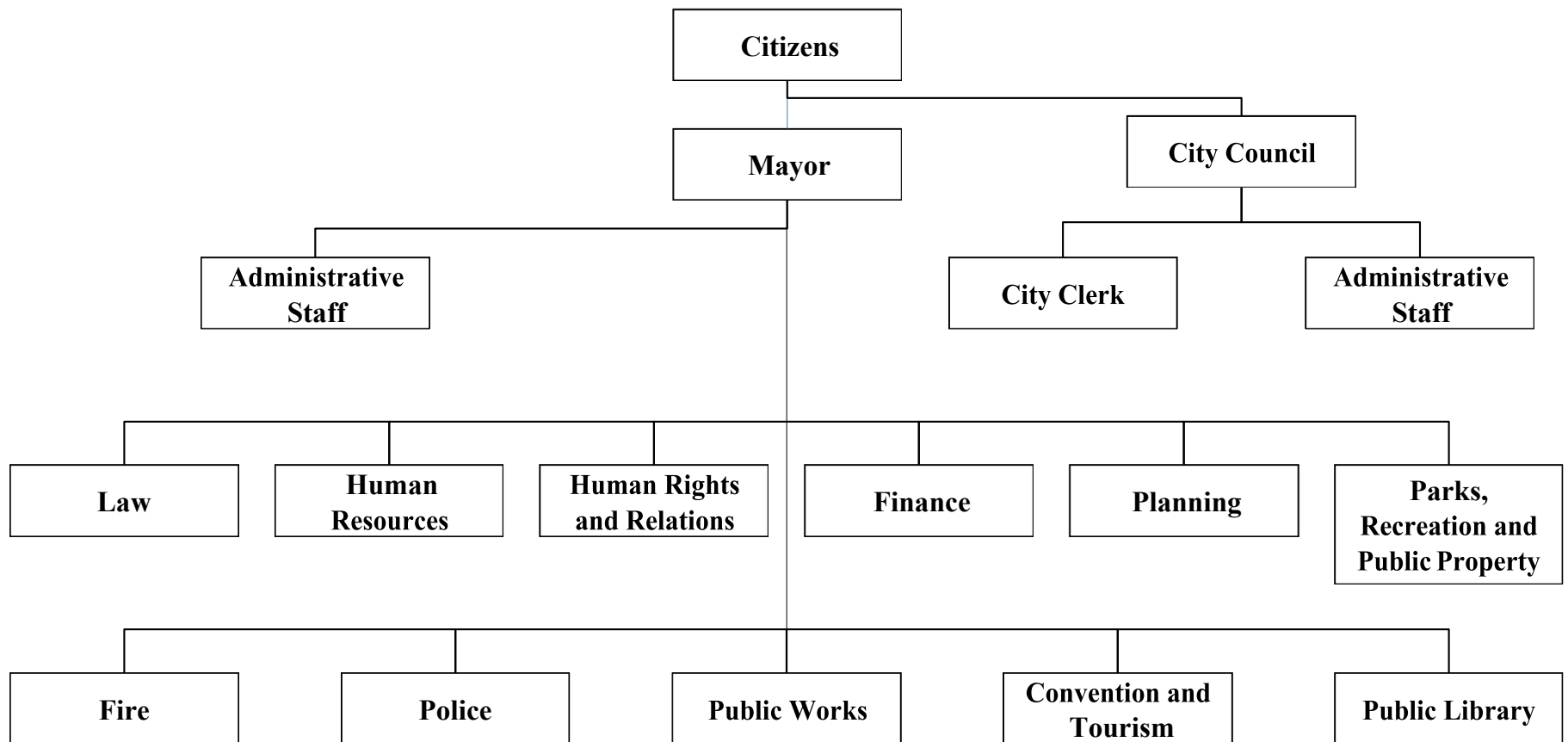
Executive Director/CEO

City of Omaha, Nebraska

Organizational Chart



Executive and Legislative



City of Omaha, Nebraska

Elected and Appointed Officials

Mayor

Jean Stothert

City Council

| | |
|-----------------|-------------|
| Pete Festersen | District #1 |
| Juanita Johnson | District #2 |
| Danny Begley | District #3 |
| Vinny Palermo | District #4 |
| Don Rowe | District #5 |
| Brinker Harding | District #6 |
| Aimee Melton | District #7 |

City Officials

| | |
|-------------------|--|
| Elizabeth Butler | City Clerk |
| Stephen Curtiss | Finance Director |
| Daniel Olsen | Fire Chief |
| Deb Sander | Human Resources Director |
| Gerald Kuhn II | Human Rights and Relation Director |
| Matthew Kuhse | City Attorney |
| Laura Marlane | Library Director |
| Matthew Kalcevich | Parks, Recreation and Public Property Director |
| David Fanslau | Planning Director |
| Todd Schmaderer | Police Chief |
| Robert Stubbe | Public Works Director |
| Deborah Ward | Convention and Tourism Director |



Independent Auditor's Report

RSM US LLP

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Omaha, Nebraska (the City), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1 of the basic financial statements, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*, as of January 1, 2022. The City recorded lease-related items and disclosures in the financial statements as of January 1, 2022. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, and the budgetary comparison schedule – General fund; the pension and other postemployment benefit information, as presented in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the GASB who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary schedules and other schedules, listed in the table of contents as supplementary information are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, budgetary schedules and other schedules, listed in the table of contents as supplementary information, and the accompanying schedule of expenditures of federal awards, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 16, 2023 on our consideration of the City of Omaha, 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 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 Omaha, Nebraska's internal control over financial reporting and compliance.

RSM US LLP

Omaha, Nebraska
August 16, 2023

City of Omaha, Nebraska

Management's Discussion and Analysis Year Ended December 31, 2022

This discussion and analysis of the City of Omaha's (the City) financial performance provides an overall review of the City's financial activities for the fiscal year ended December 31, 2022. The intent of this discussion and analysis is to look at the City's financial performance as a whole. Readers should also review the basic financial statements to enhance their understanding of the City's financial performance.

Financial Highlights for Fiscal Year 2022

- The assets and deferred outflows of resources of the City, on a government-wide basis, excluding component units, exceeded its liabilities and deferred inflows of resources at the close of fiscal year 2022 by \$802.3 million. Of this amount, \$1,172.1 million is an unrestricted deficit, \$1,700.4 million is the City's net investment in capital assets, and \$274.0 million is restricted for specific purposes.
- The City's total net position increased by \$286.9 million from the prior year. Of this amount, \$193.4 million was an increase in governmental activities and \$93.5 million was an increase in business-type activities. The increase in governmental activities is a result of a \$61.0 million increase in capital grants and contributions associated with City's new riverfront development. The increase in business-type activities is primarily attributable to an increase of \$84.5 million in the Sewer Revenue Fund. The Sewer Fund net income before contributions and transfers was \$81.8 million. Contributions and transfers added \$2.7 million to the net position.
- As of December 31, 2022, the City's governmental funds reported combined ending fund balances of \$296.1 million, an increase of \$75.1 million in comparison with the prior year. This increase is due to an increase in the General Fund of \$30.0 million, a decrease in the Debt Service Fund of \$11.0 million, a decrease in the Grant Funds of \$6.3 million, an increase in the Street and Highway Allocation of \$15.6 million, and an increase in the fund balance of the combined nonmajor governmental funds of \$46.7 million. The increase in the General Fund of \$30.0 million is due partly to revenues, especially sales tax, exceeding budgeted amounts. The \$46.7 million increase in nonmajor governmental funds is attributable to capital projects. The \$15.6 million increase in the Street and Highway Allocation Fund is mainly attributable to an increase in revenues. Of the combined governmental funds ending fund balances, approximately 30.70%, or \$90.9 million, is available for spending at the City's discretion (unassigned and assigned fund balance).
- The General Fund, on a current fiscal resources budget basis, reported a positive budget variance of expenditures, lapsed encumbrances, and transfers under revenues of \$8.0 million. Revenues were over budget by \$19.1 million. Expenditures along with lapsed encumbrances were over budget by approximately \$11.1 million which resulted in a 2022 year-end carryover of \$8.0 million.
- At the end of the current fiscal year, the unassigned/assigned fund balance for the General Fund was \$148.3 million, or 30.9% of General Fund expenditures.
- As of December 31, 2022, the City's general obligation bond rating from Standard & Poor's was AA+ and Moody's Investor Service rated the City's bonds Aa2.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City'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 supplementary and other information in addition to the basic financial statements themselves.

The basic financial statements include two kinds of statements that present different views of the City:

- The first two statements are the government-wide statements that provide both long-term and short-term information about the City's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the City's government, reporting the City's operations in more detail than the government-wide statements.
 - Governmental fund statements tell how general government services, such as public safety, were financed in the short term, as well as what amounts remain for future spending.
 - Proprietary fund statements offer short-term and long-term financial information about the activities the government operates similar to a business, such as the City's wastewater recovery plants.
 - Fiduciary fund statements provide information about financial relationships in which the City acts solely as a trustee or agent for the benefit of others, to whom the pertaining resources belong. One example is parking fine receipts which are remitted to the school district.

The financial statements also include notes that expand upon the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, using accounting methods similar to those used by private sector companies. The statement of net position and the statement of activities, which are the government-wide statements, include the City's assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private sector companies. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the 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 Omaha, Nebraska

Management's Discussion and Analysis Year Ended December 31, 2022

These two government-wide statements report the City's net position and how it has changed. Net position – the difference between the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources – is one way of measuring the City's financial health or financial position. Over time, increases or decreases in the City's net position is an indicator of whether its financial health is improving or deteriorating. Other nonfinancial factors, such as changes in the City's property tax base and the condition of the City's roads and other infrastructure, may need to be considered as well to assess the overall health of the City.

In the statement of net position and the statement of activities, the City is divided into three categories:

Governmental Activities: Most of the City's basic services are included here such as police, fire, public works, parks and recreation, and general administration departments. Taxes and intergovernmental revenues principally support these functions.

Business-Type Activities: The City charges fees to customers in order to cover the costs of certain services it provides. The City's sewer system, air quality control enforcement, riverfront plaza and marinas, golf courses, tennis operations, parking facilities, printing services, and citywide sports are included here.

Component Units: The City includes two separate legal entities in its report, the Metropolitan Entertainment & Convention Authority (MECA), and Heartland Workforce Solutions, Inc. (HWS). Although legally separate, these "component units" are important because the City is financially accountable for them and the City provides debt service funding for the arena, convention center and stadium (see note 1).

The government-wide financial statements can be found on pages 17 through 20 of this report.

Fund Financial Statements

The fund financial statements provide more detailed information about the City's most significant funds – not the City as a whole. Funds are accounting mechanisms that the City uses to keep track of specific sources of funding and spending for particular purposes. The City Charter, state law, and bond covenants require certain funds. The City Council or Administration establishes other funds to control and manage money for particular purposes or to show that the City is properly using certain taxes and grants.

The City has three kinds of funds:

Governmental Funds: Most of the City's basic services are included in governmental funds, which focus on (1) the flow of cash and other financial assets that can readily be converted to cash and (2) the balances remaining at year-end that are available for spending. These funds are reported using the modified accrual accounting basis and a current financial resources measurement focus. Consequently, the governmental fund statements provide a detailed short-term view that helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The relationship between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is described in a reconciliation that follows the governmental fund financial statements.

City of Omaha, Nebraska

Management's Discussion and Analysis Year Ended December 31, 2022

The City maintains 75 governmental funds, some of which are combined into a single fund for financial statement purposes. 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, debt service fund and grant funds, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation as nonmajor governmental funds.

The City adopts an annual budget for the general fund, as required by the City Charter. A budgetary comparison statement is presented for the general fund using the City's budgetary basis of accounting. This statement reflects the following: (a) the original budget, (b) the final budget as amended, (c) actual results, and (d) the variance between the final budget and actual results. Because the budgetary basis of accounting differs from the modified accrual basis used in the funds statements, the reconciliation is provided in the notes to the general fund budgetary comparison schedule.

The governmental fund financial statements can be found on pages 21 through 24 of this report.

Proprietary Funds: Services for which the City charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both short-term and long-term financial information. The City maintains 11 enterprise funds, which are a 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 uses enterprise funds to account for its sewer system, air quality control enforcement, marina and dredge operations, golf course operations, tennis operations, river plaza facility, parking facilities, printing services, and citywide sports. The City has classified the sewer revenue and parking facilities funds as major funds and they are presented separately in the proprietary fund statement of net position; the proprietary statement of revenues, expenses, and changes in net position; and the proprietary statement of cash flows. Data from the other proprietary funds are combined into a single aggregated presentation as nonmajor enterprise funds.

The proprietary fund financial statements can be found on pages 25 through 29 of this report.

Fiduciary Funds: The City is the trustee, or fiduciary, for certain donated funds. It is also responsible for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries. The City maintains 19 fiduciary funds. The City is responsible for ensuring that the assets reported in these funds are used for their intended purpose. These activities are reported in a separate statement of fiduciary net position. The City excludes this activity from its government-wide financial statements because the City cannot use these assets to finance its operations. The accounting used for fiduciary funds is the accrual basis, same method used by proprietary funds.

The fiduciary fund financial statements can be found on pages 30 and 31 of this report.

City of Omaha, Nebraska

**Management’s Discussion and Analysis
Year Ended December 31, 2022**

Notes to the Basic 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 basic financial statements can be found on pages 34 through 98 of this report.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City’s 2022 budget information for the general fund, and the City’s progress in funding the net pension liability and other postemployment benefits obligation. Required supplementary information can be found on pages 99 through 115 of this report.

City Government-wide Financial Analysis

As noted earlier, net position (assets and deferred outflows of resources over liabilities and deferred inflows of resources) may serve over time as a useful indicator of a government’s financial position. In the case of the City, assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$802.3 million at the close of fiscal year 2022, increasing by \$286.9 million from 2021.

The following table reflects the condensed summary of net position (in millions):

| CITY OF OMAHA | | | | | | |
|---|------------------------------------|------------------|-------------------------------------|----------------|-------------------------------------|------------------|
| Summary of Net Position | | | | | | |
| (In millions) | | | | | | |
| | Governmental Activities | | Business-type Activities | | Total Primary Government | |
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| Current and other assets | \$ 817.5 | 706.4 | 258.6 | 256.6 | 1,076.1 | 963.0 |
| Capital assets | 1,769.5 | 1,571.9 | 1,286.5 | 1,201.6 | 3,056.0 | 2,773.5 |
| Total assets | <u>2,587.0</u> | <u>2,278.3</u> | <u>1,545.1</u> | <u>1,458.2</u> | <u>4,132.1</u> | <u>3,736.5</u> |
| Deferred outflows of resources | 153.5 | 121.2 | 20.5 | 13.2 | 174.0 | 134.4 |
| Total assets and deferred outflows of resources | <u>\$ 2,740.5</u> | <u>2,399.5</u> | <u>1,565.6</u> | <u>1,471.4</u> | <u>4,306.1</u> | <u>3,870.9</u> |
| Current and other liabilities | \$ 177.5 | 167.2 | 29.1 | 29.8 | 206.6 | 197.0 |
| Long-term liabilities | 2,638.3 | 2,425.6 | 527.2 | 523.2 | 3,165.5 | 2,948.8 |
| Total liabilities | <u>2,815.8</u> | <u>2,592.8</u> | <u>556.3</u> | <u>553.0</u> | <u>3,372.1</u> | <u>3,145.8</u> |
| Deferred inflows of resources | 116.4 | 191.8 | 15.3 | 17.9 | 131.7 | 209.7 |
| Net position: | | | | | | |
| Net investment in capital assets | 845.7 | 676.7 | 854.7 | 746.9 | 1,700.4 | 1,423.6 |
| Restricted position | 237.9 | 186.2 | 36.1 | 31.5 | 274.0 | 217.7 |
| Unrestricted position (deficit) | <u>(1,275.3)</u> | <u>(1,248.0)</u> | <u>103.2</u> | <u>122.1</u> | <u>(1,172.1)</u> | <u>(1,125.9)</u> |
| Total net position | <u>(191.7)</u> | <u>(385.1)</u> | <u>994.0</u> | <u>900.5</u> | <u>802.3</u> | <u>515.4</u> |
| Total liabilities, deferred inflows of resources, and net position | <u>\$ 2,740.5</u> | <u>2,399.5</u> | <u>1,565.6</u> | <u>1,471.4</u> | <u>4,306.1</u> | <u>3,870.9</u> |

City of Omaha, Nebraska

Management's Discussion and Analysis Year Ended December 31, 2022

The City's net investment in capital assets reflects its investment in capital assets (e.g., land, building, equipment, and infrastructure) less accumulated depreciation, any related deferred outflows of resources, and the debt relating to unspent proceeds and related outstanding debt used to acquire those assets. The City uses these assets to provide services to its citizens, and consequently, these assets are not available for future spending. The resources needed to repay the debt related to these capital assets must be provided from other sources. The City's net investment in capital assets increased by \$276.8 million, or 19.4% compared to 2021. This increase is mainly due to the City's riverfront development (\$97.8 million), Sewer Revenue Fund (\$81.4 million), and transportation services (\$58.4 million).

Governmental Activities

Net position of the City's governmental activities increased \$193.4 million (50.2%) to a \$191.7 million deficit. However, a significant portion of that net position is either the City's net investment in capital assets (building, roads, bridges, etc.) or restricted as to the purpose it can be used for. Consequently, unrestricted net position showed a \$1,275.3 million deficit at the end of this year. This deficit does not mean that the City does not have the resources available to pay its current liabilities. Rather, it is the result of having long-term commitments that are greater than current available resources. Specifically, the City did not include in past annual budgets, the full amounts needed to finance the future liabilities arising from workers' compensation and healthcare claims (\$63.0 million); civilian and police and fire net pension liabilities (\$929.3 million), compensated absences (87.4 million), and post-employment benefits (\$464.2 million). The City will include these amounts in future years' budgets as they become due.

Business-Type Activities

The net position of the City's business-type activities increased approximately \$93.5 million to \$994.0 million. The City generally can only use this net position to finance the continuing operation of its enterprise operations. The key element of this increase is the \$84.5 million increase in net position of the sewer revenue fund.

City of Omaha, Nebraska

**Management's Discussion and Analysis
Year Ended December 31, 2022**

The following table shows the revenues and expenses of the governmental and business-type activities:

| CITY OF OMAHA | | | | | | |
|--|------------------------------------|----------------|-------------------------------------|--------------|-------------------------------------|----------------|
| Change in Net Position (In millions) | | | | | | |
| | Governmental Activities | | Business-type Activities | | Total Primary Government | |
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| Revenues: | | | | | | |
| Program revenues: | | | | | | |
| Charges for services | \$ 140.0 | 130.3 | 224.4 | 212.8 | 364.4 | 343.1 |
| Operating grants and contributions | 208.8 | 186.6 | - | - | 208.8 | 186.6 |
| Capital grants and contributions | 117.4 | 56.6 | - | 1.0 | 117.4 | 57.6 |
| General revenues: | | | | | | |
| Sales and use tax | 218.1 | 196.9 | - | - | 218.1 | 196.9 |
| Property tax | 207.4 | 190.2 | - | - | 207.4 | 190.2 |
| Other taxes | 98.0 | 98.5 | - | - | 98.0 | 98.5 |
| Unrestricted investment earnings | (10.6) | (2.7) | (8.1) | (1.1) | (18.7) | (3.8) |
| Gain/loss on sale of capital asset | 7.9 | (0.4) | 15.6 | - | 23.5 | (0.4) |
| Total revenues | <u>987.0</u> | <u>856.0</u> | <u>231.9</u> | <u>212.7</u> | <u>1,218.9</u> | <u>1,068.7</u> |
| Expenses: | | | | | | |
| General government | 90.5 | 54.2 | - | - | 90.5 | 54.2 |
| Public safety | 313.4 | 308.0 | - | - | 313.4 | 308.0 |
| Transportation services | 98.5 | 93.4 | - | - | 98.5 | 93.4 |
| Other public services | 33.9 | 42.3 | - | - | 33.9 | 42.3 |
| Community development | 163.2 | 127.8 | - | - | 163.2 | 127.8 |
| Culture and parks | 68.9 | 62.1 | - | - | 68.9 | 62.1 |
| Interest on long-term debt | 30.4 | 28.2 | - | - | 30.4 | 28.2 |
| Parking | - | - | 8.8 | 5.2 | 8.8 | 5.2 |
| Sewer | - | - | 116.4 | 105.4 | 116.4 | 105.4 |
| Other | - | - | 8.0 | 6.8 | 8.0 | 6.8 |
| Total expenses | <u>798.8</u> | <u>716.0</u> | <u>133.2</u> | <u>117.4</u> | <u>932.0</u> | <u>833.4</u> |
| Increase (decrease) in net position before transfers | 188.2 | 140.0 | 98.7 | 95.3 | 286.9 | 235.3 |
| Transfers | <u>5.3</u> | <u>(35.9)</u> | <u>(5.3)</u> | <u>35.9</u> | <u>-</u> | <u>-</u> |
| Increase (decrease) in net position | 193.5 | 104.1 | 93.4 | 131.2 | 286.9 | 235.3 |
| Net position, beginning | (385.2) | (489.3) | 900.6 | 769.4 | 515.4 | 515.4 |
| Net position, end | <u>\$ (191.7)</u> | <u>(385.2)</u> | <u>994.0</u> | <u>900.6</u> | <u>802.3</u> | <u>750.7</u> |

Governmental Activities

The City's total revenues from governmental activities were \$987.0 million for the fiscal year ended December 31, 2022. Property tax is usually the largest source of revenue for the City, but in 2022 the largest source was sales and use tax. Sales and use tax increased \$21.2 million (10.8%). This increase was fueled by the higher costs of goods and services due to an average inflation rate of 8.0% in 2022.

City of Omaha, Nebraska

Management's Discussion and Analysis Year Ended December 31, 2022

The City's expenses for governmental activities cover a wide range of services, with 39.2% or \$313.4 million related to public safety and 12.3% or \$98.5 million related to transportation services for fiscal year 2022. In total, the 2022 expenses for governmental activities increased by 11.6% or \$82.8 million. This net increase can be attributed to a large increase in community development and general government expenditures, offset by a minor decrease in other public services. The increase in community development expenditures reflects federal funding earmarked for low- and moderate-income housing as well as homeless individuals and families. The increase in general government expenditures represents a return to pre-pandemic expenditure levels that were not eligible for ARPA reimbursements.

Business-Type Activities

The net position of the City's business-type activities increased by \$93.5 million. The change of net position by the major enterprise funds and the other nonmajor enterprise funds is presented as follows:

| <u>Fund</u> | <u>Amount</u> |
|---------------------------------|----------------|
| | (In millions) |
| Parking facilities | \$ 9.1 |
| Sewer revenue | 84.5 |
| Other nonmajor enterprise funds | (0.1) |
| | <u>\$ 93.5</u> |

The parking facilities fund was established as a tool to manage the City's eight parking structures and various surface lots throughout the City. Lease-purchase debt has been issued to finance the construction of the parking structures. All operating activities of the parking facility fund have been consolidated within public works. The completion of a comprehensive parking-fee study in 2012 resulted in hourly rate increases in many areas and longer hours of enforcement which continue to improve the parking facilities fund balance.

In May 2018, the City Council enacted an ordinance increasing sewer use fees by five and a quarter percent annually beginning in 2019 through 2023. This action provides funding for the sewer system's capital improvements.

The City's enterprise operations are reviewed on an ongoing basis. Revenues and expenses are adjusted as necessary to maintain an adequate amount of working capital. Annual appropriations may also be used to subsidize these funds. The City has decided to account for these activities through the use of enterprise accounting to better identify the cost of the services and for better management control.

Financial Analysis of the Government's Funds

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

City of Omaha, Nebraska

Management's Discussion and Analysis Year Ended December 31, 2022

Governmental Funds

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

For the fiscal year ended December 31, 2022, the governmental funds reported combined ending fund balances of \$296.1 million, an increase of \$75.1 million in comparison with the prior year. An increase in fund balance in the amount of \$30.0 million for the General Fund, a decrease of \$11.0 million for the Debt Service Fund, a decrease of \$6.3 million in the grant funds, an increase of \$15.6 million in the street and highway allocation fund, and an increase of \$46.7 million for the nonmajor governmental funds accounted for this overall fund balance increase.

Approximately 37.43% or \$110.8 million of the combined fund balance constitutes committed/assigned/unassigned fund balance, which generally is available for spending at the City's discretion. The remainder of the fund balance is restricted to indicate that it is not available for new spending, because it has already been restricted for:

- transportation and street systems (\$60.5 million)
- debt service payments (\$41.4 million)
- general government (\$39.3 million)
- culture and parks (\$13.0 million)
- community development (\$10.5 million)
- other public services (\$3.6 million)
- public safety (\$3.3 million)

The General Fund is the City's chief operating fund. The General Fund's assigned/unassigned fund balance at December 31, 2022 is \$148.3 million, while the total fund balance is \$161.4 million. As a measure of the general fund's liquidity, it may be useful to compare both the assigned/unassigned fund balance and the total fund balance to total fund expenditures. The assigned/unassigned fund balance represents 30.86% of the total fund balance to total fund expenditures, whereas the total fund balance represents 33.60% of that same amount. The fund balance of the General Fund increased by \$30.0 million in fiscal year 2022.

Another major governmental fund is the Debt Service Fund. The Debt Service Fund has a total fund balance of \$33.4 million, all of which will be used either for payment of debt service on the City's general obligation debt or for payment of debt issuance costs. The fund balance of the Debt Service Fund decreased by \$11.0 million for fiscal year 2022.

There are three types of budget transfers, each requiring a successive level of authority. First, the Mayor may, at any time, transfer an unencumbered appropriation balance or portion thereof between appropriations of the same division. Second, transfers between divisions in the same department may be authorized by resolution of the City Council. Third, transfers between departments/agencies may be authorized by ordinance of the City Council.

City of Omaha, Nebraska

Management's Discussion and Analysis Year Ended December 31, 2022

Significant variances between the general fund's actual revenues and expenditures (on the budgetary basis) and the final amended budget are summarized as follows:

- City sales and use tax was \$21.7 million above budget.
- Restaurant tax was \$6.3 million above budget.
- Charges for services were \$4.6 million above budget.
- Business occupation taxes were \$6.4 million below budget.
- Interest income was \$7.4 million below budget.
- Other revenue sources were \$0.3 million above budget.
- The mayor's office, city council, city clerk, law, human resources, human rights and relations, finance, planning, parks and recreation, and public works were collectively \$0.6 million under budget.
- The police and fire departments were a combined \$6.2 million under budget. The majority of this is due to the vacancy of sworn officers.
- The Public Library was \$4.0 million over budget due to the relocation of the downtown branch.
- Other budgetary accounts were \$15.6 million over budget due to Contingency and Cash Reserve increases

Proprietary Funds

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

Net position of the Parking Facilities Fund, Sewer Revenue Fund, and other nonmajor enterprise funds amounted to \$16.2 million, \$984.0 million, and \$(6.2) million, respectively, at December 31, 2022. Additional discussion concerning the finances of these funds has already been addressed in the discussion of the City's business-type activities.

City of Omaha, Nebraska

Management’s Discussion and Analysis
Year Ended December 31, 2022

Capital Asset and Debt Administration

Capital Assets

The City’s investment in capital assets for its governmental and business-type activities as of December 31, 2022, is approximately \$3.1 billion (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, streets, bridges, storm sewers, sanitary sewers, event facilities, and wastewater treatment plants. The total change in the City’s investment in capital assets for the current year was a net increase of 10.2% (an increase of 12.6% for governmental activities and an increase of 7.1% for business-type activities).

| | Governmental Activities | | Business-type Activities | | Total | | % change |
|-------------------------------|----------------------------|---------|-----------------------------|---------|---------|---------|----------|
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | |
| | (In millions) | | | | | | |
| Land | \$ 149.4 | 149.4 | 13.0 | 5.3 | 162.4 | 154.7 | 4.98% |
| Cultural assets | 9.8 | 6.6 | — | — | 9.8 | 6.6 | 48.48% |
| Construction in progress | 307.9 | 282.7 | 271.7 | 192.0 | 579.6 | 474.7 | 22.10% |
| Buildings | 286.4 | 294.9 | 27.3 | 30.0 | 313.7 | 324.9 | -3.45% |
| Buildings - RTU | 46.4 | — | — | — | 46.4 | — | 0.00% |
| Machinery and equipment | 52.2 | 42.8 | 13.8 | 12.0 | 66.0 | 54.8 | 20.44% |
| Machinery and equipment - RTU | 0.1 | — | 0.2 | — | 0.3 | — | 0.00% |
| Infrastructure | 917.3 | 795.5 | 960.5 | 962.3 | 1,877.8 | 1,757.8 | 6.83% |
| Total | \$ 1,769.5 | 1,571.9 | 1,286.5 | 1,201.6 | 3,056.0 | 2,773.5 | 10.19% |

Major capital asset events during 2022 included the following:

- Construction continued on the City’s sewer system including the CSO program with capital outlays of \$144.1 million.
- Parking garage construction with capital outlay of \$5.1 million.
- Construction in progress citywide totaled \$579.7 million.
- Annual citywide depreciation expense for governmental activities totaled \$56.5 million.
- Additional information on the City’s capital assets can be found in note 10 to the financial statements on pages 86 through 88 of this report.

City of Omaha, Nebraska

Management's Discussion and Analysis Year Ended December 31, 2022

Long-Term Debt

At December 31, 2022, the City had total long-term debt outstanding of \$1.3 billion. Of this amount, \$579.1 million is general obligation debt backed by the full faith and credit of the City; \$376.0 million of revenue bonds secured solely by specified revenue sources; \$43.4 million of special obligation bonds backed by a variety of revenue sources, including sales tax and property tax; \$41.3 million of special tax revenue bonds backed by a redevelopment property tax levy; \$235.3 million of lease purchase bonds backed by annual general fund appropriations; and \$0.2 million of notes payable backed by a variety of revenue sources.

| | Governmental Activities | | Business-type Activities | | Total | |
|---------------------------|----------------------------|-------|-----------------------------|-------|---------|---------|
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2020 |
| | | | (In millions) | | | |
| General obligation bonds | \$ 579.1 | 549.2 | - | - | 579.1 | 549.2 |
| Revenue bonds | 0.6 | 0.8 | 375.4 | 384.2 | 376.0 | 385.0 |
| Special obligation bonds | 30.7 | 36.9 | 12.7 | 14.3 | 43.4 | 51.2 |
| Special tax revenue bonds | 41.3 | 44.0 | - | - | 41.3 | 44.0 |
| Financed purchase bonds | 219.7 | 227.5 | 15.6 | 16.7 | 235.3 | 244.2 |
| Notes payable | 0.2 | 0.4 | - | - | 0.2 | 0.4 |
| Total | \$ 871.6 | 858.8 | 403.0 | 415.2 | 1,275.3 | 1,274.0 |

During 2022, the City's total debt increased by \$1.3 million (0.1%). The City issued \$125.3 million for governmental activities projects. The City also retired \$97.7 million of outstanding debt for governmental activities. These actions account for the slight increase in outstanding debt for governmental activities.

At December 31, 2022, the City maintained an AA+ rating from Standard & Poor's Corporation and an Aa2 rating from Moody's Investors Service on general obligation bonds.

Under the City's Home Rule Charter, the total amount of general obligation indebtedness outstanding at any time shall not exceed 3.5% of the actual value of taxable real and personal property in the City. The legal debt margin as of December 31, 2022, is \$1,035.3 million.

Additional information on the City's long-term debt can be found in notes 6 and 7 to the financial statements on pages 57 through 68junk

of this report.

Economic Factors and Next Year's Budget and Rates

- Revenue
 - Sales tax continues to be a large source of revenue for the City and continues to increase at a steady pace. Net sales tax receipts are projected at \$205.7 million which is a 7.6% increase over the 2022 budget. Sales tax continues to be the largest revenue source for the general fund at 43.3% of revenues on a budgetary basis.

City of Omaha, Nebraska

Management's Discussion and Analysis Year Ended December 31, 2022

- Property tax valuations increased by 6.3% (when excluding annexations) compared to the 2022 values. Property tax is a large revenue source and accounts for approximately 26.8% of general fund revenues on a budgetary basis.
- The restaurant tax continues to perform well. Restaurant tax is projected at \$39.8 million in 2023, an estimated increase of 9.9% over the 2022 budget.
- Net general fund revenue increased by 4.0% in the 2022 budget.
- Expenditures
 - The City allocated 73.5% of the General Fund budget for employee compensation, most of which are under contract.
 - In 2023, the City has 3,042 full time positions budgeted. This does not include attrition.
 - The 2023 healthcare budget is \$59.6 million for all funds, and this includes active employees and retirees. This figure does not include employee contributions.
 - \$439.4 million has been budgeted in 2023 for capital expenditures. The CSO, parking, and transportation programs account for 81.5% of budgeted capital expenditures. Estimates for the CSO project are in excess of \$2 billion dollars, and annual sewer rate increases through 2023 have been adopted. Voters approved a \$200 million bond issue in May of 2020 and approved an additional \$120 million in May of 2022 for road repair and maintenance.

The City continues to spend and distribute the \$112.6 million in direct funding from the American Rescue Plan Act (ARPA) of 2021. These funds are being used to replace City revenue losses, support community programs, expand affordable housing, coordinate services for persons experiencing homelessness, respond to pandemic impacts, and promote economic recovery. In addition to ARPA funding, the City has also received Emergency Rental Assistance Program (ERAP) dollars to provide emergency rental assistance for households economically impacted by COVID-19. To date, the City has helped more than 15,000 households.

During 2022, the assigned/unassigned fund balance in the General Fund was \$148.3 million. The City appropriated \$8.0 million of this amount for spending in the 2024 fiscal year. This 2022 appropriation represents the 2022 budget balance carried forward. The City Charter requires that the General Fund budget balance, as of the close of any particular fiscal year, be applied as General Fund revenue in the budget for the fiscal year two years subsequent to that fiscal year.

Requests for Information

This financial report is designed to provide citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the funds it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Omaha, Finance Department, Suite 1004, 1819 Farnam Street, Omaha, Nebraska 68183.

City of Omaha, Nebraska

Statement of Net Position
December 31, 2022

| | Primary Government | | | Aggregate Discretely Presented Component Units |
|---|----------------------------|-----------------------------|----------------------|--|
| | Governmental Activities | Business-type Activities | Total | |
| Assets and Deferred Outflows of Resources | | | | |
| Assets: | | | | |
| Cash and pooled investments | \$ 109,614,393 | \$ 75,645,655 | \$ 185,260,048 | \$ 87,281,481 |
| Investments | 180,563,493 | 110,235,246 | 290,798,739 | 21,271,611 |
| Receivables (net of allowance for uncollectibles) | 409,328,074 | 7,406,506 | 416,734,580 | 34,213,401 |
| Due from other governments | 104,005,425 | 15,499,275 | 119,504,700 | 900,513 |
| Internal balances | (9,500,000) | 9,500,000 | - | - |
| Due from pension trust funds | - | 600,000 | 600,000 | - |
| Accrued interest | 808,679 | 568,189 | 1,376,868 | - |
| Inventories | 2,480,022 | 2,236,406 | 4,716,428 | - |
| Other assets | 11,108,816 | - | 11,108,816 | 1,436,014 |
| Restricted assets: | | | | |
| Investments | - | 36,804,706 | 36,804,706 | - |
| Funds with trustee | 9,058,225 | 148,831 | 9,207,056 | - |
| Capital assets: | | | | |
| Nondepreciable | 467,126,186 | 284,722,183 | 751,848,369 | 733,728 |
| Depreciable | 1,302,402,451 | 1,001,801,109 | 2,304,203,560 | 17,196,787 |
| Total assets | 2,586,995,764 | 1,545,168,106 | 4,132,163,870 | 163,033,535 |
| Deferred outflows of resources: | | | | |
| Pensions | 55,463,273 | 7,657,585 | 63,120,858 | - |
| OPEB | 80,941,643 | 11,696,470 | 92,638,113 | - |
| Loss on refunding of bonds | 17,096,284 | 1,098,391 | 18,194,675 | - |
| Total deferred outflows of resources | 153,501,200 | 20,452,446 | 173,953,646 | - |

See notes to basic financial statements.

| | Primary Government | | | Aggregate |
|---|-------------------------|-----------------------|-----------------------|-------------------------|
| | Governmental | Business-type | Total | Discretely Presented |
| | Activities | Activities | | Component Units |
| Liabilities, Deferred Inflows of Resources, and Net Position | | | | |
| Liabilities: | | | | |
| Accounts payable and other | 52,268,297 | 26,281,122 | 78,549,419 | 111,709,374 |
| Accrued interest payable | 8,523,904 | 2,842,513 | 11,366,417 | - |
| Due to other governments | 1,043,103 | - | 1,043,103 | - |
| Unearned revenue | 115,640,828 | 3,400 | 115,644,228 | - |
| Long-term liabilities: | | | | |
| Due within one year | 110,296,941 | 18,013,221 | 128,310,162 | - |
| Due in more than one year | 2,528,029,017 | 509,206,286 | 3,037,235,303 | 5,264,330 |
| Total liabilities | 2,815,802,090 | 556,346,542 | 3,372,148,632 | 116,973,704 |
| Deferred inflows of resources: | | | | |
| Deferred inflows of resources related to pensions | 44,463,452 | 2,691,538 | 47,154,990 | - |
| Deferred inflows of resources related to OPEB | 68,173,313 | 12,006,149 | 80,179,462 | - |
| Gain on refunding of bonds | 3,759,292 | 591,159 | 4,350,451 | - |
| Total deferred inflows of resources | 116,396,057 | 15,288,846 | 131,684,903 | - |
| Net position (deficit): | | | | |
| Net investment in capital assets | 845,742,609 | 854,651,531 | 1,700,394,140 | 17,930,515 |
| Restricted for: | | | | |
| Debt service | 104,879,251 | 36,124,238 | 141,003,489 | - |
| General | 39,298,737 | - | 39,298,737 | - |
| Public safety | | | | |
| Police | 3,257,170 | - | 3,257,170 | - |
| Fire | 35,952 | - | 35,952 | - |
| Transportation | 60,498,733 | - | 60,498,733 | - |
| Other public service | 3,587,119 | - | 3,587,119 | - |
| Community development | 10,545,178 | - | 10,545,178 | - |
| Culture and parks | 12,943,868 | - | 12,943,868 | - |
| Perpetual care: | | | | |
| Expendable | 32,791 | - | 32,791 | - |
| Nonexpendable | 2,775,389 | - | 2,775,389 | - |
| Unrestricted | (1,275,297,980) | 103,209,395 | (1,172,088,585) | 28,129,316 |
| Total net position (deficit) | \$ (191,701,183) | \$ 993,985,164 | \$ 802,283,981 | \$ 46,059,831 |

City of Omaha, Nebraska

Statement of Activities
Year Ended December 31, 2022

| Functions/programs | Expenses | Program Revenues | | |
|---|-----------------------|-----------------------|------------------------------------|----------------------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| Primary government: | | | | |
| Governmental activities: | | | | |
| General government | \$ 90,580,436 | \$ 12,102,980 | \$ 54,958,882 | \$ - |
| Public safety | 313,359,019 | 27,483,445 | 91,829,771 | - |
| Transportation services | 98,490,197 | 49,454,207 | 50,137,521 | 6,370,861 |
| Other public services | 33,860,837 | 8,014,739 | 2,170,679 | 500,000 |
| Community development | 163,193,061 | 30,568,160 | 8,979,044 | - |
| Culture and parks | 68,888,957 | 12,410,469 | 678,544 | 110,522,104 |
| Interest on long-term debt | 30,406,627 | - | - | - |
| Total governmental activities | 798,779,134 | 140,034,000 | 208,754,441 | 117,392,965 |
| Business-type activities: | | | | |
| Parking | 8,756,081 | 10,174,423 | - | - |
| Sewer | 116,392,644 | 206,356,552 | - | - |
| Citywide Sports | 644,353 | 636,540 | - | - |
| Marinas | 709,310 | 408,475 | - | - |
| Tennis operations | 407,121 | 307,363 | - | - |
| Golf operations and concessions | 5,860,224 | 5,878,626 | - | - |
| Air quality | 508,693 | 654,681 | - | - |
| Printing and graphics | (165,688) | - | - | - |
| River Front Plaza and Marina | 66,614 | 29,750 | - | - |
| Total business-type activities | 133,179,352 | 224,446,410 | - | - |
| Total primary government | \$ 931,958,486 | \$ 364,480,410 | \$ 208,754,441 | \$ 117,392,965 |
| Component units: | | | | |
| MECA | \$ 132,102,427 | \$ 129,191,384 | \$ 5,286,080 | \$ - |
| Heartland Workforce Solutions | 4,893,924 | 283,370 | 4,605,708 | - |
| Total component units | \$ 136,996,351 | \$ 129,474,754 | \$ 9,891,788 | \$ - |
| General revenues: | | | | |
| Property taxes | | | | |
| Motor vehicle taxes | | | | |
| Sales and use taxes | | | | |
| Business taxes | | | | |
| Payments in lieu of taxes | | | | |
| Unrestricted investment earnings (loss) | | | | |
| Gain on sale of capital assets | | | | |
| Transfers | | | | |
| Total general revenues and transfers | | | | |
| Change in net position (deficit) | | | | |
| Net position (deficit), beginning | | | | |
| Net position (deficit), ending | | | | |

See notes to basic financial statements.

Net Revenue (Expense) and Changes in Net Position (deficit)

| Governmental Activities | Business-type Activities | Total | Aggregate Discretely Presented Component Units |
|----------------------------|-----------------------------|-----------------|--|
| \$ (23,518,574) | \$ - | \$ (23,518,574) | \$ - |
| (194,045,803) | - | (194,045,803) | - |
| 7,472,392 | - | 7,472,392 | - |
| (23,175,419) | - | (23,175,419) | - |
| (123,645,857) | - | (123,645,857) | - |
| 54,722,160 | - | 54,722,160 | - |
| (30,406,627) | - | (30,406,627) | - |
| (332,597,728) | - | (332,597,728) | - |
| - | 1,418,342 | 1,418,342 | - |
| - | 89,963,908 | 89,963,908 | - |
| - | (7,813) | (7,813) | - |
| - | (300,835) | (300,835) | - |
| - | (99,758) | (99,758) | - |
| - | 18,402 | 18,402 | - |
| - | 145,988 | 145,988 | - |
| - | 165,688 | 165,688 | - |
| - | (36,864) | (36,864) | - |
| - | 91,267,058 | 91,267,058 | - |
| (332,597,728) | 91,267,058 | (241,330,670) | - |
| - | - | - | 2,375,037 |
| - | - | - | (4,846) |
| - | - | - | 2,370,191 |
| 207,422,342 | 90,767 | 207,513,109 | - |
| 15,173,644 | - | 15,173,644 | - |
| 218,094,271 | - | 218,094,271 | - |
| 73,278,554 | - | 73,278,554 | - |
| 9,421,063 | - | 9,421,063 | - |
| (10,626,748) | (8,128,982) | (18,755,730) | 1,416,612 |
| 7,919,760 | 15,586,897 | 23,506,657 | - |
| 5,317,687 | (5,317,687) | - | - |
| 526,000,573 | 2,230,995 | 528,231,568 | 1,416,612 |
| 193,402,845 | 93,498,053 | 286,900,898 | 3,786,803 |
| (385,104,028) | 900,487,111 | 515,383,083 | 45,274,265 |
| \$ (191,701,183) | \$ 993,985,164 | \$ 802,283,981 | \$ 49,061,068 |

City of Omaha, Nebraska

Balance Sheet—Governmental Funds
December 31, 2022

| | General Fund | Debt Service Fund | Grants | Street and Highway Allocation | Nonmajor Governmental Funds | Total Governmental Funds |
|--|-----------------------|-------------------------|-----------------------|-------------------------------------|-----------------------------------|--------------------------------|
| Assets | | | | | | |
| Cash and pooled investments | \$ 1,931,943 | \$ 26,644,207 | \$ 7,650,335 | \$ 665,598 | \$ 72,722,310 | \$ 109,614,393 |
| Investments | 120,495,511 | - | 52,601,200 | - | 7,466,782 | 180,563,493 |
| Receivables (net of allowance for uncollectibles) | 304,086,833 | 68,255,789 | 40,364 | 2,071,816 | 34,873,272 | 409,328,074 |
| Due from other governments | 42,011,505 | 2,090,097 | 51,279,947 | 7,025,893 | 1,597,983 | 104,005,425 |
| Due from other funds | - | - | - | 27,000,000 | 51,100,000 | 78,100,000 |
| Accrued interest | 567,479 | - | 216,600 | - | 24,600 | 808,679 |
| Inventories | 2,480,022 | - | - | - | - | 2,480,022 |
| Other assets | 8,477,878 | - | - | 5,938 | 2,625,000 | 11,108,816 |
| Restricted assets, funds with trustee | - | - | - | - | 9,058,225 | 9,058,225 |
| Total assets | \$ 480,051,171 | \$ 96,990,093 | \$ 111,788,446 | \$ 36,769,245 | \$ 179,468,172 | \$ 905,067,127 |
| Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits) | | | | | | |
| Liabilities: | | | | | | |
| Accounts payable and other | \$ 28,984,459 | \$ 121,346 | \$ 3,885,524 | \$ 3,577,663 | \$ 12,832,112 | \$ 49,401,104 |
| Due to other governments | 1,040,368 | - | - | - | 2,735 | 1,043,103 |
| Due to other funds | 9,500,000 | - | 58,895,000 | - | 19,205,000 | 87,600,000 |
| Unearned revenue | 68,987,226 | - | 46,637,791 | - | 774 | 115,625,791 |
| Total liabilities | 108,512,053 | 121,346 | 109,418,315 | 3,577,663 | 32,040,621 | 253,669,998 |
| Deferred inflows of resources: | | | | | | |
| Financed purchase revenue | 99,647,118 | - | - | - | - | 99,647,118 |
| Unavailable revenue | 110,485,557 | 63,509,190 | 47,597,007 | 1,131,303 | 32,881,662 | 255,604,719 |
| Total deferred inflows of resources | 210,132,675 | 63,509,190 | 47,597,007 | 1,131,303 | 32,881,662 | 355,251,837 |
| Fund balances: | | | | | | |
| Nonspendable | 10,957,834 | - | - | - | 2,775,387 | 13,733,221 |
| Restricted | 2,193,657 | 33,359,557 | 2,238,762 | 32,060,279 | 101,714,933 | 171,567,188 |
| Committed | - | - | - | - | 19,941,483 | 19,941,483 |
| Assigned | 32,414,453 | - | - | - | 13,779,037 | 46,193,490 |
| Unassigned | 115,840,499 | - | (47,465,638) | - | (23,664,951) | 44,709,910 |
| Total fund balances (deficit) | 161,406,443 | 33,359,557 | (45,226,876) | 32,060,279 | 114,545,889 | 296,145,292 |
| Total liabilities, deferred inflows of resources, and fund balances (deficit) | \$ 480,051,171 | \$ 96,990,093 | \$ 111,788,446 | \$ 36,769,245 | \$ 179,468,172 | \$ 905,067,127 |

See notes to basic financial statements.

City of Omaha, Nebraska

**Reconciliation of Total Governmental Fund Balances to Net Position (Deficit) of Governmental Activities
December 31, 2022**

| | |
|--|---------------------------------------|
| Fund balances—total governmental funds | \$ 296,145,292 |
| Amounts reported for governmental activities in the statement of net position (deficit) are different because: | |
| Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds | 1,769,528,637 |
| Deferred outflows/inflows of resources relating to the loss/gain on refunding of long-term debt and deferred outflows and inflows of resources related to pensions and other postretirement benefits are not current financial resources and, therefore, are not reported in the funds | 37,105,143 |
| Revenues earned during the current period are not available as resources and, therefore, are recorded as unavailable revenues in the funds | 255,604,719 |
| Revenues earned during the current period related to a financed purchase transaction are not current financial resources and, therefore, are not recognized in the funds | 99,632,081 |
| Long-term abilities, including bonds payable, pension liabilities, and other postemployment benefits liabilities are not due and payable in the current period and, therefore, are not reported in the funds (see note 5) | <u>(2,649,717,055)</u> |
| Net position (deficit) of governmental activities | <u><u>\$ (191,701,183)</u></u> |

See notes to basic financial statements.

City of Omaha, Nebraska

Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficits)—
 Governmental Funds
 Year Ended December 31, 2022

| | General Fund | Debt Service Fund | Grants | Street and Highway Allocation | Nonmajor Governmental Funds | Total Governmental Funds |
|---|--------------------|-------------------------|--------------------|-------------------------------------|-----------------------------------|--------------------------------|
| Revenues: | | | | | | |
| Taxes: | | | | | | |
| Property | \$ 121,982,638 | \$ 63,730,227 | \$ - | \$ - | \$ 13,559,704 | \$ 199,272,569 |
| Motor vehicle | 15,173,644 | - | - | - | - | 15,173,644 |
| City sales and use | 218,094,271 | - | - | - | - | 218,094,271 |
| Business | 72,380,961 | - | - | - | 1,150,763 | 73,531,724 |
| In lieu | 9,223,905 | 162,901 | - | - | 34,256 | 9,421,062 |
| Licenses and permits | 12,053,525 | - | - | 39,170 | 5,132,360 | 17,225,055 |
| Intergovernmental | - | 3,559,545 | - | 57,539,217 | 6,802,491 | 67,901,253 |
| Investment income (loss) | (5,944,337) | 1,937 | (3,038,806) | - | (62,348) | (9,043,554) |
| Revenue from Keno | 1,125,701 | - | - | - | 13,041,448 | 14,167,149 |
| Charges for services | 27,909,008 | 1,389,486 | 10,166 | 30,540,175 | 6,047,365 | 65,896,200 |
| Rents, royalties, and other | 6,246,352 | - | - | 93,176 | 9,682 | 6,349,210 |
| Contributions and grants | 42,798 | 73,386 | 151,723,840 | 903,469 | 13,352,963 | 166,096,456 |
| Total revenues | 478,288,466 | 68,917,482 | 148,695,200 | 89,115,207 | 59,068,684 | 844,085,039 |
| Expenditures: | | | | | | |
| Current: | | | | | | |
| General government | 41,150,773 | 594,728 | 2,051,090 | 3,338,761 | 3,733,888 | 50,869,240 |
| Public safety | 293,204,493 | - | 14,123,949 | - | 2,226,811 | 309,555,253 |
| Transportation services | 571,970 | - | 1,313,541 | 62,396,692 | 1,883,851 | 66,166,054 |
| Other public services | 26,292,598 | - | 947,332 | - | 2,785,040 | 30,024,970 |
| Community development | 17,663,816 | - | 135,471,888 | - | 5,997,417 | 159,133,121 |
| Culture and parks | 44,187,267 | - | 2,968,439 | - | 8,955,755 | 56,111,461 |
| Debt service: | | | | | | |
| Principal | 7,390,253 | 59,195,000 | - | 380,000 | 6,811,517 | 73,776,770 |
| Interest | 6,154,400 | 20,092,579 | - | 166,911 | 5,843,923 | 32,257,813 |
| Bond issuance costs | 379,369 | 561,612 | - | - | 290,274 | 1,231,255 |
| Capital outlay | 43,434,870 | - | 176,577 | 7,130,737 | 95,699,682 | 146,441,866 |
| Total expenditures | 480,429,809 | 80,443,919 | 157,052,816 | 73,413,101 | 134,228,158 | 925,567,803 |
| Revenues over (under) expenditures | (2,141,343) | (11,526,437) | (8,357,616) | 15,702,106 | (75,159,474) | (81,482,764) |
| Other financing sources (uses): | | | | | | |
| Transfers in | 7,972,393 | - | 3,039,180 | 17,592 | 17,633,567 | 28,662,732 |
| Transfers out | (17,593,896) | - | (956,315) | (100,000) | (4,694,834) | (23,345,045) |
| Issuance of debt | - | - | - | - | 111,006,060 | 111,006,060 |
| Lease | 41,806,379 | - | - | - | - | 41,806,379 |
| Premium on debt issued | - | 554,770 | - | - | 13,762,098 | 14,316,868 |
| Proceeds on sale of capital assets | - | - | - | - | 8,618,459 | 8,618,459 |
| Payment to escrow agent | - | - | - | - | (24,476,225) | (24,476,225) |
| Total other financing sources (uses) | 32,184,876 | 554,770 | 2,082,865 | (82,408) | 121,849,125 | 156,589,228 |
| Net change in fund balances (deficits) | 30,043,533 | (10,971,667) | (6,274,751) | 15,619,698 | 46,689,651 | 75,106,464 |
| Fund balances (deficits), beginning | 131,362,910 | 44,331,224 | (38,952,125) | 16,440,581 | 67,856,238 | 221,038,828 |
| Fund balances (deficits), ending | \$ 161,406,443 | \$ 33,359,557 | \$ (45,226,876) | \$ 32,060,279 | \$ 114,545,889 | \$ 296,145,292 |

See notes to basic financial statements.

City of Omaha, Nebraska

**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances —Governmental Funds to the Statement of Activities for Governmental Activities
Year Ended December 31, 2022**

| | |
|--|------------------------------|
| Net change in fund balances—total governmental funds | \$ 75,106,464 |
| Amounts reported for governmental activities in the statement of activities are different because: | |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation or amortization expense. This is the amount by which capital outlays exceeded depreciation and amortization expense in the current period (see note 5). | 87,557,997 |
| The net effect of capital contribution transactions, reassignment of capital assets and the sale of capital assets increase net position. | 101,931,793 |
| Deferred outflows and inflows of resources relating to the loss/gain on refundings of long-term debt and deferred outflows and inflows of resources related to postretirement benefits and pensions are not a current financial resource, and therefore, the amortization of these deferred outflows and inflows of resources are not reported as revenues (expenditures) in the funds. | 107,692,542 |
| Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. | 27,025,071 |
| The issuance of long-term debt (e.g., bonds, leases etc.) and long-term liabilities provide current financial resources to governmental funds, whereas the repayment of the principal of long-term liabilities consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of the premiums and discounts, when debt is first issued, whereas these amounts are capitalized and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term liabilities and related items (see note 5). | (59,717,834) |
| Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds (see note 5). | <u>(146,193,188)</u> |
| Change in net position (deficit)—governmental activities | <u>\$ 193,402,845</u> |

See notes to basic financial statements.

City of Omaha, Nebraska

Statement of Net Position (Deficit)—Proprietary Funds
December 31, 2022

| | Parking Facilities Fund | Sewer Revenue Fund | Nonmajor Enterprise Fund | Total Proprietary Funds |
|---|-------------------------------|--------------------------|--------------------------------|-------------------------------|
| Assets | | | | |
| Current assets: | | | | |
| Cash and cash equivalents | \$ 895 | \$ 73,702,873 | \$ 1,941,887 | \$ 75,645,655 |
| Investments | - | 110,235,246 | - | 110,235,246 |
| Receivables (net of allowance) | 597,377 | 6,667,629 | 141,500 | 7,406,506 |
| Due from other governments | - | 15,499,275 | - | 15,499,275 |
| Due from other funds | - | 11,083,000 | 172,000 | 11,255,000 |
| Accrued interest receivable | - | 568,189 | - | 568,189 |
| Inventories | - | 2,214,736 | 21,670 | 2,236,406 |
| Restricted assets: | | | | |
| Fund with trustee | - | 148,831 | - | 148,831 |
| Total current assets | 598,272 | 220,119,779 | 2,277,057 | 222,995,108 |
| Noncurrent assets, restricted assets: | | | | |
| Investments | - | 36,804,706 | - | 36,804,706 |
| Capital assets: | | | | |
| Land | 10,129,454 | 2,867,599 | - | 12,997,053 |
| Construction in progress | 13,186,723 | 258,538,407 | - | 271,725,130 |
| Infrastructure | - | 1,564,315,729 | - | 1,564,315,729 |
| Buildings and systems | 56,975,428 | 62,155,414 | 10,156,742 | 129,287,584 |
| Machinery and equipment | 2,110,100 | 26,556,980 | 3,471,886 | 32,138,966 |
| | 82,401,705 | 1,914,434,129 | 13,628,628 | 2,010,464,462 |
| Less accumulated depreciation | (45,079,750) | (668,506,239) | (10,355,181) | (723,941,170) |
| Capital assets, net | 37,321,955 | 1,245,927,890 | 3,273,447 | 1,286,523,292 |
| Total noncurrent assets | 37,321,955 | 1,282,732,596 | 3,273,447 | 1,323,327,998 |
| Total assets | 37,920,227 | 1,502,852,375 | 5,550,504 | 1,546,323,106 |
| Deferred outflows of resources | | | | |
| Deferred outflows related to pensions | 1,488,067 | 5,814,110 | 355,408 | 7,657,585 |
| Deferred outflows related to OPEB | 677,902 | 10,109,746 | 908,822 | 11,696,470 |
| Loss on refunding of bonds | 8,395 | 1,089,996 | - | 1,098,391 |
| Total deferred outflows of resources | 2,174,364 | 17,013,852 | 1,264,230 | 20,452,446 |

See notes to basic financial statements.

| | Parking Facilities Fund | Sewer Revenue Fund | Nonmajor Enterprise Funds | Total Proprietary Funds |
|---|-------------------------------|--------------------------|---------------------------------|-------------------------------|
| Liabilities | | | | |
| Current liabilities: | | | | |
| Accounts payable and other current liabilities | 2,155,342 | 23,978,927 | 146,853 | 26,281,122 |
| Accrued interest payable | 275,533 | 2,565,528 | 1,452 | 2,842,513 |
| Unearned revenue | - | - | 3,400 | 3,400 |
| Due to other funds | 983,000 | - | 172,000 | 1,155,000 |
| Current installments of long-term debt | 1,170,000 | 15,755,000 | - | 16,925,000 |
| Workers' compensation and health care claims | 29,258 | 596,026 | 129,488 | 754,772 |
| Lease liability | - | - | 99,657 | 99,657 |
| Compensated absences | 7,262 | 186,890 | 39,640 | 233,792 |
| Total current liabilities | 4,620,395 | 43,082,371 | 592,490 | 48,295,256 |
| Noncurrent liabilities: | | | | |
| Long-term debt, excluding current installments | 14,489,799 | 400,402,253 | - | 414,892,052 |
| Net pension liability | 2,069,261 | 39,075,912 | 5,058,731 | 46,203,904 |
| Total OPEB liability | 1,470,800 | 35,483,056 | 4,596,251 | 41,550,107 |
| Workers' compensation and health care claims | 142,784 | 2,908,701 | 631,925 | 3,683,410 |
| Lease liability | - | - | 101,689 | 101,689 |
| Compensated absences | 86,205 | 2,218,384 | 470,535 | 2,775,124 |
| Total noncurrent liabilities | 18,258,849 | 480,088,306 | 10,859,131 | 509,206,286 |
| Total liabilities | 22,879,244 | 523,170,677 | 11,451,621 | 557,501,542 |
| Deferred inflows of resources | | | | |
| Deferred inflows related to pensions | 684,031 | 1,393,340 | 614,167 | 2,691,538 |
| Deferred inflows related to OPEB | 359,838 | 10,729,440 | 916,871 | 12,006,149 |
| Gain on refunding bonds | 8,031 | 583,128 | - | 591,159 |
| Total deferred inflows of resources | 1,051,900 | 12,705,908 | 1,531,038 | 15,288,846 |
| Net position (deficit) | | | | |
| Net investment in capital assets | 32,316,411 | 819,061,673 | 3,273,447 | 854,651,531 |
| Restricted for debt service | - | 36,124,238 | - | 36,124,238 |
| Unrestricted | (16,152,964) | 128,803,731 | (9,441,372) | 103,209,395 |
| Total net position (deficit) | \$ 16,163,447 | \$ 983,989,642 | \$ (6,167,925) | \$ 993,985,164 |

City of Omaha, Nebraska

Statement of Revenues, Expenses and Changes In Net Position (Deficit) —Proprietary Funds
Year Ended December 31, 2022

| | Parking Facilities Fund | Sewer Revenue Fund | Nonmajor Enterprise Funds | Total Proprietary Funds |
|---|-------------------------------|--------------------------|---------------------------------|-------------------------------|
| Operating revenues, charges for services | \$ 10,265,190 | \$ 206,356,552 | \$ 7,915,435 | \$ 224,537,177 |
| Operating expenses: | | | | |
| Personal services | 969,375 | 18,886,568 | 3,574,514 | 23,430,457 |
| Employer pension expense (reduction) | 323,658 | 5,642,344 | (210,607) | 5,755,395 |
| Employer OPEB expense | 81,993 | 1,295,380 | 145,449 | 1,522,822 |
| Outside services | 3,783,426 | 21,919,412 | 1,951,368 | 27,654,206 |
| Operation and maintenance | 1,361,468 | 19,418,746 | 1,566,641 | 22,346,855 |
| Cost of sales and services | - | - | 462,288 | 462,288 |
| Depreciation and amortization | 1,392,637 | 38,475,216 | 540,974 | 40,408,827 |
| Total operating expenses | 7,912,557 | 105,637,666 | 8,030,627 | 121,580,850 |
| Operating income (loss) | 2,352,633 | 100,718,886 | (115,192) | 102,956,327 |
| Nonoperating revenues (expenses): | | | | |
| Investment income (loss) | - | (8,128,982) | - | (8,128,982) |
| Interest expense | (843,525) | (10,754,977) | - | (11,598,502) |
| Gain on sale of capital assets | 15,586,897 | - | - | 15,586,897 |
| Total nonoperating revenues (expenses) | 14,743,372 | (18,883,959) | - | (4,140,587) |
| Net income (loss) before contributions and transfers | 17,096,005 | 81,834,927 | (115,192) | 98,815,740 |
| Transfers in | - | 2,732,104 | 216,403 | 2,948,507 |
| Transfers out | (7,999,791) | (50,000) | (216,403) | (8,266,194) |
| Change in net position (deficit) | 9,096,214 | 84,517,031 | (115,192) | 93,498,053 |
| Net position (deficit), beginning | 7,067,233 | 899,472,611 | (6,052,733) | 900,487,111 |
| Net position (deficit), ending | \$ 16,163,447 | \$ 983,989,642 | \$ (6,167,925) | \$ 993,985,164 |

See notes to basic financial statements.

City of Omaha, Nebraska

Statement of Cash Flows—Proprietary Funds
Year Ended December 31, 2022

| | Parking Facilities Fund | Sewer Revenue Fund | Nonmajor Enterprise Funds | Total Proprietary Funds |
|---|-------------------------------|--------------------------|---------------------------------|-------------------------------|
| Cash flows from operating activities: | | | | |
| Receipts from customers | \$ 10,120,631 | \$ 202,539,663 | \$ 8,052,264 | \$ 220,712,558 |
| Payments to suppliers | (4,079,414) | (50,422,358) | (4,069,750) | (58,571,522) |
| Payments to employees | (630,004) | (13,645,055) | (3,903,950) | (18,179,009) |
| Net cash provided by operating activities | 5,411,213 | 138,472,250 | 78,564 | 143,962,027 |
| Cash flows from noncapital financing activities: | | | | |
| Transfers in (out) | (7,999,791) | 2,682,104 | 3,654 | (5,314,033) |
| Advances (to) from other funds | 983,000 | 45,065,904 | 2,061 | 46,050,965 |
| Net cash (used in) provided by noncapital financing activities | (7,016,791) | 47,748,008 | 5,715 | 40,736,932 |
| Cash flows from capital and related financing activities: | | | | |
| Capital acquisition and construction on capital assets | (7,002,754) | (109,762,914) | (639,964) | (117,405,632) |
| Proceeds from sale of capital assets | 7,999,791 | - | - | 7,999,791 |
| Principal payments on leases | - | - | (154,496) | (154,496) |
| Payments on long-term debt | (1,108,585) | (10,180,976) | - | (11,289,561) |
| Interest paid | (861,617) | (10,860,531) | - | (11,722,148) |
| Net cash used in capital and related financing activities | (973,165) | (130,804,421) | (794,460) | (132,572,046) |
| Cash flows from investing activities: | | | | |
| Purchases of investment securities | - | (236,527,824) | - | (236,527,824) |
| Sale of investment securities | - | 225,254,600 | - | 225,254,600 |
| Interest received | - | 3,192,406 | - | 3,192,406 |
| Net cash used in investing activities | - | (8,080,818) | - | (8,080,818) |
| Net increase (decrease) in cash and cash equivalents | (2,578,743) | 47,335,019 | (710,181) | 44,046,095 |
| Cash and cash equivalents, beginning | 2,579,638 | 26,516,685 | 2,652,068 | 31,748,391 |
| Cash and cash equivalents, ending | \$ 895 | \$ 73,851,704 | \$ 1,941,887 | \$ 75,794,486 |

(Continued)

City of Omaha, Nebraska

Statement of Cash Flows—Proprietary Funds (Continued)
Year Ended December 31, 2022

| | Parking Facilities Fund | Sewer Revenue Fund | Nonmajor Enterprise Funds | Total Proprietary Funds |
|--|-------------------------------|--------------------------|---------------------------------|-------------------------------|
| Reconciliation of operating income (loss) to net cash provided by operating activities: | | | | |
| Operating income (loss) | \$ 2,352,633 | \$ 100,718,886 | \$ (115,192) | \$ 102,956,327 |
| Adjustments to reconcile operating income (loss) to net cash provided by operating activities: | | | | |
| Depreciation and amortization | 1,392,637 | 38,475,216 | 540,974 | 40,408,827 |
| Cash flows impacted by changes in: | | | | |
| Receivables | (144,559) | (1,601,737) | 3,295 | (1,743,001) |
| Inventories | - | (1,103,597) | (618) | (1,104,215) |
| Due from other governmental units | - | (1,111,555) | - | (1,111,555) |
| Deferred outflows of resources related to pensions | (1,354,407) | (1,405,653) | (36,563) | (2,796,623) |
| Deferred outflows of resources related to postretirement benefits | (400,564) | (3,640,601) | (447,158) | (4,488,323) |
| Accounts payable and other current liabilities | 1,471,131 | (2,146,476) | (5,341) | (680,686) |
| Workers' compensation and health care claims | 40,178 | 439,722 | 18,358 | 498,258 |
| Compensated absences | 15,402 | 354,903 | 23,389 | 393,694 |
| Net pension liability | 1,816,733 | 9,212,799 | 659,035 | 11,688,567 |
| Total OPEB liability | 357,970 | 2,098,167 | 144,932 | 2,601,069 |
| Deferred inflows of resources related to postretirement benefits | (260,528) | 2,837,814 | (1,154,222) | 1,423,064 |
| Deferred inflows of resources related to pensions | 124,587 | (4,655,638) | 447,675 | (4,083,376) |
| Net cash provided by operating activities | \$ 5,411,213 | \$ 138,472,250 | \$ 78,564 | \$ 143,962,027 |
| Schedule of noncash investing and financing activities: | | | | |
| Decrease in fair value of investments | \$ - | \$ 8,128,982 | \$ - | \$ 8,128,982 |
| Schedule of noncash capital and related financing activities: | | | | |
| Assets acquired in capital asset exchange | \$ 7,656,110 | \$ - | \$ - | \$ - |

See notes to basic financial statements.

City of Omaha, Nebraska

Statement of Fiduciary Net Position
December 31, 2022

| | Pension Trust Funds | Custodial Funds |
|---|-------------------------|----------------------|
| Assets | | |
| Cash and cash equivalents | \$ 137,114 | \$ 17,059,028 |
| Receivables: | | |
| Accounts receivable (net of allowance for uncollectibles) | 79,529 | 1,109,983 |
| Contributions receivable | 2,047,124 | - |
| Accrued interest | 353,668 | - |
| Due from other governments | 248 | - |
| Investments: | | |
| Corporate bonds | 35,238 | - |
| Bond mutual funds | 49,747,634 | - |
| Equity mutual funds | 47,937,444 | - |
| Domestic equities | 336,737,726 | - |
| International equities | 33,530,071 | - |
| Domestic real estate securities | 292,165,474 | - |
| International real estate | 1,260,387 | - |
| Commodities | 76,717,410 | - |
| Private equity | 320,512,578 | - |
| Hedge funds | 6,575,692 | - |
| Money market mutual funds | 60,784,851 | - |
| Total assets | 1,228,622,188 | 18,169,011 |
| Liabilities | | |
| Accounts payable and other liabilities | 1,464,331 | 2,057,356 |
| Due to other funds | 600,000 | - |
| Total liabilities | 2,064,331 | 2,057,356 |
| Net position restricted | | |
| Employees' pension benefits | 1,226,557,857 | - |
| Restricted for individuals, organizations and other governments | - | 16,111,655 |
| Total net position restricted | \$ 1,226,557,857 | \$ 16,111,655 |

See notes to basic financial statements.

City of Omaha, Nebraska

Statement of Changes in Fiduciary Net Position
Year Ended December 31, 2022

| | Pension Trust Funds | Custodial Funds |
|--|-------------------------|----------------------|
| Additions | | |
| Contributions: | | |
| Employer | \$ 70,327,185 | \$ - |
| Employee | 34,109,720 | - |
| Total contributions | <u>104,436,905</u> | <u>-</u> |
| Investment earnings: | | |
| Dividends and interest | 4,530,326 | - |
| Net realized and unrealized appreciation (loss) | (91,852,685) | - |
| Total investment earnings (loss) | <u>(87,322,359)</u> | <u>-</u> |
| Less investment expenses | (4,402,813) | - |
| Net investment loss | <u>(91,725,172)</u> | <u>-</u> |
| Fee collections for other entities | - | 54,210,432 |
| Miscellaneous | - | 608,938 |
| Total additions | <u>12,711,733</u> | <u>54,819,370</u> |
| Deductions | | |
| Benefit payments | 135,701,228 | - |
| Administrative expenses | - | 899,494 |
| Payments to other entities or individuals | - | 51,203,827 |
| Total deductions | <u>135,701,228</u> | <u>52,103,321</u> |
| Change in net position | (122,989,495) | 2,716,049 |
| Net position restricted for pensions and others, beginning | <u>1,349,547,352</u> | <u>13,395,606</u> |
| Net position restricted for pensions and others, ending | <u>\$ 1,226,557,857</u> | <u>\$ 16,111,655</u> |

See notes to basic financial statements.

City of Omaha, Nebraska

Discretely Presented Component Units Combining Balance Sheet
December 31, 2022

| | MECA | Heartland Workforce Solutions | Total |
|---|-----------------------|-------------------------------------|-----------------------|
| Assets | | | |
| Cash and pooled investments | \$ 87,180,702 | \$ 100,779 | \$ 87,281,481 |
| Investments | 21,271,611 | - | 21,271,611 |
| Receivables (net of allowance for uncollectibles) | 34,166,422 | 46,979 | 34,213,401 |
| Due from other governments | - | 900,513 | 900,513 |
| Other assets | 1,436,014 | - | 1,436,014 |
| Capital assets: | | | |
| Nondepreciable | 733,728 | - | 733,728 |
| Depreciable | 17,192,061 | 4,726 | 17,196,787 |
| Total assets | \$ 161,980,538 | \$ 1,052,997 | \$ 163,033,535 |
| Liabilities and Net Position | | | |
| Liabilities: | | | |
| Accounts payable and other liabilities | \$ 110,863,443 | \$ 845,931 | \$ 111,709,374 |
| Long-term liabilities | | | |
| Other liabilities | 5,264,330 | - | 5,264,330 |
| Total liabilities | 116,127,773 | 845,931 | 116,973,704 |
| Net position: | | | |
| Investment in capital assets | 17,925,789 | 4,726 | 17,930,515 |
| Unrestricted | 27,926,976 | 202,340 | 28,129,316 |
| Total net position | 45,852,765 | 207,066 | 46,059,831 |
| Total liabilities and net position | \$ 161,980,538 | \$ 1,052,997 | \$ 163,033,535 |

See notes to basic financial statements.

City of Omaha, Nebraska

Discretely Presented Component Units Combining Statement of Activities
Year Ended December 31, 2022

| | Expenses | Program Revenues | | | Net Revenue and Changes in Net Position | |
|-------------------------------|-----------------------|-------------------------|--|----------------------|--|----------------------|
| | | Charges for Services | Operating Grants and Contributions | MECA | Heartland Workforce Solutions | Total |
| Functions/programs: | | | | | | |
| Component units: | | | | | | |
| MECA | \$ 132,102,427 | \$ 129,191,384 | \$ 5,286,080 | \$ 2,375,037 | \$ - | \$ 2,375,037 |
| Heartland Workforce Solutions | 4,893,924 | 283,370 | 4,605,708 | - | (4,846) | (4,846) |
| Total component units | \$ 136,996,351 | \$ 129,474,754 | \$ 9,891,788 | 2,375,037 | (4,846) | 2,370,191 |
| General revenues: | | | | | | |
| Investment earnings (losses) | | | | (203,116) | - | (203,116) |
| Total general revenues | | | | (203,116) | - | (203,116) |
| Change in net position | | | | 2,171,921 | (4,846) | 2,167,075 |
| Net position, beginning | | | | 43,680,844 | 211,912 | 43,892,756 |
| Net position, ending | | | | \$ 45,852,765 | \$ 207,066 | \$ 46,059,831 |

See notes to basic financial statements.

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 1. Summary of Significant Accounting Policies

Reporting entity:

The City of Omaha, Nebraska (the City) was incorporated on February 2, 1857. The City operates under a Home Rule Charter and has a mayor-council form of government with an elected full-time chief executive, the Mayor, and an elected legislative body, the council, composed of seven members. The seven council members each represent one of the City's seven districts. The Mayor and members of the council are elected through popular vote to four-year terms. The City is a political subdivision of the state of Nebraska and is exempt from state and federal income taxes.

The governmental reporting entity consists of the City (the primary government) and its component units. Component units are legally separate organizations for which the City is financially accountable or other organizations whose nature and significant relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. Financial accountability is defined as the appointment of a voting majority of the component unit's board and (i) either the City's ability to impose its will on the organization or (ii) there is potential for the organization to provide financial benefit to or impose a financial burden on the City.

The basic financial statements include both blended component units and the City's discretely presented component units. The blended component units, although legally separate entities, are, in substance, part of the City's operations, and data from these units are included with data of the primary government. The City's basic financial statements blend the activity of the City of Omaha Parking Facilities Corporation, the City of Omaha Facilities Corporation, and the City of Omaha Destination Marketing Corporation. The City is financially accountable for these blended component units and also provides operational responsibility and control. Additionally, these corporations provide services entirely to the City. They exist to facilitate the issuance of debt for various city buildings, projects and equipment. Repayment of this debt is the sole responsibility of the City. The Mayor or other City officials appoint all corporation board members.

The City reports its respective ownership percentage of the assets, liabilities, net position, and operating activity of the Omaha-Douglas Public Building Commission (ODPBC), a related party joint venture. The ODPBC was created by state law on May 19, 1971. The purpose of the ODPBC is to provide a means whereby buildings, structures and facilities can be acquired, constructed, remodeled or renovated and financed for use jointly by the City of Omaha and Douglas County. ODPBC is governed by a five-member board of commissioners. Douglas County and the City of Omaha each appoint two members and the resulting four members appoint the fifth member. The City leases space in the Omaha Douglas Civic Center and the adjoining Hall of Justice from the ODPBC under a lease that expires only upon payment of all outstanding bonds of the ODPBC. The annual rental payments are determined based upon actual space occupied by the City for operation and maintenance, which has been determined to be 35.4%. Separate financial statements for ODPBC's fiscal year ended June 30, 2022, are available at 1819 Farnam Street, Omaha, Nebraska 68183.

Note 1. Summary of Significant Accounting Policies (Continued)

The aggregate discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the primary government. The City's basic financial statements discretely present the financial position and activities of the Metropolitan Entertainment & Convention Authority (MECA) and Heartland Workforce Solutions (HWS).

Metropolitan Entertainment & Convention Authority: Metropolitan Entertainment & Convention Authority (MECA) is a separate nonprofit corporation that is responsible for the operation of the Omaha Convention Center/Arena and Downtown Stadium. Title to the facilities and all related infrastructure assets are vested with the City, while title to furniture, fixtures and equipment, leasehold improvements and other similar capital assets vest with MECA. Construction activities were principally funded by private donations and general obligation bonds of the City, and the board members of MECA are appointed by the City. The financial statements for MECA included herein are as of and for the year ended June 30, 2022. MECA's separate financial statements are available at 1819 Farnam Street, Omaha, Nebraska 68183.

Heartland Workforce Solutions: Heartland Workforce Solutions (HWS) is a separate 501(c)(3) nonprofit corporation that was formed in October 2010. HWS administers the Workforce Investment Act to expand employment opportunities for youth, adults and dislocated workers in Douglas, Sarpy and Washington Counties in Nebraska. The organization receives the majority of its funding from the City of Omaha as pass-through federal funds. In 2022, the City of Omaha provided \$772,731 in Keno and General Fund support to HWS. The Mayor of the City of Omaha is the chief elected official of the Tri-County workforce area. The Mayor appoints all board members and approves HWS's budget. The financial statements for HWS included herein are as of and for the fiscal year ended June 30, 2022. Separate financial statements for HWS are available at 1819 Farnam Street, Omaha, Nebraska 68183.

Related Organizations: The City has engaged in related-party transactions as defined under Governmental Accounting Standards Board (GASB) Statement No. 56, *Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards*, with the Omaha Housing Authority, Omaha Airport Authority and Metro Transit Authority where the Mayor or City Council appoints board members to these organizations. The City's accountability for these organizations does not extend beyond making the appointments.

The Douglas Omaha Technology Commission (DOT.Comm) is a governmental entity formed by an interlocal agreement between the City and Douglas County (the County). The purpose of this entity is to increase the cooperative efforts of the County and the City in connection with electronic information, voice and data communication services for governmental operations, and public services. The Mayor appoints two members of the DOT.Comm Oversight Committee, which has a total of seven members. The City Finance Director is a permanent member of the Oversight Committee. DOT.Comm has control over its operations and fiscal matters and holds title to its assets. DOT.Comm's revenues are primarily derived from maintenance fees from the City and County. Separate financial statements can be obtained from its office at 408 South 18th Street, Omaha, Nebraska 68102.

Note 1. Summary of Significant Accounting Policies (Continued)

Basis of presentation:

Government-wide financial statements: The statement of net position and statement of activities display information about the primary government and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize interfund activities. All interfund services provided and used are not eliminated in the process of consolidation. These statements distinguish between the governmental and business-type activities of the City and between the City and its discretely presented component units. Governmental activities, which are primarily supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (1) charges paid by the recipients of goods or services offered by the programs and (2) grants and contributions that are restricted to meeting the operation or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund financial statements: The fund financial statements provide information about the City's funds, including fiduciary funds. Separate statements for each fund category – governmental, proprietary and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are separately aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as investment earnings, result from non-exchange transactions, or ancillary activities.

The City reports the following major governmental funds:

- The *general fund* is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the City that are not accounted for through other funds.
- The *debt service fund* is used to account for the resources for, and the payment of, general long-term debt principal, interest and related costs.
- The *grant fund* is used to account for costs associated with activities related to various grants received by the City, which are designated for a specific purpose or period of time.
- The *street and highway allocation fund* is used to account for usage of State shared vehicle user taxes allocated to the City. Usage of fund proceeds is restricted to street maintenance, improvements and related purposes. In addition to the state gasoline tax portion, cities and counties divide an additional 2 cents per gallon as authorized by the 1985 State Legislature.

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

The City reports the following major proprietary funds:

- The *parking facilities fund* accounts for all revenues from parking garages, surface lots, parking meters and parking violations and late fees, and the related operation, maintenance, and construction expenditures for all parking facilities.
- The *sewer revenue fund* accounts for activity from sewer service charges, construction grants and related expenditures for operation, maintenance and capital improvements of the sanitary sewerage system and wastewater treatment plants.

The City also reports the following additional nonmajor fund types:

- The *special revenue funds* account for the proceeds from specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.
- The *capital projects funds* account for all financial resources received that are restricted, committed or assigned for the acquisition or development of major capital improvements (other than those financed by proprietary funds and trust funds).
- The *debt service fund* is used to account for the financial resources that are restricted, committed or assigned for, the payment of specific long-term debt principal, interest, and related costs of redevelopment debt.
- The *permanent funds* are used to report resources that are legally restricted to the extent that earnings, and not principal, may be used for purposes that support the City's programs for the benefit of the City or its citizenry.
- The *enterprise funds* account for operations that are financed and operated in a manner similar to private business enterprises: (a) where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis are financed or recovered primarily through user charges or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The City also reports the following fiduciary fund types:

- The *pension trust funds* accumulate contributions from the City and its employees and earnings from the funds' investments. Disbursements are made from the funds for pension payments to City retirees.
- The *custodial funds* account for assets held by the City as an agent for various local governments or individuals.

Basis of accounting:

The government-wide, proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been met.

Note 1. Summary of Significant Accounting Policies (Continued)

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Property and sales taxes, interest, certain state and federal grants, and charges for service revenues are recognized when their receipt occurs within 60 days after the end of the accounting period so as to be both measurable and available. Expenditures are generally recorded when a liability is incurred, except for debt service expenditures and other long-term liabilities, which are recorded only when due. General capital assets acquisitions are reported as expenditures in governmental funds. Proceeds and issuances of long-term debt are reported as other financing sources and uses.

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

Pooled cash and investments: The City maintains a pooled cash and investment account for all funds except the pension trust funds. These funds are placed in the custody of the City Treasurer with Reams Asset Management managing the general and sewer funds. Each fund reports its undistributed interest in the principal balance of the pool. Interest earned on the City's pooled cash and investments is credited to the general fund of the City, except for the following accounts from which interest earned is credited directly to the respective account: Don Hayes Memorial, Ralph Anderson Memorial, Cash Reserve, Western Heritage/Byron Reed, Asarco Remediation, Sewer Revenue, Sewer Construction, and Covid Relief Funding accounts. Interest is imputed and transferred to the Police Seized Assets accounts.

Cash and cash equivalents: For purposes of the accompanying statement of cash flows, the City considers all highly liquid debt instruments with an original maturity of three months or less when purchased to be cash equivalents.

Investments: The City's investments in money market mutual funds are carried at amortized cost, which approximates fair value. Investments within the pension trust funds are carried at either fair value or net asset value, which is equivalent to amortized cost. All other investments are carried at fair value. Securities traded on a national or international exchange are valued at the last reported sales prices at current exchange rates and where marketable securities are not listed on an exchange, quotations are obtained from brokerage firms or national pricing services. Income from investments not included in pooled cash and investments that are held by individual funds is recorded in the respective funds as it is received. Accrued interest is recorded on a monthly basis.

Inventories: The City records vehicle maintenance inventories of materials and supplies held for resale at the lower of cost or market using the first-in, first-out method. The costs of inventories are recorded as assets when purchased and expended as used. All other departments record inventories at cost.

Revenue:

Property tax: *Property tax:* Nebraska Legislative Bill (LB) 1114 imposes a tax ceiling for general revenue purposes. The tax levy certified in any year shall not exceed \$0.45 per \$100 of actual valuation. The 2022 general fund allocation tax levy (\$0.28829 per \$100 of assessed valuation) was below the legal limit by \$.16171 or approximately \$68 million.

Note 1. Summary of Significant Accounting Policies (Continued)

The Home Rule Charter of the City imposes a tax ceiling for general revenue purposes. The tax levy certified in any year shall not exceed \$0.6125 per \$100 of actual valuation plus whatever tax levy is necessary to provide for principal and interest payments on the indebtedness of the City for administrative expenses incurred in issuing and maintaining bonds and for the satisfaction of judgments and litigation expenses in connection therewith. The 2022 general tax levy (\$0.46922 per \$100 of assessed valuation) was below the legal limit by \$.14328, or approximately \$60.5 million. The assessed value upon which the 2022 levy was based was \$42,222,474,745.

The tax levies for all political subdivisions in Douglas County are certified by the county board on or before October 15. Real estate taxes are due and become an enforceable lien on property on December 31. The first half of real estate taxes become delinquent on April 1 and the second half becomes delinquent on August 1 following the levy date. Personal property taxes are due on December 31 and become delinquent on April 1 and August 1 following the levy date. Delinquent taxes bear 14% interest.

Street and highway gasoline tax: A gas tax is imposed upon all motor vehicles who purchase gasoline at a pump within the city limits of the City of Omaha. This tax is imposed at the rates authorized by the State of Nebraska.

Wheel tax: Wheel tax is imposed upon all motor vehicles registered within the city limits of the City of Omaha. The wheel tax is imposed at a structured rate based on weight of the vehicle by the City of Omaha. The wheel tax is assessed on a vehicle at the time of initial registration and annually thereafter.

Motor vehicle tax: Motor vehicle tax is imposed upon all motor vehicles registered for operation upon the highways of the State of Nebraska. This tax is imposed at the rates authorized by the State and in the manner and for the purpose specified. The Motor Vehicle Tax is assessed on a vehicle at the time of initial registration and annually thereafter until the vehicle reaches 14 years of age or more. It is based upon the Manufacturer's Suggested Retail Price of the vehicle.

City sales and use tax: A tax imposed upon the sales transactions within the corporate limits of the City on which the State is authorized to impose a tax according to the provisions of the Nebraska Revenue Act of 1967. Sales tax collected by the State is remitted to the City two months after the month of sale. Unremitted sales tax is accrued as receivables/revenue by the City at year-end. The City's sales tax is 1.5% and is added to the 5.5% State sales tax set by the Nebraska Legislature. (The State Department of Revenue retains a 3% collection charge on all of the City's sales tax receipts.) This revenue pays the City's day-to-day operations.

Business tax: Includes the cable television franchise fee, keno administrative fee, hotel/motel occupation tax, restaurant occupation tax, tobacco occupation tax, vehicle rental occupation tax, enhanced employment area occupation tax, Omaha Public Power District occupation tax, Metropolitan Utilities District occupation tax and vending machines concessions. These fees/taxes were implemented to raise money for the City and to fund special projects.

Note 1. Summary of Significant Accounting Policies (Continued)

Taxes in lieu: Includes payments made by tax-exempt quasi-public entities to the local government (including the City) in place of property taxes and payments from the Sewer Revenue Fund. The quasi-public entities include Metropolitan Utilities District (MUD) and Omaha Public Power District (OPPD). MUD pays 2% of the annual gross revenue derived from all retail sales of water and gas sold by the MUD within the City of Omaha. OPPD pays the amount paid in lieu of taxes in 1957 which was \$184,172. The OPPD in-lieu-of tax payment received is distributed to the General, Judgment, Debt Service and Redevelopment Debt Service Funds in the same proportion that each respective ad valorem tax levy is in relation to the total City ad valorem tax levy. The Sewer Revenue Fund contributes 2% of annual gross billings to the General Fund.

License and permits: Includes various licensing fees, permit fees, and other fees related to professional/business activities (beer and liquor permits, firearm permits and pawnbroker's permits). A majority of these fees were implemented to raise money for the City; however, some items were implemented to regulate businesses and professionals that require a license or permit to practice.

Intergovernmental: Includes federal and state grants and state tax distribution. The federal and state grants are sought by the City to help fund specific programs and projects which probably could not be fully funded or implemented without financial assistance from outside agencies and special interest groups. The state tax distribution was set up to provide for State aid to political subdivisions. This revenue source established in 1982, by the State of Nebraska, replaced the City's allocation of personal property tax relief and the City's allocation of proceeds of State sales and income taxes from the State Governmental Subdivision Fund prior to 1983.

Investment income: Revenue source provided from the investment of idle City funds.

Revenue from Keno: Includes the City of Omaha's share of the keno revenues generated under contractual agreements. The City of Omaha receives no less than 12.75% of the gross keno handled, plus unclaimed winning keno tickets. There is one contractor, EHPV Lottery Services LLC, d/b/a Big Red Keno.

Charges for services: Includes various fees and surcharges related to professional and business activities (asbestos removal, parking meters, swimming fees, tree removal). A majority of these fees were implemented to raise money for the City in order to recovers costs of maintenance, upkeep of public property, administration costs, and costs related to the service provided by the City.

Rents, royalties and other: Includes rental of publicly-owned property to private citizens for authorized purposes.

Contributions and grants: Includes federal, state and private funding for various items such as: neighborhood development projects, community development activities, shelter for homeless and temporarily displaced families, housing rehabilitation and home buyer assistance, renovation of Omaha Police Department public safety projects, and after school activities.

Notes to the Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Capital assets: Within the government-wide and proprietary fund financial statements, capital assets, including infrastructure, are recorded at historical cost or at estimated historical cost if actual historical cost is not available. Contributed capital assets, including cultural assets (e.g. works of art), are valued at their acquisition value on the date of donation. Capital assets include public domain infrastructure, such as roads and bridges. The City defines capital assets as assets with individual costs of more than \$10,000 and estimated useful lives in excess of one year. Capital assets used in operations are depreciated or amortized using the straight-line method over the lesser of the lease period or their estimated useful lives in the government-wide and proprietary fund financial statements. Assets are depreciated using the half-year convention in the first and last years of the asset's useful life. Cultural assets are not depreciated.

The estimated useful lives are as follows:

| | |
|---|-------------|
| Infrastructure | 15-50 years |
| Buildings and systems, right-of-use buildings and systems | 15-50 years |
| Improvements | 5-30 years |
| Machinery and equipment | 5-20 years |
| Vehicles | 5-15 years |
| Furniture and Fixtures | 5-7 years |

Leases: Beginning in fiscal year 2022, the City implemented the following statements issued by the Governmental Accounting Standards Board (GASB):

GASB Statement No. 87, *Leases*, this statement is requiring the recognition of lease assets and lease liabilities for all leases with a noncancelable period beyond 12 months. Many of these leases were previously classified as operating leases with inflows of resources and outflows of resources recognized when received or expended.

The result of implementing GASB 87, related to agreements the reporting entity was a lessee on , for the period beginning January 1, 2022; governmental activities capital assets and lease liabilities increased \$7,305,594; Golf operations (non-major enterprise fund) capital assets and lease liabilities increased \$335,842.

As lessee, the City recognizes a lease liability and an intangible right-of-use lease asset at the beginning of a lease unless the lease is considered a short-term lease or transfers ownership of the underlying asset. The thresholds to determine long-term leases follows the City's capital asset thresholds. These assets are measured based on the net present value of the future lease payments at inception using a rate determined by the City's internal hierarchy of discount rates. Payments are allocated first to accrued interest liability and then to the lease liability.

For lease contracts that are short-term, the City recognizes short-term lease payments as inflows of resources (revenues based on the payment provisions of the lease contract. Liabilities are only recognized if payments are received in advance, and receivables are only recognized if payments received subsequent to the reporting period.

For lease contracts that transfer ownership and do not contain termination options are reported as financed purchases and not recorded as a lease under GASB Statement No. 87, *Leases*.

Note 1. Summary of Significant Accounting Policies (Continued)

Compensated absences: Employees earn annual vacation and sick leave at various specific rates during their period of employment. In the event of termination, an employee is reimbursed for accumulated vacation time. This balance is the total of a yearly carryover, up to a maximum of 280 hours for civilian bargaining and civilian management employees, plus the current year's leave balance. Civilian management and bargaining employees are reimbursed for a percentage of accumulated sick leave up to a maximum of 2,000 hours (612.5 maximum paid hours). Civilian and nonexempt management employees have the option of accruing compensatory leave time at a rate of one and one-half times the actual hours worked in lieu of the payment of overtime. Employees may accrue a maximum of 120 hours of compensatory time. The compensatory time must be taken within three months after the end of the calendar year in which it is earned and any remaining amounts are paid out in cash. However, the employee retains the right to cash out the compensatory leave balance at any time.

In the event of termination, police employees are reimbursed for accumulated vacation time up to a maximum of 320 hours, plus the current year leave balance. Upon retirement, death or resignation after 20 years, police employees receive 1 for 1 for the first 1,200 hours of accumulated sick leave and 1 for 4 hours thereafter up to a maximum of 3,200 hours (1,700 maximum paid hours). Police management are reimbursed for accumulated vacation time up to a maximum of 320 hours plus the current year leave balance. Due to the Covid-19 pandemic and the 2020 protests, a memorandum of understanding was signed between the City and the Police Officers Association and Police Managers Association not enforcing the 320-hour carry over limitation for 2020. The maximum hours will gradually be reduced over the next 5 years back to 320 hours. Police management will receive sick leave payout for up to 3,200 hours at the same rates as police employees. Police employees may accrue a maximum of 360 hours of compensatory time. In the event of termination, fire department 24-hour shift employees are reimbursed for accumulated vacation time up to a maximum of 432 hours, plus current year accumulation. Upon retirement or resignation, fire bargaining 24-hour shift employees are reimbursed for accumulated sick leave at 65% of actual hours. For every quarter a fire bargaining employee does not use sick leave or family sick leave, they earn an additional 0.25% up to the maximum of 10% toward their sick leave payoff. In the event of termination, fire management employees are reimbursed for accumulated vacation time up to a maximum of 280 hours, plus current year accumulation. Upon retirement, fire management employees are reimbursed for accumulated sick leave 1 for 1 for the first 1,200 hours and 1 for 4 the next 2,000 hours for a maximum of 1,700 paid hours. In the event of termination, fire department 40-hour shift employees are reimbursed for accumulated vacation time up to a maximum of 291.48 hours, plus current year accumulation. Upon retirement or resignation, 40-hour shift employees are converted to 24-hour shift employees and reimbursed for accumulated sick leave as noted above.

For the government-wide, proprietary and fiduciary fund financial statements, vacation leave and other compensated absences with similar characteristics are accrued as the benefits are earned if the leave is attributable to past service and it is probable that the City will compensate the employees for such benefits. Such accruals are based on current salary rates and include salary-related payments, such as the employer's matching Social Security and Medicare costs, associated with payments made for compensated absences on termination. In the governmental funds, a liability for these amounts is reported only if they are due as a payable.

Risk management: The City is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City is self-insured with respect to its obligation to provide workers' compensation, general liability, property damage, unemployment benefits, and health and dental coverage.

The City purchases commercial insurance for property damage of City buildings and contents. The City purchases commercial insurance for aviation liability for the police aviation unit.

Note 1. Summary of Significant Accounting Policies (Continued)

Long-term obligations: In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are recorded and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expended in the year incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond insurance, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, whereas discounts on debt issuances are reported as other financing uses.

Pensions: For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's Civilian Plan and Uniformed Plan (the Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the Plans. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Postemployment Benefit (OPEB): In the government-wide and proprietary funds statement of net position, liabilities are recognized for the City's other postemployment benefits (OPEB). The city's OPEB is a single employer defined benefit plan used to provide OPEB to its employees and spouses and dependents if elected by the employee. Assets used to pay for these benefits are not administered through a qualifying trust, therefore the total OPEB liability, deferred outflows/inflows of resources, and OPEB expense are recorded in these financial statements.

Interfund transactions: Interfund transactions are reflected as either loans, services provided, reimbursements, or transfers. Loans, which are reported as receivables and payables, are subject to elimination upon consolidation and are referred to as either "due to/from other funds" or "advances to/from other funds."

Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide presentation.

Restricted assets: Restricted assets include deposits with trustees of various enterprise funds and governmental funds.

Deferred outflows of resources: Deferred outflows of resources represent a consumption of net assets that is applied to a future reporting period.

Note 1. Summary of Significant Accounting Policies (Continued)

In the government-wide financial statements and proprietary fund financial statements, there are three types of deferred outflows of resources reported in the applicable statements of net position: (1) deferred loss on refunding of bonds, (2) deferred outflows related to pensions, and (3) deferred outflows related to OPEB.

The loss on refunding represents, for current refundings and advance refundings resulting in defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt and is recognized as a component of interest expense in a systematic and rational manner over the remaining life of the old debtor the life of the new debt, whichever is shorter.

The deferred outflows related to pensions and OPEB are changes in the net pension and total OPEB liabilities that are to be recognized, beginning in the current reporting period, using a systematic and rational method, over a closed period that is either equal to a five-year period (for differences between projected and actual earnings on pension plan investments) or the average of the expected remaining service lives of all employees that are provided with pensions and OPEB through the pension and OPEB plans determined as of the beginning of the measurement period.

Deferred inflows of resources: Deferred inflows of resources represent an acquisition of net assets that is applicable to a future reporting period.

Governmental funds report unavailable revenues as deferred inflows of resources in connection with receivables for revenues not considered available to liquidate liabilities of the current period. The City considers all funds received within 60 days of the end of the fiscal year to be available. Resources received in advance of all eligibility requirements being met, other than time restrictions, are reported as unearned revenue.

Governmental funds report the interest portion of the direct financing lease receivable is reported as deferred inflows of resources, where it is recognized as an inflow of resources in the period that the amount becomes available as earned.

In the government-wide financial statements and proprietary fund financial statements, there are three types of deferred inflows of resources reported in the applicable statements of net position: (1) deferred gain on refunding of bonds, (2) deferred inflows related to pensions, and (3) deferred inflows related to OPEB.

The deferred inflows of resources related to the deferred gain on refunding of bonds, pensions, and OPEB are recognized in a manner consistent with the deferred outflows of resources described above.

Use of estimates: The preparation of the financial statements in conformity with U.S. generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 2. Interfund Receivables, Payables and Transfers

Individual interfund receivables and payables at December 31, 2022 are as follows:

| Receivable Fund | Amount | Payable Fund |
|-------------------------------|---------------|-----------------------------|
| Nonmajor Governmental Funds | \$ 19,205,000 | Nonmajor Governmental Funds |
| Nonmajor Governmental Funds | 31,895,000 | Grants |
| Street and Highway Allocation | 27,000,000 | Grants |
| Nonmajor Enterprise Funds | 172,000 | Nonmajor Enterprise Funds |
| Sewer Revenue Fund | 600,000 | Fiduciary funds |
| Sewer Revenue Fund | 983,000 | Parking |
| Sewer Revenue Fund | 9,500,000 | General Fund |

All remaining balances result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. These interfund amounts are the results of ensuring no fund has negative cash balances.

Transfers are related to funding for capital projects, lease payments, debt service or reallocations of special revenues. The following schedule briefly summarizes the City's transfer activity:

| Transfers Out | Transfers In | | | | | | | Total |
|-------------------------------|---------------------|-------------------|---------------------|-------------------------------|----------------------------|---------------------------|---------------------|----------------------|
| | General Fund | Debt Service Fund | Grant Fund | Street and Highway Allocation | Nonmajor Governmental Fund | Nonmajor Enterprise Funds | Sewer Revenue Funds | |
| Major governmental funds: | | | | | | | | |
| General fund | \$ 7,258,898 | \$ - | \$ 3,039,180 | \$ - | \$ 7,295,818 | \$ - | \$ - | \$ 17,593,896 |
| Grant fund | 563,495 | - | - | - | 231,850 | - | 160,970 | 956,315 |
| Street and Highway Allocation | 100,000 | - | - | - | - | - | - | 100,000 |
| Major enterprise funds: | | | | | | | | |
| Sewer revenue fund | 50,000 | - | - | - | - | - | - | 50,000 |
| Parking fund | - | - | - | - | 7,999,791 | - | - | 7,999,791 |
| Nonmajor enterprise | - | - | - | - | - | 216,403 | - | 216,403 |
| Nonmajor governmental funds | - | - | - | 17,592 | 2,106,108 | - | 2,571,134 | 4,694,834 |
| Total | \$ 7,972,393 | \$ - | \$ 3,039,180 | \$ 17,592 | \$ 17,633,567 | \$ 216,403 | \$ 2,732,104 | \$ 31,611,239 |

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 3. Deposits and Investments

The City has generally pooled the cash resources of the various funds, except the pension trust fund, for investment purposes. Interest earned on pooled funds is credited to the City's general fund, except for a few specific instances, as noted in footnote 1.

Summary: The following is a complete listing of the deposits and investments of the City, excluding the pension trust funds, as of December 31, 2022:

| | |
|---|-----------------------|
| Deposits | \$ 165,447,129 |
| Investments | 327,603,445 |
| Trustee accounts, cash and cash equivalents | 46,011,762 |
| Imprest funds | 67,241 |
| | <u>\$ 539,129,577</u> |

The deposits and investments of the City, excluding the pension trust funds, at December 31, 2022, are reflected in the financial statements as follows:

| Investment Type | Government-Wide Statement of Net Position | Custodial Funds Statement of Net Position | Total |
|-------------------------------|---|---|-----------------------|
| Cash and pooled investments | \$ 185,260,048 | \$ 17,059,028 | \$ 202,319,076 |
| Investments | 290,798,739 | - | 290,798,739 |
| Restricted funds with trustee | 9,207,056 | - | 9,207,056 |
| Restricted investments | 36,804,706 | - | 36,804,706 |
| | <u>\$ 522,070,549</u> | <u>\$ 17,059,028</u> | <u>\$ 539,129,577</u> |

Deposits: Custodial credit risk is the risk that in the event of a bank failure, the City will not be able to recover its deposits. The City's cash deposits are insured up to \$250,000 by the FDIC per FDIC institution. The Public Fund Deposit Security Act, Nebraska Revised Statute 77-2398, requires banks to either provide a deposit guaranty bond or by depositing, pledging, or granting a security interest in a single pool of securities to secure repayment of the City's funds in excess of FDIC insured amounts. All of the City's deposits in excess of FDIC insurance limits at December 31, 2022, were collateralized with securities held by the City's agent in the City's name.

City investments: Investments are stated at fair value. City funds are invested in conformity with the Public Funds Deposit Security Act, Nebraska Revised Statute 77-2387. Allowable investments include, but are not limited to, the following: U.S. Government bonds, notes, treasury bills or notes; bonds or notes to U.S. Government agencies; municipal bonds, certain state and political subdivision bonds, and repurchase agreements. For a full listing of the allowable securities, please see the Nebraska Revised Statute 77- 2387.

Custodial credit risk: Custodial credit risk is the risk that, in the event of the failure of the counterparty, the City would not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's policy requires that all funds on deposit with any financial institution be secured with securities equal or greater than the deposit less any amount insured by the FDIC. The City's investment policy also requires that all investment securities be held in the City's name in the City's safekeeping account in accordance with the Public Funds Deposit Security Act, Nebraska Revised Statute 77-2398.

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 3. Deposits and Investments (Continued)

Interest rate risk: Interest rate risk is the risk that the fair value of the City's investments will decrease as a result of an increase in interest rates. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy is managed in accordance with the State's investment acts and statutes as follows:

| Act Title | Statutory Reference |
|-------------------------------------|--|
| Nebraska State Funds Investment Act | Nebraska State Statute 72-1237-72-1260 |
| Nebraska Capital Expansion Act | Nebraska State Statute 72-1261 to 72-1269 |
| Public Funds Deposit Security Act | Nebraska State Statute 77-2386 to 77-23, 106 |

The City had the following maturities for pooled investments:

| Investment Type | Fair Value | Investment Term | | |
|---------------------------|-----------------------|----------------------|-----------------------|----------------------|
| | | Less Than 1 Year | 1-5 Years | 6-10 Years |
| Corporate bonds and notes | \$ 214,823,079 | \$ 4,639,168 | \$ 149,464,076 | \$ 60,719,835 |
| Foreign corporate bonds | 30,949,759 | - | 29,159,582 | 1,790,177 |
| U.S. Agencies | 8,305,066 | 2,208,668 | 4,712,144 | 1,384,254 |
| U.S. Treasuries | 52,767,963 | 2,466,401 | 50,301,562 | - |
| Money Market | 20,757,578 | 20,757,578 | - | - |
| | <u>\$ 327,603,445</u> | <u>\$ 30,071,815</u> | <u>\$ 233,637,364</u> | <u>\$ 63,894,266</u> |

Credit risk: Credit risk is the risk that the City will not recover its investments due to the inability of the counterparty to fulfill their obligation. State statute limits investment options to certain specific investment vehicles as noted above; however, per the investment policy at all times the weighted average quality of the portfolio will be at least A.

The City's investments had the following credit ratings as of December 31, 2022:

| Investment Issuer | Fair Value | Quality Rating |
|---------------------------|-----------------------|----------------|
| Corporate bonds and notes | \$ 214,823,079 | A- to BBB- |
| Foreign corporate bonds | 30,949,759 | A+ to BBB- |
| U.S. Agencies: | | |
| FNMA, FHLMC | 4,314,038 | AA+ |
| FHLB | 3,991,028 | AA+ |
| U.S. Treasuries | 52,767,963 | AAA |
| Money Market | 20,757,578 | AAA |
| | <u>\$ 327,603,445</u> | |

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 3. Deposits and Investments (Continued)

Concentration of credit risk: Concentration of credit risk is the risk of loss attributed to the magnitude of the City's investment with a single issuer. State statute does not restrict the concentration of a City's investments with any issuer. No single issuer is greater than five percent.

Pension trust funds: The pension trust funds consist of two funds: the Civilian Plan and the Uniformed Plan. These pension programs operate in compliance with Omaha Municipal Code Chapter 22 and Nebraska State Statute 30-3209. City pension funds are invested according to a plan developed and reviewed quarterly by each plan's Investment Committee. The plans define the purposes of the assets, identify the parties responsible for managing the investment process, establish both broad and specific guidelines for the investment of the fund's assets, and establish criteria to monitor and evaluate the performance of the investment managers. The plans authorize investments in common and preferred stocks, corporate bonds, cash equivalent securities, certificates of deposits of insured institutions, money market funds, bank short-term investment funds, GICs, BICs and government bonds. They can be in mutual funds or privately managed accounts.

Interest rate risk: The Pension Board of each plan, with the recommendation from the respective Investment Committee, approves the fund manager agreements. These management agreements outline specific investment policies each manager must adhere to. The Pension Board of each plan adopted updated investment guidelines in 2022. These guidelines restrict the amount of assets that can be invested in fixed income securities. The Police and Fire Plan's approved target range for fixed income securities is between 3.2% and 6.8% of the total portfolio value and the Civilian Plan's approved target range for fixed income securities is between 4.2% and 8.8% of the total portfolio value. Fixed income securities are held in three accounts managed by two managers: \$35,238 in managed accounts and \$49,747,634 in bond mutual funds.

Maturities of the securities in these commingled funds are as follows:

| Investment Type | Fair Value | Investment Team | | | |
|-------------------|---------------|---------------------|-------------|--------------|-----------|
| | | Less Than 1 Year | 1 - 5 Years | 6 - 10 Years | 10+ Years |
| Comingled funds: | | | | | |
| Corporate bonds | \$ 35,238 | 0.0% | 0.0% | 0.0% | 100.0% |
| Bond mutual funds | \$ 49,747,634 | 2.6% | 21.5% | 40.5% | 35.4% |

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 3. Deposits and Investments (Continued)

Credit risk: Credit risk is the risk that an issuer or other counterparty to an investment will not be able to fulfill its obligations. The Investment Committee of each plan monitors and selects the fund managers based on an investment policy that diversifies the plan's risks. Each manager employs a varying type of investment style. The following table shows the quality ratings of the investment securities held by investment managers as of December 31, 2022:

| Managed Accounts | | |
|-------------------|---------|---------------------|
| | Ratings | Percentage of Total |
| Investment type: | | |
| Corporate bonds | AAA/A- | 97.0% |
| U.S. Agencies | N/R | 3.0 |
| | | 100.0% |
| Bond Mutual Funds | | |
| | | Percentage of Total |
| Rating: | | |
| Aaa | | 2.6% |
| Baa | | 5.5 |
| B | | 46.8 |
| Caa | | 9.8 |
| N/R | | 35.3 |
| | | 100.0% |

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 3. Deposits and Investments (Continued)

Concentration of credit risk: Concentration of credit risk is the risk of the loss attributed to the magnitude of the pension plans investments with a single issuer. See footnote 10 for each pension plan's target asset allocations by asset class and see the actual asset allocations as of December 31, 2022 for the pension plans in the table below. Domestic equities, international equities, domestic real estate, and private equity in excess of 5% of total pension investments as of December 31, 2022, as disclosed in the following table:

| Investment Type | Fair Value | Percentage Allocated |
|---------------------------|-------------------------|----------------------|
| Corporate bonds | \$ 35,238 | 0.0% |
| Bond mutual funds | 49,747,634 | 4.1 |
| Equity mutual Funds | 47,937,444 | 3.9 |
| Domestic equities | | |
| Deprince, Race & Zollo | 59,526,457 | 4.9 |
| Other issuers | 277,211,269 | 22.6 |
| International equities: | 33,530,071 | 2.7 |
| PGIM PRISA I | 50,310,775 | 4.1 |
| PGIM PRISA II | 151,426,386 | 12.4 |
| PGIM PRISA III | 90,428,314 | 7.4 |
| International real estate | 1,260,387 | 0.1 |
| Farmland | 76,717,410 | 6.3 |
| Habourvest partners | 270,116,685 | 22.0 |
| Other issuers | 50,395,893 | 4.1 |
| Hedge funds | 6,575,692 | 0.5 |
| Cash | 60,784,851 | 4.9 |
| Total | <u>\$ 1,226,004,506</u> | <u>100.0%</u> |

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

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

Level 2—Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities

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

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 3. Deposits and Investments (Continued)

Recurring Measurements – The following table presents the fair value measurements of assets and liabilities recognized in the accompanying statement of fiduciary position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2022. Money market mutual funds are carried at cost, which approximates fair value, and thus are not included within the fair value hierarchy.

| | Carrying Value | Fair Value Measurements Using | | |
|---|-------------------------|--|---|--|
| | | (Level 1) Prices in Active Markets for Identical Assets | (Level 2) Significant Other Observable Inputs | (Level 3) Significant Unobservable Inputs |
| City investments: | | | | |
| Fixed income | | | | |
| Corporate and foreign bonds and notes | \$ 245,772,838 | \$ 245,772,838 | \$ - | \$ - |
| U.S. Treasury and Agency | 61,073,029 | 61,073,029 | - | - |
| | 306,845,867 | \$ 306,845,867 | - | \$ - |
| Other investments measured at amortized cost, money market | 20,757,578 | | | |
| Total City investments | <u>\$ 327,603,445</u> | | | |
| Pension trust funds: | | | | |
| Equities: | | | | |
| Domestic | \$ 304,944,958 | \$ 189,577,975 | \$ 115,366,983 | \$ - |
| International | 33,530,071 | - | 33,530,071 | - |
| Mutual funds | 47,937,444 | 10,135,408 | 37,802,036 | - |
| Fixed income: | | | | |
| Corporate bonds and other | 35,238 | - | 35,238 | - |
| Mutual bond funds | 49,747,634 | - | 49,747,634 | - |
| | 436,195,345 | \$ 199,713,383 | \$ 236,481,962 | \$ - |
| Other investments measured at net asset value (A) | 729,024,308 | | | |
| Investments measured at amortized cost, Money market mutual funds | 60,784,853 | | | |
| | <u>\$ 1,226,004,506</u> | | | |

(A) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy.

Following is a description of the valuation methodologies and inputs used for assets and liabilities measured at fair value on a recurring basis and recognized in the accompanying statements of financial position, as well as the general classification of such assets and liabilities pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the year ended December 31, 2022.

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 3. Deposits and Investments (Continued)

Investments: Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy.

Other investments measured at net asset value: Investments valued using the net asset value (NAV) per share (or its equivalent) are considered “alternative investments” and, unlike more traditional investments, generally do not have readily obtainable market values and take the form of limited partnerships. The City values these investments based on the partnerships’ audited financial statements. If December 31 statements are available, those values are used preferentially. However, some partnerships have fiscal years ending at other than December 31. If December 31 valuations are not available, the value is progressed from the most recently available valuation taking into account subsequent calls and distributions. These investments held at December 31, 2022 consist of the following:

| | Carrying Value | Unfunded Commitments | Redemption Frequency (if currently eligible) | Redemption Notice Period |
|-------------------------------|-----------------------|-----------------------|--|--------------------------|
| Domestic Real Estate (A) | \$ 292,165,473 | \$ 3,583,823 | Quarterly | 90 days |
| International Real Estate (A) | 19,436,029 | - | Liquidation only | N/A |
| Private Equity Funds (B) | 320,512,578 | 147,443,750 | N/A | N/A |
| Farmland | 58,541,768 | - | Quarterly after 6/24/2027 | 180 days |
| Domestic Equities | 6,176,693 | - | N/A | N/A |
| Hedge Funds | 6,575,692 | - | N/A | N/A |
| International Equities | 25,616,075 | - | N/A | N/A |
| | <u>\$ 729,024,308</u> | <u>\$ 151,027,573</u> | | |

- (A) This category includes several real estate funds that invest primarily in U.S. commercial real estate. These investments can be redeemed quarterly with at least 90 days of redemption notice.
- (B) This category includes 18 private equity funds that invest in both domestic and global markets. These investments can never be redeemed with the funds. Instead, the nature of the investments in this category is that distributions are received through the liquidation of underlying assets of the fund. If these investments were held, it is estimated the underlying assets of the fund would be liquidated over five to eight years.

Notes to the Basic Financial Statements

Note 4. Net Position/Fund Balances

The government-wide and proprietary fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

Net investment in capital assets: This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvements of those assets or related debt are also included in this component of net position. The portion of the debt attributable to unspent proceeds is not included in the calculations of net investment in capital assets.

Restricted net position: This category presents external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Debt service: This fund is restricted for resources for, and the payment of, general long-term debt principal, interest and related costs.

Other: These funds are restricted by external parties for various capital and non-capital projects including library supplies, infrastructure, federal grant projects and others. The restricted amounts and categories are similar to those shown as restricted at the governmental fund level.

Perpetual care: These funds are used to report resources that are legally restricted to the extent that earnings, and not principal, may be used for purposes that support the City's programs for the benefit of the City or its citizenry.

Unrestricted net position (deficit): This category represents the net position of the City which is not restricted and which is not reported in the other two categories. A deficit will require future funding.

Under GASB Statement No. 54, the governmental funds report up to five categories of fund balance. Ranging from the most restrictive to the least restrictive, they are: nonspendable, restricted, committed, assigned and unassigned.

Nonspendable fund balances: Nonspendable fund balances are amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact.

Restricted fund balances: Restricted fund balances represent amounts constrained by creditors, grantors, contributors or laws, and regulations of other governments, or limitations are imposed by law through constitutional provisions or enabling legislation.

Committed fund balances: Committed funds can only be used for specific purposes pursuant to constraints imposed by the highest level of decision making, which is the City Council. Only the City Council, through an ordinance or resolution, can change any fund balance commitment. An ordinance and resolution are equally binding.

Assigned fund balances: Assigned fund balances are intended for specific purposes. All assignments of contracts and purchase orders over \$20,000 are approved by the City Council. A resolution passed by the City Council would explicitly state the specific purpose for the use of funds. For assignments below \$20,000, the City Council has given the Finance Director the authority to assign fund balances to reflect the City's intended use of resources.

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 4. Net Position/Fund Balances (Continued)

Unassigned fund balance: Unassigned fund balance is the residual classification for the general fund. In nonmajor governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

Fund balances are classified as nonspendable, restricted, committed, assigned or unassigned. The City generally spends its resources in the following order, unless special circumstances apply: restricted, committed, assigned and then unassigned. The following provides details of the aggregate amounts displayed on the face of the governmental funds balance sheet:

| | General | Debt Service | Grants | Street and Highway Allocation | Nonmajor Governmental Funds | Total Governmental Funds |
|---|-----------------------|----------------------|------------------------|-------------------------------------|-----------------------------------|--------------------------------|
| Fund balances: | | | | | | |
| Nonspendable: | | | | | | |
| Inventory | \$ 2,480,022 | \$ - | \$ - | \$ - | \$ - | \$ 2,480,022 |
| Prepays | 8,477,812 | - | - | - | - | 8,477,812 |
| Permanent principal | - | - | - | - | 2,775,387 | 2,775,387 |
| Total nonspendable | <u>10,957,834</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>2,775,387</u> | <u>13,733,221</u> |
| Restricted: | | | | | | |
| General | - | - | - | - | 39,298,737 | 39,298,737 |
| Public safety: | | | | | | |
| Police | - | - | 1,854,172 | - | 1,402,998 | 3,257,170 |
| Fire | - | - | - | - | 35,952 | 35,952 |
| Transportation | - | - | - | 32,060,279 | 28,438,454 | 60,498,733 |
| Other public services | - | - | - | - | 3,587,119 | 3,587,119 |
| Community development | - | - | 343,025 | - | 10,202,153 | 10,545,178 |
| Culture and parks | 2,193,657 | - | 41,565 | - | 10,741,437 | 12,976,659 |
| Debt service | - | 33,359,557 | - | - | 8,008,083 | 41,367,640 |
| Total restricted | <u>2,193,657</u> | <u>33,359,557</u> | <u>2,238,762</u> | <u>32,060,279</u> | <u>101,714,933</u> | <u>171,567,188</u> |
| Committed: | | | | | | |
| General | - | - | - | - | 2,353,533 | 2,353,533 |
| Other public services | - | - | - | - | 13,774,736 | 13,774,736 |
| Community development | - | - | - | - | 1,667,024 | 1,667,024 |
| Culture and parks | - | - | - | - | 2,146,190 | 2,146,190 |
| Total committed | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>19,941,483</u> | <u>19,941,483</u> |
| Assigned: | | | | | | |
| General | 10,751,559 | - | - | - | 205,690 | 10,957,249 |
| Public safety: | | | | | | |
| Police | 10,261,607 | - | - | - | 1,136,769 | 11,398,376 |
| Fire | 698,498 | - | - | - | 9,729,779 | 10,428,277 |
| Transportation | 7,423,228 | - | - | - | 10,000 | 7,433,228 |
| Other public services | 1,211,256 | - | - | - | - | 1,211,256 |
| Community development | 1,589,437 | - | - | - | 265,658 | 1,855,095 |
| Culture and parks | 478,868 | - | - | - | 2,431,141 | 2,910,009 |
| Total assigned | <u>32,414,453</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>13,779,037</u> | <u>46,193,490</u> |
| Unassigned | <u>115,840,499</u> | <u>-</u> | <u>(47,465,638)</u> | <u>-</u> | <u>(23,664,951)</u> | <u>44,709,910</u> |
| Total fund balance (deficit) | <u>\$ 161,406,443</u> | <u>\$ 33,359,557</u> | <u>\$ (45,226,876)</u> | <u>\$ 32,060,279</u> | <u>\$ 114,545,889</u> | <u>\$ 296,145,292</u> |

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 5. Reconciliation of Government-Wide and Fund Financial Statements

Explanation of certain differences between the governmental funds balance sheet and the government-wide statement of net position: The governmental funds balance sheet includes a reconciliation between the total fund balance of the governmental funds and the total net position of the governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that, "Long-term liabilities, including bonds payable and net pension liabilities, and other postemployment liabilities are not due and payable in the current period and, therefore, are not reported in the funds." The details of this \$2,649,717,055 difference are as follows:

| | |
|---|-------------------------|
| Bonds and notes payable | \$ 651,711,640 |
| Less: issuance discounts | (12,917) |
| Plus: issuance premiums | 84,625,971 |
| Financed purchase | 219,720,607 |
| Lease liability | 48,812,122 |
| Notes payable | 208,836 |
| Contracts payable | 9,949,870 |
| Grants payable | 70,684,776 |
| Accrued interest payable | 8,523,904 |
| Workers' compensation and healthcare claims | 63,004,057 |
| Net pension liability | 929,332,523 |
| Total OPEB liability | 464,221,331 |
| Claims and judgements payable | 8,698,223 |
| Compensated absences | 87,368,919 |
| Other liabilities | 2,867,193 |
| Net difference | <u>\$ 2,649,717,055</u> |

Explanation of certain differences between the governmental funds statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities: Following the governmental funds statement of revenues, expenditures, and changes in fund balances there is a reconciliation between the net change in fund balances – total governmental funds and the change in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains, "Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this \$87,557,997 difference are as follows:

| | |
|-----------------------------------|----------------------|
| Capital outlay | \$ 152,033,393 |
| Depreciation/amortization expense | (64,475,396) |
| Net difference | <u>\$ 87,557,997</u> |

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 5. Reconciliation of Government-Wide and Fund Financial Statements (Continued)

Another element of that reconciliation states, "The issuance of long-term debt (e.g., bonds, leases, etc.) and long-term liabilities provide current financial resources to governmental funds, whereas the repayment of the principal of long-term liabilities consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums and discounts, when debt is first issued, whereas these amounts are capitalized and amortized in the statement of activities." The details of this \$59,717,834 difference are as follows:

| | |
|--|------------------------|
| Debt issued or incurred: | |
| Issuance and reassignment of long-term debt | \$ (111,006,060) |
| Net premium/discount of issued debt | (14,316,868) |
| Leases | (41,806,379) |
| Amortization of premiums, discounts and deferred gain/loss | 7,490,784 |
| Principal repayments on long-term liabilities | 98,430,879 |
| Payments on contracts payable | 1,489,810 |
| Net difference | <u>\$ (59,717,834)</u> |

Another element of that reconciliation states, "Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds." The details of this \$146,193,188 difference are as follows (amounts represent changes in the respective accounts included in the government-wide statements compared to the funds (as applicable):

| | |
|---|-------------------------|
| Grants payable | \$ 2,504,304 |
| Workers' compensation and health claims | (3,242,630) |
| Claims and judgments payable | (4,935,723) |
| Net pension liability | (149,590,097) |
| Total OPEB liability | 9,102,213 |
| Accrued interest payable | (485,649) |
| Compensated absences | 454,394 |
| Net difference | <u>\$ (146,193,188)</u> |

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 6. Bonds Payable and Other Long-Term Obligations

The following is a summary of long-term liability transactions for the year ended December 31, 2022:

| | Balances at January 1, 2022, as restated | Issuances or Other Additions | Retirements or Other Reductions | Balances at December 31, 2022 | Amount Due Within One Year |
|---|--|------------------------------------|---------------------------------------|-------------------------------------|----------------------------------|
| Governmental activities: | | | | | |
| Bonds payable: | | | | | |
| General obligation bonds | \$ 538,530,000 | \$ 89,235,000 | \$ 57,520,000 | \$ 570,245,000 | \$ 59,000,000 |
| Annexed general obligation bonds | 10,495,000 | - | 1,610,000 | 8,885,000 | 680,000 |
| Special tax revenue bonds | 39,045,000 | 7,320,000 | 10,175,000 | 36,190,000 | 2,955,000 |
| Special obligation bonds | 36,910,445 | 14,451,060 | 20,654,865 | 30,706,640 | 4,175,000 |
| Revenue bonds | 750,000 | - | 150,000 | 600,000 | 150,000 |
| Notes from direct borrowings and private placement | 5,150,000 | - | 65,000 | 5,085,000 | 85,000 |
| Unamortized premiums | 77,803,458 | 14,316,868 | 7,494,355 | 84,625,971 | - |
| Unamortized discounts | (16,488) | - | (3,571) | (12,917) | - |
| Total bonds payable | 708,667,415 | 125,322,928 | 97,665,649 | 736,324,694 | 67,045,000 |
| Financed purchases | 227,475,000 | - | 7,754,393 | 219,720,607 | 7,618,717 |
| Lease liability | 7,305,594 | 41,806,379 | 299,851 | 48,812,122 | 516,377 |
| Notes payable | 410,606 | - | 201,770 | 208,836 | 208,836 |
| Contracts payable | 11,439,680 | - | 1,489,810 | 9,949,870 | 1,564,500 |
| Grants payable | 73,189,080 | - | 2,504,304 | 70,684,776 | 7,142,040 |
| Compensated absences | 87,823,313 | 7,367,957 | 7,822,351 | 87,368,919 | 6,788,565 |
| Workers' compensation and healthcare claims | 59,761,427 | 3,242,630 | - | 63,004,057 | 10,714,683 |
| Claims and judgments payable | 3,762,500 | 4,935,723 | - | 8,698,223 | 8,698,223 |
| Net pension liability | 779,742,426 | 149,590,097 | - | 929,332,523 | - |
| Total OPEB liability | 473,323,544 | - | 9,102,213 | 464,221,331 | - |
| Total governmental activities | 2,432,900,585 | 332,265,714 | 126,840,341 | 2,638,325,958 | 110,296,941 |

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 6. Bonds Payable and Other Long-Term Obligations (Continued)

| | Balances at January 1, 2022, as restated | Issuances or Other Additions | Retirements or Other Reductions | Balances at December 31, 2022 | Amount Due Within One Year |
|---|--|------------------------------------|---------------------------------------|-------------------------------------|----------------------------------|
| Business-type activities: | | | | | |
| Parking facilities fund: | | | | | |
| Financed purchases | \$ 16,710,000 | \$ - | \$ 1,105,000 | \$ 15,605,000 | \$ 1,170,000 |
| Unamortized premium | 60,019 | - | 5,220 | 54,799 | - |
| Compensated absences | 78,065 | 21,582 | 6,180 | 93,467 | 7,262 |
| Workers' compensation and healthcare claims | 131,864 | 40,178 | - | 172,042 | 29,258 |
| Net pension liability | 252,528 | 1,816,733 | - | 2,069,261 | - |
| Total OPEB liability | 1,112,830 | 357,970 | - | 1,470,800 | - |
| Total parking facilities fund | 18,345,306 | 2,236,463 | 1,116,400 | 19,465,369 | 1,206,520 |
| Sewer revenue fund: | | | | | |
| Revenue bonds | 361,280,000 | - | 15,315,000 | 345,965,000 | 15,755,000 |
| Unamortized premium | 27,611,863 | - | 1,462,845 | 26,149,018 | - |
| Special obligation bonds | 14,289,555 | 10,768,940 | 12,385,135 | 12,673,360 | - |
| Unamortized premium | 336,660 | 1,920,147 | 336,932 | 1,919,875 | - |
| Compensated absences | 2,050,371 | 595,220 | 240,317 | 2,405,274 | 186,890 |
| Notes from direct borrowings and private placement | 22,940,000 | 6,510,000 | - | 29,450,000 | - |
| Workers' compensation and healthcare claims | 3,065,005 | 439,722 | - | 3,504,727 | 596,026 |
| Net pension liability | 29,863,113 | 9,212,799 | - | 39,075,912 | - |
| Total OPEB liability | 33,384,889 | 2,098,167 | - | 35,483,056 | - |
| Total sewer revenue fund | 494,821,456 | 31,544,995 | 29,740,229 | 496,626,222 | 16,537,916 |
| Nonmajor enterprise activities: | | | | | |
| Compensated absences | 486,785 | 83,559 | 60,169 | 510,175 | 39,640 |
| Lease liability | 335,842 | - | 134,497 | 201,346 | 99,657 |
| Worker's compensation | 743,055 | 34,169 | 15,811 | 761,413 | 129,488 |
| Net pension liability | 4,399,582 | 796,508 | 137,359 | 5,058,731 | - |
| Total OPEB liability | 4,451,319 | 159,527 | 14,595 | 4,596,251 | - |
| Total nonmajor enterprise fund | 10,416,583 | 1,073,763 | 362,431 | 11,127,916 | 268,785 |
| Total business-type activities | 523,583,345 | 34,855,221 | 31,219,060 | 527,219,507 | 18,013,221 |
| Total primary government | \$ 2,956,483,930 | \$ 367,120,935 | \$ 158,059,401 | \$ 3,165,545,465 | \$ 128,310,162 |

Other long-term liabilities for governmental activities, including compensated absences, net pension liability and total OPEB liability, are primarily liquidated by the General Fund.

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 6. Bonds Payable and Other Long-Term Obligations (Continued)

Governmental activities: Bonds payable at December 31, 2022 is comprised of the following individual issues:

| | Original Amount | Original Issued | Issue | General Obligation Bonds | | | Balance December 31, 2022 |
|----|-----------------|-----------------|--|------------------------------------|------------|---------------------|---------------------------|
| | | | | Interest Rate Payable Semiannually | Series Due | First Date Callable | |
| \$ | 205,875,000 | 04/01/04 | G.O. - defeasance bonds | 5.25% | 2004-2027 | None | \$ 83,640,000 |
| | 32,040,000 | 10/12/12 | G.O. - defeasance bonds | 3.00% - 4.00% | 2013-2028 | 2022 | 2,945,000 |
| | 24,970,000 | 09/26/13 | Various purpose - refund series | 2.00% - 5.00% | 2014-2033 | 2023 | 715,000 |
| | 29,215,000 | 11/10/14 | Various purpose - refund series | 2.00% - 5.00% | 2015-2034 | 2024 | 9,270,000 |
| | 41,020,000 | 11/10/14 | G.O. - defeasance bonds | 1.25% - 5.00% | 2015-2031 | 2024 | 12,415,000 |
| | 24,050,000 | 10/22/15 | Various purpose - refund series A | 1.50% - 5.00% | 2016-2035 | 2025 | 6,710,000 |
| | 8,745,000 | 10/22/15 | G.O. - defeasance bonds B | 2.00% - 4.00% | 2017-2032 | 2025 | 1,570,000 |
| | 23,660,000 | 12/15/16 | Various purpose - refund series A | 0.90% - 5.00% | 2017-2036 | 2026 | 16,095,000 |
| | 16,185,000 | 12/15/16 | G.O. - defeasance bonds B | 0.90% - 5.00% | 2017-2025 | None | 2,205,000 |
| | 35,880,000 | 11/09/17 | Various purpose - refund series A | 0.90% - 5.00% | 2018-2037 | 2027 | 25,000,000 |
| | 33,935,000 | 11/09/17 | G.O. - defeasance bonds B | 1.05% - 5.00% | 2019-2034 | 2027 | 29,745,000 |
| | 8,300,000 | 11/09/17 | G.O. crossover refund series C | 2.00% - 5.00% | 2020-2029 | 2027 | 5,790,000 |
| | 52,010,000 | 11/15/18 | Various purpose - refund series A | 1.85% - 5.00% | 2019-2038 | 2027 | 32,480,000 |
| | 7,155,000 | 11/15/18 | G.O. - Various purpose - refund series taxable B | 2.44% - 4.50% | 2020-2038 | 2028 | 4,770,000 |
| | 46,560,000 | 12/17/19 | Various purpose - refunding series 2019 | 3.00% - 5.00% | 2020-2039 | 2029 | 40,520,000 |
| | 57,790,000 | 12/10/20 | Various purpose - refund series A | 3.00%-4.00% | 2021-2040 | 2030 | 49,840,000 |
| | 69,830,000 | 12/10/20 | G.O. - Various purpose - refund series taxable B | 0.32%-2.56% | 2021-2039 | 2030 | 66,035,000 |
| | 96,350,000 | 12/21/21 | G.O. - Various purpose - refunding series 2019 | 3.00% - 5.00% | 2022-2041 | 2031 | 91,265,000 |
| | 89,235,000 | 12/16/2022 | G.O. - Various purpose series 2021 | 5.00% | 2023-2042 | 2032 | 89,235,000 |
| | | | Total general obligation bonds | | | | <u>\$ 570,245,000</u> |

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 6. Bonds Payable and Other Long-Term Obligations (Continued)

| | Original Amount | Original Issued | Issue | Annexed General Obligation Bonds | | First Date Callable | Balance December 31, 2022 |
|----|--------------------|--------------------|-------------|--|---------------|---------------------------|---------------------------------|
| | | | | Interest Rate Payable Semiannually | Series Due | | |
| \$ | 1,290,000 | 05/19/20 | S.I.D. #421 | 2.10% - 2.90% | 2021-2036 | 2025 | \$ 1,160,000 |
| | 2,515,000 | 10/16/17 | S.I.D. #437 | 1.70% - 3.65% | 2018-2037 | 2022 | 110,000 |
| | 1,350,000 | 10/01/18 | S.I.D. #443 | 2.55% - 4.05% | 2019-2037 | 2023 | 130,000 |
| | 3,770,000 | 12/23/19 | S.I.D. #451 | 2.00% - 3.00% | 2020-2034 | 2024 | 3,215,000 |
| | 670,000 | 10/16/17 | S.I.D. #467 | 1.65% - 3.65% | 2018-2037 | 2022 | 30,000 |
| | 800,000 | 10/18/19 | S.I.D. #489 | 2.00% - 2.85% | 2023-2032 | 2024 | 800,000 |
| | 2,100,000 | 09/15/18 | S.I.D. #495 | 2.55% - 4.10% | 2019-2038 | 2023 | 215,000 |
| | 500,000 | 12/15/18 | S.I.D. #502 | 3.25% - 4.40% | 2023-2038 | 2023 | 5,000 |
| | 930,000 | 02/15/18 | S.I.D. #538 | 2.80% - 3.80% | 2022-2038 | 2023 | 65,000 |
| | 510,000 | 12/03/19 | S.I.D. #538 | 2.45% - 3.35% | 2024-2040 | 2024 | 510,000 |
| | 2,080,000 | 08/15/19 | S.I.D. #539 | 2.20% - 3.45% | 2020-2039 | 2024 | 1,955,000 |
| | 715,000 | 05/29/20 | S.I.D. #539 | 2.00% - 3.20% | 2021-2040 | 2025 | 690,000 |
| | | | | Total annexed general obligation bonds | | | <u>8,885,000</u> |
| | | | | Total general obligation and annexed area bonds | | | <u>579,130,000</u> |
| | 1,600,000 | 5/15/2018 | S.I.D. #496 | 3.75% | 2020-2038 | 2023 | 65,000 |
| | 635,000 | 12/15/2018 | S.I.D. #538 | 4.35% | 2023-2039 | 2023 | 20,000 |
| | | | | Total general obligation Long Term Debt Private Placement | | | <u>85,000</u> |
| | | | | Total general obligation Long Term Debt | | | <u>\$ 579,215,000</u> |

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 6. Bonds Payable and Other Long-Term Obligations (Continued)

| Governmental Activities - Special Tax Revenue Bonds | | | | | | | |
|---|---------------------|--|------------------------------------|-------------|---------------------|---------------------------|--|
| Original Amount | Original Issued | Issue | Interest Rate Payable Semiannually | Series Due | First Date Callable | Balance December 31, 2022 | |
| \$ 11,785,000 | 10/25/12 | Special Tax Revenue Refunding Series 2012 | 2.00%–4.00% | 2015 – 2024 | 2022 | \$ 1,500,000 | |
| 6,845,000 | 11/30/17 | Special Tax Revenue Refunding Series 2017A | 1.00%-5.00% | 2018 - 2028 | 2027 | 4,460,000 | |
| 2,935,000 | 11/30/17 | Special Tax Revenue Crossover Refunding Series 2017B | 5.00% | 2020 - 2029 | 2027 | 2,260,000 | |
| 2,935,000 | | | | | | | |
| 2,450,000 | 11/30/17 | Special Tax Revenue Redevelopment Taxable Series 2017C | 2.037%-2.655% | 2019 - 2023 | None | 515,000 | |
| 7,760,000 | 11/21/18 | Special Tax Revenue Redevelopment Series 2018A | 2.10%-5.00% | 2020 - 2038 | 2027 | 6,955,000 | |
| 1,015,000 | 11/21/18 | Special Tax Revenue Redevelopment Taxable Series 2018B | 3.43%-4.60% | 2020 - 2038 | 2027 | 890,000 | |
| 13,145,000 | 12/19/19 | Special Tax Revenue Redevelopment Series 2019A | 4.00%-5.00% | 2021 - 2040 | 2028 | 12,290,000 | |
| 7,320,000 | 1/27/2022 | Special Tax Revenue Redevelopment and RFD 2022A | 2.00%–4.00% | 2023-2032 | 2031 | 7,320,000 | |
| | | | | | | <u>\$ 36,190,000</u> | |
| Governmental Activities - Bonds Private Placement | | | | | | | |
| Original Amount | Original Issued | Issue | Interest Rate Payable Semiannually | Series Due | First Date Callable | Balance December 31, 2022 | |
| \$ 5,000,000 | 07/08/19 | Special Tax Revenue Redevelopment Series 2019(Kiewit) | 0.25% | 2025-2026 | now | \$ 5,000,000 | |
| | | Total Special Tax Revenue Bonds Private Placement | | | | <u>5,000,000</u> | |
| | | Total Special Revenue Bonds | | | | <u>\$ 41,190,000</u> | |
| Governmental Activities - Special Obligation Bonds | | | | | | | |
| Original Amount | Original Issued | Issue | Interest Rate Payable Semiannually | Series Due | First Date Callable | Balance December 31, 2022 | |
| \$ 38,535,000 | 03/25/08 | Riverfront Redevelopment Refund Series 2008 | 4.00%–6.40% | 2009 – 2026 | None | \$ 13,700,000 | |
| 2,555,580 | 11/30/17 | Riverfront Redevelopment Refund Series 2017D | 5.00% | 2025 - 2026 | None | 2,555,580 | |
| 14,451,060 | 1/27/2022 | Special Obligation Refund Series 2022B | 4.00% | 2027-2032 | 2031 | 14,451,060 | |
| | | | | | | <u>\$ 30,706,640</u> | |
| Governmental Activities - Revenue Bonds | | | | | | | |
| Original Amount | Original Issued+B12 | Issue | Interest Rate Payable Semiannually | Series Due | First Date Callable | Balance December 31, 2022 | |
| \$ 1,420,000 | 09/28/06 | Highway Allocation | 3.85%-4.45% | 2007 - 2026 | 2011 | \$ 600,000 | |

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 6. Bonds Payable and Other Long-Term Obligations (Continued)

Business-type activities: Revenue bonds payable at December 31, 2022 comprises the following individual issues:

| Business-Type Activities Revenue Bonds | | | | | | | |
|--|-----------------|--|------------------------------------|-------------|---------------------|---|--|
| Original Amount | Original Issued | Issue | Interest Rate Payable Semiannually | Series Due | First Date Callable | Balance December 31, 2022 | |
| \$ 127,780,000 | 12/04/14 | Sanitary Sewer System Revenue Series 2014 | 1.50%—5.00% | 2015—2044 | 2024 | \$ 108,355,000 | |
| 38,605,000 | 11/29/16 | Sanitary Sewer System Revenue Series 2016 | 3.00%—5.00% | 2017—2036 | 2026 | 30,050,000 | |
| 19,450,000 | 09/12/19 | Sanitary Sewer System | 1.05%—5.00% | 2020—2039 | 2029 | 17,545,000 | |
| 81,650,000 | 11/05/20 | Sanitary Sewer System Revenue Refunding Series 2020A | 4.00% | 2021-2040 | 2030 | 71,270,000 | |
| 129,375,000 | 11/05/20 | Sanitary Sewer System Revenue Refunding Series 2020B | .317%-2.872% | 2021-2042 | 2030 | 118,745,000 | |
| | | | | | | <u>\$ 345,965,000</u> | |
| Business-Type Activities - Bonds Private Placement | | | | | | | |
| Original Amount | Original Issued | Issue | Interest Rate Payable Semiannually | Series Due | First Date Callable | Balance December 31, 2022 | |
| \$ 127,780,000 | 8/27/21 | Sanitary Sewer System Revenue Series 2021 (NDEE Project) | 0.00% | 2024-2043 | Now | \$ 29,450,000 | |
| | | | | | | Total Business-Type Activities Revenue Bonds Private Placement 29,450,000 | |
| | | | | | | Total Business- Type Activities Revenue Bonds <u>\$ 375,415,000</u> | |
| Special Obligation Bonds - Business-Type Activities (Sewer Revenue Fund) | | | | | | | |
| Original Amount | Original Issued | Issue | Interest Rate Payable Semiannually | Series Due | First Date Callable | Balance December 31, 2022 | |
| \$ 1,904,420 | 11/30/17 | Riverfront Redevelopment Project Series 2017D | 5.00% | 2025—2026 | None | 1,904,420 | |
| 10,768,940 | 01/27/22 | Special Obligation Refunding Series 2022B | 4.00% | 2027 - 2032 | 2031 | 10,768,940 | |
| | | | | | | <u>\$ 12,673,360</u> | |

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 6. Bonds Payable and Other Long-Term Obligations (Continued)

As of December 31, 2022, the bonds payable debt service requirements of the City for principal and interest in future years are as follows:

| | Governmental Activities - Bonds | | |
|---------------------------|---------------------------------|-----------------------|-----------------------|
| | Principal | Interest | Total |
| Years ending December 31: | | | |
| 2023 | \$ 66,960,000 | \$ 24,873,801 | \$ 91,833,801 |
| 2024 | 64,745,000 | 22,625,871 | 87,370,871 |
| 2025 | 62,419,765 | 19,667,475 | 82,087,240 |
| 2026 | 57,715,815 | 16,800,282 | 74,516,097 |
| 2027 | 57,547,400 | 14,200,281 | 71,747,681 |
| 2028-2032 | 168,358,660 | 47,420,661 | 215,779,321 |
| 2033-2037 | 111,295,000 | 20,800,166 | 132,095,166 |
| 2038-2042 | 57,585,000 | 4,635,977 | 62,220,977 |
| | <u>\$ 646,626,640</u> | <u>\$ 171,024,514</u> | <u>\$ 817,651,154</u> |

| | Business-Type Activities | | |
|---------------------------|--------------------------|-----------------------|-----------------------|
| | Principal | Interest | Total |
| Years ending December 31: | | | |
| 2023 | \$ 15,755,000 | \$ 12,271,737 | \$ 28,026,737 |
| 2024 | 16,190,000 | 11,792,226 | 27,982,226 |
| 2025 | 16,820,235 | 11,249,798 | 28,070,033 |
| 2026 | 17,854,185 | 10,655,050 | 28,509,235 |
| 2027 | 17,517,600 | 10,035,737 | 27,553,337 |
| 2028-2032 | 96,491,340 | 40,371,443 | 136,862,783 |
| 2032-2037 | 92,370,000 | 23,502,038 | 115,872,038 |
| 2038-2042 | 71,230,000 | 9,303,441 | 80,533,441 |
| 2043-2044 | 14,410,000 | 870,200 | 15,280,200 |
| | <u>\$ 358,638,360</u> | <u>\$ 130,051,670</u> | <u>\$ 488,690,030</u> |

| | Governmental Activities | | |
|---------------------------|--|------------------|---------------------|
| | Notes from direct borrowings and private placement | | |
| | Principal | Interest | Total |
| Years ending December 31: | | | |
| 2023 | \$ 85,000 | \$ 15,808 | \$ 100,808 |
| 2024 | - | 12,500 | 12,500 |
| 2025 | 2,500,000 | 10,937 | 2,510,937 |
| 2026 | 2,500,000 | 4,688 | 2,504,688 |
| | <u>\$ 5,085,000</u> | <u>\$ 43,933</u> | <u>\$ 5,128,933</u> |

| | Business-Type Activities | | |
|---------------------------|--|-------------|----------------------|
| | Notes from direct borrowings and private placement | | |
| | Principal | Interest | Total |
| Years ending December 31: | | | |
| 2023 | \$ - | \$ - | \$ - |
| 2024 | 1,472,500 | - | 1,472,500 |
| 2025 | 1,472,500 | - | 1,472,500 |
| 2026 | 1,472,500 | - | 1,472,500 |
| 2027 | 1,472,500 | - | 1,472,500 |
| 2028-2032 | 7,362,500 | - | 7,362,500 |
| 2033-2037 | 7,362,500 | - | 7,362,500 |
| 2038-2042 | 7,362,500 | - | 7,362,500 |
| 2043 | 1,472,500 | - | 1,472,500 |
| | <u>\$ 29,450,000</u> | <u>\$ -</u> | <u>\$ 29,450,000</u> |

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 6. Bonds Payable and Other Long-Term Obligations (Continued)

General obligation bonds have been approved by the voters and issued by the City for various municipal improvements. These bonds represent indebtedness supported by the full faith and credit of the City.

Notes payable: Notes payable consist of a loan contract between the City and the U.S. Army Corps of Engineers.

| | Governmental Activities | | |
|--------------------------|-------------------------|-----------------|-------------------|
| | Principal | Interest | Total |
| Year ending December 31: | | | |
| 2023 | \$ 208,836 | \$ 7,313 | \$ 216,149 |
| | <u>\$ 208,836</u> | <u>\$ 7,313</u> | <u>\$ 216,149</u> |

Grants payable: On November 23, 2021, the City entered into an agreement with the University of Nebraska to provide \$45 million towards the design and construction of Project NEXT, no resources were received by the City. These payments will be \$4.5M a year for 10 years unless the collection of Tobacco tax in the previous twelve-month period is less than \$4.75M. The City is not required to use other funds to make up any shortfall but may use excess collected in future years to pay the balance.

The City has entered into various legally binding agreements with not-for-profit organizations to provide grant funds with maturities as follows:

| | | |
|---------------------------|--|----------------------|
| Years ending December 31: | | |
| 2023 | | \$ 7,142,040 |
| 2024 | | 7,287,352 |
| 2025 | | 7,440,656 |
| 2026 | | 7,602,392 |
| 2027 | | 7,773,024 |
| 2028-2032 | | 33,439,312 |
| | | <u>\$ 70,684,776</u> |

Tax increment financing notes and bonds: At December 31, 2022, \$426,814,507 of tax increment financing notes and bonds, issued primarily by special districts, were outstanding. Tax increment financing allows cities to create special districts and to make public/private improvements within those districts that will generate public/private-sector development. For a period of 15 years, the tax base is frozen at the predevelopment level, and taxes generated from the incremental increases in assessed value are remitted as payment on the notes and bonds. The developer funds the improvements or obtains financing for the improvements, and the development agreements between the City and developer expressly limit the City's commitment for debt repayment to the incremental tax collected during the 15-year period (20-year period in extremely blighted zones). At the end of the 15-year period (20-year period in extremely blighted zones), the tax jurisdiction collects on the increased property values. The related tax increment districts are not component units of the City; therefore, the City is not liable for the outstanding debt. The City's responsibility for this liability is limited only to remittance of paid taxes.

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 6. Bonds Payable and Other Long-Term Obligations (Continued)

Debt margin/covenants: According to the City Charter, the total amount of general obligation indebtedness (including annexed area bonds) outstanding at any time, which shall include bonds issued, but shall not include bonds authorized until they are issued, shall not exceed 3.5% of the actual value of taxable real and personal property in the City. Debt margin as of December 31, 2022 is calculated as follows:

| | |
|---------------------------|--------------------------------|
| Debt limit | <u>\$ 1,581,160,022</u> |
| General obligation debt | 579,215,000 |
| Debt service fund balance | <u>33,359,557</u> |
| | 545,855,443 |
| Debt margin | <u><u>\$ 1,035,304,579</u></u> |

Revenue bonds and certain other long-term obligations are the obligation of specific enterprise funds and are payable solely from the revenues of the respective funds. Provisions in the revenue bond ordinances contain limitations and restrictions on annual debt service requirements, maintenance of and flow of moneys through various restricted accounts, and minimum amounts to be maintained in various accounts. It is management's opinion the City is in compliance with all such significant provisions.

In substance defeasance—advance refunding: On January 27, 2022, the City issued \$6,415,000 of special tax revenue redevelopment refunding bonds to provide resources to purchase investment securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of \$7,400,000 of special tax revenue redevelopment bonds. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of the statement of net position. The reacquisition price was less than net carrying amount of the old debt by \$83,884. This amount is being presented in the governmental activities column of the statement of net position as a deferred inflow of resources and amortized over the shorter life of the refunded debt or new debt. This refunding was undertaken to reduce total debt service payments over the next 10 years by \$1,146,594 and resulted in an economic gain of \$1,040,350.

On January 27, 2022, the City issued \$14,451,060 of special obligation refunding bonds to provide resources to purchase investment securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of \$16,619,865 of special tax revenue redevelopment bonds. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of the statement of net position. The reacquisition price was less than net carrying amount of the old debt by \$100,607. This amount is being presented in the governmental activities column of the statement of net position as a deferred inflow of resources and amortized over the shorter life of the refunded debt or new debt. This refunding was undertaken to reduce total debt service payments over the next 10 years by \$2,294,643 and resulted in an economic gain of \$2,092,211.

On January 27, 2022, the City issued \$10,765,940 of special obligation refunding bonds to provide resources to purchase investment securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of \$12,385,135 of special obligation bonds. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the business-type activities column of the statement of net position. The reacquisition price was less than net carrying amount of the old debt by \$91,008. This amount is being presented in the business-type activities column of the statement of net position as a deferred inflow of resources and amortized over the shorter life of the refunded debt or new debt. This refunding was undertaken to reduce total debt service payments over the next 10 years by \$1,709,969 and resulted in an economic gain of \$1,559,116.

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 6. Bonds Payable and Other Long-Term Obligations (Continued)

In the current and prior years, the City defeased certain general obligation and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. The amount of in-substance defeased debt outstanding at December 31, 2022 is shown as follows:

| | |
|---|----------------------|
| General obligation bonds: | |
| 2000 Convention Center Series A | \$ 55,700,000 |
| 2013 Various Purpose—Refund Series | 6,435,000 |
| 2014 Various Purpose—Refund Series | 1,565,000 |
| 2015 Various Purpose—Refund Series | 2,160,000 |
| 2013 Various Purpose—Refund Series | 715,000 |
| 2014 Various Purpose—Refund Series | 805,000 |
| 2014 G.O. Defeasance Bonds | 10,010,000 |
| 2015 Various Purpose—Refund Series A | 5,505,000 |
| 2018 Various Purpose—Refund Series A | 1,610,000 |
| | <u>\$ 84,505,000</u> |
| Annexed general obligation bonds: | |
| SID 443C | \$ 980,000 |
| SID 495 E | 1,505,000 |
| SID 502 E | 495,000 |
| SID 538 B | 835,000 |
| SID 496 D | 1,350,000 |
| SID 538 B2 | 615,000 |
| | <u>5,780,000</u> |
| Total general obligation and annexed area bonds | 90,285,000 |
| Governmental activities—lease purchase bonds, Public facilities corp. lease and refunding 2019 C | 334,393 |
| Total governmental activities | <u>\$ 90,619,393</u> |

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 7. Financed Purchase Contracts Payable, Contracts Payable and Lease Liabilities

The City is leasing Charles Schwab Field, parking garages and other facilities, and equipment under noncancelable financed purchase agreements expiring at various times through 2047, at which time title will be conveyed to the City. The net book value of governmental leased assets is approximately \$117.3 million. The net book value of business-type assets is approximately \$10.08 million. The rental payments are designed to equal the debt service requirements of certain nonprofit organizations that financed the construction of the facilities. The City has an option to purchase the facilities at any time by paying an amount equal to the total of all remaining unpaid lease obligations to the lessor at that time.

The following schedule reflects future minimum payments under the finance-purchase agreements and contracts payable together with the present value of the net minimum payments as of December 31, 2022:

| | Governmental Activities | Business-type Activities |
|--|----------------------------|-----------------------------|
| Fiscal years ending: | | |
| 2023 | \$ 18,201,235 | \$ 1,978,383 |
| 2024 | 17,737,249 | 1,977,644 |
| 2025 | 17,887,456 | 1,983,561 |
| 2026 | 17,349,447 | 1,980,231 |
| 2027 | 17,186,116 | 1,808,476 |
| 2028-2032 | 81,266,432 | 9,069,257 |
| 2033-2037 | 73,763,745 | 1,819,607 |
| 2038-2042 | 48,429,109 | - |
| 2043-2047 | 51,836,743 | - |
| Total minimum payments | 343,657,532 | 20,617,159 |
| Less amount representing interest | 113,987,055 | 5,012,159 |
| Total principal obligation under financed purchases with rates of interest from .80% to 5.61% | \$ 229,670,477 | \$ 15,605,000 |

Included in contracts payable is the City's lease for space in the Omaha Douglas Civic Center and the adjoining Hall of Justice under a lease that expires only upon payment of all outstanding bonds of the ODPBC. The annual rental payments are determined based upon actual space occupied by the City for operation and maintenance. Actual rental payments for 2022 were \$2,272,414.

The City has recorded its portion of the ODPBC's debt as of the date of ODPBC's most recent fiscal year-end of June 30, 2022.

The City, as lessee under GASB Statement No. 87, *Leases*, leases equipment, land and building spaces at various locations for its operations, the terms of which expire in various year through 2052. The leases were measured at lease commencement.

City of Omaha, Nebraska

Notes to the Basic Financial Statements

**Note 7. Financed Purchase Contracts Payable, Contracts Payable and Lease Liabilities
(Continued)**

The following is a schedule by year of payments for leases as of December 31, 2022:

| | Governmental Activities - leases | | |
|---------------------------|----------------------------------|----------------------|----------------------|
| | Principal | Interest | Total |
| Years ending December 31: | | | |
| 2023 | \$ 516,377 | \$ 1,298,759 | \$ 1,815,136 |
| 2024 | 1,174,331 | 1,487,552 | 2,661,883 |
| 2025 | 1,187,020 | 1,366,761 | 2,553,782 |
| 2026 | 1,319,190 | 1,296,544 | 2,615,734 |
| 2027 | 1,431,191 | 1,263,800 | 2,694,991 |
| 2028-2032 | 11,792,298 | 5,606,365 | 17,398,662 |
| 2033-2037 | 15,873,863 | 3,592,960 | 19,466,823 |
| 2038-2042 | 9,224,718 | 1,338,914 | 10,563,633 |
| 2043-2047 | 2,885,110 | 740,789 | 3,625,898 |
| 2048-2052 | 3,408,024 | 244,298 | 3,652,322 |
| Total | <u>\$ 48,812,122</u> | <u>\$ 18,236,742</u> | <u>\$ 67,048,864</u> |

| | Business-Type Activities leases | | |
|---------------------------|---------------------------------|-----------------|-------------------|
| | Principal | Interest | Total |
| Years ending December 31: | | | |
| 2023 | \$ 99,657 | \$ 2,502 | \$ 102,159 |
| 2024 | 101,689 | 737 | 102,426 |
| | <u>\$ 201,346</u> | <u>\$ 3,239</u> | <u>\$ 204,585</u> |

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 8. Receivables and Due From Other Governments

The City's receivables and due from other governments as of December 31, 2022 for the City's major and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

| Receivables and Due From Other Governments (in Thousands) | | | | | | | | | | | |
|---|-------------------|------------------|------------------|--------------------------------|------------------|-------------------------------|-------------------------|------------------|---------------|--------------------------------|-------------------|
| | General | Debt Service | Grants | Street and Highway Maintenance | Nonmajor | Total Governmental Activities | Parking Facilities Fund | Sewer Fund | Nonmajor | Total Business-Type Activities | Total |
| Receivables: | | | | | | | | | | | |
| Property taxes | \$ 121,799 | \$ 68,250 | \$ - | \$ - | \$ 11,760 | \$ 201,809 | \$ - | \$ - | \$ - | \$ - | \$ 201,809 |
| Motor vehicle tax | 1,373 | - | - | - | - | 1,373 | - | - | - | - | 1,373 |
| City sales and use tax | 37,812 | - | - | - | - | 37,812 | - | - | - | - | 37,812 |
| State turnback tax | - | 1,952 | - | - | 217 | 2,169 | - | - | - | - | 2,169 |
| Cable TV and gas franchise fee | 1,140 | - | - | - | - | 1,140 | - | - | - | - | 1,140 |
| Telephone occupation tax | 1,007 | - | - | - | - | 1,007 | - | - | - | - | 1,007 |
| Hotel motel occupation tax | 787 | - | - | - | - | 787 | - | - | - | - | 787 |
| Vehicle rental occupation tax | 603 | - | - | - | - | 603 | - | - | - | - | 603 |
| Restaurant tax | 4,904 | - | - | - | - | 4,904 | - | - | - | - | 4,904 |
| MUD & OPPD in lieu of tax | 1,767 | 40 | - | - | 15 | 1,822 | - | - | - | - | 1,822 |
| Lodging tax | - | - | - | - | - | - | - | - | - | - | - |
| Wheel tax | - | - | - | 1,880 | - | 1,880 | - | - | - | - | 1,880 |
| Highway allocation fees | - | - | - | 5,146 | - | 5,146 | - | - | - | - | 5,146 |
| Special assessment | - | 6 | - | - | 5,642 | 5,648 | - | - | - | - | 5,648 |
| Grants | - | - | 51,320 | - | - | 51,320 | - | - | - | - | 51,320 |
| Hotel | 168,634 | - | - | - | - | 168,634 | - | - | - | - | 168,634 |
| Charges for services and other | 6,272 | 98 | - | 2,072 | 18,837 | 27,279 | 597 | 22,167 | 141 | 22,905 | 50,184 |
| | <u>\$ 346,098</u> | <u>\$ 70,346</u> | <u>\$ 51,320</u> | <u>\$ 9,098</u> | <u>\$ 36,471</u> | <u>\$ 513,333</u> | <u>\$ 597</u> | <u>\$ 22,167</u> | <u>\$ 141</u> | <u>\$ 22,905</u> | <u>\$ 536,238</u> |

As of December 31, 2022, the City has recorded an allowance of approximately \$43,478,180 for uncollectible property taxes related to the past six levies.

During 2018, the City direct finance leased the Convention Center Hotel to Omaha Hotel, LLC. Under the lease agreement, Omaha Hotel, LLC has the option to purchase the leased facilities, at any time, at a price equal to the amount required to provide for payment or redemption of the outstanding Convention Center Hotel bonds. The lease provides for fixed annual rentals, payable in monthly installments. At the end of the lease term, the related Convention Center Hotel bonds will be paid in full and Omaha Hotel, LLC in substance receives the leased property at the end of the lease term. In 2020 the City entered into an agreement with Omaha Hotel LLC to forebear \$3,000,000 of payments due in 2020. Omaha Hotel LLC has until 2023 to pay this \$3,000,000. Omaha Hotel LLC will pay 6% interest on this loan. Future minimum lease payments due from Omaha Hotel, LLC at December 31, 2022, together with amounts representing interest are as follows:

| | |
|---------------------------|-----------------------|
| Years ending December 31: | |
| 2023 | \$ 7,403,552 |
| 2024 | 4,561,432 |
| 2025 | 4,681,274 |
| 2026 | 4,805,637 |
| 2027 | 4,923,883 |
| 2028-2032 | 26,530,408 |
| 2033-2037 | 29,898,167 |
| 2038-2042 | 43,220,974 |
| 2043-2046 | 42,609,017 |
| | <u>\$ 168,634,344</u> |

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 8. Receivables and Due From Other Governments (Continued)

Governmental funds report unavailable revenues as deferred inflows of resources in connection with receivables for revenues not considered available to liquidate liabilities of the current period. Resources received in advance of all eligibility requirements being met, other than time restrictions, are reported as unearned revenue.

At December 31, 2022, the various components of unavailable revenue and unearned revenue are as follows:

| | (In thousands) | |
|---|-------------------|-------------------|
| | Unavailable | Unearned |
| Property tax receivable (general fund) | \$ 109,715 | \$ - |
| Property tax receivable (debt service fund) | 61,552 | - |
| Property tax receivable (other governmental funds) | 10,621 | - |
| Special assessments (debt service fund) | 6 | - |
| Special assessments (other governmental funds) | 10,970 | - |
| Charges for services and other (general fund) | 771 | - |
| Charges for services and other (debt service fund) | 1,951 | - |
| Charges for services and other (other governmental funds) | 12,421 | - |
| Grants (other governmental funds) | 47,598 | 115,626 |
| | <u>\$ 255,605</u> | <u>\$ 115,626</u> |

Note 9. Employees' Retirement Plans

Substantially all City employees are covered by one of two single-employer contributory defined benefit pension plans: the City of Omaha Employees' Retirement System (the Civilian Plan) and the City of Omaha Police and Firefighters Retirement System (the Uniformed Plan). These plans are accounted for by the City as pension trust funds and the financial statements are prepared using the accrual basis of accounting. See discussion of the investment policies of the retirement plans in footnote 3. Below is a table that summarizes the net pension liabilities, deferred outflows and inflows of resources, and pension expenses associated with each of the plans. More detailed notes regarding each plan follows:

| | Net Pension Liability | Deferred Outflows of Resources | Deferred Inflows of Resources | Pension Expense |
|--------------------------------|--------------------------|--------------------------------------|-------------------------------------|----------------------|
| Governmental activities: | | | | |
| Civilian | \$ 204,509,238 | \$ 14,862,596 | \$ 7,520,499 | \$ 19,791,624 |
| Uniformed | 724,823,285 | 40,600,677 | 36,942,953 | 58,340,109 |
| Total governmental activities | <u>\$ 929,332,523</u> | <u>\$ 55,463,273</u> | <u>\$ 44,463,452</u> | <u>\$ 78,131,733</u> |
| Business-type activities: | | | | |
| Civilian | \$ 46,203,904 | \$ 7,657,585 | \$ 2,691,538 | \$ 4,471,437 |
| Total business-type activities | <u>\$ 46,203,904</u> | <u>\$ 7,657,585</u> | <u>\$ 2,691,538</u> | <u>\$ 4,471,437</u> |
| Total: | | | | |
| Civilian | \$ 250,713,142 | \$ 22,520,181 | \$ 10,212,037 | \$ 24,263,061 |
| Uniformed | 724,823,285 | 40,600,677 | 36,942,953 | 58,340,109 |
| | <u>\$ 975,536,427</u> | <u>\$ 63,120,858</u> | <u>\$ 47,154,990</u> | <u>\$ 82,603,170</u> |

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 9. Employees' Retirement Plans (Continued)

Civilian plan:

Plan description: The Civilian Plan is a single-employer contributory defined benefit pension plan. All eligible City employees, except the following, are covered by the plan: police; firefighters; persons paid on a contractual or fee basis; seasonal, temporary and part-time employees; and elected officials who do not make a written application. Cost-of-living adjustments are provided to members and beneficiaries at the discretion of the City in accordance with plan provisions. A cost-of-living adjustment currently is provided for members who retired prior to January 28, 1998 after a five-year waiting period. The Pension Board of the City administers the Civilian Plan and the City Council is responsible for establishing or amending plan provisions through the labor agreements. The Pension Board is comprised of seven members as follows: the City Comptroller, the City Human Resources Director, a City Council member, three members of the Civilian Plan, and a trustee, who is not a member of the Civilian Plan. The Civilian Plan does not issue separate financial statements.

Employees covered by benefit terms: Employees covered by benefit terms of the Civilian Plan consisted of the following as of December 31, 2022:

| | |
|--------------------------------|--------------|
| Number of: | |
| Active members | 1,279 |
| Service retirements | 1,164 |
| Surviving spouses and children | 299 |
| Disabled | 35 |
| Deferred vested | 102 |
| Deferred nonvested | 110 |
| Total participants | <u>2,989</u> |

Benefit provisions: The Civilian Plan provides retirement, disability and death benefits to plan members and beneficiaries. Retirement benefits for members hired before March 1, 2015, are calculated as 2.25% of the average final monthly compensation times years of credited service before March 1, 2015, plus 1.90% of the average final monthly compensation times years of credited service after that date.

Members hired on or after March 1, 2015, are covered by a Cash Balance Plan which incorporates many aspects of a defined contribution plan and shares future investment risks with employees. Under the Cash Balance Plan, a member's retirement benefit is calculated based on converting the account balance to a monthly benefit at retirement using annuity factors. Optional forms of payment are available including joint and survivor or life annuities with minimum periods certain, but no lump sum payout. Upon severance of employment by a member not eligible for retirement, a refund of such member's accumulated contributions, including credited interest, will be paid.

Average final monthly compensation: The average final monthly compensation is equal to the member's average compensation during the final 130 pay periods of service. If a member is within 5 years of normal retirement on March 1, 2015, it is based on the average of the highest consecutive 78 pay periods of compensation during the final 130 pay periods of service.

Retirement age: For members hired before March 1, 2015, who are not within 10 years of normal retirement as of that date, the member is eligible to retire, with no reduction, after age 55 if their age plus service is 85 or more (Rule of 85). Otherwise, a member is eligible to retire after age 60 and 5 years of service with a reduction of 8% per year for years prior to age 65. The details about the retirement age for members within 5 and 10 years of retirement as of March 1, 2015, vary based on the respective bargaining unit's contract.

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 9. Employees' Retirement Plans (Continued)

Under the Cash Balance Plan, a member is eligible to have a normal retirement upon reaching age 65 and 10 years of service and early retirement with age 55 and 10 years of service.

Disability benefits: The nonservice-connected disability benefit is calculated by 1.50% of the average final monthly compensation times years of service if the member has 5 years of service at the time of disability. The service-connected disability benefit is calculated at 1.75% of the average final monthly compensation times years of service if the member has 6 months of service at the time of disability.

Under the cash balance plan, the benefits for a service-connected and non-service-connected disability are the same as above, except the required years of service to receive the non-service-connected disability is 10 years of service.

Death benefits: For members hired before the implementation of the Cash Balance Plan, upon the death of an active or retired member, there are two types of beneficiary pensions paid out: spouse's pension and/or children's pension. The spouse's pension is determined based on one of the following situations:

Death of an active member with five years of service or service-connected death and six months of service—A monthly pension equal to 75% of the member's accrued pension is paid to the surviving spouse until death or remarriage.

Death of a member eligible for retirement or death of a retired member—A monthly pension equal to 75% of the pension the member was receiving or was eligible to receive at the time of death until death or remarriage.

The children's pension benefit, as shown below, will be paid to the surviving children until age 18 or prior to death or marriage, except if that child is totally disabled. If the child is totally disabled, the full pension continues to be paid until the cessation of total disability or dependency for support, whichever occurs first.

| Number of Dependent Children | Percentage of Accrued Benefit |
|------------------------------------|-------------------------------------|
| 1 | 5% |
| 2 | 10% |
| 3 | 15% |
| 4 or more | 20% |

The plan also pays out a lump sum death benefit of \$5,000 at the time of the member's death if the member has eligible dependents. If the member has no eligible dependents at the time of death, the accumulated member's contributions less previous pension payments made (if any) plus \$5,000 will be paid out in a lump sum death benefit to the member's beneficiary.

Under the Cash Balance Plan, if a vested member dies before he or she has commenced receiving their pension benefit, the qualified beneficiary will receive a lump sum payout of the full account balance. If a non-vested member dies before he or she has commenced receiving their pension benefit, the qualified beneficiary will receive a payout of the member's contribution balance with 4% interest.

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 9. Employees' Retirement Plans (Continued)

Supplemental pension benefit (COLA): Retirees (including widows, widowers, and children), who retired before January 28, 1998, will receive a Cost of Living Adjustment (COLA) after five years equal to the lesser of 3% or \$50 per month. The COLA is granted for the full remaining period that benefits are payable.

Contributions: Effective January 1, 2015, Civilian Plan members are required to contribute, by payroll deduction, 10.075% of their annual covered salary and the City is required to contribute at a rate of 18.775% of annual covered salary. The contribution requirements of the plan members and the City are established by City Ordinance and determined by actuarial valuation and may be amended by the City Council. Administrative costs for management of the investment funds are financed through investment earnings. Other administrative costs of the Civilian Plan are paid by the City's general fund. Plan member and employer contributions are recognized in the period in which the contributions are due and benefits are provided based on a percentage of the member's final average compensation. Contributions to the Civilian Plan totaled \$9,016 for the employees and \$16,662 for the employer for the year ended December 31, 2022.

Actuarial methods and assumptions: The annual required contribution for the current year was determined as part of the January 1, 2021 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) rate of return on the investment of present and future assets of 7.50% per year compounded annually, (b) projected salary increases of 3.10% to 8.00% per year, including wage inflation at 2.50%, and (c) the assumption that benefits will not increase after retirement except for those members with COLA. As of January 1, 2014, the amortization of the unfunded actuarial accrued liability moved from a single amortization base to a "layered" approach as a level percentage of payrolls on a closed basis over periods of 20 to 25 years, depending on the base. Changes to the unfunded actuarial liability in subsequent years are set up as a new amortization base with payments determined as a level percentage of payroll over a closed 20-year period beginning on that valuation date.

Net pension liability: The components of the net pension liability for the City's Civilian Plan as of December 31, 2022 were as follows:

| | |
|-------------------------|-----------------------|
| Total pension liability | \$ 517,227,830 |
| Fiduciary net pension | (266,514,803) |
| Net pension liability | <u>\$ 250,713,027</u> |

Ratio of fiduciary net position to total pension liability 51.53%

Actuarial assumptions: The total pension liability of the Civilian Plan was determined by an actuarial valuation as of January 1, 2022, rolled forward one year to December 31, 2022 (the measurement date), using the entry age normal cost method and calculated based on the discount and actuarial assumptions below.

| | |
|--|----------------------|
| Inflation | 2.50% |
| Projected salary increases | Rates vary by source |
| Investment rate of return, net of investment expense | 7.50% |
| Interest credited to cash balance accounts | 4.00% |

Note 9. Employees' Retirement Plans (Continued)

The actuarial assumptions used in the valuation are based on the results of the most recent actuarial experience study dated February 7, 2018, which covered the four-year period ending December 31, 2015.

Mortality rates: The following mortality tables were used to calculate the total pension liability on December 31, 2021 for active members, pensioners, disabled retirees, and survivors respectively: Pub-2010 General Employees Amount-Weighted Mortality Table with generational projections using the MP-2021 scale, Pub-2010 General Retirees Amount-Weighted Mortality Table with generational projection using the MP-2021 scale, Pub-2010 General Disabled Retirees Amount Weighted Mortality Table with generational projection using the MP-2021 scale, Pub-2010 General Contingent Survivors Amount-Weighted Mortality Table with generational projection using the MP-2021 scale.

Discount rate: The discount rate used to measure the total pension liability as of December 31, 2022 was 7.50%. The discount rate used to measure the total pension liability at the prior measurement date was 7.50%. The projected cash flows used to determine the discount rate assumed that plan contributions from members and the City will be made at the current contribution rates. Based on those assumptions, the Civilian Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on the Civilian Plan's pension investments was applied to all periods of projected benefit payments to determine the pension liability.

Long-term rate of return: The long-term expected rate of return on pension plan investments was reviewed as part of the regular experience study prepared for the Civilian Plan. The results of the most recent experience study were presented in a report dated February 7, 2018. Some of the factors used in evaluating the long-term rate of return assumption are as follows: long-term historical data, estimates inherent in current market data, and an analysis of best-estimate ranges of expected future real rates of return (expected returns, net of investment expenses and inflation) which, along with estimates of variability and correlations for each asset class, were developed by the Civilian Plan's investment consultant. These ranges were combined to develop the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation and then adding expected inflation. The Civilian Plan's investment consultant provides capital market assumptions for a thirty-year period and was used in the actuary's analysis.

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 9. Employees' Retirement Plans (Continued)

On December 31, 2019 the Civilian Plan was in transition to a new target asset allocation based on investment guidelines approved by the pension board in December 2019. The target asset allocation and best estimates for the rate of return for each asset class, are provided by the plan's investment consultant. As of December 31, 2022 the plan's target allocations are as follows:

| Asset Class | Target Allocation | Long-term Expected Real Rate of Return |
|------------------------------|-------------------|--|
| US High Yield Bonds | 6.5% | 3.4% |
| Private Credit | 8.0% | 6.1% |
| US Large & Mid Cap Equity | 13.0% | 3.5% |
| US Mid Cap Equity | 5.0% | 3.6% |
| US Small Cap Equity | 8.0% | 4.2% |
| Foreign Developed Equity | 5.0% | 4.5% |
| Emerging Markets Equity | 10.0% | 5.3% |
| Private Real Estate Property | 24.5% | 3.6% |
| Private Equity | 15.0% | 6.1% |
| Farmland | 5.0% | 4.2% |
| | <u>100.0%</u> | |

Rate of return: For the year ended December 31, 2022, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (8.05%). The money rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Changes in the net pension liability:

| | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (a) - (b) |
|---|--------------------------------|------------------------------------|------------------------------------|
| Balance at January 1, 2022 | \$ 513,245,338 | \$ 304,077,329 | \$ 209,168,009 |
| Changes for the year: | | | |
| Service cost | 8,355,445 | - | 8,355,445 |
| Interest | 37,668,189 | - | 37,668,189 |
| Effect of plan changes | 102,293 | - | 102,293 |
| Difference between expected and actual experience | (2,485,537) | - | (2,485,537) |
| Assumption changes | (228,577) | - | (228,577) |
| Employer contributions | - | 16,662,274 | (16,662,274) |
| Employee contributions | - | 9,016,455 | (9,016,455) |
| Net investment income (loss) | - | (23,804,960) | 23,804,960 |
| Benefit payments, including member refunds | (39,429,321) | (39,429,321) | - |
| Administrative expenses | - | (6,974) | 6,974 |
| Net changes | 3,982,492 | (37,562,526) | 41,545,018 |
| Balance at December 31, 2022 | <u>\$ 517,227,830</u> | <u>\$ 266,514,803</u> | <u>\$ 250,713,027</u> |

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 9. Employees' Retirement Plans (Continued)

Sensitivity of the City's net pension liability to changes in the discount rate: The following presents the net pension liability of the Civilian Plan, calculated using the discount rate of 7.50%, as well as what the Civilian Plan's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

| | 1% Decrease (6.50%) | Current Discount Rate (7.50%) | 1% Increase (8.50%) |
|-----------------------|------------------------|-------------------------------------|------------------------|
| Net Pension Liability | \$ 304,881,426 | \$ 250,713,027 | \$ 204,935,648 |

Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions: For the year ended December 31, 2022, the Civilian Plan's pension expense was \$24,263,050 for the Civilian Plan. At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to the Civilian Plan from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|-------------------------------------|
| Difference between expected and actual experience | \$ 1,552,993 | \$ (3,290,666) |
| Changes of assumptions | 3,009,391 | (955,418) |
| Net difference between projected and actual earnings | 11,991,844 | - |
| Changes in proportion of the collective net pension liability since the prior measurement date | | |
| Change in proportion—governmental activity | 1,359,139 | (4,056,925) |
| Change in proportion—business-type activity | 4,606,814 | (1,909,028) |
| | <u>\$ 22,520,181</u> | <u>\$ (10,212,037)</u> |

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense or as a reduction of pension expense over the average remaining service life of all systems members or five years as follows:

| | |
|---------------------------|----------------------|
| Years ending December 31: | |
| 2023 | \$ (266,882) |
| 2024 | 191,499 |
| 2025 | 3,568,909 |
| 2026 | 8,814,618 |
| | <u>\$ 12,308,144</u> |

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 9. Employees' Retirement Plans (Continued)

Summary financial information for the Civilian Plan as of and for the year ended December 31, 2022 is as follows:

| | |
|--|-----------------------|
| Assets: | |
| Cash and cash equivalents | \$ 13,104 |
| Due from other governments | 248 |
| Receivables: | |
| Contributions receivable | 545,658 |
| Accrued interest | 138,547 |
| Investments | 266,033,527 |
| Total assets | <u>266,731,084</u> |
| Liabilities: | |
| Accounts payable and other current liabilities | 116,065 |
| Due to other funds | 100,000 |
| Total liabilities | <u>216,065</u> |
| Net position, net position restricted for pensions | <u>\$ 266,515,019</u> |
| Additions: | |
| Contributions: | |
| Employer | \$ 16,662,274 |
| Employee | 9,016,455 |
| Total contributions | <u>25,678,729</u> |
| Investment earnings | |
| Dividends and interest | 1,670,123 |
| Net realized and unrealized appreciation (losses) | (24,064,499) |
| Total investment earning (loss) | <u>(22,394,376)</u> |
| Investment expenses | |
| Net investment loss | <u>(1,410,583)</u> |
| Total additions | <u>1,873,770</u> |
| Deductions, benefit payments and administrative expenses | <u>39,436,080</u> |
| Change in net position | (37,562,310) |
| Net position restricted for pensions, beginning of year | <u>304,077,329</u> |
| Net position restricted for pensions, end of year | <u>\$ 266,515,019</u> |

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 9. Employees' Retirement Plans (Continued)

Uniformed plan:

Plan description: The Uniformed Plan is a single-employer contributory defined benefit pension plan. The Uniformed Plan covers all eligible probationary and regular sworn personnel of the police and fire departments of the City. Cost-of-living adjustments are provided to members and beneficiaries at the discretion of the City in accordance with plan provisions. A cost-of-living adjustment currently is provided to all members in accordance with plan provisions. The Pension Board of the City administers the Uniformed Plan and the City Council is responsible for establishing or amending plan provisions through the labor agreements. The Pension Board is comprised of 7 members as follows: the City Finance Director, the City Personnel Director, a City Council member, three members of the Uniformed Plan, and a trustee, who is not a member of the Uniformed Plan. The Uniformed Plan does not issue separate financial statements.

Employees covered by benefit terms: Employees covered by benefit terms of the Uniformed Plan consisted of the following as of December 31, 2022.

Number of:

| | |
|--------------------------------|--------------|
| Active members | 1,473 |
| DROP participants | 98 |
| Service retirements | 1,123 |
| Surviving spouses and children | 346 |
| Disabled | 209 |
| Deferred vested | 8 |
| Deferred nonvested | 14 |
| Total participants | <u>3,271</u> |

Benefit provisions: The Uniformed Plan provides retirement, disability and death benefits to plan members and beneficiaries. The calculation of monthly retirement benefits for police and fire members is a specific percentage, ranging from 20% to 65% or 75%, of the member's average final monthly compensation. The specific percentage depends on whether the member is a police or fire member, the member's hire date, and the member's age and years of service as of their retirement date. Upon severance of employment by a member not eligible for retirement, a refund of such member's accumulated contributions, including credited interest, will be paid.

Average Final Monthly Compensation:

Fire: For members who were either a) age 45 with at least 25 years of service or b) age 50 with at least 20 years of service as of January 1, 2013, the average final monthly compensation is equal to the member's highest consecutive 26 pay periods of compensation during the final 130 pay periods of service as a member, divided by 12. For all others, the average final monthly compensation is equal to the member's highest 78 pay periods of compensation during the final 130 pay periods of service as a member, divided by 36. For members who were hired before January 1, 2013, an adjustment is made to include a career average of overtime pay. For all others, overtime pay is excluded from their pensionable pay calculation.

Note 9. Employees' Retirement Plans (Continued)

Police: For members hired before January 1, 2010, the average final monthly compensation is equal to the member's highest consecutive 26 pay periods of compensation during the final 130 pay periods of service as a member, divided by 12. For all others, the average final monthly compensation is equal to the member's highest 78 pay periods of compensation during the final 130 pay periods of service as a member, divided by 36. For members who were hired before January 1, 2010, an adjustment is made to include a career average of overtime pay. For all others, overtime pay is excluded from their pensionable pay calculation.

Retirement Age:

Fire: A member is eligible to retire, without reduction, if they were: a) age 55 with at least 10 years of service; b) age 50 with at least 20 years of service; or c) age 45 with at least 25 years of service if hired before January 1, 2013.

Police: A member is eligible to retire if they were a) age 45 with at least 20 years of service if hired on or before January 1, 2010; b) age 50 with at least 20 years of service if hired after January 1, 2010; or c) age 55 with at least 10 years of service. If a member retires with less than 30 years of service, a 7% reduction is applied for each year prior to age 55.

Disability benefits: Members are eligible for disability benefits at any time. The monthly pension benefit is a specific percentage of the member's average final monthly compensation. The monthly disability benefit of a member is determined based on the following situations:

Injury or illness of an active member in the line of duty with less than 20 years of service—the monthly pension benefit is equal to 50% of the member's final average monthly compensation.

Injury or illness of an active member in the line of duty with 20 or more years of service—the monthly pension benefit is the same as if the member took a normal service retirement, however, there is no 7% reduction for each year below the age of 55 years.

Injury or illness of an active member not in the line of duty with less than 20 years of service—the monthly pension benefit is a specific percentage, ranging from 10% to 30%, of the member's final average monthly compensation.

Injury or illness of an active member not in the line of duty with 20 or more years of service—the monthly pension benefit is a specific percentage, ranging from 45% to 75%, of the member's final average monthly compensation.

Pension payments for service-connected disability retirements shall be reduced by the dollar amount equivalent to any worker's compensation benefits paid to the retirees times the percentage contributed to the Uniformed Plan by the City.

Death benefits: Upon the death of an active or retired member, there are two types of beneficiary pensions paid out: spouse's pension and/or children's pension. There is also a lump sum death benefit.

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 9. Employees' Retirement Plans (Continued)

The spouse's pension, as long as the spouse was married to the deceased member for at least one full year prior to the member's death, is determined based on one of the following situations:

Death of an active member in the line of duty with less than 25 years of service—a monthly pension equal to 49% of the member's average final monthly compensation is paid to the surviving spouse until death or remarriage.

Death of an active member in the line of duty with 25 or more years of service—a monthly pension equal to 69% of the member's average final monthly compensation is paid to the surviving spouse until death or remarriage.

Death of an active member not in the line of duty with less than 25 years of service—a monthly pension equal to a specific percentage, ranging from 35% to 49%, of the member's average final monthly compensation is to be paid to the surviving spouse until death or remarriage. The specific percentage is dependent upon the years of service at the time of the member's death.

Death of an active member not in the line of duty with 25 or more years of service—a monthly pension equal to 69% of the member's average final monthly compensation is to be paid to the surviving spouse until death or remarriage.

Death of a retired member—a monthly pension equal to 90% or 75% for fire or police, respectively, of the pension the member was receiving or was eligible to receive at the time of death until death or remarriage if that member was hired before January 1, 2013 or January 1, 2010 for fire and police, respectively. For fire and police members hired after these dates, the benefit is 50% of the pension the member was receiving or was eligible to receive at the time of death until death or remarriage.

The benefits normally payable to the spouse shall be placed in a trust fund for the education of the child or children, if any, of the deceased member until such child or children attain age 18, marry, or die if the active member died as a result of injuries or illness sustained in the line of duty and any of the following apply: a) widow or widower was not legally married to the member for a full year, b) if the widow/widower should remarry after commencing benefits, or c) if the spouse of the deceased member predeceased him or her.

The children's pension benefit, as shown below, will be paid to the surviving children until age 18 or prior to death or marriage, except if that child is totally disabled. If the child is totally disabled, the full pension continues to be paid until the cessation of total disability or dependency for support whichever occurs first.

| Number of Dependent Children | Percentage of Accrued Benefit |
|------------------------------------|-------------------------------------|
| 1 | 15% |
| 2 | 30% |
| 3 | 45% |
| 4 or more | 50% |

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 9. Employees' Retirement Plans (Continued)

If the member has no eligible dependents at the time of death, the accumulated member's contribution less previous pension payments made (if any) or \$500, if greater, will be paid out in a lump sum death benefit. The lump sum death benefit for a member with eligible dependents is paid at two points in time, which might coincide: immediately and at the time when there is only one remaining dependent. For an active member, an amount equal to one year's salary computed on the basis of the maximum monthly rate for patrolmen and firefighters is payable immediately and the deceased member's accumulated contributions less pension payments made to the member's dependents is payable in a lump sum to the dependent who last ceases to receive pension benefits. For a retired member, \$1,000 is payable immediately (\$5,000 for fire retirements after June 30, 2005) and the excess over \$1,000 (\$5,000 for fire retirements after June 30, 2005), if any, of the deceased member's accumulated contributions less pension payments made to the member's dependents is payable in a lump sum to the dependent who last ceases to receive pension benefits.

Supplemental pension benefit (COLA): Retirees (including widows, widowers and children) will receive a Cost of Living Adjustment (COLA) after one year (three years for police members who retired before March 6, 2003) equal to the lesser of 3% or \$50 per month (\$65 per month for fire retirements). The COLA is granted for the full remaining period that benefits are payable.

Deferred Retirement Option Program (DROP): The City has established a DROP for police and fire pension members as of the union contracts entered into in 2013 for fire members and 2011 for police members. The DROP allows a member to retire for pension purposes once they reach retirement eligibility, as long as they also meet the minimum age and/or years of service eligibility requirements for the DROP, but to continue working for three to five years. The member receives a paycheck and the member's monthly pension benefit is deposited into the member's DROP account. At the end of the elected DROP period, which is a minimum of three years and a maximum of 5 years, the member must "retire-in-fact." The member may withdraw, without penalty, from the DROP prior to the expiration of the member's DROP election period due to a hardship, non-service connected disability or a service connected disability with approval from the Pension Board. Contributions to the pension are eliminated at the beginning of the DROP period. Pension benefits are set and will not be increased because of raises, promotions, increased years of service, or pension enhancements. When a member retires-in-fact, their monthly pension benefit will be paid directly to them and the member will have access to the funds in their DROP account. The balance held by the third party DROP administrator at January 1, 2022, was \$16,523,073.

Contributions: Fire and police members are required to contribute by payroll deduction the following percentages of their total monthly salary and similarly the City is required to contribute at the following percentages for each member's pensionable earnings for fire and police members.

| Bargaining Group | Employee Rate | City Rate |
|---------------------|---------------|-----------|
| Fire sworn | 17.150% | 32.970% |
| Fire management | 17.230% | 33.170% |
| Police sworn | 16.100% | 34.420% |
| Police management** | 16.350% | 33.170% |

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 9. Employees' Retirement Plans (Continued)

For police management employees enrolled in the DROP program prior to December 22, 2013, the contribution rate is 15.35%.

In addition, the City shall make additional contributions of \$1,327,600 annually through the year 2028. The contribution requirements of the plan members and the City are established by City Ordinance and determined by actuarial valuation and may be amended by the City Council. Administrative costs for management of the investment funds are financed through investment earnings. Other administrative costs of the Uniformed Plan are paid by the City's general fund. Plan member and employer contributions are recognized in the period in which the contributions are due and benefits are provided based on a percentage of the member's final average compensation and are recognized when due and payable. Contributions to the Uniformed Plan totaled \$24,093,265 for the employees and \$53,664,911 for the employer for the year ended December 31, 2022.

Actuarial methods and assumptions: The annual required contribution for the current year was determined as part of the January 1, 2022 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) rate of return on the investment of present and future assets of 7.75% per year compounded annually, (b) projected salary increases of 3.25% to 13.25% per year, including wage inflation at 2.50%, and (c) the assumption that benefits will increase after retirement due to COLA adjustments.

Net pension liability: The components of the net pension liability for the City's Uniformed Plan as of December 31, 2022 were as follows:

| | |
|-------------------------|-----------------------|
| Total pension liability | \$ 1,684,915,417 |
| Fiduciary net position | (960,092,132) |
| Net pension liability | <u>\$ 724,823,285</u> |

Ratio of fiduciary net position to total pension liability 56.98%

Actuarial assumptions: The total pension liability of the Uniformed Plan was determined by an actuarial valuation as of January 1, 2022, rolled forward one year to December 31, 2022 (the measurement date), using the entry age normal cost method and calculated based on the discount and actuarial assumptions below.

| | |
|---|------------|
| Actuarial assumptions: | |
| Inflation | 2.50% |
| Projected salary increases | Rates vary |
| Investment rate of return, net of investment expenses | 7.75% |

The actuarial assumptions used in the valuation are based on the results of the most recent actuarial experience study dated March 15, 2018, which covered the four-year period ending December 31, 2015.

Note 9. Employees' Retirement Plans (Continued)

Mortality rates: For the current measurement date, pre-retirement mortality rates were based on the Pub-2010 Public Safety Employees Amount-Weighted Mortality Table, with generational projections using the MP-2021. Retiree mortality rates were based on the Pub-2010 Public Safety Retirees Amount-Weighted Mortality Table, with generational projection using the MP-2021 scale. Disabled mortality rates were based on the Pub-2010 Public Safety Disabled Retirees Amount-Weighted Mortality Table, with generational projection using the MP-2021 scale. Survivor mortality rates were based on the Pub-2010 Public Safety Contingent Survivors Amount-Weighted Mortality Table, with generational projection using the MP-2021 scale.

Discount rate: The discount rate (or single equivalent interest rate (SEIR)) used to measure the total pension liability as of December 31, 2022 was 7.75%. The discount rate used to measure the total pension liability was 7.75% at the prior measurement date. The projected cash flows used to determine the discount rate assumed that plan contributions from members and the City will be made at the current contribution rates. Based on those assumptions, the Uniformed Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on the Uniformed Plan's pension investments was applied to all periods of projected benefit payments to determine the pension liability.

Long-term rate of return: The long-term expected rate of return on pension plan investments was reviewed as part of the regular experience study prepared for the Uniformed Plan. The results of the most recent experience study were presented in a report dated March 15, 2018. Some of the factors used in evaluating the long-term rate of return assumption are as follows: long-term historical data, estimates inherent in current market data, and an analysis of best-estimate ranges of expected future real rates of return (expected returns, net of investment expenses and inflation) which, along with estimates of variability and correlations for each asset class, were developed by the Uniformed Plan's investment consultant. These ranges were combined to develop the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation and then adding expected inflation. The Uniformed Plan's investment consultant provides capital market assumptions for a thirty-year period and was used in the actuary's analysis.

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 9. Employees' Retirement Plans (Continued)

As of December 31, 2022 the plan's target allocations are as follows:

| Asset Class | Target Allocation | Long-term Expected Real Rate of Return |
|------------------------------|-------------------|--|
| US High Yield Bonds | 5.0% | 3.4% |
| Private Credit | 5.0% | 6.1% |
| US Large & Mid Cap Equity | 11.0% | 3.5% |
| US Mid Cap Equity | 11.0% | 4.2% |
| US Small Cap Equity | 5.0% | 4.5% |
| Foreign Developed Equity | 5.0% | 4.6% |
| Emerging Markets Equity | 15.0% | 5.3% |
| Private Real Estate Property | 20.0% | 3.6% |
| Private Equity | 18.0% | 6.2% |
| Farmland | 5.0% | 4.2% |
| | 100.0% | |

Rate of return: For the year ended December 31, 2022, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (6.56%). The money rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Changes in the net pension liability:

| | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (a) - (b) |
|---|--------------------------------|------------------------------------|------------------------------------|
| Balance at January 1, 2022 | \$ 1,650,559,664 | \$ 1,045,470,024 | \$ 605,089,640 |
| Changes for the year: | | | |
| Service cost | 28,903,479 | - | 28,903,479 |
| Interest | 126,498,636 | - | 126,498,636 |
| Difference between expected and actual experience | (20,779,086) | - | (20,779,086) |
| Assumption changes | (4,026,185) | - | (4,026,185) |
| Employer contributions | - | 53,664,911 | (53,664,911) |
| Employee contributions | - | 25,093,265 | (25,093,265) |
| Net investment income (loss) | - | (67,870,920) | 67,870,920 |
| Benefit payments, including member refunds | (96,241,091) | (96,241,091) | - |
| Administrative expenses | - | (24,057) | 24,057 |
| Net changes | 34,355,753 | (85,377,892) | 119,733,645 |
| Balance at December 31, 2022 | \$ 1,684,915,417 | \$ 960,092,132 | \$ 724,823,285 |

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 9. Employees' Retirement Plans (Continued)

Sensitivity of the city's net pension liability to changes in the discount rate: The following presents the net pension liability of the Uniformed Plan, calculated using the discount rate of 7.75%, as well as what the Uniformed Plan's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75%) or 1-percentage-point higher (8.75%) than the current rate:

| | 1% Decrease (6.75%) | Current Discount Rate (7.75%) | 1% Increase (8.75%) |
|-----------------------|------------------------|-------------------------------------|------------------------|
| Net Pension Liability | \$ 921,775,642 | \$ 724,823,285 | \$ 562,155,329 |

Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions: For the year ended December 31, 2022, the City recognized pension expense of \$58,340,109 for the Uniformed Plan. At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to the Uniformed Plan from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------------|-------------------------------------|
| Difference between expected and actual experience | \$ 271,954 | \$ (31,905,201) |
| Changes of assumption | 13,832,073 | (5,037,752) |
| Net difference between projected and actual earnings | 26,496,650 | - |
| | <u>\$ 40,600,677</u> | <u>\$ (36,942,953)</u> |

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense or as a reduction of pension expense over the average remaining service life of all systems members or five years as follows:

| | |
|--------------------------|---------------------|
| Year ending December 31: | |
| 2023 | \$ (10,012,329) |
| 2024 | (7,219,213) |
| 2025 | (3,395,822) |
| 2026 | 24,771,464 |
| 2027 | (486,376) |
| | <u>\$ 3,657,724</u> |

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 9. Employees' Retirement Plans (Continued)

Summary financial information for the Uniformed Plan as of and for the year ended December 31, 2022 is as follows:

| | |
|---|-----------------------|
| Assets: | |
| Cash and cash equivalents | \$ 124,010 |
| Receivables: | |
| Accounts receivable | 46,937 |
| Contributions receivable | 1,534,058 |
| Accrued interest | 215,119 |
| Investments | 959,970,980 |
| Total assets | <u>961,891,104</u> |
| Liabilities: | |
| Accounts payable and other current liabilities | 1,348,050 |
| Due to other funds | 500,000 |
| Total liabilities | <u>1,848,050</u> |
| Net position, net position restricted for pensions | <u>\$ 960,043,054</u> |
| Additions: | |
| Contributions: | |
| Employer | \$ 53,664,911 |
| Employee | 25,093,265 |
| Total contributions | <u>78,758,176</u> |
| Investment income | |
| Dividends and interest | 2,860,203 |
| Net realized and unrealized appreciation (losses) | <u>(67,788,186)</u> |
| Total investment earnings (loss) | <u>(64,927,983)</u> |
| Investment expense | |
| Net investment loss | <u>(67,919,998)</u> |
| Total additions | 10,838,178 |
| Deductions, benefit payments | <u>96,265,148</u> |
| Change in net position | (85,426,970) |
| Net position restricted for pensions, beginning of year | <u>1,045,470,024</u> |
| Net position restricted for pensions, end of year | <u>\$ 960,043,054</u> |

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 10. Capital Assets

Capital asset activity of governmental activities for the year ended December 31, 2022 is as follows:

| | Beginning Balances, as restated | Increases | Decreases | Ending Balances |
|--|------------------------------------|----------------|----------------|--------------------|
| Governmental activities: | | | | |
| Capital assets, not being depreciated: | | | | |
| Land | \$ 149,370,017 | \$ - | \$ - | \$ 149,370,017 |
| Cultural assets | 6,631,165 | 3,188,131 | - | 9,819,296 |
| Construction in progress | 282,658,896 | 200,959,454 | 175,681,477 | 307,936,873 |
| Total capital assets, not being depreciated | 438,660,078 | 204,147,585 | 175,681,477 | 467,126,186 |
| Capital assets, being depreciated: | | | | |
| Buildings | 665,449,448 | 4,248,330 | 2,517,407 | 667,180,371 |
| Machinery and equipment | 135,021,376 | 19,324,639 | 2,754,307 | 151,591,708 |
| Infrastructure | 1,307,240,531 | 156,425,636 | - | 1,463,666,167 |
| Total capital assets, being depreciated | 2,107,711,355 | 179,998,605 | 5,271,714 | 2,282,438,246 |
| Right-to-use assets, being amortized | | | | |
| Buildings | 7,142,565 | 41,806,379 | - | 48,948,944 |
| Machinery and equipment | 163,029 | - | - | 163,029 |
| Total right-to-use assets, being amortized | 7,305,594 | 41,806,379 | - | 49,111,973 |
| Less accumulated depreciation for: | | | | |
| Buildings | 370,526,555 | 18,414,612 | 8,153,805 | 380,787,362 |
| Machinery and equipment | 92,196,794 | 8,860,241 | 1,643,704 | 99,413,331 |
| Infrastructure | 511,746,532 | 34,590,989 | - | 546,337,521 |
| Total accumulated depreciation | 974,469,881 | 61,865,842 | 9,797,509 | 1,026,538,214 |
| Less accumulated amortization for: | | | | |
| Buildings | - | 2,558,071 | - | 2,558,071 |
| Machinery and equipment | - | 51,483 | - | 51,483 |
| Total accumulated amortization | - | 2,609,554 | - | 2,609,554 |
| Total capital assets, being depreciated and amortized, net | 1,140,547,068 | 157,329,588 | (4,525,795) | 1,302,402,451 |
| Governmental activities capital assets, net | \$ 1,579,207,146 | \$ 361,477,173 | \$ 171,155,682 | \$ 1,769,528,637 |

Capital asset improvements and furniture and fixtures are included within the building and systems classification above. Vehicles are included within the machinery and equipment classification above.

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 10. Capital Assets (Continued)

Depreciation expense was charged to the following functions/program in 2022:

| | |
|--|----------------------|
| Governmental activities: | |
| General government | \$ 1,906,029 |
| Public safety | 6,191,786 |
| Community development | 1,531,536 |
| Other public services | 1,846,540 |
| Culture and parks | 20,752,832 |
| Transportation services | 32,246,673 |
| Total depreciation/amortization expense—governmental | <u>\$ 64,475,396</u> |

Capital asset activity of each major enterprise fund for the year ended December 31, 2022 is as follows:

| | Beginning Balances | Increases | Decreases | Ending Balances |
|--|-----------------------|----------------------|------------------|----------------------|
| Parking Facilities Fund: | | | | |
| Capital assets, not being depreciated: | | | | |
| Land | \$ 2,473,344 | \$ 7,656,110 | \$ - | \$ 10,129,454 |
| Construction in progress | 6,250,019 | 6,936,704 | - | 13,186,723 |
| Total capital assets, not being depreciated | <u>8,723,363</u> | <u>14,592,814</u> | <u>-</u> | <u>23,316,177</u> |
| Capital assets, being depreciated: | | | | |
| Buildings and systems | 65,854,414 | - | 8,878,986 | 56,975,428 |
| Machinery and equipment | 2,044,051 | 66,050 | - | 2,110,101 |
| Total capital assets, being depreciated | <u>67,898,465</u> | <u>66,050</u> | <u>8,878,986</u> | <u>59,085,529</u> |
| Less accumulated depreciation for: | | | | |
| Buildings and systems | 52,030,632 | 1,245,505 | 8,809,982 | 44,466,155 |
| Machinery and equipment | 466,464 | 147,132 | - | 613,596 |
| Total accumulated depreciation | <u>52,497,096</u> | <u>1,392,637</u> | <u>8,809,982</u> | <u>45,079,751</u> |
| Total capital assets, being depreciated, net | <u>15,401,369</u> | <u>(1,326,587)</u> | <u>69,004</u> | <u>14,005,778</u> |
| Parking facilities fund capital assets, net | <u>\$ 24,124,732</u> | <u>\$ 13,266,227</u> | <u>\$ 69,004</u> | <u>\$ 37,321,955</u> |

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 10. Capital Assets (Continued)

| | Beginning Balances | Increases | Decreases | Ending Balances |
|--|-----------------------|----------------|---------------|--------------------|
| Sewer Revenue Fund: | | | | |
| Capital assets, not being depreciated: | | | | |
| Land | \$ 2,867,599 | \$ - | \$ - | \$ 2,867,599 |
| Construction in progress | 185,693,150 | 107,189,118 | 34,343,861 | 258,538,407 |
| Total capital assets, not being depreciated | 188,560,749 | 107,189,118 | 34,343,861 | 261,406,006 |
| Capital assets, being depreciated: | | | | |
| Infrastructure | 1,530,583,747 | 67,465,628 | 33,733,646 | 1,564,315,729 |
| Buildings and systems | 62,155,414 | - | - | 62,155,414 |
| Machinery and equipment | 23,408,061 | 7,874,514 | 4,725,595 | 26,556,980 |
| Total capital assets, being depreciated | 1,616,147,222 | 75,340,142 | 38,459,241 | 1,653,028,123 |
| Less accumulated depreciation for: | | | | |
| Infrastructure | 568,249,927 | 35,597,640 | - | 603,847,567 |
| Buildings and systems | 48,395,797 | 1,054,442 | - | 49,450,239 |
| Machinery and equipment | 13,422,055 | 1,796,263 | 9,885 | 15,208,433 |
| Total accumulated depreciation | 630,067,779 | 38,448,345 | 9,885 | 668,506,239 |
| Total capital assets, being depreciated, net | 986,079,443 | 36,891,797 | 38,449,356 | 984,521,884 |
| Sewer revenue fund capital assets, net | \$ 1,174,640,192 | \$ 144,080,915 | \$ 72,793,217 | \$ 1,245,927,890 |

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 10. Capital Assets (Continued)

Capital asset activity of the nonmajor enterprise funds for the year ended December 31, 2022 is as follows:

| | Beginning Balances, as restated | Increases | Decreases | Ending Balances |
|--|------------------------------------|------------|-----------|--------------------|
| Nonmajor Enterprise Funds: | | | | |
| Capital assets, not being depreciated, construction in progress | \$ - | \$ - | \$ - | \$ - |
| Capital assets, being depreciated: | | | | |
| Buildings and systems | 9,820,900 | - | - | 9,820,900 |
| Machinery and equipment | 2,811,923 | 659,963 | - | 3,471,886 |
| Total capital assets, being depreciated | 12,632,823 | 659,963 | - | 13,292,786 |
| Right-to-use assets, being amortized | | | | |
| Machinery and equipment | 335,842 | - | - | 335,842 |
| Total right-to-use assets, being amortized | 335,842 | - | - | 335,842 |
| Less accumulated depreciation for: | | | | |
| Building and systems | 7,475,576 | 267,485 | - | 7,743,061 |
| Machinery and equipment | 2,338,633 | 145,787 | - | 2,484,420 |
| Total accumulated depreciation | 9,814,209 | 413,272 | - | 10,227,481 |
| Less accumulated depreciation for: | | | | |
| Machinery and equipment | - | 127,700 | - | 127,700 |
| Total accumulated amortization | - | 127,700 | - | 127,700 |
| Nonmajor enterprise funds capital assets, net | \$ 3,154,456 | \$ 118,991 | \$ - | \$ 3,273,447 |

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 11. Fund Deficits

Fund deficits exist in the following funds as of December 31, 2022:

| | |
|-----------------------------------|-----------------|
| Major Governmental Funds | |
| Grants | \$ (45,226,876) |
| Nonmajor Special Revenue Funds: | |
| Douglas County Library Supplement | (103,324) |
| Nonmajor Capital Projects Funds: | |
| 2020 Street preservation | (946,301) |
| 2018 Public facilities bond | (5,291,599) |
| 2018 Public safety bond | (2,305,165) |
| 2014 Parks and recreation bond | (981,973) |
| 2018 Parks and recreation bond | (4,910,899) |
| Library Facilities Capital | (3,584,362) |
| Capital Special Assessment | (5,541,328) |
| Nonmajor Enterprise Funds: | |
| City Wide Sports Revenue | (481,242) |
| Golf Operations | (6,270,807) |
| Air Quality | (847,454) |
| Printing & Graphics Services | (135,055) |

Major Governmental Funds: The Grants deficit will be eliminated when FEMA reimburses the City as approved projects are completed.

Nonmajor special revenue funds: The Library Fines and Fees Fund deficit will be eliminated through a combination of reducing expenditures and a change in fee structure.

Nonmajor capital funds: The deficit in the 2020 Street Preservation and noncapital bond funds will be eliminated with the issuance of bonds in 2022. The deficit in the Capital Special Assessment Fund will be eliminated through special assessments on property owners for any street, sidewalk or sewer repairs done by the City.

Nonmajor enterprise funds: The deficits in the nonmajor enterprise funds will be eliminated through a reduction in expenses and fee increases.

Note 12. Other Postemployment Benefits (OPEB)

Plan description: The City sponsors a single employer, defined benefit OPEB healthcare plan that provides certain postemployment healthcare benefits to eligible retirees and their dependents up to age 65 when they would be Medicare eligible in accordance with provisions established in Chapter 23 of the Omaha Municipal Code. The benefits include medical and prescription coverage. The rates paid by retirees are substantially lower than they would be under individual health insurance policies. This difference is an implicit rate subsidy and considered other postemployment benefits (OPEB). The plan is administered by the City. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The plan does not issue separate financial statements.

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 12. Other Postemployment Benefits (OPEB) (Continued)

The employees covered by the OPEB Plan benefit terms at January 1, 2022 are:

| | |
|---------------------|-------|
| Active | 2,765 |
| Retirees | 716 |
| Spouses of retirees | 474 |
| Beneficiaries | 2 |
| Total participants | 3,957 |

Benefit payments: The premium payment requirements of plan members and the City are established through labor negotiations, with the Omaha Police Union Local No. 101, the Professional Firefighters Association of Omaha Local No. 385, the Omaha City Employees Local No. 251 and other classified civilian and sworn employees. All agreements are approved and can be amended by the City Council. Premium payments are made to the plan based on a pay-as-you-go basis and the City self-insures this benefit therefore the plan has no assets. For the year ended December 31, 2022, the City paid \$12,084,468 for 817 retirees. Retiree premium rates vary from 0% to 23% of an annual estimated premium depending on the bargaining group. Retiree premium payments for 2022 were \$12,084,468.

Total OPEB liability: The City's total OPEB liability of \$505,771,438 was determined by an actuarial valuation as of the valuation date, January 1, 2022, calculated based on the discount rate and actuarial assumptions shown below, and projected to the measurement date, December 31, 2022.

Actuarial assumptions:

| | |
|-------------------------------------|--|
| Inflation rate | 2.50% |
| Discount rate | 3.72% |
| Salary scale | Varies by Service |
| Medical trend: | |
| Fire trust | 6.00%-3.90% over 51 years |
| All others | 6.00%-3.90% over 51 years |
| Future coverage | 100% of future eligible retirees are assumed to elect coverage at retirement. Also, 100% of eligible spouses are assumed to elect coverage at retirement. |
| Percent married | All eligible members are assumed to elect coverage at retirement. 75% of retirees are assumed to elect coverage of a spouse. No retiree is expected to drop coverage prior to age 65. |
| Mortality rates: | |
| Civilians: | |
| Active, Retirees, and Beneficiaries | PubG-2010 Mortality Table with generational projection per MP-2021 ultimate scale, with employee rates before benefit commencement and healthy and disabled annuitant rates after benefit commencement. This assumption includes a margin for mortality improvement beyond the valuation date. |
| Disabled | Not Valued. |
| Uniformed: | |
| Active | PubS-2010 Mortality Table with generational projection per MP-2021 ultimate scale, with employee rates before benefit commencement and healthy and disabled annuitant rates after benefit commencement. This assumption includes a margin for mortality improvement beyond the valuation date. |
| Disabled | PubS-2010 Mortality Table for disabled retirees with generational projection per MP-2019 ultimate scale, with employee rates before benefit commencement and healthy and disabled annuitant rates after benefit commencement. This assumption includes a margin for mortality improvement beyond the valuation date. |

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 12. Other Postemployment Benefits (OPEB) (Continued)

The discount rate was based on the Bond Buyer General Obligation 20-year Bond Municipal Index.

The plan has not had a formal actuarial experience study performed.

The discount rate changed to 3.72% as of December 31, 2022 from 2.06%.

Changes in the Total OPEB Liability

| | Total OPEB Liability |
|--|-------------------------|
| Balance at January 1, 2022 | \$ 512,272,582 |
| Changes for the year: | |
| Service cost | 30,252,339 |
| Interest | 10,932,862 |
| Effect of economic/demographic gains or losses | 44,519,381 |
| Effect of assumptions changes or inputs | (68,477,876) |
| Benefit payments | (23,727,850) |
| Balance at December 31, 2022 | <u>\$ 505,771,438</u> |

Sensitivity analysis of the total OPEB liability to changes in the discount rate and health care cost trend rates: The following presents the total OPEB liability of the City, calculated using the discount rate of 3.72%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.72%) or 1-percentage-point higher (4.72%) than the current rate.

| | 1% Decrease (2.72%) | Current Discount Rate (3.72%) | 1% Increase (4.72%) |
|----------------------|------------------------|-------------------------------------|------------------------|
| Total OPEB Liability | \$ 549,942,679 | \$ 505,771,438 | \$ 466,138,349 |

The following presents the total OPEB liability of the City, calculated using the current healthcare cost trend rates as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1-percentage-point higher than the current trend rates.

| | 1% Decrease | Current Trend Rates | 1% Increase |
|----------------------|----------------|------------------------|----------------|
| Total OPEB Liability | \$ 455,054,505 | \$ 505,771,438 | \$ 564,821,006 |

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 12. Other Postemployment Benefits (OPEB) (Continued)

OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB: For the year ended December 31, 2022, the City recognized OPEB expense of \$45,118,779. At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB as follows.

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|-------------------------------------|
| Differences between expected and actual experience | \$ 42,395,962 | \$ - |
| Changes of assumptions | 39,319,776 | (69,257,087) |
| Changes in proportion of the total OPEB liability since the prior measurement date | | |
| Change in proportion—governmental activity | 5,939,012 | (4,605,829) |
| Change in proportion—business-type activity | 4,983,363 | (6,316,546) |
| | <u>\$ 92,638,113</u> | <u>\$ (80,179,462)</u> |

Amounts reported as deferred outflows of resources and deferred inflows of resources at December 31, 2022, related to OPEB will be recognized in OPEB expense as follows:

| | |
|---------------------------|----------------------|
| Years ending December 31: | |
| 2023 | \$ 3,933,578 |
| 2024 | 3,933,578 |
| 2025 | 3,933,578 |
| 2026 | 3,242,965 |
| 2027 | 2,076,274 |
| Thereafter | (4,661,322) |
| | <u>\$ 12,458,651</u> |

Note 13. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City is self-insured with respect to its obligation to provide workers' compensation, general liability, property damage, unemployment benefits, health and dental coverage, environmental, and antitrust.

The City sets aside assets for claim settlements in the general and individual proprietary funds. These funds service all claims for the risk of loss to which the City is exposed including general liability, property and casualty up to \$100,000 per occurrence. The City also services claims including workers' compensation, employee health and dental, environmental, and antitrust, which are subject to unlimited liability by the City. Liabilities are reported when a loss is probable and can be reasonably estimated.

The City maintains a Judgment Fund for the purpose of accumulating funds to satisfy judgments, damage claims and related litigation expenses against the City. It is sustained by a tax levy upon tangible property within the City.

The City obtains an annual funding valuation from a claims servicing company managing the appropriate level of estimated claims liability for workers' compensation claims. Liabilities are reported when a loss is probable and can be reasonably estimated. Liabilities are based on historical losses paid.

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 13. Risk Management (Continued)

The City maintains a blanket surety bond covering all City employees, including those of the City clerk's office and the public libraries, in the amount of \$5,050,000.

The City maintains a separate surety bond covering the City Treasurer in the amount of \$1,000,000.

The City purchases commercial insurance for property damage of City buildings and contents in excess of \$100,000. Settled claims have never exceeded this commercial coverage.

The City purchases commercial insurance for aviation liability for the police aviation unit, in the amount of \$1,000,000 per person and \$5,000,000 per occurrence for personal injury. Settled claims have never exceeded this commercial coverage.

Changes in the balance of claims liabilities during the fiscal years 2022 and 2021 for workers' compensation and employee health and dental are as follows:

| | Beginning of Year Liability | Current Year Claims | Claim Payments | End of Year Liability |
|------|-----------------------------------|---------------------------|-------------------|-----------------------------|
| 2022 | \$ 63,701,351 | \$ 44,035,676 | \$ 40,294,789 | \$ 67,442,238 |
| 2021 | 61,130,581 | 51,346,249 | 48,775,479 | 63,701,351 |

Reconciliation of the December 31, 2022 claims liability for workers' compensation and employee health and dental to the financial statements is as follows:

| | |
|--|----------------------|
| Governmental activities | \$ 63,004,057 |
| Parking facilities fund | 172,042 |
| Sewer revenue fund | 3,504,727 |
| Nonmajor enterprise funds | 761,412 |
| Total workers' compensation and employee health and dental | <u>\$ 67,442,238</u> |

Note 14. Commitments and Contingencies

Judgment claims: The City is a defendant in a number of lawsuits in its normal course of operations and in 2022 the City settled a claim for overpayment of In-Lieu tax receipts in the amount of \$5,563,723. The City will make six (6) equal annual payments beginning in 2024 to repay this overpayment. As of December 31, 2022, the City has accrued \$8,698,223 in claims and judgments payable for the outstanding lawsuits and In-Lieu tax overpayment. Additionally, the City is a defendant in various lawsuits for which management has determined that there is a reasonable possibility of an adverse opinion. No accrual has been made in the financial statements for these items, which approximate \$2,938,000, as these potential losses are not probable.

Grants: The City participates in a number of federally assisted grant programs, principally Federal Highway Construction Grants, HUD Grants, Office of Justice Prevention Grants, Homeland Security, US Environmental Protection Agency, Department of Energy, Department of Treasury and Department of Transportation Grants, the American Rescue Plan Act of 2021 and other local improvement programs. The programs are subject to financial and compliance audits. The amount of expenditures, if any that may be disallowed by granting agencies is not determinable at this time; however, City management does not believe that such amounts, if any, would be significant.

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 14. Commitments and Contingencies (Continued)

Encumbrances: An encumbrance is the commitment of appropriated funds to purchase goods or services to be delivered or performed at a future date. On a budget basis, an encumbrance is a reserve of fund balance. The encumbrances are generally in a requisition form before the end of the budget year. The purchasing process must be initiated before year-end. The encumbrances do not lapse at year-end. Department heads are authorized to make or approve encumbrances in their respective departments. Contracts or purchase orders over \$20,000 are approved by the City Council. Encumbrances are included in restricted, committed or assigned, fund balances as appropriate. The City's encumbrances as of December 31, 2022 by fund type are as follows:

| | | |
|--------------------------------------|--|-----------------------|
| Governmental funds: | | |
| General | | \$ 33,807,734 |
| Special revenue | | 15,354,607 |
| Capital projects | | 77,952,271 |
| Total governmental fund encumbrances | | <u>127,114,612</u> |
| Proprietary funds: | | |
| Enterprise | | 213,982,805 |
| Total encumbrances | | <u>\$ 341,097,417</u> |

Construction commitments: The City has various construction projects with commitments that total approximately \$266,042,744 million as of December 31, 2022. The sewer revenue enterprise fund accounts for construction proceeds from bond issuances, income from sewer service charges, construction grants and related expenditures for operation, maintenance and capital improvements of the sanitary sewer system and wastewater treatment plants.

Note 15. Pledged Revenues

The City has pledged specific revenues streams to secure the repayment of certain outstanding debt issues. The following table lists those revenues and the corresponding debt issue along with the purpose of the debt, the amount and term of the pledge remaining, the current fiscal year principal and interest on the debt, the amount of pledged revenue recognized during the current fiscal year, and the approximate percentage of the revenue stream that has been committed if estimable:

| Issue | Type Revenue Pledged | General Purpose for Debt | Term of Commitment | Percentage of Revenue Pledged | Principal and Interest for the Year Ended December 31, 2022 | Recognized for the Year Ended December 31, 2022 |
|---|--|---|--------------------|-------------------------------|---|---|
| Special tax revenue redevelopment (2012 2012A, 2017A, 2017B crossover, 2017C taxable, 2018A, 2018A taxable, 2019, 2019A, 2022A) | Community redevelopment property tax | To finance infrastructure and capital improvements in redevelopment areas throughout the City | Through 2040 | 100% | \$ 4,386,757 | \$ 10,823,164 |
| Special obligation (series riverfront 2008 refunding, 2012 refunding, 2017D refunding, 2022B refunding) | Cigarette tax, TIF revenues, sewer revenue (Pledge of \$1.5M a year), land sales and sales tax | To finance infrastructure and capital improvements in the Riverfront Business Park | Through 2032 | 100% (besides sewer) | 6,788,785 | 218,257,688 |
| Highway allocation (series 2006) | Street and highway gasoline taxes | To finance street improvements | Through 2026 | 100% | 183,075 | 57,539,217 |
| Sanitary sewer system (series 2014, 2016 refunding, 2019 refunding, 2020A) | Operating revenue of the sanitary sewer system | To finance the construction and rehabilitation of the sanitary sewer system | Through 2044 | 100% | 27,528,532 | 198,227,570 |

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 16. Tax Abatements

The City of Omaha provides tax abatements under the Tax Increment Financing Program (TIF) and the Employment and Investment Growth Act.

TIF provides property tax abatements to encourage improvements to blighted property. The program is established under the auspices of a state statute (Article 21, Section 18-2101 - 2144) empowering cities and counties to establish such programs. The abatements equal 100 percent of the additional property tax resulting from the increase in assessed value as a result of the improvements, are administered as a rebate of the incremental taxes generated from the improvements to property, and last for 15 years (20 years in extremely blighted zones). Eligibility for approval requires the property to have no loss of pre-existing tax revenues, and the developer demonstrates the project is not feasible without TIF. Abatements are obtained through application by the property owner and are reviewed and approved by a TIF council prior to commencing the improvements. This refund reduces the net monthly property tax to the City of Omaha.

The Employment and Investment Growth Act under State Legislative Bills 775 and 312 grants tax credits and sales tax refunds for companies that hire at least 30 new employees and invest at least \$3 million. This act allows a refund of sales tax paid on equipment or other taxable property purchased in connection with the project. This refund to companies reduces the net monthly sales receipts remitted to the City.

The City of Omaha is not prohibited from releasing information that may be considered public record and therefore available to any entity submitting the proper request to the city clerk.

Taxes abated under these programs for the fiscal year ended December 31, 2022 were as follows (in thousands):

| | | |
|--------------------------------------|----|-------|
| Tax Increment Financing Program | \$ | 8,645 |
| Employment and Investment Growth Act | | 7,587 |

Note 17. Discretely Presented Component Units

Investments: As of June 30, 2022, the investment balances of Metropolitan Entertainment & Convention Authority (MECA), a discretely presented component unit, are as follows:

| | Maturities | Credit Rating | Fair Value |
|-------------------------|-------------------|--|----------------------|
| Certificates of deposit | 07/29/21-06/20/23 | 100% FDIC Insured | \$ 490,511 |
| Corporate bonds | 06/13/22-04/27/26 | S&P-AA+ to A- or N/A and Moody's-Aja to A2 | 8,822,031 |
| Commercial paper | 07/26/22-01/12/23 | S&P-A1 to A1+ or N/A and Moody's-P1 | 6,942,384 |
| US Treasury Securities | NA | Moody's- Aaa | 11,889,127 |
| Total investments | | | <u>\$ 28,144,053</u> |

Heartland Workforce Solutions, Inc. (HWS), a discretely presented component unit, had no investments at June 30, 2022.

City of Omaha, Nebraska

Notes to the Basic Financial Statements

Note 17. Discretely Presented Component Units (Continued)

Capital assets: Activity for the year ended June 30, 2022 for MECA's property, equipment, and intangible assets and accumulated depreciation and amortization are as follows:

| | Balance June 30, 2021 | Additions and Reclassifications | Dispositions | Balance June 30, 2022 |
|---|--------------------------|------------------------------------|--------------|--------------------------|
| Leasehold improvements | \$ 26,059,519 | \$ 227,411 | \$ - | \$ 26,286,930 |
| Furniture, fixtures, and equipment | 17,253,993 | 3,399,417 | - | 20,653,410 |
| Building rights | 10,079,196 | - | - | 10,079,196 |
| Construction in progress | 4,365 | 729,363 | - | 733,728 |
| | 53,397,073 | 4,356,191 | - | 57,753,264 |
| Accumulated depreciation and amortization | (37,045,693) | (2,781,782) | - | (39,827,475) |
| | <u>\$ 16,351,380</u> | <u>\$ 1,574,409</u> | <u>\$ -</u> | <u>\$ 17,925,789</u> |

Heartland Workforce Solutions, Inc. had \$4,726 in capital assets, net of \$332,886 in accumulated depreciation as of June 30, 2022. These capital assets consisted of furniture and equipment and leasehold improvements.

On June 20, 2018, MECA announced a new naming rights partnership with CHI Health. The agreement began on September 1, 2018. The building will be called the CHI Health Center Omaha. The new naming rights agreement is for \$23,598,914 million over the course of a 20-year term ending in 2038.

Heartland Workforce Solutions, Inc. had no note payable activity at June 30, 2022.

Commitments and contingencies: MECA entered into a long-term contract for food service operations for CHI Health Center Omaha in November 2001. MECA renewed this long-term contract in March 2013. The terms of the contract commit MECA to a ten-year CPI indexed annual payment to the contractor of \$250,000. The annual payments made as of June 30, 2022 and 2021 were \$225,529 and \$222,781, respectively. There are incentive provisions in the contract that may result in additional payments to the contractor, capped at \$55,687 per contract year, subject to CPI indexing. Such incentives totaled \$56,382 and \$55,687 for years ended June 30, 2022 and 2021. The remaining costs of such commitments as of June 30, 2022 are six annual payments of \$221,781 subject to increases in accordance with a CPI index.

MECA entered into a five-year contract for food service operations for Charles Schwab Field in February 2011. MECA renewed the long-term contract for food service operations for Charles Schwab Field in July of 2013. The contract term is February 1, 2016 until June 30, 2023. The terms of the contract commit MECA to a seven-year, five-month CPI indexed annual payment to the contractor of \$75,000. The annual payments made as of June 30, 2022 and 2021 were \$73,706 and \$72,808, respectively. There are incentive provisions in the contract that may result in additional payments to the contractor, capped at \$18,166 per contract year, subject to CPI indexing. Such incentive totaled \$18,427 and \$18,16 for the years ended June 30, 2022 and 2021. The remaining costs of such commitments as of June 30, 2021 are six annual payments of \$72,808 subject to increases in accordance with a CPI index.

Required Supplementary Information

City of Omaha, Nebraska

Required Supplementary Information Schedules
 Budgetary Comparison Schedule—General Fund—Budgetary Basis
 Year Ended December 31, 2022

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---|--------------------|--------------------|--------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Property tax | \$ 121,696,779 | \$ 121,696,779 | \$ 121,448,642 | \$ (248,137) |
| Motor vehicle taxes | 15,889,474 | 15,889,474 | 15,173,644 | (715,830) |
| City sales and use tax | 191,220,508 | 191,220,508 | 212,887,241 | 21,666,733 |
| Business taxes | 14,064,650 | 14,064,650 | 8,761,214 | (5,303,436) |
| Taxes in lieu | 9,481,678 | 9,481,678 | 9,223,905 | (257,773) |
| Licenses and permits | 10,373,519 | 10,373,519 | 11,421,703 | 1,048,184 |
| Charges for services | 23,301,369 | 23,301,369 | 27,909,008 | 4,607,639 |
| Revenue for KENO | 855,576 | 855,576 | 1,125,701 | 270,125 |
| Interest income (loss) | 1,500,000 | 1,500,000 | (5,902,360) | (7,402,360) |
| Miscellaneous | 6,263,324 | 6,263,324 | 6,246,864 | (16,460) |
| Restaurant tax | 35,857,086 | 35,857,086 | 42,178,670 | 6,321,584 |
| Business Usage | 13,351,242 | 13,351,242 | 12,886,154 | (465,088) |
| Tobacco Tax | 4,400,000 | 4,400,000 | 4,022,732 | (377,268) |
| Total revenues | 448,255,205 | 448,255,205 | 467,383,118 | 19,127,913 |
| Expenditures: | | | | |
| Departmental: | | | | |
| Mayor's office | 1,642,114 | 1,642,114 | 1,517,161 | 124,953 |
| City council | 1,369,365 | 1,369,365 | 1,322,952 | 46,413 |
| City clerk | 816,850 | 816,850 | 737,627 | 79,223 |
| Law | 5,479,258 | 5,479,258 | 5,159,149 | 320,109 |
| Human resources | 3,657,615 | 3,657,615 | 3,075,097 | 582,518 |
| Human rights and relations | 1,314,252 | 1,314,252 | 1,287,861 | 26,391 |
| Finance: | | | | |
| Finance administration division | 583,839 | 583,839 | 470,761 | 113,078 |
| Accounting division | 1,414,050 | 1,419,182 | 1,182,732 | 236,450 |
| Revenue division | 1,036,613 | 1,036,613 | 1,126,826 | (90,213) |
| Payroll division | 484,322 | 484,322 | 432,259 | 52,063 |
| Budget division | 756,784 | 756,784 | 647,625 | 109,159 |
| Information technology division | 1,008,394 | 1,008,394 | 749,081 | 259,313 |
| Total finance | 5,284,002 | 5,289,134 | 4,609,284 | 679,850 |
| Planning: | | | | |
| Planning administration division | 861,178 | 861,178 | 828,660 | 32,518 |
| Housing and community development division | 283,798 | 283,798 | 337,545 | (53,747) |
| Urban planning division | 2,706,003 | 2,706,003 | 2,495,420 | 210,583 |
| Building and development division | 7,509,031 | 7,509,031 | 7,306,797 | 202,234 |
| Total planning | 11,360,010 | 11,360,010 | 10,968,422 | 391,588 |
| Non-Departmental: | | | | |
| Debt service (other accounts) | 11,360,820 | 11,360,820 | 11,087,620 | 273,200 |
| Employee Benefits | | | | |
| Retiree supplemental pension | 3,793,190 | 3,793,190 | 3,065,457 | 727,733 |
| Retiree/cobra health insurance | 13,174,746 | 13,174,746 | 13,352,932 | (178,186) |
| Workers compensation/unemployment insurance | 3,463,061 | 3,463,061 | 3,131,062 | 331,999 |
| Total employee benefits | 20,430,997 | 20,430,997 | 19,549,451 | 881,546 |
| Other agencies | | | | |
| Community service programs | 1,200,705 | 1,345,705 | 1,129,891 | 215,814 |
| County jail/election expense | 3,600,000 | 3,600,000 | 3,500,000 | 100,000 |
| County emergency 911 communications | 12,734,762 | 12,734,762 | 12,776,094 | (41,332) |
| Metropolitan entertainment convention authority | 100,000 | 100,000 | - | 100,000 |
| County treasurer | 1,415,398 | 1,417,985 | 1,417,497 | 488 |
| General expense and insurance | 4,797,947 | 4,837,947 | 9,802,219 | (4,964,272) |
| Douglas-Omaha technology commission | 1,611,207 | 1,611,207 | 1,601,583 | 9,624 |
| Wage adjustment account | 3,873,865 | 3,873,865 | 83,588 | 3,790,277 |
| Contingency reserve | 200,000 | 15,000 | 4,214,724 | (4,199,724) |
| Cash reserve | - | - | 2,500,000 | (2,500,000) |
| Other funds | 1,675,052 | 1,774,174 | 10,963,354 | (9,189,180) |
| Total other agencies | 31,208,936 | 31,310,645 | 47,988,950 | (16,678,305) |
| Total General Government | 93,924,219 | 94,031,060 | 107,303,574 | (13,272,514) |

(Continued)

City of Omaha, Nebraska

Required Supplementary Information Schedules
 Budgetary Comparison Schedule—General Fund—Budgetary Basis (Continued)
 Year Ended December 31, 2022

| | Budgeted Amounts | | Actual | Variance with Final Budget Increase (Decrease) |
|--|--------------------|--------------------|--------------------|---|
| | Original | Final | | |
| Public Safety: | | | | |
| Fire: | | | | |
| Fire administration division | 9,840,626 | 9,840,626 | 13,865,106 | (4,024,480) |
| Fire investigation division | 1,648,168 | 1,648,168 | 1,642,947 | 5,221 |
| Firefighter safety, health, and wellness division | 2,205,225 | 2,205,225 | 2,023,259 | 181,966 |
| Fire and life safety education and prevention division | 3,065,366 | 3,065,366 | 3,055,321 | 10,045 |
| Technical services division | 1,072,991 | 1,072,991 | 1,045,508 | 27,483 |
| Fire emergency response training division | 2,076,757 | 2,076,757 | 1,953,786 | 122,971 |
| Fire emergency response operations division | 100,748,937 | 100,748,937 | 96,686,230 | 4,062,707 |
| Total fire | 120,658,070 | 120,658,070 | 120,272,157 | 385,913 |
| Police: | | | | |
| Office of the police chief | 18,851,110 | 18,889,900 | 4,880,501 | 14,009,399 |
| Criminal investigations bureau | 31,180,177 | 31,180,177 | 34,448,039 | (3,267,862) |
| Executive officer bureau | 10,817,826 | 10,817,826 | 14,031,551 | (3,213,725) |
| Police services bureau | 30,547,562 | 30,547,562 | 36,259,623 | (5,712,061) |
| Uniform patrol bureau | 78,055,111 | 78,055,111 | 74,018,355 | 4,036,756 |
| Total police | 169,451,786 | 169,490,576 | 163,638,069 | 5,852,507 |
| Total public safety | 290,109,856 | 290,148,646 | 283,910,226 | 6,238,420 |
| Transportation services/other public works | | | | |
| Public works: | | | | |
| Street maintenance division | 481,281 | 481,281 | 325,395 | 155,886 |
| Street and highway general expense division | (1,508,154) | (1,508,154) | (1,508,154) | - |
| Street and traffic electrical service division | - | - | - | - |
| Parking | - | - | - | - |
| Facilities Management | 60,165 | 60,165 | 60,165 | - |
| Solid waste division | 34,585,807 | 34,621,233 | 34,708,000 | (86,767) |
| Sewer revenue general expense division | (2,276,754) | (2,276,754) | (2,276,754) | - |
| Total public works | 31,342,345 | 31,377,771 | 31,308,652 | 69,119 |
| Culture and recreation: | | | | |
| Parks and recreation: | | | | |
| Park administration | 1,679,641 | 1,679,641 | 2,001,662 | (322,021) |
| Parks and facilities | 16,261,773 | 16,284,508 | 17,759,242 | (1,474,734) |
| Public awareness | 211,347 | 211,347 | 197,804 | 13,543 |
| Community recreation | 5,676,530 | 5,676,530 | 5,688,258 | (11,728) |
| Enterprise | - | - | - | - |
| Total parks and recreations | 23,829,291 | 23,852,026 | 25,646,966 | (1,794,940) |
| Greater Omaha convention and visitors bureau | 2,000,000 | 2,000,000 | 2,000,000 | - |
| Library | 14,845,702 | 14,845,702 | 18,867,347 | (4,021,645) |
| Total culture and recreation | 40,674,993 | 40,697,728 | 46,514,313 | (5,816,585) |
| Total expenditures | 456,051,413 | 456,255,205 | 469,036,765 | (12,781,560) |
| Deficiency of revenues under expenditures | (7,796,208) | (8,000,000) | (1,653,647) | 6,346,353 |
| Net changes in fund balances | (7,796,208) | (8,000,000) | (1,653,647) | 6,346,353 |
| Fund balances - beginning of year | 7,796,208 | 8,000,000 | (16,000,000) | (24,000,000) |
| Lapsed encumbrances | - | - | 1,653,647 | 1,653,647 |
| Transfers in | - | - | - | - |
| Fund balances - end of year | \$ - | \$ - | \$ (16,000,000) | \$ (16,000,000) |

See notes to budgetary comparison schedule.

City of Omaha, Nebraska

Notes to Budgetary Comparison Schedule—General Fund

Note 1. Budget and Budgetary Accounting

The Mayor is required by the City Charter to prepare and submit an annual budget to the City Council. A budget is prepared for the general fund and most special revenue funds, exclusive of all grant funds, public library contribution fund, miscellaneous contribution fund, and storm water management plan program fund. These budgets are prepared primarily on a cash basis for revenues and modified accrual basis for expenditures. The budget presented reflects the original budget and the revised budget prior to the closing ordinance. In addition, encumbrances are reported as expenditures for budgetary purposes. Under this system, purchase orders, contracts and other commitments for the expenditure of funds are recorded as encumbrances in order to reserve a portion of the applicable appropriation.

Throughout the year, budgetary monitoring, to ensure compliance with the City Council approved budget, is performed by each division and by the following category of expenditures: personnel services, non-personnel services, capital outlay and debt service. All budget amendments must be approved by the Mayor and/or City Council. Unencumbered appropriations lapse at the end of the fiscal year. Encumbered funds are carried over to the ensuing fiscal year until utilized or canceled.

The mayor's office, city council, city clerk, law, human resources, human rights and relations, GOCVB, and libraries do not have division levels within the departments. The Mayor may at any time transfer an unencumbered appropriation balance or portion thereof between appropriations of the same division. Transfers between divisions in the same department may be authorized by resolution of the Council, and transfers between departments may be authorized by ordinance of the Council. Transfers within a division between personal and non-personal services may be authorized by the Mayor and does not require approval by the City Council.

The City Charter also requires the City Council each year to make an ad valorem tax levy for a sinking fund (debt service fund) that shall provide for principal and interest payments on the general obligation bonded indebtedness of the City.

Appropriations for certain special revenue funds and capital projects funds are controlled on a project basis and are carried forward each year until the project is completed or grant funds are expended.

Budgets are also prepared for the proprietary funds as a management control device. The budgets for these funds are prepared on a revenue and expenditure basis similar to the budgets for the governmental fund types.

Note 2. Reconciliation of Budget-Basis Revenues and Expenditures to GAAP

Revenue and expenditures presented on a non-GAAP budget basis of accounting differ from the revenues and expenditures presented in accordance with GAAP because of the different treatment of encumbrances and accruals (revenue recognition).

In addition, Section 5.14 of the City of Omaha's Home Rule Charter requires, in relevant part, that the year-end general fund balance "be applied as general fund revenue in the budget for the fiscal year two years subsequent to that fiscal year." Therefore, the amount of the general fund carryover coming into a particular fiscal year has already been determined. Any general fund encumbrances at the end of a fiscal year are not included in the year-end general fund balance because those encumbrances will normally need to be paid in the following fiscal year and cannot be held until the fiscal year two years subsequent to the fiscal year when the encumbrance was incurred.

City of Omaha, Nebraska

Notes to Budgetary Comparison Schedule—General Fund

Note 2. Reconciliation of Budget-Basis Revenues and Expenditures to GAAP (Continued)

All general fund encumbrances are charged to the appropriate accounts at the end of the fiscal year. This allows those funds to be kept separate from the year-end general fund balance. Therefore, when the actual payments to the vendors are required in the following fiscal year, there are general fund moneys available. A reconciliation of the differences between the budgetary versus GAAP is presented as follows:

| | <u>General Fund</u> |
|---|------------------------------|
| Budget basis: | |
| 2020 carryover to 2022 | \$ 8,000,000 |
| 2021 carryover to 2023 | <u>8,000,000</u> |
| Total budget basis fund balance before transfer out | 16,000,000 |
| Basis differences: | |
| Stadium | 2,193,657 |
| Cash reserve | 30,810,808 |
| Contingent liability reserve | 30,287,235 |
| Tech and training | 1,201,297 |
| Encumbrances | 30,177,112 |
| Accrued property taxes | 12,228,958 |
| Accrued sales tax | 37,812,425 |
| Inventory | 694,951 |
| GAAP basis fund balance | <u><u>\$ 161,406,443</u></u> |

Note 3. Expenditures in Excess of Budget

Budgeted expenditures were exceeded in the following departments/divisions:

| <u>Department/Division</u> | <u>Amount</u> |
|--|---------------|
| General fund: | |
| Finance: | |
| Revenue division | \$ (90,213) |
| Planning: | |
| Housing and community development division | (53,747) |
| Non-Departmental: | |
| Retiree/cobra health insurance | (178,186) |
| Other agencies: | |
| 911 | (41,332) |
| General exepnse | (4,964,272) |
| Fire: | |
| Fire administration division | (4,024,480) |
| Police: | |
| Criminal investigations bureau | (3,267,862) |
| Executive officer bureau | (3,213,725) |
| Police services bureau | (5,712,061) |
| Public works: | |
| Solid waste | (86,767) |
| Parks and recreation: | |
| Park administration | (322,021) |
| Parks and faculties | (1,474,734) |
| Community recreation | (11,728) |
| Library | (4,021,645) |

City of Omaha, Nebraska

Notes to Budgetary Comparison Schedule—General Fund

Note 3. Expenditures in Excess of Budget (Continued)

General Expense was over budgeted expenditures due to the OPPD in lieu liability being recorded in 2022.

Fire Administration and Police are over budgeted expenditures due to payroll allocation changes. Overall, the Fire and Police Departments were under budget by \$6,238,420.

Parks and Recreation is over budgeted expenditures due to an increase of maintenance contracts and Golf capital projects. Overall, Parks and Recreation is over budgeted expenses by \$1,794,941.

Library was over budgeted expenditures due to the remodel of the new downtown location.

City of Omaha, Nebraska

**Budgetary Comparison Schedule—Street and Highway Allocation Fund
Year Ended December 31, 2022**

| | Budgeted Amounts | | Actual | Variance with Final Budget Increase (Decrease) |
|--|--------------------|--------------------|-------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Intergovernmental | \$ 51,769,248 | \$ 51,769,248 | \$ 57,539,217 | \$ 5,769,969 |
| Licenses and permits | 28,520 | 28,520 | 39,170 | 10,650 |
| Charges for services | 28,732,619 | 28,732,619 | 30,540,175 | 1,807,556 |
| Rents, royalties and other | 69,787 | 69,787 | 93,176 | 23,389 |
| Contributions and grants | 919,536 | 919,536 | 903,469 | (16,067) |
| Total revenues | 81,519,710 | 81,519,710 | 89,115,207 | 7,595,497 |
| Expenditures: | | | | |
| General government: | | | | |
| Employee benefits/retiree health insurance | 1,764,201 | 1,764,201 | 1,788,062 | (23,861) |
| Employee benefits/workers compensation/ unemployment insurance | 463,731 | 463,731 | 418,414 | 45,317 |
| Other agencies/general expense insurance | 531,034 | 531,034 | 503,738 | 27,296 |
| Other agencies/dot.comm | 159,268 | 159,268 | 158,316 | 952 |
| Debt service (other accounts) | 500 | 500 | - | 500 |
| Other agencies/country treasurer | 468,135 | 468,135 | 469,781 | (1,646) |
| Human resources | 109,021 | 109,021 | - | 109,021 |
| Wage adjustment | 78,227 | 78,227 | - | 78,227 |
| Transportation services: | | | | |
| Public works/general services division | 1,122,112 | 1,122,112 | 1,139,437 | (17,325) |
| Public works/construction division | 3,436,978 | 3,436,978 | 3,067,059 | 369,919 |
| Public works/design division | 2,245,328 | 2,245,328 | 1,638,628 | 606,700 |
| Public works/street maintenance division | 37,257,998 | 37,257,998 | 30,680,488 | 6,577,510 |
| Public works/major street resurfacing | 7,000,000 | 7,000,000 | 4,285,187 | 2,714,813 |
| Public works/residential resurfacing | - | - | 382,736 | (382,736) |
| Public works/bridge maintenance division | 725,000 | 725,000 | 36,875 | 688,125 |
| Public works/street and highway general division | 1,508,154 | 1,508,154 | 1,508,154 | - |
| Public works/traffic engineering division | 9,448,683 | 9,448,683 | 9,175,427 | 273,256 |
| Public works/street and traffic electrical division | 11,886,005 | 11,886,005 | 10,846,536 | 1,039,469 |
| Public works/parking | 10,592 | 10,592 | - | 10,592 |
| Debt service: | | | | |
| Principal | 595,270 | 595,270 | - | 595,270 |
| Interest | 299,381 | 299,381 | 183,525 | 115,856 |
| Capital outlay: | | | | |
| Public works/construction division | 207,500 | 207,500 | 697,984 | (490,484) |
| Public works/design division | 45,000 | 45,000 | - | 45,000 |
| Public works/street maintenance division | 6,875,000 | 6,875,000 | 4,644,451 | 2,230,549 |
| Public works/major street resurfacing | - | - | 1,111,221 | (1,111,221) |
| Public works/bridge maintenance division | - | - | 141,299 | (141,299) |
| Public works/traffic engineering division | 450,000 | 450,000 | 535,783 | (85,783) |
| Total expenditures | 86,687,118 | 86,687,118 | 73,413,101 | 13,274,017 |
| Excess (deficiency) of revenues over (under) expenditures | (5,167,408) | (5,167,408) | 15,702,106 | 20,869,514 |
| Other financing uses: | | | | |
| Transfers in | - | - | 17,592 | 17,592 |
| Transfers out | (100,000) | (100,000) | (100,000) | - |
| Total other financing uses | (100,000) | (100,000) | (82,408) | 17,592 |
| Net change in fund balances | (5,267,408) | (5,267,408) | 15,619,698 | 20,887,106 |
| Fund balances, beginning | 3,840,500 | 3,840,500 | 16,440,581 | 12,600,081 |
| Fund balances, ending | \$ (1,426,908) | \$ (1,426,908) | \$ 32,060,279 | \$ 33,487,187 |

City of Omaha, Nebraska

Required Supplementary Information Schedules
 Schedule of Changes in the City's Civilian Plan Net Pension Liability and Related Ratios
 Last Nine Years

| | 2022 | | 2021 | | 2020 |
|---|-------------------|----|----------------|----|----------------|
| Total Pension Liability | | | | | |
| Service cost | \$ 8,355 | \$ | 8,430 | \$ | 7,753 |
| Interest | 37,668 | | 36,999 | | 36,364 |
| Benefit changes | 102 | | | | |
| Difference between expected and actual experience | (2,486) | | 1,892 | | (3,509) |
| Changes of assumptions | (229) | | 882 | | (2,040) |
| Benefit payments, including member refunds | (39,429) | | (38,990) | | (38,098) |
| Net change in total pension liability | 3,981 | | 9,213 | | 470 |
| Total pension liability, beginning | 513,245 | | 504,032 | | 503,562 |
| Total pension liability, ending (a) | \$ 517,226 | \$ | 513,245 | \$ | 504,032 |
| Civilian Plan Fiduciary Net Position | | | | | |
| Contributions, employer | \$ 16,662 | \$ | 15,354 | \$ | 15,121 |
| Contributions, member | 9,016 | | 8,344 | | 8,123 |
| Net investment income | (23,805) | | 47,501 | | 31,262 |
| Benefit payments, including member refunds | (39,429) | | (38,990) | | (38,098) |
| Administrative expense | (7) | | - | | - |
| Net change in civilian plan fiduciary net position | (37,563) | | 32,209 | | 16,408 |
| Civilian plan fiduciary net position, beginning | 304,077 | | 271,868 | | 255,460 |
| Civilian plan fiduciary net position, ending (b) | \$ 266,514 | \$ | 304,077 | \$ | 271,868 |
| Net pension liability, ending (a) - (b) | \$ 250,712 | \$ | 209,168 | \$ | 232,164 |
| Civilian plan fiduciary net position as a percentage of the total pension liability | 51.53% | | 59.25% | | 53.94% |
| Covered payroll | \$ 86,838 | \$ | 86,257 | \$ | 82,848 |
| City's net pension liability as a percentage of covered payroll | 288.71% | | 280.23% | | 280.23% |

Note: Results for the other years within the last 10 years are not available and will be developed prospectively.

| | 2019 | | 2018 | | 2017 | | 2016 | | 2015 | | 2014 |
|----|----------|----|----------|----|----------|----|----------|----|-----------|----|----------|
| \$ | 7,256 | \$ | 6,858 | \$ | 6,727 | \$ | 6,641 | \$ | 12,970 | \$ | 14,010 |
| | 34,550 | | 34,492 | | 34,093 | | 33,702 | | 28,908 | | 30,653 |
| | 3,093 | | (2,213) | | 256 | | (813) | | 602 | | - |
| | 17,170 | | 27,596 | | - | | - | | (195,369) | | 70,858 |
| | (37,654) | | (36,773) | | (35,424) | | (33,881) | | (32,770) | | (31,316) |
| | 24,415 | | 29,960 | | 5,652 | | 5,649 | | (185,659) | | 84,205 |
| | 479,147 | | 449,187 | | 443,535 | | 437,885 | | 660,039 | | 575,834 |
| \$ | 503,562 | \$ | 479,147 | \$ | 449,187 | \$ | 443,534 | \$ | 474,380 | \$ | 660,039 |
| \$ | 15,028 | \$ | 13,645 | \$ | 13,227 | \$ | 12,780 | \$ | 12,401 | \$ | 12,327 |
| | 8,073 | | 7,330 | | 7,106 | | 6,866 | | 6,584 | | 6,321 |
| | 33,314 | | (2,030) | | 29,804 | | 21,909 | | 7,214 | | 11,122 |
| | (37,655) | | (36,773) | | (35,424) | | (33,881) | | (32,770) | | (31,316) |
| | - | | - | | - | | - | | - | | - |
| | 18,760 | | (17,828) | | 14,713 | | 7,674 | | (6,571) | | (1,546) |
| | 236,700 | | 254,532 | | 239,825 | | 232,157 | | 238,731 | | 240,343 |
| \$ | 255,460 | \$ | 236,704 | \$ | 254,538 | \$ | 239,831 | \$ | 232,160 | \$ | 238,797 |
| \$ | 248,102 | \$ | 242,443 | \$ | 194,649 | \$ | 203,703 | \$ | 242,220 | \$ | 421,242 |
| | 50.73% | | 49.40% | | 56.67% | | 54.07% | | 53.02% | | 36.17% |
| \$ | 80,204 | \$ | 71,448 | \$ | 70,101 | \$ | 67,586 | \$ | 62,061 | \$ | 60,477 |
| | 309.34% | | 339.33% | | 277.68% | | 301.41% | | 331.49% | | 696.64% |

City of Omaha, Nebraska

Required Supplementary Information Schedules
Civilian Plan—Schedule of City Contributions
Last Nine Years
(Dollars in Thousands)

| | 2022 | | 2021 | | 2020 |
|---|-----------------|----|----------|----|----------|
| Actuarially determined employer contribution | \$ 18,893 | \$ | 17,401 | \$ | 17,298 |
| Actual employer contribution | 16,662 | | 15,354 | | 15,121 |
| Annual contribution deficiency | \$ 2,231 | \$ | 2,047 | \$ | 2,177 |
| Covered payroll | \$ 86,838 | \$ | 86,257 | \$ | 82,848 |
| Actual contributions as a percentage of covered payroll | 19.19% | | 17.80% | | 18.25% |
| Valuation date | 1/1/2022 | | 1/1/2021 | | 1/1/2020 |

Actuarial assumptions: See Note 9 to the basic financial statements for summary of actuarial assumptions.

Note: Results for the other years within the last 10 years are not available and will be developed prospectively.

| Year | Actuarial Cost Method | Amortization Method | Remaining Amortization Period | Asset Valuation Method | Inflation | Salary Increase, Including Inflation | Interest Credited to Cash Balance | Investment Rate of Return |
|------|-----------------------|--|-----------------------------------|--|-----------|--------------------------------------|-----------------------------------|---|
| 2014 | Entry age normal | Layered approach with level percent of payroll, closed | 18 to 20 years, depending on base | Expected + 25% of (Market - Expected Values) | 3.25% | 4.00% to 10.00% | N/A | 8.00%, net of investment expense, including inflation |
| 2015 | Entry age normal | Layered approach with level percent of payroll, closed | 17 to 20 years, depending on base | Expected + 25% of (Market - Expected Values) | 3.25% | 4.00% to 10.00% | 6.25% | 8.00%, net of investment expense, including inflation |
| 2016 | Entry age normal | Layered approach with level percent of payroll, closed | 17 to 20 years, depending on base | Expected + 25% of (Market - Expected Values) | 3.25% | 4.00% to 10.00% | 6.25% | 8.00%, net of investment expense, including inflation |
| 2017 | Entry age normal | Layered approach with level percent of payroll, closed | 17 to 20 years, depending on base | Expected + 25% of (Market - Expected Values) | 3.25% | 4.00% to 10.00% | 6.25% | 8.00%, net of investment expense, including inflation |
| 2018 | Entry age normal | Layered approach with level percent of payroll, closed | 20 to 25 years, depending on base | Expected + 25% of (Market - Expected Values) | 2.50% | 3.10% to 8.00% | 6.00% | 7.5%, net of investment expense, including inflation |
| 2019 | Entry age normal | Layered approach with level percent of payroll, closed | 20 to 25 years, depending on base | Expected + 25% of (Market - Expected Values) | 2.50% | 3.10% to 8.00% | 6.00% | 7.5%, net of investment expense, including inflation |
| 2020 | Entry age normal | Layered approach with level percent of payroll, closed | 20 to 25 years, depending on base | Expected + 25% of (Market - Expected Values) | 2.50% | 3.10% to 8.00% | 6.00% | 7.5%, net of investment expense, including inflation |
| 2021 | Entry age normal | Level percent of payroll, layered | 20 Years | 4 years, Asymptotic, 20% | 2.50% | Rates vary | 7.00% | 7.5%, net of investment expense, including inflation |
| 2022 | Entry age normal | Level percent of payroll, layered | 20 Years | 4 years, Asymptotic, 20% | 2.50% | Rates vary | 7.00% | 7.5%, net of investment expense, including inflation |

| | 2019 | | 2018 | | 2017 | | 2016 | | 2015 | | 2014 |
|----|----------|----|----------|----|----------|----|----------|----|----------|----|----------|
| \$ | 17,314 | \$ | 14,991 | \$ | 12,383 | \$ | 11,795 | \$ | 14,677 | \$ | 17,163 |
| | 15,028 | | 13,645 | | 13,227 | | 12,780 | | 12,401 | | 12,327 |
| \$ | 2,286 | \$ | 1,346 | \$ | (844) | \$ | (985) | \$ | 2,276 | \$ | 4,836 |
| \$ | 80,204 | \$ | 71,448 | \$ | 70,101 | \$ | 67,586 | \$ | 62,061 | \$ | 60,477 |
| | 18.74% | | 19.10% | | 18.87% | | 18.91% | | 19.98% | | 20.38% |
| | 1/1/2019 | | 1/1/2018 | | 1/1/2017 | | 1/1/2016 | | 1/1/2015 | | 1/1/2014 |

City of Omaha, Nebraska

Required Supplementary Information Schedules
Schedule of Changes in the City's Uniformed Plan's Net Pension Liability and Related Ratios
Last Nine Years
(Dollars in Thousands)

| | 2022 | | 2021 | | 2020 |
|--|---------------------|----|------------------|----|------------------|
| Total Pension Liability | | | | | |
| Service cost | \$ 28,903 | \$ | 29,843 | \$ | 32,139 |
| Interest | 126,499 | | 123,111 | | 117,290 |
| Difference between expected and actual experience | (20,779) | | (16,019) | | (13,018) |
| Changes of assumptions | (4,026) | | 1,822 | | (4,314) |
| Benefit payments | (96,241) | | (92,057) | | (81,784) |
| Net change in total pension liability | 34,356 | | 46,700 | | 50,313 |
| Total pension liability, beginning | 1,650,559 | | 1,603,859 | | 1,553,546 |
| Total pension liability, ending (a) | \$ 1,684,915 | \$ | 1,650,559 | \$ | 1,603,859 |
| Uniformed Plan Fiduciary Net Position | | | | | |
| Contributions, employer | \$ 53,665 | \$ | 52,984 | \$ | 51,859 |
| Contributions, member | 25,093 | | 24,726 | | 24,318 |
| Net investment income (loss) | (67,871) | | 190,911 | | 73,649 |
| Benefit payments | (96,241) | | (92,057) | | (81,784) |
| Administrative expense | (24) | | (7) | | - |
| Net change in uniformed plan fiduciary net position | (85,378) | | 176,557 | | 68,042 |
| Uniformed plan fiduciary net position, beginning | 1,045,470 | | 868,913 | | 800,871 |
| Uniformed plan fiduciary net position, ending (b) | \$ 960,092 | \$ | 1,045,470 | \$ | 868,913 |
| Net pension liability, ending (a) - (b) | \$ 724,823 | \$ | 605,089 | \$ | 734,946 |
| Uniformed plan fiduciary net position as a percentage of the total pension liability | 56.98% | | 63.34% | | 54.18% |
| Covered payroll | \$ 154,225 | \$ | 150,609 | \$ | 151,309 |
| City's net pension liability as a percentage of covered payroll | 469.97% | | 485.72% | | 485.72% |

Note: Results for the other years within the last 10 years are not available and will be developed prospectively.

| | 2019 | | 2018 | | 2017 | | 2016 | | 2015 | | 2014 |
|----|-----------|----|-----------|----|-----------|----|-----------|----|-----------|----|-----------|
| \$ | 31,457 | \$ | 31,330 | \$ | 30,677 | \$ | 30,290 | \$ | 30,031 | \$ | 29,469 |
| | 108,598 | | 105,764 | | 102,337 | | 99,175 | | 95,307 | | 91,066 |
| | 1,235 | | (5,305) | | (11,811) | | (16,351) | | (7,027) | | - |
| | 53,862 | | 30,016 | | - | | - | | - | | - |
| | (84,163) | | (81,045) | | (75,783) | | (71,483) | | (68,509) | | (66,559) |
| | 110,989 | | 80,760 | | 45,420 | | 41,631 | | 49,802 | | 53,976 |
| | 1,442,557 | | 1,361,797 | | 1,316,377 | | 1,274,746 | | 1,224,944 | | 1,170,968 |
| \$ | 1,553,546 | \$ | 1,442,557 | \$ | 1,361,797 | \$ | 1,316,377 | \$ | 1,274,746 | \$ | 1,224,944 |
| \$ | 49,779 | \$ | 48,797 | \$ | 46,609 | \$ | 43,235 | \$ | 42,138 | \$ | 41,852 |
| | 23,393 | | 23,017 | | 21,758 | | 20,215 | | 19,705 | | 19,623 |
| | 117,666 | | (20,041) | | 94,553 | | 50,247 | | 936 | | 25,665 |
| | (84,163) | | (81,045) | | (75,783) | | (71,483) | | (68,509) | | (66,559) |
| | (15) | | (24) | | (12) | | (11) | | (18) | | (149) |
| | 106,660 | | (29,296) | | 87,125 | | 42,203 | | (5,748) | | 20,432 |
| | 694,211 | | 723,507 | | 636,382 | | 594,179 | | 599,927 | | 579,495 |
| \$ | 800,871 | \$ | 694,211 | \$ | 723,507 | \$ | 636,382 | \$ | 594,179 | \$ | 599,927 |
| \$ | 752,675 | \$ | 748,346 | \$ | 638,290 | \$ | 679,995 | \$ | 680,567 | \$ | 625,017 |
| | 51.55% | | 48.12% | | 53.13% | | 48.34% | | 46.61% | | 48.98% |
| \$ | 140,506 | \$ | 138,364 | \$ | 134,930 | \$ | 125,201 | \$ | 121,729 | \$ | 120,776 |
| | 535.69% | | 540.85% | | 473.05% | | 543.12% | | 559.08% | | 517.50% |

City of Omaha, Nebraska

Required Supplementary Information Schedules
 Uniformed Plan—Schedule of City Contributions
 Last Nine Years
 (Dollars in Thousands)

| | 2022 | 2021 | 2020 |
|---|-----------------|-----------------|-----------------|
| Actuarially determined employer contribution | \$ 55,488 | \$ 55,590 | \$ 55,078 |
| Actual employer contribution | <u>53,665</u> | <u>52,984</u> | <u>51,859</u> |
| Annual contribution deficiency | <u>\$ 1,823</u> | <u>\$ 2,606</u> | <u>\$ 3,219</u> |
| Covered payroll | \$ 154,225 | \$ 150,609 | \$ 151,309 |
| Actual contributions as a percentage of covered payroll | 34.80% | 35.18% | 34.27% |
| Valuation date | 1/1/2022 | 1/1/2021 | 1/1/2020 |

Actuarial assumptions: See Note 9 to the basic financial statements for summary of actuarial assumptions.

Note: Results for the other years within the last 10 years are not available and will be developed prospectively.

| Year | Actuarial Cost Method | Amortization Method | Remaining Amortization Period | Asset Valuation Method | Inflation | Salary Increase, Including Inflation | Investment Rate of Return | Cost-of-Living Adjustment |
|------|-----------------------|----------------------------------|-----------------------------------|--|-----------|--------------------------------------|---|--|
| 2014 | Entry age normal | Level percent of payroll, closed | 30 Years | Expected + 25% of (Market - Expected Values) | 3.25% | 4.00% to 13.00% | 8.00%, net of investment expense, including inflation | The lesser of 3% or \$50 for Police or \$65 for Fire |
| 2015 | Entry age normal | Level percent of payroll, closed | 29 Years | Expected + 25% of (Market - Expected Values) | 3.25% | 4.00% to 13.00% | 8.00%, net of investment expense, including inflation | The lesser of 3% or \$50 for Police or \$65 for Fire |
| 2016 | Entry age normal | Level percent of payroll, closed | 28 Years | Expected + 25% of (Market - Expected Values) | 3.25% | 4.00% to 13.00% | 8.00%, net of investment expense, including inflation | The lesser of 3% or \$50 for Police or \$65 for Fire |
| 2017 | Entry age normal | Level percent of payroll, closed | 27 Years | Expected + 25% of (Market - Expected Values) | 3.25% | 4.00% to 13.00% | 8.00%, net of investment expense, including inflation | The lesser of 3% or \$50 for Police or \$65 for Fire |
| 2018 | Entry age normal | Level percent of payroll, closed | 26 Years | Expected + 25% of (Market - Expected Values) | 3.25% | 3.25% to 13.25% | 7.75%, net of investment expense, including inflation | The lesser of 3% or \$50 for Police or \$65 for Fire |
| 2019 | Entry age normal | Level percent of payroll, closed | 20 to 26 years, depending on base | Expected + 25% of (Market - Expected Values) | 2.50% | 3.25% to 13.25% | 7.75%, net of investment expense, including inflation | The lesser of 3% or \$50 for Police or \$65 for Fire |
| 2020 | Entry age normal | Level percent of payroll, closed | 20 to 26 years, depending on base | Expected + 25% of (Market - Expected Values) | 2.50% | 3.25% to 13.25% | 7.75%, net of investment expense, including inflation | The lesser of 3% or \$50 for Police or \$65 for Fire |
| 2021 | Entry age normal | Level percent of payroll, closed | 20 Years | 4 years, Asymptotic, 20% | 2.50% | Rates vary | 7.75%, net of investment expense, including inflation | The lesser of 3% or \$50 for Police or \$65 for Fire |
| 2022 | Entry age normal | Level percent of payroll, closed | 20 Years | 4 years, Asymptotic, 20% | 2.50% | Rates vary | 7.75%, net of investment expense, including inflation | The lesser of 3% or \$50 for Police or \$65 for Fire |

| 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|------------|------------|------------|------------|------------|------------|
| \$ 51,823 | \$ 50,677 | \$ 45,940 | \$ 42,468 | \$ 41,911 | \$ 43,525 |
| 49,779 | 48,797 | 46,609 | 43,235 | 42,138 | 41,852 |
| \$ 2,044 | \$ 1,880 | \$ (669) | \$ (767) | \$ (227) | \$ 1,673 |
| \$ 140,506 | \$ 138,364 | \$ 134,930 | \$ 125,201 | \$ 121,729 | \$ 120,776 |
| 35.43% | 35.27% | 34.54% | 34.53% | 34.62% | 34.65% |
| 1/1/2019 | 1/1/2018 | 1/1/2017 | 1/1/2016 | 1/1/2015 | 1/1/2014 |

City of Omaha, Nebraska

**Required Supplementary Information Schedules
Last Nine Years**

| | | Civilian Plan—Schedule of Investment Returns | | | | | | | | |
|---|--|---|---------|---------|---------|---------|---------|---------|--------|--------|
| | | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
| Annual money-weighted rate of return, net of investment expense | | -8.340% | 18.008% | 12.674% | 14.720% | -0.555% | 13.132% | 10.247% | 3.403% | 5.256% |

| | | Uniformed Plan—Schedule of Investment Returns | | | | | | | | |
|---|--|--|---------|--------|---------|---------|---------|--------|--------|--------|
| | | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2015 |
| Annual money-weighted rate of return, net of investment expense | | -6.593% | 22.235% | 9.277% | 17.236% | -2.308% | 14.959% | 9.064% | 0.676% | 4.939% |

Note: Results for the other years within the last 10 years are not available and will be developed prospectively.

City of Omaha, Nebraska

**Required Supplementary Information Schedules
 Schedule of Changes in the City's Total OPEB Liability and Related Ratios
 Last Five Years
 (\$ in Thousands)**

| | 2022 | 2021 |
|--|-------------------|-------------------|
| Total OPEB Liability | | |
| Service cost | \$ 30,252 | \$ 26,432 |
| Interest | 10,933 | 10,777 |
| Effect on economic/demographic gains | 44,519 | - |
| Effect of assumption changes or inputs | (68,478) | 2,925 |
| Benefit payments | (23,728) | (19,422) |
| Net change in total OPEB liability | (6,502) | 20,712 |
| Total OPEB liability, beginning | 512,273 | 491,561 |
| Total OPEB liability, ending | \$ 505,771 | \$ 512,273 |
| Covered-employee payroll | \$ 228,124 | \$ 227,851 |
| Total OPEB liability as a percentage of covered-employee payroll | 221.7% | 224.8% |

Note: Results of other years within the last 10 years are not available and will be developed prospectively from 2018. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Changes in assumptions: Amounts reported in 2018 reflect changes in actuarial assumptions. The expected claims costs and premium information, along with the assumed medical trend were adjusted based on current cost trend rates. The discount rate changed from 3.44% to 4.10% for 2018, from 4.10% to 2.74% for 2019, from 2.74% to 2.12% for 2020, from 2.12% to 2.06% for 2021 and 2.06% to 3.72% for 2022.

| | 2020 | | 2019 | | 2018 |
|--|------------|--|------------|--|------------|
| | \$ 22,087 | | \$ 18,248 | | \$ 20,190 |
| | 12,325 | | 16,155 | | 13,896 |
| | 5,538 | | - | | - |
| | 33,114 | | 35,805 | | (24,685) |
| | (18,357) | | (18,053) | | (16,779) |
| | 54,707 | | 52,155 | | (7,378) |
| | 436,854 | | 384,699 | | 392,077 |
| | \$ 491,561 | | \$ 436,854 | | \$ 384,699 |
| | \$ 227,851 | | \$ 220,776 | | \$ 223,476 |
| | 215.7% | | 197.9% | | 172.1% |

City of Omaha, Nebraska

Notes to Required Supplementary Information

Civilian Plan—Changes in Actuarial Assumptions and Methods

The following changes were made to the actuarial GASB Statements 67 and 68 reports for the Civilian Plan for the measurement date of December 31, 2022:

- The mortality assumption was changed from the RP-2014 table with the NPERS improvement scale to the PubG-2010 table with the MP-2021 improvement scale.
- A change in the cash balance interest crediting rate from 6.0% to 5.25%.
- Modifications in the assumed rates of termination and retirement.
- In addition, the January 1, 2022 valuation assumes a one-time salary increase adjustment of 2.0% for the 2023 year.

The following changes were made to the actuarial GASB Statements 67 and 68 reports for the Civilian Plan for the measurement date of December 31, 2019:

- The mortality assumption was changed to the Pub-2010 General Employees, Pub-2010 General Retirees, Pub-2010 General Disabled Retirees and Pub-2010 General Contingent Survivors Tables.

The following changes to the provisions of the Civilian Plan were first reflected in the valuation performed as of January 1, 2018 listed below:

- Inflation assumption decrease from 3.25% to 2.50%.
- Investment return assumption decreased from 8.00% to 7.50%.
- General wage growth assumption decreased from 4.00% to 3.10%.
- Covered payroll growth assumption decreased from 4.00% to 3.00%.
- Mortality assumption was changed to the RP-2014 Mortality Table (2006 base table) with no age adjustment for males and a one-year age setback for females. Future mortality improvements from 2006 are anticipated with the Mortality Improvement Scale used by the Nebraska Public Employees Retirement Systems (NPERS).
- Retirement rates were adjusted to better reflect the actual experience.
- Termination rates were changed from unisex to sex-distinct and developed to reflect the actual experience.
- Refund of contributions assumption for terminated vested members was changed to 50% for all ages.

Uniformed Plan—Changes in Actuarial Assumptions and Methods

The following changes were made to the actuarial GASB Statements 67 and 68 reports for the Uniformed Plan for the measurement date of December 31, 2022:

- The mortality assumption was changed from the RP-2000 tables with generational projection per Scale AA, to the PubS-2010 table with the MP-2021 improvement scale.
- A change in the COTA (Career Overtime Average) adjustment and DROP election assumptions.
- Modifications to the assumed rates of termination, disability, retirement and salary increases

The following changes were made to the actuarial GASB Statements 67 and 68 reports for the Uniformed Plan for the measurement date of December 31, 2019:

- The mortality assumption was changed to the Pub-2010 General Employees, Pub-2010 General Retirees, Pub-2010 General Disabled Retirees and Pub-2010 General Contingent Survivors Tables.

City of Omaha, Nebraska

Notes to Required Supplementary Information

The following changes to actuarial assumptions and methods of the Uniformed Plan were first reflected in the valuation performed as of January 1, 2018 listed below:

- Inflation assumption decrease from 3.25% to 2.50%.
- Investment return assumption decreased from 8.00% to 7.75%.
- General wage growth assumption decreased from 4.00% to 3.25%.
- Covered payroll growth assumption decreased from 4.00% to 3.25%.
- Retirement/DROP rates were adjusted to better reflect the actual experience.
- Termination rates were changed from age-based to service-based rates and separate assumptions were developed for Police members and Fire members.
- The merit component of the salary increase assumption for Police members was adjusted to better reflect the changes to the pay schedules that occurred in 2018 under the current contract.
- Disability rates were reduced by 20%.
- The amortization method for the unfunded actuarial liability (UAL) was changed from a single amortization base with a closed 30-year amortization period, beginning with January 1, 2014 valuation, to a "layered" amortization approach. Under this method, the UAL as of January 1, 2018 will continue to be amortized according to the current schedule (26 years remain as of January 1, 2018). Any new UAL generated as a result of actuarial experience in subsequent years will be amortized separately as an additional layer with it a separate amortization payment schedule, as a level-percent of pay, over a closed 20-year period.

Other Supplementary Information

City of Omaha, Nebraska

Combining Balance Sheet
 Nonmajor Governmental Funds
 December 31, 2022

| | Special Revenue Funds | Debt Service Funds |
|---|-----------------------------|-----------------------|
| Assets | | |
| Cash and pooled investments | \$ 17,510,307 | \$ 7,121,634 |
| Investments | 3,106,689 | - |
| Receivables (net of allowance for uncollectibles) | 4,137,848 | 9,195,915 |
| Due from other governments | 1,548,868 | 6,367 |
| Due from other funds | 32,000,000 | - |
| Accrued interest | 10,948 | - |
| Other assets | - | - |
| Restricted assets, funds with trustee | 33,678 | - |
| | <u>\$ 58,348,338</u> | <u>\$ 16,323,916</u> |
| Total assets | | |
| Liabilities, Deferred Inflows of Resources and Fund Balances | | |
| Liabilities: | | |
| Accounts payable and other current liabilities | \$ 4,178,156 | \$ 5,000 |
| Due to other governments | 2,735 | - |
| Due to other fund | 105,000 | - |
| Unearned revenue | 774 | - |
| | <u>4,286,665</u> | <u>5,000</u> |
| Total liabilities | | |
| Deferred inflows of resources, unavailable revenue | <u>3,031,325</u> | <u>8,310,828</u> |
| Fund balances: | | |
| Nonspendable | - | - |
| Restricted | 36,313,560 | 8,008,088 |
| Committed | 14,820,112 | - |
| Assigned | - | - |
| Unassigned | (103,324) | - |
| | <u>51,030,348</u> | <u>8,008,088</u> |
| Total fund balances | | |
| | <u>\$ 58,348,338</u> | <u>\$ 16,323,916</u> |
| Total liabilities, deferred inflows of resources and fund balances | | |

| Capital Projects Funds | Permanent Funds | Total Nonmajor Governmental Funds |
|---------------------------|---------------------|---|
| \$ 48,059,017 | \$ 31,352 | \$ 72,722,310 |
| 1,544,470 | 2,815,623 | 7,466,782 |
| 21,539,509 | - | 34,873,272 |
| 42,748 | - | 1,597,983 |
| 19,100,000 | - | 51,100,000 |
| 5,827 | 7,825 | 24,600 |
| 2,625,000 | - | 2,625,000 |
| 9,024,547 | - | 9,058,225 |
| <u>\$ 101,941,118</u> | <u>\$ 2,854,800</u> | <u>\$ 179,468,172</u> |

| | | |
|-------------------|----------|-------------------|
| \$ 8,648,956 | \$ - | \$ 12,832,112 |
| - | - | 2,735 |
| 19,100,000 | - | 19,205,000 |
| - | - | 774 |
| <u>27,748,956</u> | <u>-</u> | <u>32,040,621</u> |
| <u>21,539,509</u> | <u>-</u> | <u>32,881,662</u> |

| | | |
|-----------------------|---------------------|-----------------------|
| - | 2,775,387 | 2,775,387 |
| 57,360,494 | 32,791 | 101,714,933 |
| 5,074,749 | 46,622 | 19,941,483 |
| 13,779,037 | - | 13,779,037 |
| (23,561,627) | - | (23,664,951) |
| <u>52,652,653</u> | <u>2,854,800</u> | <u>114,545,889</u> |
| <u>\$ 101,941,118</u> | <u>\$ 2,854,800</u> | <u>\$ 179,468,172</u> |

City of Omaha, Nebraska

**Combining Statements of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended December 31, 2022**

| | Special Revenue Funds | Debt Service Funds |
|--|-----------------------------|-----------------------|
| Revenues: | | |
| Taxes: | | |
| Property | \$ 2,551,317 | \$ 11,008,387 |
| Business | 1,150,763 | - |
| In lieu | 6,492 | 27,764 |
| Licenses and grants | 5,132,360 | - |
| Intergovernmental | 6,802,491 | - |
| Investment income (loss) | (124,138) | - |
| Revenue from Keno | 13,041,448 | - |
| Charges for services | 4,317,898 | - |
| Rents, royalties and other | 9,682 | - |
| Contributions and grants | 2,832,950 | - |
| Total revenues | 35,721,263 | 11,036,151 |
| Expenditures: | | |
| Governmental activities: | | |
| General government | 3,593,768 | 105,861 |
| Public safety | 2,221,366 | - |
| Transportation services | 228,246 | - |
| Other public services | 2,785,040 | - |
| Community development | 5,981,288 | - |
| Culture and parks | 8,733,726 | - |
| Debt service: | | |
| Principal | 1,517 | 6,810,000 |
| Interest | 2,648,690 | 3,195,233 |
| Bond issuance costs | - | 290,274 |
| Capital outlay: | | |
| General government | - | - |
| Public safety | - | - |
| Transportation | - | - |
| Other public services | - | - |
| Community development | - | - |
| Culture and parks | - | - |
| Total expenditures | 26,193,641 | 10,401,368 |
| Excess (deficiency) revenue over (under) expenditures | 9,527,622 | 634,783 |
| Other financing sources (uses): | | |
| Transfers in | 2,232,811 | - |
| Transfers out | (3,855,460) | - |
| Issuance of debt | - | 20,866,060 |
| Premium on debt issued | - | 3,902,098 |
| Payment to refunded bond escrow agents | - | (24,476,225) |
| Sale of capital assets | - | - |
| Total other financing sources (uses) | (1,622,649) | 291,933 |
| Net change in fund balances | 7,904,973 | 926,716 |
| Fund balances, beginning | 43,125,375 | 7,081,372 |
| Fund balance, ending | \$ 51,030,348 | \$ 8,008,088 |

| Capital Projects Funds | Permanent Funds | Total Nonmajor Governmental Funds |
|---------------------------|---------------------|---|
| \$ - | \$ - | \$ 13,559,704 |
| - | - | 1,150,763 |
| - | - | 34,256 |
| - | - | 5,132,360 |
| - | - | 6,802,491 |
| 128,032 | (66,242) | (62,348) |
| - | - | 13,041,448 |
| 1,729,467 | - | 6,047,365 |
| - | - | 9,682 |
| 10,520,013 | - | 13,352,963 |
| <u>12,377,512</u> | <u>(66,242)</u> | <u>59,068,684</u> |
| 33,936 | 323 | 3,733,888 |
| 5,445 | - | 2,226,811 |
| 1,655,605 | - | 1,883,851 |
| - | - | 2,785,040 |
| 16,129 | - | 5,997,417 |
| 122,029 | 100,000 | 8,955,755 |
| - | - | 6,811,517 |
| - | - | 5,843,923 |
| - | - | 290,274 |
| 7,588,543 | - | 7,588,543 |
| 10,069,132 | - | 10,069,132 |
| 58,476,362 | - | 58,476,362 |
| 2,027,921 | - | 2,027,921 |
| 164,899 | - | 164,899 |
| 17,372,825 | - | 17,372,825 |
| <u>97,532,826</u> | <u>100,323</u> | <u>134,228,158</u> |
| <u>(85,155,314)</u> | <u>(166,565)</u> | <u>(75,159,474)</u> |
| 15,400,756 | - | 17,633,567 |
| (839,374) | - | (4,694,834) |
| 90,140,000 | - | 111,006,060 |
| 9,860,000 | - | 13,762,098 |
| - | - | (24,476,225) |
| 8,618,459 | - | 8,618,459 |
| <u>123,179,841</u> | <u>-</u> | <u>121,849,125</u> |
| 38,024,527 | (166,565) | 46,689,651 |
| 14,628,126 | 3,021,365 | 67,856,238 |
| <u>\$ 52,652,653</u> | <u>\$ 2,854,800</u> | <u>\$ 114,545,889</u> |

Nonmajor Governmental Funds—Special Revenue Funds

Special Revenue Funds account for the proceeds from specific revenue sources that are restricted or committed to expenditures for specified purposes.

Judgment Fund: To accumulate resources for the purpose of providing a means to satisfy judgments, damage claims, and related litigation expenses against the City. It is sustained by a Judgment Fund tax levy upon tangible property. The actual and projected revenues are derived from a levy of 0.6 cents per \$100 in 2007–2018.

Public Library Contribution Fund: To accumulate and hold special contributions for the library from outside sources. Funds are generally restricted for specific purposes to enhance library operations. The trust fund includes grants, gifts, State Aid and contributions from Friends of the Library and the Library Foundation.

Library Fines and Fees Fund: To account for the revenues generated through fees and fines collected by the Library.

Douglas County Library Supplement Fund: To account for the revenue generated by a property tax levy assessed on Douglas County residents living in unincorporated areas. The Douglas County Board passed this levy in 1995 for the purpose of providing countywide funding for the Omaha Public Library System.

Miscellaneous Contribution Fund: To account for money collected and encumbered into this Expendable Trust Fund. These short-term “small funds” are not large enough for the creation of a fund and are established for the sole purpose of a private entity or individual contributions for specific usage of funds. Organizations with current year activity or previous year balances are tracked individually by the finance department.

Keno/Lottery Proceeds Fund: To accumulate resources from the City’s percentage of Keno revenue in the City and account for activities financed with Keno revenues.

Storm Water Fee Revenue Fund: To account for revenues collected from a fee charged to all retail Metropolitan Utilities District customers. The funds are used to implement administrative requirements of the NPDES Storm Water Permit issued by the Nebraska Department of Environmental Quality in 2003. This function is mandated by the Environmental Protection Agency of the Federal Government.

City Street Maintenance Fund: Historically, this fund has been used to account for the usage of City motor vehicle registration fees and street cut fees. The City Motor Vehicle Registration Fee was increased to \$50.00 per passenger vehicle, with a graduated schedule for larger vehicles. The street cut fee, derived from local utilities and contractors, is based upon the size of the street cut. Use of funds is restricted to street maintenance and repair purposes and their related costs. This fund will be fully transferred to the street and highway allocation fund by the end of fiscal year 2022.

Interceptor Sewer Construction Fund: To accumulate resources from the Special Sewer Connection Fees charged to new plats outside the City limits within the Papillion Creek Watershed and existing platted lots as they are developed. These fees are used to finance the extension and/or relief of existing interceptor sanitary sewers in the Papillion Creek Watershed Basin.

Community Park Development Fund: To account for the costs of community park acquisition, and park improvements in suburban Omaha. In addition, subdivision agreements include provisions for revenues to be collected from Sanitary Improvement Districts at appropriate debt to value intervals.

Nonmajor Governmental Funds—Special Revenue Funds (Continued)

State Turn Back Revenue Fund: To account for money collected upon adoption of LB 551 by the State Legislature and amended in 2008 by LB 754 and LB 912. The City receives 70% of the state sales tax collected through the CenturyLink Omaha and the Hilton hotel. The majority of these funds are used to repay the CenturyLink debt. The remaining 10% of the City's revenue from this source is to be distributed for tourism-related purposes in the areas of the City with high concentrations of poverty.

Ballpark Revenue Fund: With the passage of City Ordinance #68123 dated June 1, 2008, the City established the Ballpark Revenue Fund. This ordinance approved a Tri-Party contract with the City, NCAA and College World Series Inc. This contract required the City to accumulate excess College World Series revenues for any purpose related to the New Stadium or its operations. The annual excess of Public Funds that exceed the stadium debt service or the Variable Funds that exceed planned projections are to be deposited into this fund. The City's portion of College World Series revenue shall also be deposited into this fund.

Keno Lottery Reserve Fund: To account for the reserve perpetual fund in accordance with Ordinance No. 34688 passed in 1998. Twenty-five (25%) of all Keno revenue must be credited to this fund until the fund balance reaches \$2,370,000. After this reserve fund reaches \$3,000,000, 25% of the interest earned stays in the fund; 75% is appropriated as permitted.

Greater Omaha Convention and Visitors Bureau Fund: To account for the operations of the Greater Omaha Convention and Visitors Bureau, which is jointly funded by the City of Omaha and Douglas County. Funds are restricted by City Charter, to be used for the enhanced promotional efforts to increase convention and tourism in the Omaha area.

Destination Marketing Corporation: To account for the promotion of Omaha as a visitor destination. The Corporation is formed, organized and operated as a 501c3 entity. Annually the Mayor and the City Council will approve transfer of funds from Greater Omaha Convention and Visitors Bureau Fund reserve account in an amount equal to commitments approved during the prior year.

Household Chemical Disposal Fund: To account for funds related to the collection of household hazardous waste. In August 2001, an Interlocal Agreement between Omaha, Douglas and Sarpy counties was executed to establish a regional collection center for household hazardous waste (HHW).

Development Revenue Fund: To record fees collected on Tax Increment Financing (TIF) projects in accordance with the City of Omaha Municipal Code, Section 24-150, Fees: Tax Increment Financing Applications, Processing and Administration. Funds received will be used to fund additional staff required to administer the processing of TIF applications.

The following nonmajor special revenue funds do not have appropriated budgets and therefore do not present a budgetary comparison schedule: Public Library Contribution Fund and Miscellaneous Contribution Fund.

City of Omaha, Nebraska

Combining Balance Sheet
 Nonmajor Special Revenue Funds
 December 31, 2022

| | Judgment | Public Library Contribution |
|---|----------------------|--------------------------------|
| Assets | | |
| Cash and pooled investments | \$ 591,774 | \$ 737,864 |
| Investments | - | - |
| Receivables (net of allowance for uncollectibles) | 2,576,612 | - |
| Due from other governments | 23 | - |
| Due from other funds | 7,000,000 | - |
| Restricted assets: | | |
| Funds with trustee | - | - |
| | <hr/> | <hr/> |
| Total assets | \$ 10,168,409 | \$ 737,864 |
| | <hr/> <hr/> | <hr/> <hr/> |
| Liabilities, Deferred Inflows of Resources and Fund Balances | | |
| Liabilities: | | |
| Accounts payable and other current liabilities | \$ 6,481 | \$ 41,789 |
| Due to other governments | 2,735 | - |
| Due to other funds | - | - |
| Unearned revenue | 774 | - |
| | <hr/> | <hr/> |
| Total liabilities | 9,990 | 41,789 |
| | <hr/> | <hr/> |
| Deferred inflows of resources: | | |
| Unavailable revenue | 2,323,731 | - |
| | <hr/> | <hr/> |
| Fund balances (deficits): | | |
| Restricted | 7,834,688 | 696,075 |
| Committed | - | - |
| Unassigned | - | - |
| | <hr/> | <hr/> |
| Total fund balances (deficits) | 7,834,688 | 696,075 |
| | <hr/> | <hr/> |
| Total liabilities, deferred inflows of resources and fund balances | \$ 10,168,409 | \$ 737,864 |
| | <hr/> <hr/> | <hr/> <hr/> |

(Continued)

| Library Fines and Fees | Douglas County Library Supplement | Miscellaneous Contribution | Keno/Lottery Proceeds | Storm Water Fee Revenue | City Street Maintenance |
|---------------------------|---|-------------------------------|--------------------------|----------------------------|----------------------------|
| \$ 20,185 | \$ 1,676 | \$ 728,553 | \$ 377,539 | \$ 635,772 | \$ - |
| - | - | - | - | - | - |
| - | - | 643,621 | 674,276 | - | 59,097 |
| - | - | - | - | - | - |
| - | - | 2,000,000 | 8,000,000 | 4,000,000 | - |
| - | - | - | - | - | - |
| <u>\$ 20,185</u> | <u>\$ 1,676</u> | <u>\$ 3,372,174</u> | <u>\$ 9,051,815</u> | <u>\$ 4,635,772</u> | <u>\$ 59,097</u> |
| \$ - | \$ - | \$ 43,273 | \$ 716,004 | \$ 1,843,983 | \$ - |
| - | - | - | - | - | - |
| - | 105,000 | - | - | - | - |
| - | - | - | - | - | - |
| <u>-</u> | <u>105,000</u> | <u>43,273</u> | <u>716,004</u> | <u>1,843,983</u> | <u>-</u> |
| - | - | 323,481 | - | - | 53,823 |
| - | - | 3,005,420 | 8,335,811 | - | 5,274 |
| 20,185 | - | - | - | 2,791,789 | - |
| - | (103,324) | - | - | - | - |
| <u>20,185</u> | <u>(103,324)</u> | <u>3,005,420</u> | <u>8,335,811</u> | <u>2,791,789</u> | <u>5,274</u> |
| <u>\$ 20,185</u> | <u>\$ 1,676</u> | <u>\$ 3,372,174</u> | <u>\$ 9,051,815</u> | <u>\$ 4,635,772</u> | <u>\$ 59,097</u> |

City of Omaha, Nebraska

Combining Balance Sheet (Continued)
 Nonmajor Special Revenue Funds
 December 31, 2022

| | Interceptor Sewer Construction | Community Park Development |
|---|--------------------------------------|-------------------------------|
| Assets | | |
| Cash and pooled investments | \$ 639,245 | \$ 333,972 |
| Investments | - | - |
| Receivables (net of allowance for uncollectibles) | - | 41,406 |
| Due from other governments | - | - |
| Due from other funds | 11,000,000 | - |
| Accrued interest | - | - |
| Restricted assets: | | |
| Funds with trustee | - | - |
| | <hr/> | <hr/> |
| Total assets | \$ 11,639,245 | \$ 375,378 |
| Liabilities, Deferred Inflows of Resources and Fund Balances | | |
| Liabilities: | | |
| Accounts payable and other current liabilities | \$ 656,296 | \$ 325,074 |
| Due to other governments | - | - |
| Due to other funds | - | - |
| Unearned revenue | - | - |
| Total liabilities | <hr/> 656,296 | <hr/> 325,074 |
| Deferred inflows of resources: | | |
| Unavailable revenue | - | 31,481 |
| | <hr/> | <hr/> |
| Fund balances (deficits): | | |
| Restricted | - | - |
| Committed | 10,982,949 | 18,823 |
| Unassigned | - | - |
| Total fund balances (deficits) | <hr/> 10,982,949 | <hr/> 18,823 |
| | <hr/> | <hr/> |
| Total liabilities, deferred inflows of resources and fund balances | \$ 11,639,245 | \$ 375,378 |

(Continued)

| State Turn Back Revenue | Ballpark Revenue | Keno Lottery Reserve |
|----------------------------|---------------------|-------------------------|
| \$ 520,142 | \$ 2,984,661 | \$ 284,001 |
| - | - | 3,106,689 |
| - | - | - |
| 216,869 | - | - |
| - | - | - |
| - | - | 10,948 |
| - | - | 33,678 |
| <u>\$ 737,011</u> | <u>\$ 2,984,661</u> | <u>\$ 3,435,316</u> |
| | | |
| \$ 87,625 | \$ - | \$ - |
| - | - | - |
| - | - | - |
| - | - | - |
| <u>87,625</u> | - | - |
| | | |
| 216,869 | - | - |
| | | |
| 432,517 | 2,984,661 | 3,435,316 |
| - | - | - |
| - | - | - |
| <u>432,517</u> | <u>2,984,661</u> | <u>3,435,316</u> |
| | | |
| <u>\$ 737,011</u> | <u>\$ 2,984,661</u> | <u>\$ 3,435,316</u> |

City of Omaha, Nebraska

Combining Balance Sheet (Continued)
 Nonmajor Special Revenue Funds
 December 31, 2022

| | Greater Omaha Convention and Visitors Bureau | Destination Marketing Corporation |
|---|--|---|
| Assets | | |
| Cash and pooled investments | \$ 6,418,741 | \$ 1,967,660 |
| Investments | - | - |
| Receivables (net of allowance for uncollectibles) | 13,437 | 9,826 |
| Due from other governments | 1,331,976 | - |
| Due from other funds | - | - |
| Accrued interest | - | - |
| Restricted assets: | | |
| Funds with trustee | - | - |
| | <hr/> | <hr/> |
| Total assets | \$ 7,764,154 | \$ 1,977,486 |
| Liabilities, Deferred Inflows of Resources and Fund Balances | | |
| Liabilities: | | |
| Accounts payable and other current liabilities | \$ 416,480 | \$ 6,531 |
| Due to other governments | - | - |
| Due to other funds | - | - |
| Unearned revenue | - | - |
| Total liabilities | <hr/> 416,480 | <hr/> 6,531 |
| Deferred inflows of resources: | | |
| Unavailable revenue | 150 | - |
| | <hr/> | <hr/> |
| Fund balances (deficits): | | |
| Restricted | 7,347,524 | 1,970,955 |
| Committed | - | - |
| Unassigned | - | - |
| Total fund balances (deficits) | <hr/> 7,347,524 | <hr/> 1,970,955 |
| Total liabilities, deferred inflows of resources and fund balances | <hr/> \$ 7,764,154 | <hr/> \$ 1,977,486 |

| | Household Chemical Disposal | Development Revenue | Total Special Revenue Funds |
|-----------|-----------------------------------|------------------------|--------------------------------|
| \$ | 254,929 | \$ 1,013,593 | \$ 17,510,307 |
| | - | - | 3,106,689 |
| | 119,573 | - | 4,137,848 |
| | - | - | 1,548,868 |
| | - | - | 32,000,000 |
| | - | - | 10,948 |
| | - | - | 33,678 |
| <u>\$</u> | <u>374,502</u> | <u>\$ 1,013,593</u> | <u>\$ 58,348,338</u> |
| | | | |
| \$ | 27,393 | \$ 7,227 | \$ 4,178,156 |
| | - | - | 2,735 |
| | - | - | 105,000 |
| | - | - | 774 |
| | <u>27,393</u> | <u>7,227</u> | <u>4,286,665</u> |
| | | | |
| | 81,790 | - | 3,031,325 |
| | | | |
| | 265,319 | - | 36,313,560 |
| | - | 1,006,366 | 14,820,112 |
| | - | - | (103,324) |
| | <u>265,319</u> | <u>1,006,366</u> | <u>51,030,348</u> |
| | | | |
| <u>\$</u> | <u>374,502</u> | <u>\$ 1,013,593</u> | <u>\$ 58,348,338</u> |

City of Omaha, Nebraska

Combining Statements of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Special Revenue Funds
 Year Ended December 31, 2022

| | Judgment | Public Library Contribution |
|--|---------------------|--------------------------------|
| Revenues: | | |
| Taxes: | | |
| Property | \$ 2,551,317 | \$ - |
| Business | - | - |
| In lieu | 6,492 | - |
| Licenses and grants | - | - |
| Intergovernmental | - | - |
| Investment income (loss) | - | - |
| Revenue from Keno | - | - |
| Charges for services | - | - |
| Rents, royalties and other | - | - |
| Contributions and grants | - | 652,685 |
| Total revenues | 2,557,809 | 652,685 |
| Expenditures: | | |
| Current: | | |
| General government | 1,019,714 | - |
| Public safety | - | - |
| Transportation services | - | - |
| Other public services | - | - |
| Community development | - | - |
| Culture and parks | - | 587,758 |
| Debt service: | | |
| Principal | - | - |
| Interest | - | - |
| Total expenditures | 1,019,714 | 587,758 |
| Excess (deficiency) revenue over (under) expenditures | 1,538,095 | 64,927 |
| Other financing sources (uses): | | |
| Transfers in | - | 259 |
| Transfers out | - | - |
| Total other financing sources (uses) | - | 259 |
| Net change in fund balances (deficits) | 1,538,095 | 65,186 |
| Fund balances (deficits), beginning | 6,296,593 | 630,889 |
| Fund balances (deficits), ending | \$ 7,834,688 | \$ 696,075 |

(Continued)

| Library Fines and Fees | Douglas County Library Supplement | Miscellaneous Contributions | Keno/Lottery Proceeds | Storm Water Fee Revenue | City Street Maintenance |
|---------------------------|---|--------------------------------|--------------------------|----------------------------|----------------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | 1,387,399 | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | 13,041,448 | - | - |
| 157,190 | - | 590,887 | - | 2,096,595 | - |
| - | - | 4,464 | - | 8 | - |
| - | - | 1,277,774 | - | 277,197 | - |
| 157,190 | 1,387,399 | 1,873,125 | 13,041,448 | 2,373,800 | - |
| - | - | 51,321 | 2,247,162 | - | - |
| - | - | 801,128 | 1,420,238 | - | - |
| - | - | - | - | 228,246 | - |
| - | - | - | 120,000 | 2,052,500 | - |
| - | - | 180,933 | 1,404,142 | - | - |
| - | 2,350,000 | 716,470 | 2,504,304 | - | - |
| - | - | - | - | - | - |
| - | - | - | 2,648,527 | - | - |
| - | 2,350,000 | 1,749,852 | 10,344,373 | 2,280,746 | - |
| 157,190 | (962,601) | 123,273 | 2,697,075 | 93,054 | - |
| - | - | - | - | - | - |
| - | - | - | - | - | (17,592) |
| - | - | - | - | - | (17,592) |
| 157,190 | (962,601) | 123,273 | 2,697,075 | 93,054 | (17,592) |
| (137,005) | 859,277 | 2,882,147 | 5,638,736 | 2,698,735 | 22,866 |
| \$ 20,185 | \$ (103,324) | \$ 3,005,420 | \$ 8,335,811 | \$ 2,791,789 | \$ 5,274 |

City of Omaha, Nebraska

Combining Statements of Revenues, Expenditures and Changes in Fund Balances (Continued)
 Nonmajor Special Revenue Funds
 Year Ended December 31, 2022

| | Interceptor Sewer Construction | Community Park Development |
|--|--------------------------------------|-------------------------------|
| Revenues: | | |
| Taxes: | | |
| Property | \$ - | \$ - |
| Business | - | - |
| In lieu | - | - |
| Licenses and grants | 5,132,360 | - |
| Intergovernmental | - | - |
| Investment income (loss) | - | - |
| Revenue from Keno | - | - |
| Charges for services | - | 454,359 |
| Rents, royalties and other | - | - |
| Contributions and grants | - | - |
| Total revenues | 5,132,360 | 454,359 |
| Expenditures: | | |
| Current: | | |
| General government | - | - |
| Public safety | - | - |
| Transportation services | - | - |
| Other public services | 41,642 | - |
| Community development | - | - |
| Culture and parks | - | 575,194 |
| Debt service: | | |
| Principal | - | - |
| Interest | - | - |
| Total expenditures | 41,642 | 575,194 |
| Excess (deficiency) revenue over (under) expenditures | 5,090,718 | (120,835) |
| Other financing sources (uses): | | |
| Transfers in | - | - |
| Transfers out | (2,571,134) | - |
| Total other financing sources (uses) | (2,571,134) | - |
| Net change in fund balances (deficits) | 2,519,584 | (120,835) |
| Fund balances (deficits), beginning | 8,463,365 | 139,658 |
| Fund balances (deficits), ending | \$ 10,982,949 | \$ 18,823 |

(Continued)

| State Turn Back Revenue | Ballpark Revenue | Keno Lottery Reserve |
|----------------------------|---------------------|-------------------------|
| \$ - | \$ - | \$ - |
| - | - | - |
| - | - | - |
| - | - | - |
| 395,505 | - | - |
| - | - | (124,138) |
| - | - | - |
| - | 340,663 | - |
| - | - | - |
| - | - | - |
| <u>395,505</u> | <u>340,663</u> | <u>(124,138)</u> |
| - | - | 337 |
| - | - | - |
| - | - | - |
| - | - | - |
| 255,774 | - | - |
| - | 2,000,000 | - |
| - | - | - |
| - | - | - |
| <u>255,774</u> | <u>2,000,000</u> | <u>337</u> |
| <u>139,731</u> | <u>(1,659,337)</u> | <u>(124,475)</u> |
| - | 965,818 | - |
| - | - | - |
| - | <u>965,818</u> | - |
| 139,731 | (693,519) | (124,475) |
| 292,786 | 3,678,180 | 3,559,791 |
| <u>\$ 432,517</u> | <u>\$ 2,984,661</u> | <u>\$ 3,435,316</u> |

City of Omaha, Nebraska

Combining Statements of Revenues, Expenditures and Changes in Fund Balances (Continued)
 Nonmajor Special Revenue Funds
 Year Ended December 31, 2022

| | Greater Omaha Convention and Visitors Center | Destination Marketing Corporation |
|--|---|---|
| Revenues: | | |
| Taxes: | | |
| Property | \$ - | \$ - |
| Business | 1,150,763 | - |
| In lieu | - | - |
| Licenses and grants | - | - |
| Intergovernmental | 4,944,349 | - |
| Investment income (loss) | - | - |
| Revenue from Keno | - | - |
| Charges for services | 118,780 | 21,406 |
| Rents, royalties and other | 5,210 | - |
| Contributions and grants | - | - |
| Total revenues | 6,219,102 | 21,406 |
| Expenditures: | | |
| Current: | | |
| General government | 181,357 | - |
| Public safety | - | - |
| Transportation services | - | - |
| Other public services | - | - |
| Community development | 3,512,933 | 206,066 |
| Culture and parks | - | - |
| Debt service: | | |
| Principal | 1,517 | - |
| Interest | 163 | - |
| Total expenditures | 3,695,970 | 206,066 |
| Excess (deficiency) revenue over (under) expenditures | 2,523,132 | (184,660) |
| Other financing sources (uses): | | |
| Transfers in | - | 1,266,734 |
| Transfers out | (1,266,734) | - |
| Total other financing sources (uses) | (1,266,734) | 1,266,734 |
| Net change in fund balances (deficits) | 1,256,398 | 1,082,074 |
| Fund balances (deficits), beginning | 6,091,126 | 888,881 |
| Fund balances (deficits), ending | \$ 7,347,524 | \$ 1,970,955 |

| Household Chemical Disposal | Development Revenue | Total Special Revenue Funds |
|-----------------------------------|------------------------|--------------------------------|
| \$ - | \$ - | \$ 2,551,317 |
| - | - | 1,150,763 |
| - | - | 6,492 |
| - | - | 5,132,360 |
| 75,238 | - | 6,802,491 |
| - | - | (124,138) |
| - | - | 13,041,448 |
| 1,799 | 536,219 | 4,317,898 |
| - | - | 9,682 |
| 625,294 | - | 2,832,950 |
| <u>702,331</u> | <u>536,219</u> | <u>35,721,263</u> |
| 33,187 | 60,690 | 3,593,768 |
| - | - | 2,221,366 |
| - | - | 228,246 |
| 570,898 | - | 2,785,040 |
| - | 421,440 | 5,981,288 |
| - | - | 8,733,726 |
| - | - | 1,517 |
| - | - | 2,648,690 |
| <u>604,085</u> | <u>482,130</u> | <u>26,193,641</u> |
| <u>98,246</u> | <u>54,089</u> | <u>9,527,622</u> |
| - | - | 2,232,811 |
| - | - | (3,855,460) |
| - | - | (1,622,649) |
| 98,246 | 54,089 | 7,904,973 |
| 167,073 | 952,277 | 43,125,375 |
| <u>\$ 265,319</u> | <u>\$ 1,006,366</u> | <u>\$ 51,030,348</u> |

City of Omaha, Nebraska

Budgetary Comparison Schedule—Judgment Fund
Year Ended December 31, 2022

| | Budgeted Amounts | | Actual | Variance with |
|--|---------------------|---------------------|---------------------|------------------------|
| | Original | Final | | Final Budget |
| | | | | Increase (Decrease) |
| Revenues: | | | | |
| Taxes property | \$ 2,532,799 | \$ 2,532,799 | \$ 2,551,317 | \$ 18,518 |
| Taxes in lieu | 8,015 | 7,936 | 6,492 | (1,523) |
| Total revenues | 2,540,814 | 2,540,735 | 2,557,809 | 16,995 |
| Expenditures: | | | | |
| General government: | | | | |
| Other agencies/county treasurer | 25,328 | 25,328 | 23,362 | 1,966 |
| Other agencies/judgement levy | 2,800,000 | 2,800,000 | 996,352 | 1,803,648 |
| Total expenditures | 2,825,328 | 2,825,328 | 1,019,714 | 1,805,614 |
| Excess (deficiency) of revenues over (under) expenditures | (284,514) | (284,593) | 1,538,095 | 1,822,609 |
| Net change in fund balances | (284,514) | (284,593) | 1,538,095 | 1,822,609 |
| Fund balances, beginning | 6,296,593 | 3,972,994 | 6,296,593 | 2,323,599 |
| Fund balances, ending | \$ 6,012,079 | \$ 3,688,401 | \$ 7,834,688 | \$ 4,146,208 |

City of Omaha, Nebraska

**Budgetary Comparison Schedule—Library Fine and Fees Fund
Year Ended December 31, 2022**

| | Budgeted Amounts | | Actual | Variance with Final Budget Increase (Decrease) |
|--|-------------------|-------------------|------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Changes for services | \$ 280,125 | \$ 280,125 | \$ 157,190 | \$ (122,935) |
| Total revenues | <u>280,125</u> | <u>280,125</u> | <u>157,190</u> | <u>(122,935)</u> |
| | | | | |
| Excess (deficiency) of revenues over (under) expenditures | <u>280,125</u> | <u>280,125</u> | <u>157,190</u> | <u>(122,935)</u> |
| | | | | |
| Net change in fund balances (deficits) | <u>280,125</u> | <u>280,125</u> | <u>157,190</u> | <u>(122,935)</u> |
| | | | | |
| Fund balances (deficits), beginning | <u>(137,005)</u> | <u>(137,005)</u> | <u>(137,005)</u> | <u>-</u> |
| | | | | |
| Fund balances (deficits), ending | <u>\$ 143,120</u> | <u>\$ 143,120</u> | <u>\$ 20,185</u> | <u>\$ (122,935)</u> |

City of Omaha, Nebraska

**Budgetary Comparison Schedule—Douglas County Library Supplement Fund
Year Ended December 31, 2022**

| | Budgeted Amounts | | Actual | Variance with |
|--|---------------------|---------------------|---------------------|--|
| | Original | Final | | Final Budget Increase (Decrease) |
| Revenues: | | | | |
| Intergovernmental | \$ 2,622,546 | \$ 2,622,546 | \$ 1,387,399 | \$ (1,235,147) |
| Total revenues | <u>2,622,546</u> | <u>2,622,546</u> | <u>1,387,399</u> | <u>(1,235,147)</u> |
| Expenditures: | | | | |
| Culture and parks: | | | | |
| Library | 2,350,000 | 2,350,000 | 2,350,000 | - |
| Total expenditures | <u>2,350,000</u> | <u>2,350,000</u> | <u>2,350,000</u> | <u>-</u> |
| Deficiency of revenues under expenditures | <u>272,546</u> | <u>272,546</u> | <u>(962,601)</u> | <u>(1,235,147)</u> |
| Net change in fund balances | <u>272,546</u> | <u>272,546</u> | <u>(962,601)</u> | <u>(1,235,147)</u> |
| Fund balances, beginning | <u>859,277</u> | <u>859,277</u> | <u>859,277</u> | <u>-</u> |
| Fund balances, ending | <u>\$ 1,131,823</u> | <u>\$ 1,131,823</u> | <u>\$ (103,324)</u> | <u>\$ (1,235,147)</u> |

City of Omaha, Nebraska

**Budgetary Comparison Schedule—Keno/Lottery Proceeds Funds
Year Ended December 31, 2022**

| | Budgeted Amounts | | Actual | Variance with |
|--|------------------|-------------------|-------------------|--|
| | Original | Final | | Final Budget Increase (Decrease) |
| Revenues: | | | | |
| Revenue from Keno | \$ 9,075,000 | \$ 12,000,000 | \$ 13,041,448 | \$ 1,041,448 |
| Total revenues | 9,075,000 | 12,000,000 | 13,041,448 | 1,041,448 |
| Expenditures: | | | | |
| General government: | | | | |
| Other agencies/keno/lottery fees | 1,710,434 | 1,710,434 | 2,247,162 | (536,728) |
| Public safety: | | | | |
| Police/police services bureau | 476,000 | 476,000 | - | 476,000 |
| Other agencies/community service programs | 921,711 | 921,711 | 1,420,238 | (498,527) |
| Other public services: | | | | |
| Public works/solid waste division | 120,000 | 120,000 | 120,000 | - |
| Community development: | | | | |
| Other agencies/community service programs | 1,436,066 | 1,436,066 | 1,404,142 | 31,924 |
| Culture and parks: | | | | |
| Parks and recreation/parks and facilities division | 2,504,304 | 2,504,304 | 2,504,304 | - |
| Debt service: | | | | |
| Interest | 2,648,527 | 2,648,527 | 2,648,527 | - |
| Total expenditures | 9,817,042 | 9,817,042 | 10,344,373 | (527,331) |
| Excess (deficiency) of revenues over (under) expenditures | (742,042) | 2,182,958 | 2,697,075 | 514,117 |
| Net change in fund balances | (742,042) | 2,182,958 | 2,697,075 | 514,117 |
| Fund balances, beginning | 5,638,736 | 5,638,736 | 5,638,736 | - |
| Fund balances, ending | \$ 4,896,694 | \$ 7,821,694 | \$ 8,335,811 | \$ 514,117 |

City of Omaha, Nebraska

**Budgetary Comparison Schedule—Storm Water Fee Revenue Fund
Year Ended December 31, 2022**

| | Budgeted Amounts | | Actual | Variance with |
|---|------------------|------------------|------------------|------------------------|
| | Original | Final | | Final Budget |
| | | | | Increase (Decrease) |
| Revenues: | | | | |
| Charges for services | \$ 1,980,568 | \$ 1,980,568 | \$ 2,096,595 | \$ 116,027 |
| Rents, royalties and other | - | - | 8 | 8 |
| Contributions and grants | 279,464 | 279,464 | 277,197 | (2,267) |
| Total revenues | 2,260,032 | 2,260,032 | 2,373,800 | 113,768 |
| Expenditures: | | | | |
| Transportation services: | | | | |
| Public works/design division | 255,518 | 255,518 | 228,246 | 27,272 |
| Other public services: | | | | |
| Public works/flood control and water quality division | 1,784,844 | 1,784,844 | 2,052,500 | (267,656) |
| Public works/sewer maintenance | 324,728 | 324,728 | - | 324,728 |
| Public works/household chemical disposal | 150,000 | 150,000 | - | 150,000 |
| Other agencies/wage adjustment account | 529 | 529 | - | 529 |
| Total expenditures | 2,515,619 | 2,515,619 | 2,280,746 | 234,873 |
| Deficiency of revenues under expenditures | (255,587) | (255,587) | 93,054 | 348,641 |
| Net change in fund balances | (255,587) | (255,587) | 93,054 | 348,641 |
| Fund balances, beginning | 2,698,735 | 2,698,735 | 2,698,735 | - |
| Fund balances, ending | \$ 2,443,148 | \$ 2,443,148 | \$ 2,791,789 | \$ 348,641 |

City of Omaha, Nebraska

**Budgetary Comparison Schedule—City Street Maintenance Fund
Year Ended December 31, 2022**

| | Budgeted Amounts | | Actual | Variance with Final Budget Increase (Decrease) |
|---|------------------|------------------|-----------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Licenses and permits | \$ - | \$ - | \$ - | \$ - |
| Charges for services | - | - | - | - |
| Rents, royalties and others | - | - | - | - |
| Contributions and grants | - | - | - | - |
| Total revenues | - | - | - | - |
| Excess of revenues over expenditures | - | - | - | - |
| Other financing uses: | | | | |
| Transfers out | - | - | (17,592) | (17,592) |
| Total other financing uses | - | - | (17,592) | (17,592) |
| Net change in fund balances | - | - | (17,592) | (17,592) |
| Fund balances, beginning | 22,866 | 22,866 | 22,866 | - |
| Fund balances, ending | <u>\$ 22,866</u> | <u>\$ 22,866</u> | <u>\$ 5,274</u> | <u>\$ (17,592)</u> |

City of Omaha, Nebraska

**Budgetary Comparison Schedule—Interceptor Sewer Construction Fund
Year Ended December 31, 2022**

| | Budgeted Amounts | | Actual | Variance with |
|--|---------------------|---------------------|----------------------|--|
| | Original | Final | | Final Budget Increase (Decrease) |
| Revenues: | | | | |
| Licenses and permits | \$ 2,818,537 | \$ 2,818,537 | \$ 5,132,360 | \$ 2,313,823 |
| Total revenues | 2,818,537 | 2,818,537 | 5,132,360 | 2,313,823 |
| Expenditures: | | | | |
| Other public services: | | | | |
| Public works/interceptor division | 6,073,798 | 6,073,798 | 41,642 | 6,032,156 |
| Total expenditures | 6,073,798 | 6,073,798 | 41,642 | 6,032,156 |
| Excess (deficiency) of revenues over (under) expenditures | (3,255,261) | (3,255,261) | 5,090,718 | 8,345,979 |
| Other financing uses: | | | | |
| Transfers out | - | - | (2,571,134) | (2,571,134) |
| Total other financing uses | - | - | (2,571,134) | (2,571,134) |
| Net change in fund balances | (3,255,261) | (3,255,261) | 2,519,584 | 5,774,845 |
| Fund balances, beginning | 8,463,365 | 8,463,365 | 8,463,365 | - |
| Fund balances, ending | \$ 5,208,104 | \$ 5,208,104 | \$ 10,982,949 | \$ 5,774,845 |

City of Omaha, Nebraska

**Budgetary Comparison Schedule—Community Park Development Fund
Year Ended December 31, 2022**

| | Budgeted Amounts | | Actual | Variance with |
|--|-------------------|-------------------|------------------|--|
| | Original | Final | | Final Budget Increase (Decrease) |
| Revenues: | | | | |
| Charges for services | \$ 400,000 | \$ 400,000 | \$ 454,359 | \$ 54,359 |
| Total revenues | 400,000 | 400,000 | 454,359 | 54,359 |
| Expenditures: | | | | |
| Culture and parks: | | | | |
| Parks and recreation/community park development | 250,000 | 250,000 | 575,194 | (325,194) |
| Total expenditures | 250,000 | 250,000 | 575,194 | (325,194) |
| Deficiency of revenues under expenditures | 150,000 | 150,000 | (120,835) | (270,835) |
| Net change in fund balances | 150,000 | 150,000 | (120,835) | (270,835) |
| Fund balances, beginning | 139,658 | 139,658 | 139,658 | - |
| Fund balances, ending | \$ 289,658 | \$ 289,658 | \$ 18,823 | \$ (270,835) |

City of Omaha, Nebraska

**Budgetary Comparison Schedule—State Turn Back Revenue Fund
Year Ended December 31, 2022**

| | Budgeted Amounts | | Actual | Variance with Final Budget Increase (Decrease) |
|---|-------------------|-------------------|-------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Intergovernmental | \$ 456,212 | \$ 456,212 | \$ 395,505 | \$ (60,707) |
| Total revenues | <u>456,212</u> | <u>456,212</u> | <u>395,505</u> | <u>(60,707)</u> |
| Expenditures: | | | | |
| Community development: | | | | |
| Other agencies/turnback tax | 320,000 | 320,000 | 255,774 | 64,226 |
| Total expenditures | <u>320,000</u> | <u>320,000</u> | <u>255,774</u> | <u>64,226</u> |
| Excess of revenues over expenditures | <u>136,212</u> | <u>136,212</u> | <u>139,731</u> | <u>3,519</u> |
| Net change in fund balances | <u>136,212</u> | <u>136,212</u> | <u>139,731</u> | <u>3,519</u> |
| Fund balances, beginning | <u>292,786</u> | <u>292,786</u> | <u>292,786</u> | <u>-</u> |
| Fund balances, ending | <u>\$ 428,998</u> | <u>\$ 428,998</u> | <u>\$ 432,517</u> | <u>\$ 3,519</u> |

City of Omaha, Nebraska

**Budgetary Comparison Schedule—Ballpark Revenue Fund
Year Ended December 31, 2022**

| | Budgeted Amounts | | Actual | Variance with |
|--|---------------------|---------------------|---------------------|------------------------|
| | Original | Final | | Final Budget |
| | | | | Increase (Decrease) |
| Revenues: | | | | |
| Charges for services | \$ - | \$ - | \$ 340,663 | \$ (340,663) |
| Total revenues | - | - | 340,663 | (340,663) |
| Expenditures: | | | | |
| Community Development: | | | | |
| Stadium | 2,000,000 | 2,000,000 | 2,000,000 | - |
| Total expenditures | 2,000,000 | 2,000,000 | 2,000,000 | - |
| Deficiency of revenues under expenditures | (2,000,000) | (2,000,000) | (1,659,337) | (340,663) |
| Other financing sources (uses): | | | | |
| Transfers in | 650,000 | 650,000 | 965,818 | 315,818 |
| Total other financing sources (uses) | 650,000 | 650,000 | 965,818 | 315,818 |
| Net change in fund balances | (1,350,000) | (1,350,000) | (693,519) | 656,481 |
| Fund balances, beginning | 3,678,180 | 3,678,180 | 3,678,180 | - |
| Fund balances, ending | \$ 2,328,180 | \$ 2,328,180 | \$ 2,984,661 | \$ 656,481 |

City of Omaha, Nebraska

Budgetary Comparison Schedule—Keno/Lottery Reserve Fund
Year Ended December 31, 2022

| | Budgeted Amounts | | Actual | Variance with |
|------------------------------------|---------------------|---------------------|---------------------|------------------------|
| | Original | Final | | Final Budget |
| | | | | Increase (Decrease) |
| Revenues: | | | | |
| Investment income (loss) | \$ 40,000 | \$ 40,000 | \$ (124,138) | \$ (164,138) |
| Total revenues | 40,000 | 40,000 | (124,138) | (164,138) |
| Expenditures: | | | | |
| Current: | | | | |
| General government | - | - | 337 | 337 |
| Total expenditures | - | - | 337 | 337 |
| Net change in fund balances | 40,000 | 40,000 | (124,475) | (164,475) |
| Fund balances, beginning | 3,559,791 | 3,559,791 | 3,559,791 | - |
| Fund balances, ending | \$ 3,599,791 | \$ 3,599,791 | \$ 3,435,316 | \$ (164,475) |

City of Omaha, Nebraska

**Budgetary Comparison Schedule—Greater Omaha Convention and Visitors Bureau Fund
Year Ended December 31, 2022**

| | Budgeted Amounts | | Actual | Variance with |
|---|------------------|------------------|--------------------|--|
| | Original | Final | | Final Budget Increase (Decrease) |
| Revenues: | | | | |
| Taxes business | \$ 923,007 | \$ 923,007 | \$ 1,150,763 | \$ 227,756 |
| Intergovernmental | 3,145,836 | 3,145,836 | 4,944,349 | 1,798,513 |
| Charges for services | 190,045 | 190,045 | 118,780 | (71,265) |
| Rents, royalties and other | - | - | 5,210 | 5,210 |
| Total revenues | 4,258,888 | 4,258,888 | 6,219,102 | 1,960,214 |
| Expenditures: | | | | |
| General government: | | | | |
| Employee benefits/retiree health insurance | 114,496 | 114,496 | 116,045 | (1,549) |
| Employee benefits/workers compensation/ unemployment insurance | 30,096 | 30,096 | 27,155 | 2,941 |
| Other agencies/general expense insurance | 24,978 | 24,978 | 24,255 | 723 |
| Other agencies/general expense insurance | 19,208 | 19,208 | - | 19,208 |
| Other agencies/dot.comm | 13,985 | 13,985 | 13,902 | 83 |
| Community development: | | | | |
| Greater Omaha convention and visitors bureau | 4,363,424 | 4,363,424 | 3,512,933 | 850,491 |
| Debt service: | | | | |
| Principal | - | - | 1,517 | (1,517) |
| Interest | - | - | 163 | (163) |
| Total expenditures | 4,566,187 | 4,566,187 | 3,695,970 | 870,217 |
| Excess of revenues over expenditures | (307,299) | (307,299) | 2,523,132 | 2,830,431 |
| Other financing uses: | | | | |
| Transfers out | (342,085) | (342,085) | (1,266,734) | (924,649) |
| Total other financing uses | (342,085) | (342,085) | (1,266,734) | (924,649) |
| Net change in fund balances | (649,384) | (649,384) | 1,256,398 | 1,905,782 |
| Fund balances, beginning | 6,091,126 | 6,091,126 | 6,091,126 | - |
| Fund balances, ending | \$ 5,441,742 | \$ 5,441,742 | \$ 7,347,524 | \$ 1,905,782 |

City of Omaha, Nebraska

**Budgetary Comparison Schedule—Destination Marketing Corporation Fund
Year Ended December 31, 2022**

| | Budgeted Amounts | | Actual | Variance with |
|--|---------------------|---------------------|---------------------|------------------------|
| | Original | Final | | Final Budget |
| | | | | Increase (Decrease) |
| Revenues: | | | | |
| Charges for services | \$ 5,000 | \$ 5,000 | \$ 21,406 | \$ 16,406 |
| Contributions and grants | 349,357 | 349,357 | - | (349,357) |
| Total revenues | 354,357 | 354,357 | 21,406 | (332,951) |
| Expenditures: | | | | |
| Community development: | | | | |
| Destination marketing corporation | 375,325 | 375,325 | 206,066 | 169,259 |
| Total expenditures | 375,325 | 375,325 | 206,066 | 169,259 |
| Deficiency of revenues under expenditures | (20,968) | (20,968) | (184,660) | (163,692) |
| Other financing sources: | | | | |
| Transfers in | 342,085 | 342,085 | 1,266,734 | 924,649 |
| Total other financing sources | 342,085 | 342,085 | 1,266,734 | 924,649 |
| Net change in fund balances | 321,117 | 321,117 | 1,082,074 | 760,957 |
| Fund balances, beginning | 888,881 | 888,881 | 888,881 | - |
| Fund balances, ending | \$ 1,209,998 | \$ 1,209,998 | \$ 1,970,955 | \$ 760,957 |

City of Omaha, Nebraska

**Budgetary Comparison Schedule—Household Chemical Disposal Fund
Year Ended December 31, 2022**

| | Budgeted Amounts | | Actual | Variance with Final Budget Increase (Decrease) |
|---|-------------------|-------------------|-------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Intergovernmental | \$ 50,500 | \$ 50,500 | \$ 75,238 | \$ 24,738 |
| Charges for services | - | - | 1,799 | 1,799 |
| Contributions and grants | 580,780 | 580,780 | 625,294 | 44,514 |
| Total revenues | 631,280 | 631,280 | 702,331 | 71,051 |
| Expenditures: | | | | |
| General government: | | | | |
| Employee benefits/retiree health insurance | 24,828 | 24,828 | 25,164 | (336) |
| Employee benefits/workers compensation/ unemployment insurance | 6,526 | 6,526 | 5,888 | 638 |
| Employee benefits/wage adjustment | 19,469 | 19,469 | - | 19,469 |
| Other agencies/dotcom | 2,148 | 2,148 | 2,135 | 13 |
| Other public services: | | | | |
| Public works/household chemical disposal | 589,122 | 589,122 | 570,898 | 18,224 |
| Total expenditures | 642,093 | 642,093 | 604,085 | 38,008 |
| Excess of revenues over expenditures | (10,813) | (10,813) | 98,246 | 109,059 |
| Net change in fund balances (deficits) | (10,813) | (10,813) | 98,246 | 109,059 |
| Fund balances (deficits), beginning | 167,073 | 167,073 | 167,073 | - |
| Fund balances (deficits), ending | \$ 156,260 | \$ 156,260 | \$ 265,319 | \$ 109,059 |

City of Omaha, Nebraska

**Budgetary Comparison Schedule—Development Revenue Fund
Year Ended December 31, 2022**

| | Budgeted Amounts | | Actual | Variance with |
|--|------------------|------------------|----------------|------------------------|
| | Original | Final | | Final Budget |
| | | | | Increase (Decrease) |
| Revenues: | | | | |
| Charges for services | \$ 370,391 | \$ 370,391 | \$ 536,219 | \$ 165,828 |
| Total revenues | 370,391 | 370,391 | 536,219 | 165,828 |
| Expenditures: | | | | |
| General government: | | | | |
| Finance/revenue division | 30,543 | 30,543 | 30,543 | - |
| Employees benefits/retiree health insurance | 24,104 | 24,104 | 24,430 | (326) |
| Employees benefits/workers compensation/ unemployment insurance | 6,336 | 6,336 | 5,717 | 619 |
| Employee benefits/wage adjustment | 25 | 25 | - | 25 |
| Community development: | | | | |
| Planning/planning administration division | 444,841 | 444,841 | 421,440 | 23,401 |
| Total expenditures | 505,849 | 505,849 | 482,130 | 23,719 |
| Deficiency of revenues over expenditures | (135,458) | (135,458) | 54,089 | 189,547 |
| Net change in fund balances | (135,458) | (135,458) | 54,089 | 189,547 |
| Fund balances, beginning | 952,277 | 952,277 | 952,277 | - |
| Fund balances, ending | \$ 816,819 | \$ 816,819 | \$ 1,006,366 | \$ 189,547 |

Nonmajor Governmental Funds—Debt Service Funds

The Debt Service Funds are used to account for the resources for, and the payment of, general long-term debt principal, interest and related costs.

Riverfront Redevelopment Special Tax Fund: This redevelopment levy is used to pay bond and interest payments on Redevelopment Bonds. The levy for 2010 through 2018 was 1.594 cents per \$100 of taxable valuation. In 2019 the levy was increased to 2.6 cents. The State Development Law authorizes a taxing authority of 2.6 cents on each \$100 upon actual value of all taxable property in the City.

This Redevelopment Debt Service Fund services the following issuances:

| Name | Date of Issue | Date Required |
|--|---------------|---------------|
| Special Tax Revenue Refunding Series 2012A | 2012 | 2032 |
| Special Tax Revenue Refunding Series 2012 | 2012 | 2024 |
| Riverfront Redevelopment Project Series 2012* | 2012 | 2032 |
| Special Tax Revenue Refunding Series 2017A | 2017 | 2028 |
| Special Tax Revenue Crossover Refunding Series 2017B | 2017 | 2029 |
| Special Tax Redevelopment Taxable Series 2017C | 2017 | 2023 |
| Riverfront Redevelopment Refunds Series 2017D* | 2017 | 2026 |
| Special Tax Revenue Redevelopment Series 2018A | 2018 | 2038 |
| Special Tax Revenue Redevelopment Taxable Series 2018A | 2018 | 2038 |
| Special Tax Revenue Redevelopment Series 2019A | 2019 | 2040 |
| Special Tax Revenue Redevelopment Series 2019 | 2019 | 2026 |
| Special Tax Revenue Redevelopment and RFD 2022A | 2022 | 2032 |
| Special Obligation refunding Series 2022B* | 2022 | 2032 |

The 2012 Riverfront Redevelopment Project Series Bonds and the Riverfront Redevelopment Refunds Series 2017F are serviced by a variety of revenue sources including Property Tax Revenue, Tax Allocation Revenue, State Cigarette Tax, NRD Miller Park Contribution, Douglas County Miller Park Contribution, Sewer Fees and Land Sales.

* The debt service for the sewer-related portion of the 2012 and 2017 Riverfront Redevelopment Bonds is paid directly from the Sewer Revenue Enterprise Fund.

City of Omaha, Nebraska

Balance Sheet

Nonmajor Debt Service Fund—Riverfront Redevelopment Special Tax Fund

December 31, 2022

| | Riverfront Redevelopment Special Tax |
|---|--|
| <hr/> | |
| Assets | |
| Cash and pooled investments | \$ 7,121,634 |
| Receivables (net of allowance for uncollectibles) | 9,195,915 |
| Due from other governments | <u>6,367</u> |
| Total assets | <u><u>\$ 16,323,916</u></u> |
| Liabilities, Deferred Inflows of Resources and Fund Balances | |
| Liabilities, accounts payable and other current liabilities | <u>\$ 5,000</u> |
| Deferred inflows of resources, unavailable revenue | <u>8,310,828</u> |
| Fund balance, restricted | <u>8,008,088</u> |
| Total liabilities, deferred inflows of resources and fund balances | <u><u>\$ 16,323,916</u></u> |

City of Omaha, Nebraska

Statements of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Debt Service Fund—Riverfront Redevelopment Special Tax Fund
 Year Ended December 31, 2022

| | Riverfront Redevelopment Special Tax |
|-----------------------------------|--|
| <hr/> | |
| Revenues: | |
| Taxes: | |
| Property | \$ 11,008,387 |
| In lieu | 27,764 |
| Total revenues | <u>11,036,151</u> |
| | |
| Expenditures: | |
| Current: | |
| General government | 105,861 |
| Debt service: | |
| Principal | 6,810,000 |
| Interest | 3,195,233 |
| Bond issuance cost | 290,274 |
| Total expenditures | <u>10,401,368</u> |
| | |
| Other financing sources (uses): | |
| Issuance of refunding debt | 20,866,060 |
| Premium on debt issued | 3,902,098 |
| Payment to escrow agent | (24,476,225) |
| | <u>291,933</u> |
| | |
| Net change in fund balance | 926,716 |
| | |
| Fund balance, beginning | <u>7,081,372</u> |
| | |
| Fund balance, ending | <u><u>\$ 8,008,088</u></u> |

City of Omaha, Nebraska

Budgetary Comparison Schedule—Debt Service Fund (Major Fund)
Year Ended December 31, 2022

| | Budgeted Amounts | | Actual | Variance with Final Budget Increase (Decrease) |
|--|----------------------|----------------------|----------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Taxes property | \$ 62,868,297 | \$ 62,868,297 | \$ 63,730,227 | \$ 861,930 |
| Taxes in lieu | 198,953 | 198,953 | 162,901 | (36,052) |
| Intergovernmental | 4,105,904 | 4,105,904 | 3,559,545 | (546,359) |
| Investment income | 137,544 | 137,544 | 1,937 | (135,607) |
| Charges for services | 1,484,964 | 1,484,964 | 1,389,486 | (95,478) |
| Contributions and grants | 65,326 | 65,326 | 73,386 | 8,060 |
| Total revenues | 68,860,988 | 68,860,988 | 68,917,482 | 56,494 |
| Expenditures: | | | | |
| General government: | | | | |
| Other agencies/county treasurer | 628,682 | 628,682 | 594,728 | 33,954 |
| Debt service: | | | | |
| Principal | 54,525,000 | 54,525,000 | 59,195,000 | (4,670,000) |
| Interest | 17,078,269 | 17,078,269 | 20,092,579 | (3,014,310) |
| Bond issuance costs | 27,000 | 27,000 | 561,612 | (534,612) |
| Total expenditures | 72,258,951 | 72,258,951 | 80,443,919 | (8,184,968) |
| Deficiency of revenues under expenditures | (3,397,963) | (3,397,963) | (11,526,437) | (8,128,474) |
| Other financing sources (uses): | | | | |
| Premium on debt issued | - | - | 554,770 | 554,770 |
| Total other financing sources (uses) | - | - | 554,770 | 554,770 |
| Net change in fund balances | (3,397,963) | (3,397,963) | (10,971,667) | (7,573,704) |
| Fund balances, beginning | 44,331,224 | 44,331,224 | 44,331,224 | - |
| Fund balances, ending | \$ 40,933,261 | \$ 40,933,261 | \$ 33,359,557 | \$ (7,573,704) |

City of Omaha, Nebraska

**Budgetary Comparison Schedule—Riverfront Redevelopment Special Tax Fund
Year Ended December 31, 2022**

| | Budgeted Amounts | | Actual | Variance with Final Budget Increase (Decrease) |
|--|---------------------|---------------------|---------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Taxes property | \$ 10,975,463 | \$ 10,975,463 | \$ 11,008,387 | \$ 32,924 |
| Taxes in lieu | 34,733 | 34,733 | 27,764 | (6,969) |
| Contributions and grants | - | - | - | - |
| Total revenues | 11,010,196 | 11,010,196 | 11,036,151 | 25,955 |
| Expenditures: | | | | |
| General government: | | | | |
| Other agencies/county treasurer | 109,754 | 109,754 | 105,861 | 3,893 |
| Debt service: | | | | |
| Principal | 6,810,000 | 6,810,000 | 6,810,000 | - |
| Interest | 3,301,280 | 3,301,280 | 3,195,233 | 106,047 |
| Bond issuance costs | 2,500 | 2,500 | 290,274 | (287,774) |
| Total expenditures | 10,223,534 | 10,223,534 | 10,401,368 | (177,834) |
| Excess (deficiency) of revenues over (under) expenditures | 786,662 | 786,662 | 634,783 | (151,879) |
| Other financing sources (uses): | | | | |
| Issuance of refunding debt | - | - | 20,866,060 | 20,866,060 |
| Premium on debt issued | - | - | 3,902,098 | 3,902,098 |
| Payment to escrow agent | - | - | (24,476,225) | (24,476,225) |
| | - | - | 291,933 | 291,933 |
| Net change in fund balances | 786,662 | 786,662 | 926,716 | 140,054 |
| Fund balances, beginning | 7,081,372 | 7,081,372 | 7,081,372 | - |
| Fund balances, ending | \$ 7,868,034 | \$ 7,868,034 | \$ 8,008,088 | \$ 140,054 |

Nonmajor Governmental Funds—Capital Project Funds

The Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

ASARCO/Lewis and Clark Remediation Fund: To develop initial public improvements associated with the conversion of the ASARCO property to a public recreational area, along with other improvements along the riverfront. Improvements will include trails, benches, landscaping, roads, parking lots and similar public developments. In addition, the agreement requires ASARCO to deposit \$1.5 million to be invested by the City to fund long-term remediation costs.

Advanced Acquisition Fund: To account for net proceeds from the sale or exchange of real property. The net proceeds from the sale or exchange of real property not needed for public purposes are to be credited to this fund. Section 5.03 of the Municipal Code permits usage of available funds to facilitate the orderly and timely acquisition of real estate for public purposes as proposed in the master plan.

City Capital Improvement Fund: To account for money supplemented by General Fund appropriations, capital lease purchase bonds, capital redevelopment bonds, and grants used to fund various city projects.

2014 Environmental Bond Fund: To account for money received through the issuance of a general obligation bond voted on in the May 2014 primary election. Proceeds from the sale of the bond are used toward the cost of construction and improvement of storm, sanitary, and interceptor sewers throughout the City.

Airport Business Park Development Fund: To account for contributions received from developers who request Tax Increment Financing throughout the Downtown Northeast area. This requirement is incorporated in the Redevelopment Agreement between the City of Omaha and the developer when sewer connections are required within the Airport Industrial Park and/or East Omaha Detention Cells. All sewer connection fees within this area are paid by this fund. Other funding is provided by TIF proceeds and the sale of land.

2014 Transportation Bond Fund: To account for money received through the issuance of general obligation bonds in the May 2014 primary elections. Proceeds from the sale of these bonds are used toward the cost of construction and improvement of streets, expressways, freeways, and various bridge improvements throughout the City.

2018 Transportation Bond Fund: To account for money received through the issuance of general obligation bonds in the May 2018 primary elections. Proceeds from the sale of these bonds are used toward the cost of construction and improvement of streets, expressways, freeways, and various bridge improvements throughout the City.

Nonmajor Governmental Funds—Capital Project Funds (continued)

2020 Street Preservation Bond Fund: To account for money received through the issuance of general obligation bonds approved in the May 2020 election. Proceeds from the sale of these bonds are used toward the cost of street improvements. Criteria for improvement include: road condition, high traffic areas, and locations near schools and churches.

2014 Public Facilities Bond Fund: To account for money received through the issuance of the general obligation bonds in the May 2014 primary elections. Proceeds from the sale of these bonds are used toward the cost of construction and improvements of facility projects throughout the City.

2018 Public Facilities Bond Fund: To account for money received through the issuance of the general obligation bonds in the May 2018 primary elections. Proceeds from the sale of these bonds are used toward the cost of construction and improvements of facility projects throughout the City.

2014 Public Safety Bond Fund: To account for money received through the issuance of general obligation bonds in the May 2014 primary election. Proceeds from the sale of these bonds will be used for various public safety capital expenditures, including the purchase of aerials, pumpers and emergency vehicle preemption system equipment.

2018 Public Safety Bond Fund: To account for money received through the issuance of general obligation bonds in the May 2018 primary election. Proceeds from the sale of these bonds will be used for various public safety capital expenditures, including the purchase of aerials, pumpers and emergency vehicle preemption system equipment.

2014 Parks and Recreation Bond Fund: To account for the City of Omaha 2014 Bond issue. The City of Omaha citizens voted and approved in May 2014 the issuance of \$14,511,000 in General Obligation bonds. This money will be used for development and rehabilitation of City of Omaha Parks and Recreations Centers.

2018 Parks and Recreation Bond Fund: To account for the City of Omaha 2018 Bond issue. The City of Omaha citizens voted and approved in May 2018 the issuance of \$15,510,000 in General Obligation bonds. This money will be used for development and rehabilitation of City of Omaha Parks and Recreations Centers. There was no activity/budget in this fund for 2020.

Downtown Stadium & Companion Project: To account for the construction of a new City baseball stadium to be built between 10th and 13th Streets between Cuming and Webster Streets. The City of Omaha Facilities Corporation will issue lease purchase bonds to provide funding. On June 10, 2008, the Omaha City Council adopted Ordinance 38124 approving the Sixth Amendment to the Agreement and Lease regarding the Omaha Convention Center/Arena between the City and MECA (Metropolitan Entertainment & Convention Authority) to provide for the construction and operation. After construction was completed, this fund remained intact as the Stadium Capital Reserve Fund (maintained by MECA and the Tri-Party Agreement) to fund maintenance and repairs of the stadium. On June 13, 2017, a second amendment to the Tri-Party agreement was approved (Ord# 41151). Once the Stadium Public Surplus Fund exceeds \$3,000,000, the city's portion of the College World Series revenue will be routed to the Downtown Stadium & Companion Project Fund.

Nonmajor Governmental Funds—Capital Project Funds (continued)

Pedestrian Trail Bridge: Joint Use Omaha/Council Bluffs Fund – To account for moneys spent toward the operation and maintenance of the Missouri River Pedestrian Bridge. Funds received in this fund may be used toward inspection, operation and maintenance costs of the crossing bridge.

Library Facilities Capital: To account for various Library capital expenditures to improve the Omaha Public Library System, including but not limited to the purchase of land, buildings and equipment. Lease Purchase Bonds were issued in 2019 for the purchase of the Radio Frequency Identification System (RFID) which started in 2017.

Capital Special Assessment Fund: To account for Public Works assessments for sidewalks and sewer repairs done by the City. This is assessed annually for the homeowner with outstanding bills. S.I.D.'s are also billed for street and sewer repairs.

Service Special Assessment Fund: To account for a Parks and Recreation fund to enforce the city codes for weeds, litter and demolition of buildings. This is assessed annually for the homeowner with outstanding bills.

The following funds do not have appropriated budgets and therefore will not have a budgetary comparison schedule: ASARCO/Lewis and Clark Remediation Fund, Airport Business Park Development Fund, 2018 Parks and Recreation Bond Fund, and 2014 Public Facilities Bond.

City of Omaha, Nebraska

Combining Balance Sheet
 Nonmajor Capital Project Funds
 December 31, 2022

| | ASARCO/ Lewis & Clark Remediation | Advanced Acquisition |
|---|---|-------------------------|
| Assets | | |
| Cash and pooled investments | \$ 511,187 | \$ 16,583,474 |
| Investments | 1,544,470 | - |
| Receivables (net of allowance for uncollectibles) | - | - |
| Due from other governments | - | - |
| Due from other funds | - | - |
| Accrued interest | 4,901 | - |
| Other assets | - | 2,625,000 |
| Deposits with trustee | - | - |
| | <hr/> | <hr/> |
| Total assets | \$ 2,060,558 | \$ 19,208,474 |
| Liabilities, Deferred Inflows of Resources and Fund Balances | | |
| Liabilities: | | |
| Accounts payable and other current liabilities | \$ - | \$ 1,502 |
| Due to other funds | - | - |
| Total liabilities | <hr/> | <hr/> |
| | - | 1,502 |
| Deferred inflows of resources, unavailable revenue | <hr/> | <hr/> |
| | - | - |
| Fund balances (deficits): | | |
| Restricted | - | 19,206,972 |
| Committed | 2,060,558 | - |
| Assigned | - | - |
| Unassigned | - | - |
| Total fund balances (deficits) | <hr/> | <hr/> |
| | 2,060,558 | 19,206,972 |
| Total liabilities, deferred inflows of resources and fund balances | <hr/> | <hr/> |
| | \$ 2,060,558 | \$ 19,208,474 |

(Continued)

| City Capital Improvement | 2014 Environmental Bond | Airport Business Park Development | 2014 Transportation Bond | 2018 Transportation Bond |
|-----------------------------|-------------------------------|---|--------------------------------|--------------------------------|
| \$ 10,081,583 | \$ 3,550,846 | \$ 660,658 | \$ 6,949,940 | \$ 5,792,998 |
| - | - | - | - | - |
| - | - | - | 194,350 | 23,739 |
| - | - | - | - | - |
| - | - | - | - | 19,100,000 |
| - | - | - | - | - |
| - | - | - | - | - |
| 3,699,425 | - | - | - | - |
| <u>\$ 13,781,008</u> | <u>\$ 3,550,846</u> | <u>\$ 660,658</u> | <u>\$ 7,144,290</u> | <u>\$ 24,916,737</u> |
| | | | | |
| \$ 1,971 | \$ 229,048 | \$ - | \$ - | \$ 3,425,392 |
| - | - | - | - | - |
| <u>1,971</u> | <u>229,048</u> | <u>-</u> | <u>-</u> | <u>3,425,392</u> |
| | | | | |
| - | - | - | 194,350 | 23,739 |
| | | | | |
| - | 3,321,798 | - | 6,949,940 | 21,467,606 |
| - | - | 660,658 | - | - |
| 13,779,037 | - | - | - | - |
| - | - | - | - | - |
| <u>13,779,037</u> | <u>3,321,798</u> | <u>660,658</u> | <u>6,949,940</u> | <u>21,467,606</u> |
| | | | | |
| <u>\$ 13,781,008</u> | <u>\$ 3,550,846</u> | <u>\$ 660,658</u> | <u>\$ 7,144,290</u> | <u>\$ 24,916,737</u> |

City of Omaha, Nebraska

Combining Balance Sheet (Continued)
 Nonmajor Capital Project Funds
 December 31, 2022

| | 2020 Street Preservation Bond | 2014 Public Facilities Bond |
|---|-------------------------------------|-----------------------------------|
| Assets | | |
| Cash and pooled investments | \$ 521,505 | \$ - |
| Investments | - | - |
| Receivables (net of allowance for uncollectibles) | 231,575 | - |
| Due from other governments | - | - |
| Due from other funds | - | - |
| Accrued interest | - | - |
| Deposits with trustee | - | - |
| | <hr/> | <hr/> |
| Total assets | \$ 753,080 | \$ - |
| Liabilities, Deferred Inflows of Resources and Fund Balances | | |
| Liabilities: | | |
| Accounts payable and other current liabilities | \$ 1,467,806 | \$ - |
| Due to other funds | - | - |
| Total liabilities | <hr/> 1,467,806 | <hr/> - |
| Deferred inflows of resources, unavailable revenue | <hr/> 231,575 | <hr/> - |
| Fund balances (deficits): | | |
| Restricted | - | - |
| Committed | - | - |
| Assigned | - | - |
| Unassigned | (946,301) | - |
| Total fund balances (deficits) | <hr/> (946,301) | <hr/> - |
| Total liabilities, deferred inflows of resources and fund balances | <hr/> \$ 753,080 | <hr/> \$ - |

(Continued)

| 2018 Public Facilities Bond | 2014 Public Safety Bond | 2018 Public Safety Bond | 2014 Parks and Recreation Bond |
|-----------------------------------|----------------------------|----------------------------|--------------------------------------|
| \$ 318 | \$ - | \$ 835 | \$ 1,083 |
| - | - | - | - |
| - | - | - | 374,262 |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| <u>\$ 318</u> | <u>\$ -</u> | <u>\$ 835</u> | <u>\$ 375,345</u> |
| | | | |
| \$ 976,917 | \$ - | \$ - | \$ 4,056 |
| 4,315,000 | - | 2,306,000 | 979,000 |
| <u>5,291,917</u> | <u>-</u> | <u>2,306,000</u> | <u>983,056</u> |
| | | | |
| - | - | - | 374,262 |
| | | | |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| (5,291,599) | - | (2,305,165) | (981,973) |
| <u>(5,291,599)</u> | <u>-</u> | <u>(2,305,165)</u> | <u>(981,973)</u> |
| | | | |
| <u>\$ 318</u> | <u>\$ -</u> | <u>\$ 835</u> | <u>\$ 375,345</u> |

City of Omaha, Nebraska

Combining Balance Sheet (Continued)
 Nonmajor Capital Project Funds
 December 31, 2022

| | 2018 Parks and Recreation Bond | Downtown Stadium and Companion Project |
|---|--------------------------------------|---|
| Assets | | |
| Cash and pooled investments | \$ 458 | \$ - |
| Investments | - | - |
| Receivables (net of allowance for uncollectibles) | 9,745,362 | - |
| Due from other governments | - | - |
| Due from other funds | - | - |
| Accrued interest | - | - |
| Other assets | - | - |
| Deposits with trustee | - | 5,325,122 |
| | <hr/> | <hr/> |
| Total assets | \$ 9,745,820 | \$ 5,325,122 |
| Liabilities, Deferred Inflows of Resources and Fund Balances | | |
| Liabilities: | | |
| Accounts payable and other current liabilities | \$ 1,065,357 | \$ - |
| Due to other funds | 3,846,000 | - |
| Total liabilities | <hr/> | <hr/> |
| | 4,911,357 | - |
| Deferred inflows of resources, unavailable revenue | 9,745,362 | - |
| | <hr/> | <hr/> |
| Fund balances (deficits): | | |
| Restricted | - | 5,325,122 |
| Committed | - | - |
| Assigned | - | - |
| Unassigned | (4,910,899) | - |
| Total fund balances (deficits) | <hr/> | <hr/> |
| | (4,910,899) | 5,325,122 |
| | <hr/> | <hr/> |
| Total liabilities, deferred inflows of resources and fund balances | \$ 9,745,820 | \$ 5,325,122 |
| | <hr/> | <hr/> |

| Pedestrian Trail Bridge Joint Use Omaha/Council Bluffs | Library Facilities Capital | Capital Special Assessment | Service Special Assessment | Total Capital Projects |
|---|----------------------------------|----------------------------------|-------------------------------|---------------------------|
| \$ 1,089,469 | \$ 801 | \$ 738 | \$ 2,313,124 | \$ 48,059,017 |
| - | - | - | - | 1,544,470 |
| - | - | 7,379,432 | 3,590,789 | 21,539,509 |
| - | - | 2,958 | 39,790 | 42,748 |
| - | - | - | - | 19,100,000 |
| - | - | 307 | 619 | 5,827 |
| - | - | - | - | 2,625,000 |
| - | - | - | - | 9,024,547 |
| <u>\$ 1,089,469</u> | <u>\$ 801</u> | <u>\$ 7,383,435</u> | <u>\$ 5,944,322</u> | <u>\$ 101,941,118</u> |
| \$ 413 | \$ 1,290,163 | \$ 186,331 | \$ - | \$ 8,648,956 |
| - | 2,295,000 | 5,359,000 | - | 19,100,000 |
| <u>413</u> | <u>3,585,163</u> | <u>5,545,331</u> | <u>-</u> | <u>27,748,956</u> |
| - | - | 7,379,432 | 3,590,789 | 21,539,509 |
| 1,089,056 | - | - | - | 57,360,494 |
| - | - | - | 2,353,533 | 5,074,749 |
| - | - | - | - | 13,779,037 |
| - | (3,584,362) | (5,541,328) | - | (23,561,627) |
| <u>1,089,056</u> | <u>(3,584,362)</u> | <u>(5,541,328)</u> | <u>2,353,533</u> | <u>52,652,653</u> |
| <u>\$ 1,089,469</u> | <u>\$ 801</u> | <u>\$ 7,383,435</u> | <u>\$ 5,944,322</u> | <u>\$ 101,941,118</u> |

City of Omaha, Nebraska

Combining Statements of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Capital Project Funds
 Year Ended December 31, 2022

| | ASARCO/ Lewis & Clark Remediation | Advanced Acquisition |
|---|---|-------------------------|
| Revenues: | | |
| Investment income | \$ 21,136 | \$ - |
| Charges for services | - | 34,760 |
| Contributions and grants | - | - |
| Total revenues | <u>21,136</u> | <u>34,760</u> |
| Expenditures: | | |
| Current: | | |
| General government | 163 | - |
| Public safety | - | - |
| Transportation services | - | - |
| Community development | - | 3,900 |
| Culture and parks | - | - |
| Capital outlay: | | |
| General government | - | - |
| Public safety | - | - |
| Transportation | - | - |
| Other public services | - | - |
| Community development | - | 10,905 |
| Culture and parks | - | - |
| Total expenditures | <u>163</u> | <u>14,805</u> |
| Excess (deficiency) revenues over (under) expenditures | <u>20,973</u> | <u>19,955</u> |
| Other financing sources (uses): | | |
| Transfers in | - | 7,999,791 |
| Transfer out | - | - |
| Issuance of debt | - | - |
| Premium on issuance of debt | - | - |
| Sale of capital assets | - | 8,618,459 |
| Total other financing sources (uses) | <u>-</u> | <u>16,618,250</u> |
| Total change in fund balances (deficits) | 20,973 | 16,638,205 |
| Fund balances (deficits), beginning | <u>2,039,585</u> | <u>2,568,767</u> |
| Fund balances (deficits), ending | <u>\$ 2,060,558</u> | <u>\$ 19,206,972</u> |

(Continued)

| City Capital Improvement | 2014 Environmental Bond | Airport Business Park Development | 2014 Transportation Bond | 2018 Transportation Bond |
|--------------------------|-------------------------|-----------------------------------|--------------------------|--------------------------|
| \$ 33,113 | \$ - | \$ - | \$ - | \$ - |
| 250,000 | - | - | - | - |
| - | 500,000 | - | 957,451 | 5,327,247 |
| 283,113 | 500,000 | - | 957,451 | 5,327,247 |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | 567,639 |
| 12,229 | - | - | - | - |
| - | - | - | - | - |
| 160,500 | - | - | - | - |
| 2,664,672 | - | - | - | - |
| - | - | - | 1,366,812 | 23,766,730 |
| - | 2,027,921 | - | - | - |
| 153,994 | - | - | - | - |
| 210,143 | - | - | - | - |
| 3,201,538 | 2,027,921 | - | 1,366,812 | 24,334,369 |
| (2,918,425) | (1,527,921) | - | (409,361) | (19,007,122) |
| 6,200,000 | 231,591 | - | - | - |
| - | - | - | - | - |
| 905,000 | 4,383,883 | - | - | 31,386,428 |
| 95,000 | - | - | - | 3,613,572 |
| - | - | - | - | - |
| 7,200,000 | 4,615,474 | - | - | 35,000,000 |
| 4,281,575 | 3,087,553 | - | (409,361) | 15,992,878 |
| 9,497,462 | 234,245 | 660,658 | 7,359,301 | 5,474,728 |
| \$ 13,779,037 | \$ 3,321,798 | \$ 660,658 | \$ 6,949,940 | \$ 21,467,606 |

City of Omaha, Nebraska

Combining Statements of Revenues, Expenditures and Changes in Fund Balances (Continued)
 Nonmajor Capital Project Funds
 Year Ended December 31, 2022

| | 2020 Street Preservation Bond | 2014 Public Facilities Bond |
|---|-------------------------------------|-----------------------------------|
| Revenues: | | |
| Investment income | \$ - | \$ - |
| Charges for services | - | - |
| Contributions and grants | 4,563 | - |
| Total revenues | <u>4,563</u> | <u>-</u> |
| Expenditures: | | |
| Current: | | |
| General government | - | - |
| Public safety | - | - |
| Transportation services | - | - |
| Community development | - | - |
| Culture and parks | - | - |
| Capital outlay: | | |
| General government | - | - |
| Public safety | - | - |
| Transportation | 33,231,630 | - |
| Other public services | - | - |
| Community development | - | - |
| Culture and parks | - | - |
| Total expenditures | <u>33,231,630</u> | <u>-</u> |
| Excess (deficiency) revenues over (under) expenditures | <u>(33,227,067)</u> | <u>-</u> |
| Other financing sources (uses): | | |
| Transfers in | - | - |
| Transfer out | - | (141,720) |
| Issuance of debt | 42,714,052 | - |
| Premium on issuance of debt | 4,902,065 | - |
| Sale of capital assets | - | - |
| Total other financing sources (uses) | <u>47,616,117</u> | <u>(141,720)</u> |
| Total change in fund balances (deficits) | <u>14,389,050</u> | <u>(141,720)</u> |
| Fund balances (deficits), beginning | <u>(15,335,351)</u> | <u>141,720</u> |
| Fund balances (deficits), ending | <u>\$ (946,301)</u> | <u>\$ -</u> |

(Continued)

| 2018 Public Facilities Bond | 2014 Public Safety Bond | 2018 Public Safety Bond | 2014 Parks and Recreation Bond |
|-----------------------------------|----------------------------|----------------------------|--------------------------------------|
| \$ - | \$ - | \$ - | \$ - |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| - | - | 5,445 | - |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| 6,609,073 | - | - | - |
| 3,628,443 | - | 3,776,017 | - |
| 111,190 | - | - | - |
| - | - | - | - |
| - | - | - | - |
| 211,552 | - | - | 61,474 |
| 10,560,258 | - | 3,781,462 | 61,474 |
| (10,560,258) | - | (3,781,462) | (61,474) |
| 141,720 | - | 697,654 | - |
| - | (697,654) | - | - |
| 4,480,139 | - | 1,790,359 | - |
| 519,861 | - | 209,641 | - |
| - | - | - | - |
| 5,141,720 | (697,654) | 2,697,654 | - |
| (5,418,538) | (697,654) | (1,083,808) | (61,474) |
| 126,939 | 697,654 | (1,221,357) | (920,499) |
| \$ (5,291,599) | \$ - | \$ (2,305,165) | \$ (981,973) |

City of Omaha, Nebraska

Combining Statements of Revenues, Expenditures and Changes in Fund Balances (Continued)
 Nonmajor Capital Project Funds
 Year Ended December 31, 2022

| | 2018 Parks and Recreation Bond | Downtown Stadium and Companion Project |
|---|--------------------------------------|---|
| Revenues: | | |
| Investment income | \$ - | \$ - |
| Charges for services | - | 1,100,000 |
| Contributions and grants | 660,710 | 2,000,000 |
| Total revenues | <u>660,710</u> | <u>3,100,000</u> |
| Expenditures: | | |
| Current: | | |
| General government | - | - |
| Public safety | - | - |
| Transportation services | - | - |
| Community development | - | - |
| Culture and parks | - | - |
| Capital outlay: | | |
| General government | - | - |
| Public safety | - | - |
| Transportation | - | - |
| Other public services | - | - |
| Community development | - | - |
| Culture and parks | 10,404,487 | 2,895,649 |
| Total expenditures | <u>10,404,487</u> | <u>2,895,649</u> |
| Excess (deficiency) revenues over (under) expenditures | <u>(9,743,777)</u> | <u>204,351</u> |
| Other financing sources (uses): | | |
| Transfers in | - | - |
| Transfer out | - | - |
| Issuance of debt | 4,480,139 | - |
| Premium on issuance of debt | 519,861 | - |
| Sale of capital assets | - | - |
| Total other financing sources (uses) | <u>5,000,000</u> | <u>-</u> |
| Total change in fund balances (deficits) | <u>(4,743,777)</u> | <u>204,351</u> |
| Fund balances (deficits), beginning | <u>(167,122)</u> | <u>5,120,771</u> |
| Fund balances (deficits), ending | <u>\$ (4,910,899)</u> | <u>\$ 5,325,122</u> |

| Pedestrian Trail Bridge Joint Use Omaha/Council Bluffs | Library Facilities Capital | Capital Special Assessment | Service Special Assessment | Total Capital Projects |
|---|----------------------------------|----------------------------------|-------------------------------|---------------------------|
| \$ - | \$ - | \$ 21,759 | \$ 52,024 | \$ 128,032 |
| - | - | - | 344,707 | 1,729,467 |
| 130,000 | - | 940,042 | - | 10,520,013 |
| 130,000 | - | 961,801 | 396,731 | 12,377,512 |
| - | - | 28,464 | 5,309 | 33,936 |
| - | - | - | - | 5,445 |
| - | - | 1,087,966 | - | 1,655,605 |
| - | - | - | - | 16,129 |
| 81,371 | 658 | 40,000 | - | 122,029 |
| - | - | 818,970 | - | 7,588,543 |
| - | - | - | - | 10,069,132 |
| - | - | - | - | 58,476,362 |
| - | - | - | - | 2,027,921 |
| - | - | - | - | 164,899 |
| - | 3,589,520 | - | - | 17,372,825 |
| 81,371 | 3,590,178 | 1,975,400 | 5,309 | 97,532,826 |
| 48,629 | (3,590,178) | (1,013,599) | 391,422 | (85,155,314) |
| 130,000 | - | - | - | 15,400,756 |
| - | - | - | - | (839,374) |
| - | - | - | - | 90,140,000 |
| - | - | - | - | 9,860,000 |
| - | - | - | - | 8,618,459 |
| 130,000 | - | - | - | 123,179,841 |
| 178,629 | (3,590,178) | (1,013,599) | 391,422 | 38,024,527 |
| 910,427 | 5,816 | (4,527,729) | 1,962,111 | 14,628,126 |
| \$ 1,089,056 | \$ (3,584,362) | \$ (5,541,328) | \$ 2,353,533 | \$ 52,652,653 |

City of Omaha, Nebraska

Budgetary Comparison Schedule—Advanced Acquisition Fund
Year Ended December 31, 2022

| | Budgeted Amounts | | Actual | Variance with |
|---|---------------------|---------------------|----------------------|------------------------|
| | Original | Final | | Final Budget |
| | | | | Increase (Decrease) |
| Revenues: | | | | |
| Charges for services | \$ - | \$ - | \$ 34,760 | \$ 34,760 |
| Total revenues | - | - | 34,760 | 34,760 |
| Expenditures: | | | | |
| Community development: | | | | |
| Other agencies/advanced acquisition | - | - | 3,900 | (3,900) |
| Capital outlay | - | - | 10,905 | (10,905) |
| Total expenditures | - | - | 14,805 | (14,805) |
| Excess of revenues over expenditures | - | - | 19,955 | 19,955 |
| Other financing sources: | | | | |
| Transfers in | - | - | 7,999,791 | 7,999,791 |
| Sale of capital assets | - | - | 8,618,459 | 8,618,459 |
| Total other financing sources | - | - | 16,618,250 | 16,618,250 |
| Net change in fund balances | - | - | 16,638,205 | 16,638,205 |
| Fund balances, beginning | 2,568,767 | 2,568,767 | 2,568,767 | - |
| Fund balances, ending | <u>\$ 2,568,767</u> | <u>\$ 2,568,767</u> | <u>\$ 19,206,972</u> | <u>\$ 16,638,205</u> |

City of Omaha, Nebraska

**Budgetary Comparison Schedule—City Capital Improvement Fund
Year Ended December 31, 2022**

| | Budgeted Amounts | | Actual | Variance with Final Budget Increase (Decrease) |
|--|---------------------|---------------------|----------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Charges for services | \$ - | \$ - | \$ 250,000 | \$ 250,000 |
| Investment income | - | - | 33,113 | 33,113 |
| Rents, royalties, and other | - | - | - | - |
| Total revenues | - | - | 283,113 | 283,113 |
| Expenditures: | | | | |
| Community development: | | | | |
| Other agencies/city capital improvements | - | - | 12,229 | (12,229) |
| Capital outlay: | | | | |
| General Government | - | - | 160,500 | (160,500) |
| Public safety: | | | | |
| Police/police services bureau | - | - | 2,664,672 | (2,664,672) |
| Other public services | 12,326,305 | 12,326,305 | - | 12,326,305 |
| Community development: | - | - | 153,994 | (153,994) |
| Culture and parks | - | - | 210,143 | (210,143) |
| Total expenditures | 12,326,305 | 12,326,305 | 3,201,538 | 9,124,767 |
| Deficiency of revenues under expenditures | (12,326,305) | (12,326,305) | (2,918,425) | 9,407,880 |
| Other financing sources (uses): | | | | |
| Transfers in | - | - | 6,200,000 | 6,200,000 |
| Issuance of debt | 11,500,000 | 11,500,000 | 905,000 | (10,595,000) |
| Premium on debt issued | - | - | 95,000 | 95,000 |
| Total other financing sources | 11,500,000 | 11,500,000 | 7,200,000 | (4,300,000) |
| Net change in fund balances | (826,305) | (826,305) | 4,281,575 | 5,107,880 |
| Fund balances, beginning | 9,497,462 | 9,497,462 | 9,497,462 | - |
| Fund balances, ending | \$ 8,671,157 | \$ 8,671,157 | \$ 13,779,037 | \$ 5,107,880 |

City of Omaha, Nebraska

Budgetary Comparison Schedule—2014 Environmental Bond Fund
Year Ended December 31, 2022

| | Budgeted Amounts | | Actual | Variance with |
|--|-------------------|-------------------|---------------------|------------------------|
| | Original | Final | | Final Budget |
| | | | | Increase (Decrease) |
| Revenues: | | | | |
| Contributions and grants | \$ - | \$ - | \$ 500,000 | \$ 500,000 |
| Total revenues | - | - | 500,000 | 500,000 |
| Expenditures: | | | | |
| Capital outlay: | | | | |
| Other public services: | | | | |
| Public works/environmental bonds | - | - | 2,027,921 | (2,027,921) |
| Total expenditures | - | - | 2,027,921 | (2,027,921) |
| Deficiency of revenues under expenditures | - | - | (1,527,921) | (1,527,921) |
| Other financing sources: | | | | |
| Transfers in | - | - | 231,591 | 231,591 |
| Issuance of debt | - | - | 4,383,883 | 4,383,883 |
| Premium on debt issued | - | - | - | - |
| Total other financing sources | - | - | 4,615,474 | 4,615,474 |
| Net change in fund balances | - | - | 3,087,553 | 3,087,553 |
| Fund balances, beginning | 234,245 | 234,245 | 234,245 | - |
| Fund balances, ending | \$ 234,245 | \$ 234,245 | \$ 3,321,798 | \$ 3,087,553 |

City of Omaha, Nebraska

**Budgetary Comparison Schedule—2014 Transportation Bond Fund
Year Ended December 31, 2022**

| | Budgeted Amounts | | Actual | Variance with |
|--|---------------------|---------------------|---------------------|--|
| | Original | Final | | Final Budget Increase (Decrease) |
| Revenues: | | | | |
| Contributions and grants | \$ - | \$ - | \$ 957,451 | \$ 957,451 |
| Total revenues | - | - | 957,451 | 957,451 |
| Expenditures: | | | | |
| Capital outlay: | | | | |
| Transportation: | | | | |
| Public works/transportation bonds | - | - | 1,366,812 | (1,366,812) |
| Total expenditures | - | - | 1,366,812 | (1,366,812) |
| Deficiency of revenues under expenditures | - | - | (409,361) | (409,361) |
| Net change in fund balances | - | - | (409,361) | (409,361) |
| Fund balances, beginning | 7,359,301 | 7,359,301 | 7,359,301 | - |
| Fund balances, ending | \$ 7,359,301 | \$ 7,359,301 | \$ 6,949,940 | \$ (409,361) |

City of Omaha, Nebraska

Budgetary Comparison Schedule—2018 Transportation Bond Fund
Year Ended December 31, 2022

| | Budgeted Amounts | | Actual | Variance with |
|--|---------------------|---------------------|----------------------|------------------------|
| | Original | Final | | Final Budget |
| | | | | Increase (Decrease) |
| Revenues: | | | | |
| Contributions and grants | \$ 3,900,000 | \$ 3,900,000 | \$ 5,327,247 | \$ 5,327,247 |
| Total revenues | 3,900,000 | 3,900,000 | 5,327,247 | 5,327,247 |
| Expenditures: | | | | |
| Transportation: | | | | |
| Public works/transportation bonds | - | - | 567,639 | (567,639) |
| Capital outlay: | | | | |
| Transportation: | | | | |
| Public works/transportation bonds | 42,224,000 | 42,224,000 | 23,766,730 | 18,457,270 |
| Total expenditures | 42,224,000 | 42,224,000 | 24,334,369 | 17,889,631 |
| Deficiency of revenues under expenditures | (38,324,000) | (38,324,000) | (19,007,122) | 12,562,384 |
| Other financing sources: | | | | |
| Issuance of debt | 38,324,000 | 38,324,000 | 31,386,428 | 6,937,572 |
| Premium on debt issued | - | - | 3,613,572 | (3,613,572) |
| Transfers in | - | - | - | - |
| Total other financing sources | 38,324,000 | 38,324,000 | 35,000,000 | 3,324,000 |
| Net change in fund balances (deficits) | - | - | 15,992,878 | 15,886,384 |
| Fund balances (deficits), beginning | 5,474,728 | 5,474,728 | 5,474,728 | - |
| Fund balances (deficits), ending | \$ 5,474,728 | \$ 5,474,728 | \$ 21,467,606 | \$ 15,886,384 |

City of Omaha, Nebraska

Budgetary Comparison Schedule—2020 Street Preservation Bond
Year Ended December 31, 2022

| | Budgeted Amounts | | Actual | Variance with |
|--|------------------------|------------------------|---------------------|------------------------|
| | Original | Final | | Final Budget |
| | | | | Increase (Decrease) |
| Revenues: | | | | |
| Contributions and grants | \$ - | \$ - | \$ 4,563 | \$ 4,563 |
| Total revenues | - | - | 4,563 | 4,563 |
| Expenditures: | | | | |
| Capital outlay: | | | | |
| Transportation: | | | | |
| Public works/transportation bonds | 41,950,000 | 41,950,000 | 33,231,630 | 8,718,370 |
| Total expenditures | 41,950,000 | 41,950,000 | 33,231,630 | 8,718,370 |
| Deficiency of revenues under expenditures | (41,950,000) | (41,950,000) | (33,227,067) | (8,722,933) |
| Other financing sources: | | | | |
| Issuance of debt | 41,950,000 | 41,950,000 | 42,714,052 | (764,052) |
| Premium on debt issued | - | - | 4,902,065 | (4,902,065) |
| Total other financing sources | 41,950,000 | 41,950,000 | 47,616,117 | (5,666,117) |
| Net change in fund balances (deficits) | - | - | 14,389,050 | (3,056,816) |
| Fund balances, beginning | (15,335,351) | (15,335,351) | (15,335,351) | - |
| Fund balances (deficits), ending | \$ (15,335,351) | \$ (15,335,351) | \$ (946,301) | \$ (3,056,816) |

City of Omaha, Nebraska

**Budgetary Comparison Schedule—2018 Public Facilities Bond Fund
Year Ended December 31, 2022**

| | Budgeted Amounts | | Actual | Variance with Final Budget Increase (Decrease) |
|--|--------------------|--------------------|---------------------|---|
| | Original | Final | | |
| Expenditures: | | | | |
| Capital outlay: | | | | |
| General Government | \$ - | \$ - | \$ 6,609,073 | \$ (6,609,073) |
| Culture and parks: | | | | |
| Library department | - | - | 211,552 | (211,552) |
| Public Safety: | | | | |
| Police/police services bureau | - | - | 225,545 | (225,545) |
| Fire/fire administration division | 1,000,000 | 1,000,000 | 3,402,898 | (2,402,898) |
| Transportation: | | | | |
| Public Works/facilities management division | 3,500,000 | 3,500,000 | 111,190 | 3,388,810 |
| Public Works/vehicle maintenance | 1,772,000 | 1,772,000 | - | 1,772,000 |
| Total expenditures | 6,272,000 | 6,272,000 | 10,560,258 | (4,288,258) |
| | | | | |
| Deficiency of revenues under expenditures | (6,272,000) | (6,272,000) | (10,560,258) | (4,288,258) |
| | | | | |
| Other financing sources: | | | | |
| Transfers in | - | - | 141,720 | 141,720 |
| Issuance of debt | 6,272,000 | 6,272,000 | 4,480,139 | (1,791,861) |
| Premium on debt issued | - | - | 519,861 | 519,861 |
| Total other financing sources | 6,272,000 | 6,272,000 | 5,141,720 | (1,130,280) |
| | | | | |
| Net change in fund balances (deficits) | - | - | (5,418,538) | (5,418,538) |
| | | | | |
| Fund balances (deficits), beginning | 126,939 | 126,939 | 126,939 | - |
| Fund balances (deficits), ending | \$ 126,939 | \$ 126,939 | \$ (5,291,599) | \$ (5,418,538) |

City of Omaha, Nebraska

**Budgetary Comparison Schedule—2014 Public Safety Bond Fund
Year Ended December 31, 2022**

| | Budgeted Amounts | | Actual | Variance with Final Budget Increase (Decrease) |
|--|-------------------|-------------------|------------------|---|
| | Original | Final | | |
| Expenditures: | | | | |
| Capital outlay: | | | | |
| Public safety: | | | | |
| Fire/fire administration division | \$ - | \$ - | \$ - | \$ - |
| Total expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Deficiency of revenues under expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Other financing uses: | | | | |
| Transfers out | - | - | (697,654) | (697,654) |
| Net change in fund balances | <u>-</u> | <u>-</u> | <u>(697,654)</u> | <u>(697,654)</u> |
| Fund balances, beginning | <u>697,654</u> | <u>697,654</u> | <u>697,654</u> | <u>-</u> |
| Fund balances, ending | <u>\$ 697,654</u> | <u>\$ 697,654</u> | <u>\$ -</u> | <u>\$ (697,654)</u> |

City of Omaha, Nebraska

**Budgetary Comparison Schedule—2018 Public Safety Bond Fund
Year Ended December 31, 2022**

| | Budgeted Amounts | | Actual | Variance with Final Budget Increase (Decrease) |
|--|-----------------------|-----------------------|-----------------------|---|
| | Original | Final | | |
| Expenditures: | | | | |
| Public safety | \$ - | \$ - | \$ 5,445 | \$ (5,445) |
| Capital outlay: | | | | |
| Public safety: | | | | |
| Fire/fire administration division | 2,023,000 | 2,023,000 | 3,776,017 | (1,753,017) |
| Total expenditures | <u>2,023,000</u> | <u>2,023,000</u> | <u>3,781,462</u> | <u>(1,758,462)</u> |
| | | | | |
| Deficiency of revenues under expenditures | <u>(2,023,000)</u> | <u>(2,023,000)</u> | <u>(3,781,462)</u> | <u>(1,758,462)</u> |
| Other financing sources: | | | | |
| Transfers in | - | - | 697,654 | 697,654 |
| Issuance of debt | 2,023,000 | 2,023,000 | 1,790,359 | (232,641) |
| Premium on debt issued | - | - | 209,641 | 209,641 |
| Total other financing sources | <u>2,023,000</u> | <u>2,023,000</u> | <u>2,697,654</u> | <u>674,654</u> |
| | | | | |
| Net change in fund balances (deficits) | - | - | (1,083,808) | (1,083,808) |
| | | | | |
| Fund balances (deficits), beginning | <u>(1,221,357)</u> | <u>(1,221,357)</u> | <u>(1,221,357)</u> | - |
| | | | | |
| Fund balances (deficits), ending | <u>\$ (1,221,357)</u> | <u>\$ (1,221,357)</u> | <u>\$ (2,305,165)</u> | <u>\$ (1,083,808)</u> |

City of Omaha, Nebraska

**Budgetary Comparison Schedule—2014 Parks and Recreation Bond Fund
Year Ended December 31, 2022**

| | Budgeted Amounts | | Actual | Variance with Final Budget Increase (Decrease) |
|--|---------------------|---------------------|---------------------|---|
| | Original | Final | | |
| Expenditures: | | | | |
| Capital outlay: | | | | |
| Culture and parks: | | | | |
| Parks and recreation/park admin division | \$ - | \$ - | \$ 61,474 | \$ (61,474) |
| Total expenditures | - | - | 61,474 | (61,474) |
| | | | | |
| Deficiency of revenues under expenditures | - | - | (61,474) | (61,474) |
| Other financing sources: | | | | |
| Issuance of debt | - | - | - | - |
| Total other financing sources | - | - | - | - |
| | | | | |
| Net change in fund balances | - | - | (61,474) | (61,474) |
| | | | | |
| Fund balances, beginning | (920,499) | (920,499) | (920,499) | - |
| | | | | |
| Fund balances, ending | <u>\$ (920,499)</u> | <u>\$ (920,499)</u> | <u>\$ (981,973)</u> | <u>\$ (61,474)</u> |

City of Omaha, Nebraska

**Budgetary Comparison Schedule—2018 Parks and Recreation Bond Fund
Year Ended December 31, 2022**

| | Budgeted Amounts | | Actual | Variance with |
|--|---------------------|---------------------|-----------------------|------------------------|
| | Original | Final | | Final Budget |
| | | | | Increase (Decrease) |
| Revenues: | | | | |
| Contributions and grants | \$ - | \$ - | \$ 660,710 | \$ 660,710 |
| Total revenues | - | - | 660,710 | 660,710 |
| Expenditures: | | | | |
| Capital outlay: | | | | |
| Culture and parks: | | | | |
| Parks and recreation/park admin division | 5,355,000 | 5,355,000 | 10,404,487 | (5,049,487) |
| Total expenditures | 5,355,000 | 5,355,000 | 10,404,487 | (5,049,487) |
| Deficiency of revenues under expenditures | (5,355,000) | (5,355,000) | (9,743,777) | (4,388,777) |
| Other financing sources: | | | | |
| Issuance of debt | 5,355,000 | 5,355,000 | 4,480,139 | (874,861) |
| Premium on debt issued | - | - | 519,861 | 519,861 |
| Total other financing sources | 5,355,000 | 5,355,000 | 5,000,000 | (355,000) |
| Net change in fund balances | - | - | (4,743,777) | (4,743,777) |
| Fund balances, beginning | (167,122) | (167,122) | (167,122) | - |
| Fund balances, ending | \$ (167,122) | \$ (167,122) | \$ (4,910,899) | \$ (4,743,777) |

City of Omaha, Nebraska

**Budgetary Comparison Schedule—Downtown Stadium and Companion Projects Fund
Year Ended December 31, 2022**

| | Budgeted Amounts | | Actual | Variance with |
|--|---------------------|---------------------|---------------------|--|
| | Original | Final | | Final Budget Increase (Decrease) |
| Revenues: | | | | |
| Charges for services | \$ 1,440,663 | \$ 1,440,663 | \$ 1,100,000 | \$ (340,663) |
| Contributions and grants | - | - | 2,000,000 | 2,000,000 |
| Total revenues | 1,440,663 | 1,440,663 | 3,100,000 | 1,659,337 |
| Expenditures: | | | | |
| Capital outlay: | | | | |
| Culture and parks: | | | | |
| Other agencies/downtown stadium | 2,833,682 | 2,833,682 | 2,895,649 | (61,967) |
| Total expenditures | 2,833,682 | 2,833,682 | 2,895,649 | (61,967) |
| Excess (deficiency) of revenues over (under) expenditures | (1,393,019) | (1,393,019) | 204,351 | 1,597,370 |
| Net change in fund balances | (1,393,019) | (1,393,019) | 204,351 | 1,597,370 |
| Fund balances, beginning | 5,120,771 | 5,120,771 | 5,120,771 | - |
| Fund balances, ending | \$ 3,727,752 | \$ 3,727,752 | \$ 5,325,122 | \$ 1,597,370 |

City of Omaha, Nebraska

**Budgetary Comparison Schedule—Pedestrian Trail Bridge Joint-Use Omaha/Council Bluffs Fund
Year Ended December 31, 2022**

| | Budgeted Amounts | | Actual | Variance with Final Budget Increase (Decrease) |
|---|---------------------|---------------------|---------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Contributions and grants | \$ 130,000 | \$ 130,000 | \$ 130,000 | \$ - |
| Total revenues | 130,000 | 130,000 | 130,000 | - |
| Expenditures: | | | | |
| Culture and parks: | | | | |
| Parks and recreation/park and facilities division | 46,959 | 46,959 | 81,371 | (34,412) |
| Capital outlay | 25,000 | 25,000 | - | 25,000 |
| Total expenditures | 71,959 | 71,959 | 81,371 | (9,412) |
| Excess of revenues over expenditures | 58,041 | 58,041 | 48,629 | (9,412) |
| Other financing sources: | | | | |
| Transfers in | 130,000 | 130,000 | 130,000 | - |
| Total other financing sources | 130,000 | 130,000 | 130,000 | - |
| Net change in fund balances | 188,041 | 188,041 | 178,629 | (9,412) |
| Fund balances, beginning | 910,427 | 910,427 | 910,427 | - |
| Fund balances, ending | \$ 1,098,468 | \$ 1,098,468 | \$ 1,089,056 | \$ (9,412) |

City of Omaha, Nebraska

Budgetary Comparison Schedule—Library Facilities Capital Fund
Year Ended December 31, 2022

| | Budgeted Amounts | | Actual | Variance with Final Budget Increase (Decrease) |
|--|------------------|-----------------|-----------------------|---|
| | Original | Final | | |
| Expenditures: | | | | |
| Culture and parks: | \$ - | \$ - | \$ 658 | \$ (658) |
| Capital outlay: | | | | |
| Culture and parks: | | | | |
| Parks and recreation/park admin division | - | - | 3,589,520 | (3,589,520) |
| Total expenditures | <u>-</u> | <u>-</u> | <u>3,590,178</u> | <u>(3,590,178)</u> |
| | | | | |
| Deficiency of revenues under expenditures | <u>-</u> | <u>-</u> | <u>(3,590,178)</u> | <u>(3,590,178)</u> |
| Other financing sources: | | | | |
| Issuance of debt | - | - | - | - |
| Total other financing sources | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| | | | | |
| Net change in fund balances | <u>-</u> | <u>-</u> | <u>(3,590,178)</u> | <u>(3,590,178)</u> |
| | | | | |
| Fund balances, beginning | <u>5,816</u> | <u>5,816</u> | <u>5,816</u> | <u>-</u> |
| | | | | |
| Fund balances, ending | <u>\$ 5,816</u> | <u>\$ 5,816</u> | <u>\$ (3,584,362)</u> | <u>\$ (3,590,178)</u> |

City of Omaha, Nebraska

**Budgetary Comparison Schedule—Capital Special Assessment Fund
Year Ended December 31, 2022**

| | Budgeted Amounts | | Actual | Variance with Final Budget Increase (Decrease) |
|--|-----------------------|-----------------------|-----------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Investment income | \$ 10,760 | \$ 10,760 | \$ 21,759 | \$ 10,999 |
| Charges for services | 657,356 | 657,356 | - | (657,356) |
| Contributions and grants | 2,269,971 | 2,269,971 | 940,042 | (1,329,929) |
| Total revenues | 2,938,087 | 2,938,087 | 961,801 | (1,976,286) |
| Expenditures: | | | | |
| General government: | | | | |
| Finance/revenue division | 20,000 | 20,000 | 20,000 | - |
| Other agencies/county treasurer | 3,000 | 3,000 | 8,464 | (5,464) |
| Transportation: | | | | |
| Public works/special assessments | 3,000,000 | 3,000,000 | 1,087,966 | 1,912,034 |
| Culture and parks: | | | | |
| Parks and recreation/park admin division | 40,000 | 40,000 | 40,000 | - |
| Capital outlay: | | | | |
| General government: | | | | |
| Public works/special assessments | 150,000 | 150,000 | 818,970 | (668,970) |
| Total expenditures | 3,213,000 | 3,213,000 | 1,975,400 | 1,237,600 |
| Deficiency of revenues under expenditures | (274,913) | (274,913) | (1,013,599) | (738,686) |
| Net change in fund balances (deficits) | (274,913) | (274,913) | (1,013,599) | (738,686) |
| Fund balances (deficits), beginning | (4,527,729) | (4,527,729) | (4,527,729) | - |
| Fund balances (deficits), ending | \$ (4,802,642) | \$ (4,802,642) | \$ (5,541,328) | \$ (738,686) |

City of Omaha, Nebraska

**Budgetary Comparison Schedule—Service Special Assessment Fund
Year Ended December 31, 2022**

| | Budgeted Amounts | | Actual | Variance with Final Budget Increase (Decrease) |
|---|---------------------|---------------------|---------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Investment income | \$ 43,995 | \$ 43,995 | \$ 52,024 | \$ 8,029 |
| Charges for services | 342,219 | 342,219 | 344,707 | 2,488 |
| Total revenues | 386,214 | 386,214 | 396,731 | 10,517 |
| Expenditures: | | | | |
| General government: | | | | |
| Other agencies/county treasurer | 8,000 | 8,000 | 5,309 | 2,691 |
| Total expenditures | 8,000 | 8,000 | 5,309 | 2,691 |
| Excess of revenues over expenditures | 378,214 | 378,214 | 391,422 | 13,208 |
| Net change in fund balances | 378,214 | 378,214 | 391,422 | 13,208 |
| Fund balances, beginning | 1,962,111 | 1,962,111 | 1,962,111 | - |
| Fund balances, ending | \$ 2,340,325 | \$ 2,340,325 | \$ 2,353,533 | \$ 13,208 |

Nonmajor Governmental Funds—Permanent Funds

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs.

Western Heritage Special Revenue Fund: To account for a Permanent Endowment fund established in accordance with City Ordinance #33472 passed January 31, 1995, whereby the City will contribute moneys toward the renovation and construction at the Western Heritage Museum. These funds were realized from the sale of a portion of the Byron Reed coin and manuscript collection held in October 1996.

Endowment for Library Fund: To account for funds that are donated to the Public Library from outside sources. This is a permanent fund for endowment gifts. In 1974, Don L. Hayes bequeathed to the Public Library a permanent memorial endowment with interest to be used to purchase books in honor of his parents. In 1979, Ralph Anderson bequeathed an endowment to the library with interest to be used to benefit the library. Annual interest from these accounts is used to enhance the library's collections and operations. There was no budget for this fund in 2022.

City of Omaha, Nebraska

Combining Balance Sheet
 Permanent Funds
 December 31, 2022

| | Western Heritage | Endowment for Library | Total Permanent Funds |
|-----------------------------|---------------------|--------------------------|-----------------------------|
| Assets | | | |
| Cash and pooled investments | \$ (373) | \$ 31,725 | \$ 31,352 |
| Investments | 2,757,272 | 58,351 | 2,815,623 |
| Accrued interest | 7,640 | 185 | 7,825 |
| | <hr/> | | |
| Total assets | \$ 2,764,539 | \$ 90,261 | \$ 2,854,800 |
| | <hr/> | | |
| Fund balances: | | | |
| Nonspendable | \$ 2,717,917 | \$ 57,470 | \$ 2,775,387 |
| Restricted | - | 32,791 | 32,791 |
| Committed | 46,622 | - | 46,622 |
| | <hr/> | | |
| Total fund balances | \$ 2,764,539 | \$ 90,261 | \$ 2,854,800 |
| | <hr/> | | |

City of Omaha, Nebraska

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Permanent Funds
 Year Ended December 31, 2022

| | Western Heritage | Endowment for Library | Total Permanent Funds |
|------------------------------------|---------------------|--------------------------|-----------------------------|
| Revenues: | | | |
| Investment income | \$ (67,046) | \$ 804 | \$ (66,242) |
| Total revenues | <u>(67,046)</u> | <u>804</u> | <u>(66,242)</u> |
| Expenses: | | | |
| General government | 307 | 16 | 323 |
| Culture and parks | 100,000 | - | 100,000 |
| | <u>100,307</u> | <u>16</u> | <u>100,323</u> |
| Net change in fund balances | (167,353) | 788 | (166,565) |
| Fund balances, beginning | <u>2,931,892</u> | <u>89,473</u> | <u>3,021,365</u> |
| Fund balances, ending | <u>\$ 2,764,539</u> | <u>\$ 90,261</u> | <u>\$ 2,854,800</u> |

City of Omaha, Nebraska

**Budgetary Comparison Schedule—Western Heritage Fund
Year Ended December 31, 2022**

| | Budgeted Amounts | | Actual | Variance with |
|------------------------------------|------------------|---------------|------------------|--|
| | Original | Final | | Final Budget Increase (Decrease) |
| Revenues: | | | | |
| Investment income (loss) | \$ 42,841 | \$ 42,841 | \$ (67,046) | \$ (109,887) |
| Total revenues | 42,841 | 42,841 | (67,046) | (109,887) |
| Expenses: | | | | |
| General government | - | - | 307 | (307) |
| Culter and parks | - | - | 100,000 | (100,000) |
| Total expenses | - | - | 100,307 | (100,307) |
| Net change in fund balances | 42,841 | 42,841 | (167,353) | (109,887) |
| Fund balances, beginning | 2,931,892 | 2,931,892 | 2,931,892 | - |
| Fund balances, ending | \$ 2,974,733 | \$ 2,974,733 | \$ 2,764,539 | \$ (109,887) |

Nonmajor Enterprise Funds

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

City Wide Sports Revenue Fund: To account for the moneys received from adult leagues operated by the Parks, Recreation and Public Property Department. Currently, leagues are formed for football, volleyball and basketball competition. The fund is self-supported through registration fees charged to participants.

Marinas Fund: To account for activities at the N.P. Dodge Park Marina, the Riverfront Marina, and Cunningham Lake Marina. This Enterprise Fund accounts for receipts generated through the leasing of boat stalls at the N.P. Dodge Park Marina.

Dodge Park Marina Dredge Fund: To account for the accumulated reserves for the replacement of the River Dredge. The Dodge Park Marina Dredge Fund is a special fund created to take care of any contingencies (repairs, etc.) that occur with the dredge. Each year, \$4,000 is transferred from the Dodge Park Marina fund to this fund.

Tennis Operations Fund: To account for the Tennis operations at the City of Omaha Tennis courts. This enterprise fund provides for the operation of one 8-court indoor tennis center, one 15-court tennis center, and numerous neighborhood tennis courts located throughout the City.

Golf Operations Fund: To account for the Golf operations and concessions at the City of Omaha Golf Courses. This enterprise fund was created in 1993 to form a self-supporting enterprise fund for the operations at all Municipal Golf Courses, which includes maintenance of the City's four 18-hole golf courses and four 9-hole golf courses and to fund necessary capital improvements.

Air Quality Fund: To account for the Title V federal funding and the applicable City ordinance authorized fees. These funds provide the City the necessary resources to monitor the air quality and enforce the health and environmental laws relating to clean air.

Printing Services and Graphics Fund: To account for the charges for printing services for the various City and Douglas County departments, agencies, and grant fund projects.

Riverfront Plaza and Marina Fund: To account for the activity at Lewis and Clark landing on the City of Omaha's Missouri Riverfront. The plaza is available for private groups to rent.

City of Omaha, Nebraska

Combining Statements of Net Position
Nonmajor Enterprise Funds
December 31, 2022

| | City Wide Sports Revenue | Marinas | Dodge Park Marina Dredge | Tennis Operations | Golf Operations |
|--|-----------------------------|------------------|-----------------------------|----------------------|--------------------|
| Assets | | | | | |
| Current assets: | | | | | |
| Cash and cash equivalents | \$ 662 | \$ 370,380 | \$ - | \$ 65,755 | \$ 329,726 |
| Receivable (net of allowance for uncollectibles) | - | - | - | 11,000 | - |
| Due from other funds | - | 172,000 | - | - | - |
| Inventories | - | - | - | - | 21,670 |
| Total current assets | 662 | 542,380 | - | 76,755 | 351,396 |
| Noncurrent assets: | | | | | |
| Capital assets: | | | | | |
| Building and systems | - | 3,252,378 | - | 3,660,167 | 3,244,197 |
| Machinery and equipment | - | 536,809 | - | - | 2,785,515 |
| Less accumulated depreciation/amortization | - | (2,886,119) | - | (2,499,082) | (4,837,208) |
| Total capital assets, net | - | 903,068 | - | 1,161,085 | 1,192,504 |
| Total noncurrent assets | - | 903,068 | - | 1,161,085 | 1,192,504 |
| Total assets | 662 | 1,445,448 | - | 1,237,840 | 1,543,900 |
| Deferred outflows of resources: | | | | | |
| Deferred outflows related to pensions | 12,906 | 16,754 | - | 14,716 | 244,437 |
| Deferred outflows related to OPEB | 36,353 | 36,353 | - | 72,706 | 581,645 |
| Total deferred outflows of resources | 49,259 | 53,107 | - | 87,422 | 826,082 |
| Liabilities, Deferred Inflows of Resources and Net Position | | | | | |
| Current liabilities: | | | | | |
| Accounts payable and other | \$ 11,403 | \$ 20,251 | \$ - | \$ 21,617 | \$ 83,885 |
| Accrued interest payable | - | - | - | - | 1,452 |
| Unearned revenue | - | - | - | - | 3,400 |
| Due to other funds | 36,000 | - | - | - | - |
| Workers' compensation and healthcare claims | 7,614 | 4,241 | - | 6,615 | 95,686 |
| Lease liability | - | - | - | - | 99,657 |
| Compensated absences | 970 | 1,576 | - | 986 | 27,816 |
| Total current liabilities | 55,987 | 26,068 | - | 29,218 | 311,896 |
| Noncurrent liabilities: | | | | | |
| Workers' compensation and healthcare claims | 37,156 | 20,697 | - | 32,285 | 466,965 |
| Lease liability | - | - | - | - | 101,689 |
| Compensated absences | 11,510 | 18,712 | - | 11,707 | 330,179 |
| Net pension liability | 183,684 | 238,460 | - | 209,465 | 3,479,258 |
| Total OPEB liability | 183,850 | 183,850 | - | 367,700 | 2,941,601 |
| Total noncurrent liabilities | 416,200 | 461,719 | - | 621,157 | 7,319,692 |
| Total liabilities | 472,187 | 487,787 | - | 650,375 | 7,631,588 |
| Deferred inflows of resources: | | | | | |
| Deferred inflows related to pensions | 22,301 | 28,952 | - | 25,431 | 422,403 |
| Deferred inflows related to OPEB | 36,675 | 36,675 | - | 73,349 | 586,798 |
| Total deferred inflows of resources | 58,976 | 65,627 | - | 98,780 | 1,009,201 |
| Net position (deficit): | | | | | |
| Net investment in capital assets | - | 903,068 | - | 1,161,085 | 1,192,504 |
| Unrestricted | (481,242) | 42,073 | - | (584,978) | (7,463,311) |
| Total net position (deficit) | (481,242) | 945,141 | - | 576,107 | (6,270,807) |

(Continued)

City of Omaha, Nebraska

Combining Statements of Net Position (Continued)
 Nonmajor Enterprise Funds
 December 31, 2022

| | Air Quality | Printing Services and Graphics | Riverfront Plaza and Marina | Total Nonmajor Enterprise |
|--|------------------|-----------------------------------|--------------------------------|------------------------------|
| Assets | | | | |
| Current assets: | | | | |
| Cash and cash equivalents | \$ 1,140,470 | \$ 945 | \$ 33,949 | 1,941,887 |
| Receivable (net of allowance for uncollectibles) | 130,500 | - | - | 141,500 |
| Due from other funds | - | - | - | 172,000 |
| Inventories | - | - | - | 21,670 |
| Total current assets | 1,270,970 | 945 | 33,949 | 2,277,057 |
| Noncurrent assets: | | | | |
| Capital assets: | | | | |
| Building and systems | - | - | - | 10,156,742 |
| Machinery and equipment | 17,626 | 61,646 | 70,290 | 3,471,886 |
| Less accumulated depreciation | (12,338) | (61,646) | (58,788) | (10,355,181) |
| Total capital assets, net | 5,288 | - | 11,502 | 3,273,447 |
| Total noncurrent assets | 5,288 | - | 11,502 | 3,273,447 |
| Total assets | 1,276,258 | 945 | 45,451 | 5,550,504 |
| Deferred outflows of resources: | | | | |
| Deferred outflows related to pensions | 66,595 | - | - | 355,408 |
| Deferred outflows related to OPEB | 181,765 | - | - | 908,822 |
| Total deferred outflows of resources | 248,360 | - | - | 1,264,230 |
| Liabilities, Deferred Inflows of Resources and Net Position | | | | |
| Current liabilities: | | | | |
| Accounts payable and other | 9,631 | - | 66 | 146,853 |
| Accrued interest payable | - | - | - | 1,452 |
| Unearned revenue | - | - | - | 3,400 |
| Due to other funds | - | 136,000 | - | 172,000 |
| Workers' compensation and healthcare claims | 15,332 | - | - | 129,488 |
| Lease liability | - | - | - | 99,657 |
| Compensated absences | 8,292 | - | - | 39,640 |
| Total current liabilities | 33,255 | 136,000 | 66 | 592,490 |
| Noncurrent liabilities: | | | | |
| Workers' compensation and healthcare claims | 74,822 | - | - | 631,925 |
| Lease liability | - | - | - | 101,689 |
| Compensated absences | 98,427 | - | - | 470,535 |
| Net pension liability | 947,864 | - | - | 5,058,731 |
| Total OPEB liability | 919,250 | - | - | 4,596,251 |
| Total noncurrent liabilities | 2,040,363 | - | - | 10,859,131 |
| Total liabilities | 2,073,618 | 136,000 | 66 | 11,451,621 |
| Deferred inflows of resources: | | | | |
| Deferred inflows related to pensions | 115,080 | - | - | 614,167 |
| Deferred inflows related to OPEB | 183,374 | - | - | 916,871 |
| Total deferred inflows of resources | 298,454 | - | - | 1,531,038 |
| Net position (deficit): | | | | |
| Net investment in capital assets | 5,288 | - | 11,502 | 3,273,447 |
| Unrestricted | (852,742) | (135,055) | 33,883 | (9,441,372) |
| Total net position (deficit) | (847,454) | (135,055) | 45,385 | (6,167,925) |

City of Omaha, Nebraska

Combining Statement of Revenues, Expenses and Changes in Net Position
 Nonmajor Enterprise Funds
 Year Ended December 31, 2022

| | City Wide Sports Revenue | Marinas | Dodge Park Marina Dredge | Tennis Operations | Golf Operations |
|--|-----------------------------|-------------------|-----------------------------|----------------------|-----------------------|
| Operating revenues: | | | | | |
| Charges for services | \$ 636,540 | \$ 408,475 | \$ - | \$ 307,363 | \$ 5,878,626 |
| Total operating revenues | 636,540 | 408,475 | - | 307,363 | 5,878,626 |
| Operating expenses: | | | | | |
| Personal service | 199,411 | 121,453 | - | 182,709 | 2,631,588 |
| Employer pension expense (reduction) | 7,478 | (8,400) | - | 51,134 | (30,916) |
| Employer OPEB expense (reduction) | (1,614) | (1,614) | - | (3,228) | 159,973 |
| Outside services | 220,785 | 364,158 | - | 78,763 | 1,210,373 |
| Operation and maintenance | 201,177 | 19,565 | - | 29,265 | 1,190,489 |
| Cost of sales and service | 17,116 | 18,893 | - | 1,787 | 424,492 |
| Depreciation and amortization | - | 195,255 | - | 66,691 | 274,225 |
| Total operating expenses | 644,353 | 709,310 | - | 407,121 | 5,860,224 |
| Operating income (loss) | (7,813) | (300,835) | - | (99,758) | 18,402 |
| Transfers in | - | 216,403 | - | - | - |
| Transfers out | - | - | (216,403) | - | - |
| Change in net position | (7,813) | (84,432) | (216,403) | (99,758) | 18,402 |
| Net position (deficit), beginning of year | (473,429) | 1,029,573 | 216,403 | 675,865 | (6,289,209) |
| Net position (deficit), ending | \$ (481,242) | \$ 945,141 | \$ - | \$ 576,107 | \$ (6,270,807) |

(Continued)

City of Omaha, Nebraska

Combining Statement of Revenues, Expenses and Changes in Net Position (Continued)
 Nonmajor Enterprise Funds
 Year Ended December 31, 2022

| | Air Quality | Printing Services and Graphics | Riverfront Plaza and Marina | Total Nonmajor Enterprise |
|--|---------------------|-----------------------------------|--------------------------------|------------------------------|
| Operating revenues: | | | | |
| Charges for services | \$ 654,681 | \$ - | \$ 29,750 | \$ 7,915,435 |
| Total operating revenues | 654,681 | - | 29,750 | 7,915,435 |
| Operating expenses: | | | | |
| Personal service | 439,353 | - | - | 3,574,514 |
| Employer pension expense (reduction) | (32,171) | (197,732) | - | (210,607) |
| Employer OPEB expense (reduction) | (8,068) | - | - | 145,449 |
| Outside services | 17,554 | 22,570 | 37,165 | 1,951,368 |
| Operation and maintenance | 88,500 | 9,474 | 28,171 | 1,566,641 |
| Cost of sales and service | - | - | - | 462,288 |
| Depreciation and amortization | 3,525 | - | 1,278 | 540,974 |
| Total operating expenses | 508,693 | (165,688) | 66,614 | 8,030,627 |
| Operating income (loss) | 145,988 | 165,688 | (36,864) | (115,192) |
| Transfers in | - | - | - | 216,403 |
| Transfers out | - | - | - | (216,403) |
| Change in net position | 145,988 | 165,688 | (36,864) | (115,192) |
| Net position (deficit), beginning of year | (993,442) | (300,743) | 82,249 | (6,052,733) |
| Net position (deficit), ending | \$ (847,454) | \$ (135,055) | \$ 45,385 | \$ (6,167,925) |

City of Omaha, Nebraska

Combining Statement of Cash Flows Nonmajor Enterprise Funds Year Ended December 31, 2022

| | City Wide Sports Revenue | Marinas | Dodge Park Marina Dredge | Tennis Operations | Golf Operations |
|---|-----------------------------|---------------------|-----------------------------|----------------------|-------------------|
| Cash flows from operating activities: | | | | | |
| Receipts from customers | \$ 636,540 | \$ 408,710 | \$ - | \$ 314,463 | \$ 5,880,383 |
| Payments to suppliers | (442,324) | (378,035) | - | (145,478) | (2,934,213) |
| Payments to employees | (205,037) | (144,314) | - | (140,942) | (2,685,280) |
| Net cash provided by (used in) operating activities | (10,821) | (113,639) | - | 28,043 | 260,890 |
| Cash flows from noncapital financing activities: | | | | | |
| Transfers in(out) | - | 216,403 | (216,403) | - | - |
| Advances from (to) other funds | 11,000 | (171,072) | - | 1,133 | - |
| Net cash provided by (used in) noncapital financing activities | 11,000 | 45,331 | (216,403) | 1,133 | - |
| Cash flows from capital and related financing activities: | | | | | |
| Principal paid on leases | - | - | - | - | (154,496) |
| Capital expenditures | - | - | - | - | (627,184) |
| Net cash used in capital financing activities | - | - | - | - | (781,680) |
| Net increase (decrease) in cash and cash equivalents | 179 | (68,308) | (216,403) | 29,176 | (520,790) |
| Cash and cash equivalents: | | | | | |
| Beginning of year | 483 | 438,688 | 216,403 | 36,579 | 850,516 |
| End of year | \$ 662 | \$ 370,380 | \$ - | \$ 65,755 | \$ 329,726 |
| Reconciliation of operating income (loss) to net cash provided by (used in) operating activities: | | | | | |
| Operating income (loss) | \$ (7,813) | \$ (300,835) | \$ - | \$ (99,758) | \$ 18,402 |
| Adjustment to reconcile operating income (loss) to net cash provided by (used in) operating activities: | | | | | |
| Depreciation and amortization | - | 195,255 | - | 66,691 | 274,225 |
| Cash flows impacted by changes in: | | | | | |
| Receivables | - | 235 | - | 7,100 | 2,375 |
| Inventories | - | - | - | - | (618) |
| Deferred outflows of resources related to pensions | (2,111) | (1,752) | - | (4,728) | (30,878) |
| Deferred outflows of resources related to postretirement benefits | (17,117) | (17,117) | - | (34,234) | (293,105) |
| Accounts payable and other current liabilities | 2,619 | 14,567 | - | 12,243 | 20,198 |
| Workers' compensation and health care claims | (626) | 999 | - | 4,294 | 28,877 |
| Compensated absences | 1,575 | 2,304 | - | 3,753 | 18,006 |
| Net pension liability | 34,722 | 31,455 | - | 71,642 | 532,369 |
| Total OPEB liability | (1,622) | (1,622) | - | (3,243) | 159,527 |
| Deferred inflows of resources related to pensions | (37,573) | (54,253) | - | (29,966) | (762,039) |
| Deferred inflows of resources related to postretirement benefits | 17,125 | 17,125 | - | 34,249 | 293,551 |
| Net cash provided by (used in) operating activities | \$ (10,821) | \$ (113,639) | \$ - | \$ 28,043 | \$ 260,890 |

(Continued)

City of Omaha, Nebraska

Combining Statement of Cash Flows (Continued)
 Nonmajor Enterprise Funds
 Year Ended December 31, 2022

| | Air Quality | Printing Services and Graphics | Riverfront Plaza and Marina | Total Nonmajor Enterprise |
|---|-------------------|--------------------------------------|--------------------------------|---------------------------------|
| Cash flows from operating activities: | | | | |
| Receipts from customers | \$ 648,266 | \$ 134,152 | \$ 29,750 | \$ 8,052,264 |
| Payments to suppliers | (104,354) | - | (65,346) | (4,069,750) |
| Payments to employees | (545,762) | (182,615) | - | (3,903,950) |
| Net cash provided by (used in) operating activities | (1,850) | (48,463) | (35,596) | 78,564 |
| Cash flows from noncapital financing activities: | | | | |
| Transfers in (out) | 3,654 | - | - | 3,654 |
| Advances from (to) other funds | 112,000 | 49,000 | - | 2,061 |
| Net cash provided by (used in) noncapital financing activities | 115,654 | 49,000 | - | 5,715 |
| Cash flows from capital and related financing activities, | | | | |
| Principal paid on leases | - | - | - | (154,496) |
| Capital expenditures | - | - | (12,780) | (639,964) |
| Net cash provided by (used in) noncapital financing activities | - | - | (12,780) | (794,460) |
| Net increase (decrease) in cash and cash equivalents | 113,804 | 537 | (48,376) | (710,181) |
| Cash and cash equivalents: | | | | |
| Beginning of year | 1,026,666 | 408 | 82,325 | 2,652,068 |
| End of year | \$ 1,140,470 | \$ 945 | \$ 33,949 | \$ 1,941,887 |
| Reconciliation of operating income (loss) to net cash provided by (used in) operating activities: | | | | |
| Operating income (loss) | \$ 145,988 | \$ 165,688 | \$ (36,864) | \$ (115,192) |
| Adjustment to reconcile operating income (loss) to net cash provided by (used in) operating activities: | | | | |
| Depreciation and amortization | 3,525 | - | 1,278 | 540,974 |
| Cash flows impacted by changes in: | | | | |
| Receivables | (6,415) | - | - | 3,295 |
| Inventories | - | - | - | (618) |
| Deferred outflows of resources related to pensions | (7,048) | 9,954 | - | (36,563) |
| Deferred outflows of resources related to postretirement benefits | (85,585) | - | - | (447,158) |
| Accounts payable and other current liabilities | (38,539) | (16,419) | (10) | (5,341) |
| Workers' compensation and health care claims | (69) | (15,117) | - | 18,358 |
| Compensated absences | (2,249) | - | - | 23,389 |
| Net pension liability | 126,206 | (137,359) | - | 659,035 |
| Total OPEB liability | (8,108) | - | - | 144,932 |
| Deferred inflows of resources related to pensions | (215,181) | (55,210) | - | (1,154,222) |
| Deferred inflows of resources related to postretirement benefits | 85,625 | - | - | 447,675 |
| Net cash provided by (used in) operating activities | \$ (1,850) | \$ (48,463) | \$ (35,596) | \$ 78,564 |

Pension Trust Funds

The Pension Trust Funds are used to account for assets held by the City in a trustee capacity.

Civilian Retirement Fund: To account for resources that are held in trust for the members and beneficiaries of the full-time Civilian employees of the City of Omaha.

Police/Fire Retirement Reserve Fund: To account for resources that are held in trust for the members and beneficiaries of the Police and Fire Sworn full-time employees of the City of Omaha.

City of Omaha, Nebraska

Combining Statement of Fiduciary Net Position
Pension Trust Funds
December 31, 2022

| | Civilian Retirement Fund | Police/Fire Retirement Reserve Fund | Total Pension Trust Funds |
|--|-----------------------------|---|---------------------------------|
| Assets | | | |
| Cash and cash equivalents | \$ 13,104 | \$ 124,010 | \$ 137,114 |
| Receivables: | | | |
| Accounts receivable | 32,592 | 46,937 | 79,529 |
| Contributions receivable | 513,066 | 1,534,058 | 2,047,124 |
| Accrued interest | 138,549 | 215,119 | 353,668 |
| Due from other governments | 248 | - | 248 |
| Investments, at fair value: | | | |
| Corporate bonds | 35,238 | - | 35,238 |
| Bond mutual funds | 13,231,292 | 36,516,342 | 49,747,634 |
| Equity mutual funds | 10,135,408 | 37,802,036 | 47,937,444 |
| Domestic equities | 57,055,170 | 279,682,556 | 336,737,726 |
| International equities | - | 33,530,071 | 33,530,071 |
| Domestic real estate securities | 76,287,034 | 215,878,440 | 292,165,474 |
| International real estate | - | 1,260,387 | 1,260,387 |
| Commodities | 18,175,642 | 58,541,768 | 76,717,410 |
| Private equity | 50,395,893 | 270,116,685 | 320,512,578 |
| Hedge funds | - | 6,575,692 | 6,575,692 |
| Money market mutual funds | 40,717,848 | 20,067,003 | 60,784,851 |
| Total assets | 266,731,084 | 961,891,104 | 1,228,622,188 |
| Liabilities | | | |
| Accounts payable and other current liabilities | 116,280 | 1,348,051 | 1,464,331 |
| Due to other funds | 100,000 | 500,000 | 600,000 |
| Total liabilities | 216,280 | 1,848,051 | 2,064,331 |
| Net position | | | |
| Net position restricted for pensions | 266,514,804 | 960,043,053 | 1,226,557,857 |
| Total net position | \$ 266,514,804 | \$ 960,043,053 | \$ 1,226,557,857 |

City of Omaha, Nebraska

Combining Statement of Changes in Fiduciary Net Position
Pension Trust Funds
December 31, 2022

| | Civilian Retirement Fund | Police/Fire Retirement Reserve Fund | Total Pension Trust Funds |
|---|-----------------------------|---|---------------------------------|
| Additions: | | | |
| Contributions: | | | |
| Employer | \$ 16,662,274 | \$ 53,664,911 | \$ 70,327,185 |
| Employee | 9,016,455 | 25,093,265 | 34,109,720 |
| Total contributions | <u>25,678,729</u> | <u>78,758,176</u> | <u>104,436,905</u> |
| Investment earnings: | | | |
| Dividends and interest | 1,670,123 | 2,860,203 | 4,530,326 |
| Net realized and unrealized appreciation (losses) | (24,064,499) | (67,788,186) | (91,852,685) |
| Total investment earnings | <u>(22,394,376)</u> | <u>(64,927,983)</u> | <u>(87,322,359)</u> |
| Investment expenses | (1,410,798) | (2,992,015) | (4,402,813) |
| Net investment income | <u>(23,805,174)</u> | <u>(67,919,998)</u> | <u>(91,725,172)</u> |
| Total additions | 1,873,555 | 10,838,178 | 12,711,733 |
| Deductions: | | | |
| Benefit payments | 39,436,080 | 96,265,148 | 135,701,228 |
| Change in net position | <u>(37,562,525)</u> | <u>(85,426,970)</u> | <u>(122,989,495)</u> |
| Net position restricted for pensions, beginning | <u>304,077,329</u> | <u>1,045,470,023</u> | <u>1,349,547,352</u> |
| Net position restricted for pensions, ending | <u>\$ 266,514,804</u> | <u>\$ 960,043,053</u> | <u>\$ 1,226,557,857</u> |

Custodial Funds

The Custodial Funds account for assets held by the City as an agent for various local governments.

TIF Bond Debt Service Fund: To account for the tax increment financing revenues collected in regard to the Convention Center Hotel TIF project and account for the debt service reserve required by the issuance of bonds.

TIF Redevelopment Projects Fund: To comply with the Community Development Law of the State of Nebraska (Chapter 18, Article 21, Sections 18-2101) as supplemented and including Sections 18-2147 to 18-2153, Reissue Revised Statutes of Nebraska, 1943, as amended. This fiduciary fund is required in accordance with Section 18-2147 to establish separate funds into which Excess Tax Revenues (provided from special tax provisions) from the Redevelopment site shall be paid and from which the principal and interest of the Redevelopment Note shall be paid.

Appeal Bond Deposit Fund: To account for appeal application fees received from citizens whose application to build upon or rezone an area of land within the City limits has been denied. Fees are charged for appeal applications to defray the administrative costs incurred by the City Planning Board of Appeals.

Automobile Impounding Deposit Fund: To account for vehicles sold at auction at the police tow lot for more than the accumulated charges against the vehicle. The amount in excess of the accumulated charges is held in escrow for two years, during which the former owner can claim the money held.

Bid Deposit Fund: To account for moneys collected from vendors based on the required amounts to place a bid within the City. Once the bid process is completed and the bid is awarded, the bid deposits for those who did not receive the bid are returned.

Board of Education Liquor Deposit Fund: To account for the collection of fees derived from a wholesale beer and liquor occupation tax imposed on any person who engages in the manufacture or distribution of beer or liquors, or selling at retail of alcoholic beverages within the City limit. The tax rates are controlled by the State of Nebraska. These license fees are remitted to the Omaha Public Schools Board of Education, on a quarterly basis.

Board of Education Tobacco Deposit Fund: To account for license fees from retailers for all tobacco sales, including a separate permit fee for the operation of any machine, which upon insertion of a coin or substitute object operates or may be operated to dispense tobacco products. These license fees are remitted to the Omaha Public Schools Board of Education on a quarterly basis.

Humane Society Kennel Permits Fund: To account for collection of kennel permits and licenses from citizens. Receipts are remitted to the Humane Society on a quarterly basis.

Sales Tax Deposit Fund: To account for all sales tax receipts collected by the City, which are imposed upon sales transactions within the corporate limits of the City in accordance with the Nebraska Tax Revenue Act of 1967. The sales tax is remitted to the Nebraska Department of Revenue on a monthly basis.

Board of Education Parking Fines Fund: To account for moneys collected by the City Cashier for parking violation fines, which are remitted to the Omaha Public Schools Board of Education on a quarterly basis.

Custodial Funds (continued)

Park Development Deposits Fund: To account for the receipts received for neighborhood parks to be built within suburban Omaha in the future. In addition, subdivision agreements include provisions for deposits to be made to the fund at appropriate debt to value intervals.

Arterial Street Improvement Program Fund: To collect and distribute funds for the design and construction of arterial street improvements in the unincorporated portions of Douglas County. These funds are collected on behalf of Douglas County and are remitted on an as-requested basis to the County.

Performance Bond Fund: To hold deposits received in the form of a bond or cashier's check from vendors whose bid was accepted to provide services, i.e., professional or construction, to the City of Omaha. Upon satisfactory completion of the contracted services, the bond deposit is returned to the vendor. If the vendor fails to satisfactorily complete the contracted services, the bonding company is then responsible for finding another vendor to complete the contracted services.

TIF Projects Contribution Fund: To account for the contributions received from redevelopment projects on certain locations for the purpose of defraying costs of improvements to those locations. This fund was created to record contributions collected on TIF projects in accordance with the existing redevelopment agreements.

Enhanced Employment Area Fund: To account for revenue generated by the occupation tax placed on specific areas that have been deemed by council as an Enhanced Employment District. This revenue is in turn, aside from an administrative fee, remitted to the developer in order to encourage more growth in Omaha.

Interchange fees: To collect fees for the 192nd Interchange from any lot developer, even if such lot is within the corporate limits of the City. The funds shall be used by the City toward its share of the cost of the interchange improvements at 192nd Street and West Dodge Road. The 192nd Interchange Fee is to be assessed to the lot developer by the City at the rate equal to the then-current Arterial Street Improvement (ASIP) fee (as set forth in the City of Omaha Municipal code) on the date that each lot developer applies for a building permit.

City of Omaha, Nebraska

Combining Statement of Fiduciary Net Position
 Custodial Funds
 December 31, 2022

| | TIF Bond Debt Service | TIF Redevelopment Projects |
|---|--------------------------|----------------------------------|
| Assets | | |
| Cash and pooled investments | \$ 113,860 | \$ 779,070 |
| Accounts receivable (net of allowance for uncollectibles) | - | 183,082 |
| Total assets | 113,860 | 962,152 |
| Liabilities | | |
| Accounts payable and other liabilities | 113,860 | 962,152 |
| Total liabilities | 113,860 | 962,152 |
| Net Position | | |
| Restricted for individuals, organizations and other governments | - | - |
| Total net position | \$ - | \$ - |

(Continued)

| Appeal Bond Deposit | Automobile Impounding Deposit | Bid Deposit | Board of Education Liquor Deposit | Board of Education Tobacco Deposit |
|------------------------|-------------------------------------|-------------|---|--|
| \$ 1,500 | \$ 1,176,093 | \$ 105,029 | \$ 106,063 | \$ 8,700 |
| - | - | - | 900 | 3,040 |
| 1,500 | 1,176,093 | 105,029 | 106,963 | 11,740 |
| - | - | 105,029 | 106,963 | 11,740 |
| - | - | 105,029 | 106,963 | 11,740 |
| 1,500 | 1,176,093 | - | - | - |
| \$ 1,500 | \$ 1,176,093 | \$ - | \$ - | \$ - |

City of Omaha, Nebraska

Combining Statement of Fiduciary Net Position (Continued)
 Custodial Funds
 December 31, 2022

| | Humane Society Kennel Permits | Sales Tax Deposit |
|---|----------------------------------|----------------------|
| Assets | | |
| Cash and pooled investments | \$ 1,000 | \$ 18,329 |
| Accounts receivable (net of allowance for uncollectibles) | 300 | 29,864 |
| Total assets | 1,300 | 48,193 |
| Liabilities | | |
| Accounts payable and other liabilities | 1,300 | 48,193 |
| Total liabilities | 1,300 | 48,193 |
| Net Position | | |
| Restricted for individuals, organizations and other governments | - | - |
| Total net position | \$ - | \$ - |

(Continued)

| Demolition Performance | Board of Education Parking Fines | Park Development Deposits | Arterial Street Improvement Program |
|---------------------------|--|---------------------------------|---|
| \$ 8,000 | \$ 447,542 | \$ 386,084 | \$ 4,996,561 |
| - | - | - | - |
| 8,000 | 447,542 | 386,084 | 4,996,561 |
| - | - | 8,198 | 65,173 |
| 1,000 | 447,542 | - | 2,612,174 |
| 1,000 | 447,542 | 8,198 | 2,677,347 |
| 7,000 | - | 377,886 | 2,319,214 |
| - | - | 2,312,311 | 9,242,173 |
| \$ 7,000 | \$ - | \$ 2,690,197 | \$ 11,561,387 |

City of Omaha, Nebraska

Combining Statement of Fiduciary Net Position (Continued)
Custodial Funds
December 31, 2022

| | Performance Bonds | TIF Projects Contribution |
|---|----------------------|------------------------------|
| Assets | | |
| Cash and pooled investments | \$ 27,000 | \$ 506,232 |
| Accounts receivable (net of allowance for uncollectibles) | - | - |
| Total assets | <u>27,000</u> | <u>506,232</u> |
| Liabilities | | |
| Accounts payable and other liabilities | - | - |
| Total liabilities | <u>-</u> | <u>-</u> |
| Net Position | | |
| Restricted for individuals, organizations and other governments | <u>27,000</u> | <u>506,232</u> |
| Total net position | <u>\$ 27,000</u> | <u>\$ 506,232</u> |

| Enhanced Employment Area | Interchange Fees | Total Custodial Funds |
|--------------------------------|---------------------|--------------------------|
| \$ 153,596 | \$ 142,246 | \$ 17,059,028 |
| 317,071 | - | 1,109,983 |
| 470,667 | 142,246 | 18,169,011 |
| 470,667 | - | 2,057,356 |
| 470,667 | - | 2,057,356 |
| - | 142,246 | 16,111,655 |
| \$ - | \$ 142,246 | \$ 16,111,655 |

City of Omaha, Nebraska

Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
December 31, 2022

| | TIF Bond Debt Service | TIF Redevelopment Projects |
|--|--------------------------|----------------------------------|
| Additions | | |
| Fee collections for other entities | \$ 113,860 | \$ 44,489,120 |
| Miscellaneous | - | - |
| Total additions | 113,860 | 44,489,120 |
| Deductions | | |
| Administrative expenses | - | - |
| Payments to other entities or individuals | 113,860 | 44,489,120 |
| Total deductions | 113,860 | 44,489,120 |
| Net increase (decrease) in fiduciary net position | - | - |
| Net position, beginning | - | - |
| Net position, ending | <u>\$ -</u> | <u>\$ -</u> |

| Appeal Bond Deposit | Automobile Impounding Deposit | Bid Deposit | Board of Education Liquor Deposit | Board of Education Tobacco Deposit |
|------------------------|-------------------------------------|-------------|---|--|
| \$ - | \$ - | \$ 229,134 | \$ 317,649 | \$ 61,221 |
| - | 397,117 | - | - | - |
| - | 397,117 | 229,134 | 317,649 | 61,221 |
| - | - | 826,123 | - | - |
| - | - | - | 317,649 | 61,221 |
| - | - | 826,123 | 317,649 | 61,221 |
| - | 397,117 | (596,989) | - | - |
| 1,500 | 778,976 | 596,989 | - | - |
| \$ 1,500 | \$ 1,176,093 | \$ - | \$ - | \$ - |

City of Omaha, Nebraska

Combining Statement of Changes in Fiduciary Net Position (Continued)
 Custodial Funds
 December 31, 2022

| | Humane Society Kennel Permits | Sales Tax Deposit |
|--|----------------------------------|----------------------|
| Additions | | |
| Fee collections for other entities | \$ 1,200 | \$ 776,452 |
| Miscellaneous | - | - |
| Total additions | <u>1,200</u> | <u>776,452</u> |
| Deductions | | |
| Administrative expenses | - | - |
| Payments to other entities or individuals | 1,200 | 776,452 |
| Total deductions | <u>1,200</u> | <u>776,452</u> |
| Net increase (decrease) in fiduciary net position | - | - |
| Net position, beginning | - | - |
| Net position, ending | <u>\$ -</u> | <u>\$ -</u> |

(Continued)

| Demolition Performance | Board of Education Parking Fines | Park Development Deposits | Arterial Street Improvement Program |
|---------------------------|--|---------------------------------|---|
| \$ 8,000 | \$ 447,542 | \$ 386,084 | \$ 4,996,561 |
| - | - | - | - |
| 8,000 | 447,542 | 386,084 | 4,996,561 |
| - | - | 8,198 | 65,173 |
| 1,000 | 447,542 | - | 2,612,174 |
| 1,000 | 447,542 | 8,198 | 2,677,347 |
| 7,000 | - | 377,886 | 2,319,214 |
| - | - | 2,312,311 | 9,242,173 |
| \$ 7,000 | \$ - | \$ 2,690,197 | \$ 11,561,387 |

City of Omaha, Nebraska

Combining Statement of Changes in Fiduciary Net Position (Continued)
 Custodial Funds
 December 31, 2022

| | Performance Bonds | TIF Projects Contribution |
|--|----------------------|------------------------------|
| Additions | | |
| Fee collections for other entities | \$ - | \$ - |
| Miscellaneous | - | 77,000 |
| Total additions | - | 77,000 |
| Deductions | | |
| Administrative expenses | - | - |
| Payments to other entities or individuals | - | - |
| Total deductions | - | - |
| Net increase (decrease) in fiduciary net position | - | 77,000 |
| Net position, beginning | 27,000 | 429,232 |
| Net position, ending | \$ 27,000 | \$ 506,232 |

| Enhanced Employment Area | Interchange Fees | Total Custodial Funds |
|--------------------------------|---------------------|--------------------------|
| \$ 2,383,609 | \$ - | \$ 54,210,432 |
| - | 134,821 | 608,938 |
| 2,383,609 | 134,821 | 54,819,370 |
| - | - | 899,494 |
| 2,383,609 | - | 51,203,827 |
| 2,383,609 | - | 52,103,321 |
| - | 134,821 | 2,716,049 |
| - | 7,425 | 13,395,606 |
| \$ - | \$ 142,246 | \$ 16,111,655 |

CITY OF OMAHA, NEBRASKA

Statistical Section

Contents

This part of the City's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

| Contents | Page |
|--|------|
| Financial Trends | |
| These schedules contain trend information to help the reader understand how the City's financial performance and well being have changed over time. | 216 |
| Revenue Capacity | |
| These schedules contain information to help the reader assess the City's most significant local revenue sources, the property tax (or sales tax). | 222 |
| Debt Capacity | |
| These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future. | 228 |
| Demographic and Economic Information | |
| These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place. | 234 |
| Operating Information | |
| These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs. | 236 |

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive financial report for the relevant year.

CITY OF OMAHA, NEBRASKA

Schedule 1

Net Position by Component
 Last Ten Fiscal Years
 (Accrual Basis of Accounting)

| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|--|----------------|---------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Governmental activities: | | | | | | | | | | |
| Net investment in capital assets | \$ 363,088,678 | 418,572,319 | 443,118,081 | 470,579,928 | 488,782,023 | 421,912,671 | 442,978,898 | 572,490,380 | 676,652,672 | 845,742,609 |
| Restricted | 15,812,979 | 130,831,416 | 145,942,187 | 138,753,196 | 160,723,563 | 169,128,750 | 153,823,220 | 152,539,320 | 186,228,805 | 237,854,188 |
| Unrestricted | (233,375,320) | (389,282,348) | (1,120,168,060) | (1,119,021,233) | (1,115,390,563) | (1,179,805,885) | (1,159,137,908) | (1,214,365,483) | (1,247,985,505) | (1,275,297,980) |
| Total governmental activities net position (deficit) | \$ 145,526,337 | 160,121,387 | (531,107,792) | (509,688,109) | (465,884,977) | (588,764,464) | (562,335,790) | (489,335,783) | (385,104,028) | (191,701,183) |
| Business-type activities: | | | | | | | | | | |
| Net investment in capital assets | \$ 214,916,418 | 186,069,768 | 244,300,590 | 333,533,772 | 409,985,407 | 523,960,393 | 589,278,824 | 696,344,583 | 746,857,816 | 854,651,531 |
| Restricted | 42,844,357 | 22,011,634 | 51,277,502 | 52,056,762 | 45,878,522 | 29,257,592 | 30,499,263 | 31,542,575 | 31,542,575 | 36,124,238 |
| Unrestricted | 36,145,215 | 127,571,758 | 50,481,246 | 32,424,070 | 39,762,080 | 74,453,282 | 56,992,451 | 41,516,711 | 122,086,720 | 103,209,395 |
| Total business-type activities net position | \$ 293,905,990 | 335,653,160 | 346,059,338 | 418,014,604 | 495,626,009 | 627,671,267 | 676,770,538 | 769,403,869 | 900,487,111 | 993,985,164 |
| Primary government: | | | | | | | | | | |
| Net investment in capital assets | \$ 578,015,096 | 604,642,087 | 687,418,671 | 804,113,700 | 898,767,430 | 945,873,064 | 1,032,257,722 | 1,268,834,963 | 1,423,510,488 | 1,700,394,140 |
| Restricted | 58,657,336 | 152,843,050 | 197,219,689 | 190,809,958 | 206,602,085 | 198,386,342 | 184,322,483 | 184,081,895 | 217,771,380 | 273,978,426 |
| Unrestricted | (197,230,105) | (261,710,590) | (1,069,686,814) | (1,086,597,163) | (1,075,628,483) | (1,105,352,603) | (1,102,145,457) | (1,172,848,772) | (1,125,898,785) | (1,172,088,585) |
| Total primary government net position (deficit) | \$ 439,442,327 | 495,774,547 | (185,048,454) | (91,673,505) | 29,741,032 | 38,906,803 | 114,434,748 | 280,068,086 | 515,383,083 | 802,283,981 |

In 2014, adjustments applicable to prior years were made for property tax receivables, unavailable revenues, and capital assets. Net position balances prior to 2014 have not been changed within this schedule for these adjustments

Source: City of Omaha Financial Statements.

CITY OF OMAHA, NEBRASKA

Schedule 2

Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|--|------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Expenses: | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| General government | \$ 91,390,308 | 83,925,873 | 37,591,512 | 66,987,340 | 41,628,362 | 63,005,458 | 87,674,831 | 86,104,677 | 54,150,286 | 90,580,436 |
| Public safety | 230,254,594 | 235,395,146 | 239,292,044 | 248,325,486 | 269,129,179 | 275,233,376 | 283,750,523 | 304,194,852 | 308,008,468 | 313,359,019 |
| Transportation services | 71,625,887 | 70,582,625 | 75,253,703 | 77,240,101 | 89,768,976 | 97,429,817 | 117,212,643 | 99,432,424 | 93,448,783 | 98,490,197 |
| Other public services | 28,740,801 | 23,090,607 | 23,747,936 | 25,729,596 | 23,428,187 | 23,705,958 | 24,316,379 | 27,967,783 | 42,295,059 | 33,860,837 |
| Community development | 28,867,688 | 33,123,570 | 36,275,179 | 36,194,467 | 34,177,479 | 54,853,297 | 46,961,865 | 33,609,850 | 127,883,921 | 163,193,061 |
| Culture and parks | 49,340,930 | 51,983,977 | 53,317,528 | 55,025,221 | 55,667,120 | 87,501,597 | 60,642,626 | 63,959,561 | 62,092,821 | 68,888,957 |
| Interest on long-term debt | 31,203,115 | 30,319,426 | 31,258,170 | 30,308,366 | 28,995,400 | 30,597,743 | 31,833,059 | 32,061,051 | 28,204,082 | 30,406,627 |
| Total governmental activities expenses | 531,423,323 | 528,421,224 | 496,736,072 | 539,810,577 | 542,794,703 | 632,327,246 | 652,391,926 | 647,330,198 | 716,083,420 | 798,779,134 |
| Business-type activities: | | | | | | | | | | |
| Convention center hotel | 15,712,726 | 15,546,907 | 16,385,139 | 14,759,515 | 13,474,717 | 11,161,045 | - | - | - | - |
| Parking | 8,430,265 | 6,979,924 | 7,503,047 | 7,700,792 | 8,384,299 | 9,585,575 | 8,567,317 | 6,437,368 | 5,231,980 | 8,756,081 |
| Sewer | 64,709,568 | 71,915,197 | 63,980,772 | 74,982,801 | 83,254,925 | 83,936,025 | 138,660,599 | 120,260,221 | 105,374,467 | 116,392,644 |
| Other | 7,615,502 | 7,790,680 | 5,208,173 | 5,338,178 | 6,227,377 | 7,778,098 | 6,059,547 | 5,582,504 | 6,832,199 | 8,030,627 |
| Total business-type activities expenses | 96,468,061 | 102,232,708 | 93,077,131 | 102,781,286 | 111,341,318 | 112,460,743 | 153,287,463 | 132,280,093 | 117,438,646 | 133,179,352 |
| Total primary government | \$ 627,891,384 | 630,653,932 | 589,813,203 | 642,591,863 | 654,136,021 | 744,787,989 | 805,679,389 | 779,610,291 | 833,522,066 | 931,958,486 |
| Component units: | | | | | | | | | | |
| MECA & Heartland Workforce Solutions | 44,607,103 | 44,147,789 | 43,781,781 | 44,706,822 | 44,690,036 | 47,798,783 | 62,200,763 | 68,673,978 | 81,941,507 | 136,996,351 |
| Program revenues: | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| General government | \$ 3,693,496 | 7,067,312 | 7,367,090 | 11,890,445 | 9,188,374 | 10,803,845 | 8,581,458 | 15,572,739 | 8,728,897 | 12,102,980 |
| Public safety | 17,079,473 | 24,978,154 | 21,576,596 | 20,657,273 | 21,574,304 | 23,262,051 | 23,278,848 | 22,873,927 | 24,397,203 | 27,483,445 |
| Transportation services | 33,889,943 | 16,185,140 | 30,669,577 | 22,733,310 | 35,826,685 | 33,891,741 | 38,753,362 | 30,068,965 | 53,725,761 | 49,454,207 |
| Other public services | 3,420,354 | 7,105,263 | 7,401,621 | 5,226,734 | 14,030,060 | 9,640,888 | 10,383,489 | 4,032,445 | 6,715,979 | 8,014,739 |
| Community development | 21,003,207 | 20,290,498 | 20,704,923 | 25,000,358 | 20,802,591 | 23,932,342 | 26,177,516 | 14,205,966 | 28,673,456 | 30,568,160 |
| Culture and parks | 11,027,280 | 12,919,954 | 9,744,185 | 11,329,924 | 11,273,174 | 9,987,166 | 23,535,676 | 5,983,919 | 8,052,924 | 12,410,469 |
| Operating grants and contributions | 64,458,307 | 55,761,435 | 54,005,379 | 60,138,774 | 60,490,389 | 64,444,017 | 66,696,359 | 144,303,992 | 186,601,480 | 208,754,441 |
| Capital grants and contributions | 1,383,647 | 3,272,418 | 4,487,108 | 9,738,439 | 5,526,727 | 3,440,050 | 33,698,321 | 40,145,454 | 56,631,091 | 117,392,965 |
| Total governmental activities program revenues | 155,955,707 | 147,580,174 | 155,956,479 | 166,715,257 | 178,712,304 | 179,402,100 | 231,105,029 | 277,187,407 | 373,526,791 | 466,181,406 |
| Business-type activities: | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| Convention center hotel | 11,892,337 | 12,616,329 | 11,570,555 | 12,467,698 | 11,678,465 | 9,286,124 | - | - | - | - |
| Parking | 6,266,862 | 7,285,311 | 7,950,807 | 9,504,523 | 10,306,722 | 10,572,185 | 11,512,171 | 8,699,931 | 9,781,366 | 10,174,423 |
| Sewer revenue fund | 88,339,205 | 107,872,946 | 126,087,353 | 138,903,852 | 150,425,984 | 162,000,098 | 179,087,170 | 182,445,221 | 195,132,167 | 206,356,552 |
| Citywide sports | 344,704 | 363,430 | 465,267 | 425,305 | 511,389 | 513,664 | 520,213 | 399,148 | 523,483 | 636,540 |
| Marinas | 619,904 | 581,984 | 581,055 | 551,491 | 5,555,232 | 514,614 | 329,808 | 52,810 | 396,955 | 408,475 |
| Tennis operations | 269,595 | 266,099 | 262,661 | 258,269 | 238,089 | 245,621 | 281,855 | 199,649 | 279,949 | 307,363 |
| Golf operations and concessions | 3,814,386 | 4,075,029 | 4,237,058 | 4,232,829 | 4,217,942 | 3,963,879 | 4,337,613 | 5,177,174 | 5,710,875 | 5,878,626 |
| Air quality | 752,083 | 744,000 | 730,095 | 769,731 | 697,981 | 704,196 | 674,532 | 681,042 | 672,207 | 654,681 |
| Compost | 832,054 | - | - | - | - | - | - | - | - | - |
| Printing and graphics | 412,301 | 356,682 | 346,585 | 405,423 | 351,449 | 384,920 | 401,136 | 312,898 | 260,996 | - |
| River front plaza and marina | 42,980 | 59,510 | 65,679 | 36,121 | 39,034 | 51,451 | 51,848 | 13,265 | 36,791 | 29,750 |
| Operating grants and contributions | - | 691,787 | - | - | - | - | - | 646,082 | 1,000 | - |
| Capital grants and contributions | 967,081 | 5,761,604 | 8,048,598 | 4,717,071 | 4,741,341 | 8,634,219 | 333,486 | 6,521,793 | 1,009,909 | - |
| Total business-type activities program revenues | 114,553,492 | 140,674,711 | 160,345,713 | 172,272,313 | 188,763,628 | 196,870,971 | 197,529,832 | 205,149,013 | 213,805,638 | 224,446,410 |
| Total primary government | \$ 270,509,199 | 288,254,885 | 316,302,192 | 338,987,570 | 367,475,932 | 376,273,071 | 428,634,861 | 482,336,420 | 587,332,429 | 690,627,816 |
| Component units: | | | | | | | | | | |
| MECA & Heartland Workforce Solutions: | | | | | | | | | | |
| Charges for services | | | | | | | | | | |
| Operating grants and contributions | \$ 42,769,020 | 41,933,731 | 35,794,141 | 37,268,306 | 37,293,213 | 38,854,259 | 54,072,603 | 57,357,992 | 80,648,870 | 129,474,754 |
| Total component unit revenues | \$ 3,400,987 | 2,693,627 | 8,262,760 | 9,028,300 | 8,176,028 | 10,803,794 | 8,520,904 | 7,316,730 | 6,211,474 | 9,891,788 |
| Total component unit revenues | \$ 46,170,007 | 44,627,358 | 44,056,901 | 46,296,606 | 45,469,241 | 49,658,053 | 62,593,507 | 64,674,722 | 86,860,344 | 139,366,542 |
| Net revenue (expense): | | | | | | | | | | |
| Governmental activities | \$ (375,467,616) | (380,841,050) | (340,779,593) | (373,095,320) | (364,082,399) | (452,925,146) | (421,286,897) | (370,142,791) | (342,556,629) | (332,597,728) |
| Business-type activities | 18,085,431 | 38,442,003 | 67,268,582 | 69,491,027 | 77,422,310 | 84,410,228 | 44,242,369 | 72,868,920 | 96,366,992 | 91,267,058 |
| Total primary government | \$ (357,382,185) | (342,399,047) | (273,511,011) | (303,604,293) | (286,660,089) | (368,514,918) | (377,044,528) | (297,273,871) | (246,189,637) | (241,330,670) |
| Component units: | | | | | | | | | | |
| MECA & Heartland Workforce Solutions | \$ 1,562,904 | 479,569 | 275,120 | 1,589,784 | 779,205 | 1,859,270 | 392,744 | (3,999,256) | 4,918,837 | 2,370,191 |

Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|-----------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| General revenues and other changes in net position: | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Taxes: | | | | | | | | | | |
| Property tax | \$ 142,350,476 | 144,656,976 | 157,120,747 | 154,385,627 | 159,356,541 | 175,856,400 | 185,578,377 | 196,270,526 | 190,159,794 | 207,422,342 |
| Motor vehicle tax | 9,839,552 | 10,338,405 | 11,294,628 | 12,187,075 | 13,161,687 | 13,710,189 | 14,881,269 | 14,946,798 | 15,506,247 | 15,173,644 |
| Sales and use tax | 136,693,604 | 142,645,168 | 150,201,310 | 151,997,330 | 156,419,217 | 158,345,990 | 163,351,377 | 172,459,930 | 196,947,469 | 218,094,271 |
| Business taxes | 66,484,605 | 67,972,149 | 69,906,081 | 71,443,516 | 71,150,885 | 71,647,403 | 72,521,274 | 57,466,213 | 72,662,776 | 73,278,554 |
| Payments in lieu of taxes | 5,085,338 | 5,666,434 | 46,409,256 | 4,298,870 | 7,635,986 | 8,269,077 | 8,373,049 | 8,105,884 | 10,346,108 | 9,421,063 |
| Unrestricted investment earnings | 396,792 | 1,596,581 | 740,895 | 1,009,212 | 1,581,998 | 1,627,263 | 2,115,626 | 745,819 | (2,615,100) | (10,626,748) |
| Reassignment of capital assets | - | - | - | - | - | 62,022,567 | - | - | - | - |
| Reassignment of long-term debt | - | - | - | - | - | (93,953,068) | - | - | - | - |
| Sale of capital assets | - | - | (197,461) | - | - | 4,729,470 | 1,117,159 | 57,673 | (417,321) | 7,919,760 |
| Transfers | (515,017) | (2,037,726) | 50,000 | (806,627) | (1,420,783) | (5,772,784) | (222,560) | (6,910,045) | (35,851,589) | 5,317,687 |
| Total governmental activities | 360,335,350 | 370,837,987 | 435,525,456 | 394,515,003 | 407,885,531 | 396,482,507 | 447,715,571 | 443,142,798 | 446,738,384 | 526,000,573 |
| Business-type activities: | | | | | | | | | | |
| Taxes: | | | | | | | | | | |
| Property tax | - | - | - | - | - | - | - | - | - | 90,767 |
| Unrestricted investment earnings (loss) | (43,612) | 416,708 | 939,738 | (291,088) | 1,819,202 | 1,950,411 | 4,634,342 | 12,854,367 | (1,142,832) | (8,128,982) |
| Reassignment of capital assets | - | - | - | - | - | (62,022,567) | - | - | - | - |
| Reassignment of long-term debt | - | - | - | - | - | 93,953,068 | - | - | - | - |
| Loss on extinguishment of debt | - | - | - | - | - | (2,507,620) | - | - | - | - |
| Sale of capital assets | - | - | - | - | 1,581,000 | - | - | - | 7,493 | 15,586,897 |
| Miscellaneous | - | 840,733 | 1,813,896 | 1,948,700 | 1,947,529 | 23,132,724 | - | - | - | (5,317,687) |
| Transfers | 515,017 | 2,037,726 | (50,000) | 803,627 | 1,420,783 | 5,772,784 | 222,560 | 6,910,044 | 35,851,589 | - |
| Total business-type activities | 471,405 | 3,295,167 | 2,703,634 | 2,461,239 | 5,189,095 | 60,278,800 | 4,856,902 | 19,764,411 | 34,716,250 | 2,230,995 |
| Total | \$ 360,806,755 | 374,133,154 | 438,229,090 | 396,976,242 | 413,074,626 | 456,761,307 | 452,572,473 | 462,907,209 | 481,454,634 | 528,231,568 |
| Component units: | | | | | | | | | | |
| MECA & Heartland Workforce Solutions: | | | | | | | | | | |
| Donations not restricted to specific programs | \$ - | - | - | - | - | - | - | - | - | - |
| Unrestricted investment earnings | 115,488 | 99,782 | 112,821 | 172,309 | 305,721 | 434,631 | 1,170,646 | 1,416,612 | 35,103 | (203,116) |
| Miscellaneous | - | - | 107,388 | - | 452,082 | - | - | - | - | - |
| Total | \$ 115,488 | 99,782 | 220,209 | 172,309 | 757,803 | 434,631 | 1,170,646 | 1,416,612 | 35,103 | (203,116) |
| Change in net position: | | | | | | | | | | |
| Governmental activities | \$ (15,132,266) | (10,003,063) | 52,945,863 | 21,419,683 | 43,803,132 | (13,912,639) | 26,428,674 | 73,000,007 | 104,231,755 | 193,402,845 |
| Business-type activities | 18,556,836 | 41,737,170 | 69,972,206 | 71,952,266 | 77,611,405 | 144,689,028 | 49,099,271 | 92,633,331 | 131,083,242 | 93,498,053 |
| Total | \$ 3,424,570 | 31,734,107 | 122,918,069 | 93,371,949 | 121,414,537 | 130,776,389 | 75,527,945 | 165,633,338 | 235,314,997 | 286,900,898 |
| Component units: | | | | | | | | | | |
| MECA & Heartland Workforce Solutions | | | | | | | | | | |
| Net position (deficit), beginning of year | \$ 160,658,603 | 170,124,450 | (584,053,022) | (531,107,792) | (509,688,109) | (574,851,825) | (588,764,464) | (562,335,790) | (489,335,783) | (385,104,028) |
| Governmental activities | 275,359,154 | 293,915,990 | 275,889,671 | 346,059,338 | 418,014,604 | 480,474,619 | 627,671,267 | 676,770,538 | 769,403,869 | 900,487,111 |
| Business-type activities | 436,017,757 | 464,040,440 | (308,163,351) | (185,048,454) | (91,673,505) | (94,377,206) | 38,906,803 | 114,434,748 | 280,068,086 | 515,383,083 |
| Total | \$ 1,678,392 | 579,351 | 495,329 | 1,762,093 | 1,537,008 | 2,293,901 | 1,563,390 | (2,582,644) | 4,953,940 | 2,167,075 |
| Net position (deficit), end of year: | \$ 145,526,337 | 160,121,387 | (531,107,159) | (509,688,109) | (465,884,977) | (588,764,464) | (562,335,790) | (489,335,783) | (385,104,028) | (191,701,183) |
| Governmental activities | 293,915,990 | 335,653,160 | 345,861,877 | 418,011,604 | 495,626,009 | 625,163,647 | 676,770,538 | 769,403,869 | 900,487,111 | 993,985,164 |
| Business-type activities | 439,442,327 | 495,774,547 | (185,245,282) | (91,676,505) | 29,741,032 | 36,399,183 | 114,434,748 | 280,068,086 | 515,383,083 | 802,283,981 |
| Total | \$ 1,678,392 | 33,869,739 | 34,365,068 | 36,127,161 | 37,664,169 | 39,958,070 | 41,521,460 | 38,938,816 | 43,892,756 | 46,059,831 |
| Component units: | | | | | | | | | | |
| MECA & Heartland Workforce Solutions | | | | | | | | | | |

Source: City of Omaha Financial Statements.

¹ The end balance in 2013 for the City does not match the 2014 beginning balance due the restatement of property tax revenue recognition for governmental activities in 2014.

See accompanying independent auditors' report.

CITY OF OMAHA, NEBRASKA

Fund Balances of Governmental Funds
 Last Ten Fiscal Years
 (Modified Accrual Basis of Accounting)

| | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> |
|-------------------------------|----------------------|--------------------|---------------------|--------------------|--------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| General fund: | | | | | | | | | | |
| Nondisposable | \$ 2,301,101 | 2,390,388 | 2,037,608 | 2,158,706 | 4,315,892 | 4,936,702 | 8,743,761.000 | 9,870,402 | 9,756,951 | 10,957,834 |
| Restricted | 853,190 | 889,911 | 935,017 | 1,322,528 | 1,396,749 | 1,478,286 | 1,604,518.000 | 1,105,391 | 1,852,431 | 2,193,657 |
| Assigned | 848,127 | 5,397,753 | 11,752,633 | 9,479,584 | 4,097,587 | 4,204,959 | 4,870,654.000 | 18,492,496 | 16,150,212 | 32,414,453 |
| Unassigned | <u>52,622,429</u> | <u>59,788,477</u> | <u>60,379,917</u> | <u>65,288,607</u> | <u>70,468,802</u> | <u>57,048,303</u> | <u>51,466,258</u> | <u>81,897,967</u> | <u>103,603,316</u> | <u>115,840,499</u> |
| Total general fund | \$ <u>56,624,847</u> | <u>68,466,529</u> | <u>75,105,175</u> | <u>78,249,425</u> | <u>80,279,030</u> | <u>67,668,250</u> | <u>66,685,191</u> | <u>111,366,256</u> | <u>131,362,910</u> | <u>161,406,443</u> |
| All other governmental funds: | | | | | | | | | | |
| Nondisposable | \$ 2,775,389 | 3,274,288 | 3,624,288 | 3,274,288 | 3,274,288 | 2,775,389 | 2,775,389 | 2,775,389 | 2,775,388 | 2,775,387 |
| Restricted | 42,613,307 | 66,730,475 | 77,921,232 | 81,728,992 | 102,569,758 | 97,316,634 | 87,732,086 | 91,341,594 | 123,314,541 | 169,373,531 |
| Committed | 20,593,562 | 13,106,594 | 14,790,441 | 15,633,667 | 17,497,147 | 13,845,785 | 20,448,901 | 17,971,142 | 17,136,180 | 19,941,483 |
| Assigned | 4,732,086 | 636,511 | 1,033,849 | 3,367,929 | 4,302,245 | 2,832,263 | 6,280,330 | 2,498,199 | 10,256,179 | 13,779,037 |
| Unassigned | <u>(9,824,485)</u> | <u>(6,531,545)</u> | <u>(12,649,230)</u> | <u>(7,045,274)</u> | <u>(8,180,582)</u> | <u>(13,800,255)</u> | <u>(11,941,855)</u> | <u>(49,127,630)</u> | <u>(63,806,370)</u> | <u>(71,130,589)</u> |
| Total all other | \$ <u>60,889,859</u> | <u>77,216,323</u> | <u>84,720,580</u> | <u>96,959,602</u> | <u>119,462,856</u> | <u>102,969,816</u> | <u>105,294,851</u> | <u>65,458,694</u> | <u>89,675,918</u> | <u>134,738,849</u> |

Source: City of Omaha Financial Statements.

See accompanying independent auditors' report.

CITY OF OMAHA, NEBRASKA

Schedule 4

Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|--|----------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|--------------|--------------|
| Revenues: | | | | | | | | | | |
| Taxes: | | | | | | | | | | |
| Property | \$ 142,356,535 | 141,195,508 | 152,578,707 | 150,741,691 | 163,942,564 | 152,578,707 | 173,358,745 | 182,959,650 | 194,908,013 | 199,272,569 |
| Motor vehicle | 9,839,552 | 10,338,405 | 13,710,189 | 11,294,628 | 13,161,687 | 13,710,189 | 14,881,269 | 14,946,798 | 15,506,247 | 15,173,644 |
| City sales and use | 136,693,604 | 142,645,168 | 158,345,990 | 150,201,310 | 156,419,217 | 158,345,990 | 163,351,377 | 172,459,931 | 196,947,469 | 218,094,271 |
| Business | 66,482,755 | 67,979,140 | 71,641,580 | 69,906,635 | 71,144,743 | 71,641,580 | 72,534,265 | 57,458,572 | 72,418,258 | 73,531,724 |
| In lieu | 5,085,338 | 5,666,434 | 8,269,077 | 4,609,256 | 7,635,986 | 8,269,077 | 8,373,048 | 8,105,884 | 10,346,109 | 9,421,062 |
| Licenses and permits | 12,690,376 | 11,219,057 | 13,182,172 | 10,763,432 | 13,874,963 | 13,182,172 | 14,165,565 | 14,332,022 | 14,417,697 | 17,225,055 |
| Intergovernmental | 43,962,013 | 45,396,325 | 54,524,045 | 49,901,439 | 55,574,607 | 54,524,045 | 59,845,534 | 56,154,788 | 61,179,804 | 67,901,253 |
| Investment income | 396,793 | 1,596,581 | 1,627,263 | 740,895 | 1,581,998 | 1,627,263 | 3,392,659 | 5,778,797 | (824,692) | (9,043,554) |
| Revenue from Keno | 7,568,495 | 7,722,991 | 9,641,054 | 7,951,072 | 8,711,331 | 9,641,054 | 9,919,785 | 10,014,215 | 13,730,460 | 14,167,149 |
| Charges for services | 51,118,569 | 54,584,845 | 59,065,375 | 55,807,610 | 59,291,336 | 59,065,375 | 59,822,814 | 55,567,213 | 64,602,860 | 65,896,200 |
| Rents, royalties and other | 2,213,984 | 3,066,532 | 1,482,820 | 2,300,137 | 4,629,912 | 1,482,820 | 7,411,467 | 4,998,818 | 5,271,675 | 6,349,210 |
| Contributions and grants | 48,134,603 | 41,266,495 | 49,364,293 | 36,639,858 | 33,500,508 | 49,364,293 | 49,227,602 | 125,010,267 | 156,993,006 | 166,096,456 |
| Total revenues | 526,542,617 | 532,677,481 | 593,432,565 | 550,857,963 | 589,468,852 | 593,432,565 | 636,284,130 | 707,786,955 | 805,496,906 | 844,085,039 |
| Expenditures: | | | | | | | | | | |
| Current: | | | | | | | | | | |
| General government | 44,398,810 | 48,004,264 | 51,281,876 | 49,343,480 | 48,329,234 | 51,281,877 | 47,739,515 | 49,326,559 | 48,207,734 | 50,869,240 |
| Public safety | 224,066,859 | 229,072,245 | 269,775,575 | 232,813,275 | 259,547,618 | 269,775,575 | 278,155,831 | 289,728,935 | 301,082,472 | 309,555,253 |
| Transportation services | 55,910,474 | 54,390,754 | 73,114,209 | 59,078,618 | 64,011,254 | 73,114,209 | 89,071,635 | 70,834,317 | 66,748,123 | 66,166,054 |
| Other public services | 27,526,059 | 20,525,429 | 22,189,304 | 20,681,914 | 21,914,729 | 22,189,304 | 22,657,179 | 26,272,981 | 40,454,687 | 30,024,970 |
| Community development | 28,095,556 | 31,630,923 | 51,224,947 | 29,021,855 | 32,950,205 | 51,224,947 | 46,144,132 | 31,733,088 | 81,002,519 | 159,133,121 |
| Culture and parks | 34,352,195 | 35,656,948 | 41,949,750 | 37,208,797 | 40,203,664 | 41,949,750 | 43,335,916 | 48,751,657 | 47,407,724 | 56,111,461 |
| Debt service: | | | | | | | | | | |
| Principal | 51,224,548 | 64,980,499 | 58,296,582 | 57,974,517 | 58,171,254 | 58,296,582 | 57,687,251 | 61,151,855 | 68,599,943 | 73,776,770 |
| Interest | 32,872,116 | 31,734,100 | 29,377,647 | 31,491,672 | 28,979,912 | 29,377,647 | 33,254,102 | 32,578,815 | 30,864,123 | 32,257,813 |
| Bond issuance costs | 253,321 | 420,440 | 509,676 | 323,228 | 696,347 | 509,676 | 800,149 | 1,149,888 | 797,474 | 1,231,255 |
| Capital outlay | 41,896,199 | 31,685,137 | 63,266,472 | 45,922,328 | 49,376,295 | 63,266,472 | 85,999,722 | 142,179,364 | 175,891,465 | 146,441,866 |
| Total expenditures | 540,596,137 | 548,100,739 | 660,986,038 | 563,859,684 | 604,180,512 | 660,986,039 | 704,845,432 | 753,707,459 | 861,056,264 | 925,567,803 |
| Excess (deficiency) of revenues | (14,053,520) | (15,423,258) | (67,553,473) | (13,001,721) | (14,711,660) | (67,553,474) | (68,561,302) | (45,920,504) | (55,559,358) | (81,482,764) |
| Other financing sources (uses): | | | | | | | | | | |
| Transfers in | 7,078,509 | 4,520,389 | 5,863,604 | 5,561,917 | 3,651,002 | 5,863,606 | 23,613,504 | 5,589,645 | 32,376,735 | 28,662,732 |
| Transfers out | (7,593,526) | (5,833,239) | (11,636,390) | (5,511,917) | (5,071,785) | (11,636,390) | (23,836,064) | (12,499,689) | (68,228,324) | (23,345,045) |
| Sales of capital assets | - | 1,575,285 | - | 49,888 | - | - | 1,117,159 | 57,673 | 33,162 | 8,618,459 |
| Issuance of debt | 15,403,783 | 19,258,012 | 40,460,341 | 21,810,000 | 25,243,406 | 40,460,341 | 70,234,526 | 51,015,000 | 118,010,000 | 111,006,060 |
| Lease | - | - | - | - | - | - | - | - | - | 41,806,379 |
| Issuance of refunding debt | 10,645,000 | 51,110,000 | 28,000,000 | 10,985,000 | 67,675,580 | 28,000,000 | 17,470,000 | 111,125,000 | 1,910,000 | - |
| Premium on debt issued | 1,323,467 | 11,130,961 | 4,281,997 | 3,130,880 | 12,664,100 | 4,281,997 | 12,380,417 | 14,497,590 | 18,352,135 | 14,316,868 |
| Payment to escrow agent | (10,895,000) | (49,035,479) | (28,519,900) | (8,881,144) | (64,917,784) | (28,519,900) | (31,106,264) | (119,019,807) | (2,181,573) | (24,476,225) |
| Disposal of assets held for sale | - | - | - | - | - | - | - | - | (498,899) | - |
| Total other financing sources | 15,962,233 | 32,725,929 | 38,449,652 | 27,144,624 | 39,244,519 | 38,449,654 | 69,873,278 | 50,765,412 | 99,773,236 | 156,589,228 |
| Net change in fund balances | \$ 1,908,713 | 17,302,671 | (29,103,821) | 14,142,903 | 24,532,859 | (29,103,820) | 1,311,976 | 4,844,908 | 44,213,878 | 75,106,464 |
| Debt Service as a percentage of non-capital expenditures | 16.86% | 18.73% | 14.67% | 17.27% | 15.71% | 14.67% | 14.70% | 15.33% | 14.52% | 13.77% |

Source: City of Omaha Financial Statements.

See accompanying independent auditors' report.

CITY OF OMAHA, NEBRASKA

Tax Revenues by Source

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

| Year | Sales Tax | General Property Tax | Street Highway Allocation | Telephone Occupation Tax | Wheel Tax | Motor Vehicle Taxes | Hotel/Vehicle Occupation Tax | MUD in Lieu of Tax | Cable Franchise Tax | Restaurant Tax | OPPD Occupation Tax |
|------|-------------|-------------------------|---------------------------------|--------------------------------|------------|---------------------------|------------------------------------|--------------------------|---------------------------|-------------------|---------------------------|
| 2013 | 136,693,604 | 139,940,082 | 34,215,504 | 15,330,236 | 19,659,390 | 9,839,552 | 7,960,019 | 4,524,169 | 5,396,107 | 25,719,588 | 5,810,879 |
| 2014 | 142,645,168 | 138,883,919 | 37,673,381 | 14,263,312 | 19,943,832 | 10,338,405 | 8,415,277 | 5,156,958 | 5,646,229 | 26,999,949 | 6,078,424 |
| 2015 | 150,201,310 | 143,694,077 | 38,306,509 | 13,145,400 | 20,784,465 | 11,294,628 | 8,821,955 | 4,099,685 | 5,878,922 | 29,448,765 | 5,922,407 |
| 2016 | 151,997,330 | 150,914,619 | 39,991,268 | 12,158,561 | 21,499,438 | 12,187,075 | 9,124,452 | 3,863,548 | 5,971,461 | 31,452,039 | 5,952,733 |
| 2017 | 156,419,217 | 161,847,267 | 42,807,455 | 10,826,991 | 22,227,161 | 13,161,687 | 9,096,282 | 4,352,652 | 6,227,160 | 31,924,810 | 6,173,163 |
| 2018 | 159,805,073 | 150,508,423 | 44,818,002 | 9,880,538 | 22,223,692 | 13,710,188 | 9,908,230 | 4,767,869 | 6,351,390 | 32,739,269 | 6,123,263 |
| 2019 | 166,336,262 | 183,086,479 | 49,285,345 | 9,232,512 | 23,096,840 | 14,664,963 | 10,144,850 | 4,771,774 | 6,067,535 | 33,839,437 | 6,302,274 |
| 2020 | 162,192,938 | 182,110,188 | 49,295,656 | 8,130,893 | 20,297,010 | 16,309,409 | 2,491,904 | 4,347,828 | 5,673,770 | 28,511,054 | 5,193,632 |
| 2021 | 194,393,674 | 194,664,609 | 53,088,005 | 6,399,508 | 21,883,308 | 15,234,042 | 8,839,485 | 6,227,999 | 5,301,386 | 38,289,619 | 6,047,736 |
| 2022 | 212,887,241 | 206,861,618 | 54,734,537 | 5,915,935 | 21,519,168 | 15,173,644 | 15,062,716 | 5,268,869 | 4,591,580 | 41,928,789 | 1,704,984 |

Source: City of Omaha Financial Statements.

Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

| | <u>Real Property</u> | <u>Other Property</u> | | |
|-------------------------|---|--|---|--------------------------------------|
| | Residential/ Commercial Property | Personal/ Centrally Assessed Property | Total Taxable Assessed Value | Total Direct Tax Rate |
| Year ended December 31: | | | | |
| 2013 | 25,891,486,245 | 1,911,962,630 | 27,803,448,875 | 49.922 |
| 2014 | 26,951,266,975 | 2,009,897,245 | 28,961,164,220 | 48.922 |
| 2015 | 27,859,616,600 | 2,786,492,295 | 30,646,108,895 | 48.922 |
| 2016 | 29,691,520,415 | 2,032,845,205 | 31,724,365,620 | 47.922 |
| 2017 | 30,509,263,800 | 2,193,957,090 | 32,703,220,890 | 47.922 |
| 2018 | 33,022,066,140 | 2,298,862,185 | 35,320,928,325 | 47.922 |
| 2019 | 35,288,772,260 | 2,358,828,180 | 37,647,600,440 | 47.922 |
| 2020 | 38,111,418,840 | 2,292,142,510 | 40,403,561,350 | 47.922 |
| 2021 | 39,879,523,710 | 2,343,221,035 | 42,222,744,745 | 47.922 |
| 2022 | 42,794,243,350 | 2,381,757,275 | 45,176,000,625 | 46.922 |

Source: Douglas County Assessor's Office.

See accompanying independent auditors' report.

CITY OF OMAHA, NEBRASKA

Schedule 7

Property Tax Rates
Direct and Overlapping Governments
Last Ten Tax Years

| | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> |
|---------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| City of Omaha: | | | | | | | | | | |
| General fund | 0.28329 | 0.28829 | 0.29829 | 0.27979 | 0.25979 | 0.26557 | 0.26307 | 0.26597 | 0.26597 | 0.28447 |
| Judgment | 0.00600 | 0.02600 | 0.02600 | 0.02600 | 0.00600 | 0.00600 | 0.00600 | 0.00600 | 0.00600 | 0.00600 |
| Debt service | 0.15893 | 0.14893 | 0.14893 | 0.16743 | 0.18743 | 0.19421 | 0.19421 | 0.20131 | 0.20131 | 0.19281 |
| Redevelopment debt service | 0.02100 | 0.00600 | 0.00600 | 0.00600 | 0.02600 | 0.01344 | 0.01594 | 0.01594 | 0.01594 | 0.01594 |
| Total City of Omaha | <u>0.46922</u> | <u>0.46922</u> | <u>0.47922</u> | <u>0.47922</u> | <u>0.47922</u> | <u>0.47922</u> | <u>0.47922</u> | <u>0.48922</u> | <u>0.48922</u> | <u>0.49922</u> |
| Overlapping rates ¹ : | | | | | | | | | | |
| Douglas County | 0.29559 | 0.29559 | 0.29559 | 0.29559 | 0.28059 | 0.28059 | 0.28059 | 0.28059 | 0.28059 | 0.28059 |
| Omaha Douglas Building Commission | 0.01700 | 0.01700 | 0.01700 | 0.01700 | 0.01500 | 0.01500 | 0.01500 | 0.01500 | 0.01500 | 0.01290 |
| Papio NRD | 0.03476 | 0.03567 | 0.03649 | 0.37384 | 0.03759 | 0.03780 | 0.03803 | 0.03276 | 0.03276 | 0.03275 |
| Omaha Public Schools | 1.23109 | 1.23310 | 0.12408 | 1.24665 | 1.24501 | 1.25739 | 0.29403 | 0.27975 | 0.24833 | 0.25204 |
| Metro Community College | 0.09500 | 0.09500 | 0.09500 | 0.09500 | 0.09500 | 0.09500 | 0.09500 | 0.09500 | 0.09500 | 0.09500 |
| Education Service Units | 0.01500 | 0.01500 | 0.01500 | 0.01500 | 0.01500 | 0.01500 | 0.01500 | 0.01500 | 0.01499 | 0.01563 |
| Omaha Transit Authority | 0.06743 | 0.04731 | 0.04777 | 0.04953 | 0.05101 | 0.05247 | 0.05226 | 0.05154 | 0.05270 | 0.05224 |
| Learning Community | 0.01488 | 0.01499 | 0.01625 | 0.01605 | 0.01625 | 0.01625 | 0.96525 | 0.96625 | 0.96000 | 0.96000 |
| Learning Community – capital projects | 0.00125 | 0.00125 | - | - | - | - | - | - | - | - |
| Total overlapping rates | <u>1.77200</u> | <u>1.75491</u> | <u>0.64718</u> | <u>2.10866</u> | <u>1.75545</u> | <u>1.76950</u> | <u>1.75516</u> | <u>1.73589</u> | <u>1.69937</u> | <u>1.70115</u> |
| Total tax rate | <u><u>2.24122</u></u> | <u><u>2.22413</u></u> | <u><u>1.12640</u></u> | <u><u>2.58788</u></u> | <u><u>2.23467</u></u> | <u><u>2.24872</u></u> | <u><u>2.23438</u></u> | <u><u>2.22511</u></u> | <u><u>2.18859</u></u> | <u><u>2.20037</u></u> |

Sources: Douglas County Clerk's Office and City of Omaha Finance Department.

See accompanying independent auditors' report.

CITY OF OMAHA, NEBRASKA

Schedule 8

Principal Property Taxpayers

Current Year and Nine Years Ago

| Taxpayer | Type of Business | 2022 | | | 2013 | | |
|------------------------------|------------------------|------------------------|------|---|------------------------|------|---|
| | | Taxable Assessed Value | Rank | Percentage of Total City Taxable Assessed Value | Taxable Assessed Value | Rank | Percentage of Total City Taxable Assessed Value |
| First National Bank of Omaha | Banking | \$ 180,335,600 | 1 | 0.4 % | \$ | | |
| Westroads Mall LLC | Retail Management | 98,544,000 | 2 | 0.22 | 92,602,800 | 4 | \$0.33 % |
| 168th and Dodge LP | Real Estate Management | 94,913,600 | 3 | 0.21 | 90,337,700 | 5 | \$0.32 |
| First Data Resources Inc | Payment Processing | 76,489,300 | 4 | 0.17 | 112,883,700 | 1 | \$0.41 |
| United Omaha Life Insurance | Insurance | 74,370,000 | 5 | 0.16 | 95,101,200 | 3 | |
| Riverfront Campus Developers | Real Estate Management | 69,941,300 | 6 | 0.15 | | | \$0.00 |
| TD Ameritrade | Online Broker | 68,270,000 | 7 | 0.15 | | | |
| Nebraska Furniture Mart | Retail | 65,376,500 | 8 | 0.14 | 66,198,500 | 6 | \$0.24 |
| SFI LTD Partnership | Real Estate management | 58,500,000 | 9 | 0.13 | 45,325,000 | 10 | |
| Walmart Inc | Retail Management | 53,798,000 | 10 | 0.12 | | | \$0.00 |
| Oak View Mall LLC | Retail Management | | | | 103,206,100 | 2 | \$0.37 |
| IRET-MR9 LLC | Other | | | | 54,360,600 | 8 | \$0.20 |
| Creighton St Joseph Regional | Healthcare | | | | 64,105,200 | 7 | \$0.23 |
| Commercial Federal and Loan | Banking | | | | 47,464,900 | 9 | \$0.17 |
| | | <u>840,538,300</u> | | <u>1.85 %</u> | <u>\$ 771,585,700</u> | | <u>2.27 %</u> |

Source: Douglas County Assessor.

Property Tax Levies and Collections
Last Ten Fiscal Years

| | Taxes Levied for the Fiscal Year | Collected Within the Year of the Levy | | Collections in Subsequent Years | Total collections to Date | |
|-------------------------|--|--|-----------------------|---------------------------------------|---------------------------|-----------------------|
| | | Amount | Percentage of Levy | Amount | Amount | Percentage of Levy |
| Year ended December 31: | | | | | | |
| 2013 | 138,800,377 | 136,839,584 | 98.59 | 545,669 | 137,385,253 | 98.98 |
| 2014 | 141,683,808 | 28,479 | 0.02 | 137,261,636 | 137,290,115 | 96.90 |
| 2015 | 149,926,894 | 20,238 | 0.01 | 145,373,501 | 145,393,739 | 96.98 |
| 2016 | 152,029,505 | 60,831 | 0.04 | 148,635,987 | 148,696,818 | 97.81 |
| 2017 | 156,720,375 | 93,036 | 0.06 | 145,762,974 | 145,856,010 | 93.07 |
| 2018 | 169,264,953 | 88,396 | 0.05 | 156,799,808 | 156,888,204 | 92.69 |
| 2019 | 180,414,831 | 61,813 | 0.03 | 166,304,485 | 166,366,298 | 92.21 |
| 2020 | 192,421,847 | 139,911 | 0.07 | 178,448,704 | 178,588,615 | 92.81 |
| 2021 | 196,478,680 | 163,384 | 0.08 | 181,455,896 | 181,619,280 | 92.44 |
| 2022 | 209,855,082 | 102,525 | 0.05 | - | 102,525 | 0.05 |

Note 1: Property taxes are certified in August of each year by the Douglas County Assessor. The taxes are based on cents per \$100 of taxable value. Taxes become due on January 1 of the following year and may be paid in two equal installments. Taxes become delinquent if not paid by April 1 and August 1. Delinquent taxes bear 14% interest.

Note 2: Property taxes were restated for fiscal year 2014 to reflect actual figures.

See accompanying independent auditors' report.

CITY OF OMAHA, NEBRASKA

Schedule 10

Total City Taxable Sales
Last Ten Fiscal Years

| | Total City Taxable Sales | Total Direct Tax Rate |
|-------------------------|---|--------------------------------------|
| Year ended December 31: | | |
| 2013 | 10,067,835,399 | 0.0150 |
| 2014 | 10,404,045,783 | 0.0150 |
| 2015 | 10,796,246,324 | 0.0150 |
| 2016 | 10,908,761,819 | 0.0150 |
| 2017 | 11,315,157,037 | 0.0150 |
| 2018 | 11,612,545,933 | 0.0150 |
| 2019 | 11,988,941,400 | 0.0150 |
| 2020 | 12,074,056,600 | 0.0150 |
| 2021 | 12,959,478,267 | 0.0150 |
| 2022 | 14,192,482,733 | 0.0150 |

Source: City of Omaha Revenue Division.

See accompanying independent auditors' report.

CITY OF OMAHA, NEBRASKA

Schedule 11

Sales Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years

| | <u>Direct</u> | <u>Overlapping¹</u> | |
|--------------|--------------------------|--------------------------------|---------------------------|
| | <u>City of Omaha</u> | <u>State of Nebraska</u> | <u>Total Tax Rate</u> |
| Fiscal year: | | | |
| 2013 | 0.015 | 0.055 | 0.070 |
| 2014 | 0.015 | 0.055 | 0.070 |
| 2015 | 0.015 | 0.055 | 0.070 |
| 2016 | 0.015 | 0.055 | 0.070 |
| 2017 | 0.015 | 0.055 | 0.070 |
| 2018 | 0.015 | 0.055 | 0.070 |
| 2019 | 0.015 | 0.055 | 0.070 |
| 2020 | 0.015 | 0.055 | 0.070 |
| 2021 | 0.015 | 0.055 | 0.070 |
| 2022 | 0.015 | 0.055 | 0.070 |

See accompanying independent auditors' report.

CITY OF OMAHA, NEBRASKA

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

(Amounts in thousands, except per capita)

| Fiscal year: | Governmental activities | | | | | | | | | | Business-type Activities | | | | | | | | | | Total Primary Government | Percentage of Personal Income ¹ | Net Debt per Capita ¹ | | | | | | | | | | |
|--------------|-------------------------|------------------|------------------|------------------|-----------------------------------|------------------|-----------------------|--------------------|----------------------|--------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|------------------|-----------------------------------|--------------------|-----------------------|--------------------------------|--------------------------------|--------------------------------|--|--|--|--|--|--|--|-------|--|--|--|--|
| | Special Assessment | | | | | Net | | | | | Hotel | | | | | Tax | | | | | | | | Sewer | | | | | Sewer | | | | |
| | General Obligation | Tax Supported | Notes Payable | Revenue Bonds | Private Placement ² | Notes Payable | Financed Purchases | Lease Liability | Contracts Payable | Net Premiums (Discounts) | Hotel Revenue Bonds | Tax Supported Bonds | Sewer Revenue Bonds | Sewer Notes Payable | Revenue Bonds | Private Placement ² | Lease Liability | Financed Purchases | Net Premiums (Discounts) | Total Primary Government | | | | Percentage of Personal Income ¹ | Net Debt per Capita ¹ | | | | | | | | |
| | Bonds | Bonds | Payable | Bonds | Placement ² | Payable | Purchases | Liability | Payable | (Discounts) | Bonds | Bonds | Bonds | Payable | Bonds | Placement ² | Liability | Purchases | (Discounts) | Government | | | | Income ¹ | Capita ¹ | | | | | | | | |
| 2013 | 490,030 | 95,072 | - | 1,490 | - | 2,802 | 116,627 | - | 9,476 | 36,814 | 144,165 | 16,318 | 293,560 | 12,863 | - | - | - | 34,125 | 13,591 | 1,266,933 | 5.90 | 3,005 | | | | | | | | | | | |
| 2014 | 501,765 | 90,034 | - | 1,295 | - | 2,478 | 110,911 | - | 8,491 | 44,320 | 142,825 | 15,366 | 413,640 | 12,710 | - | - | - | 31,105 | 23,305 | 1,398,245 | 6.10 | 3,219 | | | | | | | | | | | |
| 2015 | 503,645 | 86,410 | - | 1,235 | - | 1,984 | 104,703 | - | 11,510 | 43,719 | 141,300 | 15,050 | 403,410 | 58,954 | - | - | - | 28,295 | 22,422 | 1,422,637 | 5.67 | 3,185 | | | | | | | | | | | |
| 2016 | 494,520 | 81,962 | - | 1,160 | - | 1,508 | 109,960 | - | 16,364 | 49,960 | 138,890 | 14,727 | 388,580 | 63,272 | - | - | - | 26,060 | 25,611 | 1,412,574 | 5.39 | 3,182 | | | | | | | | | | | |
| 2017 | 478,385 | 82,015 | - | 1,085 | - | 1,151 | 105,715 | - | 14,948 | 56,607 | 35,605 | 14,289 | 377,875 | 77,183 | - | - | - | 119,220 | 22,957 | 1,387,035 | 5.22 | 3,103 | | | | | | | | | | | |
| 2018 | 506,145 | 84,855 | - | 1,010 | - | 1,151 | 196,831 | - | 13,505 | 54,054 | - | 14,289 | 367,110 | 74,051 | - | - | - | 21,245 | 22,126 | 1,356,372 | 4.62 | 2,929 | | | | | | | | | | | |
| 2019 | 488,095 | 88,460 | - | 935 | 7,420 | - | 207,735 | - | 14,155 | 61,108 | - | 14,289 | 352,495 | 70,943 | - | - | - | 19,540 | 24,482 | 1,349,657 | 4.42 | 2,915 | | | | | | | | | | | |
| 2020 | 508,385 | 82,530 | - | 850 | 5,250 | 606 | 210,390 | - | 12,931 | 65,682 | - | 14,289 | 376,725 | - | - | - | - | 17,765 | 29,532 | 1,324,935 | 3.51 | 2,771 | | | | | | | | | | | |
| 2021 | 549,025 | 75,955 | - | 750 | 5,150 | 411 | 227,475 | - | 11,440 | 77,787 | - | 14,289 | 361,280 | - | - | 22,940 | - | 16,710 | 28,009 | 1,391,221 | 3.59 | 2,862 | | | | | | | | | | | |
| 2022 | 579,215 | 66,896 | - | 600 | 5,085 | - | 219,720 | 48,812 | 9,950 | 84,613 | - | 12,673 | 345,965 | - | - | 29,450 | 201 | 15,605 | 28,124 | 1,446,909 | NA | 2,982 | | | | | | | | | | | |

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

¹ See table 17, Demographic and Economic Statistics, for income and population data.

² Private placement debt was broken out due to the implementation of GASB Statement No. 88.

Ratios of General Obligation Debt Outstanding
Last Ten Fiscal Years

| | General Obligation Bonds | Plus Premium (Discount) | Less amounts Available in Debt Service Fund | Total | Net Bonded Debt per Capital¹ | Ratio of Net Debt to Estimated Valuation of Taxable Real Property² |
|--------------|---|--|--|--------------|--|--|
| Fiscal year: | | | | | | |
| 2013 | 490,030,000 | 35,054,183 | 19,394,224 | 505,689,959 | 1,200 | 1.82 |
| 2014 | 501,765,000 | 42,390,409 | 19,207,492 | 524,947,917 | 1,209 | 1.81 |
| 2015 | 503,645,000 | 41,613,790 | 19,917,725 | 525,341,065 | 1,176 | 1.71 |
| 2016 | 494,520,000 | 39,948,253 | 23,034,719 | 511,433,534 | 1,152 | 1.61 |
| 2017 | 478,385,000 | 45,184,437 | 38,008,346 | 485,561,091 | 1,086 | 1.48 |
| 2018 | 506,145,000 | 39,593,054 | 41,938,488 | 503,799,566 | 1,088 | 1.43 |
| 2019 | 488,095,000 | 44,999,482 | 36,406,189 | 496,688,293 | 1,039 | 1.41 |
| 2020 | 508,385,000 | 43,678,210 | 35,937,552 | 516,125,658 | 1,079 | 1.37 |
| 2021 | 549,175,000 | 56,125,361 | 44,331,224 | 560,969,137 | 1,154 | 1.39 |
| 2022 | 579,215,000 | 61,177,812 | 33,359,557 | 607,033,255 | 1,251 | 1.44 |

Note: Details regarding the City Outstanding debt can be found in the notes to the financial statements.

¹ Population data can be found in table 17, Demographic and Economic Statistics.

² Property value information can be found in table 6, Assessed Value and Actual Value of Taxable Property.

Direct and Overlapping Governmental Activities Debt
December 31, 2022

| Governmental Units | Debt Outstanding | Estimated Percentage Applicable ¹ | Direct and Overlapping Debt to the City |
|---|-------------------------|--|---|
| Direct: | | | |
| City ⁴ | \$ 959,377,923 | 100.00% | \$ 959,377,923 |
| Overlapping: | | | |
| Douglas County | 57,395,000 | 78.73 | 45,187,084 |
| Omaha-Douglas Public Bldg. Commission ² | 142,759,566 | 78.73 | 112,394,606 |
| School District of Omaha ³ | 820,785,000 | 85.93 | 705,300,551 |
| School District of Ralston ³ | 42,715,000 | 76.44 | 32,651,346 |
| School District of Millard ³ | 194,890,000 | 72.69 | 141,665,541 |
| School District of Elkhorn ³ | 307,460,000 | 55.77 | 171,470,442 |
| School District No. 66 of Douglas County ³ | <u>73,702,245</u> | 100.00 | <u>73,702,245</u> |
| | <u>1,639,706,811</u> | | <u>1,282,371,815</u> |
| Total | <u>\$ 2,599,084,734</u> | | <u>\$ 2,241,749,738</u> |

Source: The information regarding the bonds outstanding comes from the State of Nebraska Auditor of Public Accounts Web site, reported as of December 31, 2022.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and business of the City. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and, therefore, is responsible for repaying the debt of each overlapping government.

¹ The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the City's taxable assessed value and dividing it by the corresponding overlapping government unit's taxable assessed value.

² Payable from certain property tax revenues and payments to be made to it by the City of Omaha and Douglas County under certain contractual agreements. Actual rental payments by the City for 2022 were \$2,272,413.90 The Act authorizing issuance of bonds by the Omaha-Douglas Public Building Commission permits them to levy a tax of \$0.17 per \$100 of actual valuation on all the taxable property in Douglas County. However, although the same Act authorizes the City to levy a tax on all the taxable property in the City, except intangible property, of \$0.17 per \$100 of the actual valuation in excess of the Charter limitation described under "AUTHORITY TO LEVY TAXES," if and to the extent necessary to make the City's payments to the Commission, no such levy has ever been made by the City for such purpose.

³ Residents of the City reside in one of the five school districts and pay taxes only to that school district. These numbers represent bonds outstanding as of December 31, 2022.

⁴ The debt for the City of Omaha is based on the governmental activities debt outstanding

CITY OF OMAHA, NEBRASKA

Schedule 15

Legal Debt Margin Information
Last Ten Fiscal Years
(Amount in thousands)

| | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Debt limit | 973,121 | 1,013,641 | 1,072,614 | 1,110,353 | 1,144,613 | 1,236,232 | 1,317,666 | 1,414,125 | 1,477,786 | 1,581,160 |
| Total net debt applicable to limit | <u>474,783</u> | <u>487,069</u> | <u>483,727</u> | <u>471,485</u> | <u>440,377</u> | <u>464,207</u> | <u>454,019</u> | <u>472,698</u> | <u>504,844</u> | <u>612,575</u> |
| Legal debt margin | <u>498,338</u> | <u>526,572</u> | <u>588,887</u> | <u>638,868</u> | <u>704,236</u> | <u>772,025</u> | <u>863,647</u> | <u>941,427</u> | <u>972,942</u> | <u>968,585</u> |
| Total net debt applicable to the limit as a percentage of debt limit | <u>48.79%</u> | <u>48.05%</u> | <u>45.10%</u> | <u>42.46%</u> | <u>38.47%</u> | <u>37.55%</u> | <u>34.46%</u> | <u>33.43%</u> | <u>34.16%</u> | <u>38.74%</u> |

Legal debt margin calculation for fiscal year 2022

| | |
|--|-------------------|
| Taxable property values: | |
| Real estate | 42,794,243 |
| Personal property | <u>2,381,757</u> |
| Total assessed value | <u>45,176,000</u> |
| Debt limit (3.5% of total assessed value) | 1,581,160 |
| Debt applicable to limit: | |
| General obligation bonds | 579,215 |
| Less amount set aside for repayment of general obligation debt | <u>33,360</u> |
| Total net debt applicable to limit | <u>612,575</u> |
| Legal debt margin | <u>968,585</u> |

Note: Under Article V, Section 5.27, Home Rule Charter of the City of Omaha, 1956 as amended, the City of Omaha's outstanding general obligation debt should not exceed 3.5% of the actual value of taxable real and personal property in the City. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

Pledged Revenue Coverage
Last Ten Fiscal Years

| | Gross Revenue ¹ | Direct Operating Expenses ² | Net Available Revenue | Debt Service Requirements | | | |
|---------------------|--------------------------------|--|-----------------------|---------------------------|------------|--------------------|----------|
| | | | | Principal | Interest | Total ³ | Coverage |
| Sewer System | Utility Service Charges | | | | | | |
| 2013 | 88,272,211 | 35,169,996 | 53,102,215 | 10,722,865 | 13,396,933 | 24,119,798 | 2.20 |
| 2014 | 108,956,218 | 40,610,074 | 68,346,144 | 9,255,315 | 13,426,326 | 22,681,641 | 3.01 |
| 2015 | 128,165,551 | 28,783,162 | 99,382,389 | 11,159,651 | 18,764,345 | 29,923,996 | 3.32 |
| 2016 | 139,777,145 | 34,707,432 | 105,069,713 | 11,181,814 | 19,139,849 | 30,321,663 | 3.47 |
| 2017 | 152,837,516 | 39,969,248 | 112,868,268 | 14,130,933 | 18,526,687 | 32,657,620 | 3.46 |
| 2018 | 164,755,316 | 34,631,657 | 130,123,659 | 13,896,394 | 17,990,578 | 31,886,972 | 4.08 |
| 2019 | 181,950,142 | 87,211,526 | 94,738,616 | 14,683,229 | 17,565,725 | 32,248,954 | 2.94 |
| 2020 | 201,860,619 | 67,616,016 | 134,244,603 | 15,322,722 | 16,520,102 | 31,842,824 | 4.22 |
| 2021 | 194,999,245 | 56,289,813 | 138,709,432 | 15,445,000 | 12,119,639 | 27,564,639 | 5.03 |
| 2022 | 198,227,570 | 67,162,450 | 131,065,120 | 15,315,000 | 12,213,532 | 27,528,532 | 4.76 |

- (1) Generally, gross revenues include sewer use fees and interest on investments.
- (2) Generally, direct operating expenses include sewage treatment and pumping, sewer maintenance, administrative and general, and industrial waste control. Excluded from direct operating expense are depreciation and amortization.
- (3) The numbers reflect the total annual fiscal year's debt service requirements on all the outstanding senior and junior revenue bonds and notes.

| | Net Revenues from Manager | | | | | | |
|--------------------------------|---------------------------|-----------|------------|-----------|-----------|-----------|------|
| Convention Center Hotel | | | | | | | |
| 2013 | 11,892,337 | 325,197 | 11,567,140 | 1,160,000 | 7,570,504 | 8,730,504 | 1.32 |
| 2014 | 12,283,972 | 235,480 | 12,048,492 | 1,340,000 | 7,520,504 | 8,860,504 | 1.36 |
| 2015 | 12,370,003 | 1,237,713 | 11,132,290 | 1,525,000 | 7,463,204 | 8,988,204 | 1.24 |
| 2016 | 13,265,667 | 1,043,748 | 12,221,919 | 2,410,000 | 7,395,978 | 9,805,978 | 1.25 |
| 2017 | 12,467,746 | 1,707,869 | 10,759,877 | 2,650,000 | 4,882,155 | 7,532,155 | 1.43 |
| 2018 | 9,744,008 | 341,453 | 9,402,555 | 740,000 | 2,401,171 | 3,141,171 | 2.99 |
| 2019 | - | - | - | - | - | - | - |
| 2020 | - | - | - | - | - | - | - |
| 2021 | - | - | - | - | - | - | - |
| '2022 | - | - | - | - | - | - | - |

- (1) Generally, gross revenues include net revenues from manager and the federal interest subsidy
- (2) Generally, direct operating expenses include administrative costs and insurance. Excluded from direct operating expense are depreciation and amortization. *Starting in 2010, only depreciation and taxes are excluded in accordance to the Series 2010 bond debt covenant.

⁻³ On October 23, 2018 a private corporation leased the hotel from the city. At that time the remaining hotel revenue bonds were defeased.

| | Special Tax Revenue Redevelopment Bonds | Redevelopment Levy | | | | | |
|------|---|--------------------|------------|-----------|-----------|-----------|------|
| 2013 | 4,469,767 | - | 4,469,767 | 3,130,000 | 1,530,279 | 4,660,279 | 0.96 |
| 2014 | 4,263,934 | - | 4,263,934 | 2,765,000 | 1,440,558 | 4,205,558 | 1.01 |
| 2015 | 4,706,454 | - | 4,706,454 | 2,175,000 | 1,344,229 | 3,519,229 | 1.34 |
| 2016 | 4,914,334 | - | 4,914,334 | 2,945,000 | 1,286,811 | 4,231,811 | 1.16 |
| 2017 | 5,333,575 | - | 5,333,575 | 2,980,000 | 1,123,462 | 4,103,462 | 1.30 |
| 2018 | 5,013,520 | - | 5,013,520 | 2,920,000 | 2,093,520 | 5,013,520 | 1.00 |
| 2019 | 4,408,547 | - | 4,408,547 | 3,005,000 | 1,403,547 | 4,408,547 | 1.00 |
| 2020 | 9,751,125 | - | 9,751,125 | 2,175,000 | 1,556,518 | 3,731,518 | 2.61 |
| 2021 | 10,558,897 | - | 10,558,897 | 2,685,000 | 1,705,041 | 4,390,041 | 2.41 |
| 2022 | 10,823,164 | - | 10,823,164 | 2,775,000 | 1,611,757 | 4,386,757 | 2.47 |

- (1) Gross revenue include the Special Tax Redevelopment Property Tax Levy.

Pledged Revenue Coverage
Last Ten Fiscal Years

| | Gross Revenue ¹ | Direct Operating Expenses ² | Net Available Revenue | Debt Service Requirements | | | |
|---------------------------------|-------------------------------|--|-----------------------------|---------------------------|-----------|--------------------|----------|
| | | | | Principal | Interest | Total ³ | Coverage |
| Special Obligation Bonds | | | | | | | |
| 2013 | 140,253,013 | - | 140,253,013 | 1,809,870 | 3,020,695 | 4,830,565 | 29.03 |
| 2014 | 146,535,568 | - | 146,535,568 | 2,272,790 | 2,961,534 | 5,234,324 | 28.00 |
| 2015 | 157,977,098 | - | 157,977,098 | 1,449,020 | 2,896,668 | 4,345,688 | 36.35 |
| 2016 | 155,359,707 | - | 155,359,707 | 1,502,615 | 2,832,199 | 4,334,814 | 35.84 |
| 2017 | 157,616,459 | - | 157,616,459 | 1,562,670 | 2,752,509 | 4,315,179 | 36.53 |
| 2018 | 159,585,973 | - | 159,585,973 | 3,015,000 | 3,237,621 | 6,252,621 | 25.52 |
| 2019 | 164,643,275 | - | 164,643,275 | 3,130,000 | 2,917,505 | 6,047,505 | 27.22 |
| 2020 | 172,987,084 | - | 172,987,084 | 3,755,000 | 2,697,185 | 6,452,185 | 26.81 |
| 2021 | 197,190,871 | - | 197,190,871 | 3,890,000 | 2,452,545 | 6,342,545 | 31.09 |
| 2022 | 218,257,688 | - | 218,257,688 | 4,035,000 | 2,753,785 | 6,788,785 | 32.15 |

(1) Gross revenues include state cigarette tax, TIF revenues, land sales, and sales tax.

(2) Generally, direct operating expenses include administrative costs, taxes, and insurance.

(3) Sewer Revenue portion of debt service requirement reported under the Sewer Revenue Fund.

| Street & Highway Tax Allocation Bonds | | | | | | | |
|--|------------|---|------------|---------|--------|---------|--------|
| 2013 | 34,215,504 | - | 34,215,504 | 185,000 | 67,270 | 252,270 | 135.63 |
| 2014 | 37,673,381 | - | 37,673,381 | 195,000 | 60,305 | 255,305 | 147.56 |
| 2015 | 38,306,509 | - | 38,306,509 | 60,000 | 55,985 | 115,985 | 330.27 |
| 2016 | 39,991,268 | - | 39,991,268 | 75,000 | 53,555 | 128,555 | 311.08 |
| 2017 | 42,807,455 | - | 42,807,455 | 75,000 | 50,480 | 125,480 | 341.15 |
| 2018 | 44,818,002 | - | 44,818,002 | 75,000 | 47,368 | 122,368 | 366.26 |
| 2019 | 49,285,345 | - | 49,285,345 | 75,000 | 44,218 | 119,218 | 413.41 |
| 2020 | 49,295,656 | - | 49,295,656 | 85,000 | 41,030 | 126,030 | 391.14 |
| 2021 | 53,088,005 | - | 53,088,005 | 100,000 | 37,375 | 137,375 | 386.45 |
| 2022 | 57,539,217 | - | 57,539,217 | 150,000 | 33,075 | 183,075 | 314.29 |

(1) Gross revenues include state street and highway allocation taxes.

Demographic and Economic Statistics
Last Ten Fiscal Years

| | <u>Population¹</u> | <u>Personal Income²</u> | <u>Per Capita Personal Income²</u> | <u>School Enrollment³</u> | <u>Unemployment Rate⁴</u> |
|------|-------------------------------|--|---|--|--|
| 2013 | 421,570 | 27,395,503 | 50,966 | 80,638 | 4.5 |
| 2014 | 434,353 | 28,668,332 | 52,772 | 78,167 | 3.2 |
| 2015 | 446,599 | 30,920,092 | 56,212 | 81,736 | 3.1 |
| 2016 | 443,887 | 32,778,766 | 59,061 | 82,339 | 3.2 |
| 2017 | 446,970 | 33,378,563 | 59,433 | 82,920 | 3.1 |
| 2018 | 463,081 | 35,959,823 | 63,435 | 83,240 | 2.9 |
| 2019 | 478,192 | 35,959,823 | 63,435 | 83,615 | 3.3 |
| 2020 | 478,192 | 37,754,810 | 78,980 | 81,980 | 3.3 |
| 2021 | 487,300 | 40,189,574 | 68,699 | 81,638 | 2.2 |
| 2022 | 485,153 | NA | NA | 81,662 | 2.0 |

Sources: ¹ U.S. Census Bureau.

² U.S. Department of Commerce Bureau of Economic Analysis. Personal income and per capita income are based on Douglas County figures. Personal income and per capita personal income data is not available for 2020.

³ Nebraska Department of Education. Omaha Public Schools, Millard Public Schools, District 66.

⁴ United States Department of Labor – Bureau of Labor Statistics
The unemployment rates are for the Omaha – Council Bluffs Metropolitan Statistical Area.

⁵ Population, Personal income, and Per capita Personal Income for 2022 not available

CITY OF OMAHA, NEBRASKA

Schedule 18

Principal Employers

| 2022 | | | |
|---------------------------------------|------------------|-------------|--|
| Employer | Employees | Rank | Percentage of Total City Employment |
| Offutt Air Force Base | 5,000+ | 1 | 1.06% |
| Omaha Public Schools (OPS) | 5,000+ | 2 | 1.06% |
| Nebraska Medicine | 5,000+ | 3 | 1.06% |
| CHI Health | 5,000+ | 4 | 1.06% |
| Methodist Health System | 5,000+ | 5 | 1.06% |
| University of Nebraska Medical Center | 2,500+ | 6 | 0.53% |
| Mutual of Omaha | 2,500+ | 7 | 0.53% |
| City of Omaha | 2,500+ | 8 | 0.53% |
| First National Bank | 2,500+ | 9 | 0.53% |
| Fiserv | 2,500+ | 10 | 0.53% |
| Millard Public Schools | 2,500+ | 11 | 0.53% |
| Union Pacific Railroad | 2,500+ | 12 | 0.53% |
| Douglas County | 2,500+ | 13 | 0.53% |
| TD Ameritrade | 1,000+ | 14 | 0.21% |
| Tyson Foods, Inc. | 1,000+ | 15 | 0.21% |
| Total | | | 9.96% |
| 2013 | | | |
| Employer | Employees | Rank | Percentage of Total City Employment |
| Alegent Health | 7,500+ | 1 | 1.93 |
| Offutt Air Force Base | 7,500+ | 2 | 1.93 |
| Omaha Public Schools | 7,500+ | 3 | 1.93 |
| Methodist Health System | 5,000+ | 4 | 1.29 |
| The Nebraska Medical Center | 5,000+ | 5 | 1.29 |
| University of Nebraska Medical Center | 5,000+ | 6 | 1.29 |
| First Data Corp. | 2,500+ | 7 | 0.64 |
| Union Pacific Corp. | 2,500+ | 8 | 0.64 |
| West Corp. | 2,500+ | 9 | 0.64 |
| First National Bank of Nebraska | 2,500+ | 10 | 0.64 |
| Mutual of Omaha | 2,500+ | 11 | 0.64 |
| Wal-Mart Stores | 2,500+ | 12 | 0.64 |
| Hy-vee Inc. | 2,500+ | 13 | 0.64 |
| ConAgra Foods | 2,500+ | 14 | 0.64 |
| Creighton University | 2,500+ | 15 | 0.64 |
| Total | | | 15.42% |

Sources: Greater Omaha Economic Development Partnership – Omaha Chamber of Commerce Web site.

CITY OF OMAHA, NEBRASKA

Schedule 19

Full-Time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

| | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> |
|---------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Function: | | | | | | | | | | |
| General government | 169 | 167 | 178 | 182 | 182 | 168 | 168 | 167 | 170 | 180 |
| Public safety: | | | | | | | | | | |
| Police: | | | | | | | | | | |
| Sworn | 774 | 788 | 819 | 842 | 813 | 878 | 900 | 869 | 867 | 816 |
| Civillian | 134 | 141 | 138 | 139 | 147 | 135 | 148 | 145 | 140 | 143 |
| Fire: | | | | | | | | | | |
| Sworn | 651 | 633 | 627 | 640 | 646 | 646 | 650 | 668 | 675 | 657 |
| Civillian | 5 | 5 | 5 | 6 | 6 | 6 | 5 | 5 | 5 | 6 |
| Prosecutors | 12 | 12 | 9 | 9 | 9 | 8 | 8 | 11 | 11 | 10 |
| Transportation services | 262 | 271 | 287 | 293 | 297 | 297 | 297 | 295 | 279 | 315 |
| Community development | 117 | 118 | 126 | 129 | 134 | 133 | 133 | 136 | 139 | 135 |
| Culture and parks | 206 | 226 | 223 | 218 | 230 | 226 | 226 | 221 | 225 | 229 |
| Other public services | 111 | 122 | 126 | 129 | 125 | 131 | 131 | 131 | 123 | 134 |
| Golf | 18 | 20 | 20 | 19 | 19 | 20 | 18 | 18 | 17 | 18 |
| Tennis | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Dodge Park Marina | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Printing and graphics | 2 | 2 | 1 | 1 | 1 | 1 | 1 | 1 | - | - |
| Sewer | 65 | 64 | 67 | 61 | 68 | 67 | 90 | 81 | 98 | 93 |
| Air quality control | 5 | 5 | 5 | 4 | 5 | 4 | 5 | 4 | 5 | 5 |
| Compost | 5 | 5 | 5 | 3 | 4 | 2 | 1 | 2 | - | - |
| Parking facilities | 2 | 2 | 2 | 3 | 4 | 5 | 5 | 5 | 6 | 8 |
| Environmental engineering | - | - | - | - | - | - | - | - | - | - |
| Total | <u>2,540</u> | <u>2,583</u> | <u>2,640</u> | <u>2,680</u> | <u>2,692</u> | <u>2,729</u> | <u>2,788</u> | <u>2,761</u> | <u>2,762</u> | <u>2,751</u> |

Source: City of Omaha Annual Budgets.

CITY OF OMAHA, NEBRASKA

Schedule 20

Operating Indicators by Function/Program
Last Ten Fiscal Years

| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Function: | | | | | | | | | | |
| General government: | | | | | | | | | | |
| Law – civic: | | | | | | | | | | |
| Civil active cases | 269 | 259 | 310 | 310 | 115 | 126 | 124 | 117 | 83 | 69 |
| Public safety: | | | | | | | | | | |
| Police: | | | | | | | | | | |
| Calls for service | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Incidents of arrests | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Crime scene investigation | 5,830 | 5,083 | 5,545 | 5,716 | 5,829 | 5,730 | 9,234 | 8,490 | 7,823 | 8,402 |
| Calls for services per day | 519 | 620 | 625 | 637 | 665 | 689 | 727 | 662 | 688 | 734 |
| Traffic citations: | | | | | | | | | | |
| Moving | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Response to Priority 1 Citizen Calls: | | | | | | | | | | |
| Average response time | 5 min | 6 min 26 sec | 5 min 43 sec | 5 min 48 sec | 5 min 48 sec | 5 min 52 sec | 6 min 3 sec | 5 min 16 sec | 5 min 33 sec | 5 min 33 sec |
| Fire: | | | | | | | | | | |
| Fire calls answered | 1,619 | 1,754 | 1,751 | 1,724 | 1,733 | 1,636 | 1,493 | 1,776 | 1,792 | 1,786 |
| Average response time | 4 min 18 sec | 4 min 28 sec | 4 min 25 sec | 4 min 34 sec | 4 min 41 sec | 4 min 38 sec | 4 min 31 sec | 4 min 32 sec | 4 min 33 sec | 4 min 34 sec |
| Culture and recreation: | | | | | | | | | | |
| Library: | | | | | | | | | | |
| Number of items checked out by public | n/a | 3,021,207 | 3,015,319 | 3,039,413 | 3,018,584 | 3,391,209 | 4,108,779 | 2,575,256 | 3,498,294 | 3,881,921 |
| Recreation: | | | | | | | | | | |
| Attendance: community centers | 749,175 | 712,223 | 785,765 | 760,082 | 726,530 | 821,801 | 872,338 | 331,286 | 569,383 | 681,920 |
| Community development: | | | | | | | | | | |
| Planning: | | | | | | | | | | |
| Planning board case reviews | 181 | 219 | 300 | 282 | 282 | 287 | 234 | 270 | 342 | 329 |
| Golf: | | | | | | | | | | |
| Golf rounds played | 160,707 | 168,086 | 169,254 | 170,538 | 162,681 | 129,755 | 154,793 | 192,230 | 191,475 | 182,000 |

Source: City of Omaha Annual Budget.

CITY OF OMAHA, NEBRASKA

Schedule 21

Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Function: | | | | | | | | | | |
| Public safety: | | | | | | | | | | |
| Police precincts (includes headquarters) | 5 | 5 | 5 | 5 | 5 | 5 | 6 | 6 | 6 | 6 |
| Police horse patrol facility | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Emergency response and traffic facility | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Police air support facility | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Fire stations (includes headquarters) | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 24 |
| Police/fire training facility | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Medic units | 15 | 15 | 15 | 15 | 16 | 16 | 16 | 16 | 17 | 18 |
| Transportation services: | | | | | | | | | | |
| Lane miles of streets, painted | 1,045 | 1,160 | 1,175 | 1,585 | 1,589 | 2,826 | 1,852 | 1,838 | 1,874 | 1,874 |
| Streetlights | 58,685 | 59,729 | 59,867 | n/a | n/a | n/a | n/a | n/a | | |
| Bike lane symbols maintained | n/a | n/a | n/a | 1,092 | 345 | 370 | 337 | 391 | 468 | 433 |
| Culture and recreation: | | | | | | | | | | |
| Parks acreage | 9,620 | 9,522 | 9,112 | 9,596 | 9,385 | 9,851 | 10,231 | 10,231 | 10,233 | 10,048 |
| Parks | 231 | 239 | 239 | 241 | 240 | 248 | 253 | 257 | 257 | 259 |
| Swimming pools (outdoor) | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 |
| Swimming pools (indoor) | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Golf courses (public) | 9 | 9 | 9 | 8 | 8 | 8 | 8 | 8 | 8 | 8 |
| Community centers | 13 | 13 | 13 | 13 | 13 | 13 | 13 | 13 | 13 | 13 |
| Libraries | 12 | 12 | 12 | 12 | 12 | 12 | 12 | 12 | 12 | 13 |
| Sewer: | | | | | | | | | | |
| Sewer line cleaned (linear feet) | 3,528,832 | 3,346,046 | 3,283,127 | 3,424,438 | 3,166,817 | 3,447,809 | 3,524,303 | 3,447,809 | 3,265,347 | 2,868,810 |

Sources: Various City departments.

APPENDIX C

FORM OF CONTINUING DISCLOSURE LETTER AGREEMENT

February 1, 2024

BOFK, National Association,
as Trustee for the Bonds

\$20,850,000
CITY OF OMAHA PUBLIC FACILITIES CORPORATION
LEASE REVENUE BONDS
SERIES 2024A

Ladies and Gentlemen:

(a) This Letter Agreement (the “Letter Agreement”) is executed and delivered by the City of Omaha, Nebraska (the “City”) and BOKF, National Association, as Trustee (“Trustee”) under that certain Master Indenture of Trust, as supplemented by that certain First Supplemental Indenture, each dated as of February 1, 2024 (collectively, the “Indenture”) by and between the City of Omaha Public Facilities Corporation, as issuer, and the Trustee, as trustee, in connection with the above captioned bonds (the “Bonds”), for the benefit of the holders and beneficial owners of the Bonds to facilitate compliance with Section (b)(5)(i) of Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (17 C.F.R. § 240.15c2-12) (the “Rule”). This Letter Agreement is being executed and delivered to assist D.A. Davidson & Co., (the “Underwriter”), as the Participating Underwriter under the Rule, to comply with the Rule. Capitalized terms used in this Letter Agreement and not otherwise defined in the Indenture shall have the meanings assigned such terms in paragraph (b) hereof.

(b) The following are the definitions of the capitalized terms used herein and not otherwise defined in the Indenture:

“*Annual Financial Information*” means the financial information or operating data with respect to the City, provided at least annually, of the type included in Appendix B of the Official Statement related to the Bonds. The financial statements included in the Annual Financial Information shall be prepared in accordance with generally accepted accounting principles (“GAAP”) for governmental units as prescribed by the Government Accounting Standards Board (“GASB”). Such financial statements may, but are not required to, be Audited Financial Statements.

“*Audited Financial Statements*” means the City’s annual financial statements, prepared in accordance with GAAP for governmental units as prescribed by GASB, which financial statements shall have been audited by such auditor as shall be then required or permitted by the laws of the State of Nebraska.

“*Material Event*” means any of the following events with respect to the Bonds:

- (i) Principal and interest payment delinquencies;

- (ii) Non payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701–TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) Modifications to rights of Bondholders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution or sale of property securing repayment of the Bonds, if material;
- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership or similar event of the City;
- (xiii) The consummation of a merger, consolidation or acquisition involving the City or the sale of all or substantially all of the assets of the City other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (xv) Incurrence of a financial obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City, any of which affect bond holders, if material; and
- (xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the City, any of which reflect financial difficulties.

“*Material Event Notice*” means electronic notice of a Material Event.

“*MSRB*” means the Municipal Securities Rulemaking Board. As of July 1, 2009, the MSRB is the sole repository to which the City must electronically submit Annual Financial Information, Audited Financial Statements, if any, and Material Event Notices pursuant to this Letter Agreement.

(c) The City undertakes to provide the following information as provided in this Letter Agreement:

- (i) Annual Financial Information;
- (ii) Audited Financial Statements, if any; and
- (iii) Material Event Notices.

(d) (i) The City shall while any Bonds are Outstanding provide the Annual Financial Information on or before September 30 (the "Submission Date"), to the Trustee, who shall provide such Annual Financial Information to the MSRB in an electronic format accompanied by identifying information as prescribed by the MSRB, on or before the date which is five days after the Submission Date (the "Report Date") while any Bonds are Outstanding or, if not received by the Trustee by the second business day prior to the Report Date, then within five Business Days of its receipt by the Trustee. If the City changes its fiscal year, it shall provide written notice of the change of fiscal year to the Trustee and to the MSRB. It shall be sufficient if the City provides to the Trustee and the Trustee provides to the MSRB, any or all of the Annual Financial Information by specific reference to documents previously provided to the MSRB or filed with the Securities and Exchange Commission and, if such a document is a final official statement within the meaning of the Rule, available from the MSRB.

(ii) If not provided as part of the Annual Financial Information, the City shall provide the Audited Financial Statements to the Trustee when and if available while any Bonds are Outstanding and the Trustee shall then promptly provide the MSRB with such Audited Financial Statements.

(iii) (A) If a Material Event occurs while any Bonds are Outstanding, the City shall notify the Trustee. The Trustee shall provide a Material Event Notice in a timely manner, not in excess of 10 business days after the occurrence of the event to the MSRB. Each Material Event Notice shall be so captioned and shall prominently state the date, title and CUSIP numbers of the Bonds.

(B) The Trustee shall promptly advise the City whenever, in the course of performing its duties as Trustee hereunder or under the Indenture, the Trustee identifies an occurrence of a Material Event, provided that the failure of the Trustee to so advise the City shall not cause a breach by the Trustee of any of their respective duties and responsibilities hereunder.

(iv) The Trustee shall, without further direction or instruction from the City, provide in a timely manner to the MSRB, notice of any failure by the City while any Bonds are Outstanding to provide to the Trustee, Annual Financial Information on or before the Report Date (whether caused by failure of the City to provide such information to the Trustee by the Submission Date or for any other reason).

(v) If the City provides to the Trustee information relating to the City or the Bonds, which information is not designated as a Material Event Notice, and directs the Trustee to provide such information to the MSRB, the Trustee shall provide such information in a timely manner to the MSRB.

(vi) Any filing under this Letter Agreement may be made solely by transmitting such filing to the MSRB in an electronic format accompanied by identifying information as prescribed by the MSRB.

(e) The continuing obligation hereunder of the City to provide Annual Financial Information, Audited Financial Statements, if any, and Material Event Notices shall terminate immediately once the Bonds no longer are outstanding. This Letter Agreement, or any provision hereof, shall be null and void in the event that the City delivers to the Trustee an opinion of nationally recognized bond counsel to the effect that those portions of the Rule which require this Letter Agreement, or any such provision, are invalid, have been repealed retroactively or otherwise do not apply to the Bonds, provided that the Trustee shall have provided notice of such delivery and the cancellation of this Letter Agreement or any provision hereof to the MSRB.

(f) This Letter Agreement may be amended by the City and the Trustee without the consent of the Bondholders, but only upon the delivery by the City to Trustee of the proposed amendment and an opinion of nationally recognized bond counsel to the effect that such amendment, and giving effect thereto, will not adversely affect the compliance of this Letter Agreement by the City with the Rule and that such amendment complies with this paragraph (f), provided that the Trustee shall have provided notice of such delivery and of the amendment to the MSRB. Any such amendment shall satisfy the following conditions:

(i) The amendment may be made only in connection with a change in circumstances that arises from a change in legal requirements, change in law or change in the identity, nature or status of the City, or type of business conducted;

(ii) This Letter Agreement, as amended, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(iii) The amendment does not materially impair the interest of holders of the Bonds, as determined by nationally recognized bond counsel, or by approving vote of holders of the Bonds pursuant to the terms of the Indenture at the time of the amendment.

The initial Annual Financial Information after the amendment shall explain, in narrative form, the reasons for the amendment and the effect of the change in the type of operating data or financial information being provided.

(g) Any failure by the parties hereto to perform in accordance with this Letter Agreement shall not constitute an “Event of Default” under the Indenture or the Agreement (as defined by the Indenture), and the rights and remedies provided by the Indenture upon the occurrence of an “Event of Default” shall not apply to any such failure. The Trustee shall not have the power or duty to enforce this Letter Agreement. If the City fails to comply herewith, any Bondholder may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the City to comply with its obligations hereunder.

(h) This Letter Agreement shall be governed by and construed in accordance with the laws of the State of Nebraska, provided that to the extent this Letter Agreement addresses matters of federal securities laws, including the Rule, this Letter Agreement shall be construed in accordance with such federal securities laws and official interpretations thereof.

(i) The Trustee shall have only such duties as are specifically set forth in this Letter Agreement, and the City agrees, subject to the availability of appropriations of funds to it therefor and other moneys legally available for the purpose, to indemnify and hold harmless the Trustee from and against any and all claims, damages, losses, liabilities, costs or expenses whatsoever which the Trustee may incur (or which may be claimed against the Trustee by any person or entity whatsoever) arising out of or in the exercise or performance of its powers and duties hereunder, but excluding liabilities due to the Trustee's gross negligence or willful misconduct.

(j) This Letter Agreement shall inure solely to the benefit of the City, the Trustee, the Underwriter, the issuer of the Bonds and the holders from time to time of the Bonds and shall create no rights in any other person or entity.

(k) This Letter Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Signature Page to Follow]

[SEAL]

CITY OF OMAHA, NEBRASKA

ATTEST:

By _____
Mayor

City Clerk

APPROVED AS TO FORM:

City Attorney

Acknowledged and Accepted as of the date first
above written:

BOKF, NATIONAL ASSOCIATION,
as Trustee

By _____
Authorized Officer

APPENDIX D

FORM OF OPINION OF BOND COUNSEL

February 1, 2024

City of Omaha Public Facilities Corporation
City of Omaha Finance Department
Suite 1004
1819 Farnam Street
Omaha, NE 68183

\$20,850,000
CITY OF OMAHA PUBLIC FACILITIES CORPORATION
LEASE REVENUE BONDS
SERIES 2024A

Ladies and Gentlemen:

We have acted as Bond Counsel in connection with the issuance and sale by City of Omaha Public Facilities Corporation, a nonprofit corporation organized under the laws of the State of Nebraska (the “Corporation”), of its Lease Revenue Bonds, Series 2024A (the “Bonds”), on behalf of the City of Omaha, Nebraska (the “City”). The Bonds are issued as fully registered bonds without coupons, and shall have the terms and be subject to redemption as provided in the Indenture (as hereinafter defined).

The Bonds have been issued under and pursuant to the Constitution and laws of the State of Nebraska and in accordance with (i) the provisions of a resolution (the “Resolution”) adopted by the Board of Directors of the Corporation that authorized the issuance of the Bonds and the execution and delivery of a Master Lease-Purchase Agreement dated as of February 1, 2024 (the “Agreement”) by and between the Corporation and the City, a Master Indenture of Trust, as supplemented by a First Supplemental Indenture, each dated as of February 1, 2024 (collectively, the “Indenture”) by and between the Corporation and BOKF, National Association, as trustee (the “Trustee”), one or more Bills of Sale from the City dated as of February 1, 2024 (collectively, the “Bill of Sale”) and a Bond Purchase Agreement dated January 24, 2024 between the Corporation and D.A. Davidson & Co., as underwriter (the “Underwriter”); and (ii) the provisions of Ordinance No. 43220 (the “Ordinance”) passed by the City Council of the City on December 13, 2022, which Ordinance authorized the execution and delivery of the Agreement and the Bill of Sale and approved the Indenture and the terms of and the issuance of the Bonds.

The Bonds are being issued to provide funds for the Corporation to finance certain equipment for use by the City (collectively, the “Project”).

The Corporation has covenanted in the Indenture pursuant to which the Bonds have been issued, and the City has covenanted in the Agreement, to comply with all necessary provisions of the Internal Revenue Code of 1986, as amended (the “Code”), to preserve the exclusion of interest on the Bonds from gross income for federal income tax purposes. Noncompliance by the Corporation or the City with such restrictions may cause the interest on the Bonds to be subject to federal income taxation retroactive to their date of issue.

In connection with the issuance of the Bonds, we have examined the following:

- (a) the Amended and Restated Articles of Incorporation and Bylaws of the Corporation;
- (b) the Resolution;
- (c) the Ordinance;
- (d) an executed counterpart of the Agreement;
- (e) an executed counterpart of the Indenture;
- (f) an executed Bill of Sale;
- (g) the form of Bond; and
- (h) such other proceedings, opinions, records, documents, Code provisions and statutes as we deemed necessary and appropriate in rendering this opinion.

In connection with the issuance of the Bonds, we are of the opinion that:

- 1) The Corporation is a nonprofit corporation validly created and existing in the State of Nebraska.
- 2) The Corporation has the power to issue the Bonds for the purpose and in the manner and to apply the proceeds of the sale of the Bonds as set forth in the Indenture.
- 3) The Agreement has been duly authorized, executed and delivered by the Corporation and, assuming due authorization, execution and delivery by the City, represents a valid and binding agreement of the Corporation and the City, enforceable in accordance with its terms.
- 4) The Indenture has been duly authorized, executed and delivered by the Corporation and, assuming due authorization, execution and delivery by the Trustee, represents the valid and binding agreement of the Corporation and the Trustee, enforceable in accordance with its terms.
- 5) The Bonds are in proper form and have been executed by proper officers of the Corporation. The Bonds constitute valid and legally binding obligations of the Corporation payable, as to principal and interest, solely and only from the Rental Payments and, in particular, from the Basic Rent (as those terms are defined in the Agreement) from the City's use of the Project.
- 6) The Rental Payments payable by the City under the terms of the Agreement are general obligations of the City and are payable from the City's General Fund each year of the term of the Agreement on the same basis as operating expenses and other contractual obligations of the City. Rental Payments are payable out of the funds of the City which may be raised, among other sources, by taxes levied by valuation on all the taxable property within the boundaries of the City and by sales taxes, subject to applicable taxing limitations.
- 7) The Agreement represents an unconditional obligation of the City and is not subject to annual renewal.

8) The obligations of the parties and the enforceability of the provisions contained in the Agreement, the Indenture and the Bill of Sale relating to the parties may be subject to general principles of equity which permit the exercise of judicial discretion and are subject to bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting creditors' rights generally.

9) It is also our opinion that, under existing laws, regulations, rulings and judicial decisions, interest on the Bonds is excludable from gross income for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax imposed on individuals. Interest on the Bonds may affect the federal alternative minimum tax imposed on certain corporations.

10) The accrual or receipt of interest on the Bonds may otherwise affect the federal income tax liability of the owners of the Bonds. The extent of these other tax consequences will depend on such owners' particular tax status and other items of income or deduction. Bond Counsel has expressed no opinion regarding any such consequences. Purchasers of the Bonds, particularly purchasers that are corporations (including S corporations, foreign corporations operating branches in the United States of America, and certain corporations subject to the alternative minimum tax imposed on corporations), property or casualty insurance companies, banks, thrifts or other financial institutions, certain recipients of social security or railroad retirement benefits, taxpayers entitled to claim the earned income credit, taxpayers entitled to claim the refundable credit in Section 36B of the Code for coverage under a qualified health plan or taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, should consult their tax advisors as to the tax consequences of purchasing or owning the Bonds.

11) It is further our opinion that, under the existing laws of the State of Nebraska, interest income on the Bonds is exempt from Nebraska state income taxation as long as it is exempt for purposes of the federal income tax.

We express no opinion as to the title to, or the sufficiency in, the Agreement, the Indenture, the Bill of Sale or otherwise of the description of the Project or the priority of any liens, charges or encumbrances related to the Project.

Very truly yours,

[To be signed and delivered at Closing by
Kutak Rock LLP]