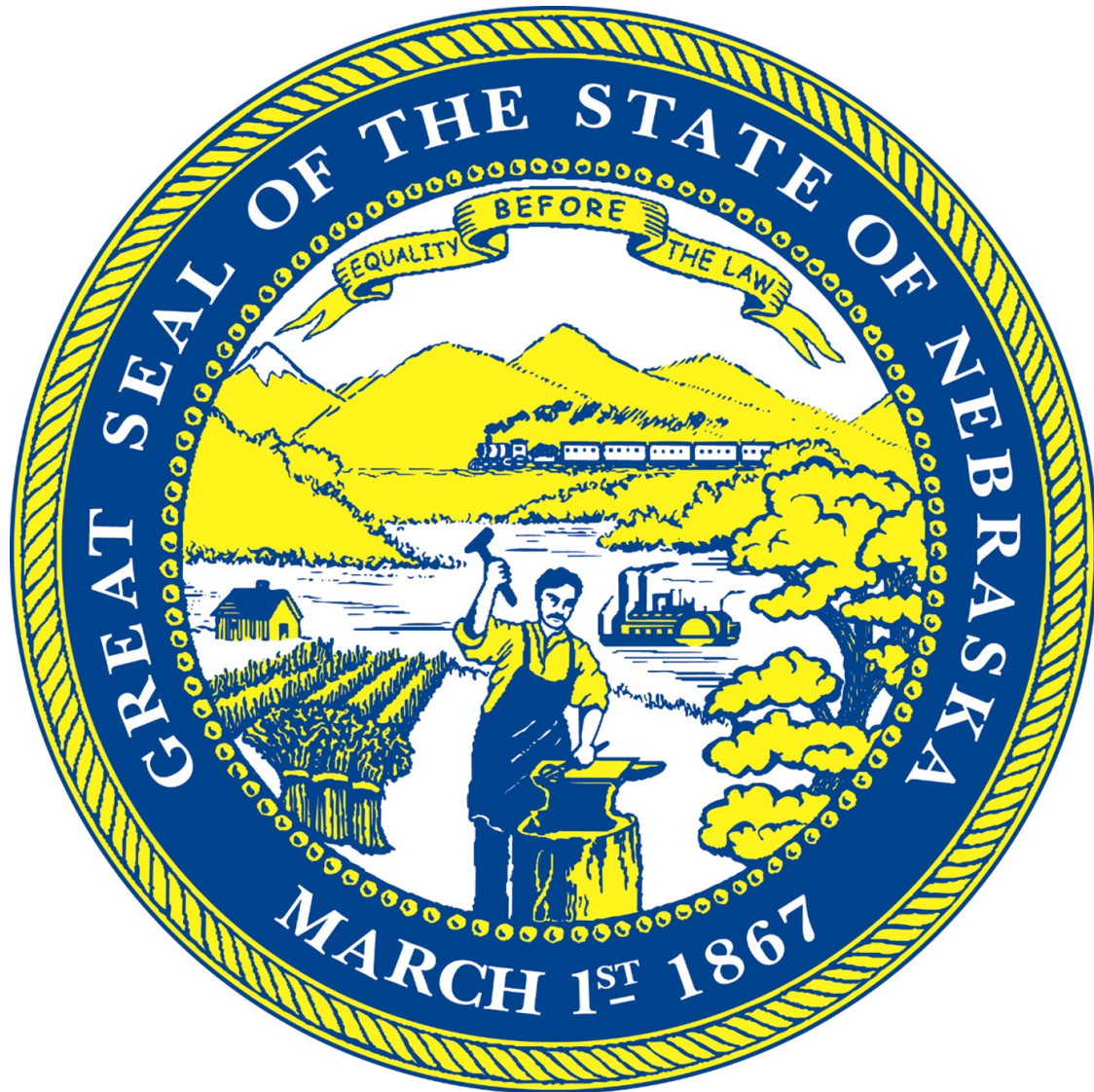


State of Nebraska

Annual Comprehensive Financial Report

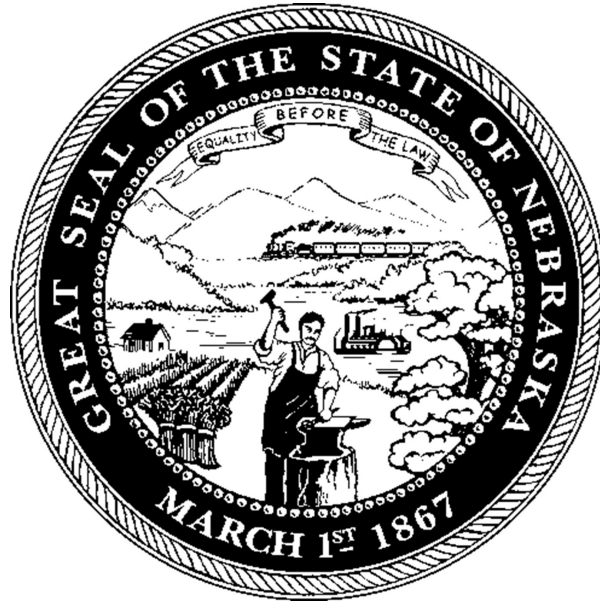
Fiscal Year Ended June 30, 2024



State of Nebraska

Annual Comprehensive Financial Report

Year Ended June 30, 2024



Jim Pillen

Governor

Administrative Services

Lee Will

Director

Philip Olsen

State Accounting Administrator

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Year Ended June 30, 2024

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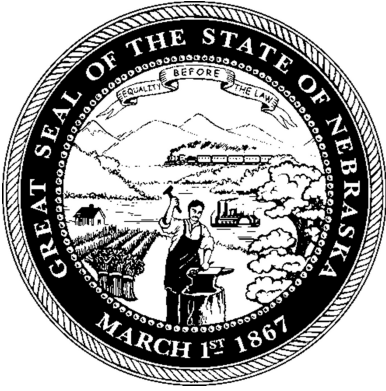
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INTRODUCTORY SECTION

SELECTED STATE OFFICIALS

As of June 30, 2024

EXECUTIVE

Jim Pillen

Governor

Joe Kelly

Lieutenant Governor

Mike Hilgers

Attorney General

Mike Foley

Auditor of Public Accounts

Robert B. Evnen

Secretary of State

Tom Briese

State Treasurer

JUDICIAL

Supreme Court of Nebraska

Michael G. Heavican, Chief Justice

William B. Cassel, Justice

Jeffrey J. Funke, Justice

Jonathan J. Papik, Justice

Lindsey Miller-Lerman, Justice

Stephanie F. Stacy, Justice

John R. Freudenberg, Justice

LEGISLATIVE

John Arch

Speaker of the Legislature

Nebraska Unicameral (49 Senators)



Jim Pillen, Governor

December 18, 2024

The Honorable Jim Pillen, Governor
Members of the Legislature
Citizens of the State of Nebraska

We are pleased to present the Annual Comprehensive Annual Financial Report (ACFR) of the State of Nebraska (the “State”) for the fiscal year ended June 30, 2024. This report is the primary means of reporting the State government’s financial activities. The ACFR is presented in three sections. (1) The Introductory Section contains this letter of transmittal and some information about the State and its operations. (2) The Financial Section contains Management’s Discussion and Analysis, Government Wide Financial Statements, Fund Financial Statements for Governmental Funds, Proprietary Funds, Fiduciary Funds, and Combining Statements for Major Component Units. The Financial Section also includes the Notes to the Financial Statements, Required Supplementary Information and various combining statements. (3) The Statistical Section contains selected financial and demographic information, generally presented on a multi-year basis.

The ACFR consists of management’s representations concerning the finances of the State of Nebraska. The State Accounting Division of Administrative Services assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the State 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 State’s financial statements in conformity with Generally Accepted Accounting Principles (GAAP) for governments. Because the cost of internal controls should not outweigh their benefits, the State’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 State of Nebraska’s financial statements have been audited by the State of Nebraska Auditor of Public Accounts. The goal of the independent audit was to provide reasonable assurance that the financial statements of the State for the fiscal year ended June 30, 2024 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 an unmodified opinion that the State’s financial statements for the fiscal year ended June 30, 2024 are fairly presented in conformity with Accounting Principles Generally Accepted in the United States of America (GAAP). The independent auditor’s report is presented as the first component of the financial section of this report.

Philip J. Olsen, CPA
Administrator
Department of Administrative Services | STATE ACCOUNTING
P.O. Box 946
Lincoln, Nebraska 68509-46

1526 K Street, Ste.
Lincoln, Nebraska 68508

OFFICE 402-471-258

The independent audit of the financial statements of the State 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 available in the State’s separately issued Single Audit Report.

The ACFR has been prepared in conformance with Governmental Accounting Standards Board (GASB) statements 34 and 35, and other related statements. This reporting model’s objective is to provide a clear picture of the government as a single, unified entity as well as providing traditional fund based financial statements.

GAAP require 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 State’s MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE GOVERNMENT

The State was admitted to the Union as the thirty-seventh state in 1867. Nebraska’s government is divided into three branches: legislative, executive and judicial. Nebraska is the only state with a Unicameral Legislature, which has 49 members elected on a non- partisan ballot. The chief executive is the governor, who is elected for a four-year term. Within the executive branch are various departments and agencies that perform a variety of functions. Since Nebraska’s Constitution generally allows no indebtedness, government expenses of such departments and agencies must be met on a pay-as-you-go basis. The State provides a full range of services including: the construction and maintenance of highways and infrastructure, education, social and health services, public safety, conservation of natural resources, economic development, and recreation facilities and development. An organizational chart of the State is shown on page 12.

The State reporting entity reflected in this ACFR is described more fully in Note 1.B. to the financial statements. It should be noted that the reporting entity includes the familiar government activities plus two component units, the University of Nebraska and the State College System.

Budgetary control of state expenditures is maintained chiefly by three processes. First, a budget is required to be adopted through passage of appropriation bills by the Legislature. Second, the appropriated funds are allocated by program and fund type and are controlled by the executive branch through an allotment process. The Legislature may also enact a supplemental appropriation bill and other appropriation bills as it deems necessary. Finally, the State’s accounting system checks each expenditure to ensure the appropriation and allotment are not exceeded.

Budget-to-actual comparisons are provided in this ACFR for various categories of General Fund revenues and appropriated annual budgets. This comparison is presented on page 117 as part of the Required Supplementary Information to the basic financial statements for the governmental funds. Budget-to-actual comparisons for Cash Funds, Construction Funds, Federal Funds, and Revolving Funds are also presented as Other Information on pages 195 through 198.

FACTORS AFFECTING FINANCIAL CONDITION

In order to better understand the information presented in the basic financial statements, such information should be considered from the broader perspective of the specific environment within which the State operates.

Current Revenue Outlook

The General Fund operations of the State are almost entirely dependent upon the income and sales taxes the State receives each year. Such taxes represent 94% of all General Fund revenues. Net revenue from income taxes and sales taxes for the fiscal year ended June 30, 2024 increased \$433 million from the prior year.

The current forecast for fiscal year 2025 anticipates net receipts in the General Fund to decrease about \$821 million, an 11.5% decrease over fiscal year 2024.

Significant changes in other governmental funds include an increase in federal revenue to support Coronavirus relief efforts. On March 11, 2021 the American Rescue Plan Act, P.L.117-2 (ARPA Act) was enacted. In that law, Nebraska was allocated \$1.04 billion through the Coronavirus State Fiscal Recovery Fund, \$129 million through the Coronavirus Capital Projects Fund, \$50 million through the Homeowners Assistance Fund, and \$48 million through the 2nd Emergency Rental Assistance Program. In fiscal year 2024, \$268 million was recognized as revenue in the federal fund for these ARPA funds.

For the fiscal year ending June 30, 2024 the State's General Fund ended the fiscal year with a cash and investments balance of \$4,462 million. The balance had exceeded \$1 billion dollars for the prior four years.

Economy of the State

Data from the U.S Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, U.S. Department of Labor, the Federal Reserve Bank of Kansas City, and the Nebraska Economic Forecasting Advisory Board was used to update statistics on the economy of the State. In September 2024 the unemployment rate was 2.7% which ranks the fifth lowest nationally and is up 0.2% year-over-year. The Midwest Consumer Price Index was up 2.6% year-over-year in October 2024, equally compared to 2.6% nationally. Personal income in the 2nd quarter of 2024 increased 6.6% year-over-year, exceeding the national trend of 5.3%. Personal income growth is expected to grow at a slower pace in 2025 ranging from an expected 4.5% to 4.7% growth. Farm earnings increased by .72% year-over-year while earnings in the healthcare, professional/scientific/technical, utilities, and manufacturing sectors saw increases of .68%, .61%, .62% and .60% respectively. Real gross domestic product rate change in the second quarter of 2024 was 5.3%, which exceeded the national trend of 3.0%. The increase is driven mostly by an increase of 1.87% in the agriculture sector.

Long-term Financial Planning

The State is always looking at least four years out in its analysis of the financial condition of the State in preparing the State's budgets. Currently, we have a working model of the biennium budget for fiscal years 2024 and 2025. In our analysis, we use forecasting models for revenues and then examine major expenditure categories, especially those that have a trend of outpacing revenues. Revenues for fiscal years 2025, 2026, and 2027 are projected to increase by 2.7%, 5.6%, and 3.6% respectively on a nominal basis. Note that revenue projections include receipts of one-time transfers which could influence growth rates.

Higher than projected tax receipts have historically boosted state revenue. By operation of law, any revenue above the certified forecast is used to rebuild the cash reserve, which is intended to supplement weak revenue during recessionary periods. The potential for relatively large annual growth in expenditures for aid to education, health and human services aid programs and provider rates, Medicaid and Medicaid expansion presents a challenge in preparing a budget that keeps expenses within projected revenue. Additionally, growth in the prison population continues to present complex challenges to controlling operating costs and capital asset improvements. To ensure a balanced budget, the State exerts considerable time and effort in reviewing the trends of future revenues and expenditures.

Major Initiatives

Major initiatives focus on tax relief of nearly \$1.5 billion through cuts to property taxes, personal and business income tax, and a full exemption of Social Security income. Another major initiative is investing in K-12 education to include hiring more teachers, special education, providing a minimum of \$1,500 per student through the state funding formula, in addition to taking community colleges off property tax rolls.

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 State for its annual comprehensive financial report for the fiscal year ended June 30, 2023. 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 one year only. 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 GFOA to determine its eligibility for another certificate.

The 2024 ACFR continues our commitment to comprehensive disclosure of the State's financial condition. We are committed to issuing reports that are informative and meet governmental accounting standards. Reports that meet these standards provide the reader with an opportunity to make more informed judgments about the government's financial position and results of operations.

This report represents the continuous effort on our part to fulfill this commitment. We wish to express our appreciation to the accounting staff of the State Accounting Division of Administrative Services and the budget and accounting staff throughout State government for their assistance in the preparation of this report.

Questions or requests for additional information related to this report can be directed to the State Accounting office at (402) 471-2581.

Respectfully submitted,

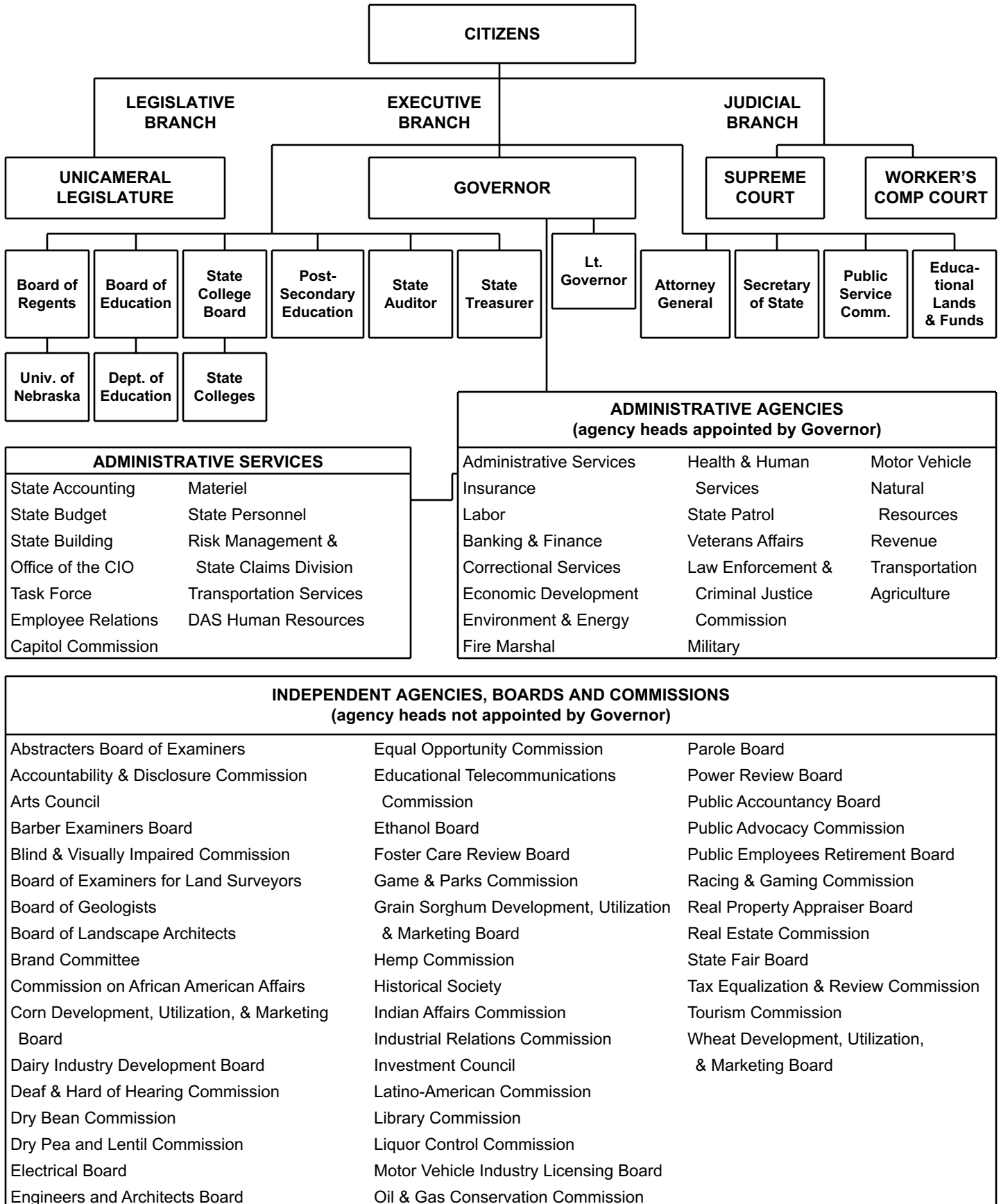


Lee Will
Director, Administrative Services



Philip J. Olsen
State Accounting Administrator

Nebraska State Government Organization Chart





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

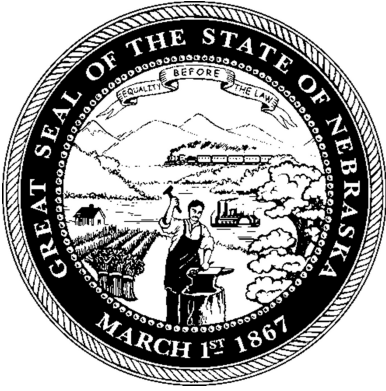
State of Nebraska

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO



FINANCIAL SECTION



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

Mike Foley
State Auditor

Mike.Foley@nebraska.gov
PO Box 98917
State Capitol, Suite 2303
Lincoln, Nebraska 68509
402-471-2111, FAX 402-471-3301
auditors.nebraska.gov

Independent Auditor's Report

The Honorable Governor,
Members of the Legislature and
Citizens of the State of 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 State of Nebraska, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the State of Nebraska's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditors, 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 State of Nebraska, as of June 30, 2024, 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.

We did not audit the financial statements of the University of Nebraska Foundation, the University of Nebraska Facilities Corporation, the University Technology Development Corporation, the University Dental Associates, the UNeHealth, the UNMC Science Research Fund, the Nebraska Utility Corporation, the Nebraska State College System Foundations, the Nebraska State Colleges Facilities Corporation, and the activity of the Nebraska State College System Revenue and Refunding Bond Program, which represent 47%, 36%, and 25%, respectively, of the assets and deferred outflows of resources, net position or fund balances, and revenues of the aggregate discretely presented component units as of June 30, 2024. Lastly, we also did not audit the financial statements of the College Savings Plan and Enable Savings Plan which represent 18%, 20%, and 18%, respectively, of the assets and deferred outflows of resources, net position or fund balances, and revenues of the aggregate remaining fund information as of June 30, 2024. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the aggregate discretely presented component units and aggregate remaining fund information for the College Savings Plan and Enable Savings Plan is based solely on the reports of the other auditors.

Basis for Opinions

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

in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

The financial statements of the University of Nebraska Foundation, the University of Nebraska Facilities Corporation, the University Technology Development Corporation, the University Dental Associates, the UNeHealth, the UNMC Science Research Fund, the Nebraska Utility Corporation, the State Colleges Foundations, the activity of the Nebraska State College System Revenue and Refunding Bond Program and the Nebraska State Colleges Facilities Corporation were not audited in accordance with *Government Auditing Standards*.

Emphasis of Matter

As discussed in Note 1 to the financial statements, in fiscal year 2024, the State of Nebraska adopted new accounting guidance for reporting accounting changes and error corrections in Governmental Accounting Standards Board (GASB) Statement No. 100, *Accounting Changes and Error Corrections*. Additionally, as discussed in Note 17 to the financial statements, the beginning balances have been adjusted to correct misstatements. Our opinions were 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 State of Nebraska's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 State of Nebraska's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the State of Nebraska's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 19 through 32, the Budgetary Comparison Schedule – General Fund on pages 117 through 119, the Information about Infrastructure Assets Reported Using the Modified Approach on pages 120 through 121, the Required Supplementary Information about Pension Plans on pages 122 through 154, and the Information About Other Postemployment Benefit Plans on pages 156 through 160 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the State of Nebraska's basic financial statements. The combining financial statements 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 financial statements are 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 comprehensive financial report. The other information comprises the introductory section, budgetary comparison schedules – other than the General Fund and the statistical section 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 December 18, 2024, on our consideration of the State of 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. That report will be issued under separate cover in the State of Nebraska's Single Audit Report. The purpose of that report

is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the State of Nebraska's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the State of Nebraska's internal control over financial reporting and compliance.



Kris Kucera, CPA, CFE
Assistant Deputy Auditor

Lincoln, Nebraska
December 18, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management of the State of Nebraska provides the following discussion and analysis of the State of Nebraska's financial performance, as reflected in the Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2024. Please read it in conjunction with the additional information furnished in the letter of transmittal at the front of this report, and with the State's basic financial statements. Numerical years refer to fiscal years with a June 30 year-end, unless otherwise noted.

A comparative analysis of government-wide data for the last two years is presented below. Additionally, an analysis of activity in the State's funds for the fiscal year ended June 30, 2024 is presented, along with an analysis of the State's capital assets and long-term debt related to capital assets. These analyses include the restatement of certain balances for fiscal year ended June 30, 2024 as more fully described in Note 17 to the financial statements. These analyses also take into account restatements of certain balances for fiscal year ended June 30, 2023, presented for MD&A purposes including explanations of changes in the State's funds.

FINANCIAL HIGHLIGHTS

Government-wide

The assets and deferred outflows of the State exceeded its liabilities and deferred inflows at June 30, 2024 by \$21.4 billion (presented as "net position" in the ACFR). The majority of the net position is represented by the investment in the State's infrastructure and other capital assets which cannot be used to fund ongoing activities of the State. Of the net position, unrestricted net position was reported as \$4.6 billion, most of which is available to be used to fund future needs of the State. The primary government's net general revenues, contributions and transfers exceeded net expenses for 2024 resulting in an increase in net position of \$1,217 million. This increase in net position follows an increase in 2023 of \$1,293 million.

Fund Level

General Fund revenues for 2024 were \$719 million above the original budgeted amount and less than the final budget by \$11 million. Expenditures were \$472 million less than the original budgeted amount and below the final budget by \$438 million. On a Generally Accepted Accounting Principles (GAAP) basis, the General Fund had \$498 million excess in revenues prior to net other financing uses of \$14 million causing an increase in fund balances of \$513 million, and thereby increasing the fund balance on June 30, 2024 to \$4,141 million. Other governmental funds revenues exceeded expenditures by \$331 million, chiefly due to market changes. In addition to these operating changes, other governmental funds received \$122 million in other financing sources. This \$452 million net increase resulted in raising such fund balances at June 30, 2024 to \$6,525 million.

The \$519 million of net position of the Unemployment Insurance Fund represents 87% of the enterprise funds. Such fund had a \$53 million decrease in net position for 2024 compared to a \$18 million increase in 2023, a decrease in growth of \$71 million. Unemployment claims paid out exceeded business assessment fees and Federal revenues in 2024. Business assessment fees from employers were up 12.2% from 2023. Federal operating and nonoperating decreased \$12 million from 2023.

Long-term Liabilities

Long-term liabilities shown on the government-wide financial statements totaled \$1,251 million at June 30, 2024, which is a \$66 million increase from the prior year, primarily due to the State's construction and pollution remediation payables and a decrease in the State's pension liability. The remaining liabilities consist of Medicaid liability, claims payable for workers' compensation, medical excess liability, lease liability, certificates of participation, unemployment insurance and employee health insurance, in addition to the calculated amount for accrued vacation and vested sick leave due to employees when they retire. After a retired employee reaches the age of 65, the State has no further obligation for other post-employment benefits, except for a very small number of employees.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the State's financial statements. The State's basic financial statements include three components: government-wide financial statements, fund financial statements and notes to the financial statements. This ACFR also contains other supplementary information (e.g., budgetary schedules and combining financial statements) in addition to the basic financial statements. These components are described below.

Government-wide Financial Statements

These statements provide a broad view of the State's operations in a manner similar to the private sector, providing both a short-term and a long-term view of the State's financial position. The statements are prepared using the accrual basis of accounting. This means all revenues and expenses related to the fiscal year are recorded in the statements, even if cash has not been received or paid. If taxes are owed to the State but not yet received, such transaction is recorded as an asset (a receivable) and revenue to the State. Likewise, if the State owes for vacation time but has not yet paid the worker for such vacation earned, then the liability and payroll expense are recorded. The government-wide financial statements include two statements, the Statement of Net Position and the Statement of Activities.

The *Statement of Net Position* (page 35) presents all the State's assets and liabilities with the difference between the two reported as "net position." Changes in net position over time may indicate the relative health of the State and this statement will assist users in assessing whether or not the State's financial position is improving or deteriorating.

The *Statement of Activities* (pages 36 and 37) presents information showing how the State's net position changed during the reported year. All changes in net position are reported as soon as the underlying events giving rise to the changes occur, regardless of the timing of related cash flows, using the accrual basis of accounting discussed earlier.

Both of these statements have separate sections for three different types of State programs or activities. These sections are: Governmental Activities, Business-type Activities and Discretely Presented Component Units. Governmental Activities and Business-type Activities are combined to report on what is termed Primary Government activities, which is separate and distinct from the activity of the component units. Fiduciary Funds, which include the Pension Trust Funds, are not included in the government-wide financial statements.

Primary Government

GOVERNMENTAL ACTIVITIES – Activities in this section are mostly supported by taxes and federal grants. All General Fund activity is included here. Of the Governmental activities, program revenue, expenses and governmental assets represent 97% of all activity of the primary government.

BUSINESS-TYPE ACTIVITIES – Functions reported in this section include those activities whereby the State charges fees and other charges to external users of the State's services and purchasers of State's goods in order to recover all or a significant portion of the State's operating costs related to these activities, much like a private business. Such activities are unemployment insurance services, lottery tickets, premium surcharges for excess liability coverage and the sales and services provided by Cornhusker State Industries.

Component Units

DISCRETELY PRESENTED COMPONENT UNITS – These are separate entities for which the State has financial accountability (in which the State provides over one-fifth of their funding) but such organizations have independent qualities as well. The University of Nebraska and the Nebraska State College System are the State's only two discretely presented component units. While presented in this report, each of these two units have separate audited financial statements and such audited reports can be obtained from their respective administrative offices.

The government-wide financial statements can be found immediately following this discussion and analysis.

Fund Financial Statements

This is the second set of financial statements presented in the ACFR. These statements are different from the government-wide statements in that some of these statements use a different accounting approach and focus on the near-term inflows and outflows of the State's operations. As previously noted, these Statements are commonly referred to as GAAP Fund Statements, as they are prepared in accordance with generally accepted accounting principles. The Fund Financial Statements (which begin on page 38) provide detailed information about the State's major funds. A fund is a method of accounting that uses a set of accounts to maintain accountability and control over specific sources of funding and spending for a particular activity or objective. The State's funds are divided into three categories: Governmental Funds, Proprietary Funds and Fiduciary Funds. It is important to note that each of these three fund categories use different accounting approaches and should be analyzed differently.

Governmental Funds Financial Statements – Most of the basic services provided by the State are reported in the governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, the governmental funds financial statements use modified accrual accounting, which limits assets to cash and all other financial assets that can readily be converted into cash. This is different from the governmental activities recorded in the government-wide financial statements that use full accrual accounting. These fund statements provide a detailed short-term view of the State's finances that assist the reader in determining whether or not there will be adequate financial resources to meet the current needs of the State.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, the reader can better understand the long-term impact of the State's near-term financing decisions. To aid the reader in such analysis, reconciliations are provided between the government-wide financial statements and the governmental funds financial statements (see pages 39 and 41).

The State of Nebraska's governmental funds include five major funds: the General Fund, the Highway Fund, the Federal Fund, the Health and Social Services Fund and the Permanent School Fund. Non-major special revenue, capital project and other permanent funds are also included in the governmental funds.

Proprietary Funds Financial Statements – These funds are used to show activities that operate more like those of commercial enterprises. Thus, when the State charges for the services it provides, these services are generally reported in proprietary funds. Proprietary funds consist of both Enterprise Funds (services provided to outside customers) and Internal Service Funds (services provided to other State agencies). Proprietary funds utilize accrual accounting, the same method used by private businesses. Therefore, the net position reported in these statements as Enterprise Funds will be identical to the net position reported in the net position for business-type activities in the government-wide financial statements. However, because the Internal Service Funds predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Fiduciary Funds Financial Statements – Whenever the State receives funds on behalf of others, it is acting in a fiduciary capacity or trustee of those funds. Thus, assets in these funds are restricted as to use and do not represent discretionary assets that the State could use to finance its operations. They are presented in these statements only for the purpose of showing that the State has responsibility for these assets. For that reason, such assets are not included in the government-wide financial statements. Fiduciary funds are reported on the accrual basis of accounting.

The State's principal fiduciary fund is the Pension Trust Fund, which contains retirement contributions held by the State for state employees, county employees and public school employees (see Note 13 to the financial statements). The Investment Trust Fund includes investments held in trust for the Omaha School Employees' Retirement System. There are also Private-Purpose Trust Funds whereby the State has control of unclaimed property and contributions from State participants received by the College Savings Plan. The State also has Custodial Funds whereby the State collects funds for other governments or individuals.

Component Units Financial Statements – As mentioned in the discussion of the government-wide financial statements, the State has included the net position and activities of the University of Nebraska and the Nebraska

State College System in a single column of such statements, labeling them as discretely presented component units. We have provided separate component unit statements to allow the reader to analyze each of these two units separately beginning on page 48.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in all of the basic financial statements. The notes can be found immediately following the component units' financial statements beginning on page 51.

Required Supplementary Information

Following the basic financial statements and the accompanying notes thereto is additional Required Supplementary Information that further explains and supports the information in such financial statements. The required supplementary information includes a budgetary comparison schedule that reconciles the statutory fund balance used for budgetary purposes to the fund balance determined by GAAP used in the Fund Financial Statements. Other information included are the condition and maintenance data regarding certain aspects of the State's infrastructure and certain pension and OPEB plan actuarial information.

Other Information and Supplementary Information

Other information includes the budgetary comparison schedules for Cash Funds, Construction Funds, Federal Funds and Revolving Funds. Also presented is an introductory section and statistical section providing State data. Supplementary information includes combining statements for non-major governmental, proprietary and fiduciary funds. These funds are summarized by fund type and presented in single columns in the basic financial statements but are not reported individually, as with major funds, on the Governmental Fund Financial Statements.

FINANCIAL ANALYSIS OF THE STATE AS A WHOLE

Net Position

The State's assets and deferred outflows of resources totaled \$28,313 million at June 30, 2024 as compared to \$25,595 million at June 30, 2023. Total liabilities and deferred inflows of resources totaled \$6,923 million, and net position amounted to \$21,390 million as of June 30, 2024. As of June 30, 2023, these amounts were \$5,422 million and \$20,173 million, respectively. By far the largest portion of the State of Nebraska's net position (48 percent) reflects the State's investment in capital assets (e.g., land, buildings, equipment and infrastructure – highways, bridges, dams, etc.). The State uses these capital assets to provide services to citizens, thus, these assets are not available for future spending.

Restricted net position is subject to external restrictions, constitutional provisions or enabling legislation on how it can be used. It is also not available for future general government spending.

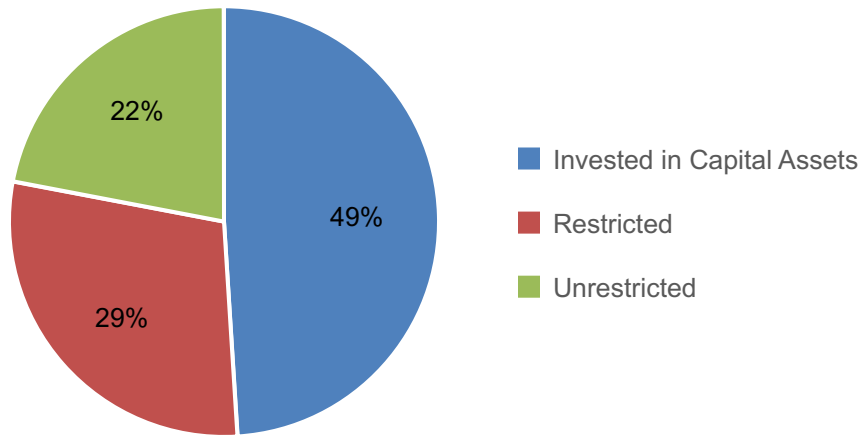
For Governmental Activities other than capital assets, the majority of the restricted net position consists of the Permanent School Trust, the Tobacco Settlement Trust, the Intergovernmental Trust, the Department of Transportation cash funds and the loans to political subdivisions for drinking water and clean water projects.

The net position for business-type activities primarily represent cash set aside for future unemployment insurance benefits.

STATE OF NEBRASKA
Net Position as of June 30
(in millions of dollars)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Current and Other						
Non-current Assets	\$ 16,351	\$ 13,832	\$ 712	\$ 748	\$ 17,063	\$ 14,580
Capital Assets	10,421	10,004	11	11	10,432	10,015
Total Assets	26,772	23,836	723	759	27,495	24,595
Deferred Outflows of Resources	818	1,000	–	–	818	1,000
Non-current Liabilities	1,201	1,136	50	49	1,251	1,185
Other Liabilities	4,997	3,554	77	63	5,074	3,617
Total Liabilities	6,198	4,690	127	112	6,325	4,802
Deferred Inflows of Resources	598	620	–	–	598	620
Net position:						
Net Investment in						
Capital Assets	10,151	9,917	10	10	10,161	9,927
Restricted	6,079	5,394	521	575	6,600	5,969
Unrestricted	4,564	4,215	65	62	4,629	4,277
Total Net Position (as restated)	\$ 20,794	\$ 19,526	\$ 596	\$ 647	\$ 21,390	\$ 20,173

**Governmental Activities Net
Position - Total \$20,794**



Approximately 82% of the State's non-capital assets consist of cash and investments. It should be noted that \$1,908 million in 2024 and \$274 million in 2023 of such assets represent "Securities Lending Collateral," an amount established in accordance with GASB guidelines to record a lending transaction. Since the asset is offset by a corresponding equal liability, the effect on net position is zero and thus the asset cannot be spent. For more detail, see Note 2 to the financial statements. Receivables, primarily from taxes and the federal government, represent 17% of the non-capital assets.

Liabilities largely reflect three groupings which represent 99% of total State liabilities, not including the obligations under securities lending explained in the above paragraph. These are operational payables, which consist of accounts payable and accrued liabilities totaling \$2,417 million in 2024 (\$2,736 million in 2023), tax refunds payable of \$697 million (\$680 million in 2023) and long-term payables, discussed in the following paragraph.

Since the State's Constitution generally prohibits the State from incurring debt, the Statement of Net Position presents long-term liabilities (shown as noncurrent liabilities), which total \$1,251 million in 2024 (\$1,185 million in 2023). Such liabilities include claims payable for workers' compensation, employee health insurance, medical excess liability, and unemployment insurance totaling \$156 million in 2024 (\$160 million in 2023), Medicaid claims for \$256 million in 2024 (\$241 million in 2023), pollution remediation liability for \$40 million in 2024 (\$32 million in 2023), construction payable of \$220 million in 2024 (\$243 million in 2023), the State's liability for pension funds of \$306 million in 2024 (\$494 million in 2023), the State's lease & subscription liabilities totaling \$62 million (\$54 million in 2023), and the calculated amount for vested sick leave, comp time, and accrued vacation due to employees when they leave employment with the State of \$161 million in 2024 (\$148 million for 2023). Other minor amounts of long-term liabilities consist of the State's liability for OPEB of \$26 million in 2024 (\$27 million in 2023) and certificates of participation, which totaled \$24 million at June 30, 2024, compared to \$33 million at June 30, 2023. See Note 7 to the Financial Statements for more detail.

The \$1,268 million increase in net position of Governmental Activities for 2024, was due to a \$234 million increase in the net investment in capital assets, a \$685 million increase in restricted net position, and a \$349 million increase in unrestricted net position. Additionally, there was a \$546 million increase in taxes collected.

At the end of June 30, 2024, the State reported a positive balance in all of the three categories of net position.

Changes in Net Position

The condensed financial information was derived from the Government-Wide Statement of Activities and reflects how the State's net position changed during the year. Following that table is management's analysis of the changes in net position for 2024, analyzing both the governmental activities and the business-type activities.

STATE OF NEBRASKA
CHANGES IN NET POSITION FOR THE YEAR ENDED JUNE 30
(in millions of dollars)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
REVENUES						
Program Revenues						
Charges for Services	\$ 843	\$ 1,039	\$ 335	\$ 337	\$ 1,178	\$ 1,376
Operating Grants and Contributions	5,700	5,419	-	12	5,700	5,431
Capital Grants and Contributions	32	47	-	-	32	47
General Revenues						
Taxes	7,716	7,170	-	-	7,716	7,170
Unrestricted Investment Earnings	632	376	22	10	654	386
Miscellaneous	5	2	-	-	5	2
Total Revenues	14,928	14,053	357	359	15,285	14,412
EXPENSES						
General Government	1,004	952	-	-	1,004	952
Conservation of Natural Resources	233	213	-	-	233	213
Culture - Recreation	59	60	-	-	59	60
Economic Development and Assistance	387	243	-	-	387	243
Education	2,686	2,146	-	-	2,686	2,146
Higher Education - Colleges and Universities	765	741	-	-	765	741
Health and Social Services	6,254	6,198	-	-	6,254	6,198
Public Safety	734	654	-	-	734	654
Regulation of Business and Professions	180	155	-	-	180	155
Transportation	1,511	1,502	-	-	1,511	1,502
Interest on Long-term Debt	2	1	-	-	2	1
Unemployment Insurance	-	-	90	80	90	80
Lottery	-	-	165	165	165	165
Excess Liability	-	-	11	20	11	20
Cornhusker State Industries	-	-	16	18	16	18
Total Expenses	13,815	12,865	282	283	14,097	13,148
Excess/(Deficiency) Before Transfers and Contributions: Permanent Fund Principal	1,113	1,188	75	76	1,188	1,264
Net Transfers In (Out)	126	56	(126)	(56)	-	-
Contributions: Permanent Fund Principal	29	29	-	-	29	29
Increase/(Decrease) in Net Position	1,268	1,273	(51)	20	1,217	1,293
Net Position - Beginning (as restated)	19,526	18,253	647	627	20,173	18,880
Net Position - Ending	\$ 20,794	\$ 19,526	\$ 596	\$ 647	\$ 21,390	\$ 20,173

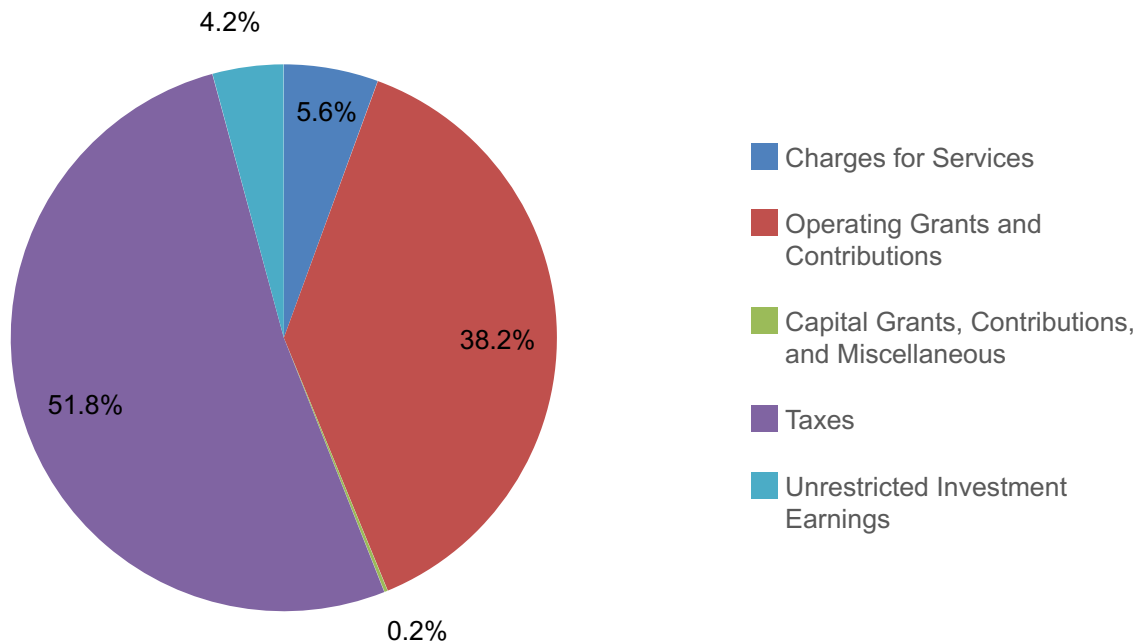
Governmental Activities

Governmental activities increased the State's net position by \$1,268 million in 2024 (\$1,273 million increase in 2023) and represent 98% of all primary government revenues. Program revenues from governmental activities were \$6,575 million and were used to partially offset program expenses of \$13,815 million, leaving net expenses of \$7,240 million. Only 7% of total expenses were incurred for general government services. General revenues from taxes, investment earnings, and miscellaneous sources, plus contributions to the permanent fund principal and transfers, totaling \$8,508 million, were \$1,268 million more than the remaining costs of the governmental activities' programs as shown below.

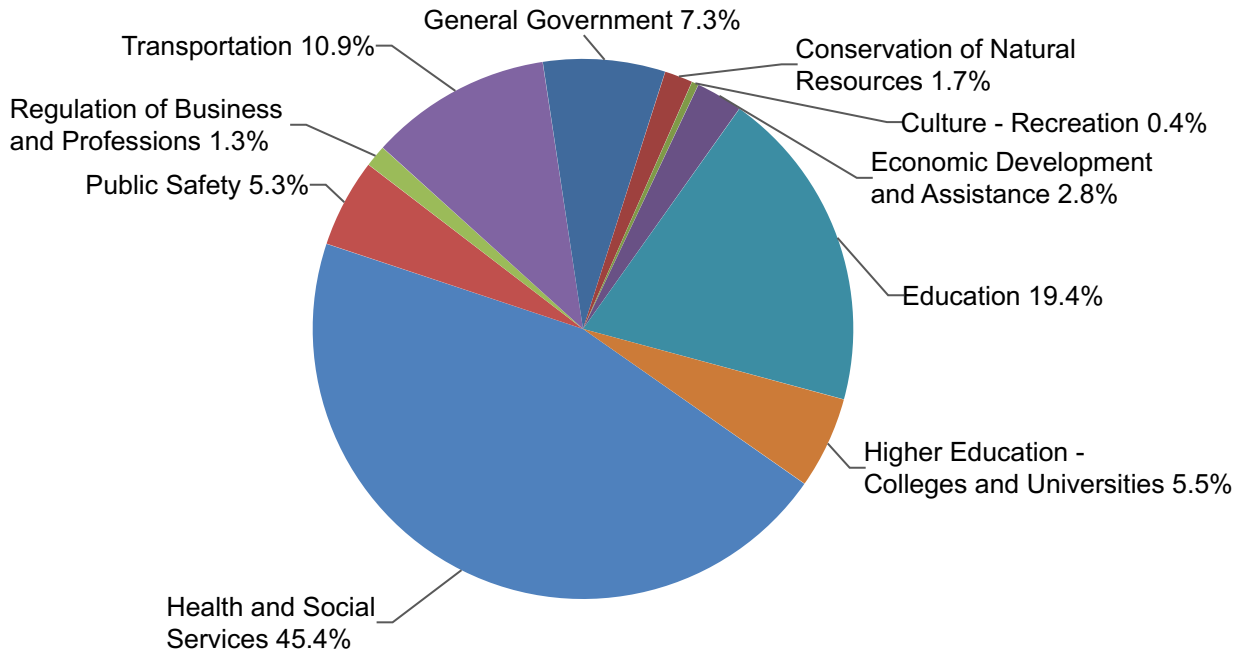
Tax revenues were up \$546 million from 2023, compared to a decrease of \$87 million in 2023 over 2022. Program revenues increased 1.1% from 2023. Increases in education, economic development and assistance, and public safety contributed to the \$950 million increase in program expenses. The change in Net Position decreased \$5 million from 2023 to 2024 compared to the \$153 million decrease from 2022 to 2023. Unrestricted investment earnings for governmental activities increased by \$256 million from 2024 from 2023 due to the changes in the market value of the underlying investments.

STATE OF NEBRASKA
Governmental Activities
As of June 30, 2024

Revenues - Total \$14,928 million



Expenses - Total \$13,815 million



Four functional areas of the State comprise 81% of the expenses of all Governmental Activities: Education, Public Safety, Health and Social Services, and Transportation. Education expenses were up \$540 million, Public Safety was up \$80 million, Health and Social Services was up \$56 million, and Transportation expenses were up \$9 million. Other increases in expenses include General Government, Economic Development and Assistance, and Conservation of Natural Resources. All the other functional areas had small variances in net expenses.

Program expenses, net of revenue, increased by \$880 million in 2024, over 2023, as shown below:

GOVERNMENTAL ACTIVITIES

(in millions of dollars)

	2024	2023
Program Expenses, Net of Revenue		
General Government	\$ (888)	\$ (834)
Conservation of Natural Resources	(57)	(70)
Culture - Recreation	(18)	(20)
Economic Development and Assistance	(245)	(70)
Education	(1,935)	(1,537)
Higher Education - Colleges and University	(765)	(741)
Health and Social Services	(2,070)	(1,872)
Public Safety	(474)	(458)
Regulation of Business and Professions	(24)	30
Transportation	(762)	(787)
Interest on Long-Term Debt	(2)	(1)
Subtotal	<u>(7,240)</u>	<u>(6,360)</u>
General Revenues		
Taxes	7,716	7,170
Unrestricted Investment Earnings	632	376
Miscellaneous	5	2
Transfers	126	56
Contributions: Permanent Fund Principal	29	29
Increase/(Decrease) in Net Position (as restated)	<u>\$ 1,268</u>	<u>\$ 1,273</u>

Business-type Activities

The business-type activities decreased the State's net position by \$51 million for 2024, which was net of a \$126 million transfer to governmental activities. Most of the \$335 million of business-type activities' program revenues were related to business assessment fees in the Unemployment Insurance Fund and Lottery Fund revenues. The Unemployment Insurance Fund had an operating loss of \$3 million in 2024. This loss, when combined with transfers and \$19 million in investment income, produced a decrease in net position of \$53 million for the Unemployment Insurance Fund. Lottery revenues of \$222 million generated operating income of \$56 million, which was offset by a \$56 million transfer to Governmental Activities. The lottery transfer was used primarily for education and environmental studies.

FINANCIAL ANALYSIS OF THE STATE'S FUNDS

As noted earlier, the State uses fund accounting to ensure and demonstrate compliance with legal requirements for financial reporting.

Governmental Funds

The focus of the State's Governmental Funds is to provide information on near-term inflows and outflows and the availability of spendable resources. At June 30, 2024, the State's Governmental Funds reported combined ending fund balances of \$10,666 million. Of this amount, \$738 million is non-spendable, either due to its form or legal constraints, and \$5,217 million is restricted for specific programs by external constraints, constitutional provisions or contractual obligations. Revenue restricted by enabling legislation and public school land lease revenues are included in restricted fund balance. An additional \$3,408 million of total fund balance has been committed to specific purposes. Committed amounts cannot be used for any other purpose unless approved by the Legislature. An additional \$45 million of total fund balance has been assigned to specific purposes, as expressed by legislative intent. The remaining \$1,258 million is unassigned and available for appropriations.

General Fund

The General Fund is the chief operating fund of the State. The major General Fund liability is the estimated tax refunds payable of \$696 million. However, such refunds payable are \$99 million more than the expected taxes owed the State. Other assets of the General Fund available to pay non tax-refund liabilities exceed such liabilities by \$4,325 million.

On June 30, 2023, the General Fund had a positive fund balance of \$3,628 million. For 2024, expenditures increased \$739 million from 2023 and revenues increase by \$606 million. The revenues were \$498 million more than expenditures for 2024 while revenues were \$632 million more than expenditures in 2023. The General Fund balance in 2024 increased by \$513 million, after adjusting for transfers in and out of the General Fund, ending with a fund balance of \$4,141 million on June 30, 2024.

Revenues increased during 2024 finishing \$606 million up from 2023. This increase was primarily due to an increase in income tax revenue of \$407 million (a 11.02% increase) from 2023, an increase in sales and use tax revenue of \$20 million (a 0.85% increase) over 2023, an increase in business and franchise taxes of \$14 million (a 12.83% increase) and an increase in investment income of \$162 million (a 1055.66% increase) from 2023. Expenditures increased during 2024 by \$739 million over 2023 due to increases in General Government spending of \$84 million, an increase for Education and Higher Education – Colleges and University of \$385 million and \$22 million, respectively, an increase in Economic Development of \$157 million, and an increase in Health and Social Services of \$46 million. Overall expenditures were less than budgeted due to continued efforts by agency heads to be conservative in spending.

To compensate for downturns in revenues, the State has maintained a budgetary basis Cash Reserve Fund. While this Cash Reserve Fund is commingled with General Fund cash in the General Fund financial statements, it is separate and distinct in that, by State Statute, it can only be used (1) when the cash balance of the General Fund is insufficient to meet General Fund current obligations and (2) for legislatively mandated transfers to other funds. Any money transferred in accordance with item one above must be repaid as soon as there is sufficient cash in the General Fund cash account to do so. No such need existed in 2024.

The Cash Reserve Fund balance was \$928 million at the beginning of 2023. In 2023, there were net transfers in of \$710 million leaving a Cash Reserve Fund balance at June 30, 2023 of \$1,638 million. In 2024, there were statutory transfers to the Fund of \$487 million and other statutory transfers out equaling \$1,212 million leaving a Fund balance of \$913 million at June 30, 2024. The Cash Reserve Fund is reflected as committed to economic stabilization on the governmental funds balance sheet.

Other Governmental Funds

Other governmental fund balances totaled \$6,525 million at June 30, 2024. Of this amount, \$736 million is nonspendable, either due to its form or legal constraints, and \$5,190 million is restricted for specific programs by external constraints, constitutional provisions, or contractual obligations. An additional \$560 million of total fund balance has been committed to specific purposes. The remaining \$40 million of total fund balance has been assigned to specific purposes, as expressed by legislative intent.

The three major funds presented as special revenue funds are the Highway Fund, the Federal Fund and the Health and Social Services Fund, with total fund balances of \$1,280 million. The non-major special revenue fund balances totaled \$1,452 million.

All other Governmental funds also saw an increase in fund balances of \$452 million. The fund balance of the following funds increased: the Federal Fund (\$63 million), Health and Social Service Fund (\$41 million) the Permanent School Fund (\$210 million), and the Other Nonmajor Funds (\$159 million). The Highway Fund balance decreased (\$21 million).

The Highway Fund had a \$25 million decrease in Charges for Services, a \$51 million increase in federal grants revenue, a \$17 million increase in investment income, and a \$62 million increase in operating expenses. Changes to federal grant revenue and operating expenses are mainly due to the increased spending in the Highway Planning & Construction program and these changes primarily contributed to the \$21 million decrease in its fund balance in 2024 as opposed to a \$15 million increase in 2023.

The activity in the Federal Fund represents federal funds received, and each year's spending should generally approximate grant funds received. In 2024, there was an increase in federal grants and contracts revenue of \$141 million due to increased spending in Federal programs. Expenditures in 2024 increased by \$152 million for Education, increased \$31 million for Conservation of Natural Resources, decreased \$18 million for Economic Development and Assistance, decreased \$135 million for Health and Social Services, increased \$65 million for Public Safety, and increased \$33 million for General Government. Revenues exceeded expenditures by \$110 million before transfers. Transfers out increased \$2 million in 2024 compared to an increase of \$29 million in 2023. At the end of 2024 there was a \$63 million increase in the fund. The overall increase of Federal grant spending was primarily due to Elementary and Secondary School Emergency Relief (ESSER) by the Department of Education and COVID-19 Disaster Grants by the Military Department.

The Health and Social Services Fund consists of the Intergovernmental Trust Fund and the Tobacco Settlement Trust Fund, in addition to various cash funds. The cash funds receive transfers from the trust funds, income from charges for services and some tax revenue, among other income. The funds had a \$40 million increase in investment income in 2024, mainly due to changes in the market value of investments compared to a \$93 million increase in 2023. There was a \$1 million decrease in Charges for Services primarily due to revenue from UNMC for Medicaid Disproportionate Share Hospital (DSH) payments, and a \$16 million increase in Other revenue. There was a \$41 million increase in fund balance in 2024, as opposed to a \$91 million increase in 2023.

The Permanent School Fund had a \$73 million decrease in revenue, mainly due to a \$71 million decrease in investment income caused by changes in the market value of investments in 2024, compared to a \$178 million increase in investment income in 2023 (when compared to 2022). Also due to market changes, land value

appreciated 6% in 2024 compared to 14% in 2023. There was a \$210 million increase in fund balance in 2024, compared to a \$288 million increase in 2023, a change of \$78 million.

The Nonmajor Funds revenues increased \$94 million compared to 2023. Business and Franchise tax revenue increased by \$7 million, Investment Income increased by \$80 million, and Other revenues decreased by \$19 million. Expenditures increased by \$103 million compared to 2023. General government increased by \$7 million, Economic Development and Assistance decreased by \$12 million, Regulation of Business and Professions increased by \$53 million, and Capital Projects increased by \$43 million. There were \$142 million in net transfers in for the Nonmajor Funds in 2024 versus \$422 million in net transfers in for 2023. In 2023, the Capital Projects fund benefited from \$355 million net transfers in from the General Fund contrasted by \$159 million net transfers in 2024. As a result, the fund balances increased \$159 million in 2024 as opposed to a \$448 million increase in 2023.

Proprietary Funds

The State's proprietary funds provide the same type of information discussed earlier in the government-wide financial statements under Business-type Activities, but in more detail. The State's one major proprietary fund, the Unemployment Insurance Fund, reported net position of \$519 million at the end of 2024. This fund's net position decreased \$53 million in 2024. Federal revenues decreased \$12 million due to reduced COVID-19 funding. Net position decreased because unemployment claims paid out exceeded business assessment fees and Federal revenues by \$3 million, investment earnings of \$19 million and other changes. Other proprietary or enterprise funds, the Lottery Fund, the Excess Liability Fund (the fund established to provide limited liability for physicians working in Nebraska) and Cornhusker State Industries (an operation that utilizes incarcerated persons to manufacture and sell items) had combined income of \$59 million prior to a \$56 million transfer from the Lottery's net income to governmental funds. Such transfer was used primarily for education and environmental studies. The Excess Liability Fund had an operating income of \$4 million and gained \$2 million in investment earnings for a net position increase of \$6 million.

Fiduciary Funds

The Pension Trust Funds represent the majority of the fiduciary funds. Such Pension Trust Fund's net position increased \$2,210 million to \$21,974 million in 2024 mainly due to an increase in the fair value of investments in 2024. Interest and dividend income in 2024 was \$411 million versus \$339 million in 2023. Benefits, refunds and related administrative expenses exceeded the contributions to the plans by \$464 million. Investment Trust Funds report the \$1,654 million net position of the Omaha School Employees' Retirement System. Private Purpose Trust Funds primarily report contributions from State participants received by the College Savings Plan which totaled \$443 million. The total net position in the College Savings Plan now totals nearly seven billion dollars. Custodial Funds are not held in trust or an equivalent arrangement and are for the benefit of other governments or individuals. Activity includes \$289 million in child support contributions and distributions, \$59 million in county court contributions and distributions, and distributions of \$696 million in local taxes.

ANALYSIS OF GENERAL FUND BUDGET VARIATIONS

During 2024, the State's economy continued to show improvement from the effects of recent economic pressures, especially in the agricultural sector. Forecasted revenues, upon which the State's budgeted General Fund expenditures are based, were anticipated to decrease in 2024 by \$91 million over 2023 net tax revenue of \$6,167 million. As revenues continued to moderate during 2024, the State's Forecasting Board made two new forecasts during the year. At the end, the forecasted net tax revenues were \$729 million above the original forecast. However, actual tax revenues, net of refunds for 2024 of \$6,794 million were short of the revised forecast by \$11 million, leaving the State with actual tax revenues, net of refunds, of \$719 million above the original budget on a budgetary basis. Agencies continued to watch their General Fund expenditures and spent \$438 million less than the final appropriated amount. This reduction, when coupled with the decrease in tax revenues, caused the State to finish 2024 with General Fund revenues of \$1,628 million more than expenditures on a budgetary basis, prior to net transfers out. There was a net \$2,364 million transferred out for specific purposes. The fund balance on a budgetary basis decreased from \$3,490 million at the beginning of the fiscal year to \$2,755 million at June 30, 2024.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2024, the State had invested \$10.4 billion, net of accumulated depreciation, in capital assets as reported in the Statement of Net Position and summarized in the table below. Depreciation expense for 2024 totaled \$145 million, compared to \$132 million for 2023.

	CAPITAL ASSETS AS OF JUNE 30					
	<i>(net of depreciation in millions of dollars)</i>					
	Governmental Activities		Business-type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Land	\$ 693	\$ 666	\$ –	\$ –	\$ 693	\$ 666
Water Rights	5	5	–	–	5	5
Buildings and Equipment (as restated)	830	798	10	10	840	808
Infrastructure (as restated)	8,316	8,258	–	–	8,316	8,258
Lease Asset (as restated)	41	41	1	1	42	42
Subscription Asset	20	12	–	–	20	12
Construction in Progress (as restated)	516	459	–	–	516	459
Total	\$ 10,421	\$ 10,239	\$ 11	\$ 11	\$ 10,432	\$ 10,250

Infrastructure (roads, bridges, dams, etc.) is by far the largest group of assets owned by the State. GASB Statement No. 34 requires the State to select one of two methods to account for its infrastructure assets. One process is to record depreciation expense on selected infrastructure assets. The State has adopted an alternative method, referred to as the modified approach. Under this method, the State expenses certain maintenance and preservation costs and does not record any depreciation expense. Assets accounted for under the modified approach include approximately 10,000 miles of roads that the State is responsible to maintain.

In assessing the condition of State roads, the State's goal is to maintain at least an overall system rating of 72 or above using the Nebraska Serviceability Index. The most recent condition assessment, completed for calendar year 2023, indicated an overall system rating of 84, a rating that has been very consistent over the past six years.

For 2024, it was estimated that the State needed to spend \$405 million to preserve and maintain the roads at the above-mentioned level. The State actually spent \$591 million on roads in 2024, compared to \$580 million in 2023. For 2025, it is estimated that the State needs to spend \$404 million, a decrease from actual 2024 and a decrease from the average of the previous five years.

The State also spent \$84 million on capitalized infrastructure and land purchases relating to roads in 2024 (\$210 million in 2023), most notably land additions for Junction US-281 West to Grand Island, Nebraska Highway 12 East & West of Niobrara, US-6/192nd Street Interchange in Omaha, and infrastructure projects for the Lincoln South Beltway and L-62A North on US-385. At June 30, 2024, the State had contractual commitments of \$1,698 million for various highway and building projects. Most of the related expenditures will be expensed and not capitalized. (See Notes 1.J and 4 to the financial statements.)

During 2024, the State added \$192 million of new depreciable capital assets, including buildings, equipment, and infrastructure. A more detailed analysis of capital assets is shown in Note 4 to the financial statements.

Long-Term Debt

Long-term debt related to capital assets is minimal for reasons previously stated. For further detail and analysis of long-term debt, see Notes 7 and 15 to the financial statements.

CERTAIN LONG-TERM DEBT AS OF JUNE 30

(in millions of dollars)

	GOVERNMENTAL ACTIVITIES	
	2024	2023
Certificates of Participation:	\$ 24	\$ 33

There were new bonds issued in 2024 and 2023 with none outstanding at the end of each fiscal year. One new certificates of participation (COP) was added in 2024 (two COP were added in 2023). Bonds and COPs issued on behalf of the State maintain an Aa2 rating from Moody's. Standard and Poor's has issued an AAA rating for the State as a whole.

FACTORS THAT WILL AFFECT THE FUTURE

Fiscal year 2024 General Fund tax revenues increased 10.2% from 2023 but did not exceed the final projections. A decrease in tax revenue is forecasted for fiscal year 2025, with tax revenues projected to come in under actual 2024 revenues by \$821 million, or 11.5%, on a nominal basis. The State continues to have one of the lowest unemployment rates in the country and its debt, pension and other post-employment benefit burdens are among the lowest of all states.

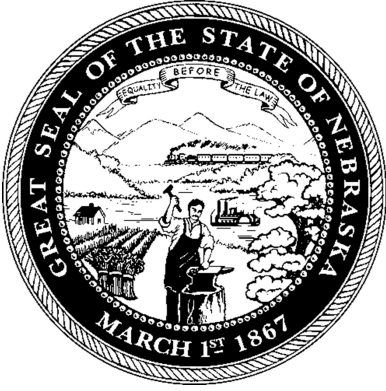
The State faces a number of challenges in the coming years. Shifts in the national healthcare policy, ongoing increases in healthcare costs, and expansion of the Medicaid program present challenges to the State, as well as potential for continued growth from demand for existing health and human services aid programs and provider rates. In addition, the growth in recent years in the prison inmate population presents an additional challenge to address increased operating costs and capital asset improvements. There is also a need for continuous monitoring of the school finance formula to ensure sustainable growth in aid to education for K-12 schools, easily the largest annual General Fund financial commitment.

As previously explained, the State maintains a Cash Reserve Fund to help offset any future economic downturns. As of June 30, 2024, this Fund had a \$913 million balance. By operation of law, any General Fund revenue at the end of a fiscal year which is in excess of the official certified forecast is used to build the Cash Reserve Fund. Transfers totaling \$39 million have been made from the General Fund to the Cash Reserve Fund since June 30, 2024 in compliance with this statutory requirement. This and other transfers out of the fund since the end of the last fiscal year have resulted in a Cash Reserve Fund balance of \$937 million at November 12, 2024. No other significant statutory disbursements from this fund have been scheduled at this time.

CONTACTING THE STATE ACCOUNTING OFFICE

This report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the State's finances and to demonstrate the State's accountability for the money it receives. If you have any questions about this report or need additional information, contact the State Accounting Division of Administrative Services, 1526 K Street, Suite 190, Lincoln, NE 68508, (402) 471-2581.

The State's component units issue their own separately issued audited financial statements. These statements may be obtained by directly contacting the component units or by going online to their websites. For the University of Nebraska, contact the University of Nebraska, Director of University Accounting, 3835 Holdrege, Lincoln, NE 68583, (402) 472-2111 or online at <http://www.nebraska.edu/offices-policies/business-finance/accounting-finance>. For the State College System, contact the Nebraska State College System at 1233 Lincoln Mall, Suite 100, Lincoln, Nebraska 68508-3751, (402) 471-2505 or online at <http://www.nscs.edu/for-nebraska/audit-reports>.



BASIC FINANCIAL STATEMENTS



STATEMENT OF NET POSITION

June 30, 2024

(Dollars in Thousands)

	PRIMARY GOVERNMENT			COMPONENT UNITS
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS	
ASSETS				
Cash and Cash Equivalents	\$ 557,620	\$ 572,845	\$ 1,130,465	\$ 951,636
Receivables, net of allowance:				
Taxes	670,140	—	670,140	—
Due from Federal Government	885,824	—	885,824	—
Loans	537,144	—	537,144	12,320
Other	815,778	48,102	863,880	692,608
Internal Balances	38,482	(38,482)	—	—
Investments	10,873,434	110,740	10,984,174	3,792,889
Investment in Joint Venture	—	—	—	711,970
Other Assets	71,089	5,697	76,786	33,828
Restricted Assets:				
Cash and Cash Equivalents	6,133	—	6,133	632,384
Other	—	2,182	2,182	—
Securities Lending Collateral	1,895,633	12,266	1,907,899	—
Capital assets:				
Land	693,068	315	693,383	124,283
Water Rights	4,500	—	4,500	—
Infrastructure	8,318,302	—	8,318,302	50,003
Construction in Progress	516,441	—	516,441	517,352
Land Improvements	—	—	—	386,457
Buildings and Equipment	2,017,820	20,378	2,038,198	4,593,714
Lease Asset	51,485	1,318	52,803	122,032
Subscription	34,365	24	34,389	43,138
Less Accumulated Depreciation	(1,214,855)	(11,436)	(1,226,291)	(2,005,667)
Total Capital Assets	10,421,126	10,599	10,431,725	3,831,312
Total Assets	<u>\$ 26,772,403</u>	<u>\$ 723,949</u>	<u>\$ 27,496,352</u>	<u>\$ 10,658,947</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflow related to OPEB and pensions	\$ 818,026	\$ —	\$ 818,026	\$ —
Deferred loss on bond refunding	—	—	—	27,067
Total Deferred Outflows of Resources	<u>\$ 818,026</u>	<u>\$ —</u>	<u>\$ 818,026</u>	<u>\$ 27,067</u>
LIABILITIES				
Accounts Payable and Accrued Liabilities	\$ 2,362,340	\$ 54,255	\$ 2,416,595	\$ 294,491
Tax Refunds Payable	696,625	—	696,625	—
Deposits	3,268	—	3,268	21,578
Unearned Revenue	39,116	10,787	49,903	112,155
Obligations Under Securities Lending	1,895,633	12,265	1,907,898	—
Obligations Under Reverse Repurchase Agreements	460	49	509	—
Noncurrent Liabilities:				
Due within one year	360,487	23,626	384,113	152,425
Due in more than one year	508,303	26,548	534,851	1,390,292
Net Pension Liability	305,831	—	305,831	—
Net OPEB Liability	26,350	—	26,350	—
Total Liabilities	<u>\$ 6,198,413</u>	<u>\$ 127,530</u>	<u>\$ 6,325,943</u>	<u>\$ 1,970,941</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflow related to OPEB and pensions	\$ 598,457	\$ —	\$ 598,457	\$ —
Revenues not yet available	—	—	—	50,634
Deferred service concession arrangement receipts	—	—	—	5,488
Total Deferred Inflows of Resources	<u>\$ 598,457</u>	<u>\$ —</u>	<u>\$ 598,457</u>	<u>\$ 56,122</u>
NET POSITION				
Net Investment in Capital Assets	\$ 10,150,836	\$ 9,507	\$ 10,160,343	\$ 2,490,907
Restricted for:				
Education	32,894	—	32,894	3,417,102
Health and Social Services	957,837	—	957,837	—
Conservation of Natural Resources	850,871	—	850,871	—
Transportation	418,936	—	418,936	—
Licensing and Regulation	203,746	—	203,746	—
Economic Development	154,501	—	154,501	—
Public Safety	41,078	—	41,078	—
Culture - Recreation	39,104	—	39,104	—
Other Purposes	145,701	2,182	147,883	405,298
Unemployment Insurance Benefits	—	518,778	518,778	—
Debt Service and Construction	—	—	—	268,789
Nonexpendable	729,295	—	729,295	—
Expendable	2,504,623	—	2,504,623	—
Unrestricted	4,564,137	65,952	4,630,089	2,076,855
Total Net Position	<u>\$ 20,793,559</u>	<u>\$ 596,419</u>	<u>\$ 21,389,978</u>	<u>\$ 8,658,951</u>

The accompanying notes are an integral part of the financial statements.

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2024

(Dollars in Thousands)

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
PRIMARY GOVERNMENT:				
Governmental Activities:				
General Government	\$ 1,003,723	\$ 102,106	\$ 13,167	\$ –
Conservation of Natural Resources	233,232	38,546	137,823	–
Culture – Recreation	59,476	36,851	4,234	16
Economic Development and Assistance	386,603	4,892	136,725	–
Education	2,686,314	63,129	688,562	–
Higher Education - Colleges and University	764,759	–	–	–
Health and Social Services	6,252,918	226,543	3,951,725	4,661
Public Safety	733,949	51,810	186,474	21,985
Regulation of Business and Professions	179,639	154,032	2,026	–
Transportation	1,511,494	164,892	579,081	5,277
Interest on Long-term Debt	1,870	–	–	–
Total governmental activities	13,813,977	842,801	5,699,817	31,939
Business-type activities:				
Unemployment Insurance	90,414	87,723	186	–
Lottery	165,069	221,501	–	–
Excess Liability	11,268	15,212	–	–
Cornhusker State Industries	15,502	11,205	–	–
Total business-type activities	282,253	335,641	186	–
Total Primary Government	\$ 14,096,230	\$ 1,178,442	\$ 5,700,003	\$ 31,939
COMPONENT UNITS:				
University of Nebraska	\$ 2,807,104	\$ 912,574	\$ 671,691	\$ –
State Colleges	162,709	52,156	5,678	2,339
Total Component Units	\$ 2,969,813	\$ 964,730	\$ 677,369	\$ 2,339

General revenues:
Income Taxes
Sales and Use Taxes
Petroleum Taxes
Excise Taxes
Business and Franchise Taxes
Other Taxes
Unrestricted Investment earnings
Miscellaneous
Payments from the State of Nebraska
Contributions: Permanent Fund Principal
Transfers
Total General Revenues, Contributions and
Transfers
Change in Net Position
Net Position - Beginning
Restatements
Net Position - Ending

The accompanying notes are an integral part of the financial statements.

NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION				
PRIMARY GOVERNMENT				
GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	COMPONENT UNITS	
\$ (888,450)	\$ -	\$ (888,450)	\$ -	-
(56,863)	-	(56,863)	-	-
(18,375)	-	(18,375)	-	-
(244,986)	-	(244,986)	-	-
(1,934,623)	-	(1,934,623)	-	-
(764,759)	-	(764,759)	-	-
(2,069,989)	-	(2,069,989)	-	-
(473,680)	-	(473,680)	-	-
(23,581)	-	(23,581)	-	-
(762,244)	-	(762,244)	-	-
(1,870)	-	(1,870)	-	-
(7,239,420)	-	(7,239,420)	-	-
-	(2,505)	(2,505)	-	-
-	56,432	56,432	-	-
-	3,944	3,944	-	-
-	(4,297)	(4,297)	-	-
-	53,574	53,574	-	-
\$ (7,239,420)	\$ 53,574	\$ (7,185,846)	\$ -	-
\$ -	\$ -	\$ -	\$ (1,222,839)	-
-	-	-	(102,536)	-
\$ -	\$ -	\$ -	\$ (1,325,375)	-
\$ 4,108,815	\$ -	\$ 4,108,815	\$ -	-
2,841,231	-	2,841,231	-	-
422,584	-	422,584	-	-
150,312	-	150,312	-	-
173,178	-	173,178	-	-
19,588	-	19,588	-	-
631,751	21,797	653,548	428,320	-
4,900	131	5,031	720,113	-
-	-	-	764,759	-
28,568	-	28,568	-	-
125,700	(125,700)	-	-	-
8,506,627	(103,772)	8,402,855	1,913,192	-
1,267,207	(50,198)	1,217,009	587,817	-
19,361,298	646,475	20,007,773	8,066,690	-
165,054	142	165,196	4,444	-
\$ 20,793,559	\$ 596,419	\$ 21,389,978	\$ 8,658,951	-

The accompanying notes are an integral part of the financial statements.

BALANCE SHEET

GOVERNMENTAL FUNDS

June 30, 2024

(Dollars in Thousands)

	GENERAL FUND	HIGHWAY FUND	FEDERAL FUND	HEALTH AND SOCIAL SERVICES	PERMANENT SCHOOL FUND	NONMAJOR FUNDS	TOTALS
ASSETS							
Assets:							
Cash and Cash Equivalents	\$ 315,335	\$ 35,806	\$ 51,833	\$ 15,546	\$ 8,886	\$ 119,309	\$ 546,715
Cash on Deposit with Fiscal Agents	-	-	-	-	-	6,133	6,133
Investments	4,147,020	456,256	644,875	812,390	3,132,893	1,546,411	10,739,845
Securities Lending Collateral	1,032,063	113,548	160,309	148,909	41,228	366,330	1,862,387
Receivables, net of allowance:							
Taxes	596,719	65,608	-	-	-	7,813	670,140
Due from Federal Government	5	38,686	845,462	-	-	1,671	885,824
Loans	6,311	-	11,504	223	-	519,106	537,144
Leases	-	883	-	-	-	907	1,790
Other	201,150	29,395	155,154	221,538	124,567	58,060	789,864
Due from Other Funds	167,566	353	48,693	9,226	2,660	18,882	247,380
Inventories	1,850	2,451	184	300	-	2,903	7,688
Prepaid Items	1,052	-	199	-	-	245	1,496
Other	223	-	-	-	56,473	90	56,786
Total Assets	\$ 6,469,294	\$ 742,986	\$ 1,918,213	\$ 1,208,132	\$ 3,366,707	\$ 2,647,860	\$ 16,353,192
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts Payable and Accrued Liabilities	\$ 213,000	\$ 187,875	\$ 1,442,971	\$ 80,136	\$ 167,442	\$ 77,650	\$ 2,169,074
Tax Refunds Payable	695,906	714	-	-	5	-	696,625
Deposits	226	722	743	(30)	(80)	1,687	3,268
Due to Other Funds	202,963	13,976	99,645	26,223	20	86,393	429,220
Obligations under reverse repurchase agreements	-	-	-	-	430	30	460
Obligations under Securities Lending	1,032,063	113,548	160,309	148,909	41,228	366,330	1,862,387
Claims Payable	97,268	-	110,166	-	-	-	207,434
Construction Payable	51	31,594	1,067	-	-	2,124	34,836
Pollution Remediation Payable	100	-	-	-	-	603	703
Unearned Revenue	1,933	-	25,396	43	11,475	223	39,070
Total Liabilities	2,243,510	348,429	1,840,297	255,281	220,520	535,040	5,443,077
Deferred Inflows of Resources:							
Revenues not yet available	84,880	10,366	6,356	128,659	-	13,814	244,075
Fund Balances:							
Nonspendable:							
Inventories and Prepaid Items	2,902	2,451	383	300	-	3,148	9,184
Endowment Principal	-	-	-	-	693,818	35,477	729,295
Restricted	26,892	381,729	71,177	822,912	2,452,369	1,461,968	5,217,047
Committed	2,848,009	-	-	-	-	559,516	3,407,525
Assigned	4,886	11	-	980	-	39,278	45,155
Unassigned	1,258,215	-	-	-	-	(381)	1,257,834
Total Fund Balances	4,140,904	384,191	71,560	824,192	3,146,187	2,099,006	10,666,040
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 6,469,294	\$ 742,986	\$ 1,918,213	\$ 1,208,132	\$ 3,366,707	\$ 2,647,860	\$ 16,353,192

The accompanying notes are an integral part of the financial statements.

RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION

June 30, 2024

(Dollars in Thousands)

Total fund balances for governmental funds \$ 10,666,040

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Land	\$ 693,068	
Water Rights	4,500	
Infrastructure	8,318,302	
Construction in progress	516,441	
Other capital assets	1,876,638	
Lease and Subscription assets	66,732	
Accumulated depreciation	<u>(1,100,490)</u>	10,375,191

Certain tax revenues and charges are earned but not available and therefore are unearned in the funds. 244,075

Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position. 95,738

Deferred Inflows and Outflows related to Pension, they are not related to governmental funds. These Deferred Inflows & Outflows consist of:

Deferred Inflows related to OPEB	(1,144)	
Deferred Outflows related to OPEB	6,715	
Deferred Inflows related to Pension	(597,313)	
Deferred Outflows related to Pension	<u>811,311</u>	219,569

Certain long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:

Lease & Subscription Liability	(49,760)	
Compensated absences	(152,573)	
Net pension liability/asset	(305,831)	
OPEB liability	(26,350)	
Claims and judgments	(48,297)	
Pollution Remediation Liability	(39,374)	
Construction payable	(184,724)	
Certificates of Participation	<u>(145)</u>	<u>(807,054)</u>

Net position of governmental activities \$ 20,793,559

The accompanying notes are an integral part of the financial statements.

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

For the Year Ended June 30, 2024

(Dollars in Thousands)

	GENERAL FUND	HIGHWAY FUND	FEDERAL FUND	HEALTH AND SOCIAL SERVICES	PERMANENT SCHOOL FUND	NONMAJOR FUNDS	TOTALS
REVENUES							
Income Taxes	\$ 4,097,935	\$ —	\$ —	\$ 3,921	\$ —	\$ —	\$ 4,101,856
Sales and Use Taxes	2,308,582	483,887	—	—	—	36,852	2,829,321
Petroleum Taxes	—	408,381	—	—	2,503	14,203	425,087
Excise Taxes	67,239	—	—	13,441	—	69,632	150,312
Business and Franchise Taxes	127,302	—	—	—	—	45,876	173,178
Other Taxes	126	1,570	—	—	—	17,892	19,588
Federal Grants and Contracts	298	545,566	5,098,695	20	—	1,782	5,646,361
Licenses, Fees and Permits	13,556	126,931	794	47,169	131	185,971	374,552
Charges for Services	2,709	24,743	10,810	23,019	2	60,079	121,362
Investment Income	177,062	22,532	61,940	83,970	207,372	81,822	634,698
Rental Income	2	196	—	37	53,924	27,766	81,925
Surcharge	—	—	—	—	—	67,309	67,309
Other	31,277	2,247	11,093	158,058	27,666	23,670	254,011
Total Revenues	<u>6,826,088</u>	<u>1,616,053</u>	<u>5,183,332</u>	<u>329,635</u>	<u>291,598</u>	<u>632,854</u>	<u>14,879,560</u>
EXPENDITURES							
Current:							
General Government	852,605	—	38,706	—	—	95,763	987,074
Conservation of Natural Resources	63,663	—	87,151	—	—	69,614	220,428
Culture – Recreation	7,918	—	3,038	—	—	49,032	59,988
Economic Development and Assistance	191,006	—	141,517	—	—	49,098	381,621
Education	1,928,795	—	701,664	—	81,669	30,815	2,742,943
Higher Education - Colleges & University	759,298	—	—	—	—	5,462	764,760
Health and Social Services	2,047,828	—	3,847,312	270,177	—	3,738	6,169,055
Public Safety	467,389	—	211,065	—	—	60,342	738,796
Regulation of Business and Professions	4,718	—	2,019	—	—	169,581	176,318
Transportation	—	1,674,565	38,435	—	—	3,711	1,716,711
Capital Projects	—	—	—	—	—	77,042	77,042
Debt Service:							
Principal - Bonds	—	—	—	—	—	4,928	4,928
Interest - Bonds	—	—	—	—	—	212	212
Principal - Lease Financing	1,350	1	134	—	—	1,287	2,772
Interest - Lease Financing	323	—	17	—	—	160	500
Principal - Subscription Financing	2,631	1,166	1,851	265	—	911	6,824
Interest - Subscription Financing	122	35	55	4	—	42	258
Total Expenditures	<u>6,327,646</u>	<u>1,675,767</u>	<u>5,072,964</u>	<u>270,446</u>	<u>81,669</u>	<u>621,738</u>	<u>14,050,230</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>498,442</u>	<u>(59,714)</u>	<u>110,368</u>	<u>59,189</u>	<u>209,929</u>	<u>11,116</u>	<u>829,330</u>
OTHER FINANCING SOURCES (USES)							
Transfers In	257,959	50,000	—	8,524	—	337,213	653,696
Transfers Out	(252,600)	(11,372)	(52,065)	(26,750)	—	(195,459)	(538,246)
Bond Issuance	—	—	—	—	—	4,928	4,928
Financed Purchases	8,909	543	4,430	391	—	1,146	15,419
Certificates of Participation	145	—	—	—	—	—	145
Total Other Financing Sources (Uses)	<u>14,413</u>	<u>39,171</u>	<u>(47,635)</u>	<u>(17,835)</u>	<u>—</u>	<u>147,828</u>	<u>135,942</u>
Net Change in Fund Balances	512,855	(20,543)	62,733	41,354	209,929	158,944	965,272
FUND BALANCES, JULY 1	3,504,811	204,074	11,956	791,116	2,932,658	1,926,888	9,371,503
RESTATEMENTS	123,238	200,660	(3,129)	(8,278)	3,600	13,174	329,265
FUND BALANCES, JUNE 30	<u>\$ 4,140,904</u>	<u>\$ 384,191</u>	<u>\$ 71,560</u>	<u>\$ 824,192</u>	<u>\$ 3,146,187</u>	<u>\$ 2,099,006</u>	<u>\$10,666,040</u>

The accompanying notes are an integral part of the financial statements.

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

For the Year Ended June 30, 2024

(Dollars in Thousands)

Net change in fund balances--total governmental funds \$ 965,272

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

Capital outlays are reported as expenditures in governmental funds. Sales of capital assets are reported as revenues. However, in the Statement of Activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital outlay	\$ 344,989	
Capital assets sold	(616)	
Lease and Subscription	9,450	
Depreciation expense	<u>(129,814)</u>	224,009

Bond proceeds and other financing arrangements provide current financial resources to governmental funds; however, issuing debt increases long-term liabilities in the Statement of Net Position. In the current period, proceeds were received from:

Bond issuance	(4,928)	(4,928)
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Repayment of long-term debt and other financing arrangements is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. In the current year these amounts consisted of:

Bond principal	4,928	4,928
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Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue of the internal service funds is reported with governmental activities.

7,116

Because some revenues will not be collected in the next year, they are not considered available revenues and are deferred in the governmental funds.

56,143

Some items reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures and revenues in governmental funds. These activities consist of:

Increase in compensated absences	(12,753)	
Decrease in net pension liability/asset	187,914	
Decrease in net OPEB liability	306	
Increase in deferred inflows related to OPEB	(72)	
Decrease in deferred outflows related to OPEB	(1,673)	
Decrease in deferred inflows related to pension	51,195	
Decrease in deferred outflows related to pension	(180,259)	
Increase in claims and judgments	(21,779)	
Increase in Pollution Remediation liability	(8,067)	
Increase in Certificates of Participation	<u>(145)</u>	<u>14,667</u>

Change in net position of governmental activities \$ 1,267,207

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

June 30, 2024

(Dollars in Thousands)

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
	UNEMPLOYMENT INSURANCE	NONMAJOR ENTERPRISE FUNDS	TOTALS	
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 560,947	\$ 11,898	\$ 572,845	\$ 10,905
Receivables, net of allowance	25,726	22,376	48,102	24,024
Due from Other Funds	186	1,528	1,714	51,527
Inventories	–	4,526	4,526	2,746
Prepaid Items	–	341	341	2,372
Other	–	830	830	–
Total Current Assets	586,859	41,499	628,358	91,574
Noncurrent Assets:				
Restricted Long-Term Deposits	–	2,182	2,182	–
Long-Term Investments	7,518	103,222	110,740	133,589
Securities Lending Collateral	1,871	10,395	12,266	33,246
Capital Assets:				
Land	–	315	315	–
Buildings and Equipment	–	20,378	20,378	141,182
Lease Assets	–	1,318	1,318	8,556
Subscription Assets	–	24	24	10,562
Less Accumulated Depreciation	–	(11,436)	(11,436)	(114,365)
Total Capital Assets	–	10,599	10,599	45,935
Total Noncurrent Assets	9,389	126,398	135,787	212,770
Total Assets	\$ 596,248	\$ 167,897	\$ 764,145	\$ 304,344
LIABILITIES				
Current Liabilities:				
Accounts Payable and Accrued Liabilities	\$ 24,698	\$ 29,557	\$ 54,255	\$ 19,140
Due to Other Funds	40,104	92	40,196	5,231
Certificates of Participation	–	–	–	9,075
Lease Liability	–	92	92	635
Subscription Liability	–	–	–	3,234
Claims, Judgments and Compensated Absences	10,797	12,736	23,533	64,803
Obligations under reverse repurchase	–	49	49	–
Unearned Revenue	–	10,787	10,787	46
Total Current Liabilities	75,599	53,313	128,912	102,164
Noncurrent Liabilities:				
Certificates of Participation	–	–	–	15,150
Lease Liability	–	1,001	1,001	6,306
Subscription Liability	–	–	–	1,261
Claims, Judgments and Compensated Absences	–	25,548	25,548	50,479
Obligations under Securities Lending	1,871	10,394	12,265	33,246
Total Noncurrent Liabilities	1,871	36,943	38,814	106,442
Total Liabilities	\$ 77,470	\$ 90,256	\$ 167,726	\$ 208,606
NET POSITION				
Net Investment in Capital Assets	–	9,507	9,507	10,274
Restricted for:				
Lottery Prizes	–	2,182	2,182	–
Unemployment Insurance Benefits	518,778	–	518,778	–
Unrestricted	–	65,952	65,952	85,464
Total Net Position	\$ 518,778	\$ 77,641	\$ 596,419	\$ 95,738

The accompanying notes are an integral part of the financial statements.

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

For the Year Ended June 30, 2024

(Dollars in Thousands)

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
	UNEMPLOYMENT INSURANCE	NONMAJOR ENTERPRISE FUNDS	TOTALS	
OPERATING REVENUES				
Charges for Services	\$ 87,609	\$ 247,918	\$ 335,527	\$ 482,356
Federal	186	—	186	—
Other	114	—	114	1,015
Total Operating Revenues	<u>87,909</u>	<u>247,918</u>	<u>335,827</u>	<u>483,371</u>
OPERATING EXPENSES				
Personal Services	—	9,036	9,036	60,787
Services and Supplies	21	42,201	42,222	153,314
Lottery Prizes	—	129,092	129,092	—
Unemployment Claims	90,393	—	90,393	—
Insurance Claims	—	10,676	10,676	254,220
Depreciation	—	821	821	14,464
Total Operating Expenses	<u>90,414</u>	<u>191,826</u>	<u>282,240</u>	<u>482,785</u>
Operating Income (Loss)	<u>(2,505)</u>	<u>56,092</u>	<u>53,587</u>	<u>586</u>
NONOPERATING REVENUES (EXPENSES)				
Investment Income (Loss)	19,472	2,325	21,797	(2,947)
Gain (Loss) on Sale of Capital Assets	—	131	131	292
Other	—	(13)	(13)	(1,065)
Total Nonoperating Revenues (Expenses)	<u>19,472</u>	<u>2,443</u>	<u>21,915</u>	<u>(3,720)</u>
Income (Loss) Before Transfers	16,967	58,535	75,502	(3,134)
Transfers In	—	—	—	13,250
Transfers Out	(70,000)	(55,700)	(125,700)	(3,000)
Change in Net Position	<u>(53,033)</u>	<u>2,835</u>	<u>(50,198)</u>	<u>7,116</u>
NET POSITION, JULY 1	572,813	73,662	646,475	87,408
RESTATEMENTS	(1,002)	1,144	142	1,214
NET POSITION, JUNE 30	<u>\$ 518,778</u>	<u>\$ 77,641</u>	<u>\$ 596,419</u>	<u>\$ 95,738</u>

The accompanying notes are an integral part of the financial statements.

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

For the Year Ended June 30, 2024

(Dollars in Thousands)

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
	UNEMPLOYMENT INSURANCE	NONMAJOR ENTERPRISE FUNDS	TOTALS	
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash Received from Customers	\$ 83,431	\$ 240,313	\$ 323,744	\$ 28,635
Cash Received from Interfund Charges	–	12,620	12,620	440,029
Cash Received from Federal Government	186	–	186	–
Cash Paid to Employees	–	(9,074)	(9,074)	(59,975)
Cash Paid to Suppliers	601	(38,031)	(37,430)	(141,137)
Cash Paid for Lottery Prizes	–	(128,719)	(128,719)	–
Cash Paid for Insurance Claims	(86,149)	(13,400)	(99,549)	(256,070)
Cash Paid for Interfund Services	–	(1,196)	(1,196)	(15,527)
Net Cash Flows from Operating Activities	(1,931)	62,513	60,582	(4,045)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Due from Fund	140	–	140	–
Transfers In	–	–	–	13,250
Transfers Out	(70,000)	(55,700)	(125,700)	(3,000)
Net Cash Flows from Noncapital Financing Activities	(69,860)	(55,700)	(125,560)	10,250
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Proceeds from the issue of long-term debt	–	–	–	3,070
Acquisition and Construction of Capital Assets	–	(161)	(161)	(10,715)
Proceeds (Loss) from Sale of Capital Assets	–	141	141	814
Lease / Subscription Payments	–	(110)	(110)	(16,668)
Interest Paid on Leases / Subscriptions	–	(13)	(13)	(1,065)
Net Cash Flows from Capital and Related Financing Activities	–	(143)	(143)	(24,564)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchase of Investment Securities	–	(48,149)	(48,149)	(133,589)
Proceeds (Loss) from Sale of Investment Securities	55,842	11,851	67,693	–
Interest and Dividend Income (Loss)	19,472	187	19,659	(4,554)
Net Cash Flows from Investing Activities	75,314	(36,111)	39,203	(138,143)
Net Increase (Decrease) in Cash and Cash Equivalents	3,523	(29,441)	(25,918)	(156,502)
CASH AND CASH EQUIVALENTS, JULY 1	557,424	41,339	598,763	167,407
RESTATEMENTS	–	–	–	–
CASH AND CASH EQUIVALENTS, JUNE 30	<u>\$ 560,947</u>	<u>\$ 11,898</u>	<u>\$ 572,845</u>	<u>\$ 10,905</u>

The accompanying notes are an integral part of the financial statements.

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

For the Year Ended June 30, 2024

(Dollars in Thousands)

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
	UNEMPLOYMENT INSURANCE	NONMAJOR ENTERPRISE FUNDS	TOTALS	
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES:				
Operating Income (Loss)	\$ (2,505)	\$ 56,092	\$ 53,587	\$ 586
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:				
Depreciation	–	821	821	14,464
Change in Assets and Liabilities:				
(Increase) Decrease in Receivables	(2,693)	(4)	(2,697)	2,441
(Increase) Decrease in Due from Other Funds	–	2,859	2,859	(16,242)
(Increase) Decrease in Inventories	–	3,422	3,422	(40)
(Increase) Decrease in Prepaid Items	–	54	54	(85)
(Increase) Decrease in Long-Term Deposits	–	(194)	(194)	–
Increase (Decrease) in Accounts Payable and Accrued Liabilities	454	(42)	412	(1,154)
Increase (Decrease) in Due to Other Funds	170	71	241	1,848
Increase (Decrease) in Claims Payable	2,643	(2,724)	(81)	(5,907)
Increase (Decrease) in Unearned Revenue	–	2,158	2,158	44
Total Adjustments	574	6,421	6,995	(4,631)
NET CASH FLOWS FROM OPERATING ACTIVITIES	\$ (1,931)	\$ 62,513	\$ 60,582	\$ (4,045)
NONCASH TRANSACTIONS:				
Noncash transactions are investing and financing activities that affect assets and liabilities but do not result in cash receipts or payments. The following noncash transactions occurred during the year:				
Capital Assets acquired through Certificates of Participation	\$ –	\$ –	\$ –	\$ 3,070
New Lease Asset	–	106	106	654
New Subscription Asset	–	–	–	5,922
Change in Fair Value of Investments	–	1,710	1,710	–
Total Noncash Transactions	\$ –	\$ 1,816	\$ 1,816	\$ 9,646

The accompanying notes are an integral part of the financial statements.

STATEMENT OF FIDUCIARY NET POSITION

FIDUCIARY FUNDS

June 30, 2024

(Dollars in Thousands)

	PENSION TRUST FUNDS	INVESTMENT TRUST FUND	PRIVATE PURPOSE TRUST FUNDS	CUSTODIAL FUNDS
ASSETS				
Cash and Cash Equivalents	\$ 15,451	\$ 7,691	\$ 44,168	\$ 34,114
Investments:				
U.S. Treasury Notes and Bonds	646,969	63,775	–	–
U.S. Treasury Bills	1,962	–	–	–
U.S. Treasury Strips	2,557	272	–	–
Government Agency Securities	18,779	1,832	–	–
Government Agency Strips	614	63	–	–
Corporate Bonds	1,859,133	134,140	–	–
International Notes and Bonds	178,350	8,886	–	–
International Government Agency Securities	38,547	2,524	–	–
Equity Securities	4,781,945	367,620	–	–
Private Equity	1,395,539	115,904	–	–
Mortgages	1,228,136	127,605	–	–
Private Real Estate	1,100,973	99,228	–	–
Asset Backed Securities	276,559	22,809	–	–
Bank Loans	366,203	19,360	–	–
Municipal Bonds	12,466	1,282	–	–
Opportunistic Credit	4,967	–	–	–
Commingled Funds	10,327,058	712,259	6,024,627	–
Derivative Instruments	14,315	1,275	–	–
Short Term Investments	138,367	13,306	642,043	–
Total Investments	22,393,439	1,692,140	6,666,670	–
Securities Lending Collateral	1,018,528	79,285	–	–
Receivables:				
Contributions	38,247	–	–	–
Interest and Dividends	55,374	4,151	12,220	202
Taxes	–	–	–	62,021
Other	1,160,823	94,751	–	164
Total Receivables	1,254,444	98,902	12,220	62,387
Due from Other Funds	58,061	8,640	1	107,424
Capital Assets:				
Buildings and Equipment	6,574	–	–	–
Less Accumulated Depreciation	(6,570)	–	–	–
Total Capital Assets	4	–	–	–
Other Assets	–	–	18,096	3,787
Total Assets	\$ 24,739,927	\$ 1,886,658	\$ 6,741,155	\$ 207,712
LIABILITIES				
Accounts Payable and Accrued Liabilities	\$ 1,731,021	\$ 152,562	\$ 22,767	\$ 20,390
Due to Other Governments	–	–	–	170,458
Deposits	–	–	–	5,879
Due to Other Funds	87	–	–	13
Obligations under reverse repurchase agreements	15,943	777	–	–
Obligations under Securities Lending	1,018,529	79,285	–	–
Accrued Compensated Absences	445	13	–	–
Total Liabilities	\$ 2,766,025	\$ 232,637	\$ 22,767	\$ 196,740
Restricted for:				
Pensions	\$ 21,973,902	\$ –	\$ –	\$ –
Omaha School Employees Retirement System	–	1,654,021	–	–
College Savings Plan	–	–	6,643,869	–
Individuals, Organizations, and Other Governments	–	–	74,519	10,972
Total Net Position	\$ 21,973,902	\$ 1,654,021	\$ 6,718,388	\$ 10,972

The accompanying notes are an integral part of the financial statements.

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

FIDUCIARY FUNDS

For the Year Ended June 30, 2024

(Dollars in Thousands)

	PENSION TRUST FUNDS	INVESTMENT TRUST FUND	PRIVATE PURPOSE TRUST FUNDS	CUSTODIAL FUNDS
ADDITIONS				
Contributions:				
Participant Contributions	\$ 326,240	\$ -	\$ 453,957	\$ 6,576
Client Contributions	-	-	-	393,528
State Contributions	139,046	-	-	-
Political Subdivision Contributions	261,363	-	-	-
Court Fees	4,887	-	-	-
Total Contributions	<u>731,536</u>	<u>-</u>	<u>453,957</u>	<u>400,104</u>
Investment Income:				
Net Increase/(Decrease) in Fair Value of Investments	2,340,583	150,843	752,310	-
Interest and Dividend Income	410,669	31,861	176,647	215
Securities Lending Income	19,253	1,283	-	-
Total Investment Income	<u>2,770,505</u>	<u>183,987</u>	<u>928,957</u>	<u>215</u>
Investment Expenses	76,317	5,911	13,689	-
Securities Lending Expenses	17,590	1,179	-	-
Total Investment Expense	<u>93,907</u>	<u>7,090</u>	<u>13,689</u>	<u>-</u>
Net Investment Income	<u>2,676,598</u>	<u>176,897</u>	<u>915,268</u>	<u>215</u>
Escheat Revenue	-	-	23,200	-
Receipts From Depositors	-	133,452	-	-
Local Taxes	-	-	-	696,133
Other Additions	117	1,643	-	522
Total Additions	<u>3,408,251</u>	<u>311,992</u>	<u>1,392,425</u>	<u>1,096,974</u>
DEDUCTIONS				
Benefits	1,160,285	-	651,974	6,226
Refunds	27,430	-	-	-
Amounts Distributed to Outside Parties	-	-	20,638	394,131
Administrative Expenses	8,176	1,289	284	-
Local Taxes	-	-	-	696,133
Other Deductions	2,140	-	-	1,014
Payments to and for Depositors	-	156,700	-	-
Total Deductions	<u>1,198,031</u>	<u>157,989</u>	<u>672,896</u>	<u>1,097,504</u>
Change in Net Position Restricted for:				
Pensions	2,210,220	-	-	-
Omaha School Employees Retirement System	-	154,003	-	-
College Savings Plan	-	-	707,894	-
Individuals, Organizations, and Other Governments	-	-	11,635	(530)
NET POSITION-BEGINNING OF YEAR	19,763,684	1,500,018	5,998,859	11,536
RESTATEMENTS	(2)	-	-	(34)
NET POSITION-END OF YEAR	<u>\$ 21,973,902</u>	<u>\$ 1,654,021</u>	<u>\$ 6,718,388</u>	<u>\$ 10,972</u>

The accompanying notes are an integral part of the financial statements.

STATEMENT OF NET POSITION

COMPONENT UNITS

June 30, 2024

(Dollars in Thousands)

	UNIVERSITY OF NEBRASKA	STATE COLLEGES	TOTALS
ASSETS			
Cash and Cash Equivalents	\$ 919,798	\$ 31,838	\$ 951,636
Receivables, net of allowance:			
Loans	12,320	-	12,320
Other	685,153	7,455	692,608
Investments	3,700,724	92,165	3,792,889
Investment in Joint Venture	711,970	-	711,970
Other Assets	32,072	1,756	33,828
Restricted Assets:			
Cash and Cash Equivalents	566,125	66,259	632,384
Capital assets:			
Land	122,479	1,804	124,283
Infrastructure	-	50,003	50,003
Land Improvements	386,457	-	386,457
Construction in Progress	472,098	45,254	517,352
Buildings and Equipment	4,209,810	383,904	4,593,714
Lease Asset	117,801	4,231	122,032
Subscription Asset	39,852	3,286	43,138
Less Accumulated Depreciation	(1,826,083)	(179,584)	(2,005,667)
Total Capital Assets	3,522,414	308,898	3,831,312
Total Assets	<u>\$ 10,150,576</u>	<u>\$ 508,371</u>	<u>\$ 10,658,947</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred loss on bond refunding	\$ 27,054	\$ 13	\$ 27,067
Total Deferred Outflows of Resources	<u>\$ 27,054</u>	<u>\$ 13</u>	<u>\$ 27,067</u>
LIABILITIES			
Accounts Payable and Accrued Liabilities	\$ 277,200	\$ 17,291	\$ 294,491
Deposits	21,493	85	21,578
Unearned Revenue	110,288	1,867	112,155
Noncurrent Liabilities:			
Due within one year	145,626	6,799	152,425
Due in more than one year	1,273,369	116,923	1,390,292
Total Liabilities	<u>\$ 1,827,976</u>	<u>\$ 142,965</u>	<u>\$ 1,970,941</u>
DEFERRED INFLOWS OF RESOURCES			
Revenues not yet available	\$ 50,634	\$ -	\$ 50,634
Deferred service concession arrangement receipts	4,763	725	5,488
Total Deferred Inflows of Resources	<u>\$ 55,397</u>	<u>\$ 725</u>	<u>\$ 56,122</u>
NET POSITION			
Net Investment in Capital Assets	\$ 2,287,643	\$ 203,264	\$ 2,490,907
Restricted for:			
Education	3,417,102	-	3,417,102
Other Purposes	282,587	122,711	405,298
Debt Service and Construction	257,649	11,140	268,789
Unrestricted	2,049,276	27,579	2,076,855
Total Net Position	<u>\$ 8,294,257</u>	<u>\$ 364,694</u>	<u>\$ 8,658,951</u>

The accompanying notes are an integral part of the financial statements.

STATEMENT OF ACTIVITIES

COMPONENT UNITS

For the Year Ended June 30, 2024

(Dollars in Thousands)

	UNIVERSITY OF NEBRASKA	STATE COLLEGES	TOTALS
EXPENSES			
Compensation and benefits	\$ 1,660,155	\$ 86,488	\$ 1,746,643
Supplies and materials	820,141	45,593	865,734
Utilities	2,130	-	2,130
Depreciation	173,753	12,548	186,301
Scholarships and fellowships	81,707	7,439	89,146
Other	69,218	10,641	79,859
Total Expenses	2,807,104	162,709	2,969,813
PROGRAM REVENUES			
Charges for Services	912,574	52,156	964,730
Operating Grants and Contributions	671,691	5,678	677,369
Capital Grants and Contributions	-	2,339	2,339
Total Program Revenues	1,584,265	60,173	1,644,438
NET (EXPENSE) REVENUE	(1,222,839)	(102,536)	(1,325,375)
GENERAL REVENUES			
Interest and investment earnings	413,241	15,079	428,320
Miscellaneous	692,606	27,507	720,113
Payments from the State of Nebraska	682,586	82,173	764,759
Total General Revenues	1,788,433	124,759	1,913,192
Change in Net Position	565,594	22,223	587,817
NET POSITION - BEGINNING	7,723,580	343,110	8,066,690
RESTATEMENTS	5,083	(639)	4,444
NET POSITION - ENDING	\$ 8,294,257	\$ 364,694	\$ 8,658,951

The accompanying notes are an integral part of the financial statements.



NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2024

(Dollars in Thousands)

1. Summary of Significant Accounting Policies

- A. Basis of Presentation.** The accompanying financial statements for the State of Nebraska (the “State”) and its component units have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The financial statements have been prepared primarily from accounts maintained by the State Accounting Administrator of Administrative Services. Additional data has been derived from audited financial statements of certain entities and from reports prescribed by the State Accounting Administrator and prepared by various State agencies and departments based on independent or subsidiary accounting systems maintained by them.

- B. Reporting Entity.** In determining its financial reporting entity, the State has considered all potential component units for which it is financially accountable and other organizations which are fiscally dependent on the State or the significance of their relationship with the State is such that exclusion would be misleading. The GASB has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization’s governing body and (1) the ability of the State to impose its will on that organization or (2) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the State.

As required by GAAP, these financial statements present the State and its component units. The component units are included in the State’s reporting entity because of the significance of their operational or financial relationships with the State. Complete financial statements of the individual component units that issue separate financial statements, as noted below, can be obtained from their respective administrative offices.

Discretely Presented Component Units. The following component units are legally separate entities from the State but are financially accountable to the State or their relationships with the State are such that their exclusion would cause the State’s financial statements to be misleading. These component units are reported in a separate column in the government-wide financial statements.

Nebraska State College System. The Board of Trustees of the Nebraska State Colleges governs Chadron State College, Peru State College and Wayne State College. The Board of Trustees is also the Board of Directors of the Nebraska State Colleges Facilities Corporation, a nonprofit corporation incorporated in 1983 to finance the repair or construction of buildings or the acquisition of equipment for use by the State Colleges. The Board of Trustees consists of the Commissioner of Education and six members appointed by the Governor. Chadron State, Peru State and Wayne State Foundations are tax-exempt nonprofit corporations whose purpose is to provide financial support for the Nebraska State College System. Audit reports for the Nebraska State College System may be found on the [State Colleges’](#) website under [Audit Reports](#).

University of Nebraska. The University of Nebraska consists of the following campuses: University of Nebraska – Lincoln, University of Nebraska at Omaha, University of Nebraska at Kearney and University of Nebraska Medical Center. The University of Nebraska is governed by an elected eight-member Board of Regents. The University’s financial reporting entity also consists of the following units: the University of Nebraska Facilities Corporation, a nonprofit corporation organized to finance the construction and repair of buildings and hold them in trust for the University of Nebraska; the UNMC Science Research Fund, organized to solely support the research mission of the University of Nebraska Medical Center; the University Dental Associates, organized for the purpose of billing dental service fees generated by university dentists; the University Technology Development Corporation,

formed for the purpose of supporting the research mission of the University and advance technology transfer globally; the UNeHealth, a nonprofit corporation to further the general health care purpose of the University of Nebraska Medical Center; and the University of Nebraska Foundation, a tax-exempt nonprofit corporation whose purpose is to provide financial support for the University of Nebraska. The University of Nebraska is included as a component unit because it is fiscally dependent on the State since the Nebraska Legislature controls the budget of the University. Audit reports may be found on the [University's Accounting and Finance](#) website.

The university and colleges are funded primarily through State appropriations, tuition, federal grants, private donations and grants, and auxiliary operations.

Related Organizations. The State's officials are responsible for appointing members of boards of other organizations, but the State's accountability for these organizations does not extend beyond making these appointments. The Governor appoints the boards of the following organizations: Nebraska Educational, Health, Cultural, and Social Services Finance Authority, Nebraska Investment Finance Authority and Wyuka Cemetery.

- C. Government-wide and Fund Financial Statements.** The basic financial statements include both government-wide and fund financial statements. The reporting model based on the GASB Statement No. 34 *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* focuses on the State as a whole in the government-wide financial statements and major individual funds in the fund financial statements. The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The Statement of Net Position presents the reporting entity's non-fiduciary assets and liabilities with the difference reported as net position. Net position is reported in three categories:

Net Investment in Capital Assets. This category reflects the portion of net position associated with capital assets net of accumulated depreciation and reduced by outstanding bonds and other debt that are attributed to the acquisition, construction or improvement of those assets.

Restricted Net Position. This category results when constraints are externally imposed on net position use by creditors, grantors or contributors, or imposed by law through constitutional provisions or enabling legislation.

It is the policy of the State to spend restricted net position only when unrestricted net position is insufficient or unavailable.

The Statement of Net Position reports \$6,599,546 of restricted net position, of which \$2,647,146 is restricted by enabling legislation.

Unrestricted Net Position. This category represents net position that does not meet the definition of the preceding two categories. Unrestricted net position often has constraints on resources that are imposed by management, but those constraints can be removed or modified.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function.

Indirect expenses are reflected in the general government function. Administrative overhead charges of internal service funds are included in direct expenses. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment; 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment and; 3) investment earnings of permanent funds that are legally restricted for a specific program. Taxes and other items not meeting the definition of program revenues are instead reported as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements with nonmajor funds being combined into a single column.

- D. Basis of Accounting.** The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements, except custodial funds. With the economic resources measurement focus, all assets and all liabilities associated with the operations are included on the statement of net position. Exchange revenues are recorded when transactions occur and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues and related receivables are recognized as they become susceptible to accrual; generally when they become both measurable and available. Revenues are considered to be available when they are collected within the current period or expected to be collected soon enough thereafter to pay liabilities of the current period. For this purpose, the State generally considers taxes and other revenues available if the revenues are collected within 60 days after year end, except for federal reimbursement grants which use a one year availability period. Revenues are generally considered to be susceptible to accrual when the underlying activity takes place or when eligibility requirements are met. Major revenues that are determined to be susceptible to accrual include sales taxes, income taxes, other taxpayer-assessed tax revenues, unemployment insurance taxes, federal grants and contracts, charges for services and investment income. All other revenue items, including estate taxes, are considered to be measurable and available when cash is received by the State. Receivables not expected to be collected in the next 60 days (or 12 months in the case of federal reimbursement grants) are offset by deferred inflows of resources.

Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, expenditures related to debt service, compensated absences and claims and judgments are recorded only when payment is due and payable.

The State reports the following major governmental funds:

General Fund. This is the State's primary operating fund. It reflects transactions related to resources received and used for those services traditionally provided by a state government which are not accounted for in any other fund.

Highway Fund. This fund accounts for the maintenance and preservation of State highways financed with sales tax on motor vehicles, gas taxes, federal aid and other highway user fees.

Federal Fund. This fund accounts for substantially all federal monies received by the State, except those received by the Highway Fund.

Health and Social Services Fund. This fund accounts for activities of agencies, boards and

commissions providing health care and social services financed primarily by user fees and tobacco settlement proceeds.

Permanent School Fund. This fund receives proceeds from any sale of the school lands held in trust for public education, payments for easements and rights-of-way over these lands, royalties and severance taxes paid on oil, gas and minerals produced from these lands; escheats, unclaimed property, and other items provided by law. Net appreciation on investments is not available for expenditure. Income is distributed to public schools.

The State reports the following major enterprise fund:

Unemployment Insurance Fund. This fund accounts for the State's unemployment insurance benefits. Revenues consist of taxes assessed on employers to pay benefits to qualified unemployed persons.

The State also reports the following fund types:

Governmental Fund Types:

Special Revenue Funds. Reflect transactions related to resources received and used for restricted or specific purposes.

Capital Projects Fund. Reflects transactions related to resources received and used for the acquisition, construction, or improvement of capital facilities.

Permanent Funds. Reflect transactions related to resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that benefit the government or its citizens, such as veterans, state airports and others.

Proprietary Fund Types:

Enterprise Funds. Reflect transactions used to account for those operations that are financed and operated in a manner similar to private business or where the governing body has decided that the determination of revenues earned, expenses incurred and/or net income is necessary for management accountability.

Internal Service Funds. These funds account for fleet management, facilities management, accounting, risk management, communication, information technology, printing, purchasing and postal services provided to other funds on a cost reimbursement basis.

Fiduciary Fund Types:

Pension Trust Funds. These funds account for the State Employee Retirement System, County Employee Retirement System, School Retirement System, Judges Retirement System, State Patrol Retirement System and Deferred Compensation pension benefits.

Investment Trust Funds. These funds account for investments held in trust for the Omaha School Employee Retirement System.

Private Purpose Trust Funds. These funds account for Unclaimed Property, the Nebraska College Savings and Enable Savings Plans, along with several trust funds for activity held for private individuals.

Custodial Funds. These funds account for money held by the State on behalf of residents of Veteran

Homes, care facilities, and inmates of the State; child support collection and distributions; County Court funds for third parties and local governments; flex spending accounts for medical and dependent care plans; and several trust funds with assets held by the State pending distribution to other governments or individuals.

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 and internal service funds are charges to customers for sales and services. Operating expenses for enterprise and internal service funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

- E. Cash and Cash Equivalents.** In addition to bank accounts and petty cash, this classification includes all short-term investments such as certificates of deposit, government agency securities and U.S. treasury notes and bonds having original maturities (remaining time to maturity at acquisition) of three months or less. These investments are stated at cost, which at June 30, 2024, approximates fair value due to their short-term nature. Banks pledge collateral, as required by law, to guarantee State funds held in time and demand deposits.

Cash and cash equivalents are under the control of the State Treasurer or other administrative bodies as determined by law. All cash deposited with the State Treasurer is initially maintained in a pooled cash account. On a daily basis, the State Treasurer invests cash not needed for current operations with the State's Investment Council that maintains an operating investment pool for such investments. Interest earned on these investments is allocated to funds based on their percentage of the investment pool.

- F. Investments.** Investments as reported in the basic financial statements include long-term investments. Law or legal instruments may restrict these investments. All investments of the State and its component units are recorded at fair value in accordance with generally accepted accounting principles. Fair value is defined as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income. The State's valuation methodologies are generally based on quoted market prices. These valuation methodologies may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. While management believes the valuation methodologies are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date. For investments where no readily ascertainable fair value exists, management has received an estimate of fair value from the investment fund manager based, in part, on real estate appraisals. The State Treasurer is the custodian of all funds for the State, however, investments are under the responsibility of the Nebraska Investment Council or other administrative bodies determined by law.

- G. Receivables.** Receivables are stated net of estimated allowances for uncollectible amounts which are determined based upon past collection experience and current economic conditions.

- H. Inventories.** Inventories of materials and supplies are determined by both physical counts and through perpetual inventory systems. Significant inventories of governmental funds are valued using weighted average cost. Proprietary Funds' valuation method is primarily at the lower of cost (first-in, first-out) or market. Expenditures (governmental funds) and expenses (proprietary funds) are recognized using the consumption method (i.e., when used or sold).

Commodities on hand at fiscal year-end are reflected as inventories, offset by a like amount of unearned

revenue, in the Federal Fund. Commodities are reported at fair values established by the federal government at the date received.

- I. **Restricted Assets.** Assets held by the trustee purchased with certificates of participation are classified as restricted position on the Statement of Net Position because they are maintained in separate bank accounts and their use is limited by applicable lease covenants. These assets are reflected as cash on deposit with fiscal agents in the fund financial statements. The nonmajor enterprise funds reflect long-term deposits with the Multi-State Lottery as restricted assets.
- J. **Capital Assets.** Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, and similar items) are reported in the applicable governmental or business-type activities columns in the Statement of Net Position. All capital assets are valued at cost where historical records are available and at estimated historical cost where no historical records exist. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value.

The State possesses certain assets that have not been capitalized and depreciated because the assets cannot be reasonably valued and/or the assets have inexhaustible useful lives. These collection items are not capitalized by the State because they are (1) held for public exhibition, education or research in furtherance of public service, rather than financial gain, (2) protected, kept unencumbered, cared for and preserved and (3) subject to an agency policy that requires the proceeds from sales of collection items to be used to acquire other items for collections. These assets include works of art and historical treasures such as: statues, historical documents, paintings, rare library books and miscellaneous capitol-related artifacts and furnishings.

Generally, equipment that has a cost in excess of \$5 at the date of acquisition and has an expected useful life of more than one year is capitalized. Substantially all initial building costs, land, land improvements, and software costing in excess of \$100 are capitalized. Building improvements and renovations in excess of \$100 are capitalized if a substantial portion of the life of the asset has expired and if the useful life of the asset has been extended as a result of the renovation or improvement. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Buildings and equipment are depreciated using the straight-line method. The following estimated useful lives are used to compute depreciation: Buildings 40 years and Equipment 3-20 years.

The State has elected to use the "modified approach" to account for certain infrastructure assets, as provided in GASB Statement No. 34. Under this process, the State does not record depreciation expense nor are amounts capitalized in connection with improvements to these assets unless the improvements expand the capacity or efficiency of an asset.

Utilization of this approach requires the State to: commit to maintaining and preserving affected assets at or above a condition level established by the State; maintain an inventory of the assets and perform periodic condition assessments to ensure that the condition level is being maintained; and make annual estimates of the amounts that must be expended to maintain and preserve assets at the predetermined condition levels. Roads and bridges maintained by the Department of Transportation are accounted for using the modified approach. Infrastructure acquired prior to June 30, 1980 is reported.

- K. **Compensated Employee Absences.** All permanent employees earn sick and vacation leave. Temporary and intermittent employees and Board and Commission members are not eligible for paid leave. The liability has been calculated using the vesting method in which leave amounts, for both employees who are currently eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination, are included.

State employees accrue vested vacation leave at a variable rate based on years of service. Generally, accrued vacation leave cannot exceed 35 days at the end of a calendar year. Employees accrue sick leave at a variable rate based on years of service. In general, accrued sick leave cannot exceed 240 days (180 days for non-union employees). Sick leave is not vested except upon death or upon reaching the age of 55, at which time, the State is liable for 25 percent of the employee's accumulated sick leave. In addition, some State agencies permit employees to accumulate compensatory leave rather than paying overtime.

The government-wide, proprietary and fiduciary fund financial statements recognize the expense and accrued liability when vacation and compensatory leave is earned or when sick leave is expected to be paid as termination payments.

- L. Fund Balance.** In the governmental fund financial statements, fund balances are classified as nonspendable, restricted or unrestricted (committed, assigned or unassigned). Restricted represents those portions of fund balance where constraints placed on the resources are either externally imposed or imposed by law through constitutional provisions or enabling legislation. Committed fund balance represents amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Legislature, the highest level of decision making authority for the State, by passing a legislative bill. Assigned fund balance is constrained by the Legislature's intent to be used for specific purposes by directive of the Executive Committee of the Legislature or, in some cases, by legislation. Unrestricted balances are used in the order listed above when expenditures are made which could be used from any of those categories. It is the policy of the State to spend restricted balances only when unrestricted balances are insufficient or unavailable.

The State maintains a stabilization fund reported as committed fund balance. The Cash Reserve Fund is part of the General Fund and was established by State Statute to be used as a reserve when the cash balance of the General Fund is insufficient to meet General Fund current obligations and for legislatively mandated transfers to other funds. Additions to the fund are made when actual General Fund revenues exceed certified projections for a fiscal year.

- M. Interfund Activities.** Interfund services provided and used are accounted for as revenues, expenditures or expenses in the funds involved. Activities that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund activities are reported as transfers.

The effect of interfund activity has been eliminated from the government-wide financial statements.

- N. Use of Estimates.** The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at fiscal year-end and revenues and expenses during the reporting period. Actual results could differ from those estimates.

- O. Effects of New Pronouncements.** In 2024, the State adopted GASB Statement No. 100, *Accounting Changes and Error Corrections* (GASB 100). GASB 100 prescribes the accounting and financial reporting for: (1) changes in accounting principles, changes in accounting estimates, and changes in the financial reporting entity, and (2) error corrections. For further information regarding GASB 100 see Restatements Note No. 17.

2. Deposits and Investments Portfolio

Listed below is a summary of the deposit and investment portfolio that comprises the Cash and Cash Equivalents and Investments on the June 30, 2024 basic financial statements. All securities purchased or held must either be in the custody of the State or deposited with an agent in the State's name.

Deposits. At June 30, 2024, the carrying amounts of the State's deposits were \$(60,570) and the bank balances were \$160,766. All bank balances were covered by federal depository insurance or by collateral held by the State's agent in the State's name.

State Statutes require that the aggregate amount of collateral securities deposited by a bank with the State Treasurer shall be at least one hundred two percent of the amount of public funds deposited in that bank, less the amount insured by the Federal Deposit Insurance Corporation. The State Treasurer had compensating balance agreements with various banks totaling \$15,537 at June 30, 2024.

Investments. State Statute Section 72-1239.01 authorizes the appointed members of the Nebraska Investment Council to act with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims by diversifying the investments of the State. Certain State entities are also allowed by statute to invest in real estate and other investments.

Following are two different presentations of the primary government's investments, by investment type, at June 30, 2024. The first table presents all investments stated at fair value using valuation techniques to measure fair value, followed by a table presenting investments at fair value for financial statement purposes, with debt securities presented with effective duration stated in years.

The State utilizes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets that the State has the ability to access at the measurement date. Instruments categorized in Level 1 primarily consist of a broadly traded range of equity and debt securities.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset and/or uncorroborated.

Fair value is based on actively quoted market prices, if available. In the absence of actively quoted market prices, price information from external sources, including broker quotes and industry publications, are used. If pricing information from external sources is not available or if observable pricing is not indicative of fair value, judgment is required to develop the estimates of fair value using discounted cash flows and other income valuation approaches.

For financial statement purposes, the investment amounts for some funds presented in the fiduciary fund financial statements reflect balances per audited financial statements for the period ended December 31, 2023. The underlying investments for these funds as of June 30, 2024 are included in the fair value measurement calculations and investment risk disclosures presented below for fiduciary funds.

PRIMARY GOVERNMENT INVESTMENTS AT JUNE 30, 2024 AT FAIR VALUE MEASUREMENTS USING

	Fair Value	Level 1	Level 2	Level 3
Debt Securities:				
U.S. Treasury Notes and Bonds	\$ 2,950,125	\$ –	\$ 2,950,125	\$ –
U.S. Treasury Bills	45,257	–	45,257	–
U.S. Treasury Strips	2,807	–	2,807	–
Government Agency Securities	2,459,633	–	2,459,633	–
Government Agency Strips	656	–	656	–
Corporate Bonds	5,864,562	–	5,860,470	4,092
International Notes and Bonds	218,898	–	214,810	4,088
International Government Agency Securities	133,950	–	133,950	–
Mortgages	1,464,776	–	1,464,008	768
Asset Backed Securities	302,361	–	300,646	1,715
Bank Loans	404,394	–	404,394	–
Commingled Debt	2,610,101	1,470,834	1,139,267	–
Municipal Bonds	15,662	–	15,662	–
Short Term Investments	227,612	15,718	211,894	–
Derivative Instruments	1,249	1,251	(2)	–
	<u>16,702,043</u>	<u>1,487,803</u>	<u>15,203,577</u>	<u>10,663</u>
Other Investments:				
Equity Securities	5,225,393	5,156,084	65,811	3,498
Commingled Funds	10,231,149	10,231,061	–	88
Derivative Instruments	17,600	3,294	14,275	31
U.S. Treasury Investment Pool	549,621	–	549,621	–
State Owned Land	1,919,780	–	1,919,780	–
Total Investments	<u>\$ 34,645,586</u>	<u>\$ 16,878,242</u>	<u>\$ 17,753,064</u>	<u>\$ 14,280</u>
Investments measured at the net asset value (NAV):				
		Unfunded	Redemption	Redemption
		Commitments	Frequency	Notice period
Real Estate Funds:				
Core	\$ 807,003	\$ –	Quarterly	90 Days
Non-Core	442,228	360,133		
Private Equity Funds	1,680,957	566,880		
Opportunistic Credit Funds	4,982	–		
Total investments measured at net asset value	<u>\$ 2,935,170</u>	<u>\$ 927,013</u>		
Total	37,580,756			
Other Investments not classified	3,014,067			
Component unit investment in State investment pool	(989,510)			
Other fair value measurements	6,435,414			
Total Investments at fair value	<u>\$ 46,040,727</u>			

Debt securities and other investments classified in Level 1 are valued using prices quoted in active markets for those securities. Debt securities and other investments classified in Level 2 are valued using the following approaches:

- U.S. Treasury Notes and Bonds, Government Agency Securities, and Short Term Investments: quoted prices for identical securities in markets that are not active;
- Corporate, International, Municipal Bonds, and Equity Securities: quoted prices for similar securities in active markets;
- Asset Backed Securities, Bank Loans, and Mortgages: matrix pricing, based on accepted modeling

- and pricing conventions, of the securities' relationship to benchmark quoted prices;
- Commingled Funds: published fair value per share (unit) for each fund.

Debt securities and other investments including Asset Backed Securities, Corporate Bonds, International Notes and Bonds, and Mortgages, classified in Level 3 are valued using unobservable inputs, such as reviews, recommendations and adjustments made by portfolio management; or, the use of internal data to develop unobservable inputs if there is no objective information available without incurring undue cost and effort.

Certain investments that are measured at fair value using the net asset value (NAV) per share (or its equivalent) have not been categorized in the fair value hierarchy. The fair value amounts at NAV presented in the previous table are intended to permit reconciliation of the fair value hierarchy to the amount presented in the consolidated statements of financial position. Investments valued using the net asset value per share 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 State values these investments based on the partnerships' audited financial statements. If June 30 statements are available, those values are used preferentially. However, some partnerships have fiscal years ending at other than June 30. If June 30 valuations are not available, the value is progressed from the most recently available valuation taking into account subsequent calls and distributions. The NAV table also presents the unfunded commitments, redemption frequency (if currently eligible), and the redemption notice period for the State's alternative investments. Investments measured by NAV are either short term in nature or intended to be held to maturity. Therefore they do not bear a significant risk of being sold at amounts different than the NAV.

Other investments not classified. The following investments with fair value for financial statement purposes at June 30, 2024 were not classified for fair value measurement purposes: Securities Lending Short-term Collateral Investment Pool Investments in the amount of \$3,005,712 loaned to broker-dealers and banks under the securities lending program; Other Investments in the amount of \$2,222 presented as Commingled Funds held by a custodian for certain member accounts of the Nebraska Public Employees Retirement Systems Deferred Compensation Plan; and, Debt Securities in the amount of \$6,133 presented as Short Term Investments held by a trustee representing the balance of unexpended funds received from the issuance of certificates of participation.

Other fair value measurements. The fair value of certain Other Investment amounts presented as Short Term Investments and Commingled Funds for the Nebraska Educational Savings Plan Trust (Trust) and the Nebraska Enable Savings Plan were measured on December 31, 2023. These investments were not re-valued on June 30, 2024. Following is a summary of the fair value measurement and related input level: Fair Value \$6,666,670; Input Levels: 1 - \$6,048,635; 2 - \$618,035; 3 - \$0. Additional information regarding the Trust and Nebraska Enable Savings Plan assets and related measurement details can be found in the audited financial statements located on the Nebraska State Treasurer's Office web site at treasurer.nebraska.gov.

The fair value of investments for the State and County Employees' Retirement Plans are reported for financial statement purposes as of December 31, 2023. The investment balances on June 30, 2024 were re-valued for fair value measurement purposes, resulting in an increase in fair value of \$231,256.

The primary government's investments at June 30, 2024 are presented below. All investments are presented by investment type and debt securities are presented with effective duration presented in years.

PRIMARY GOVERNMENT INVESTMENTS AT JUNE 30, 2024 FOR FINANCIAL STATEMENT PURPOSES					
	GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES		FIDUCIARY FUNDS		
	FAIR VALUE	EFFECTIVE DURATION	FAIR VALUE	EFFECTIVE DURATION	
Debt Securities:					
U.S. Treasury Notes and Bonds	\$ 2,233,441	3.99	\$ 710,744	9.82	
U.S. Treasury Bills	45,257	0.03	1,962	-	
U.S. Treasury Strips	-	-	2,829	17.49	
Government Agency Securities	2,440,605	3.63	20,611	8.81	
Government Agency Strips	-	-	677	5.76	
Corporate Bonds	3,878,344	3.54	1,993,273	4.74	
International Notes & Bonds	20,714	7.03	187,236	6.85	
International Government Agency Securities	86,097	3.26	41,071	6.44	
Mortgages	106,592	5.45	1,355,741	5.87	
Asset Backed Securities	12,305	1.56	299,368	1.48	
Bank Loans	1,480	0.12	385,563	0.01	
Commingled Debt	823,608	0.98	7,437,366	4.13	
Municipal Bonds	1,246	7.75	13,748	8.79	
Short Term Investments	117,000	-	793,716	0.01	
Derivative Instruments	73	(2.26)	1,013	3.53	
	<u>9,766,762</u>		<u>13,244,918</u>		
Other Investments:					
Opportunistic Credit	-		4,967		
Equity Securities	-		5,149,565		
Private Equity	178,930		1,511,443		
Commingled Funds	798,303		9,626,578		
Derivative Instruments	1,675		14,577		
Private Real Estate	57,205		1,200,201		
U.S. Treasury Investment Pool	549,621		-		
State Owned Land	1,919,780		-		
Less: Component Unit Investment in State Investment Pool	<u>(989,510)</u>		<u>-</u>		
Total Investments	12,282,766		30,752,249		
Securities Lending Short-term Collateral Investment Pool	<u>1,907,899</u>		<u>1,097,813</u>		
Total	<u>\$ 14,190,665</u>		<u>\$ 31,850,062</u>		

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Duration is a measure of a debt investment's exposure to fair value changes arising from changes in interest rates. It uses the present value of cash flows, weighted for those cash flows as a percentage of the investment's full price. The State does not have a policy that addresses interest rate risk.

Credit Risk of Debt Securities. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The State has contracts with investment managers that set minimum average quality ratings for its core fixed income accounts at an A. The maximum exposure to any single investment grade issuer, excluding obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government, is 5 percent and the maximum exposure to a single issuer below investment grade is 3 percent. The primary government's rated debt investments as of June 30, 2024 were rated by Standard and Poor's and/or an equivalent national rating organization and the ratings are presented below using the Standard and Poor's rating scale.

GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES INVESTMENTS AT JUNE 30, 2024

	FAIR VALUE	QUALITY RATINGS					
		AAA	AA	A	BBB	BB	B
Government Agency	\$ 2,440,605	\$ -	\$ 2,440,605	\$ -	\$ -	\$ -	\$ -
Corporate Bonds	3,878,344	299,854	982,634	2,211,771	357,976	17,961	7,003
Derivative Instruments	73	-	-	-	-	-	-
International Notes & Bonds	20,714	-	-	2,433	6,012	5,159	3,784
International Government Agency Securities	86,097	59,726	21,842	524	3,063	675	163
Mortgages	106,592	15,115	-	164	-	7	-
Asset Backed Securities	12,305	9,192	-	44	109	-	-
Bank Loans	1,480	-	-	-	386	300	520
Commingled Debt	823,608	205,744	-	-	-	-	-
Short Term Investments	117,000	-	-	-	-	-	-
Municipal Bonds	1,246	398	434	-	414	-	-

FIDUCIARY FUND INVESTMENTS AT JUNE 30, 2024

	FAIR VALUE	QUALITY RATINGS					
		AAA	AA	A	BBB	BB	B
Govt Agency Securities	\$ 19,028	\$ 1,511	\$ 17,270	\$ -	\$ -	\$ -	\$ -
Government Agency Strips	656	-	656	-	-	-	-
Corporate Bonds	1,986,217	5,862	17,722	316,383	1,069,329	351,558	145,104
Derivative Instruments	1,175	-	-	-	-	-	-
International Notes & Bonds	198,185	6,786	9,270	25,600	51,883	52,903	27,279
International Government Agency Securities	47,853	-	4,763	4,715	29,233	6,073	1,442
Mortgages	1,358,184	208,391	3,669	4,913	1,347	397	1,718
Asset Backed Securities	290,055	170,049	3,524	4,553	22,069	33,318	1,627
Bank Loans	402,916	-	-	-	14,568	74,159	235,178
Commingled Debt	1,786,493	-	-	-	-	-	-
Short Term Investments	758,787	-	-	-	-	-	-
Municipal Bonds	14,415	4,176	6,268	178	3,793	-	-

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The State has contracts with investment managers that limit the maximum amount for an issuer, excluding U.S. Treasury, U.S. Agency, mortgages and non-U.S. sovereign issuers, to 5 percent of the total account.

At June 30, 2024, the primary government, except fiduciary funds, had debt securities investments with more than 5 percent of total investments in Federal Farm Credit Bank (8 percent) and Federal Home Loan Bank (10 percent). At June 30, 2024, fiduciary funds had no investments that exceeded 5 percent or more of total investments.

	CCC	CC	D	UNRATED
\$	–	\$ –	\$ –	\$ –
	689	–	–	456
	–	–	–	73
	622	217	282	2,205
	–	–	–	104
	101	22	–	91,183
	1,524	465	971	–
	–	–	–	274
	–	–	–	617,864
	–	–	–	117,000
	–	–	–	–

	CCC	CC	C	D	UNRATED
\$	–	\$ –	\$ –	\$ –	\$ 247
	–	–	–	–	–
	39,305	8,240	175	–	32,539
	–	–	–	–	1,175
	5,016	1,456	119	1,969	15,904
	–	–	–	–	1,627
	510	845	–	2,005	1,134,389
	1,397	5,256	3	6,759	41,500
	19,962	198	–	296	58,555
	–	–	–	–	1,786,493
	–	–	–	–	758,787
	–	–	–	–	–

Securities Lending Transactions. The State participates in securities lending transactions, where securities are loaned to broker-dealers and banks with a simultaneous agreement to return the collateral for the same securities in the future. The State's securities lending agent administers the securities lending program and receives collateral in the form of cash, United States government or government agency obligations, sovereign debt rated A or better, or convertible bonds at least equal in value to the market value of the loaned securities. Securities on loan at year end consisted of United States government obligations, equity securities, corporate bonds, commingled funds, and non-US fixed income. At year-end, the State had no credit risk exposure to borrowers because the amounts the State owes the borrowers exceed the amounts the borrowers owe the State. The collateral securities cannot be pledged or sold by the State unless the borrower defaults. There are no restrictions on the amount of securities that can be loaned, and there were no losses resulting from borrower default during the year. Either the State or the borrowers can terminate all securities loans on demand. Cash collateral is invested in one of the lending agent's short-term investment pools that had an average duration of nine days. Because loans were terminable at will, their duration did not generally match the duration of the investments made with cash collateral. The securities lending agent indemnifies the State against default by the borrower of securities, but does not indemnify against the default by an issuer of a security held in the short term investment funds where cash collateral is invested.

Foreign Currency Risk. Foreign currency risk is the risk that changes in exchange rates will adversely affect

the fair value of an investment or a deposit. The State does not have a formal policy to limit foreign currency risk. Primary Government exposure to foreign currency risk is presented on the following tables.

FOREIGN CURRENCY AT JUNE 30, 2024
GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES

Currency	SHORT TERM INVESTMENTS	DEBT SECURITIES
Australian Dollar	\$ 44	\$ -
Brazilian Real	54	433
British Pound Sterling	92	1,966
Canadian Dollar	50	-
Danish Krone	10	-
Euro Currency	207	11,042
Chinese Yuan Renminbi Offshore	10	-
Japanese Yen	(225)	-
Mexican Peso	12	1,670
Norwegian Krone	3	-
Peruvian Nuevo Sol	-	336
South African Rand	-	802
Swiss Franc	1	-
Total	<u>\$ 258</u>	<u>\$ 16,249</u>

FIDUCIARY FUND FOREIGN CURRENCY AT JUNE 30, 2024

Currency	SHORT TERM INVESTMENTS	EQUITY SECURITIES	DEBT SECURITIES
Australian Dollar	\$ 458	\$ 2,528	\$ -
Brazilian Real	6	38,320	4,088
British Pound Sterling	4,147	280,804	45,833
Canadian Dollar	1,580	72,007	-
Chinese Yuan Renminbi	(5)	155,371	-
Chinese Yuan Renminbi Offshore	1,368	57,505	-
Czech Koruna	47	501	-
Danish Krone	20	100,796	-
Euro Currency	6,171	620,560	293,991
Hong Kong Dollar	197	56,580	-
Hungarian Forint	14	480	-
Indonesian Rupiah	-	1,322	3,291
Japanese Yen	(1,372)	242,517	-
Kuwaiti Dinar	740	6,507	-
Malaysian Ringgit	-	4,340	-
Mexican Peso	92	5,276	15,052
New Israeli Shekel	194	10,444	-
New Zealand Dollar	20	-	3,366
Norwegian Krone	595	12,083	3,419
Peruvian Nuevo Sol	-	-	2,706
Philippine Peso	-	6	-
Polish Zloty	1	20,974	-
Singapore Dollar	7	240	-
South African Rand	161	5,692	6,708
South Korean Won	-	26,236	-
Swedish Krona	161	10,162	-
Swiss Franc	86	57,788	-
Thailand Baht	7	4,152	-
Turkish Lira	64	26,722	-
United Arab Emirates Dirham	-	339	-
Total	<u>\$ 14,759</u>	<u>\$ 1,820,252</u>	<u>\$ 378,454</u>

Derivative Instruments. Derivative instruments are financial contracts whose underlying values depend on the values of one or more underlying assets, reference rates or financial indices. These instruments are used primarily to enhance performance and reduce the volatility of the portfolio, in accordance with the Investment Council-approved Derivatives Policy. The State invests in futures contracts, options and swaps. Futures represent commitments to purchase or sell securities or money market instruments at a future date and at a specific price. Options represent the right, but not the obligation, to purchase or sell securities at a future date and at a specific price. The State invests in these contracts related to securities of the U.S. Government or Government Agency obligations based on reference notes, which are traded on organized exchanges, thereby minimizing the State's credit risk. Swaps represent an exchange of streams of payments over time according to specified terms. All changes in the fair value of derivative instruments are reflected in Investment Income and the fair value of derivative instruments at June 30, 2024 is reflected in Investments. The fair value balances and notional amounts of investment derivative instruments outstanding at June 30, 2024, classified by type, and the changes in fair value of such derivative instruments for the year then ended are as follows:

DERIVATIVE INSTRUMENTS AT JUNE 30, 2024
GOVERNMENTAL ACTIVITIES

Derivative Instrument	Fair Value	Change in Fair Value	Notional
Credit Default Swap	\$ 356	\$ 521	\$ 13,468
Credit Default Swaption	1	-	144
Fixed Income Futures	66	207	17,733
Fixed Income Options	-	187	(1)
Foreign Currency Options	198	167	(2,296)
FX Forwards	196	184	-
Interest Rate Swap	769	166	(1,889)
Interest Rate Swaption	(6)	3	275
Return Swaps	-	73	-

DERIVATIVE INSTRUMENTS AT JUNE 30, 2024
BUSINESS-TYPE ACTIVITIES

Derivative Instrument	Fair Value	Change in Fair Value	Notional
Credit Default Swap	\$ 37	\$ 55	\$ 1,418
Credit Default Swaption	-	-	15
Fixed Income Futures	7	22	1,886
Fixed Income Options	-	20	-
Foreign Currency Options	21	18	(247)
FX Forwards	21	19	-
Interest Rate Swap	83	18	(273)
Interest Rate Swaption	(1)	-	29
Return Swaps	-	8	-

DERIVATIVE INSTRUMENTS AT JUNE 30, 2024
FIDUCIARY FUND

Derivative Instrument	Fair Value	Change in Fair Value	Notional
Credit Default Swap	\$ 2,658	\$ 4,562	\$ 110,809
Credit Default Swaption	7	4	1,238
Fixed Income Futures	1,179	2,143	189,908
Fixed Income Options	(2)	2,880	(4)
Foreign Currency Options	1,380	1,159	(16,555)
Futures Options	(1)	-	15
FX Forwards	2,067	6,147	-
Interest Rate Swap	6,558	2,203	(43,889)
Interest Rate Swaption	(38)	21	2,277
Return Swaps	-	562	-
Rights	-	(6)	-
Warrants	3,293	959	-

The change in fair value denotes the net realized and unrealized gains and losses recognized during the period. The fair value of the derivative instruments at June 30, 2024, denotes the market value, with the exception of FX Forwards, which denotes the net realized and unrealized gains and losses recognized during the period. Furthermore, the notional amount for Futures and Options was calculated as contract size times the number of contracts. The State is exposed to credit risk on derivative instruments that are in asset positions. To minimize its exposure to loss related to credit risk, it is the Nebraska Investment Council's policy to require counterparty collateral posting provisions in its non-exchange-traded derivative instruments. These terms require full collateralization of the fair value of derivative instruments in asset positions. Collateral posted is to be in the form of U.S. Treasury securities held by a third-party custodian. The Plans have never failed to access collateral when required.

The aggregate fair value of derivative instruments in asset positions at June 30, 2024, was \$591 for Governmental and Business-Type Activities and \$4,409 for the Fiduciary Fund. This represents the maximum loss that would be recognized at the reporting date if all counterparties failed to perform as contracted. There is no collateral held or liabilities included in netting arrangements with those counterparties; therefore, the net exposure to credit risk is \$5,000. Although the State executes derivative instruments with various counterparties, there is net exposure to credit risk of approximately 86 percent for the Governmental and Business-Type Activities and 84 percent for the Fiduciary Fund, held with six counterparties. The counterparties are rated A.

The State is exposed to interest rate risk on its interest rate swaps. Interest rate swaps are agreements between two counterparties to exchange future cash flows. These are generally fixed versus variable flows, and can be either received or paid. These swaps are used to adjust interest rate and yield curve exposure and substitute for physical securities. Long swap positions (receive fixed) increase exposure to long-term interest rates; short positions (pay fixed) decrease exposure. Counterparty risk is limited to monthly exchanged or netted cash flows. All of the State's interest rate swaps were fixed with a SOFR (Secured Overnight Financing Rate). Foreign currency risk for derivative instruments at June 30, 2024 are as follows:

DERIVATIVE INSTRUMENTS FOREIGN CURRENCY AT JUNE 30, 2024
GOVERNMENTAL ACTIVITIES

Currency	Swaps	Forward Contracts	Futures
Australian Dollar	\$ 3	\$ -	\$ -
Brazilian Real	(23)	24	-
British Pound Sterling	14	25	(2)
Canadian Dollar	(12)	2	12
Euro Currency	(114)	133	44
Indian Rupee	-	2	-
Israeli New Shekel	-	(1)	-
Japanese Yen	290	6	-
Mexican Peso	-	(8)	-
New Taiwan Dollar	-	6	-
New Zealand Dollar	-	(2)	-
Peruvian Nuevo Sol	-	6	-
Polish Zloty	-	(9)	-
Singapore Dollar	-	1	-
South Korean Won	-	2	-
Swiss Franc	-	(4)	-
Turkish Lira	-	4	-
Yuan Renminbi Offshore	-	9	-
Total	<u>\$ 158</u>	<u>\$ 196</u>	<u>\$ 54</u>

DERIVATIVE INSTRUMENTS FOREIGN CURRENCY AT JUNE 30, 2024
BUSINESS-TYPE ACTIVITIES

Currency	Swaps	Forward Contracts	Futures
Brazilian Real	\$ (2)	\$ 2	\$ -
British Pound Sterling	1	3	-
Canadian Dollar	(1)	-	1
Euro Currency	(12)	14	5
Japanese Yen	31	1	-
Mexican Peso	-	(1)	-
New Taiwan Dollar	-	1	-
Peruvian Nuevo Sol	-	1	-
Polish Zloty	-	(1)	-
Yuan Renminbi Offshore	-	1	-
Total	<u>\$ 17</u>	<u>\$ 21</u>	<u>\$ 6</u>

DERIVATIVE INSTRUMENTS FOREIGN CURRENCY AT JUNE 30, 2024
FIDUCIARY FUND

Currency	Swaps	Forward Contracts	Futures	Options
Australian Dollar	\$ 17	\$ -	\$ -	\$ -
Brazilian Real	(176)	(215)	-	-
British Pound Sterling	128	383	(17)	4
Canadian Dollar	(122)	15	94	-
Danish Krone	-	2	-	-
Euro Currency	(932)	1,571	149	-
Indian Rupee	-	14	-	-
Indonesian Rupiah	-	(1)	-	-
Israeli New Shekel	-	(1)	-	-
Japanese Yen	2,136	35	9	-
Mexican Peso	-	110	-	-
New Taiwan Dollar	-	61	-	-
New Zealand Dollar	-	(13)	-	-
Norwegian Krone	-	4	-	-
Peruvian Nuevo Sol	-	69	-	-
Polish Zloty	-	(68)	-	-
Singapore Dollar	-	12	-	-
South African Rand	-	3	-	-
South Korean Won	-	14	-	-
Swiss Franc	-	(26)	-	-
Turkish Lira	-	34	-	-
Yuan Renminbi Offshore	-	64	-	-
Total	<u>\$ 1,051</u>	<u>\$ 2,067</u>	<u>\$ 235</u>	<u>\$ 4</u>

A reconciliation of deposits and investments for the State to the basic financial statements at June 30, 2024 is as follows:

Disclosure Regarding Deposits and Investments:

Total Investments	\$ 46,040,727
Carrying amount of Deposits	(60,570)
Total	<u>\$ 45,980,157</u>

Statement of Net Position:

Cash and Cash Equivalents	\$ 1,130,465
Investments	10,984,174
Restricted Cash and Cash Equivalents	6,133
Securities Lending Collateral	1,907,899

Statement of Fiduciary Net Position:

Cash and Cash Equivalents	101,424
Investments	30,752,249
Securities Lending Collateral	1,097,813
Total	<u>\$ 45,980,157</u>

3. Receivables

Receivables are reflected net of allowances for doubtful accounts. The following are such related allowances listed by major fund at June 30, 2024:

Governmental Activities:	
General Fund	\$ 234,338
Highway Fund	121
Federal Fund	41,625
Health and Social Services Fund	13,771
Other Special Revenue	904
Total Governmental Activities	<u>\$ 290,759</u>
Business-type Activities:	
Unemployment Insurance	<u>\$ 47,260</u>
Total Business-type Activities	<u>\$ 47,260</u>

Of the taxes - unrestricted, other receivables-restricted, and other receivables-unrestricted, \$85,749, \$132,244, and \$26,082 respectively, is not expected to be collected within 60 days of the fiscal year end. These amounts have been offset by deferred inflows of resources in the General Fund, Highway Fund, Federal Fund, Health and Social Services Fund, and Nonmajor Funds. The majority of the loans receivable balance is not expected to be collected in the next year.

4. Capital Assets

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

	BALANCE July 1, 2023	ADDITIONS	REDUCTIONS	BALANCE June 30, 2024
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 666,021	\$ 27,786	\$ 739	\$ 693,068
Water Rights	4,500	-	-	4,500
Infrastructure (as restated)	8,247,983	50,843	-	8,298,826
Construction in progress (as restated)	459,372	180,932	123,863	516,441
Total capital assets, not being depreciated	<u>9,377,876</u>	<u>259,561</u>	<u>124,602</u>	<u>9,512,835</u>
Capital assets, being depreciated / amortized:				
Buildings and improvements (as restated)	988,694	29,818	324	1,018,188
Equipment (as restated)	887,674	131,888	19,930	999,632
Infrastructure (as restated)	11,076	8,400	-	19,476
Leased Land	315	1,486	9	1,792
Leased Buildings	45,305	1,846	944	46,207
Leased Equipment (as restated)	2,644	885	43	3,486
Subscription	19,080	17,888	2,603	34,365
Total capital assets, being depreciated / amortized	<u>1,954,788</u>	<u>192,211</u>	<u>23,853</u>	<u>2,123,146</u>
Less accumulated depreciation / amortization for:				
Buildings and improvements (as restated)	413,580	21,661	324	434,917
Equipment (as restated)	664,620	107,678	19,166	753,132
Infrastructure (as restated)	1,512	711	-	2,223
Leased Land	60	48	10	98
Leased Buildings	6,003	3,224	864	8,363
Leased Equipment (as restated)	999	579	44	1,534
Subscription	6,809	10,378	2,599	14,588
Total accumulated depreciation / amortization	<u>1,093,583</u>	<u>144,279</u>	<u>23,007</u>	<u>1,214,855</u>
Total capital assets, being depreciated, net	<u>861,205</u>	<u>47,932</u>	<u>846</u>	<u>908,291</u>
Governmental activities capital assets, net	<u>\$ 10,239,081</u>	<u>\$ 307,493</u>	<u>\$ 125,448</u>	<u>\$ 10,421,126</u>
Business-type activities:				
Nonmajor Enterprise Funds				
Capital assets, not being depreciated:				
Land	315	-	-	315
Total capital assets, not being depreciated	<u>315</u>	<u>-</u>	<u>-</u>	<u>315</u>
Capital assets, being depreciated / amortized:				
Buildings and improvements	12,626	-	-	12,626
Equipment (as restated)	7,712	164	124	7,752
Leased Buildings	1,212	-	-	1,212
Leased Equipment	-	106	-	106
Subscription	24	-	-	24
Total capital assets, being depreciated / amortized	<u>21,574</u>	<u>270</u>	<u>124</u>	<u>21,720</u>
Less accumulated depreciation / amortization for:				
Buildings and improvements	4,624	315	-	4,939
Equipment (as restated)	5,955	396	123	6,228
Leased Buildings	148	76	-	224
Leased Equipment	-	22	-	22
Subscription	12	11	-	23
Total accumulated depreciation / amortization	<u>10,739</u>	<u>820</u>	<u>123</u>	<u>11,436</u>
Total capital assets, being depreciated, net	<u>10,835</u>	<u>(550)</u>	<u>1</u>	<u>10,284</u>
Total Nonmajor Enterprise, net	<u>11,150</u>	<u>(550)</u>	<u>1</u>	<u>10,599</u>
Business-type activities capital assets, net	<u>\$ 11,150</u>	<u>\$ (550)</u>	<u>\$ 1</u>	<u>\$ 10,599</u>

Current period depreciation expense was charged to functions of the primary government as follows:

Governmental activities:	
General Government	\$ 29,595
Conservation of Natural Resources	3,666
Culture – Recreation	4,772
Economic Development and Assistance	3,049
Education	2,366
Health and Social Services	62,351
Public Safety	15,264
Regulation of Business and Professions	1,043
Transportation	22,173
Total depreciation expense - Governmental activities	<u>\$ 144,279</u>

Construction Commitments. At June 30, 2024, the State had contractual commitments of approximately \$1,697,532 for various highway and building projects. Funding of these future expenditures is expected to be provided as follows:

Federal funds	\$ 286,364
State funds	1,385,215
Local funds	25,953
	<u>\$ 1,697,532</u>

Most of these commitments will not be reflected as capital asset increases when they are paid because the State is using the modified approach to account for infrastructure. Under this method, capital asset additions are only reflected when improvements expand the capacity or efficiency of an asset.

5. Interfund Balances

Due To/From Other Funds at June 30, 2024 consists of the following:

DUE FROM:	DUE TO:					
	General Fund	Highway Fund	Federal Fund	Health and Social Services	Permanent School Fund	Nonmajor Governmental Funds
General Fund	\$ -	\$ 34	\$ 6,023	\$ 217	\$ 2,658	\$ 2,288
Highway Fund	-	-	224	16	-	838
Federal Fund	78,757	21	-	8,908	2	7,338
Health and Social Services	21,491	4	3,440	-	-	738
Permanent School Fund	11	-	-	-	-	-
Nonmajor Governmental Funds	66,911	37	2	40	-	2,676
Unemployment Insurance Fund	175	-	39,004	-	-	925
Nonmajor Enterprise Funds	-	-	-	-	-	1
Internal Service Funds	221	257	-	45	-	4,064
Custodial Funds	-	-	-	-	-	13
Pension Trust	-	-	-	-	-	1
Totals	<u>\$ 167,566</u>	<u>\$ 353</u>	<u>\$ 48,693</u>	<u>\$ 9,226</u>	<u>\$ 2,660</u>	<u>\$ 18,882</u>

Interfund receivables and payables are recorded for: (1) short term borrowings, (2) billing for services provided between agencies, (3) pension liabilities, and (4) risk management liabilities. All interfund receivables and payables are considered short term in nature.

Interfund transfers at June 30, 2024 consist of the following:

TRANSFERRED FROM:	TRANSFERRED TO:					TOTALS
	General Fund	Highway Fund	Health and Social Services	Nonmajor Governmental Funds	Internal Service Funds	
General Fund	\$ -	\$ 50,000	\$ 6,500	\$ 182,850	\$ 13,250	\$ 252,600
Highway Fund	17	-	-	11,355	-	11,372
Federal Fund	20,074	-	-	31,991	-	52,065
Health & Social Services Fund	26,750	-	-	-	-	26,750
Nonmajor Governmental Funds	178,118	-	600	16,741	-	195,459
Unemployment Insurance Fund	30,000	-	-	40,000	-	70,000
Nonmajor Enterprise Funds	-	-	1,424	54,276	-	55,700
Internal Service Funds	3,000	-	-	-	-	3,000
Totals	<u>\$ 257,959</u>	<u>\$ 50,000</u>	<u>\$ 8,524</u>	<u>\$ 337,213</u>	<u>\$ 13,250</u>	<u>\$ 666,946</u>

Transfers are used to (1) move revenues from the fund that statutes require to collect them to the fund that statutes require to expend them, (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, and (3) move profits from the State Lottery Fund as required by law.

Investment Trust Funds	Private Purpose Trust	Unemployment Insurance	Nonmajor Enterprise Funds	Internal Service Funds	Custodial Funds	Pension Trust	TOTALS
\$ 8,640	\$ -	\$ 132	\$ 473	\$ 25,166	\$ 99,271	\$ 58,061	\$ 202,963
-	-	23	859	6,662	5,354	-	13,976
-	-	8	101	4,510	-	-	99,645
-	-	-	16	534	-	-	26,223
-	-	-	-	9	-	-	20
-	1	9	5	13,913	2,799	-	86,393
-	-	-	-	-	-	-	40,104
-	-	1	-	90	-	-	92
-	-	13	74	557	-	-	5,231
-	-	-	-	-	-	-	13
-	-	-	-	86	-	-	87
<u>\$ 8,640</u>	<u>\$ 1</u>	<u>\$ 186</u>	<u>\$ 1,528</u>	<u>\$ 51,527</u>	<u>\$ 107,424</u>	<u>\$ 58,061</u>	<u>\$ 474,747</u>

6. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities as presented in the financial statements at June 30, 2024 consist of the following:

	GENERAL FUND	HIGHWAY FUND	FEDERAL FUND	HEALTH AND SOCIAL SERVICES	PERMANENT SCHOOL FUND	NONMAJOR GOVERNMENTAL FUNDS	OTHER FUNDS	UNEMPLOYMENT INSURANCE	NONMAJOR ENTERPRISE FUNDS	TOTALS
Payroll and Withholdings	\$ 22,871	\$ 5,781	\$ 7,604	\$ 343	\$ -	\$ 4,284	\$ 2,095	\$ -	\$ 342	\$ 43,320
Payables to Vendors/ Individuals	125,479	92,704	203,055	78,317	158,152	36,261	15,928	6,221	28,780	744,897
Payables to Governments	64,650	89,390	1,232,288	1,476	9,290	37,101	1,117	18,444	25	1,453,781
Due to Fiduciary Funds *	-	-	-	-	-	-	174,126	-	-	174,126
Miscellaneous	-	-	24	-	-	4	-	33	410	471
Totals	\$213,000	\$ 187,875	\$1,442,971	\$ 80,136	\$ 167,442	\$ 77,650	\$193,266	\$ 24,698	\$ 29,557	\$ 2,416,595

* This amount represents amounts due to fiduciary funds, which were classified as external payables on the government-wide Statement of Net Position.

7. Noncurrent Liabilities

Changes in noncurrent liabilities for the year ended June 30, 2024 are summarized as follows:

	BEGINNING BALANCE	INCREASES	DECREASES	ENDING BALANCE	AMOUNTS DUE WITHIN ONE YEAR
Governmental Activities:					
Claims Payable (as restated)	\$ 354,817	\$ 3,966,743	\$ 3,957,886	\$ 363,674	\$ 271,111
Pollution Remediation Payable (as restated)	31,885	8,770	578	40,077	703
Construction Payable (as restated)	242,868	12,130	35,437	219,561	34,837
Lease Liability	42,154	4,154	3,444	42,864	3,232
Subscription Liability	11,228	18,055	10,951	18,332	7,933
Certificates of Participation	33,220	3,215	12,065	24,370	9,100
Obligations Under Other Financing Arrangements	-	4,928	4,928	-	-
Compensated Absences	146,475	44,783	31,346	159,912	33,571
Net Pension Liability	493,745	-	187,914	305,831	-
OPEB Liability	26,656	-	306	26,350	-
Totals	\$ 1,383,048	\$ 4,062,778	\$ 4,244,855	\$ 1,200,971	\$ 360,487
Business-type Activities:					
Unemployment Insurance:					
Claims Payable (as restated)	\$ 6,553	\$ 90,393	\$ 86,149	\$ 10,797	\$ 10,797
Totals for Unemployment Insurance	6,553	90,393	86,149	10,797	10,797
Nonmajor Enterprise Funds:					
Claims Payable	39,858	10,676	13,400	37,134	12,438
Lease Liability	1,078	106	92	1,092	92
Subscription Liability	12	-	12	-	-
Compensated Absences	1,177	267	294	1,150	299
Totals for Nonmajor Enterprise Funds	42,125	11,049	13,798	39,376	12,829
Totals for Business-type Activities	\$ 48,678	\$ 101,442	\$ 99,947	\$ 50,173	\$ 23,626

The amount of claims payable reported in the fund financial statements are due and payable at fiscal year

end. Claims payable, compensated absences and certificates of participation typically have been liquidated in the general, special revenue and internal service funds. Obligations under other financing arrangements have been liquidated in the special revenue funds.

The State issued certificates of participation (COP) to provide funds for the acquisition of machinery, mobile radios, and computer equipment. The COPs have been issued for governmental and internal service funds. Interest is payable monthly and ranges from 0.48% to 3.48% over the life of the COPs. The COP payments are due through 2029.

The State has pollution remediation obligations as defined by Governmental Accounting Standards Board (GASB) Statement No. 49 – Pollution Remediation Obligations. The State's total estimated amount of pollution remediation obligation for Superfund sites as of June 30, 2024 is \$40,077. Superfund is the federal government program to clean up hazardous waste sites.

The Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) and the National Oil and Hazardous Substances Pollution Contingency Plan require states to share the costs of fund-financed (federal Superfund Trust Fund) remedial actions incurred at sites listed on the National Priorities List (NPL). The State must provide its assurance in a Superfund State Contract to share 10% of the cost of the remedial action and long-term response action. State cost obligations may be waived for a portion of the cleanup if the U.S. Environmental Protection Agency (EPA) uses funds derived from a settlement (or other instrument) with Potentially Responsible Parties or if funds are provided by the Infrastructure Investment and Jobs Act of 2021. The State must also provide its assurance to assume responsibility for operation and maintenance of the remedial actions for the expected life of such actions.

The earliest estimate of the cost of the remedial action is made during the evaluation of remedial alternatives in a feasibility study to help inform a remedy selection decision. During the feasibility study, the design for the remedial action is still conceptual, and the cost is based on an "order of magnitude" estimate. After a remedy is selected, a site will go through a Remedial Design. The cost estimates during these phases of the Superfund process use present value analysis to evaluate expenditures over future years and includes a contingency to cover unknowns or unanticipated conditions.

The State projects the costs for future years based annual state cost share estimates for the next three years from the EPA. EPA reports contain Government Performance and Results Act (GPRA) and Program Targets for each Superfund site. The targets include the quarter and federal fiscal year for milestone activities associated for each site, including when the State will start providing aid at a site and when the site will transfer to state operations.

Annually, the State receives Site Strategy Plans and Project Schedules for each site. These documents project GPRA and Program Targets beyond three years. Targets beyond three years are subject to change based on federal appropriations and site prioritization. Costs for State personnel and contractors are estimated based on previous years actual costs. Projections based on actual costs assume a 3% annual increase in base pay for State personnel and 2.5% annual increase in State contracting.

There are no estimated recoveries reducing the liability.

8. Leases and Subscription-Based Information Technology Arrangements

A. Lease Agreements

The State has entered into numerous lease agreements for buildings, equipment, and land. Several of these leases contain non-appropriation exculpatory clauses that allow lease cancellation if the Nebraska legislature does not make an appropriation for their continuation during any future fiscal period. Because legislative

appropriation is reasonably assured, all leases contracted by the State that are reportable under GASB Standard 87 are included in the schedules below.

B. Lessee Positions

Governmental Activities

As a lessee, the State has entered into multiple lease agreements related to governmental activities for buildings, land, and equipment. As of June 30, 2024, the aggregate value of the lease liability was \$42,864. The value of the right-of-use asset was \$51,485 and had accumulated amortization of \$9,995. Expenditures for variable payments not included in the measurement of the lease liability were recorded under the General Fund totaling \$209 for the year ended June 30, 2024.

Business-type Activities

As a lessee, the State entered into lease agreements related to business-type activities for buildings and equipment. As of June 30, 2024, the value of the lease liability was \$1,092. The value of the right-of-use asset was \$1,318 and had accumulated amortization of \$246.

Future Principal and Interest Payments

The future principal and interest payments aggregated for both governmental and business-type activities as of June 30, 2024, were as follows:

Year	Principal	Interest	Total
2025	\$ 3,263	\$ 624	\$ 3,887
2026	3,062	570	3,632
2027	2,977	521	3,498
2028	2,903	472	3,375
2029	2,624	431	3,055
2030-2034	11,358	1,645	13,003
2035-2039	8,518	988	9,506
2040-2044	6,755	477	7,232
2045-2049	1,428	198	1,626
2050-2054	143	164	307
2055-2059	170	136	306
2060-2064	202	104	306
2065-2069	240	66	306
2070-2074	255	21	276
	<u>\$ 43,898</u>	<u>\$ 6,417</u>	<u>\$ 50,315</u>

C. Lessor Positions

As a lessor, the State recognized \$15 in lease and interest revenue during fiscal year 2024 related to governmental activity leases. Lease receivables totaled \$1,840 and deferred inflow of resources totaled \$1,772 at June 30, 2024.

The future lease payments included in the measurement of the lease receivable related to governmental activities as of June 30, 2024, were as follows:

Year	Principal	Interest	Total
2025	\$ 204	\$ 30	\$ 234
2026	89	27	116
2027	84	26	110
2028	85	25	110
2029	90	24	114
2030-2034	187	107	294
2035-2039	169	94	263
2040-2044	209	76	285
2045-2049	243	52	295
2050-2054	162	26	188
2055-2059	32	17	49
2060-2064	37	15	52
2065-2069	28	12	40
2070-2074	16	11	27
2075-2100*	167	32	199
	<u>\$ 1,802</u>	<u>\$ 574</u>	<u>\$ 2,376</u>

* The Years 2075-2100 consists of one lease that extends through 2100 for a highway overpass project.

The State also is a lessor of property, primarily farmland leased by the Board of Educational Lands and Funds to farmers and ranchers. At June 30, 2024, the State owned approximately 1.26 million acres of land valued at \$1,919,780 that was under lease. Under the terms of the leases, the annual payments are subject to change based on annual market analysis. These leases are reported as investments at fair value in accordance with GASB Statement No. 72 and do not meet the definition of a lease in accordance with GASB Statement No. 87.

D. Subscription-Based Information Technology Arrangements (SBITA)

The State has entered into numerous SBITAs for software used throughout its operations, including to support the administration or execution of the State's activities. Several of these SBITAs allow for the cancellation of the agreement if the Nebraska legislature does not make an appropriation for their continuation during any future fiscal period. Because legislative appropriation is reasonably assured, all SBITAs contracted by the State that are reportable under GASB 96 are included in the schedules below. The terms of the State's SBITAs can include payments which vary throughout the SBITA term depending on the use of the software. These are considered variable payments and are not included in the subscription liability. Additionally, the State has signed contracts where the SBITA term has not commenced as of June 30, 2024.

E. SBITA Positions

Governmental Activities

As of June 30, 2024, the aggregate value of the subscription liability was \$18,332. The value of the right-to-use subscription asset was \$34,365 and its related accumulated amortization was \$14,588. Expenditures for variable payments not included in the measurement of the subscription liability were recorded under the General Fund totaling \$3, the Game and Parks Special Revenue Fund totaling \$1,399, and the Escheat Trust Fund totaling \$35 for the year ended June 30, 2024.

Business-type Activities

As of June 30, 2024, there was no aggregate value of the subscription liability. The value of the right-to-use subscription asset was \$24 and its related accumulated amortization was \$23. Expenditures for variable

payments not included in the measurement of the subscription liability were recorded under the Cornhusker State Industries Fund totaling \$2 for the year ended June 30, 2024.

Future Principal and Interest Payments

The future principal and interest payments aggregated for both governmental and business-type activities as of June 30, 2024, were as follows:

Year	Principal	Interest	Total
2025	\$ 7,650	\$ 432	\$ 8,082
2026	4,138	262	4,400
2027	3,212	139	3,351
2028	1,743	65	1,808
2029	1,172	15	1,187
2030-2034	185	39	224
2035-2039	187	9	196
	<u>\$ 18,287</u>	<u>\$ 961</u>	<u>\$ 19,248</u>

9. Obligations Under Other Financing Arrangements

The State has entered into special financing arrangements with certain public benefit corporations to fund certain grant programs. Under these arrangements, the State enters into an agreement with a public benefit corporation, the Nebraska Investment Finance Authority (NIFA), whereby NIFA issues bonds, the proceeds of which, along with federal capitalization grants, are used to provide loans to various municipalities and local units of government in Nebraska that qualify for such loans. Such loans are used for improvements to wastewater and drinking water treatment facilities. Funds to repay NIFA come from the municipalities and units of government to which the loans are given.

As of June 30, 2024 the State has no Obligations Under Other Financing Arrangements.

10. Governmental Fund Balances

The State’s governmental fund balances represent: (1) Restricted Purposes, which include balances that are legally restricted for specific purposes due to constraints that are imposed by law through constitutional provisions or are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; (2) Committed Purposes, which include balances that can only be used for specific purposes pursuant to constraints imposed by formal action of the Legislature; (3) Assigned Purposes, which includes balances that are constrained by the government’s intent to be used for specific purposes, but are neither restricted nor committed. A summary of the nature and purpose of these reserves by fund type at June 30, 2024, follows:

	Governmental Fund Balances					
	General Fund	Highway Fund	Federal Fund	Health and Social Services	Permanent School Fund	Nonmajor Funds
Restricted for:						
Education	\$ -	\$ -	\$ -	\$ -	\$ 2,452,369	\$ 37,721
Health and Social Services	-	-	-	822,912	-	49,779
Conservation of Natural Resources	-	-	-	-	-	851,158
Transportation	-	381,729	-	-	-	37,207
Licensing and Regulation	-	-	-	-	-	203,746
Economic Development	6,310	-	-	-	-	148,191
Public Safety	-	-	-	-	-	41,078
Culture – Recreation	-	-	-	-	-	39,116
Other Purposes	20,582	-	71,177	-	-	53,972
Total Restricted	<u>\$ 26,892</u>	<u>\$ 381,729</u>	<u>\$ 71,177</u>	<u>\$ 822,912</u>	<u>\$ 2,452,369</u>	<u>\$ 1,461,968</u>
Committed to:						
Economic Stabilization	\$ 912,817	\$ -	\$ -	\$ -	\$ -	\$ -
Education	679,830	-	-	-	-	-
Health and Social Services	9,106	-	-	-	-	-
Conservation of Natural Resources	753,736	-	-	-	-	-
Licensing and Regulation	315	-	-	-	-	-
Economic Development	463,298	-	-	-	-	-
Public Safety	14,573	-	-	-	-	-
Other Purposes	14,334	-	-	-	-	559,516
Total Committed	<u>\$ 2,848,009</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 559,516</u>
Assigned to:						
Education	\$ -	\$ -	\$ -	\$ -	\$ -	1,416
Health and Social Services	4,886	-	-	980	-	705
Conservation of Natural Resources	-	-	-	-	-	233
Transportation	-	11	-	-	-	-
Licensing and Regulation	-	-	-	-	-	29,792
Economic Development	-	-	-	-	-	135
Public Safety	-	-	-	-	-	5,407
Culture – Recreation	-	-	-	-	-	153
Other Purposes	-	-	-	-	-	1,437
Total Assigned	<u>\$ 4,886</u>	<u>\$ 11</u>	<u>\$ -</u>	<u>\$ 980</u>	<u>\$ -</u>	<u>\$ 39,278</u>

11. Contingencies and Commitments

Grants and Contracts. The State participates in various federally assisted grant programs that are subject to review and audit by the grantor agencies. Entitlements to these resources are generally conditional upon compliance with the terms and conditions of grant agreements and applicable federal regulations, including the expenditure of resources for allowable purposes. Any disallowance resulting from a federal audit may become a liability of the State.

All State agencies including institutions of higher education are required to comply with various federal regulations issued by the U.S. Office of Management and Budget if such agency or institution is a recipient of federal grants, contracts, or other sponsored agreements. Certain agencies or institutions may not be in total compliance with these regulations. Failure to comply may result in questions concerning the allowability of related direct and indirect charges pursuant to such agreements. Management believes that the ultimate disallowance pertaining to these regulations, if any, will not be material to the overall financial condition of the State, except for the following event identified: the State disclosed having received, on or before June 30, 2024, audit reports claiming payment for disallowed costs, penalties, and fines for the State's failure to meet federal requirements related to various federal grant programs. The State is in the process of contesting these claims. However, there exists a reasonable possibility that they will be settled in the future at an estimated amount of \$35,396 or more.

Litigation. The State is named as a party in legal proceedings that occur in the normal course of governmental operations. Such litigation includes, but is not limited to, claims asserted against the State arising from alleged torts, alleged breaches of contract, condemnation proceedings and other alleged violations of State and Federal laws. It is not possible at the present time to estimate the ultimate outcome or liability, if any, of the State for these proceedings. It is the State's opinion that the ultimate liability for these and other proceedings is not expected to have a material adverse effect on the State's financial position.

The State also has been named as a party in legal proceedings that occur outside of the normal course of governmental operations. It is not possible at the present time to estimate the ultimate outcome or liability, if any, of the State for all of these proceedings. The effects of this litigation, if any, will be reflected in future years, as the uncertainties regarding the litigation are determined.

The State is named for breach of contract with claims of \$2,865 in damages, and for two personal injury claims with possible loss of up to \$6,500. It is not possible at the present time to determine the outcome of this proceeding.

Settlements. The State is a party in one opioid litigation settlement that has not yet been finalized but is expected to yield up to \$5,139 in proceeds over the course of several years. Of this amount, political subdivisions (cities and counties) are eligible for a percent of direct share. Once the settlement is finalized, the amount to be receipted directly by political subdivisions versus the State will be determined. A State Advisory Committee was established to provide recommendations for the use of the State's settlement funds, in compliance with the terms of each settlement agreement. Generally, the purpose of the proceeds are to provide opioid disorder related treatment and prevention within the State.

12. Risk Management

Through Administrative Services, the State maintains insurance and self-insurance programs. Workers' compensation, employee health care, general liability and employee indemnification are generally self-insured. However, the State does carry surety bonds for constitutional officers. The State of Nebraska self insures all vehicles.

Risk Management has procured excess commercial crime coverage in the amount of \$11,000 with a self-insured retention of \$1,000. Risk Management has procured excess property coverage in the amount of \$200,000 with a self-insured retention of \$1,000. Newly acquired properties are covered up to \$10,000 for 90 days. If not reported after 90 days, the property is covered for \$5,000 under the miscellaneous unnamed location coverage. Wind and hail coverage is limited to \$76,250. The perils of flood, earthquake, and acts of terrorism have various coverage, sub-limits, and self-insurance. Each State agency has the option of purchasing insurance coverage for its contents, i.e. personal property. This coverage is not required, but Risk Management will purchase such coverage on behalf of an agency at its direction. Settled claims have not exceeded this commercial insurance coverage in any of the past three years. Administrative Services provides life insurance for eligible State employees. These activities are reported in the Risk Management Internal Service Fund.

Claims liabilities are reported when it is probable that a loss has occurred, and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. The balance of claims liabilities is determined by an analysis of past, current, and future estimated loss experience. Because actual claims liabilities depend on such factors as inflation, changes in legal doctrines and damage awards, the process used in computing claims liability may not result in an exact amount. Claims liabilities are evaluated periodically to take into consideration recently settled claims, the frequency of claims, and other economic and social factors, but do not include non-incremental claims adjustment expenses.

The liability for workers' compensation is recorded as a claims payable of \$67,101 at a discounted rate of 2.0 percent (\$8,773).

Changes in the balances of claims liabilities of the Risk Management Internal Service Fund during the years ended June 30, 2024, and 2023, were as follows:

	Fiscal year	
	2024	2023
Beginning Balance	\$ 113,848	\$ 108,946
Current Year Claims and Changes in Estimates	254,220	253,319
Claim Payments	(260,125)	(248,417)
Ending Balance	<u>\$ 107,943</u>	<u>\$ 113,848</u>

13. Pension Plans

Summary of Significant Accounting Policies

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 each plan and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by each plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Plans Administered by the Public Employees Retirement Board

The Public Employees Retirement Board (the Board), which consists of eight members, was created in 1971 to administer the Nebraska retirement plans then in existence. Those plans were the School, State Employees', Judges' and State Patrol plans. In October of 1973, the Board assumed the administration of the Nebraska County Employee Retirement System. The plans have been created in accordance with Internal Revenue Code, Sections 401(a), 414(h) and 414(k). Contribution and benefit provisions are established by State law and may only be amended by the State Legislature.

The Board prepares separate reports for the defined contribution plans and for the defined benefit plans. Copies of these reports that include financial statements and required supplementary information for the plans may be obtained on the Nebraska Public Employees Retirement System (NPERS) website at: npers.ne.gov. Information on NPERS may also be obtained by writing to Public Employees Retirement Systems, P.O. Box 94816, Lincoln, NE 68509-4816, or by calling 402-471-2053.

Basis of Accounting. The financial statements of the plans are prepared using the accrual basis of accounting, and are included as pension trust funds in the accompanying financial statements. Plan member and employer contributions are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

Plan Description and Funding Policy. By State law, there is to be an equitable allocation of all plan administration expenses among the retirement systems administered by the Board, and all such expenses shall be provided from the investment income earned by the various retirement funds, unless alternative sources of funds to pay expenses are specified by law.

The main benefits provided by each of these plans are retirement benefits. However, the plan also provides ancillary benefits in the event of pre-retirement death, disability, or termination of employment prior to meeting the eligibility requirements to retire.

Following is a summary of each of these plans:

State Employees' Retirement. This single-employer plan became effective by statute on January 1, 1964. Prior to January 1, 2003, the plan consisted of a defined contribution plan that covered employees of the State. Effective January 1, 2003, a cash balance benefit was added to the State Employees Retirement Act. The cash balance benefit is a type of defined benefit plan. Each member employed and participating in the retirement system prior to January 1, 2003, elected to either continue participation in the defined contribution option or begin participation in the cash balance benefit. All new members of the plan on and after January 1, 2003, become members of the cash balance benefit. For both Cash Balance and Defined Contribution plans, benefits are vested fully after three years of plan participation. Members can become vested in less than three years if they attain age 55 before terminating employment, die before terminating employment or qualify for disability retirement.

Under the cash balance benefit, a member upon attainment of age 55, regardless of service, receives a retirement allowance equal to the accumulated employee and employer cash balance accounts, including interest credits, annuitized for payment in the normal form. The normal form of payment is a single life annuity with five-year-certain, payable monthly. Members will have the option to convert their member cash balance account to a monthly annuity and have the option for cost-of-living adjustments of 2.5 percent annually. If the retiree elects an annuity with no cost-of-living adjustments, the monthly annuity amount will never change. If the retiree purchases the cost-of-living adjustment, the annuity dollar amount increases 2.5 percent each year. Also available are additional forms of payment allowed under the plan, which are actuarially equivalent to the normal form, including the option of a full or partial lump-sum.

Under the defined contribution option, a member upon attainment of age 55, regardless of service, the retirement allowance is equal to the sum of the employee and employer accounts. Members have several forms of payment available, including withdrawals, deferrals, annuities, or a combination of these.

For both the cash balance and defined contribution plans, the amounts presented in the accompanying financial statements for the State Employees' Retirement System are for the plan's fiscal year ended December 31, 2023.

Participation in the plan is required for all permanent full-time employees upon employment. Part-time employees may elect voluntary participation upon reaching age 18. Each member contributes 4.8 percent of their compensation. The State matches a member's contribution at a rate of 156 percent. Benefit and contribution provisions are established by State law (Neb. Rev. Stat. §§ 84-1301 through 84-1333 (Reissue 2014, Cum. Supp. 2022, Supp. 2023)) and may be amended only by the Nebraska Legislature. Pursuant to state statute, an actuarial valuation is performed each year to determine the actuarial required contribution. To the extent member and State payroll-related contributions are insufficient to meet the full actuarial contribution; the remainder is paid by the State.

As of December 31, 2023, there were 32,170 members in the plan. Of these members, 17,525 were active, 11,855 were inactive, and 2,790 were retirees or beneficiaries receiving benefits. The accompanying financial statements include member contributions of \$47,831 and State contributions of \$74,637 for the plan year ended December 31, 2023.

School Employees' Retirement. The State is the plan sponsor for the School Retirement System, a cost-sharing multiple-employer defined benefit pension plan, with 263 participating school districts; and, the Service Annuity Plan, a single-employer defined benefit pension plan. The State is also a non-employer contributing entity for the Omaha School Employees' Retirement System.

Participation in the School plan is required for all permanent employees of a Nebraska school district (other than the Omaha Public School District), an educational service unit, the state or county (if the position with the state or county requires a teaching certificate), working at least 20 hours per week on an ongoing basis, or with a full-time contract. Once an employee meets the requirements to participate in the plan, they will remain in the plan until termination or retirement. Members' benefits are vested after five years of plan participation or when termination occurs at age 65 or later.

In this plan, the State is in a special funding situation and contributes 2 percent of estimated payroll for the plan year. The employees' contribution is 9.78 percent of their compensation. Pursuant to state statute, a fixed contribution rate is paid by the employers. Currently the school district's contribution is 101 percent of the employees' contribution. Benefit and contribution provisions are established by State law (Neb. Rev. Stat. §§ 79-901 through 79-977.03 (Reissue 2014, Cum. Supp. 2022, Supp. 2023)) and may be amended only by the Nebraska Legislature.

Normal retirement age is 65. Unreduced benefits are also available for a member who is at least age 55

and whose age plus service equals or exceeds 85 (Rule of 85). For an employee who was a member prior to July 1, 2013, the monthly benefit is equal to the greater of: 1) The sum of a savings annuity, which is the actuarial equivalent of the member's accumulated contributions and a service annuity equal to \$3.50 per year of service; or 2) the average of the three 12-month periods of service as a school employee in which such compensation was the greatest, multiplied by total years of creditable service, multiplied by a formula factor (currently 2 percent) set by statute, and an actuarial factor based on age. For an employee who became a member on or after July 1, 2013, the monthly benefit is equal to the greater of: 1) The sum of a savings annuity, which is the actuarial equivalent of the member's accumulated contributions and a service annuity equal to \$3.50 per year of service; or 2) the average of the five 12-month periods of service in which such compensation was the greatest, multiplied by the total years of creditable service, multiplied by a formula factor (currently 2 percent) set by statute, and an actuarial factor based on age. Benefit calculations vary with early retirement.

For employees who became members prior to July 1, 2013, the benefit paid to a retired member or beneficiary receives an annual cost-of-living adjustment, which is increased by the lesser of the percentage change in the Consumer Price Index for Urban Wage Earners and Clerical Workers or two and one-half percent. The current benefit paid to a retired member or beneficiary shall be adjusted so that the purchasing power of the benefit being paid is not less than 75 percent of the purchasing power of the initial benefit. For employees who became members on or after July 1, 2013, the benefit paid to a retired member or beneficiary receives an annual cost-of-living adjustment, which is increased by the lesser of the percentage change in the Consumer Price Index for Urban Wage Earners and Clerical Workers or one percent.

The accompanying financial statements include member contributions of \$232,920, political subdivision contributions of \$234,343, and State contributions of \$49,437 for the plan year ended June 30, 2024.

The Service Annuity Plan provides benefits for the employees of the Omaha Public School District equal to \$3.50 times years of services. In this plan, the State is in a special funding situation because the benefits provided to the employees of the Omaha Public School District are funded exclusively by the State. There are no employee or employer contributions made to the plan. The benefit and contribution provisions for this plan are established by State law and may be amended only by the Nebraska Legislature.

Retirement is at age 65 with 5 years of service. Early retirement is at age 55 with 10 years of service, five of which must be with the Omaha Public School District. The benefit vests when the member has five years of service.

As of January 1, 2024, there were 8,335 members in the plan. Of these members, 6,713 were active and 1,622 were inactive. For the fiscal year ending June 30, 2024, the Service Annuity received \$1,702 in non-employer contributions from the State.

Under state statutes, the State, as a non-employer contributing entity with a special funding situation in the Omaha School Employees' Retirement System, contributes 2% of the members' compensation. The accompanying financial statements include the State's special funding contribution of \$8,640 for the plan year ended June 30, 2024.

Judges Retirement. The Judges Retirement System is a single-employer defined benefit pension plan. The membership includes judges and associate judges employed by the State for the Supreme Court, Court of Appeals, District Courts, Workers' Compensation Court, County Courts, and Juvenile Courts. Benefits vest when the member takes office.

For members participating prior to July 1, 2015, retirement is at age 65 with benefits calculated using the compensation for the three, 12-month periods of service as a judge in which compensation was the

greatest, or the average monthly compensation, multiplied by the total years of service and the formula factor of 3.5 percent, subject to a maximum of 70 percent of the final average salary. The calculation varies with early retirement. For members participating after July 1, 2015, the periods of service increased from three to five.

The benefit paid to a retired member or beneficiary includes an annual cost-of-living adjustment which is increased by the lesser of the percentage change in the Consumer Price Index for Urban Wage Earners and Clerical Workers or one percent for members hired after July 1, 2015, and two and a half percent for members participating in the plan prior to July 1, 2015. The current benefit paid to a retired member or beneficiary shall be adjusted so that the purchasing power of the benefit being paid is not less than 75 percent of the purchasing power of the initial benefit.

The plan is funded by members' contributions, a portion of court fees collected, and the State's contribution. Benefit and contribution provisions are established by State law (Neb. Rev. Stat. §§ 24-701 through 24-714 (Reissue 2016, Cum. Supp. 2022, Supp. 2023)) and may be amended only by the Nebraska Legislature. Each member hired between July 1, 2004 and June 30, 2015, contributes nine percent of their monthly salary until the maximum benefit has been earned. Members hired after July 1, 2015 contribute ten percent of their monthly salary. After earning the maximum benefit, members participating in the plan prior to July 1, 2015, contribute five percent of their monthly salary for the remainder of their active service. All other members contribute seven percent of their monthly salary until the maximum benefit has been earned. After earning the maximum benefit, those members contribute one percent of their monthly salary for the remainder of their active service. A six-dollar fee for each case is collected for District and County courts, Juvenile courts, the Workers' Compensation Court, the Supreme Court, and the Court of Appeals, plus a 10 percent charge on certain fees collected in the County courts. An actuarial valuation is performed each year to determine the actuarial required contribution. To the extent member contributions and court fees are insufficient to meet the full actuarial required contribution, the remainder is paid by the State.

As of June 30, 2024, there were 353 members in the plan. Of these members, 147 were active, 2 were inactive, 2 were disabled and 202 were retirees or beneficiaries receiving benefits. The accompanying financial statements include member contributions of \$2,461, court fees of \$4,887 and State contributions of \$1,371 for the plan year ended June 30, 2024.

State Patrol Retirement. The State Patrol Retirement System is a single-employer defined benefit pension plan for officers of the Nebraska State Patrol.

Participation is required upon employment. Each member hired prior to July 1, 2016 contributes sixteen percent of their monthly salary and the State Patrol contributes sixteen percent. Members hired on or after July 1, 2016 contribute seventeen percent of their monthly salary and the State Patrol contributes seventeen percent. Benefit and contribution provisions are established by State law (Neb. Rev. Stat. §§ 81-2014 through 81-2041 (Reissue 2014, Cum. Supp. 2022, Supp. 2023)) and may be amended only by the Nebraska Legislature. Pursuant to this statute, an actuarial valuation is performed each year to determine the actuarial required contribution. To the extent the member and employer statutory contributions are insufficient to meet the full actuarial required contribution; the remainder is paid by the State as an additional contribution. Member benefits are 20 percent vested at six years of service. This vesting percentage increases 20 percent for each additional year of service thereafter until reaching 100 percent at ten years of service.

Unreduced retirement benefits are payable upon meeting the following criteria: 1) age 50 and 25 years of service, 2) age 55 and 10 years of service, or 3) Thirty or more years of service. The retirement benefit is calculated using the compensation for the three 12-month periods of service, for members who joined the plan prior to July 1, 2016, and for five 12-month periods of service, for members who joined the plan after

July 1, 2016, in which compensation was the greatest, multiplied by the total years of service and the formula factor of 3.0 percent, subject to a maximum of 75 percent of the final average salary. The calculation varies with early retirement which is available at age 50 and 25 years of service.

The benefit paid to a retired member or beneficiary includes an annual cost-of-living adjustment which is increased by the lesser of the percentage change in the Consumer Price Index for Urban Wage Earners and Clerical Workers or one percent for members who joined the plan prior to July 1, 2016, or two and one-half percent for members who joined the plan after July 1, 2016. The current benefit paid to a retired member or beneficiary shall be adjusted so that the purchasing power of the benefit being paid is not less than 60% of the purchasing power of the initial benefit, only for members who joined the plan prior to July 1, 2016.

Deferred Retirement Option Plan (DROP) Neb. Rev. Stat. § 81-2041 (Reissue 2014, Cum. Supp. 2022) established the Patrol DROP effective September 1, 2008. The DROP is a voluntary deferred retirement plan that a member can enter between the ages of 50 and 60, with 25 years of service. Upon choosing to participate in DROP, the member is deemed to have retired; however, the member continues in active employment for up to a five-year period with no retirement contributions withheld from his or her paychecks. When the member enters DROP, the individual's monthly benefit is calculated and paid into an IRC § 414(k) Deferred Compensation Plan (DCP). After the member retires (60 years of age) or has been in DROP for five years, whichever occurs first, the member then has the option to receive a lump sum payment and/or rollover the funds in the DCP account to another qualified plan. Thereafter, future retirement benefit payments are made directly to the member.

As of June 30, 2024, there were 993 members in the plan. Of these members, 392 were active, 45 were inactive, 15 were disabled, 32 were participating in the DROP program, and 509 were retirees or beneficiaries receiving benefits. The accompanying financial statements include member contributions of \$6,347, and State contributions of \$13,601 for the plan year ended June 30, 2024.

Other Plan Administered

County Employees' Retirement. In 1973, the State Legislature brought the County Employees' Retirement System under the administration of the Board. This cost-sharing multiple-employer plan covers employees of 91 of the 93 counties and several county health districts. Douglas and Lancaster counties have separate retirement plans for their employees by State law. Prior to January 1, 2003, the plan consisted of a defined contribution plan. Effective January 1, 2003, a cash balance benefit was added to the County Employees Retirement Act. The cash balance benefit is a type of defined benefit plan. Each member employed and participating in the retirement system prior to January 1, 2003 elected to either continue participation in the defined contribution option or begin participation in the cash balance benefit. All new members of the Plan on and after January 1, 2003 become members of the cash balance benefit. Under the cash balance benefit, a member upon attainment of age 55, regardless of service, receives a retirement allowance equal to the accumulated employee and employer cash balance accounts, including interest credits, annuitized for payment. Members have options on how to receive the payment. For both Cash Balance and Defined Contribution plans, benefits are fully vested after three years of plan participation. Members can become vested in less than three years if they attain age 55 before terminating employment, die before terminating employment or qualify for disability retirement.

Participation in the plan is required of all full-time employees upon employment and of all full-time elected officials upon taking office. Part-time employees may elect voluntary participation upon reaching age 18. Part-time elected officials may exercise the option to participate. County employees and elected officials contribute four and one half percent of their total compensation. Commissioned law enforcement personnel in participating counties with less than 85,000 inhabitants contribute an extra one percent, or a total of five and one half percent, which increased to two, and six and one-half percent, respectively as of

September 2, 2023, of their total compensation. Commissioned law enforcement personnel in participating counties with a population in excess of 85,000 inhabitants contribute an extra two percent, or a total of six and one half percent, which increased to three, and seven and one-half percent, respectively, as of September 2, 2023, of their total compensation. The counties match a member's contribution at a rate of 150 percent for the first four and one half percent and 100 percent of the supplemental contribution. The State does not contribute to this plan.

As of December 31, 2023, there were 14,127 members in the plan. Of these members, 8,026 were active, 5,097 were inactive, and 1,004 were retirees or beneficiaries receiving benefits. Members contributed \$18,278 and counties contributed \$27,020 during the year ended December 31, 2023, which was equal to required contributions.

Net Pension Liability/(Asset)

The net pension liability calculation for the Judges, Patrol and Service Annuity plans, and the collective net pension liability for the School plan were performed with a measurement date of June 30, 2023. The total pension liability for the Judges, Patrol, Service Annuity and School plans as of June 30, 2023 were determined based on the annual actuarial funding valuation report prepared as of July 1, 2023.

The net pension liability calculation for the State Employees' Retirement plan was performed with a measurement date of December 31, 2023. The total pension liability as of December 31, 2023 was determined based on the annual actuarial funding valuation report prepared as of January 1, 2024.

The net pension liability calculation for the Omaha School Employees' Retirement System was performed with a measurement date of December 31, 2023. The total pension liability as of December 31, 2023 was determined based on the annual actuarial funding valuation report prepared as of January 1, 2024.

The State Employees' Retirement plan, the State Patrol Retirement plan and the Judges' Retirement plan are all single employer plans with the State as the employer. The State will report 100 percent of the net pension liability/(asset) for each of those plans.

The State is a non-employer with a special funding situation for the school retirement plans. The State reported a \$196,918 total pension liability for its proportionate share of the collective net pension liability for the school retirement plans. The State's share is a combination of a pension liability for \$71,317 from the Nebraska Public Employees Retirement System's School plan, and pension liabilities for \$3,570 from the Service Annuity plan and \$122,032 from the Omaha School Employees' Retirement System. The State's proportionate share of the collective net pension liability for the school retirement plans represents a decrease of \$67,627 from the pension liability for \$264,545 reported at June 30, 2023. The State's percentage of its proportionate share of the net pension liability for the Nebraska Public Employees Retirement System's School plan is 17.19 percent, the Service Annuity plan is 100 percent, and the Omaha School Employees' Retirement System is 10.34 percent. In the School plan and the Omaha School Employees Retirement System, the determination of proportionate share is based on individual employer contribution information.

The key actuarial assumptions used to measure the total pension liability, as of the latest valuation date, are as follows:

	STATE CASH BALANCE	STATE PATROL RETIREMENT	JUDGES' RETIREMENT	SCHOOL RETIREMENT	SCHOOL SERVICE ANNUITY	OMAHA SCHOOL EMPLOYEES' RETIREMENT
Measurement Date	12/31/2023	6/30/2023	6/30/2023	6/30/2023	6/30/2023	12/31/2023
Actuarial Valuation Date	1/1/2024	7/1/2023	7/1/2023	7/1/2023	7/1/2023	1/1/2024
Actuarial Cost Method	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age
Amortization Method	Level dollar amount, closed	Level percent of payroll, closed	Level percent of payroll, closed	Level percent of payroll, closed	Level percent of payroll, closed	Level percent of payroll, closed
Remaining/Single Amortization Period	25 years	19 years	25 years	5 years	5 years	25-30 years
Asset Valuation Method	5 year smoothed market	5 year smoothed market	5 year smoothed market	5 year smoothed market	5 year smoothed market	market related smoothed value
Actuarial Assumptions:						
Investment Rate of Return **	7.1%	7.1%	7.1%	7.1%	7.1%	7.3%
Projected Salary Increases **	2.95% to 9.30%	2.95% to 8.45%	3.2%	2.95% to 12.95%	2.95% to 12.95%	3.10% to 6.50%

** Includes assumed inflation of 2.45% per year for State, Judges, Patrol, School, Service Annuity plans, and 2.60% for Omaha School Employees Retirement System

Mortality Rates. The State, Judges, Patrol, School, and Service Annuity plans' pre-retirement mortality rates were based on the Pub-2010 General Members Employee Mortality Table, both male and female rates set back one year, projected generationally using MP-2019 modified to 75 percent of the ultimate rates (sex distinct with 100 percent of male rates for males and 95 percent of female rates for females).

The State, Judges, Patrol, School, and Service Annuity plans' post-retirement mortality rates for retired members were based on the Pub-2010 General Members Retiree Mortality Table, both male and female rates set back one year, projected generationally using MP-2019 modified to 75 percent of the ultimate rates (sex distinct with 100 percent of male rates for males and 95 percent of female rates for females). The mortality rates for beneficiaries were based on the Pub-2010 General Members Contingent Survivor Mortality Table, both male and female rates set back one year, projected generationally using MP-2019 modified to 75 percent of the ultimate rates (sex distinct with 100 percent of male rates for males and 95 percent of female rates for females). Mortality rates for cash balance members were based on hire date. For members hired before January 1, 2018, 1994 Group Annuity Mortality Table (sex distinct 50 percent of male rates for males and 50 percent of female rates for females) set statutorily. For members hired on or after January 1, 2018, Retiree Mortality Table, projected to 2040 (sex distinct 55 percent of male rates for males and 45 percent of female rates for females).

The Omaha School Employees' Retirement System pre-retirement and post-retirement mortality rates were based on the Pub-2010 General Members Employee/Retiree Mortality Tables projected generationally using the NPERS projection scale. The mortality rates for beneficiaries were based on the Pub-2010 General Members Contingent Survivor Mortality Table projected generationally using the NPERS projection scale.

The Judges, Patrol, School, and Service Annuity plans' disability mortality rates were based on the Pub-2010

Non-Safety Disabled Retiree Mortality Table (static table). The Omaha School Employee's Retirement System disability rates were based on the Pub-2010 Non-Safety Disabled Retiree Mortality Table, without generational improvement.

The actuarial assumptions used in the valuation for the State, School, Judges, Patrol, and Service Annuity plans' are based on the results of the most recent actuarial experience study, which covered the four-year period ending June 30, 2019. The experience study report is dated December 21, 2020.

The actuarial assumptions used in the January 1, 2024 valuation for the Omaha School Employees' Retirement System were based on the results of the most recent actuarial experience study, which covered the four-year period ending December 31, 2020. The experience study report is dated December 6, 2021.

Target Asset Allocation. The long-term expected real rate of return on pension plan investments was based upon the expected long-term investment returns provided by a consultant of the Nebraska Investment Council, who is responsible for investing the pension plan assets. The return assumptions were developed using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the State, School, Service Annuity, Judges, and Patrol plans' target asset allocations are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return *
U.S. Equity	27.00 %	4.50 %
Non-U.S. Equity	11.50 %	5.80 %
Global Equity	19.00 %	5.30 %
Fixed Income	30.00 %	0.70 %
Private Equity	5.00 %	7.40 %
Real Estate	7.50 %	4.20 %
Total	100.00 %	

*Arithmetic mean, net of investment expense

For the Omaha School Employees' Retirement System, the target asset allocation and best estimates of arithmetic real rates of return for each major asset class, as provided by the System's investment consultant for the last experience study, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return *
U.S. Equity	27.00 %	4.30 %
Non-U.S. Equity	11.50 %	5.30 %
Global Equity	19.00 %	4.90 %
Fixed Income	30.00 %	1.10 %
Private Equity	5.00 %	6.60 %
Real Estate	7.50 %	3.90 %
Total	100.00 %	

*Arithmetic mean, net of investment expenses

Discount Rate. The discount rate used to measure the total pension liability was 7.00 percent for the State, a decrease from 7.10 percent used for the previous measurement date. The Judges, Patrol and Schools rate was 7.10 percent, a decrease from 7.20 percent used for the previous measurement date. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that State contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, the pension 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 pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The change in the net pension liability/(asset) is presented in the following schedules:

	Judges Retirement Plan		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability / (Asset) (a) - (b)
Balance at 06/30/2022	\$ 225,647	\$ 219,726	\$ 5,921
Changes for the year:			
Service Cost	6,323	-	6,323
Interest on Total Pension Liability	15,804	-	15,804
Differences between expected and actual experience	326	-	326
Assumption changes	1,125	-	1,125
Court fees	-	4,182	(4,182)
State Appropriations	-	1,296	(1,296)
Benefit payments, including member refunds	(13,679)	(13,679)	-
Employee contributions	-	2,292	(2,292)
Net investment income	-	21,380	(21,380)
Administrative expenses	-	(90)	90
Net changes	9,899	15,381	(5,482)
Balance at 6/30/2023	\$ 235,546	\$ 235,107	\$ 439

State Retirement Plan			
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability / (Asset) (a) - (b)
Balance at 12/31/2022	\$ 2,119,532	\$ 1,969,120	\$ 150,412
Changes for the year:			
Service Cost	97,639	-	97,639
Interest on Total Pension Liability	145,257	-	145,257
Differences between expected and actual experience	(11,189)	-	(11,189)
Assumption changes	13,568	-	13,568
Benefit payments, including member refunds	(158,273)	(158,273)	-
Employer contributions	-	66,350	(66,350)
Employee contributions	-	42,518	(42,518)
Net investment income	-	286,699	(286,699)
Administrative expenses	-	(1,749)	1,749
Transfers	8,387	8,387	-
Net changes	95,389	243,932	(148,543)
Balance at 12/31/2023	\$ 2,214,921	\$ 2,213,052	\$ 1,869

State Patrol Retirement Plan			
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability / (Asset) (a) - (b)
Balance at 06/30/2022	\$ 567,484	\$ 494,617	\$ 72,867
Changes for the year:			
Service Cost	10,115	-	10,115
Interest on Total Pension Liability	39,946	-	39,946
Differences between expected and actual experience	41,702	-	41,702
Assumption changes	4,215	-	4,215
Benefit payments, including member refunds	(28,171)	(28,171)	-
Employer contributions	-	9,254	(9,254)
Employee contributions	-	5,162	(5,162)
Net investment income	-	47,949	(47,949)
Administrative expenses	-	(142)	142
Other changes	-	17	(17)
Net changes	67,807	34,069	33,738
Balance at 6/30/2023	\$ 635,291	\$ 528,686	\$ 106,605

Sensitivity of the net pension liability/(asset) to changes in the discount rate. The following presents the net pension liability/(asset) of the plans calculated using the current discount rate of 7.00 percent for State and a discount rate of 7.10 percent for Judges, Patrol, and School. The table also shows what the plans' net pension liability/(asset) would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate.

		Net Pension Liability / (Asset)		
		1% Decrease (6.10%)	Current Discount Rate (7.10%)	1% Increase (8.10%)
School *	\$	612,380	\$ 196,918	\$ (144,263)
Judges		25,210	439	(20,716)
Patrol		195,778	106,605	34,413
		1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
State	\$	211,091	\$ 1,869	\$ (171,898)

* Omaha School Employees' Retirement System current discount rate is 7.20%, for a 1% decrease of 6.20% and 1% increase of 8.20%.

Changes to Actuarial Assumptions Subsequent Event to June 30, 2024. The key changes in economic assumptions are as follows: Price Inflation, Investment Return, General Wage Inflation, Payroll Growth, Salary Increases, Cash Balance Interest Crediting Rate, and Cost of Living Adjustment. Details of the assumption changes effective for future years are available in the audited pension financials.

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in the separately issued financial reports prepared by the Nebraska Public Employees Retirement Board and the Omaha School Employee Retirement System.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

As a result of its requirement to contribute to these retirement plans, the State recognized net pension expense of \$86,223 for the year ended June 30, 2024. Of this amount, \$13,836 pension expense was recognized for the Nebraska Public Employees Retirement System's School plan, \$30,037 pension expense was recognized for the State plan, \$22,923 pension expense was recognized for the State Patrol Plan, \$4,852 pension expense was recognized for the Judges Plan, and \$1,408 in pension expense was recognized for the Service Annuity. Pension expense of \$13,167 was also recognized for the Omaha School Plan. In the accompanying financial statements, presented as of June 30, 2024, the State reported deferred outflows of resources and deferred inflows of resources from the following sources:

	DEFERRED OUTFLOWS OF RESOURCES	DEFERRED INFLOWS OF RESOURCES
Actuarial Calculations:		
Judges Retirement		
Differences between expected and actual experience	\$ 255	\$ 1,302
Changes of assumptions	2,508	-
Net difference between projected and actual earnings on pension plan investments	24,697	21,807
Patrol Retirement		
Differences between expected and actual experience	33,064	363
Changes of assumptions	7,331	-
Net difference between projected and actual earnings on pension plan investments	55,412	48,824
School Retirement		
Differences between expected and actual experience	11,837	14,809
Changes of assumptions	25,687	11,959
Net difference between projected and actual earnings on pension plan investments	290,455	253,035
Changes in proportion	7,259	9,578
State Retirement		
Differences between expected and actual experience	-	25,438
Changes of assumptions	28,532	-
Net difference between projected and actual earnings on pension plan investments	254,978	210,198
Total Actuarial Calculations	742,015	597,313
Employer Contributions Paid Subsequent to Actuarial Measurement Date:		
Judges Retirement	6,258	-
Patrol Retirement	13,601	-
School Retirement	49,437	-
Total	\$ 811,311	\$ 597,313

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	Judges		Patrol		School		State	
	Outflow	Inflow	Outflow	Inflow	Outflow	Inflow	Outflow	Inflow
2025	\$ 10,951	\$ 10,494	\$ 35,746	\$ 22,197	\$ 123,936	\$ 130,426	\$ 96,783	\$ 95,000
2026	8,323	10,155	29,546	21,835	102,254	121,944	93,941	74,736
2027	8,002	1,304	28,433	2,578	98,716	18,968	90,571	34,398
2028	184	1,155	2,082	2,578	7,107	16,308	2,214	31,503
2029	-	-	-	-	2,194	201	-	-
Thereafter	-	-	-	-	513	456	-	-
Total	<u>\$ 27,460</u>	<u>\$ 23,108</u>	<u>\$ 95,807</u>	<u>\$ 49,188</u>	<u>\$ 334,720</u>	<u>\$ 288,303</u>	<u>\$ 283,509</u>	<u>\$ 235,637</u>

Payable to the Pension Plans

The State reported a payable of \$66,701 for the outstanding amount of contributions to the pension plans required for the year ended June 30, 2024.

14. Other Postemployment Benefits

The State provides State employees who are eligible for retirement, and do retire, the opportunity to continue medical benefits in accordance with State Law, Neb. Rev. Stat. §§ 84-1601 through 84-1615 (Reissue 2014, Cum. Supp. 2022), and Nebraska Administrative Code, Title 273, Chapter 16-010.

Plan Description

The State administers a single-employer benefit plan, known as the State of Nebraska Retiree Health Insurance Program (Plan), which provides post employment medical insurance benefits for retirees. State employees who are eligible for retirement, and do retire, are provided the opportunity to continue health insurance coverage in a State health insurance plan until they reach age sixty-five or become Medicare eligible. Management of the Plan is governed by the State and administered by the Department of Administrative Services.

Permanent full-time and part-time employees, who work one-half or more of the regularly scheduled hours during each pay period, are between the ages of fifty-five and sixty-four, who voluntarily retire or terminate from state employment, who are enrolled in a State health insurance plan, and have actively contributed to the Nebraska Public Employees Retirement System prior to leaving state employment, are eligible to participate in the Plan until the first day of the month in which they turn age sixty-five. Commissioned employees of the Nebraska State Patrol who on or after July 17, 1986, has reached fifty-one years of age or becomes medically disabled and who will not receive benefits from the federal social security program is eligible for the Plan until age sixty-five. Furthermore, commissioned employees of the Nebraska State Patrol who began employment before 1982 were given grandfathered rights to lifetime benefits under the Plan.

The spouse and family member dependents of a retired State employee are eligible to participate in the Plan, as dependents only, until the employee reaches age sixty-five. If the spouse is age sixty-five or older at the time the State employee retires, he or she is not eligible to continue to participate in the Plan. The spouse of a retired participant reaching age sixty-five before the State employee, loses Plan eligibility at age sixty-five.

Benefits under the Plan include medical and prescription drug benefits that mirror the active health insurance plan in which the employee is enrolled at the time of retirement. The Plan is funded by premiums charged to

the retirees, which are responsible for the entire cost of the premium. Retiree and dependent contribution rates are periodically adjusted by the State with Legislative approval.

The following circumstances may cause termination of benefits before the retiree or dependent reaches age sixty-five: the retiree or dependent begins receiving Medicare and/or Medicare disability benefits; the retiree fails to make premium payments on time; the retiree benefit provision is changed in a subsequent labor contract; applicable statutes, administrative regulations, or contract provisions are changed and benefit coverage is no longer available; or, the State ceases to provide group health insurance to State employees.

The Plan is not pre-funded. The State funds benefits on a pay-as-you-go basis.

As of June 30, 2022, there were 12,794 members in the Plan, of which 12,581 were active employees and 213 were retired employees or beneficiaries currently receiving benefits.

An implicit rate subsidy exists for the Plan in that retirees under the age of 65 (i.e. not eligible for Medicare) generate higher claims on average than the group of active employee members. Medical plans generally determine a premium by analyzing the claims of the entire population in the plan and adjusting for administrative costs. The resulting premium is called a blended premium because it blends the claims of active and retired members. Since the volume and dollar amount of claims generally increase as individuals age, the blended premium paid for retirees is lower than the expected claims. If the retirees were removed from the plan, the premium for the active group would be lower. Therefore, the retirees' premiums are being subsidized by the active group. Since the employer generally pays a large portion of the premiums for the active group, this subsidy creates a liability for the employer. The difference between the expected claims for the retiree group and the blended premium is called the implicit rate subsidy.

A copy of the Plan's separately issued actuarial valuation may be obtained by writing to the Nebraska Department of Administrative Services, 1526 K Street, Suite 190, Lincoln, Nebraska 68508.

Net OPEB Liability

The Plan is not prefunded and therefore there are no assets accumulated in a Governmental Accounting Standards Board, Statement 75, compliant trust. Benefits are funded on a pay-as-you-go basis, so Net OPEB Liability and Total OPEB Liability are equal. The Total OPEB Liability was determined by an actuarial valuation as of June 30, 2023, resulting in a Net OPEB Liability of \$26,350 reported as of June 30, 2024. Below is the schedule of changes in net OPEB liability:

Total OPEB Liability	
Service Cost	\$ 1,602
Interest	960
Changes of assumptions	(566)
Benefit payments, including refunds of member contributions	(2,302)
Net change in Total OPEB Liability	(306)
Total OPEB Liability – beginning	26,656
Total OPEB Liability – ending (a)	<u>\$ 26,350</u>

Plan Fiduciary Net Position (Assets)

Estimated contributions	\$ 2,302
Estimated benefit payments, including refunds of member contributions	<u>(2,302)</u>
Net change in Plan Fiduciary Net Position	–
Plan Fiduciary Net Position (Assets) – beginning	–
Plan Fiduciary Net Position (Assets) – ending (b)	<u>–</u>
Net OPEB Liability – ending (a) – (b)	<u>\$ 26,350</u>
Covered employee payroll	N/A
Plan Net OPEB Liability as a percentage of covered employee	N/A

Key actuarial assumptions used to measure the Total OPEB Liability are as follows:

Actuarial cost method	Entry Age Normal, Level Percentage of Pay
Discount rate	3.65% as of June 30, 2023 and 3.54% as of June 30, 2022
Payroll Growth Rate	2.95%
Salary increases	Service-based table, decreasing from 9.3% to ultimate of 2.95% over 30 years
Mortality rates	Pub-2010 General (Above Median), adjusted based on age and sex, generationally projected
Healthcare cost trend rates:	
Medical	5.75% decreasing by 0.25% for 5 years to an ultimate of 4.50%
Prescription drug	7.25% decreasing by 0.25% for 11 years to an ultimate of 4.50%
Administrative costs	3.00% each year

Changes to benefit and funding terms:

Effective with the June 30, 2023 measurement:

- Copays for the Regular and Wellness plans were reduced by \$10.
- The maternity copay of \$500 on the Wellness plan was eliminated.
- Limits on PT/OP/ST were extended by 10 sessions for the Wellness and Regular plans.
- The individual in-network deductible for the Consumer-Focused plan increased from \$2,800 to \$3,000.
- The preventive drug list was expanded.

Changes to assumptions:

Effective with the June 30, 2023 measurement:

- The discount rate was updated from 3.54% to 3.65%.
- The salary scale assumption was updated to reflect the most recent valuation of the State Cash Balance Plan.

Sensitivity of the Net OPEB Liability (NOL) to changes in the current discount rate.

The table presents the NOL as well as what the NOL would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate. Also shown is the NOL as if it were calculated using healthcare cost trend rates that were 1 percentage point lower or 1 percentage point higher than the current healthcare trend rates.

	1% Decrease in Discount Rate (2.65%)	Current Discount Rate (3.65%)	1% Increase in Discount Rate (4.65%)
Net OPEB Liability	\$ 28,241	\$ 26,350	\$ 24,606
	1% Decrease in Trend Rate	Current Trend Rate	1% Increase in Trend Rate
Net OPEB Liability	\$ 23,818	\$ 26,350	\$ 29,328

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The State recognized OPEB expense of \$3,741 for the year ended June 30, 2024. The State also reported the following deferred outflows and inflows of resources for financial statement purposes:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions or other inputs	\$ 4,678	\$ 1,144
Difference between expected and actual experience in the Total OPEB Liability	2,037	-
Net difference between projected and actual earnings on investments	-	-
Total Actuarial Calculations	\$ 6,715	\$ 1,144
Contributions Subsequent to the Actuarial Measurement Date	2,282	-
Total	<u>\$ 8,997</u>	<u>\$ 1,144</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ended June 30:</u>	
2025	\$ 1,278
2026	1,278
2027	1,334
2028	1,252
2029	349
Thereafter	79

15. Bonds Payable

Article XIII of the State's Constitution prohibits the State from incurring debt in excess of one hundred thousand dollars. However, there is a provision in the State's Constitution that permits the issuance of revenue bonds for: (1) construction of highways; and (2) construction of water conservation and management structures. At June 30, 2024, there was no outstanding debt for either of these purposes.

The component units issue bonds for various purposes including student housing, parking facilities and special event centers. Net revenues from student housing and dining facilities, special student fees and parking facilities fees are pledged to secure the appropriate issues.

All outstanding bond issues of the University of Nebraska Facilities Corporation and the Nebraska State College Facilities Corporation are general obligations of these corporations. They are separate legal entities that are not subject to State constitutional restrictions on the incurrence of debt, which may apply to the State itself.

BONDS PAYABLE	INTEREST RATES	BALANCE June 30, 2024
COMPONENT UNITS		
University of Nebraska	1.83%-5.50%	\$ 1,101,070
Nebraska State Colleges	0.30%-5.00%	108,455
Component Units Total		<u>\$ 1,209,525</u>

COMPONENT UNITS DEBT SERVICE REQUIREMENTS TO MATURITY			
YEAR	PRINCIPAL	INTEREST	TOTAL
2025	\$ 36,490	\$ 41,830	\$ 78,320
2026	63,780	40,167	103,947
2027	46,305	37,844	84,149
2028	48,075	36,124	84,199
2029	39,185	34,332	73,517
2030-2034	166,020	149,841	315,861
2035-2039	118,830	128,509	247,339
2040-2044	130,835	107,162	237,997
2045-2049	160,355	86,484	246,839
2050-2054	129,870	59,052	188,922
2055-2059	139,345	38,087	177,432
2060-2064	130,435	10,669	141,104
Total	<u>\$ 1,209,525</u>	<u>\$ 770,101</u>	<u>\$ 1,979,626</u>

16. Tax Abatements

Statement No. 77 of the Governmental Accounting Standards Board (GASB 77) requires the State to disclose specific information about tax abatement agreements to which it is a party. Tax abatement is defined as:

[a] reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments.

As of June 30, 2024, the State of Nebraska administers eleven separate tax abatement programs with activity to report in the fiscal year— the Nebraska Advantage Act, the Nebraska Advantage Rural Development Act, the Nebraska Advantage Microenterprise Tax Credit Act, the Employment and Investment Growth Act, the ImagiNE Nebraska Act, the Nebraska Job Creation and Mainstreet Revitalization Act, the Key Employer and Jobs Retention Act, the New Markets Job Growth Investment Act, the Beginning Farmer Tax Credit Act, the Community Development Assistance Act, and the Affordable Housing Tax Credit Act. The State also administers three other tax abatement programs. The Renewable Chemical Production Tax Credit Act, the Urban Redevelopment Act, and the Invest Nebraska Act each had minimal or no approved or pending claims in the fiscal year and, to maintain confidentiality, are not reported.

Description of Tax Abatement Programs

A. Nebraska Advantage Act. Neb. Rev. Stat. §§ 77-5701 through 77-5735 (Reissue 2018, Cum. Supp. 2022), is a program that allows taxpayers involved in a qualified business to earn and use tax benefits based on investment and employment growth. The Nebraska Advantage Act has six tiers that have varying requirements for investment and employment growth. The required levels of employment and investment must be met within 4 to 7 years, depending on the applicable tier. The maximum life of each project is 10 to 30 years. No new Nebraska Advantage Act applications may be filed after December 31, 2020. However, benefits may be paid out under the Nebraska Advantage Act until 2051.

Applicants are required to meet different levels of employment and investment based on the tier they choose and the year in which they apply. There is also a required wage for the jobs that create tax credits. The required employment, investment, and wage levels which calendar year 2020 applicants must meet to qualify for benefits are as follows:

	Investment and Employment Growth						
	Tier 1	Tier 2 ^{1,2}	Tier 2 ³	Tier 3	Tier 4	Tier 5	Tier 6
Investment	\$1,000	\$3,000	\$200,000	N/A	\$12,000	\$37,000 ^{1,2,3} / \$20,000 ⁴	\$10,000 / \$109,000
FTE⁵ Growth	10	30	30	30	100	N/A	75/50
Annual Wage	\$28	\$28	\$28	\$28	\$28	N/A	\$69 ⁶

¹ Web Portal

² Data Center

³ Large Data Center

⁴ Renewable Energy

⁵ Full-time Equivalent Employee

⁶ Varies by county. Greater of 200% of county average weekly wage for the county in which the project is located or 150% of state average weekly wage.

Once the taxpayer meets the employment and investment levels, they qualify for tax benefits including: 1) a direct refund of sales and use taxes paid on qualified property, 2) an investment credit that varies from 3% to 15%, depending on the applicable tier, of the investment credit made in qualified property, 3) a compensation credit that varies from 3% to 10% of the compensation paid to new employees, depending on the applicable tier, and 4) a personal property tax exemption on certain types of property for some tiers, and 5) a sales and use tax exemption on purchases of qualified property in the entitlement period. Investment and compensation credits may be used to: 1) obtain a refund of sales or use taxes paid on otherwise nonrefundable purchases, 2) reduce income tax liability, or 3) for certain tiers, obtain a reimbursement equal to the amount of real property tax. Compensation credits may also be used to obtain a refund of, or to reduce, the taxpayer’s income tax withholding liability attributable to the increase in employment. This Act has provisions through which the State may recapture benefits paid if the taxpayer fails to meet or maintain the required employment and investment levels. Benefits will be recaptured if the minimum levels of investment or employment are not maintained for all years during the entitlement period. For each year the levels are not maintained, the taxpayer cannot earn new tax credits or claim direct refunds or exemptions of sales and use taxes for investments made during the year. The State will also recapture a portion of benefits already received and retain a portion of subsequent tax offsets or refunds to recover the portion of benefits subject to recapture.

B. Nebraska Advantage Rural Development Act. Neb. Rev. Stat. §§ 77-27,187 through 77-27,196.01 (Reissue 2018 Cum. Supp. 2022, Supp. 2023), is a program that provides tax benefits to encourage businesses to locate in rural areas and impoverished metropolitan areas. Taxpayers can earn investment and or employment credits if they operate a qualified business and meet the required employment and or investment levels for a project located in an eligible area. The required employment and investment levels which calendar year 2024 applicants must meet to qualify for benefits are as follows:

	Investment and Employment Levels		
	Level 1	Level 2	Livestock Modernization
Investment	\$125	\$250	\$10
FTE⁷ Growth	2	5	N/A
Wage Rate⁸	\$18.40	\$18.40	N/A
Eligible Location	County with Population less than 15,000; Village; or certain census tracts	County with population less than 25,000 but greater than 15,000; or city of second class	Any County

⁷ Stated as Full-time Equivalent Employee

⁸ Hourly Wage Rate is not expressed in thousands

Level 1 and Level 2 projects that meet both the employment and investment levels will earn a \$3 compensation credit for each new full-time equivalent employee, and a \$2.75 investment credit for each \$50 net increase in qualified investment. Taxpayers can use these credits to obtain a refund of state sales and use taxes paid, to reduce the income tax liability of the taxpayer, or to use as a refundable credit claimed on the income tax return of the taxpayer. For applications filed before January 1, 2024, livestock modernization projects that have a net new investment of at least \$50 in any county in Nebraska can earn credits equal to 10% of investment, or at least \$10 for livestock modernization or expansion applications filed on or after January 1, 2024. Livestock modernization projects are limited to a maximum of \$500 in credits. These credits may be used to obtain a refund of state sales and use taxes paid, to reduce the income tax liability of the taxpayer, or to use as a refundable credit claimed on the income tax return of the taxpayer. The approval limit for this program for each calendar year is \$2,000 for Level 1 and Level 2 projects combined and \$10,000 for livestock modernization projects. If a taxpayer with a Level 1 or Level 2 project fails to attain 75% of investment or employment estimates or to maintain required employment and investment levels for three years after the year of qualification, benefits will be recaptured. If a taxpayer with a livestock modernization project fails to attain 75% of investment estimates, all benefits will be recaptured.

- C. Nebraska Advantage Microenterprise Tax Credit Act.** Neb. Rev. Stat. §§ 77-5901 through 77-5908 (Reissue 2018, Cum. Supp. 2022), is a program that provides tax benefits to applicants who are actively engaged in the operation of a business that employs five or fewer equivalent employees at the time of application. The applicant earns a refundable income tax credit equal to 20% of new investment and employment. The lifetime limit in credits that may be granted to each applicant and related persons is \$20. The approval limit for this program is \$2,000 plus the dollars that were not approved by the end of the preceding calendar year.
- D. Employment and Investment Growth Act.** Neb. Rev. Stat. §§ 77-4101 through 77-4113 (Reissue 2018, Cum. Supp. 2022), is a program that allowed taxpayers involved in a qualified business to earn and use tax benefits based on investment and employment growth. This program is no longer accepting new applications but continues to provide tax benefits to taxpayers for projects in the carryover period. This Act had three application options with different required levels of employment and or investment. Taxpayers must meet the required levels within seven years of application and can use earned tax benefits for up to 14 additional years. A taxpayer that participated in this program elected one of the following application options: 1) \$20,000 in investment; 2) \$3,000 in investment and 30 new full-time equivalent employees; or 3) \$10,000 in investment and 100 new full-time equivalent employees. Once the taxpayer met the employment and investment levels they received tax benefits including: 1) a direct refund of sales and use taxes paid on qualified property; 2) an investment credit equal to 10% of the investment made in qualified property; 3) a compensation credit equal to 5% of the increase in compensation at the project; and 4) a personal property tax exemption on certain types of property, which

affects only local government revenues and is not quantified in this footnote. Investment and compensation credits may be used to: 1) obtain a refund of sales or use taxes paid on otherwise nonrefundable purchases; or 2) reduce income tax liability. Each application option offers a different combination of these tax benefits. Benefits will be recaptured if the minimum levels of investment or employment are not maintained for all years during the seven-year entitlement period. For each year the levels are not maintained, the taxpayer cannot earn new tax credits or claim direct refunds of sales and use taxes for investments made during the year. The State will also assess a portion of benefits already received and retain a portion of subsequent tax offsets or refunds to recover the portion of benefits subject to recapture. For each year of recapture, the length of the property tax exemption will be reduced by one year.

- E. The Nebraska Job Creation and Mainstreet Revitalization Act.** Neb. Rev. Stat. §§ 77-2901 to 77-2912 (Reissue 2018, Cum. Supp. 2022, Supp. 2023), is a program jointly administered by the History Nebraska State Historic Preservation Officer and the State. This Act provides non-refundable credits to applicants who incur eligible expenditures to rehabilitate historically significant real properties. Applicants may receive a credit equal to 25% to 30% depending on the county, limited to \$2,000 per project. The credit may be used against income taxes, premium taxes imposed on insurance companies, or franchise taxes imposed on financial institutions. This credit is transferable and distributable, subject to certain limitations. Transferable credits may be claimed beginning with the year the improvement is placed in service. Distributable credits may be claimed beginning with the year the improvement is placed in service or the year the recipient became a member, partner, or shareholder of a flow-through entity in which they obtained an ownership interest in the entity, whichever is later. Credits may be carried forward until fully utilized, or until December 31, 2035. If, at any time during the five years after the improvement to the property is placed in service, the State Historic Preservation Officer determines that the property is the subject of work not in substantial conformance with the approved application or the documents from which the tax credit was calculated, tax credits may be recaptured from the property owner.
- F. New Market Job Growth Investment Tax Credit Act.** Neb. Rev. Stat. §§ 77-1101 through 77-1120 (Reissue 2018, Cum. Supp. 2022), is a program that allows individuals, corporations, estates, trusts, financial institutions, and insurance companies to claim nonrefundable, nontransferable tax credits for investment in a qualified Community Development Entity (CDE). The credits may be used against income taxes, premium taxes imposed on insurance companies, or franchise taxes imposed on financial institutions. This Act requires the CDE to file an application for certification with the State. Upon approval of its application, the CDE may accept cash investments that qualify for the tax credit. Flow-through entities that make a qualified investment may allocate the tax credit to their partners, members, or shareholders in the same proportion that income is distributed, or in accordance with any agreement made between the partners, members, or shareholders.

A CDE is a corporation or partnership with the primary mission of providing investment capital for low-income communities or low-income persons, meets the definition of 26 U.S.C. 45D(c), and has entered into an agreement with the Community Development Financial Institutions Fund of the United States Treasury. The CDE must include Nebraska in its service area.

Credits are issued for equity investments in CDEs or long-term debt securities issued by a CDE that: (1) have at least 100% of its cash price used by the CDE to make qualified low-income community investments in qualified active low-income community businesses located in Nebraska by the first anniversary of the initial credit allowance date; (2) are designated by the CDE as a qualified equity investment under section 45D of the Internal Revenue Code; and, (3) are certified by the Tax Commissioner as not exceeding the total fiscal year credit limitation for the program of \$15,000.

The tax credit is computed by multiplying the cash purchase price of the investment by the allocable percentage at each credit allowance date. The credit allowance dates and percentages are: 0% on the

first and second credit allowance dates; 7% on the third credit allowance date; and 8% on the fourth through seventh credit allowance dates.

The Act provides that credits may be recaptured in several situations. First, credits may be recaptured if any amount of the federal qualified equity investment credit is recaptured. Second, credits may be recaptured if the CDE redeems or repays some or all of the principal of the investment prior to the last credit allowance date. Finally, credits may be recaptured if the CDE fails to invest pursuant to, and satisfy the requirements of, the program and maintain its investment in a qualified low-income community investment in Nebraska until the last credit allowance date.

- G. Beginning Farmer Tax Credit Act.** Neb. Rev. Stat. §§ 77-5201 through 77-5215 (Reissue 2018, Cum. Supp. 2022, Supp. 2023), is a program that provides tax benefits to eligible beginning farmers or livestock producers and owners who rent assets to those beginning farmers or livestock producers. Applicants must be certified by the Beginning Farmer Board (Board). To be certified as a qualified beginning farmer or livestock producer, an applicant must: 1) be a Nebraska resident who is farming or seeks to farm or raise crops or livestock in the state; 2) have a net worth of not more than \$750; 3) provide the majority of the day-to-day physical labor and management for the operation; 4) demonstrate profit potential to the Board; 5) demonstrate a need for assistance; 6) participate in a financial management program; 7) submit a nutrient management plan and soil conservation plan to the Board; 8) is of legal age to enter into and be legally responsible for a binding contract or lease; and 9) have other qualifications as specified by the Board.

Certified beginning farmers and livestock producers are eligible for a personal property tax exemption for tangible personal property that is used in a qualifying beginning farmer or livestock producer operation. This portion of the tax benefit affects only local government revenue and is, therefore, not quantified in this footnote.

The Act also provides two refundable income tax credits. First, a beginning farmer or livestock producer is allowed a one-time income tax credit equal to the actual cost of participating in the financial management program required for eligibility under the Act, not to exceed \$0.5. Second, the owner of agricultural assets that are rented, pursuant to a three-year rental agreement, to a beginning farmer is allowed a credit equal to 10% of the gross rental income on cash rentals or 15% of the cash equivalent of a share-rental agreement. This credit is subject to recapture if the three-year lease agreement is terminated with fault on the part of the owner of the agricultural assets. Qualified beginning farmers and owners are limited to one successful lease agreement per asset while also allowing qualified beginning farmers to file subsequent applications for different assets. It also provided that owners of an agricultural asset rented on a rental agreement basis to a qualified beginning farmer may be issued tax credits for the asset for a maximum of three years.

- H. Community Development Assistance Act.** Neb. Rev. Stat. §§ 13-201 through 13-208 (Reissue 2022), is a program that encourages investment in community betterment organizations by providing tax credits to investors. This Act permits the Nebraska Department of Economic Development to distribute tax credits to businesses and individuals that make eligible contributions of cash, services, or materials to approved community betterment projects. Tax credits may be used against income tax, premium tax, and franchise tax liabilities. Under this Act, a non-profit community betterment organization may apply to have a project approved to receive eligible contributions. Applicants must be a village, city, or county government or a nonprofit 26 U.S.C. § 501(c)(3) organization that will serve an economically distressed area. Eligible projects include those that provide employment training, human and medical services, physical facility and neighborhood development services, recreational and education activities, or crime prevention. Income tax credits may be awarded by the Nebraska Department of Economic Development to individuals or entities that make eligible contributions. The credit awarded may be up to 40% of the value of the contribution. No more than \$50 in tax credits may be approved per project per year. A total of \$350

in credits are permitted to be certified by the Nebraska Department of Economic Development in the fiscal year. This Act has no provisions for recapture. Under LB 1344 (2024), this Act was terminated, and no tax credits may be allocated after 2024. Credits authorized under the Act may be used against the taxpayer's tax liability for the next five years immediately succeeding the tax year in which the credit was first allowed.

- I. The Affordable Housing Tax Credit Act**, Neb. Rev. Stat. §§ 77-2501 through 77-2508 (Reissue 2018, Cum. Supp. 2022), is a program modeled after the federal Low-Income Housing Tax Credit (LIHTC). It was developed to encourage investment of private capital in the development of rental housing by providing a credit to offset an investor's income tax liability. This Act permits the Nebraska Investment Finance Authority (NIFA) to allocate credits to project owners that make eligible investment in qualifying developments. The maximum amount of Nebraska affordable housing tax credits awarded by NIFA to all qualified developments in any given allocation year is limited to no more than 100% of the total amount of LIHTC awarded in the same allocation year.

A qualified taxpayer (defined in the Act to mean a taxpayer owning an interest, direct or indirect, in a qualified project) may transfer, sell, or assign all or part of its interest in the development, including the credits. A qualified taxpayer cannot transfer, sell, or assign its interest in the credits separately from its interest in the qualified project.

Qualified taxpayers may claim the credits for taxable years beginning or deemed to begin on or after January 1, 2019. Any credit claimed, but not used may be carried over until used. A qualified taxpayer may use the credits to offset its income tax, financial institution tax, or insurance premium tax liability. A qualified taxpayer may claim the credits for a period of six years specifically, the first six years of the "credit period" as defined in Section 42 of the Internal Revenue Code.

The credits are subject to recapture in proportion to the percentage of recapture or disallowance of the related recaptured federal LIHTC.

- J. The ImagiNE Nebraska Act**, Neb. Rev. Stat. §§ 77-6801 through 77-6846 (Cum. Supp. 2022, Supp. 2023), provides tax incentives for taxpayers at locations where they perform qualified business activities. The application can include a single location, all qualifying locations of the taxpayer in a single county, all qualifying locations of the taxpayer in multiple counties, or all qualifying locations of the taxpayer statewide. The taxpayer must submit an application to the State, requesting an agreement for an ImagiNE Nebraska project. Upon agreement, the State will issue a direct payment permit to the applicant, which allows qualified property to be purchased, sales tax exempt, once the agreed upon investment and employment levels are reached.

The levels of employment and investment that qualify for incentives are:

- Economic Redevelopment Area [5 FTE⁹ / \$250]
- Growth and Expansion [10 FTE / \$1,000]
- Manufacturing Growth and Expansion-Rural [5 FTE / \$1,000]
- Manufacturing Growth and Expansion-Urban [10 FTE / \$1,000]
- Quality Jobs Investment [30 FTE / \$5,000]
- Quality Jobs [20 FTE]
- Mega-Project [250 FTE / \$250,000]; and
- Modernization [\$50,000].

⁹ Stated as Full-time Equivalent Employee

To be counted in the number of new employees, the employees must be employed in Nebraska, full-time employees, offered an Affordable Care Act-qualified health care plan and additional benefits, be E-Verified within 90 days, and be paid 70% to 200% of the average weekly wage in the county of the qualified location, depending on application level. For 2024, the required annual wage levels are as follows:

Application Year	Minimum Average Compensation for Credit Calculation					
	70%	75%	90%	100%	150%	200%
2024	\$40	\$43	\$52	\$57	\$86	\$115

Depending on application level, wage credits are earned at a rate between 4% to 9%, and investment credits are earned at 4% or 7%.

At each application level, the taxpayer is eligible for some or all of the following benefits: refund or offset of income taxes, sales tax refunds, refund or offset of withholding taxes attributable to new employees, personal property tax exemptions, refunds equal to the amount of real property taxes paid, and reimbursement of childcare, job training, or job recruitment expenses. Infrastructure or job training loans made through the ImagiNE Revolving Loan Program are also available and repayment may be made using ImagiNE credits.

For certain levels, wage credits and investment credits are increased by 1% if the qualified location is in an extremely blighted area. For all levels, the wage credits and investment credits are increased by 1% if the taxpayer is a public benefit organization.

Once required levels of investment and employment are reached, the applicant must file an annual return with the State to report qualifying levels and may start claiming the credits without a qualification audit. Errors in calculating benefits can be recovered by the State later through audit and assessment. There are no new applications filed after December 31, 2030.

K. The Renewable Chemical Production Tax Credit Act, Neb. Rev. Stat. §§ 77-6601 through 77-6611 (Cum. Supp. 2022). A business must apply to the State to be certified as an eligible business and to be eligible to receive tax credits for the production of renewable chemicals. An eligible business must: (i) produce at least one million pounds of renewable chemicals in Nebraska during the calendar year for which tax credits are sought, (ii) be physically located in Nebraska, (iii) have organized, expanded, or located in Nebraska on or after January 1, 2021, and (iv) be compliant with all agreements entered into under the Act and any other tax credit or programs. Once an applicant is certified as an eligible business, it will then enter into an agreement with the State to successfully fulfill all requirements under the Act. The agreement will allow the applicant to receive tax credits under the Act. The agreement will also specify the maximum amount of tax credits which the applicant may receive. The applicant is also required to submit an annual report with supporting documentation to the State.

In the calendar year following the calendar year in which the applicant produced the renewable chemicals for which it seeks tax credits, the applicant files an application for certification of tax credits with the State. The tax credit application must include the number of pounds of renewable chemicals produced in Nebraska by the eligible business during the calendar year for which tax credits are sought and other documents as required by the State. After completing a review, the State certifies the amount of tax credits approved. The refundable credit approved may be claimed on an income tax, premium tax, or financial institutions tax return.

The State may approve applications for eligible business for up to \$3,000 in tax credits per calendar year for 2022 and 2023, and up to \$6,000 in tax credits per calendar year for 2024 and beyond.

L. The Key Employer and Jobs Retention Act, Neb. Rev. Stat. §§ 77-6501 through 77-6523 (Cum. Supp. 2022). The Act provides a wage retention credit for key employers who:

- 1) Employs at least 1,000 equivalent employees in Nebraska during the base year;
- 2) Offers full time employees healthcare and benefits;
- 3) Enforces a policy against discrimination prohibited by federal or state law;
- 4) Electronically verifies the work eligibility of all new employees in Nebraska;
- 5) Has gone through a change in ownership and control within the 24 months immediately prior to the application;
- 6) Is at risk of moving more than 1,000 existing equivalent employees from the state;
- 7) Retains at least 90% of their base-year employees, and
- 8) Is a qualified business.

The wage retention credit earned is 5% of the total compensation paid to the taxpayer's Nebraska employees who are paid wages of at least 100% of the Nebraska statewide average hourly wage. The amount of credits cannot exceed \$4,000 per year, or \$40,000 total over ten years. Credits can be used to offset withholding or income tax liabilities.

The deadline for applications was May 31, 2021. There will be no additional agreements under the Act without further authorization from the Legislature.

M. Nebraska Urban Redevelopment Act, Neb. Rev. Stat. §§ 77-6901 through 77-6928 (Cum. Supp. 2022). The Act allows the applicant to choose either an Employment and Investment option or an Investment Only option. This selection will define the terms of the agreement with the State.

- 1) Employment and Investment: Applicants qualify for tax credits by attaining a cumulative investment in qualified property of at least \$150 and hiring at least five new full-time equivalent employees (FTEs) at the qualified location or locations before the end of the ramp-up period. Applicants are eligible to earn:
 - A tax credit of \$3 for each new FTE, with an additional \$1 credit for each new employee that lives in an Economic Redevelopment Area (ERA), and
 - A tax credit of \$2.75 for each \$50 of investment.

Compensation paid to the new FTEs must be a minimum qualifying wage of 70% of the Nebraska statewide average hourly wage. A teleworker working from his or her residence will not be considered an employee unless the teleworker resides in an ERA provided in the application.

- 2) Investment Only: Applicants qualify for tax credits by attaining a cumulative investment in qualified property of at least \$50 at the qualified location or locations before the end of the ramp-up period. Applicants are eligible to earn a tax credit in the amount of 5% of the investment.

The applicant earns a refundable credit that can be claimed on the income tax return. The applicant may also use the credits for refund or offset of income taxes, sales tax refunds, refund or offset of withholding taxes attributable to new employees and refunds equal to the amount of real property taxes paid. Applicants with signed agreements must file an annual return with the State to report the employment and investment reached and to claim the credits.

N. Invest Nebraska Act. Neb. Rev. Stat. §§ 77-5501 through 77-5544 (Reissue 2018), is a program that allowed a qualified business to receive either a wage benefit credit or an alternative investment credit. This program is no longer accepting new applications but continues to provide tax benefits to taxpayers for projects in the carryover period. Each application was subject to the approval by a board comprised of the Governor, the State Treasurer, and the chairperson of the Nebraska Investment Council. This Act had

three application levels: 1) \$10,000 in investment and 25 full-time equivalent employees; 2) \$50,000 in investment and 500 full-time equivalent employees, or \$100,000 in investment and 250 full-time equivalent employees; and 3) \$200,000 in investment and 500 full-time equivalent employees. A company that reached the employment and investment levels for the relevant application level was eligible for benefits. An eligible company earned a wage benefit credit up to 5% of the taxable wages paid to new employees earning more than the required wage level. A company that selected the \$200,000 investment and 500 full-time equivalent employee application level could choose to receive, in lieu of a wage benefit credit, an alternative investment tax credit equal to 15% of the company's investment in qualified property. The credits could be used to: 1) offset up to 100% of income tax liability, and 2) obtain a refund of, or to reduce, the taxpayer's income tax withholding liability attributable to the increase in employment. Each company is required to expend at least the value of the wage benefit credit or alternative investment tax credit for company training programs, employee benefit programs, educational institutional training programs, or workplace safety programs.

Amount of State Taxes Abated

The following table reports the gross dollar amount, on an accrual basis, by which the State's tax revenues were reduced during the fiscal year ending June 30, 2024 as a result of tax abatement agreements for each of the programs.

No.	Program	Taxes Abated
A	Nebraska Advantage Act	\$ 168,192
B	Nebraska Advantage Rural Development Act	2,022
C	Nebraska Advantage Microenterprise Tax Credit Act	1,683
D	Employment and Investment Growth Act	10,301
E	Job Creation and Mainstreet Revitalization Act	2,996
F	New Market Job Growth Investment Tax Credit Act	10,373
G	Beginning Farmer Tax Credit Act	1,225
H	Community Development Assistance Act	406
I	Affordable Housing Tax Credit Act	14,295
J	ImagiNE Nebraska Act	7,909
K	Renewable Chemical Production Tax Credit Act	*
L	Key Employer and Jobs Retention Act	*
M	Urban Redevelopment Act	*
N	Invest Nebraska Act	*
	Total	\$ 219,402 **

*To maintain confidentiality, no information is disclosed due to the low number of companies reporting activity.

**This total excludes amounts for programs that were not individually reported.

- Confidentiality.** Unless a specific statutory exception exists, all information relating to a particular taxpayer which has been obtained by the State from any source is confidential.

Tabulations which would tend to identify a particular taxpayer either directly or indirectly are also confidential. The State follows the guidance of the Internal Revenue Service with reference to the disclosure of statistical information. To protect confidential information, the State will not release a statistical tabulation that contains information from fewer than three taxpayers. A statistical tabulation

prepared for a geographic area less than the entire state will not be released if it contains information from fewer than ten taxpayers.

2. **Additional Information.** The State issues an Annual Report on Tax Incentives to the Nebraska Legislature and the ImagiNE Nebraska Act and Key Employer and Jobs Retention Act Joint Report on or before October 31 of each year. The report contains additional information on the Nebraska Advantage Act, the Nebraska Advantage Rural Development Act, the Nebraska Advantage Microenterprise Tax Credit Act, the Employment and Investment Growth Act, and the Invest Nebraska Act. The reports can be found on the Nebraska Department of Revenue website here: <https://revenue.nebraska.gov/incentives/annual-reports> and <https://revenue.nebraska.gov/incentives/imagine-nebraska-act-and-key-employer-and-jobs-retention-act-annual-reports>

Amounts Received or Receivable from Other Governments

The State collects the local sales and use taxes imposed by any city or county and remits the amounts back to the municipality on a monthly basis, less any refunds made. Deductions for refunds under certain tax abatement programs are delayed for cities of the first class, cities of the second class, and villages, resulting in refund amounts that are due to the State, or receivable from these local governments. Pursuant to Neb. Rev. Stat. § 77-27,144 (Cum. Supp. 2022), when a refund of local sales and use taxes is made under the Nebraska Advantage Act, Neb. Rev. Stat. §§ 77-5725 and 77-5726 (Cum. Supp. 2022), or the Employment and Investment Growth Act, Neb. Rev. Stat. §§ 77-4105 and 77-4106 (Reissue 2018), deductions for the refund are delayed for one year after the refund has been made to the taxpayer. If a refund claimed under the Nebraska Advantage Act or the Employment and Investment Growth Act exceeds 25% of a municipality's total sales and use tax receipts, net of any refunds or sales tax collection fees, for the municipality's prior fiscal year, the State will deduct the refund over the period of one year in equal monthly amounts beginning one year after the refund is made to the taxpayer.

For calendar year 2024 and each calendar year thereafter, pursuant to Neb. Rev. Stat. §77-27,144 (Cum. Supp. 2022), deductions for refunds made under the Nebraska Advantage Act, Neb. Rev. Stat. §§ 77-5725 and 77-5726 (Cum. Supp. 2022), or the Employment and Investment Growth Act, Neb. Rev. Stat. §§ 77-4105 and 77-4106 (Reissue 2018), and owed by a city of the metropolitan class or city of the primary class, will be made based on estimated amounts to be paid during the following calendar year. On or before March 1 each year, The State will notify each affected city of the total amount of refunds that are estimated. The deduction will be established, and the total amount deducted in the following calendar year in twelve equal monthly amounts. The notification will include any adjustment needed to account for any difference between the estimated amount deducted in the prior calendar year and the actual amount of refunds paid in a year. Pursuant to Neb. Rev. Stat. §77-27,144 (Cum. Supp. 2022), deductions for refunds made under the ImagiNE Nebraska Act and the Urban Redevelopment Act will follow the same method.

As of June 30, 2024, the amounts of refunds that are receivable are \$63,801 from municipalities pursuant to Neb. Rev. Stat. § 77-27,144 (Cum. Supp. 2022) are as follows: Ainsworth, Alliance, Arapahoe, Arlington, Arnold, Ashland, Atkinson, Auburn, Bayard, Beatrice, Bellevue, Benedict, Benkelman, Bennet, Blair, Blue Hill, Bridgeport, Broken Bow, Burwell, Cairo, Cambridge, Central City, Chadron, Columbus, Cozad, Crawford, Crete, David City, Doniphan, Exeter, Fairbury, Falls City, Fort Calhoun, Fremont, Friend, Geneva, Gering, Gothenburg, Grand Island, Greenwood, Gresham, Gretna, Harvard, Hastings, Hemingford, Hickman, Holdrege, Humphrey, Hyannis, Imperial, Jackson, Juniata, Kearney, Kimball, La Vista, Lewellen, Lexington, Louisville, Lyons, Madison, Marquette, McCook, Minden, Mitchell, Morrill, Mullen, Neligh, Norfolk, North Platte, Ogallala, O'Neill, Osceola, Osmond, Oxford, Papillion, Pawnee City, Paxton, Plainview, Plattsmouth, Ralston, Ravenna, Republican City, Sargent, Schuyler, Scottsbluff, Seward, Shelton, Sidney, South Sioux City, Springfield, Springview, Sterling, Stuart, Sutton, Tecumseh, Tekamah, Terrytown, Tilden, Utica, Valentine, Valley, Verdigre, Wahoo, Waterloo, Wauneta, Waverly, Wayne, West Point, Wilber, Wisner, Wymore, and York.

17. Restatements

During fiscal year ended June 30, 2024, the following corrections resulted in adjustments to and restatements of beginning net position and fund net position, as follows:

	As Previously Reported June 30, 2023	Change to or within the Financial Reporting Entity	Change in Accounting Principle	Error Correction	As Restated June 30, 2023
Government-Wide					
Governmental Activities	\$ 19,361,298	\$ —	\$ —	\$ 165,054	\$ 19,526,352
Business Type Activities	646,475	—	—	142	646,617
Total Primary Government	\$ 20,007,773	\$ —	\$ —	\$ 165,196	\$ 20,172,969
Governmental Funds					
Major Funds					
General Fund	3,504,811	—	—	123,238	3,628,049
Highway Fund	204,074	—	—	200,660	404,734
Federal Fund	11,956	—	—	(3,129)	8,827
Health and Social Services Fund	791,116	—	—	(8,278)	782,838
Permanent School Fund	2,932,658	—	—	3,600	2,936,258
Nonmajor Funds	1,926,888	—	—	13,174	1,940,062
Total Governmental Funds	\$ 9,371,503	\$ —	\$ —	\$ 329,265	\$ 9,700,768
Proprietary Funds					
Unemployment Insurance Fund	572,813	—	—	(1,002)	571,811
Nonmajor Funds	73,662	—	—	1,144	74,806
Internal Service Funds	87,408	—	—	1,214	88,622
Total Proprietary Funds	\$ 733,883	\$ —	\$ —	\$ 1,356	\$ 735,239
Fiduciary Funds					
Pension Trust Funds	19,763,684	—	—	(2)	19,763,682
Investment Trust Fund	1,500,018	—	—	—	1,500,018
Private Purpose Trust Funds	5,998,859	—	—	—	5,998,859
Custodial Funds	11,536	—	—	(34)	11,502
Total Fiduciary Funds	\$ 27,274,097	\$ —	\$ —	\$ (36)	\$ 27,274,061
Discretely Presented Component Units					
University of Nebraska	7,723,580	—	—	5,083	7,728,663
State Colleges	343,110	—	—	(639)	342,471
Total Discretely Presented Component Units	\$ 8,066,690	\$ —	\$ —	\$ 4,444	\$ 8,071,134

The following chart represents the financial statement line items affected by the adjustments noted above for prior periods:

GOVERNMENT WIDE

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES
ASSETS		
Cash and Cash Equivalents	\$ (189)	\$ -
Receivables, net of allowance:		
Taxes	49,539	-
Due from Federal Government	44,401	-
Loans	51	-
Other	98,990	(436)
Internal Balances	753	(753)
Capital assets:		
Infrastructure	958	-
Construction in Progress	(299,836)	-
Buildings and Equipment	65,785	(170)
Less Accumulated Depreciation	(2,479)	(154)
Total Capital Assets	(235,572)	(324)
TOTAL ASSETS	\$ (42,027)	\$ (1,513)
LIABILITIES		
Accounts Payable and Accrued Liabilities	\$ (168,453)	\$ (187)
Tax Refunds Payable	(120)	-
Deposits	7	-
Unearned Revenue	30,027	(1,160)
Noncurrent Liabilities:		
Due in more than one year	31,308	-
TOTAL LIABILITIES	\$ (107,231)	\$ (1,347)
DEFERRED INFLOWS OF RESOURCES		
Revenues not yet available	\$ (102,015)	\$ -
Total Deferred Inflows of Resources	\$ (102,015)	\$ -
REVENUES		
Charges for Services		
Education	\$ 558	\$ -
Health and Social Services	123,195	-
Regulation of Business and Professionals	16,000	-
Transportation	1,286	-
Unemployment Insurance	-	(1,189)
Excess Liability	-	1,160
Total Charges for Services	\$ 141,039	\$ (29)
Operating Grants & Contributions		
Conservation of Natural Resources	1,467	-
Economic Development	51	-
Total Operating Grants & Contributions	\$ 1,518	\$ -
General Revenues		
Sales and Use Taxes	49,160	-
Unrestricted Investment Earnings	55	-
Miscellaneous	203	-
Total General Revenues	\$ 49,418	\$ -
TOTAL REVENUES	\$ 191,975	\$ (29)

GOVERNMENT WIDE (continued)

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES
EXPENDITURES		
General Government	\$ 58,439	\$ -
Conservation of Natural Resources	37,833	-
Culture – Recreation	(1,615)	-
Economic Development and Assistance	(18,950)	-
Education	(3,515)	-
Health and Social Services	(33,749)	-
Public Safety	(9,959)	-
Regulation of Business and Professions	23,961	-
Transportation	33,802	-
Unemployment Insurance	-	(187)
TOTAL EXPENDITURES	\$ 86,247	\$ (187)

In addition to Governmental Fund adjustments noted below, the net position for Governmental Activities had adjustments to capital assets totaling \$(236,133) mainly related to understatements of building assets and an overstatement of construction in progress due to retainage included for a capitalized project. Of this amount \$58,721 related to fiscal year 2022 and \$(294,854) related to fiscal year 2023. A pollution remediation payable had not been identified in fiscal year 2023 causing an understatement in payables of \$(31,308) and unreported deferred inflows of \$102,015.

Discretely Presented Component Unit adjustments for the University of Nebraska totaled \$5,083 consisting primarily of capital assets additions and depreciation calculation errors in fiscal year 2023. The State College adjustments totaling \$(639) was due to erroneous entries related to unearned revenue and GASB 87 leases for fiscal year 2023. For further details regarding the Discretely Presented Component Unit adjustments refer to each entity's website as referenced in footnote 1.B.

GOVERNMENTAL FUNDS

	GENERAL FUND	HIGHWAY FUND	FEDERAL FUND	HEALTH AND SOCIAL SERVICES	PERMANENT SCHOOL FUND	NONMAJOR FUNDS
ASSETS						
Cash and Cash Equivalents	\$ 853	\$ -	\$ -	\$ (106)	\$ -	\$ (936)
Investments	-	-	-	(28)	-	-
Receivables, net of allowance:						
Taxes	49,539	-	-	-	-	-
Due from Federal Government	-	-	1,467	-	-	-
Loans	-	-	51	-	-	-
Other	5,988	-	-	53,051	-	36,000
Due from Other Funds	47,062	-	601	585	3,613	1,027
Total Assets	<u>\$ 103,442</u>	<u>\$ -</u>	<u>\$ 2,119</u>	<u>\$ 53,502</u>	<u>\$ 3,613</u>	<u>\$ 36,091</u>
LIABILITIES						
Accounts Payable and Accrued Liabilities	\$ (22,261)	\$ (205,886)	\$ -	\$ 53,235	\$ 13	\$ 3,050
Tax Refunds Payable	(120)	-	-	-	-	-
Deposits	-	-	-	-	-	7
Due to Other Funds	350	630	-	3,362	-	4,859
Claims Payable	-	-	-	-	-	-
Unearned Revenue	-	4,596	5,248	5,183	-	15,000
Total Liabilities	<u>\$ (22,031)</u>	<u>\$ (200,660)</u>	<u>\$ 5,248</u>	<u>\$ 61,780</u>	<u>\$ 13</u>	<u>\$ 22,916</u>
REVENUES						
Sales and Use Taxes	\$ 49,659	\$ (630)	\$ -	\$ -	\$ -	\$ 131
Federal Grants and Contracts	-	-	1,518	-	-	-
Charges for Services	-	(4,596)	(5,248)	47,680	-	1,000
Investment Income	5,445	-	189	(1)	-	(5,550)
Other	308	-	-	55	-	-
Total Revenues	<u>\$ 55,412</u>	<u>\$ (5,226)</u>	<u>\$ (3,541)</u>	<u>\$ 47,734</u>	<u>\$ -</u>	<u>\$ (4,419)</u>
EXPENDITURES						
Current:						
General Government	\$ 2,065	\$ -	\$ 35	\$ -	\$ -	\$ 10
Conservation of Natural Resources	4,032	-	66	-	-	1,765
Culture – Recreation	1	-	-	-	-	(361)
Economic Development and	400	-	(513)	-	-	(18,837)
Education	870	-	-	-	(3,600)	22
Health and Social Services	(94,762)	-	-	56,012	-	59
Public Safety	(7,524)	-	-	-	-	32
Regulation of Business and	24,856	-	-	-	-	(462)
Transportation	-	(205,886)	-	-	-	-
Capital Projects	-	-	-	-	-	(19)
Total Expenditures	<u>\$ (70,062)</u>	<u>\$ (205,886)</u>	<u>\$ (412)</u>	<u>\$ 56,012</u>	<u>\$ (3,600)</u>	<u>\$ (17,791)</u>

Material adjustments were as follows:

The General fund had adjustments totaling \$(340) and \$16,719 related to transactions recorded by State agencies during the current fiscal year that related to fiscal year 2023 and 2022 activity, respectively. Payables reported by one agency were overstated in fiscal year 2023 by \$45,513 and sales and use tax due to local governments was not properly recorded in fiscal year 2023 for \$57,276.

The Highway fund had adjustments totaling \$204,898 related to long-term retainage payable recorded as short-term payables during fiscal year 2023. Retainage payable was overstated during fiscal year 2023 by \$9,953 due to duplicate entries recorded by the State agency and an erroneous prior year reversal. Adjustments totaling \$(8,199) related to transactions recorded by State agencies during the current fiscal year that related to fiscal year 2023. Unreported deferred revenues totaling \$(4,596) overstated fiscal year 2023 revenues.

The Health and Social Services fund had adjustments totaling \$39,960 related to an understated receivable and \$(39,775) for an understated payable for fiscal year 2023. There were unreported deferred revenues totaling \$(5,183) for fiscal year 2023 and adjustments totaling \$(3,588) related to transactions recorded by State agencies during the current fiscal year that related to fiscal year 2023.

For Nonmajor funds, the Economic Development fund had adjustments totaling \$18,837 related to transactions recorded during the current fiscal year that related to fiscal year 2023, causing an overstatement of expenditures and other receivables of \$20,000 and expenditures and accounts payable of \$(1,163). The Other Special Revenue fund had adjustments totaling \$(4,474) for a correction of investment income distributions due to other funds for fiscal year 2022.

PROPRIETARY FUNDS

	UNEMPLOYMENT INSURANCE	NONMAJOR ENTERPRISE FUNDS	GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
ASSETS			
Current Assets:			
Receivables, net of allowance	\$ (436)	\$ -	\$ 3,951
Total Current Assets	\$ (436)	\$ -	\$ 3,951
Noncurrent Assets:			
Capital Assets:			
Buildings and Equipment	\$ -	\$ (170)	\$ 558
Less Accumulated Depreciation	-	(154)	3
Total Capital Assets	\$ -	\$ (324)	\$ 561
Total Noncurrent Assets	\$ -	\$ (324)	\$ 561
Total Assets	\$ (436)	\$ (324)	\$ 4,512
LIABILITIES			
Current Liabilities:			
Accounts Payable and Accrued Liabilities	\$ (187)	\$ -	\$ 3,396
Due to Other Funds	753	-	-
Unearned Revenue	-	(1,160)	-
Total Current Liabilities	\$ 566	\$ (1,160)	\$ 3,396
Total Liabilities	\$ 566	\$ (1,160)	\$ 3,396
OPERATING REVENUES			
Charges for Services	\$ (1,189)	\$ 1,160	\$ -
Total Operating Revenues	\$ (1,189)	\$ 1,160	\$ -
OPERATING EXPENSES			
Services and Supplies	\$ (187)	\$ -	\$ 318
Insurance Claims	-	-	(873)
Total Operating Expenses	\$ (187)	\$ -	\$ (555)

There were no material adjustments made for Proprietary funds.

18. COVID-19 Government Assistance

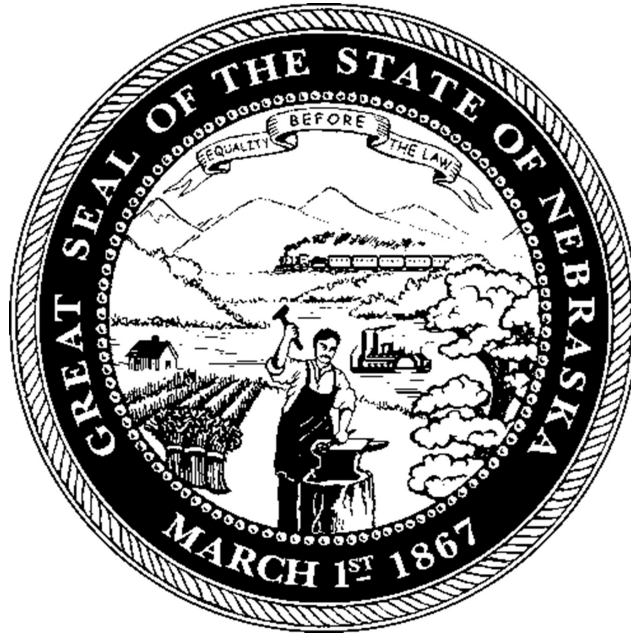
On March 11, 2021 the American Rescue Plan Act, P.L.117-2 (ARPA) was enacted. From that law, the State was allocated \$1,040,157 through the Coronavirus State Fiscal Recovery Fund, \$128,740 through the Coronavirus Capital Projects Fund (CPF), \$50,000 through the Homeowners Assistance Fund (HAF), and \$48,206 through the Emergency Rental Assistance Program (ERAP). The funds were credited to the Governor's Emergency Program-COVID19.

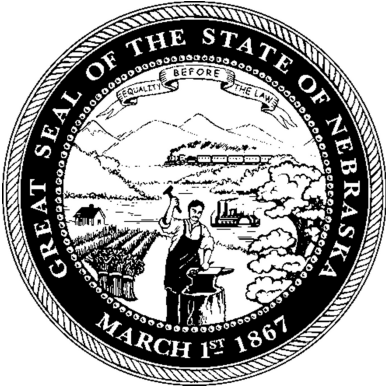
The federal fiscal recovery funds can be used to replace lost public sector revenue, respond to public health and negative economic impacts of the pandemic, provide premium pay for essential workers, for investing in water, sewer, and broadband infrastructure, emergency relief from natural disasters, surface transportation projects, and for Title I projects. Legislative Bills 1014 and 1024 approved by the Governor on April 13, 2022, and April 18, 2022, respectively outline funded projects. The CPF funds can be used for strengthening and improving the infrastructure necessary for participation in work, education, and health monitoring, primarily through investments in broadband infrastructure. The HAF funds can be used for the purpose of preventing homeowner mortgage delinquencies, defaults, foreclosures, loss of utilities or home energy services, and displacements of homeowners experiencing financial hardships associated with the pandemic. The ERAP funds can be used to support housing stability through payments for rent or utilities.

During the year ended June 30, 2024, \$209,149 Coronavirus State Fiscal Recovery funds were spent, \$14,726 of the HAF funds were spent, \$29,753 of the CPF funds had been spent, and \$14,174 of the ERAP funds had been spent. The CPF program is funded on a reimbursement basis. The remaining programs were prefunded, and the State held a remaining cash balance of \$628,412 at fiscal year end.

19. Subsequent Events

On July 11, 2024, the State issued certificates of participation (COP) to provide funds for the acquisition of fleet vehicles in the amount of \$2,710. The COP was issued for internal service funds. Interest is payable monthly at 3.78% over the life of the COP. The COP payments started August 2024 and are due through 2029.





REQUIRED SUPPLEMENTARY INFORMATION

REQUIRED SUPPLEMENTARY INFORMATION

BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

For the Year Ended June 30, 2024

(Dollars in Thousands)

	GENERAL FUND			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Taxes	\$ 6,075,402	\$ 6,804,693	\$ 6,794,087	\$ (10,606)
Federal Grants and Contracts	448	448	448	-
Sales and Charges	16,430	16,430	16,430	-
Other	131,971	131,971	131,971	-
Total Revenues	<u>6,224,251</u>	<u>6,953,542</u>	<u>6,942,936</u>	<u>(10,606)</u>
EXPENDITURES				
Current:				
General Government	491,607	494,899	543,905	(49,006)
Conservation of Natural Resources	44,331	43,358	33,142	10,216
Culture – Recreation	9,481	9,501	7,594	1,907
Economic Development and Assistance	97,117	101,125	55,097	46,028
Education	2,270,402	2,269,348	2,211,474	57,874
Health and Social Services	2,164,066	2,164,572	2,010,483	154,089
Public Safety	646,754	614,773	448,422	166,351
Regulation of Business and Professions	57,158	48,816	4,662	44,154
Transportation	-	-	-	-
Capital Projects	5,912	5,912	-	5,912
Total Expenditures	<u>5,786,828</u>	<u>5,752,304</u>	<u>5,314,779</u>	<u>437,525</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>437,423</u>	<u>1,201,238</u>	<u>1,628,157</u>	<u>426,919</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	253,970	253,970	253,970	-
Transfers Out	(2,617,957)	(2,617,957)	(2,617,957)	-
Other	248	248	248	-
Total Other Financing Sources (Uses)	<u>(2,363,739)</u>	<u>(2,363,739)</u>	<u>(2,363,739)</u>	<u>-</u>
Net Change in Fund Balance	(1,926,316)	(1,162,501)	(735,582)	426,919
FUND BALANCES, JULY 1 (as restated)	3,490,186	3,490,186	3,490,186	-
FUND BALANCES, JUNE 30	<u>\$ 1,563,870</u>	<u>\$ 2,327,685</u>	<u>\$ 2,754,604</u>	<u>\$ 426,919</u>

A reconciliation of the budgetary basis versus GAAP fund balance for the General Fund as of June 30, 2024, follows:

Actual Fund Balances, budgetary basis, June 30, 2024	
General	\$ 1,841,787
Cash Reserve	912,817
Budgetary fund balances	<u>2,754,604</u>
DIFFERENCES DUE TO BASIS OF ACCOUNTING:	
Record taxes receivable	596,719
Record tax refund liability	(695,906)
Record State contributions due to fiduciary funds	66,701
Record claims payable	(97,268)
Record other net accrued receivables and liabilities	(450,916)
Record cash funds substantially funded with General Fund transfers	1,966,970
GAAP fund balance, June 30, 2024	<u>\$ 4,140,904</u>

See independent auditor's report

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION FOR BUDGETARY COMPARISONS

For the Year Ended June 30, 2024

Budgetary Process

The State's biennial budget cycle ends on June 30 of the odd-numbered years. By September 15, prior to a biennium, all State agencies, including the university and colleges, must submit their budget requests for the biennium beginning the following July 1. The requests are submitted on forms that show estimated funding requirements by programs, subprograms, and activities. The Governor reviews the agency requests, establishes priorities, and presents the Legislature with one or more pieces of legislation covering the biennium. The Legislature holds hearings on the Governor's proposed budget, adopts changes and presents final legislation to the Governor. The Governor can either: a) approve the appropriation bill in its entirety, b) veto the bill, or c) line item veto certain sections of the bill. Any vetoed bill or line item can be overridden by a three-fifths majority of the Legislature.

The approved appropriations set spending limits by fund type for programs within each agency. These limits may include up to five budgetary fund types. Thus, the legal level of control is fund type within program within agency. The central accounting system maintains this control. A separate publication titled "Annual Budgetary Report" shows the detail of this legal level of control. This publication is available from the State Accounting Division of Administrative Services.

Appropriations are made for each fiscal year of the biennium; balances at the end of the first fiscal year are carried over into the second fiscal year, unless directed otherwise by the Legislature. For most appropriations, balances lapse at the end of the biennium.

The budgetary fund types used by the State differ from those presented in the basic financial statements. The budgetary funds, which are listed below, are generally segregated by revenue sources. Of these seven fund types, only the first five are subject to the spending limits set by the appropriations bills. The General Fund is the only major fund that corresponds to a budgetary fund type, so the General Fund is the only major fund that has a budget. The Budgetary Comparison Schedules for Cash Funds, Construction Funds, Federal Funds and Revolving Funds can be found starting on page 195.

General Fund. To account for activities funded by general tax dollars, primarily sales and income taxes.

Cash Reserve Fund. This is part of the General Fund, and is used to account for financial resources to be used as a reserve for the General Fund if the General Fund balance should become inadequate to meet current obligations. The Cash Reserve Fund is part of the budgetary basis fund balance.

Cash Funds. To account for the financing of goods or services provided by a State agency to individuals or entities outside State government on a cost-reimbursement basis, and to account for the revenues and expenditures related to highway construction.

Construction Funds. To account for financial resources to be used for the acquisition or construction of major capital facilities.

Federal Funds. To account for the financial resources related to the receipt and disbursement of funds generated from the federal government as a result of grants and contracts, except for federal highway monies accounted for in the Cash Funds.

Revolving Funds. To account for the financing of goods or services provided by one State agency to another State agency on a cost-reimbursement basis.

Trust Funds. To account for assets held in a trustee capacity.

Distributive Funds. To account for assets held as an agent for individuals, private organizations, and other governments and/or other funds.

The accompanying basic financial statements were prepared by converting budgetary fund data into the fund format required by GAAP. The cash basis of accounting is used for all budgetary fund types.

All State budgetary expenditures for the general, cash, construction, federal and revolving fund types are made pursuant to appropriations that may be amended by the Legislature, upon approval by the Governor. State agencies may allocate appropriations between object of expenditure accounts, except that personal service expenditures that exceed limitations contained in the appropriations bill require Legislative amendment. Any changes in appropriations are made through an annual deficit bill or other legislation. Appropriations from the federal fund type are considered to be estimated and the Legislature has approved an administrative procedure for changing them. During fiscal year 2024, the Legislature passed deficit appropriation bills that increased the allowable expenditure level in several of the programs.

For the year ended 2024, there was no budgetary programs in which expenditures exceeded appropriations. Revenues are not budgeted for any funds except for General Fund tax revenues.

REQUIRED SUPPLEMENTARY INFORMATION

INFORMATION ABOUT INFRASTRUCTURE ASSETS REPORTED USING THE MODIFIED APPROACH

For the Year Ended June 30, 2024

(Amounts in Millions)

As allowed by GASB Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis for State and Local Governments*, the State has adopted an alternative process for recording depreciation expense on selected infrastructure assets. Under this alternative method, referred to as the modified approach, the State expenses certain maintenance and preservation costs and does not report depreciation expense. Assets accounted for under the modified approach include approximately 10,000 miles of highway and bridges the State is responsible to maintain.

In order to utilize the modified approach, the State is required to:

- Maintain an asset management system that includes an up-to-date inventory of eligible infrastructure assets.
- Perform condition assessments of eligible assets and summarize the results using a measurement scale.
- Estimate each year the annual amount to maintain and preserve the assets at the condition level established and disclosed by the State.
- Document that the assets are being preserved approximately at, or above, the established condition level.

Measurement Scale

The Nebraska Department of Transportation uses the Nebraska Serviceability Index (NSI) to measure and monitor pavement conditions. The NSI is a numerical pavement rating scale used to monitor the condition on a scale ranging from 0 to 100 with 0 being the worst and 100 being the best. NSI represents the condition of the pavement at the time of measurement and is based on pavement’s surface distresses. Surface distresses include cracking, patching, roughness, rutting, and faulting.

Established Condition Level

It is the policy of the Nebraska Department of Transportation to maintain at least an overall NSI system rating of 72 or above.

Assessed Condition

The State assesses conditions on a calendar year basis. The following table reports the percentage of pavements meeting ratings of “Very Good”, “Good”, “Fair”, and “Poor”. This condition index is used to classify roads in very good (90-100), good (70-89), fair (50-69), and poor (0-49).

Calendar Year	2023	2022	2021	2020	2019	2018
Very Good	26 %	30 %	27 %	41 %	42 %	44 %
Good	71 %	62 %	63 %	41 %	40 %	43 %
Fair	3 %	7 %	9 %	14 %	13 %	10 %
Poor	— %	1 %	1 %	4 %	5 %	3 %
Overall System Rating	84	84	83	83	84	85

See independent auditor’s report

Estimated and Actual Costs to Maintain

The following table presents the State's estimate of spending necessary to preserve and maintain the roads at, or above, the established condition level cited above, and the actual amount spent during the past fiscal years (amounts in millions). The actual cost of system preservation is greater than estimated as a result of maintaining the system at a NSI level higher than the base level established for GASB-34 purposes (72 base versus 85 actual).

Fiscal Year	2025	2024	2023	2022	2021	2020
Estimated	\$ 404	\$ 405	\$ 365	\$ 382	\$ 340	\$ 305
Actual		591	580	450	414	514
Difference		186	215	68	74	209

REQUIRED SUPPLEMENTARY INFORMATION

INFORMATION ABOUT PENSION PLANS

For the Year Ended June 30, 2024

(Dollars in Thousands)

SCHEDULE OF STATE'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Last 10 Fiscal Years

	2023*	2022*	2021*	2020*
State's proportion of the School plan collective net pension liability	17.19 %	17.37 %	17.32 %	17.34 %
State's net pension liability for the Service Annuity plan	100.00 %	100.00 %	100.00 %	100.00 %
State's proportion of the Omaha School Employees Retirement System collective net pension liability	10.34 %	9.84 %	11.31 %	10.98 %
State's total proportionate share of the School plan collective net pension liability/(asset)	\$ 71,317	\$ 140,818	\$ (245,364)	\$ 270,347
Employer's proportionate share of the School plan collective net pension liability/(asset)	343,516	669,648	(1,170,939)	1,288,322
Total collective net pension liability/(asset) for the School plan	<u>\$ 414,833</u>	<u>\$ 810,466</u>	<u>\$ (1,416,303)</u>	<u>\$ 1,558,669</u>
State's net pension liability for the Service Annuity plan	<u>\$ 3,570</u>	<u>\$ 5,137</u>	<u>\$ 3,240</u>	<u>\$ 4,789</u>
State's proportionate share of the Omaha School Employees Retirement System collective net pension liability	\$ 122,032	\$ 118,590	\$ 90,454	\$ 102,780
Employer's proportionate share of the Omaha School Employees Retirement System collective net pension liability	1,057,692	1,086,069	709,651	833,386
Total collective net pension liability for the Omaha School Employees Retirement System	<u>\$ 1,179,724</u>	<u>\$ 1,204,659</u>	<u>\$ 800,105</u>	<u>\$ 936,166</u>
State's proportionate share, as an employer, of the School plan collective net pension liability/(asset) (a)	\$ 892	\$ 1,834	\$ (3,506)	\$ 3,906
School plan employer's covered-employee payroll (b)	\$ 5,874	\$ 5,970	\$ 6,316	\$ 6,212
Employer's proportionate share of the School plan collective net pension liability as a percentage of the employer's covered-employee payroll (a) / (b)	15.19 %	30.72 %	(55.51)%	62.88 %
School plan Fiduciary net position as a percentage of the total pension liability	97.35 %	94.58 %	109.93 %	88.73 %
Service Annuity plan Fiduciary net position as a percentage of the total pension liability	79.63 %	71.68 %	80.94 %	71.36 %
Omaha School Employees Retirement System Fiduciary net position as a percentage of the total pension liability	57.26 %	54.14 %	67.13 %	59.55 %

*Scheduled year is shown as of June 30 except for the Omaha School Employees' Retirement System which has a measurement date of August 31 through year 2021 and changed to December 31 as of 2022.

See independent auditor's report

2019*	2018*	2017*	2016*	2015*	2014*
17.37 %	17.37 %	17.34 %	17.42 %	17.32 %	17.44 %
100.00 %	100.00 %	100.00 %	100.00 %	100.00 %	100.00 %
10.27 %	11.14 %	11.13 %	16.84 %	16.84 %	16.84 %
\$ 211,006	\$ 236,269	\$ 274,623	\$ 262,124	\$ 188,604	\$ 169,592
1,005,006	1,123,670	1,309,143	1,242,717	900,492	802,660
<u>\$ 1,216,012</u>	<u>\$ 1,359,939</u>	<u>\$ 1,583,766</u>	<u>\$ 1,504,841</u>	<u>\$ 1,089,096</u>	<u>\$ 972,252</u>
<u>\$ 4,752</u>	<u>\$ 5,051</u>	<u>\$ 5,512</u>	<u>\$ 3,872</u>	<u>\$ 3,392</u>	<u>\$ 2,879</u>
\$ 97,084	\$ 99,495	\$ 96,462	\$ 114,156	\$ 97,833	\$ 72,739
848,152	793,575	770,477	563,804	483,189	359,251
<u>\$ 945,236</u>	<u>\$ 893,070</u>	<u>\$ 866,939</u>	<u>\$ 677,960</u>	<u>\$ 581,022</u>	<u>\$ 431,990</u>
\$ 3,273	\$ 3,661	\$ 4,391	\$ 4,352	\$ 3,149	\$ 2,996
\$ 6,468	\$ 6,268	\$ 6,258	\$ 6,307	\$ 6,102	\$ 6,319
50.60 %	58.41 %	70.17 %	69.00 %	51.61 %	47.41 %
90.94 %	89.53 %	87.28 %	86.56 %	89.88 %	90.66 %
71.93 %	69.97 %	66.88 %	73.03 %	76.90 %	80.33 %
57.82 %	59.16 %	58.72 %	63.68 %	67.58 %	74.98 %

See independent auditor's report

REQUIRED SUPPLEMENTARY INFORMATION

INFORMATION ABOUT PENSION PLANS

For the Year Ended June 30, 2024

(Dollars in Thousands)

SCHEDULE OF STATE CONTRIBUTIONS

School Employees Retirement Plan

Last 10 Fiscal Years

	2024	2023	2022	2021
School plan statutorily required contribution	\$ 47,735	\$ 45,821	\$ 44,704	\$ 43,034
Service Annuity plan statutorily required contribution	1,702	1,965	1,603	1,220
Omaha School Employees Retirement System statutorily required contribution	8,640	7,798	7,534	7,290
School plan contributions in relation to the statutorily required contribution	\$ 47,735	\$ 45,821	\$ 44,704	\$ 43,034
Service Annuity plan contributions in relation to the statutorily required contribution	1,702	1,965	1,603	1,220
Omaha School Employees Retirement System contributions in relation to the statutorily required contribution	8,640	7,798	7,534	7,290
School plan annual contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ —
Service Annuity plan annual contribution deficiency (excess)	—	—	—	—
Omaha School Employees Retirement System annual contribution deficiency (excess)	—	—	—	—
State's contributions, as an employer, in relation to the statutorily required contribution (a)	\$ 730	\$ 580	\$ 590	\$ 624
School plan employer's covered payroll (b)	7,388	5,874	5,970	6,316
Contributions recognized by the School plan in relation to the statutorily required contribution as a percentage of the employer's covered payroll (a) / (b)	9.88 %	9.87 %	9.88 %	9.88 %

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	2020	2019	2018	2017	2016	2015
\$	41,860	\$ 40,544	\$ 39,339	\$ 38,039	\$ 36,920	\$ 35,494
	1,216	1,248	1,243	992	997	998
	7,302	7,420	7,111	6,897	6,661	6,453
\$	41,860	\$ 40,544	\$ 39,339	\$ 38,039	\$ 36,920	\$ 35,494
	1,216	1,248	1,243	992	997	998
	7,302	7,420	7,111	6,897	6,661	6,453
\$	—	\$ —	\$ —	\$ —	\$ —	\$ —
	—	—	—	—	—	—
	—	—	—	—	—	—
\$	614	\$ 639	\$ 619	\$ 618	\$ 623	\$ 603
	6,212	6,468	6,268	6,258	6,307	6,102
	9.88 %	9.88 %	9.88 %	9.88 %	9.88 %	9.88 %

See independent auditor's report

REQUIRED SUPPLEMENTARY INFORMATION

INFORMATION ABOUT PENSION PLANS

For the Year Ended June 30, 2024

(Dollars in Thousands)

STATE PATROL RETIREMENT PLAN

SCHEDULE OF CHANGES IN THE EMPLOYERS' NET PENSION LIABILITY

Last 10 Fiscal Years

	2023	2022	2021	2020
Total Pension Liability				
Service Cost	\$ 10,115	\$ 9,631	\$ 9,175	\$ 8,961
Interest	39,946	38,601	37,422	36,398
Differences between expected and actual experience	41,702	1,056	2,542	(6,168)
Assumption changes	4,215	3,851	6,936	-
Benefit payments, including member refunds	(28,171)	(26,232)	(26,256)	(24,953)
Net change in Total Pension Liability	\$ 67,807	\$ 26,907	\$ 29,819	\$ 14,238
Total Pension Liability - beginning	\$ 567,484	\$ 540,576	\$ 510,757	\$ 496,519
Total Pension Liability - ending (a)	\$ 635,291	\$ 567,484	\$ 540,576	\$ 510,757
Plan Fiduciary Net Position				
Employer contributions	\$ 9,254	\$ 8,874	\$ 9,164	\$ 9,083
Employee contributions	5,162	5,121	5,082	4,970
Net investment income	47,949	(45,135)	128,452	10,177
Benefit payments, including member refunds	(28,171)	(26,231)	(26,256)	(24,953)
Administrative expenses	(142)	(111)	(158)	(120)
Other	17	17	15	14
Net change in Plan Fiduciary Net Position	\$ 34,069	\$ (57,465)	\$ 116,299	\$ (829)
Plan Fiduciary Net Position - beginning	\$ 494,617	\$ 552,082	\$ 435,783	\$ 436,612
Plan Fiduciary Net Position - ending (b)	\$ 528,686	\$ 494,617	\$ 552,082	\$ 435,783
Net Pension Liability/(Asset) - ending (a) - (b)	\$ 106,605	\$ 72,867	\$ (11,506)	\$ 74,974
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	83.22 %	87.16 %	102.13 %	85.32 %
Covered payroll	\$ 31,647	\$ 31,560	\$ 31,342	\$ 30,810
Employers' Net Pension Liability as a percentage of covered payroll	336.86 %	230.88 %	(36.71)%	243.34 %

See independent auditor's report

	2019	2018	2017	2016	2015	2014
\$	9,079	\$ 8,795	\$ 7,956	\$ 8,152	\$ 7,563	\$ 8,174
	35,166	34,077	32,887	32,114	31,350	30,165
	(2,864)	(4,017)	(1,509)	(8,977)	(10,659)	(3,788)
	—	—	27,948	—	—	—
	(24,954)	(23,829)	(24,139)	(19,577)	(19,459)	(20,010)
\$	16,427	\$ 15,026	\$ 43,143	\$ 11,712	\$ 8,795	\$ 14,541
\$	480,092	\$ 465,066	\$ 421,923	\$ 410,211	\$ 401,416	\$ 386,875
\$	496,519	\$ 480,092	\$ 465,066	\$ 421,923	\$ 410,211	\$ 401,416
\$	8,694	\$ 8,953	\$ 7,053	\$ 7,053	\$ 8,647	\$ 8,753
	4,710	4,615	4,501	4,366	4,180	4,134
	27,537	33,873	48,680	5,491	13,333	54,950
	(24,954)	(23,829)	(24,140)	(19,577)	(19,459)	(20,010)
	(76)	(89)	(141)	(128)	(117)	(121)
	18	23	29	27	22	21
\$	15,929	\$ 23,546	\$ 35,982	\$ (2,768)	\$ 6,606	\$ 47,727
\$	420,683	\$ 397,137	\$ 361,155	\$ 363,923	\$ 357,317	\$ 309,590
\$	436,612	\$ 420,683	\$ 397,137	\$ 361,155	\$ 363,923	\$ 357,317
\$	59,907	\$ 59,409	\$ 67,929	\$ 60,768	\$ 46,288	\$ 44,099
	87.93 %	87.63 %	85.39 %	85.60 %	88.72 %	89.01 %
\$	29,302	\$ 28,698	\$ 28,092	\$ 27,048	\$ 26,294	\$ 25,624
	204.45 %	207.02 %	241.81 %	224.67 %	176.04 %	172.10 %

See independent auditor's report

REQUIRED SUPPLEMENTARY INFORMATION INFORMATION ABOUT PENSION PLANS

For the Year Ended June 30, 2024

(Dollars in Thousands)

STATE PATROL RETIREMENT PLAN SCHEDULE OF EMPLOYER CONTRIBUTIONS

Last 10 Fiscal years

	2024	2023	2022	2021
Actuarially determined employer contribution	\$ 13,603	\$ 9,254	\$ 8,874	\$ 9,164
Actual employer contributions*	\$ 13,603	\$ 9,254	\$ 8,874	\$ 9,164
Annual contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ —
Covered payroll	\$ 38,979	\$ 31,647	\$ 31,560	\$ 31,342
Actual contributions as a percentage of covered-employee payroll	34.90 %	29.24 %	28.12 %	29.24 %

*Includes any additional appropriations by the State beyond the regular, payroll-related contributions. 2015 excludes \$573 in military service credits.

	2020	2019	2018	2017	2016	2015
\$	9,083	\$ 8,694	\$ 8,953	\$ 7,053	\$ 7,053	\$ 8,074
\$	9,083	\$ 8,694	\$ 8,953	\$ 7,053	\$ 7,053	\$ 8,074
\$	–	\$ –	\$ –	\$ –	\$ –	\$ –
\$	30,810	\$ 29,302	\$ 28,698	\$ 28,092	\$ 27,048	\$ 26,294
	29.48 %	29.67 %	31.20 %	25.11 %	26.08 %	30.71 %

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REQUIRED SUPPLEMENTARY INFORMATION

INFORMATION ABOUT PENSION PLANS

For the Year Ended June 30, 2024

(Dollars in Thousands)

JUDGES' RETIREMENT PLAN

SCHEDULE OF CHANGES IN THE EMPLOYERS' NET PENSION LIABILITY

Last 10 Fiscal Years

	2023	2022	2021	2020
Total Pension Liability				
Service Cost	\$ 6,323	\$ 6,260	\$ 5,725	\$ 5,551
Interest	15,804	15,421	15,077	14,472
Differences between expected and actual experience	326	(1,366)	(1,806)	(206)
Assumption changes	1,125	1,062	3,554	–
Benefit payments, including member refunds	(13,679)	(12,669)	(12,066)	(11,478)
Net change in Total Pension Liability	\$ 9,899	\$ 8,708	\$ 10,484	\$ 8,339
Total Pension Liability - beginning	\$ 225,647	\$ 216,939	\$ 206,455	\$ 198,116
Total Pension Liability - ending (a)	\$ 235,546	\$ 225,647	\$ 216,939	\$ 206,455
Plan Fiduciary Net Position				
Employer contributions*	\$ 5,478	\$ 3,948	\$ 4,747	\$ 3,897
Employee contributions	2,292	2,127	2,029	1,963
Net investment income	21,380	(20,061)	57,339	4,549
Benefit payments, including member refunds	(13,679)	(12,669)	(12,066)	(11,478)
Administrative expenses	(90)	(72)	(117)	(82)
Net change in Plan Fiduciary Net Position	\$ 15,381	\$ (26,727)	\$ 51,932	\$ (1,151)
Plan Fiduciary Net Position - beginning	\$ 219,726	\$ 246,453	\$ 194,521	\$ 195,672
Plan Fiduciary Net Position - ending (b)	\$ 235,107	\$ 219,726	\$ 246,453	\$ 194,521
Net Pension Liability/(Asset) - ending (a) - (b)	\$ 439	\$ 5,921	\$ (29,514)	\$ 11,934
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	99.81 %	97.38 %	113.60 %	94.22 %
Covered payroll	\$ 26,661	\$ 25,258	\$ 24,668	\$ 24,367
Employers' Net Pension Liability as a percentage of covered payroll	1.65 %	23.44 %	(119.65)%	48.98 %

*Employer contributions for 2023 consist of \$4,182 in Court Fees and \$1,296 in State Appropriations.

	2019	2018	2017	2016	2015	2014
\$	5,641	\$ 5,589	\$ 4,998	\$ 4,721	\$ 4,759	\$ 4,257
	14,200	13,721	13,100	12,643	12,171	11,568
	(5,003)	(2,399)	(1,715)	(2,303)	(2,614)	42
	—	—	12,705	—	—	—
	(10,991)	(10,144)	(9,690)	(9,052)	(8,548)	(8,122)
\$	3,847	\$ 6,767	\$ 19,398	\$ 6,009	\$ 5,768	\$ 7,745
\$	194,269	\$ 187,502	\$ 168,104	\$ 162,095	\$ 156,327	\$ 148,582
\$	198,116	\$ 194,269	\$ 187,502	\$ 168,104	\$ 162,095	\$ 156,327
\$	4,389	\$ 4,780	\$ 3,698	\$ 3,459	\$ 3,071	\$ 3,906
	1,855	1,815	1,743	1,651	1,611	1,519
	12,436	15,070	21,699	2,454	5,959	24,543
	(10,991)	(10,144)	(9,690)	(9,052)	(8,548)	(8,122)
	(72)	(71)	(85)	(71)	(83)	(78)
\$	7,617	\$ 11,450	\$ 17,365	\$ (1,559)	\$ 2,010	\$ 21,768
\$	188,055	\$ 176,606	\$ 159,241	\$ 160,800	\$ 158,790	\$ 137,022
\$	195,672	\$ 188,056	\$ 176,606	\$ 159,241	\$ 160,800	\$ 158,790
\$	2,444	\$ 6,213	\$ 10,896	\$ 8,863	\$ 1,295	\$ (2,463)
	98.77 %	96.80 %	94.19 %	94.73 %	99.20 %	101.58 %
\$	23,216	\$ 23,125	\$ 22,802	\$ 22,178	\$ 21,587	\$ 20,100
	10.53 %	26.87 %	47.79 %	39.96 %	6.00 %	(12.26)%

See independent auditor's report

REQUIRED SUPPLEMENTARY INFORMATION INFORMATION ABOUT PENSION PLANS

For the Year Ended June 30, 2024

(Dollars in Thousands)

JUDGES' RETIREMENT PLAN SCHEDULE OF EMPLOYER CONTRIBUTIONS

Last 10 Fiscal Years

	2024	2023	2022	2021
Actuarially determined employer contribution	\$ 4,082	\$ 3,911	\$ 3,948	\$ 4,747
Actual employer contributions	\$ 6,258	\$ 5,478	\$ 3,948	\$ 4,747
Annual contribution deficiency (excess)	\$ (2,176)	\$ (1,567)	\$ —	\$ —
Covered payroll	\$ 28,304	\$ 26,661	\$ 25,258	\$ 24,668
Actual contributions as a percentage of covered-employee payroll	22.11 %	20.54 %	15.63 %	19.24 %

	2020	2019	2018	2017	2016	2015
\$	3,897	\$ 4,389	\$ 4,780	\$ 3,698	\$ 3,459	\$ 3,727
\$	3,897	\$ 4,389	\$ 4,780	\$ 3,698	\$ 3,459	\$ 3,071
\$	–	\$ –	\$ –	\$ –	\$ –	\$ 656
\$	24,367	\$ 23,216	\$ 23,125	\$ 22,802	\$ 22,178	\$ 21,587
	15.99 %	18.90 %	20.67 %	16.22 %	15.59 %	14.23 %

See independent auditor's report

REQUIRED SUPPLEMENTARY INFORMATION

INFORMATION ABOUT PENSION PLANS

For the Year Ended June 30, 2024

(Dollars in Thousands)

STATE EMPLOYEES' RETIREMENT PLAN

SCHEDULE OF CHANGES IN THE EMPLOYERS' NET PENSION LIABILITY

Last 10 Fiscal Years

	2023	2022	2021	2020
Total Pension Liability				
Service Cost	\$ 97,639	\$ 84,172	\$ 77,801	\$ 66,766
Interest	145,257	134,353	126,535	121,384
Benefit term changes	-	107,253	68,135	33,746
Differences between expected and actual experience	(11,189)	(10,313)	(15,112)	(14,022)
Assumption changes	13,568	12,812	11,781	21,516
Transfers	8,387	5,849	6,513	9,318
Benefit payments, including member refunds	(158,273)	(152,820)	(132,839)	(112,331)
Net change in Total Pension Liability	\$ 95,389	\$ 181,306	\$ 142,814	\$ 126,377
Total Pension Liability - beginning	\$ 2,119,532	\$ 1,938,226	\$ 1,795,412	\$ 1,669,035
Total Pension Liability - ending (a)	\$ 2,214,921	\$ 2,119,532	\$ 1,938,226	\$ 1,795,412
Plan Fiduciary Net Position				
Employer contributions	\$ 66,350	\$ 61,843	\$ 52,714	\$ 51,506
Employee contributions	42,518	39,604	33,833	33,007
Net investment income	286,699	(262,555)	328,390	221,997
Benefit payments, including member refunds	(158,273)	(152,820)	(132,839)	(112,331)
Administrative expenses	(1,749)	(1,636)	(1,496)	(1,520)
Transfers	8,387	5,849	6,513	9,318
Net change in Plan Fiduciary Net Position	\$ 243,932	\$ (309,715)	\$ 287,115	\$ 201,977
Plan Fiduciary Net Position - beginning	\$ 1,969,120	\$ 2,278,835	\$ 1,991,720	\$ 1,789,743
Plan Fiduciary Net Position - ending (b)	\$ 2,213,052	\$ 1,969,120	\$ 2,278,835	\$ 1,991,720
Net Pension Liability/(Asset) - ending (a) - (b)	\$ 1,869	\$ 150,412	\$ (340,609)	\$ (196,308)
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	99.92 %	92.90 %	117.57 %	110.93 %
Covered payroll	\$ 886,083	\$ 825,890	\$ 703,979	\$ 687,847
Employers' Net Pension Liability as a percentage of covered payroll	0.21 %	18.21 %	(48.38)%	(28.54)%

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	2019	2018	2017	2016	2015	2014
\$	61,854	\$ 61,061	\$ 64,051	\$ 61,768	\$ 57,305	\$ 54,921
	116,719	108,435	102,759	98,054	89,967	85,696
	–	56,312	31,485	–	35,893	–
	(10,590)	(3,987)	(18,939)	(14,007)	721	(11,217)
	–	–	42,820	–	–	–
	5,372	7,735	3,591	5,115	5,849	4,195
	(113,827)	(121,911)	(94,359)	(84,773)	(85,278)	(73,527)
\$	59,528	\$ 107,645	\$ 131,408	\$ 66,157	\$ 104,457	\$ 60,068
\$	1,609,507	\$ 1,501,862	\$ 1,370,455	\$ 1,304,298	\$ 1,199,841	\$ 1,139,773
\$	1,669,035	\$ 1,609,507	\$ 1,501,863	\$ 1,370,455	\$ 1,304,298	\$ 1,199,841
\$	48,890	\$ 46,581	\$ 45,438	\$ 44,894	\$ 43,340	\$ 41,456
	31,334	29,854	29,128	28,776	27,799	26,603
	286,205	(63,591)	237,283	112,758	14,784	83,524
	(113,827)	(121,911)	(94,359)	(84,773)	(85,278)	(73,527)
	(1,374)	(1,399)	(1,293)	(1,134)	(1,079)	(910)
	5,372	7,735	3,591	5,115	5,849	4,195
\$	256,600	\$ (102,731)	\$ 219,788	\$ 105,636	\$ 5,415	\$ 81,341
\$	1,533,143	\$ 1,635,874	\$ 1,416,087	\$ 1,310,451	\$ 1,305,036	\$ 1,223,695
\$	1,789,743	\$ 1,533,143	\$ 1,635,875	\$ 1,416,087	\$ 1,310,451	\$ 1,305,036
\$	(120,708)	\$ 76,364	\$ (134,012)	\$ (45,632)	\$ (6,153)	\$ (105,195)
	107.23 %	95.26 %	108.92 %	103.33 %	100.47 %	108.77 %
\$	652,909	\$ 622,068	\$ 606,807	\$ 599,550	\$ 578,789	\$ 553,631
	(18.49)%	12.28 %	(22.08)%	(7.61)%	(1.06)%	(19.00)%

See independent auditor's report

REQUIRED SUPPLEMENTARY INFORMATION INFORMATION ABOUT PENSION PLANS

For the Year Ended June 30, 2024

(Dollars in Thousands)

STATE EMPLOYEES' RETIREMENT PLAN SCHEDULE OF EMPLOYER CONTRIBUTIONS Last 10 Fiscal Years

	2024	2023	2022	2021
Actuarially determined employer contribution	\$ 57,102	\$ 40,400	\$ 39,028	\$ 35,374
Actual employer contributions*	\$ 70,210	\$ 63,024	\$ 56,417	\$ 52,142
Annual contribution deficiency (excess)	\$ (13,108)	\$ (22,624)	\$ (17,389)	\$ (16,768)
Covered-employee payroll	\$ 937,633	\$ 841,671	\$ 753,441	\$ 696,341
Actual contributions as a percentage of covered-employee payroll	7.49 %	7.49 %	7.49 %	7.49 %

*Provided by Nebraska Public Employees Retirement System

	2020	2019	2018	2017	2016	2015
\$	37,255	\$ 30,307	\$ 30,314	\$ 33,205	\$ 29,117	\$ 31,986
\$	50,355	\$ 47,279	\$ 46,043	\$ 45,208	\$ 44,314	\$ 42,392
\$	(13,100)	\$ (16,972)	\$ (15,729)	\$ (12,002)	\$ (15,197)	\$ (10,406)
\$	672,470	\$ 631,395	\$ 614,895	\$ 603,735	\$ 591,799	\$ 566,127
	7.49 %	7.49 %	7.49 %	7.49 %	7.49 %	7.49 %

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION FOR PENSION PLANS

For the Year Ended June 30, 2024

School

Changes of benefit and funding terms: The following changes were made by the Nebraska Legislature and reflected in the valuation performed as of July 1 listed below:

- 2021: Legislative Bill 17 (LB 17), which was passed by the 2021 Nebraska Legislature, changed the amortization period for amortization bases established on or after July 1, 2021 from 30 to 25 years. If the UAAL is less than or equal to zero, then all prior amortization bases are considered fully funded and the UAAL is reinitialized and amortized over a 25-year period as of the actuarial valuation date.
- 2017: The 2017 Legislature passed LB 415, which affects the benefit provisions only for members hired on or after July 1, 2017 (with additional changes for those hired on or after July 1, 2018). For members hired on or after July 1, 2017, the Public Employees Retirement Board (PERB) has the authority to set the actuarial assumptions used to determine the benefit amounts payable under optional forms of payment. In addition, LB 415 changed to the minimum age required to qualify for retirement under the Rule of 85 from 55 to 60 for members who are hired on or after July 1, 2018.

Changes in actuarial assumptions:

7/1/2024 valuation:

- Price inflation decrease from 2.45% to 2.35%
- Long-term investment return decreased from 7.10% to 7.00%
- General Wage Growth decreased from 2.95% to 2.85%
- Payroll growth decreased from 2.95% to 2.85%
- Cost of living adjustment assumption decreased to 2.00% for Tier 1 members.

7/1/2023 valuation:

- Price inflation decreased from 2.55% to 2.45%.
- Long-term investment return decreased from 7.20% to 7.10%.
- General wage growth decreased from 3.05% to 2.95%.
- Payroll growth decreased from 3.05% to 2.95%.
- Cost of living adjustment assumption decreased to 2.05% for Tier 1 members.

7/1/2022 valuation:

- Price inflation decreased from 2.65% to 2.55%.
- Long-term investment return decreased from 7.30% to 7.20%.
- General wage growth decreased from 3.15% to 3.05%.
- Payroll growth decreased from 3.15% to 3.05%.
- Cost of living adjustment assumption decreased to 2.10% for Tier 1 members.

7/1/2021 valuation:

- Price inflation decreased from 2.75% to 2.65%.
- Long-term investment return decreased from 7.50% to 7.30%.
- General wage growth decreased from 3.50% to 3.15%.
- Payroll growth decreased from 3.50% to 3.15%.
- Salary merit increase were adjusted to partially reflect observed experience.
- Interest on employee contribution balances decreased from 3.00% to 2.50%.
- Cost of living adjustment assumption decreased to 2.15% for Tier 1 members.
- An explicit assumption for administrative expenses was adopted as a component of the actuarial contribution rate and was set to 0.16% of pay.
- Mortality assumption for non-disabled participants was changed to the Pub-2010 General

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Members (Above Median) Mortality Tables (100% of male rates, 95% female rates), set back one-year, projected generationally using MP-2019 modified to 75% of ultimate rates.

- Mortality assumption for disabled participants was changed to the Pub-2010 Non-Safety Disabled Retiree Mortality Table (static).
- Retirement rates changed to better fit the observed experience.
- Termination rates for males changed to better fit the observed experience.
- The assumed retirement age for deferred vested members was increased from 62 to 64.

7/1/2017 valuation:

- Price inflation decreased from 3.25% to 2.75%.
- Long term investment return decreased from 8.00% to 7.50%.
- Covered payroll growth assumption decreased from 4.00% to 3.50%.
- Salary increase assumption decreased by 0.50% at each age.
- Interest on employee contribution balances decreased from 4.25% to 3.00%.
- Cost of living adjustment assumption decreased from 2.50% to 2.25% for members hired before January 1, 2013.
- Mortality assumptions changed to reflect recent mortality experience and future projected improvements.
- Retirement rates changed to better fit the observed experience.
- Termination rates changed to better fit the observed experience.
- Disability rates changed to better fit the observed experience.

Method and assumptions used in calculations of actuarially determined contributions.

The System is funded with contribution rates that are 9.78% of monthly salary for members, contribution rates that are 101% of the members' rates (9.88% of monthly salary) for the school districts and 2.00% of monthly salary for the State of Nebraska. The Actuarially Determined Contributions in the *Schedule of Employer Contributions* are calculated as of the beginning of the fiscal year in which contributions are reported.

The following actuarial methods and assumptions were used to determine the Actuarially Determined Contribution reported in the most recent Measurement Date, June 30, 2024 (based on the July 1, 2023 actuarial valuation):

Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	Range from 13 to 27 years (Single Equivalent Amortization Period is 5 years)
Asset valuation method	5-year smoothed market
Price Inflation	2.45 percent
Wage Inflation	2.95 percent
Salary increase, including inflation	2.95 to 12.95 percent
Long-term investment rate of return, net of investment expense, and including inflation	7.10 percent
Cost-of-living adjustments	Service annuity – none Formula annuity – For members hired before January 1, 2013, it is 2.05% per annum, compounded annually. For members hired on or after January 1, 2013, it is 1.00% per annum, compounded annually.

Service Annuity

Changes of benefit and funding terms: The following changes to the plan provisions were made by the Nebraska Legislature and reflected in the valuation performed as of July 1 listed below:

2021: Legislative Bill 17 (LB 17), which was passed by the 2021 Nebraska Legislature, changed the amortization period or amortization bases established on or after July 1, 2021 from 30 to 25 years. If the UAAL is less than or equal to zero, then all prior amortization bases are considered fully funded and the UAAL is reinitialized and amortized over a 25-year period as of the actuarial valuation date.

Changes in actuarial assumptions:

1/1/2023 valuation:

- Price inflation decreased from 2.55% to 2.45%.
- Long-term investment return decreased from 7.20% to 7.10%.
- General wage growth decreased from 3.05% to 2.95%.
- Payroll Growth decreased from 3.05% to 2.95%.

1/1/2022 valuation:

- Price inflation decreased from 2.65% to 2.55%.
- Long-term investment return decreased from 7.30% to 7.20%.
- General wage growth decreased from 3.15% to 3.05%.
- Payroll growth decreased from 3.15% to 3.05%.

1/1/2021 valuation:

- Price inflation decreased from 2.75% to 2.65%.
- Long-term investment return decreased from 7.50% to 7.30%.
- General wage growth decreased from 3.50% to 3.15%.
- Payroll growth decreased from 3.50% to 3.15%.
- Salary merit increases were adjusted to partially reflect observed experience.
- An explicit assumption for administrative expenses was adopted as a component of the actuarial contribution rate and was set to 0.16% of pay.
- Mortality assumptions for non-disabled participants was changed to the Pub-2010 General Members (Above Median) Mortality Tables (100% of male rates, 95% female rates), set back one-year, projected generationally using MP-2019 modified to 75% of ultimate rates.
- Mortality assumption for disabled participants was changed to the Pub-2010 Non-Safety Disabled Retiree Mortality Table (static).
- Retirement rates changed to better fit the observed experience.
- Termination rates for males changed to better fit the observed experience.
- The assumed retirement age for deferred vested members was increased from 62 to 64.

1/1/2017 valuation:

- Price inflation decreased from 3.25% to 2.75%.
- Long-term investment return decreased from 8.00% to 7.50%.
- Covered payroll growth assumption decreased from 4.00% to 3.50%.
- Salary increase assumption decreased by 0.50% at each age.
- Mortality assumptions changed to reflect recent mortality experience and future projected improvements.
- Retirement rates changed to better fit the observed experience.
- Termination rates changed to better fit the observed experience.
- Disability rates changed to better fit the observed experience.

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Method and assumptions used in calculations of Actuarially Determined Contributions.

The Plan is funded with contribution amounts from the State which are actuarially determined to fund the Service Annuity benefit. The Actuarially Determined Contributions in the *Schedule of Employer Contributions* are calculated as of the beginning of the fiscal year in which contributions are reported.

The following actuarial methods and assumptions were used to determine the Actuarially Determined Contribution reported for the most recent Measurement Date, June 30, 2024 (based on the July 1, 2023 actuarial valuation).

Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	Range from 13 to 27 years (Single Equivalent Amortization Period is 5 years)
Asset valuation method	5-year smoothed market
Price inflation	2.45 percent
Wage Inflation	2.95 percent
Salary increase, including wage inflation	2.95 to 12.95 percent
Long-term rate of return, net of investment expense, and including inflation	7.10 percent
Cost-of-living Adjustments	None

Omaha School Employees

Changes of benefit and funding terms: The following changes to the plan provisions were made by the Nebraska Legislature and reflected in the valuation performed as of September 1 (January 1 starting in 2017) listed below:

2022: The 2021 session of the Nebraska Legislature enacted Legislative Bill 147 (LB 147), which modified the eligibility requirements to participate in the System. Employees who are contracted for less than 30 hours per week are eligible to participate in the System if they average more than 30 hours per week during any three calendar months of a fiscal year. No census data was received to allow quantification of the impact of LB 147 on the January 1, 2022 valuation.

2018: The 2017 session of the Nebraska Legislature enacted Legislative Bill 415 (LB 415), which changed the retirement provisions for members hired on or after July 1, 2018 to match the School Employees Retirement System of the State of Nebraska. Retirement eligibility for members hired on or after July 1, 2018 is set at age 60 with 85 points (age plus service) or age 60 with five years of service. Benefits are unreduced at age 60 with 85 points. Early retirement eligibility is age 60 with five years of service. No medical COLA is provided for members hired on or after July 1, 2018.

The 2018 Session of the Nebraska Legislature enacted Legislative Bill 1005 (LB 1005), which states that the School District must contribute an amount equal to or greater than the actuarially required contribution rate provided in the most recent valuation report.

2017: The 2016 session of the Nebraska Legislature enacted Legislative Bill 447 (LB 447), which changed the retirement provisions for members hired on or after July 1, 2016 to match the School Employees Retirement System of the State of Nebraska. Retirement eligibility for members hired on or after July 1, 2016 is set at 35 years of service, age 55 with 85 points (age plus service) or age 60 with five years of service. Benefits are unreduced with 35 years of service or at age 55 with 85 points. Early retirement eligibility is age 60 with five years of service. No medical COLA is provided for members hired on or after July 1, 2016.

Changes in actuarial assumptions:

1/1/2024 valuation:

- The investment return assumption was lowered from 7.30% to 7.20%.
- The inflation assumption was lowered from 2.60% to 2.55%.
- The assumed interest rate credited on employee contributions was lowered from 2.60% to 2.55%.
- The general wage increase assumption was lowered from 3.10% to 3.05%.

1/1/2023 valuation:

- The investment return assumption was lowered from 7.40% to 7.30%.
- The inflation assumption was lowered from 2.70% to 2.60%.
- The assumed interest rate credited on employee contributions was lowered from 2.70% to 2.60%.
- The general wage increase assumption was lowered from 3.20% to 3.10%.

1/1/2022 valuation:

- The investment return assumption was lowered from 7.50% to 7.40%.
- The inflation assumption was lowered from 2.75% to 2.70%.
- The assumed interest rate credited on employee contributions was lowered from 2.75% to 2.70%.
- The general wage increase assumption was lowered from 3.25% to 3.20%.
- The mortality assumption was changed to the Pub-2010 General Members (Median) Mortality Tables with generational mortality improvements modeled using the NPERs projection scale. No

generational mortality improvement is reflected for disabled members.

- Retirement rates were modified for both Certificated and Classified employees.
- Termination rates were modified for both Certificated and Classified employees.
- The probability of a vested member electing a refund upon termination was adjusted for both Certificated and Classified members and is now based on years of service.
- The active member marriage assumption was reduced from 100% to 85%.
- The salary increase assumption was changed to reflect the lower general wage inflation, and the merit salary scale was adjusted to better reflect observed experience.
- An explicit assumption for administrative expenses was adopted as a component of the actuarial contribution rate and was set to 0.24% of pay.
- The amortization period for future amortization bases was reduced from 30 to 25 years.

1/1/2019 valuation:

- The amortization of the UAAL was changed to reset the legacy UAAL over a 30-year period beginning on January 1, 2019. New layers of UAAL that occur in the future are also amortized over a 30-year period beginning on the valuation date.

1/1/2017 valuation:

- The investment return assumption was lowered from 8.00% to 7.50%.
- The inflation assumption was lowered from 3.00% to 2.75%.
- The assumed interest rate credited on employee contributions was lowered from 3.00% to 2.75%.
- The general wage increase assumption was lowered from 4.00% to 3.25%.
- The mortality assumption was changed to the RP-2014 Mortality Table, with a one-year age set forward for males and a one-year age setback for females. Generational mortality improvements are modeled using the MP-2016 scale.
- Retirement rates were modified for both Certificated and Classified employees.
- The probability of electing a refund at termination was modified for Classified employees.
- Termination rates for Certificated employees were changed to be the same regardless of gender, and are purely service-based for both Certificated and Classified employees.
- The salary increase assumption was changed to a service-based assumption for both Certificated and Classified employees.
- The amortization of the UAAL was changed to a "layered" approach with new pieces of UAAL amortized over a 25-year period beginning on the valuation date. The legacy UAAL continues to be amortized on its current schedule.
- The valuation date changed from September 1 to January 1.

Method and assumptions used in calculations of Actuarially Determined Contributions.

The System is funded by statutory contribution rates for members, the School District and the State of Nebraska. If the statutory contribution rate is less than the Actuarially Determined Contribution, the School District will contribute the difference. The Actuarially Determined Contributions in the *Schedule of Employer Contributions* are calculated as of the valuation date that falls within the fiscal year in which contributions are reported.

The following actuarial methods and assumptions were used to determine the Actuarially Determined Contribution reported for the most recent Measurement Date, December 31, 2023 (based on the January 1, 2023 actuarial valuation).

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	Layered bases with the Legacy base amortized over a closed 30-year period beginning January 1, 2019. Subsequent bases established prior to January 1, 2022 are amortized over a closed 30-year period beginning on the valuation date. All bases established on or after January 1, 2022 are amortized over a closed 25-year period beginning on the valuation date.
Asset valuation method	Market related smoothed value
Price inflation	2.60 percent
Salary increases, including wage inflation	3.10 to 6.50 percent
Long-term rate of return, net of investment expense, and including inflation	7.30 percent
Cost-of-living adjustments	1.50 percent for those who became OSERS members prior to July 1, 2013. 1.00 percent for those who became OSERS members on or after July 1, 2013. Medical COLA of \$10/month for each year retired (max \$250/month), for those who became OSERS members prior to July 1, 2016.

State Patrol

Changes of benefit and funding terms: The following changes to the plan provisions were made by the Nebraska Legislature and reflected in the valuation performed as of July 1 listed below:

- 2024: The 2024 Legislature passed Legislative Bill 196 (LB 196) which decreased the member contribution rate to 10.00% of covered pay and increased the employer contribution rate to 24.00% of pay.
- 2021: Legislative Bill 17 (LB 17), which was passed by the 2021 Nebraska Legislature, changed the amortization period for amortization bases established on or after July 1, 2021 from 30 to 25 years. If the UAAL is less than or equal to zero, then all prior amortization bases are considered fully funded and the UAAL is reinitialized and amortized over a 25-year period as of the actuarial valuation date.
- 2017: The 2017 Legislature passed LB 415, which grants the PERB the authority to set the actuarial assumptions used to determine the benefit amounts payable under optional forms of payment for members hired on or after July 1, 2017. Since these changes do not affect any members in the current valuation, the adopted changes have no impact on the valuation results.
- 2016: Legislative Bill 467 (LB 467) created a new tier of State Patrol members that are employed on or after July 1, 2016.
This new tier includes changes to benefits and contributions as follows:
- Member and employer contributions are increased from 16% of pay to 17% of pay.
 - Compensation no longer includes compensation for unused sick leave, unused vacation leave, unused holiday compensatory time, unused compensatory time, or any other type of unused leave, compensatory time, or similar benefits, converted to cash payments.
 - Final average salary moves from the highest three 12-month periods to the highest five 12-month periods. During the five year period, the member's compensation for the preceding plan year is capped at an eight percent increase.
 - The automatic COLA is capped at 1.0% instead of 2.5%. However, a 1.5% discretionary COLA may be granted in addition to the automatic COLA if certain criteria are met.
 - The DROP program is eliminated.

Changes in actuarial assumptions:

7/1/2024 valuation:

- Price inflation decreased from 2.45% to 2.35%.
- Long-term investment return decreased from 7.10% to 7.00%.
- Covered payroll growth assumption decreased from 2.95% to 2.85%.
- General wage inflation decreased from 2.95% to 2.85%.
- Cost of living adjustment assumption decreased to 2.00% for Tier 1 members.

7/1/2023 valuation:

- Price inflation decreased from 2.55% to 2.45%.
- Long-term investment return decreased from 7.20% to 7.10%.
- Covered payroll growth assumption decreased from 3.05% to 2.95%.
- General wage inflation decreased from 3.05% to 2.95%.
- Cost of living adjustment assumption decreased to 2.05% for Tier 1 members.

7/1/2022 valuation:

- Price inflation decreased from 2.65% to 2.55%.
- Long-term investment return decreased from 7.30% to 7.20%.
- Covered payroll growth assumption decreased from 3.15% to 3.05%.

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- General wage inflation decreased from 3.15% to 3.05%.
- Cost of living adjustment assumption decreased to 2.10% for Tier 1 members.

7/1/2021 valuation:

- Price inflation decreased from 2.75% to 2.65%.
- Long-term investment return decreased from 7.50% to 7.30%.
- Covered payroll growth assumption decreased from 3.50% to 3.15%.
- General wage inflation decreased from 3.50% to 3.15%.
- Salary merit increases were adjusted to better reflect observed experience.
- Interest on employee contribution balances decreased from 3.00% to 2.50%.
- Cost of living adjustment assumption decreased to 2.15% for Tier 1 members.
- An explicit assumption for administrative expenses was adopted as a component of the actuarial contribution rate and was set to 0.26% of pay.
- Mortality assumption for non-disabled participants was changed to the Pub-2010 General Members (Above Median) Mortality Tables (100% of male rates, 95% female rates), set back one-year, projected generationally using MP-2019 modified to 75% of ultimate rates.
- Mortality assumption for disabled participants was changed to the Pub-2010 Non-Safety Disabled Retiree Mortality Table (static).
- Retirement rates changed to better fit the observed experience.

7/1/2017 valuation:

- Price inflation decreased from 3.25% to 2.75%.
- Long-term investment return decreased from 8.00% to 7.50%.
- Covered payroll growth assumption decreased from 4.00% to 3.50%.
- Salary increase assumption decreased by 0.50% at each age.
- Interest on employee contribution balances decreased from 4.25% to 3.00%.
- Cost of living adjustment assumption decreased from 2.50% to 2.25% for members hired before July 1, 2016.
- Mortality assumptions changed to reflect recent mortality experience and future projected improvements.
- Termination rates changed to better fit the observed experience.

Method and assumptions used in calculations of Actuarially Determined Contributions.

The Plan is funded by statutory contribution rates for members and the employer (State of Nebraska). State Statutes require the State of Nebraska to make additional contributions if the regular, payroll-related contributions are insufficient to meet the actuarial required contribution for the year. The Actuarially Determined Contributions in the *Schedule of Employer Contributions* are calculated as of the beginning of the fiscal year in which contributions are reported.

The following actuarial methods and assumptions were used to determine the Actuarially Determined Contribution reported for the most recent Measurement Date, June 30, 2024 (based on the July 1, 2023 actuarial valuation).

Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	Range from 13 to 27 years (Single Equivalent Amortization Period is 19 years)
Asset valuation method	5-year smoothed market
Price inflation	2.45 percent
Wage Inflation	2.95 percent
Salary increases, including wage inflation	2.95 to 8.45 percent
Long-term rate of return, net of investment expense, and including price inflation	7.10 percent
Cost-of-living adjustments	2.05% per annum, compounded annually for Tier 1 members, 1.00% per annum, compounded annually for Tier 2 members.

Judges

Changes of benefit and funding terms: The following changes to the plan provisions were made by the Nebraska Legislature and reflected in the valuation performed as of July 1 listed below:

- 2021: LB 17, which was passed by the 2021 Nebraska Legislature, provided for an increase in the amount of court fees directed to fund the System, beginning in FY 2022 with further scheduled increases over a five-year period. The bill also authorized a payroll-related contribution from the state, beginning July 1, 2023 for the plan year ended June 30, 2023. The payroll-related contribution can be no greater than 5% of total annual compensation, based on the total member compensation reported in the most recent actuarial valuation. If the funded ratio is equal to or greater than 100% for two consecutive years, the actuary must assess whether the state contribution rate should be adjusted and make a recommendation to the Board in the annual actuarial valuation report. If the state contribution rate has been adjusted to less than 5% and the funded ratio is below 100% for two consecutive years, the actuary must assess whether the state contribution rate should be adjusted (not greater than 5%) and make a recommendation to the Board. LB 17 also changed the amortization period for amortization bases established on or after July 1, 2021 from 30 to 25 years. If the UAAL is less than or equal to zero, then all prior amortization bases are considered fully funded and the UAAL is reinitialized and amortized over a 25-year period as of the actuarial valuation date.
- 2017: LB 415, which was passed by the 2017 Nebraska Legislature, made changes to the benefit structure for judges who become members on or after July 1, 2017 by granting the Public Employees Retirement Board (PERB) the authority to set the actuarial assumptions used to determine the benefit amounts payable under optional forms of payment.
- 2015: LB 468, which was passed by the 2015 Nebraska Legislature, made changes to the benefit structure for judges who become members on or after July 1, 2015 including the calculation of final average salary based on the highest 5 years rather than the highest 3 years of salary and a cost-of-living-adjustment (COLA) of 1% rather than 2.5%. The bill also provided for a supplemental COLA, to be granted at the Board's discretion, up to an additional 1.5% if the System is more than 100% funded. In addition, the member contribution rate for those hired on or after July 1, 2015 was increased to 10% of pay. LB 468 also increased the amount of court fees directed to fund the Judges Retirement System with the increases phased-in over two years. Ultimately, in fiscal year 2018 the additional funding is estimated to be \$1.3 million. Due to the valuation date of July 1, 2015, the change to the benefit structure had no impact on the valuation results.

Changes in actuarial assumptions:

7/1/2024 valuation:

- Price inflation decreased from 2.45% to 2.35%.
- Long-term investment return decreased from 7.10% to 7.00%.
- General wage growth decreased from 2.95% to 2.85%.
- Payroll growth decreased from 2.95% to 2.85%.
- Salary increases were lowered from a flat 3.20% to 3.10%.
- Cost of living adjustment assumption decreased to 2.00% for Tier 1 members.

7/1/2023 valuation:

- Price inflation decreased from 2.55% to 2.45%.
- Long-term investment return decreased from 7.20% to 7.10%.
- General wage growth decreased from 3.05% to 2.95%.
- Payroll growth decreased from 3.05% to 2.95%.

- Salary increases were lowered from a flat 3.30% to 3.20%.
- Cost of living adjustment assumption decreased to 2.05% for Tier 1 members.

7/1/2022 valuation:

- Price inflation decreased from 2.65% to 2.55%.
- Long-term investment return decreased from 7.30% to 7.20%.
- General wage growth decreased from 3.15% to 3.05%.
- Payroll growth decreased from 3.15% to 3.05%.
- Salary increases were lowered from a flat 3.40% to 3.30%.
- Cost of living adjustment assumption decreased to 2.10% for Tier 1 members.

7/1/2021 valuation:

- Price inflation decreased from 2.75% to 2.65%.
- Long-term investment return decreased from 7.50% to 7.30%.
- General wage growth decreased from 3.50% to 3.15%.
- Payroll growth decreased from 3.50% to 3.15%.
- Salary increases were lowered from a flat 3.50% to 3.40%.
- Interest on employee contribution balances decreased from 3.00% to 2.50%.
- Cost of living adjustment assumption decreased to 2.15% for Tier 1 members.
- An explicit assumption for administrative expenses was adopted as a component of the actuarial contribution rate and was set to 0.31% of pay.
- Mortality assumption for non-disabled participants was changed to the Pub-2010 General Members (Above Median) Mortality Tables (100% of male rates, 95% female rates), set back one-year, projected generationally using MP-2019 modified to 75% of ultimate rates.
- Mortality assumption for disabled participants was changed to the Pub-2010 Non-Safety Disabled Retiree Mortality Table (static).
- Retirement rates changed to better fit the observed experience.

7/1/2020 valuation:

- Court fees for fiscal year 2021 are assumed to be 85% of actual fiscal year 2020 court fees. This assumption had no impact on the TPL.

7/1/2017 valuation:

- Price inflation decreased from 3.25% to 2.75%.
- Long-term investment return decreased from 8.00% to 7.50%.
- General wage growth decreased from 4.00% to 3.50%.
- Salary increase assumption decreased by 0.50% at each age.
- Interest on employee contribution balances decreased from 4.25% to 3.00%.
- Cost of living adjustment assumption decreased to 2.25% for Tier 1 members.
- Mortality assumptions changed to reflect recent mortality experience and future projected improvements.
- Retirement rates changed to better fit the observed experience.

Method and assumptions used in calculations of Actuarially Determined Contributions.

The Plan is funded with contribution rates that vary by date of hire and service for members, variable court fees as well as contributions from the State of Nebraska that cover the remaining required amounts, if necessary. The Actuarially Determined Contributions in the *Schedule of Employer Contributions* are calculated as of the beginning of the fiscal year in which contributions are reported.

The following actuarial methods and assumptions were used to determine the Actuarially Determined Contribution reported for the most recent fiscal year, June 30, 2024 (based on the July 1, 2023 actuarial valuation).

Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	25 years
Asset valuation method	5-year smoothed market
Price Inflation	2.45 percent
Wage Inflation	2.95 percent
Salary increases, including inflation	3.20 percent
Long-term rate of return, net of investment expense, and including inflation	7.10 percent
Cost-of-living adjustments	2.05% per annum, compounded annually for Tier 1 members, 1.00% per annum, compounded annually for Tier 2 members.

State Employees

Changes of benefit and funding terms: The following changes to the plan provisions were made by the Nebraska Legislature and reflected in the valuation performed as of January 1 listed below:

- 2023: The Board granted a dividend of 7.50% in 2022 that was first reflected in the January 1, 2023 valuation.
- 2022: The Board granted a dividend of 5.25% in 2021 that was first reflected in the January 1, 2022 valuation.
- 2021: The Board granted a dividend of 3.00% in 2020 that was first reflected in the January 1, 2021 valuation.
- 2019: The Board granted a dividend of 5.46% in 2018 that was first reflected in the January 1, 2019 valuation.
- 2018: The Board granted a dividend of 3.07% in 2017 that was first reflected in the January 1, 2018 valuation.
- 2016: The Board granted a dividend of 4.53% in 2015 that was first reflected in the January 1, 2016 valuation.

Changes in actuarial assumptions:

1/1/2024 valuation:

- Price inflation assumption was lowered from 2.45% to 2.35%.
- Investment return assumption was lowered from 7.10% to 7.00%.
- Interest crediting rate on Cash Balance accounts decreased from 6.05% to 6.00%.
- General wage inflation was lowered from 2.95% to 2.85%.

1/1/2023 valuation:

- Price inflation assumption was lowered from 2.55% to 2.45%.
- Investment return assumption was lowered from 7.20% to 7.10%.
- Interest crediting rate on Cash Balance accounts decreased from 6.10% to 6.05%.
- General wage inflation was lowered from 3.05% to 2.95%.

1/1/2022 valuation:

- Price inflation assumption was lowered from 2.65% to 2.55%.
- Investment return assumption was lowered from 7.30% to 7.20%.
- Interest crediting rate on Cash Balance accounts decreased from 6.15% to 6.10%.
- General wage inflation was lowered from 3.15% to 3.05%.

1/1/2021 valuation:

- Price inflation assumption was lowered from 2.75% to 2.65%.
- Investment return assumption was lowered from 7.50% to 7.30%.
- Interest crediting rate on Cash Balance accounts decreased from 6.25% to 6.15%.
- General wage inflation was lowered from 3.50% to 3.15%.
- Salary merit increases were adjusted to better reflect observed experience.
- An explicit assumption for administrative expenses was adopted as a component of the actuarial

See independent auditor's report

contribution rate and was set to 0.21% of pay.

- Retirement rates were adjusted to better reflect observed experience.
- Termination rates were adjusted to better reflect observed experience.
- Mortality assumptions were changed to the Pub-2010 General Members (above Median) Mortality Tables (100% of male rate for males, 95% of female rates for females), set back one year, projected generationally using MP-2019 modified to 75% of the ultimate rates.

1/1/2018 valuation:

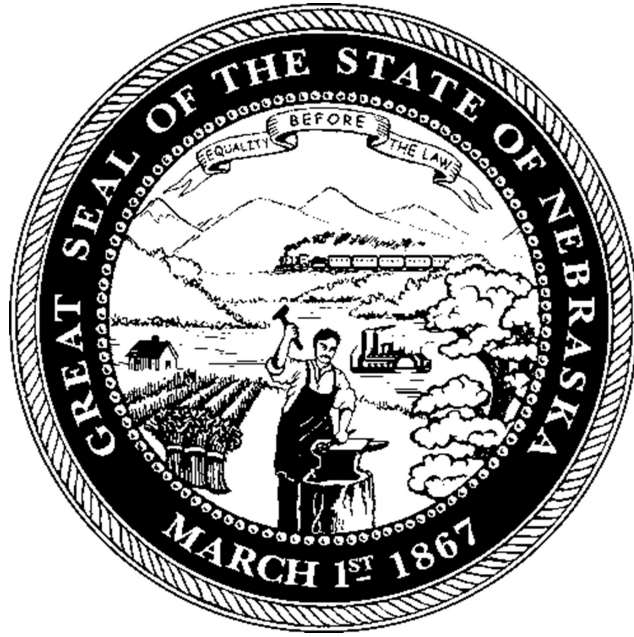
- Investment return assumption was lowered from 7.75% to 7.50%.
- Price inflation assumption was lowered from 3.25% to 2.75%.
- General wage growth was lowered from 4.00% to 3.50%.
- Covered payroll growth assumption decreased from 4.00% to 3.50%.
- Individual salary increase assumption was lowered by 0.50% in order to remain consistent with the general wage growth assumption.
- Assumed cash balance interest crediting rate was lowered from 6.75% to 6.25%.
- Mortality assumption was changed to the RP-2014 White Collar Mortality Table, with adjustments made to better reflect observed experience. Generational mortality improvements are modeled using a System-specific projection scale.
- Retirement rates were adjusted to better reflect observed experience.
- Termination rates were changed to a service-based assumption.

Method and assumptions used in calculations of actuarially determined contributions.

The Plan is funded with fixed contribution rates for both members and the State of Nebraska. If such contributions are less than the Actuarially Determined Contribution, the State makes an additional contribution. The Actuarially Determined Contributions in the *Schedule of Employer Contributions* are calculated as of the beginning of the plan year in which contributions are reported.

The following actuarial methods and assumptions were used to determine the Actuarially Determined Contribution reported for the most recent plan year, January 1, 2023 to December 31, 2023 (based on the January 1, 2023 actuarial valuation).

Actuarial cost method	Entry age
Amortization method	Level dollar amount, closed
Remaining amortization period	25 years
Asset valuation method	5-year smoothed market
Price inflation	2.45 percent
Wage inflation	2.95 percent
Salary increases, including wage inflation	2.95 to 9.30 percent
Long-term rate of return, net of investment expense, and including price inflation	7.10 percent
Interest crediting rate, including dividends	6.05 percent



REQUIRED SUPPLEMENTARY INFORMATION

INFORMATION ABOUT OTHER POSTEMPLOYMENT BENEFIT PLANS

For the Year Ended June 30, 2024

(Dollars in Thousands)

STATE OF NEBRASKA RETIREE HEALTH INSURANCE PROGRAM

SCHEDULE OF CHANGES IN THE EMPLOYER'S NET OPEB LIABILITY

	2024	2023	2022	2021
Reporting Date	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021
Measurement Date	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020
Total OPEB Liability				
Service cost	\$ 1,602	\$ 1,606	\$ 1,484	\$ 912
Interest	960	546	508	530
Change of benefit terms	—	—	321	—
Differences between expected and actual experience	—	1,156	—	1,265
Changes of assumptions	(566)	609	1,595	5,958
Estimated benefit payments, including refunds of member contributions	(2,302)	(1,867)	(1,606)	(1,177)
Net change in Total OPEB Liability	<u>\$ (306)</u>	<u>\$ 2,050</u>	<u>\$ 2,302</u>	<u>\$ 7,488</u>
Total OPEB Liability - beginning	\$ 26,656	\$ 24,606	\$ 22,304	\$ 14,816
Total OPEB Liability - ending (a)	\$ 26,350	\$ 26,656	\$ 24,606	\$ 22,304
Plan Fiduciary Net Position				
Estimated contributions	\$ 2,302	\$ 1,867	\$ 1,606	\$ 1,117
Estimated benefit payments, including refunds of member contributions	(2,302)	(1,867)	(1,606)	(1,117)
Net change in Plan Fiduciary Net Position	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Plan Fiduciary Net Position - beginning	—	—	—	—
Plan Fiduciary Net Position - ending (b)	—	—	—	—
Net OPEB Liability - ending (a) - (b)	\$ 26,350	\$ 26,656	\$ 24,606	\$ 22,304
Covered employee payroll	N/A	N/A	N/A	N/A
Plan Net OPEB Liability as a percentage of covered employee payroll	N/A	N/A	N/A	N/A

Note: Schedule is intended to show 10-year trend. Additional years will be reported as they become available.

2020		2019		2018	
June 30, 2020	June 30, 2019	June 30, 2019	June 30, 2018	June 30, 2018	June 30, 2017
June 30, 2019	June 30, 2018	June 30, 2018	June 30, 2017	June 30, 2017	June 30, 2016
\$ 805	\$ 975	\$ 1,042			
549	533	438			
—	(456)	—			
—	2,150	—			
652	(2,594)	(695)			
(1,127)	(1,157)	(1,218)			
<u>\$ 879</u>	<u>\$ (549)</u>	<u>\$ (433)</u>			
\$ 13,937	\$ 14,486	\$ 14,919			
\$ 14,816	\$ 13,937	\$ 14,486			
\$ 1,127	\$ 1,157	\$ 1,218			
(1,127)	(1,157)	(1,218)			
—	—	—			
—	—	—			
\$ 14,816	\$ 13,937	\$ 14,486			
N/A	N/A	N/A			
N/A	N/A	N/A			

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION FOR OTHER POSTEMPLOYMENT BENEFIT PLANS

For the Year Ended June 30, 2024

The Plan is not pre-funded and therefore there are no assets accumulated in a trust compliant with Governmental Accounting Standards Board, Statement 75.

The following information is provided for the actuarial valuation of liabilities based on data as of June 30, 2023.

Changes of benefit and funding terms:

6/30/2023 valuation:

- Copays for the Regular and Wellness plans were reduced by \$10.
- The maternity copay of \$500 on the wellness plan was eliminated.
- Limits on PT/OP/ST were extended by 10 sessions for the Wellness and Regular plans.
- The individual in-network deductible for the Consumer-Focused plan increased from \$2,800 to \$3,000.
- The preventive drug list was expanded.

6/30/2021 valuation:

- There was a one-month premium holiday for December 2021.
- During fiscal year 2023, the State will make a deposit of \$500 to the HSA/FSA account of every retiree.

6/30/2020 valuation:

- Effective July 1, 2019, two DPC (Direct Primary Care) plans were added. Since enrollment is very low for these plans, their impact on the costs was considered negligible.

Changes in actuarial assumptions:

6/30/2023 valuation:

- The discount rate was updated from 3.54% to 3.65%.
- The salary scale assumption was updated to reflect the most recent valuation of the State Cash Balance Plan.

6/30/2022 valuation:

- Medical, prescription drug, and administrative costs were updated to reflect recent experience.
- The actuarial factors used to estimate individual retiree and spouse costs by age and by gender were updated. The new factors are based on a review of historical claims experience by age, gender, and status (active vs retired) from Segal's claims data warehouse.
- Medical, prescription drug, and administrative cost trend rates were updated to reflect recent experience and future expectations.
- The discount rate was updated from 2.16% to 3.54%.

6/30/2021 valuation:

- Trend rates were updated to reflect recent experience and future expectations
- The discount rate was updated from 2.21% to 2.16%

6/30/2020 valuation:

- Medical, prescription drug, and administrative costs were updated to reflect recent experience.
- Medical, prescription drug, and administrative expense trend rates were updated to reflect recent experience and future expectations.
- Spousal age difference for future female retirees was lowered from three years to two years.
- Plan participation rate for future retirees was raised from 15% to 20%.
- The impact of the ACA excise tax was removed, as the tax has been repealed.

- Retirement, turnover, and mortality assumptions were updated to match the most recent NPERS Cash Balance Benefit Fund valuation.
- The discount rate was updated from 3.50% to 2.21%.

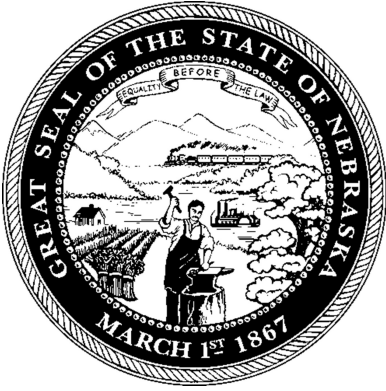
6/30/2019 valuation:

- Medical, prescription drug, and administrative expense trend rates were updated to reflect recent experience.
- The discount rate was updated from 3.87% to 3.50%.

Methods and assumptions used in calculations of actuarially determined liabilities: The Plan is funded by premiums charged to retirees and their dependents. Following are actuarial methods and assumptions used to determine the employer's liability for the measurement date of June 30, 2023:

Data	Detailed census data, premium data and/or claim experience, and summary plan descriptions for OPEB were provided by the State.
Actuarial cost method	Entry Age Normal, Level Percentage of Pay
Asset valuation method	N/A
Measurement date	June 30, 2023
Actuarial valuation date	June 30, 2022
Discount rate	3.65% - The discount rate is reset each year based on the rates of return on high quality 20-year tax exempt general obligation municipal bonds.
Payroll Growth Rate	2.95%
Salary increases	Service-based table, decreasing from 9.3% to ultimate of 2.95% over 30 years
Mortality rates:	
Pre-retirement healthy	Pub-2010 General Members (Above Median) Employee Mortality Table (100% of male rates, 95% of female rates), both male and female rates set back one year, projected generationally using MP-2019 modified to 75% of the ultimate rates.
Post-retirement healthy	Pub-2010 General Members (Above Median) Retiree Mortality Table (100% of male rates, 95% of female rates), both male and female rates set back one year, projected generationally using MP-2019 modified to 75% of the ultimate rates.
Contingent Survivor	Pub-2010 General Members (Above Median) Contingent Survivor Mortality Table (100% of male rates, 95% of female rates), both male and female rates set back one year, projected generationally using MP-2019 modified to 75% of the ultimate rates.

Termination rates before retirement	Service-based table, decreasing from 30.00% for less than one year of service to 2.00% for twenty-five or more years of service. The termination rates were based on historical and current demographic data, adjusted to reflect economic conditions of the area and estimated future experience and professional judgment.
Actives' retirement rates	Graduated rates by retirement age after five years of service: age 55-58, 5%; age 59-61, 6%; age 62, 10%; age 63-64, 12%; age 65, 100%. Retirement rate at age 65 was set at 100%, as benefits under this plan cease at age 65.
Dependents	Demographic data was available for spouses of current retirees. For future retirees, male retirees were assumed to be three years older than female spouses, and female retirees were assumed to be two years younger than male spouses.
Participation and coverage election	20% of employees eligible to retire and receive postretirement coverage were assumed to elect medical and prescription drug coverage. 25% were assumed to cover a spouse.
Persistency	100% are assumed to remain covered until age 65.
Healthcare cost trend rates	
Medical	5.75% decreasing by 0.25% for 5 years to an ultimate of 4.50%
Prescription drug	7.25% decreasing by 0.25% for 11 years to an ultimate of 4.50%
Administrative costs	3.00% each year



COMBINING FINANCIAL STATEMENTS



NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Licensing and Regulation. This fund accounts for all activities of agencies, boards, and commissions whose primary function is licensing individuals and regulating industry and professions. This includes a diverse group of professions such as abstracters, medical professions, barbers, engineers, architects and accountants.

Economic Development. This fund accounts for activities to develop and promote the growth of industry, agriculture, commerce and tourism, and utilization of resources within Nebraska.

Airport Development. This fund accounts for the activities relating to aircraft fuels tax, which is administered by the Department of Transportation for the support and maintenance of public airports.

Game and Parks. This fund accounts for the activities related to the Nebraska Game and Parks Commission, which is responsible for the development and preservation of the fish and wildlife resources of Nebraska, and operation and administration of the State park system.

Environmental Quality. This fund accounts for the activities related to the Department of Environment and Energy, which is responsible for the protection of Nebraska's air, land, and water resources.

Energy Conservation. This fund accounts for activities relating to the oil and gas severance taxes as well as energy conservation and development activities. The Department of Environment and Energy is responsible for providing technical assistance on energy conservation and development, and administering and distributing federal funds provided to the State in the area of energy efficiency.

Other Special Revenue. This fund accounts for various other revenues that must be used for specific purposes.

CAPITAL PROJECTS FUND

The Capital Projects Fund is used to account for construction of buildings financed with tax dollars.

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.

Aeronautics Trust Fund. This fund receives proceeds from the sale of state-owned airfields. Investment income is used to pay for expenses of the Department of Transportation.

Nebraska Veterans' Aid Fund. This fund accounts for the investment activity of a General Fund contribution made in a prior year. Earnings on the investment are used to provide emergency financial assistance to eligible veterans and dependents.

Cultural Preservation Endowment Fund. This fund receives monies appropriated or transferred by the Legislature. This fund is under the control of the Nebraska Arts Council, which is a part of the primary government. Income on these funds is used for administration of the Council.

Agriculture Endowment Fund. This fund receives the proceeds of sales of land and investments endowed to the State for the benefit of the University's Agriculture College by the Federal Government. This fund is under the control of the Board of Educational Lands and Funds, which is a part of the primary government. Income from this fund is used for support and maintenance of the College of Agriculture and Natural Resources.

Other Permanent Funds. Normal School Endowment, Permanent Endowment, Nebraska Environmental Endowment, and Miscellaneous Permanent Trust.

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

June 30, 2024

(Dollars in Thousands)

	SPECIAL REVENUE	CAPITAL PROJECTS	PERMANENT FUNDS	TOTALS
Assets				
Cash and Cash Equivalents	\$ 71,100	\$ 44,515	\$ 3,694	\$ 119,309
Cash on Deposit with Fiscal Agents	6,133	—	—	6,133
Investments	935,818	524,493	86,100	1,546,411
Securities Lending Collateral	232,895	130,530	2,905	366,330
Receivables, net of allowance:				
Taxes	7,813	—	—	7,813
Due from Federal Government	1,671	—	—	1,671
Loans	519,106	—	—	519,106
Leases	907	—	—	907
Other	45,459	3,789	8,812	58,060
Due from Other Funds	18,882	—	—	18,882
Inventories	2,903	—	—	2,903
Prepaid Items	245	—	—	245
Other	90	—	—	90
Total Assets	\$ 1,843,022	\$ 703,327	\$ 101,511	\$ 2,647,860
Liabilities and Fund Balances				
Liabilities:				
Accounts Payable and Accrued Liabilities	\$ 54,115	\$ 12,321	\$ 11,214	\$ 77,650
Deposits	1,687	—	—	1,687
Due to Other Funds	86,369	12	12	86,393
Obligations under reverse repurchase agreements	—	—	30	30
Obligations under Securities Lending	232,895	130,530	2,905	366,330
Construction Payable	1,176	948	—	2,124
Pollution Remediation Payable	603	—	—	603
Unearned Revenue	223	—	—	223
Total Liabilities	377,068	143,811	14,161	535,040
Deferred Inflows of Resources				
Revenues not yet available	13,814	—	—	13,814
Fund Balances:				
Nonspendable:				
Inventories and Prepaid Items	3,148	—	—	3,148
Endowment Principal	—	—	35,477	35,477
Restricted for:				
Education	32,894	—	4,827	37,721
Health and Social Services	2,681	—	47,098	49,779
Conservation of Natural Resources	850,871	—	287	851,158
Transportation	37,207	—	—	37,207
Licensing and Regulation	203,746	—	—	203,746
Economic Development	148,191	—	—	148,191
Public Safety	41,078	—	—	41,078
Culture – Recreation	39,104	—	12	39,116
Other Purposes	53,942	—	30	53,972
Committed to:				
Other Purposes	—	559,516	—	559,516
Assigned to:				
Education	1,416	—	—	1,416
Health and Social Services	705	—	—	705
Conservation of Natural Resources	233	—	—	233
Licensing and Regulation	29,792	—	—	29,792
Economic Development	135	—	—	135
Public Safety	5,407	—	—	5,407
Culture – Recreation	153	—	—	153
Other Purposes	1,437	—	—	1,437
Unassigned	—	—	(381)	(381)
Total Fund Balances	1,452,140	559,516	87,350	2,099,006
Total Liabilities and Fund Balances	\$ 1,843,022	\$ 703,327	\$ 101,511	\$ 2,647,860

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

For the Year Ended June 30, 2024

(Dollars in Thousands)

	SPECIAL REVENUE	CAPITAL PROJECTS	PERMANENT FUNDS	TOTALS
REVENUES				
Sales and Use Taxes	\$ 36,852	\$ —	\$ —	\$ 36,852
Petroleum Taxes	14,203	—	—	14,203
Excise Taxes	60,469	9,163	—	69,632
Business and Franchise Taxes	45,876	—	—	45,876
Other Taxes	17,892	—	—	17,892
Federal Grants and Contracts	1,782	—	—	1,782
Licenses, Fees and Permits	185,971	—	—	185,971
Charges for Services	60,079	—	—	60,079
Investment Income	62,632	12,453	6,737	81,822
Rental Income	21,201	6,565	—	27,766
Surcharge	67,309	—	—	67,309
Other	23,670	—	—	23,670
Total Revenues	597,936	28,181	6,737	632,854
EXPENDITURES				
Current:				
General Government	95,762	—	1	95,763
Conservation of Natural Resources	69,607	—	7	69,614
Culture – Recreation	48,988	—	44	49,032
Economic Development and Assistance	49,098	—	—	49,098
Education	30,631	—	184	30,815
Higher Education - Colleges and University	—	5,462	—	5,462
Health and Social Services	2,369	—	1,369	3,738
Public Safety	60,342	—	—	60,342
Regulation of Business and Professions	169,581	—	—	169,581
Transportation	3,702	—	9	3,711
Capital Projects	—	77,042	—	77,042
Debt Service:				
Principal - Bonds	4,928	—	—	4,928
Interest - Bonds	212	—	—	212
Principal - Lease Financing	949	338	—	1,287
Interest - Lease Financing	79	81	—	160
Principal - Subscription Financing	911	—	—	911
Interest - Subscription Financing	42	—	—	42
Total Expenditures	537,201	82,923	1,614	621,738
Excess (Deficiency) of Revenues Over (Under) Expenditures	60,735	(54,742)	5,123	11,116
OTHER FINANCING SOURCES (USES)				
Transfers In	165,539	170,674	1,000	337,213
Transfers Out	(179,553)	(11,478)	(4,428)	(195,459)
Bond Issuance	4,928	—	—	4,928
Financed Purchases	1,146	—	—	1,146
Total Other Financing Sources (Uses)	(7,940)	159,196	(3,428)	147,828
Net Change in Fund Balances	52,795	104,454	1,695	158,944
FUND BALANCES, JULY 1	1,386,039	455,044	85,805	1,926,888
RESTATEMENTS	13,306	18	(150)	13,174
FUND BALANCES, JUNE 30	\$ 1,452,140	\$ 559,516	\$ 87,350	\$ 2,099,006

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS

June 30, 2024

(Dollars in Thousands)

	LICENSING AND REGULATION	ECONOMIC DEVELOPMENT	AIRPORT DEVELOPMENT
Assets			
Cash and Cash Equivalents	\$ 14,539	\$ 7,726	\$ 538
Cash on Deposit with Fiscal Agents	-	-	-
Investments	202,995	100,293	7,017
Securities Lending Collateral	50,519	24,960	1,746
Receivables, net of allowance:			
Taxes	3,057	1,151	149
Due from Federal Government	-	-	-
Loans	-	68	1,686
Leases	-	-	391
Other	24,660	3,603	214
Due from Other Funds	1,958	933	5,299
Inventories	101	-	-
Prepaid Items	2	-	-
Other	79	-	-
Total Assets	<u>\$ 297,910</u>	<u>\$ 138,734</u>	<u>\$ 17,040</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts Payable and Accrued Liabilities	\$ 9,596	\$ 7,373	\$ 303
Deposits	1,659	-	-
Due to Other Funds	6,294	29	11
Obligations under Securities Lending	50,519	24,960	1,746
Construction Payable	-	-	-
Pollution Remediation Payable	603	-	-
Unearned Revenue	-	-	-
Total Liabilities	<u>68,671</u>	<u>32,362</u>	<u>2,060</u>
Deferred Inflows of Resources			
Revenues not yet available	12,953	-	386
Fund Balances:			
Nonspendable:			
Inventories and Prepaid Items	103	-	-
Restricted for:			
Education	-	-	-
Health and Social Services	-	-	-
Conservation of Natural Resources	477	-	-
Transportation	-	-	14,594
Licensing and Regulation	185,914	-	-
Economic Development	-	106,237	-
Public Safety	-	-	-
Culture – Recreation	-	-	-
Other Purposes	-	-	-
Assigned to:			
Education	-	-	-
Health and Social Services	-	-	-
Conservation of Natural Resources	-	-	-
Licensing and Regulation	29,792	-	-
Economic Development	-	135	-
Public Safety	-	-	-
Culture – Recreation	-	-	-
Other Purposes	-	-	-
Total Fund Balances	<u>216,286</u>	<u>106,372</u>	<u>14,594</u>
Total Liabilities and Fund Balances	<u>\$ 297,910</u>	<u>\$ 138,734</u>	<u>\$ 17,040</u>

GAME AND PARKS	ENVIRONMENTAL QUALITY	ENERGY CONSERVATION	OTHER SPECIAL REVENUE	TOTALS
\$ 11,137	\$ 12,307	\$ 1,008	\$ 23,845	\$ 71,100
-	-	-	6,133	6,133
141,843	160,873	13,282	309,515	935,818
35,300	40,036	3,305	77,029	232,895
1,105	12	-	2,339	7,813
1,671	-	-	-	1,671
-	493,692	23,507	153	519,106
-	-	-	516	907
3,939	3,065	264	9,714	45,459
2,986	9	13	7,684	18,882
493	-	-	2,309	2,903
50	-	-	193	245
-	-	-	11	90
<u>\$ 198,524</u>	<u>\$ 709,994</u>	<u>\$ 41,379</u>	<u>\$ 439,441</u>	<u>\$ 1,843,022</u>
\$ 8,843	\$ 7,773	\$ 1,022	\$ 19,205	\$ 54,115
-	-	-	28	1,687
822	67	-	79,146	86,369
35,300	40,036	3,305	77,029	232,895
1,176	-	-	-	1,176
-	-	-	-	603
204	-	-	19	223
<u>46,345</u>	<u>47,876</u>	<u>4,327</u>	<u>175,427</u>	<u>377,068</u>
-	-	-	475	13,814
543	-	-	2,502	3,148
-	-	-	32,894	32,894
-	-	-	2,681	2,681
115,244	661,095	37,052	37,003	850,871
-	-	-	22,613	37,207
-	790	-	17,042	203,746
-	-	-	41,954	148,191
14	-	-	41,064	41,078
36,378	-	-	2,726	39,104
-	-	-	53,942	53,942
-	-	-	1,416	1,416
-	-	-	705	705
-	233	-	-	233
-	-	-	-	29,792
-	-	-	-	135
-	-	-	5,407	5,407
-	-	-	153	153
-	-	-	1,437	1,437
<u>152,179</u>	<u>662,118</u>	<u>37,052</u>	<u>263,539</u>	<u>1,452,140</u>
<u>\$ 198,524</u>	<u>\$ 709,994</u>	<u>\$ 41,379</u>	<u>\$ 439,441</u>	<u>\$ 1,843,022</u>

**COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS**

For the Year Ended June 30, 2024

(Dollars in Thousands)

	LICENSING AND REGULATION	ECONOMIC DEVELOPMENT	AIRPORT DEVELOPMENT
REVENUES			
Sales and Use Taxes	\$ 2	\$ 7,908	\$ 3,348
Petroleum Taxes	11,725	497	1,654
Excise Taxes	22,645	27,474	-
Business and Franchise Taxes	6,353	99	-
Other Taxes	-	-	-
Federal Grants and Contracts	21	40	356
Licenses, Fees and Permits	86,251	820	20
Charges for Services	2,848	676	336
Investment Income	18,917	3,400	124
Rental Income	-	12	490
Surcharge	65,636	-	-
Other	562	1,114	11
Total Revenues	214,960	42,040	6,339
EXPENDITURES			
Current:			
General Government	-	-	-
Conservation of Natural Resources	625	-	-
Culture – Recreation	-	-	-
Economic Development and Assistance	-	48,962	-
Education	-	-	-
Health and Social Services	-	-	-
Public Safety	-	-	-
Regulation of Business and Professions	153,394	-	-
Transportation	-	-	1,970
Debt Service:			
Principal - Bonds	-	-	-
Interest - Bonds	-	-	-
Principal - Lease Financing	113	-	14
Interest - Lease Financing	17	-	-
Principal - Subscription Financing	137	-	-
Interest - Subscription Financing	5	-	-
Total Expenditures	154,291	48,962	1,984
Excess (Deficiency) of Revenues Over (Under) Expenditures	60,669	(6,922)	4,355
OTHER FINANCING SOURCES (USES)			
Transfers In	1,400	11,797	148
Transfers Out	(108,205)	(44)	-
Bond Issuance	-	-	-
Financed Purchases	259	-	182
Total Other Financing Sources (Uses)	(106,546)	11,753	330
Net Change in Fund Balances	(45,877)	4,831	4,685
FUND BALANCES, JULY 1	261,079	82,704	9,909
RESTATEMENTS	1,084	18,837	-
FUND BALANCES, JUNE 30	\$ 216,286	\$ 106,372	\$ 14,594

	GAME AND PARKS	ENVIRONMENTAL QUALITY	ENERGY CONSERVATION	OTHER SPECIAL REVENUE	TOTALS
\$	9,329	\$ -	\$ -	\$ 16,265	\$ 36,852
	-	-	300	27	14,203
	1,309	3,389	-	5,652	60,469
	-	3,055	-	36,369	45,876
	-	-	-	17,892	17,892
	707	-	-	658	1,782
	37,551	6,391	-	54,938	185,971
	2,299	-	55	53,865	60,079
	7,349	16,151	973	15,718	62,632
	18,304	-	-	2,395	21,201
	-	-	-	1,673	67,309
	3,733	2,960	506	14,784	23,670
	80,581	31,946	1,834	220,236	597,936
	-	(50)	-	95,812	95,762
	39,088	22,276	238	7,380	69,607
	46,503	-	-	2,485	48,988
	-	-	-	136	49,098
	-	-	-	30,631	30,631
	-	-	-	2,369	2,369
	-	-	-	60,342	60,342
	-	488	-	15,699	169,581
	-	-	-	1,732	3,702
	-	4,928	-	-	4,928
	-	212	-	-	212
	1	-	-	821	949
	-	-	-	62	79
	228	-	-	546	911
	-	-	-	37	42
	85,820	27,854	238	218,052	537,201
	(5,239)	4,092	1,596	2,184	60,735
	24,709	31,960	-	95,525	165,539
	(7,000)	(160)	-	(64,144)	(179,553)
	-	4,928	-	-	4,928
	223	-	-	482	1,146
	17,932	36,728	-	31,863	(7,940)
	12,693	40,820	1,596	34,047	52,795
	139,736	621,942	35,456	235,213	1,386,039
	(250)	(644)	-	(5,721)	13,306
\$	152,179	\$ 662,118	\$ 37,052	\$ 263,539	\$ 1,452,140

COMBINING BALANCE SHEET

NONMAJOR PERMANENT FUNDS

June 30, 2024

(Dollars in Thousands)

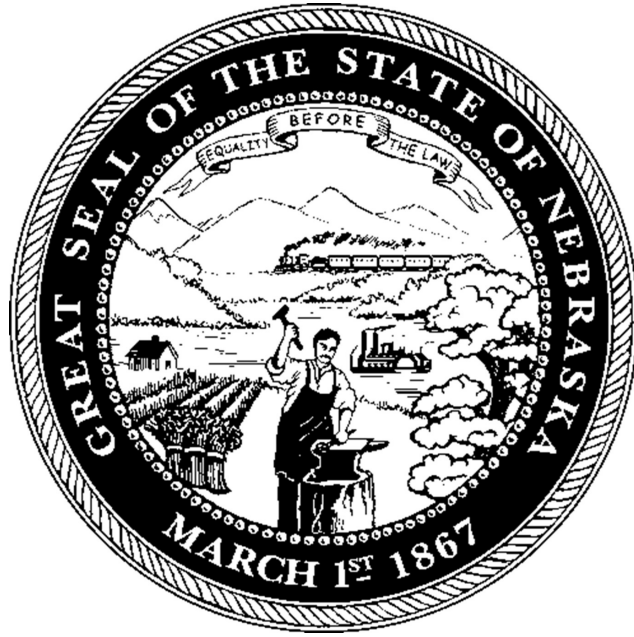
	AERONAUTICS TRUST	NEBRASKA VETERANS' AID	CULTURAL PRESERVATION ENDOWMENT	AGRICULTURE ENDOWMENT	OTHER	TOTALS
Assets						
Cash and Cash Equivalents	\$ -	\$ 2,988	\$ -	\$ 134	\$ 572	\$ 3,694
Investments	5,787	57,858	14,463	3,675	4,317	86,100
Securities Lending Collateral	1,359	1,114	278	71	83	2,905
Other Receivables, net of allowance	39	6,312	1,584	401	476	8,812
Total Assets	<u>\$ 7,185</u>	<u>\$ 68,272</u>	<u>\$ 16,325</u>	<u>\$ 4,281</u>	<u>\$ 5,448</u>	<u>\$ 101,511</u>
Liabilities and Fund Balances						
Liabilities:						
Accounts Payable and Accrued Liabilities	\$ -	\$ 8,038	\$ 2,029	\$ 535	\$ 612	\$ 11,214
Due to Other Funds	12	-	-	-	-	12
Obligations under reverse repurchase agreements	-	22	6	1	1	30
Obligations under Securities Lending	1,359	1,114	278	71	83	2,905
Total Liabilities	<u>1,371</u>	<u>9,174</u>	<u>2,313</u>	<u>607</u>	<u>696</u>	<u>14,161</u>
Fund Balances:						
Nonspendable:						
Endowment Principal	6,195	12,000	14,000	722	2,560	35,477
Restricted for:						
Education	-	-	-	2,952	1,875	4,827
Health and Social Services	-	47,098	-	-	-	47,098
Conservation of Natural Resources	-	-	-	-	287	287
Culture - Recreation	-	-	12	-	-	12
Other Purposes	-	-	-	-	30	30
Unassigned	(381)	-	-	-	-	(381)
Total Fund Balances	<u>5,814</u>	<u>59,098</u>	<u>14,012</u>	<u>3,674</u>	<u>4,752</u>	<u>87,350</u>
Total Liabilities and Fund Balances	<u>\$ 7,185</u>	<u>\$ 68,272</u>	<u>\$ 16,325</u>	<u>\$ 4,281</u>	<u>\$ 5,448</u>	<u>\$ 101,511</u>

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR PERMANENT FUNDS

For the Year Ended June 30, 2024

(Dollars in Thousands)

	AERONAUTICS TRUST	NEBRASKA VETERANS' AID	CULTURAL PRESERVATION ENDOWMENT	AGRICULTURE ENDOWMENT	OTHER	TOTALS
REVENUES						
Investment Income	\$ 152	\$ 4,787	\$ 1,119	\$ 319	\$ 360	\$ 6,737
Total Revenues	152	4,787	1,119	319	360	6,737
EXPENDITURES						
General Government	-	-	-	-	1	1
Conservation of Natural Resources	-	-	-	-	7	7
Culture - Recreation	-	-	44	-	-	44
Education	-	-	-	125	59	184
Health and Social Services	-	1,369	-	-	-	1,369
Transportation	9	-	-	-	-	9
Total Expenditures	9	1,369	44	125	67	1,614
Excess (Deficiency) of Revenues Over (Under) Expenditures	143	3,418	1,075	194	293	5,123
OTHER FINANCING SOURCES (USES)						
Transfers In	-	-	1,000	-	-	1,000
Transfers Out	(148)	(4,000)	(280)	-	-	(4,428)
Net Change in Fund Balances	(5)	(582)	1,795	194	293	1,695
FUND BALANCES, JULY 1	5,819	59,680	12,217	3,480	4,609	85,805
RESTATEMENTS	-	-	-	-	(150)	(150)
FUND BALANCES, JUNE 30	<u>\$ 5,814</u>	<u>\$ 59,098</u>	<u>\$ 14,012</u>	<u>\$ 3,674</u>	<u>\$ 4,752</u>	<u>\$ 87,350</u>



NONMAJOR ENTERPRISE FUNDS

Enterprise Funds are maintained to account for operations that are financed and operated in a manner similar to private business enterprises—where the costs of providing goods and services to the general public are financed primarily through user charges.

Lottery Fund. This fund accounts for all receipts and expenses from the operations of the State Lottery.

Excess Liability Fund. This fund accounts for the activity resulting from implementation of the Nebraska Hospital-Medical Liability Act. Revenues are primarily insurance premiums from certain health care providers and a surcharge levied on all participating health care providers in Nebraska. Expenses from the fund are used to pay judgments against participating health care providers, up to a limit of \$1,750,000 per occurrence on or before December 31, 2014 and \$2,250,000 for any occurrence after December 31, 2014.

Cornhusker State Industries. The activities of Cornhusker State Industries in the Department of Correctional Services are accounted for in this fund. One of the main activities is making furniture.

COMBINING STATEMENT OF NET POSITION

NONMAJOR ENTERPRISE FUNDS

June 30, 2024

(Dollars in Thousands)

	LOTTERY	EXCESS LIABILITY	CORNHUSKER STATE INDUSTRIES	TOTALS
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 9,019	\$ 2,531	\$ 348	\$ 11,898
Receivables, net of allowance	7,735	14,089	552	22,376
Due from Other Funds	–	–	1,528	1,528
Inventories	–	–	4,526	4,526
Prepaid Items	341	–	–	341
Other	830	–	–	830
Total Current Assets	<u>17,925</u>	<u>16,620</u>	<u>6,954</u>	<u>41,499</u>
Noncurrent Assets:				
Restricted Long-Term Deposits	2,182	–	–	2,182
Long-Term Investments	–	98,722	4,500	103,222
Securities Lending Collateral	–	9,274	1,121	10,395
Capital Assets:				
Land	–	–	315	315
Buildings and Equipment	740	–	19,638	20,378
Lease Asset	1,212	–	106	1,318
Subscription Asset	–	–	24	24
Less Accumulated Depreciation	(906)	–	(10,530)	(11,436)
Total Capital Assets	<u>1,046</u>	<u>–</u>	<u>9,553</u>	<u>10,599</u>
Total Noncurrent Assets	<u>3,228</u>	<u>107,996</u>	<u>15,174</u>	<u>126,398</u>
Total Assets	<u>\$ 21,153</u>	<u>\$ 124,616</u>	<u>\$ 22,128</u>	<u>\$ 167,897</u>
LIABILITIES				
Current Liabilities:				
Accounts Payable and Accrued Liabilities	\$ 11,241	\$ 17,559	\$ 757	\$ 29,557
Due to Other Funds	18	4	70	92
Lease Liability	71	–	21	92
Claims, Judgments and Compensated Absences	46	12,438	252	12,736
Obligations under reverse repurchase agreements	–	49	–	49
Unearned Revenue	–	10,787	–	10,787
Total Current Liabilities	<u>11,376</u>	<u>40,837</u>	<u>1,100</u>	<u>53,313</u>
Noncurrent Liabilities:				
Lease Liability	937	–	64	1,001
Claims, Judgments and Compensated Absences	282	24,696	570	25,548
Obligations under Securities Lending	–	9,274	1,120	10,394
Total Noncurrent Liabilities	<u>1,219</u>	<u>33,970</u>	<u>1,754</u>	<u>36,943</u>
Total Liabilities	<u>\$ 12,595</u>	<u>\$ 74,807</u>	<u>\$ 2,854</u>	<u>\$ 90,256</u>
NET POSITION				
Net Investment in Capital Assets	\$ 39	\$ –	\$ 9,468	\$ 9,507
Restricted for:				
Lottery Prizes	2,182	–	–	2,182
Unrestricted	6,337	49,809	9,806	65,952
Total Net Position	<u>\$ 8,558</u>	<u>\$ 49,809</u>	<u>\$ 19,274</u>	<u>\$ 77,641</u>

State of Nebraska

**COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS**

For the Year Ended June 30, 2024

(Dollars in Thousands)

	LOTTERY	EXCESS LIABILITY	CORNHUSKER STATE INDUSTRIES	TOTALS
OPERATING REVENUES				
Charges for Services	\$ 221,501	\$ 15,212	\$ 11,205	\$ 247,918
Total Operating Revenues	221,501	15,212	11,205	247,918
OPERATING EXPENSES				
Personal Services	1,901	–	7,135	9,036
Services and Supplies	33,927	592	7,682	42,201
Lottery Prizes	129,092	–	–	129,092
Insurance Claims	–	10,676	–	10,676
Depreciation	136	–	685	821
Total Operating Expenses	165,056	11,268	15,502	191,826
Operating Income (Loss)	56,445	3,944	(4,297)	56,092
NONOPERATING REVENUES (EXPENSES)				
Investment Income (Loss)	448	2,027	(150)	2,325
Gain (Loss) on Sale of Capital Assets	103	–	28	131
Other	(13)	–	–	(13)
Total Nonoperating Revenues (Expenses)	538	2,027	(122)	2,443
Income (Loss) Before Transfers	56,983	5,971	(4,419)	58,535
Transfers Out	(55,700)	–	–	(55,700)
Change in Net Position	1,283	5,971	(4,419)	2,835
NET POSITION, JULY 1	7,275	42,678	23,709	73,662
RESTATEMENTS	–	1,160	(16)	1,144
NET POSITION, JUNE 30	<u>\$ 8,558</u>	<u>\$ 49,809</u>	<u>\$ 19,274</u>	<u>\$ 77,641</u>

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS

For the Year Ended June 30, 2024

(Dollars in Thousands)

	LOTTERY	EXCESS LIABILITY	CORNHUSKER STATE INDUSTRIES	TOTALS
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash Received from Customers	\$ 220,860	\$ 17,372	\$ 2,081	\$ 240,313
Cash Received from Interfund Charges	–	–	12,620	12,620
Cash Paid to Employees	(1,866)	–	(7,208)	(9,074)
Cash Paid to Suppliers	(33,769)	(518)	(3,744)	(38,031)
Cash Paid for Lottery Prizes	(128,719)	–	–	(128,719)
Cash Paid for Insurance Claims	–	(13,400)	–	(13,400)
Cash Paid for Interfund Services	(317)	(83)	(796)	(1,196)
Net Cash Flows from Operating Activities	56,189	3,371	2,953	62,513
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Transfers Out	(55,700)	–	–	(55,700)
Net Cash Flows from Noncapital Financing Activities	(55,700)	–	–	(55,700)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING:				
Acquisition and Construction of Capital Assets	(14)	4	(151)	(161)
Proceeds from Sale of Capital Assets	110	–	31	141
Lease / Subscription Payments	(76)	–	(34)	(110)
Interest Paid on Leases / Subscriptions	(13)	–	–	(13)
Net Cash Flows from Capital and Related Financing Activities	7	4	(154)	(143)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchase of Investment Securities	–	(48,149)	–	(48,149)
Proceeds from Sale of Investment Securities	–	16,351	(4,500)	11,851
Interest and Dividend Income (Loss)	447	(40)	(220)	187
Net Cash Flows from Investing Activities	447	(31,838)	(4,720)	(36,111)
Net Increase (Decrease) in Cash and Cash Equivalents	943	(28,463)	(1,921)	(29,441)
CASH AND CASH EQUIVALENTS, JULY 1	8,076	30,994	2,269	41,339
RESTATEMENTS	–	–	–	–
CASH AND CASH EQUIVALENTS, JUNE 30	<u>\$ 9,019</u>	<u>\$ 2,531</u>	<u>\$ 348</u>	<u>\$ 11,898</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES:				
Operating Income (Loss)	\$ 56,445	\$ 3,944	\$ (4,297)	\$ 56,092
Adjustments to reconcile operating income to net cash flows from operating activities:				
Depreciation	136	–	685	821
Change in Assets and Liabilities:				
(Increase) Decrease in Receivables	(641)	–	637	(4)
(Increase) Decrease in Due from Other Funds	–	–	2,859	2,859
(Increase) Decrease in Inventories	–	–	3,422	3,422
(Increase) Decrease in Prepaid Items	54	–	–	54
(Increase) Decrease in Long-Term Deposits	(194)	–	–	(194)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	373	(11)	(404)	(42)
Increase (Decrease) in Due to Other Funds	16	4	51	71
Increase (Decrease) in Claims Payable	–	(2,724)	–	(2,724)
Increase (Decrease) in Unearned Revenue	–	2,158	–	2,158
Total adjustments	(256)	(573)	7,250	6,421
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>\$ 56,189</u>	<u>\$ 3,371</u>	<u>\$ 2,953</u>	<u>\$ 62,513</u>
NONCASH TRANSACTIONS:				
Noncash transactions are investing and financing activities that affect assets and liabilities but do not result in cash receipts or payments.				
The following noncash transactions occurred during the year:				
New Lease Assets	\$ –	\$ –	\$ 106	\$ 106
Change in Fair Value of Investments	–	1,710	–	1,710
Total Noncash Transactions	–	1,710	106	1,816

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the operations of State agencies that provide goods and services to other departments or agencies within State government on a cost-reimbursement basis. The State has the following internal service funds:

Buildings and Grounds. The activities of Administrative Services, State Building Division, for space rental, office and storage, and operating the parking areas are accounted for in this fund.

General Services. This fund accounts for the operations of central services provided by the Administrative Services, Materiel Division. These operations are the central mailroom, printing, central stores, purchasing services, surplus State property, and other miscellaneous office services.

Office of the CIO. This fund accounts for the activities of the central communications network and central data processing operations maintained by Administrative Services, Office of the Chief Information Officer.

Transportation Services Bureau. This fund accounts for the operations of the central motor pool, which is under Administrative Services, Transportation Services Bureau.

Risk Management. The activities of Administrative Services, Division of Risk Management, which include workers' compensation and general liability claims, and of the State Employees Insurance Fund, which include life and health insurance programs, are accounted for in this fund.

Accounting Services. The accounting operations maintained by Administrative Services, State Accounting Division, are accounted for in this fund.

Other Internal Service Funds. This fund accounts for the micrographics services and warehousing of records by the Records Management Division of the Secretary of State, the activities of the Investment Council, and the temporary employee pool maintained by Administrative Services, Division of State Personnel.

COMBINING STATEMENT OF NET POSITION

INTERNAL SERVICE FUNDS

June 30, 2024

(Dollars in Thousands)

	BUILDINGS AND GROUNDS	GENERAL SERVICES	OFFICE OF THE CIO
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 690	\$ 720	\$ 3,000
Receivables, net of allowance:			
Accounts	54	371	1,046
Accrued Interest	204	146	749
Due from Other Funds	108	1,933	21,211
Inventories	1,906	840	-
Prepaid Items	1,869	501	-
Total Current Assets	<u>4,831</u>	<u>4,511</u>	<u>26,006</u>
Noncurrent Assets:			
Long-Term Investments	9,251	7,181	39,239
Securities Lending Collateral	2,302	1,787	9,765
Capital Assets:			
Buildings and Equipment	4,056	6,416	104,661
Lease Asset	-	1,419	1,138
Subscription Asset	171	9	5,699
Less Accumulated Depreciation	<u>(3,288)</u>	<u>(5,634)</u>	<u>(85,459)</u>
Total Capital Assets	<u>939</u>	<u>2,210</u>	<u>26,039</u>
Total Assets	<u>\$ 17,323</u>	<u>\$ 15,689</u>	<u>\$ 101,049</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable and Accrued Liabilities	\$ 1,405	\$ 1,778	\$ 10,782
Due to Other Funds	149	618	134
Certificates of Participation	-	65	9,010
Lease Liability	-	311	70
Subscription Liability	35	-	1,244
Claims, Judgments and Compensated Absences	261	50	602
Unearned Revenue	46	-	-
Total Current Liabilities	<u>1,896</u>	<u>2,822</u>	<u>21,842</u>
Noncurrent Liabilities:			
Certificates of Participation	-	70	15,080
Lease Liability	-	320	878
Subscription Liability	70	-	1,163
Claims, Judgments and Compensated Absences	1,064	301	3,558
Obligations under Securities Lending	<u>2,302</u>	<u>1,787</u>	<u>9,765</u>
Total Noncurrent Liabilities	<u>3,436</u>	<u>2,478</u>	<u>30,444</u>
Total Liabilities	<u>\$ 5,332</u>	<u>\$ 5,300</u>	<u>\$ 52,286</u>
NET POSITION			
Net Investment in Capital Assets	\$ 834	\$ 1,444	\$ (1,406)
Unrestricted	<u>11,157</u>	<u>8,945</u>	<u>50,169</u>
Total Net Position	<u>\$ 11,991</u>	<u>\$ 10,389</u>	<u>\$ 48,763</u>

TRANSPORTATION SERVICES	RISK MANAGEMENT	ACCOUNTING SERVICES	OTHER INTERNAL SERVICE	TOTALS
\$ 283	\$ 4,820	\$ 185	\$ 1,207	\$ 10,905
29	17,278	–	2,425	21,203
67	1,339	144	172	2,821
1,814	24,571	476	1,414	51,527
–	–	–	–	2,746
–	–	2	–	2,372
<u>2,193</u>	<u>48,008</u>	<u>807</u>	<u>5,218</u>	<u>91,574</u>
3,669	64,064	3,187	6,998	133,589
913	15,944	793	1,742	33,246
23,325	–	1,748	976	141,182
–	–	–	5,999	8,556
–	172	4,379	132	10,562
<u>(14,325)</u>	<u>(95)</u>	<u>(4,212)</u>	<u>(1,352)</u>	<u>(114,365)</u>
<u>9,000</u>	<u>77</u>	<u>1,915</u>	<u>5,755</u>	<u>45,935</u>
<u>\$ 15,775</u>	<u>\$ 128,093</u>	<u>\$ 6,702</u>	<u>\$ 19,713</u>	<u>\$ 304,344</u>
\$ 1,361	\$ 2,361	\$ 175	\$ 1,278	\$ 19,140
78	1,762	81	2,409	5,231
–	–	–	–	9,075
–	–	–	254	635
–	54	1,864	37	3,234
17	63,677	81	115	64,803
–	–	–	–	46
<u>1,456</u>	<u>67,854</u>	<u>2,201</u>	<u>4,093</u>	<u>102,164</u>
–	–	–	–	15,150
–	–	–	5,108	6,306
–	28	–	–	1,261
104	44,267	489	696	50,479
913	15,944	793	1,742	33,246
<u>1,017</u>	<u>60,239</u>	<u>1,282</u>	<u>7,546</u>	<u>106,442</u>
<u>\$ 2,473</u>	<u>\$ 128,093</u>	<u>\$ 3,483</u>	<u>\$ 11,639</u>	<u>\$ 208,606</u>
\$ 9,000	\$ (5)	\$ 51	\$ 356	\$ 10,274
4,302	5	3,168	7,718	85,464
<u>\$ 13,302</u>	<u>\$ –</u>	<u>\$ 3,219</u>	<u>\$ 8,074</u>	<u>\$ 95,738</u>

State of Nebraska

**COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS**

For the Year Ended June 30, 2024

(Dollars in Thousands)

	BUILDINGS AND GROUNDS	GENERAL SERVICES	OFFICE OF THE CIO
OPERATING REVENUES			
Charges for Services	\$ 47,808	\$ 18,236	\$ 123,464
Other	860	-	-
Total Operating Revenues	48,668	18,236	123,464
OPERATING EXPENSES			
Personal Services	10,571	3,281	31,756
Services and Supplies	36,940	12,750	82,051
Insurance Claims	-	-	-
Depreciation	267	995	8,997
Total Operating Expenses	47,778	17,026	122,804
Operating Income (Loss)	890	1,210	660
NONOPERATING REVENUES (EXPENSES)			
Investment Income (Loss)	(227)	(185)	(1,079)
Gain (Loss) on Sale of Capital Assets	10	1	32
Other	-	(5)	(1,060)
Total Nonoperating Revenues (Expenses)	(217)	(189)	(2,107)
Income (Loss) Before Transfers	673	1,021	(1,447)
Transfers In	1,400	2,500	5,000
Transfers Out	-	-	-
Change in Net Position	2,073	3,521	3,553
NET POSITION, JULY 1	9,895	6,853	44,983
RESTATEMENTS	23	15	227
NET POSITION, JUNE 30	\$ 11,991	\$ 10,389	\$ 48,763

TRANSPORTATION SERVICES	RISK MANAGEMENT	ACCOUNTING SERVICES	OTHER INTERNAL SERVICE	TOTALS
\$ 7,620	\$ 259,773	\$ 7,565	\$ 17,890	\$ 482,356
–	–	1	154	1,015
7,620	259,773	7,566	18,044	483,371
668	120	3,392	10,999	60,787
5,365	8,386	2,826	4,996	153,314
–	254,220	–	–	254,220
1,538	49	2,189	429	14,464
7,571	262,775	8,407	16,424	482,785
49	(3,002)	(841)	1,620	586
(112)	(1,285)	89	(148)	(2,947)
249	–	–	–	292
–	–	–	–	(1,065)
137	(1,285)	89	(148)	(3,720)
186	(4,287)	(752)	1,472	(3,134)
–	3,250	1,100	–	13,250
–	–	–	(3,000)	(3,000)
186	(1,037)	348	(1,528)	7,116
13,145	59	2,871	9,602	87,408
(29)	978	–	–	1,214
\$ 13,302	\$ –	\$ 3,219	\$ 8,074	\$ 95,738

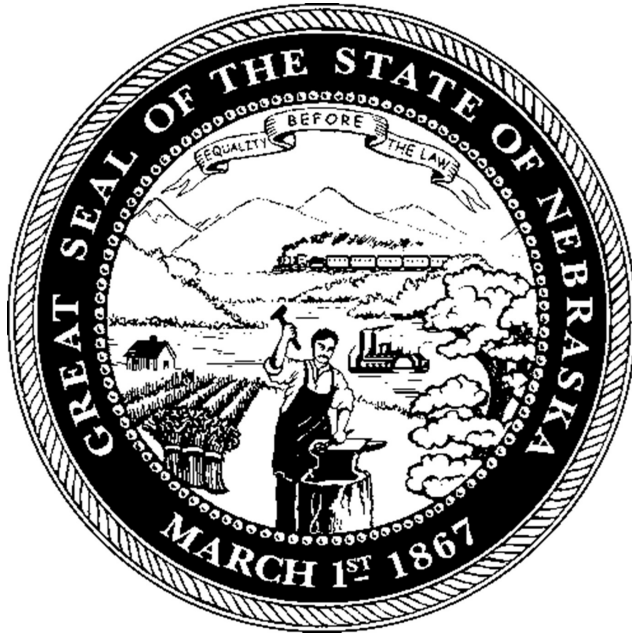
COMBINING STATEMENT OF CASH FLOWS INTERNAL SERVICE FUNDS

For the Year Ended June 30, 2024

(Dollars in Thousands)

	BUILDINGS AND GROUNDS	GENERAL SERVICES
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Received from Customers	\$ 241	\$ 1,089
Cash Received from Interfund Charges	48,735	16,886
Cash Paid to Employees	(10,179)	(3,311)
Cash Paid to Suppliers	(35,033)	(14,541)
Cash Paid for Insurance Claims	-	-
Cash Paid for Interfund Services	(2,620)	(333)
Net Cash Flows from Operating Activities	<u>1,144</u>	<u>(210)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfers In	1,400	2,500
Transfers Out	-	-
Net Cash Flows from Noncapital Financing Activities	<u>1,400</u>	<u>2,500</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Proceeds from the issue of long-term debt	-	-
Acquisition and Construction of Capital Assets	(12)	(514)
Proceeds (Loss) from Sale of Capital Assets	14	4
Lease / Subscription Payments	(79)	(399)
Interest Paid on Leases / Subscriptions	-	(5)
Net Cash Flows from Capital and Related Financing Activities	<u>(77)</u>	<u>(914)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Investment Securities	(9,251)	(7,181)
Investment Income (Loss)	(364)	(287)
Net Cash Flows from Investing Activities	<u>(9,615)</u>	<u>(7,468)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(7,148)</u>	<u>(6,092)</u>
CASH AND CASH EQUIVALENTS, JULY 1	7,838	6,812
RESTATEMENTS	-	-
CASH AND CASH EQUIVALENTS, JUNE 30	<u>\$ 690</u>	<u>\$ 720</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES:		
Operating Income (Loss)	\$ 890	\$ 1,210
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:		
Depreciation	267	995
Change in Assets and Liabilities:		
(Increase) Decrease in Receivables	44	(234)
(Increase) Decrease in Due from Other Funds	219	(27)
(Increase) Decrease in Inventories	46	(117)
(Increase) Decrease in Prepaid Items	(133)	36
Increase (Decrease) in Accounts Payable and Accrued Liabilities	(375)	(2,690)
Increase (Decrease) in Due to Other Funds	141	617
Increase (Decrease) in Claims Payable	-	-
Increase (Decrease) in Unearned Revenue	45	-
Total Adjustments	<u>254</u>	<u>(1,420)</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>\$ 1,144</u>	<u>\$ (210)</u>
NONCASH TRANSACTIONS:		
Noncash transactions are investing and financing activities that affect assets and liabilities but do not result in cash receipts or payments.		
The following noncash transactions occurred during the year:		
New Lease Assets	\$ -	\$ 654
New Subscription Assets	-	-
Capital Assets acquired through Certificates of Participation	-	-
Total Noncash Transactions	<u>\$ -</u>	<u>\$ 654</u>

OFFICE OF THE CIO	TRANSPORTATION SERVICES	RISK MANAGEMENT	ACCOUNTING SERVICES	OTHER INTERNAL SERVICE	TOTALS
\$ 4,429	\$ 37	\$ 1,958	\$ -	\$ 20,881	\$ 28,635
123,772	6,370	237,176	7,090	-	440,029
(31,698)	(639)	(150)	(3,319)	(10,679)	(59,975)
(77,180)	(2,539)	(7,076)	(583)	(4,185)	(141,137)
-	-	(256,070)	-	-	(256,070)
(4,583)	(1,633)	(613)	(2,311)	(3,434)	(15,527)
14,740	1,596	(24,775)	877	2,583	(4,045)
5,000	-	3,250	1,100	-	13,250
-	-	-	-	(3,000)	(3,000)
5,000	-	3,250	1,100	(3,000)	10,250
3,070	-	-	-	-	3,070
(9,007)	(1,149)	-	-	(33)	(10,715)
(86)	744	3	43	92	814
(13,604)	-	(51)	(2,189)	(346)	(16,668)
(1,060)	-	-	-	-	(1,065)
(20,687)	(405)	(48)	(2,146)	(287)	(24,564)
(39,239)	(3,669)	(64,064)	(3,187)	(6,998)	(133,589)
(1,551)	(160)	(1,946)	19	(265)	(4,554)
(40,790)	(3,829)	(66,010)	(3,168)	(7,263)	(138,143)
(41,737)	(2,638)	(87,583)	(3,337)	(7,967)	(156,502)
44,737	2,921	92,403	3,522	9,174	167,407
-	-	-	-	-	-
\$ 3,000	\$ 283	\$ 4,820	\$ 185	\$ 1,207	\$ 10,905
\$ 660	\$ 49	\$ (3,002)	\$ (841)	\$ 1,620	\$ 586
8,997	1,538	49	2,189	429	14,464
(461)	186	3,002	-	(96)	2,441
5,198	(1,399)	(19,584)	(476)	(173)	(16,242)
31	-	-	-	-	(40)
-	-	-	-	12	(85)
188	1,145	305	(50)	323	(1,154)
128	77	362	55	468	1,848
-	-	(5,907)	-	-	(5,907)
(1)	-	-	-	-	44
14,080	1,547	(21,773)	1,718	963	(4,631)
\$ 14,740	\$ 1,596	\$ (24,775)	\$ 877	\$ 2,583	\$ (4,045)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 654
2,205	-	81	3,636	-	5,922
3,070	-	-	-	-	3,070
\$ 5,275	\$ -	\$ 81	\$ 3,636	\$ -	\$ 9,646



FIDUCIARY FUNDS

Fiduciary funds are used to account for assets held by the State of Nebraska in a fiduciary capacity. The State has the following fiduciary funds:

PENSION TRUST FUNDS

Deferred Compensation, State Employees' Retirement, County Employees' Retirement, Judges' Retirement, State Patrol Retirement, and School Retirement Systems.

PRIVATE PURPOSE TRUST FUNDS

Escheat Trust Fund. This fund makes payments to rightful owners for financial assets turned over to the State Treasurer because the assets were left unclaimed at corporations, business associations, banking and financial organizations, insurance companies, utilities and public authorities. If the rightful owners cannot be located, excess funds are transferred to the Permanent School Fund. However, the only funds shown in this trust are those funds determined to be paid at a future date to rightful owners of those funds.

College Savings Plan. This fund accounts for the Nebraska savings plan qualified under section 529 of the Internal Revenue Code.

Other Private Purpose Trust Funds. Amos Trust, Agriculture and University Land Lease, Public Service Commission Trust Account, Miscellaneous Private Purpose Trust and Nebraska Enable Savings Plan.

CUSTODIAL FUNDS

Care Facilities. This fund accounts for money held by the State on behalf of residents of Veterans Homes and Department of Health and Human Services care facilities.

Child Support. This fund accounts for the collection and disbursement of child support payments.

County Courts. This fund accounts County Court receipts and disbursements to third parties and local governments.

Flex Spending. This fund accounts for medical and dependent care flexible spending contributions and benefit payments. State teammates have the option of contributing to these programs.

Inmate Trust Fund. This fund accounts for money held by the State on behalf of inmates.

Local Government Taxes. This fund accounts non-State assessed taxes collected on behalf of and due to other local governments.

Other. This fund accounts for oil and gas trust funds, and grain elevator trust funds.

State of Nebraska

COMBINING STATEMENT OF FIDUCIARY NET POSITION PENSION TRUST FUNDS

June 30, 2024

(Dollars in Thousands)

	DEFERRED COMPENSATION	STATE EMPLOYEES RETIREMENT	
		DEFINED CONTRIBUTION	CASH BALANCE
ASSETS			
Cash and Cash Equivalents	\$ 22	\$ 119	\$ 313
Investments:			
U.S. Treasury Notes and Bonds	–	–	68,605
U.S. Treasury Bills	–	–	1,467
U.S. Treasury Strips	–	–	300
Government Agency Securities	–	–	3,107
Government Agency Strips	–	–	82
Corporate Bonds	–	–	212,482
International Notes and Bonds	–	–	12,992
International Government Agency Securities	–	–	–
Equity Securities	–	–	489,954
Private Equity	–	–	155,871
Mortgages	–	–	135,849
Private Real Estate	–	–	128,373
Asset Backed Securities	–	–	36,862
Bank Loans	–	–	29,937
Municipal Bonds	–	–	970
Opportunistic Credit	–	–	546
Commingled Funds	273,049	724,656	937,605
Derivative Instruments	–	–	641
Short Term Investments	(106)	(1,137)	35,821
Total Investments	272,943	723,519	2,251,464
Securities Lending Collateral	–	–	21,198
Receivables:			
Contributions	–	628	5,115
Interest and Dividends	1	204	5,754
Other	–	34	99,614
Total Receivables	1	866	110,483
Due from Other Funds	–	–	–
Capital Assets:			
Buildings and Equipment	131	528	463
Less Accumulated Depreciation	(131)	(528)	(462)
Total Capital Assets	–	–	1
Total Assets	\$ 272,966	\$ 724,504	\$ 2,383,459
LIABILITIES			
Accounts Payable and Accrued Liabilities	\$ 5	\$ 641	\$ 149,130
Due to Other Funds	3	2	13
Obligations under reverse repurchase agreements	–	–	–
Obligations under Securities Lending	–	–	21,198
Accrued Compensated Absences	14	11	66
Total Liabilities	\$ 22	\$ 654	\$ 170,407
NET POSITION			
Net Position Restricted for Pensions	\$ 272,944	\$ 723,850	\$ 2,213,052

COUNTY EMPLOYEES RETIREMENT						
DEFINED CONTRIBUTION	CASH BALANCE	SCHOOL RETIREMENT	JUDGES RETIREMENT	STATE PATROL RETIREMENT	TOTALS	
\$ 69	\$ 112	\$ 14,167	\$ 267	\$ 382	\$ 15,451	
-	23,146	529,022	8,119	18,077	646,969	
-	495	-	-	-	1,962	
-	101	2,054	32	70	2,557	
-	1,048	13,934	214	476	18,779	
-	28	481	7	16	614	
-	71,687	1,500,656	23,031	51,277	1,859,133	
-	4,383	153,380	2,354	5,241	178,350	
-	-	36,728	564	1,255	38,547	
-	165,300	3,932,568	60,173	133,950	4,781,945	
-	52,588	1,130,981	17,387	38,712	1,395,539	
-	45,833	997,081	15,301	34,072	1,228,136	
-	43,311	885,445	13,589	30,255	1,100,973	
-	12,437	216,538	3,323	7,399	276,559	
-	10,100	310,777	4,770	10,619	366,203	
-	327	10,642	163	364	12,466	
-	184	4,037	62	138	4,967	
225,488	316,329	7,474,364	114,720	260,847	10,327,058	
-	216	12,823	197	438	14,315	
(374)	16,093	83,910	1,288	2,872	138,367	
225,114	763,606	17,295,421	265,294	596,078	22,393,439	
-	7,151	943,490	14,471	32,218	1,018,528	
191	1,752	30,129	432	-	38,247	
59	1,956	45,169	695	1,536	55,374	
9	33,397	979,278	15,029	33,462	1,160,823	
259	37,105	1,054,576	16,156	34,998	1,254,444	
-	-	49,437	1,371	7,253	58,061	
264	264	4,792	66	66	6,574	
(264)	(264)	(4,789)	(66)	(66)	(6,570)	
-	-	3	-	-	4	
\$ 225,442	\$ 807,974	\$ 19,357,094	\$ 297,559	\$ 670,929	\$ 24,739,927	
\$ 8	\$ 51,145	\$ 1,457,894	\$ 22,345	\$ 49,853	\$ 1,731,021	
1	6	60	1	1	87	
-	-	15,191	233	519	15,943	
-	7,152	943,490	14,471	32,218	1,018,529	
8	51	284	5	6	445	
\$ 17	\$ 58,354	\$ 2,416,919	\$ 37,055	\$ 82,597	\$ 2,766,025	
\$ 225,425	\$ 749,620	\$ 16,940,175	\$ 260,504	\$ 588,332	\$ 21,973,902	

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION PENSION TRUST FUNDS

For the Year Ended June 30, 2024

(Dollars in Thousands)

	<u>STATE EMPLOYEES RETIREMENT</u>		
	DEFERRED COMPENSATION	DEFINED CONTRIBUTION	CASH BALANCE
ADDITIONS			
Contributions:			
Participant Contributions	\$ 18,403	\$ 5,314	\$ 42,517
State Contributions	–	8,287	66,350
Political Subdivision Contributions	–	–	–
Court Fees	–	–	–
Total Contributions	18,403	13,601	108,867
Investment Income:			
Net Increase (Decrease) in Fair Value of Investments	29,317	99,137	251,446
Interest and Dividend Income	4,649	2,582	43,023
Securities Lending Income	–	–	2,416
Total Investment Income	33,966	101,719	296,885
Investment Expenses	246	327	8,051
Securities Lending Expenses	–	–	2,141
Total Investment Expense	246	327	10,192
Net Investment Income	33,720	101,392	286,693
Other Additions	24	3	7
Total Additions	52,147	114,996	395,567
DEDUCTIONS			
Benefits	33,664	52,359	158,272
Refunds	–	–	–
Administrative Expenses	175	242	1,749
Other Deductions	–	–	–
Total Deductions	33,839	52,601	160,021
TRANSFERS			
Transfers In (Out)	–	(8,387)	8,387
Change in Net Position Restricted for Pensions	18,308	54,008	243,933
NET POSITION-BEGINNING OF YEAR	254,636	669,842	1,969,119
RESTATEMENTS	–	–	–
NET POSITION-END OF YEAR	\$ 272,944	\$ 723,850	\$ 2,213,052

COUNTY EMPLOYEES RETIREMENT

DEFINED CONTRIBUTION	CASH BALANCE	SCHOOL RETIREMENT	JUDGES RETIREMENT	STATE PATROL RETIREMENT	TOTALS
\$ 1,845	\$ 16,433	\$ 232,920	\$ 2,461	\$ 6,347	\$ 326,240
-	-	49,437	1,371	13,601	139,046
2,714	24,306	234,343	-	-	261,363
-	-	-	4,887	-	4,887
4,559	40,739	516,700	8,719	19,948	731,536
30,628	82,882	1,759,369	27,046	60,758	2,340,583
734	14,658	328,470	5,058	11,495	410,669
-	815	15,267	234	521	19,253
31,362	98,355	2,103,106	32,338	72,774	2,770,505
94	2,719	61,794	950	2,136	76,317
-	722	14,033	215	479	17,590
94	3,441	75,827	1,165	2,615	93,907
31,268	94,914	2,027,279	31,173	70,159	2,676,598
1	4	59	-	19	117
35,828	135,657	2,544,038	39,892	90,126	3,408,251
18,055	52,414	803,527	14,402	27,592	1,160,285
-	-	24,680	-	2,750	27,430
142	1,107	4,535	94	132	8,176
-	-	2,140	-	-	2,140
18,197	53,521	834,882	14,496	30,474	1,198,031
(2,593)	2,593	-	-	-	-
15,038	84,729	1,709,156	25,396	59,652	2,210,220
210,387	664,891	15,231,021	235,108	528,680	19,763,684
-	-	(2)	-	-	(2)
<u>\$ 225,425</u>	<u>\$ 749,620</u>	<u>\$ 16,940,175</u>	<u>\$ 260,504</u>	<u>\$ 588,332</u>	<u>\$ 21,973,902</u>

State of Nebraska

COMBINING STATEMENT OF FIDUCIARY NET POSITION PRIVATE PURPOSE TRUST FUNDS

June 30, 2024

(Dollars in Thousands)	ESCHEAT TRUST	COLLEGE SAVINGS PLAN	OTHER	TOTALS
ASSETS				
Cash and Cash Equivalents	\$ 17,255	\$ 20,286	\$ 6,627	\$ 44,168
Investments:				
Commingled Funds	-	6,008,473	16,154	6,024,627
Short Term Investments	-	625,358	16,685	642,043
Receivables:				
Interest and Dividends	308	11,885	27	12,220
Due From Other Funds	1	-	-	1
Other Assets	18,096	-	-	18,096
Total Assets	\$ 35,660	\$ 6,666,002	\$ 39,493	\$ 6,741,155
LIABILITIES				
Accounts Payable and Accrued Liabilities	\$ 588	\$ 22,133	\$ 46	\$ 22,767
Total Liabilities	\$ 588	\$ 22,133	\$ 46	\$ 22,767
NET POSITION				
Restricted for:				
College Savings Plan	\$ -	\$ 6,643,869	\$ -	6,643,869
Individuals, Organizations, and Other Governments	35,072	-	39,447	74,519
Total Net Position	\$ 35,072	\$ 6,643,869	\$ 39,447	\$ 6,718,388

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION PRIVATE PURPOSE TRUST FUNDS

For the Year Ended June 30, 2024

(Dollars in Thousands)

	ESCHEAT TRUST	COLLEGE SAVINGS PLAN	OTHER	TOTALS
ADDITIONS				
Contributions:				
Participant Contributions	\$ -	\$ 443,238	\$ 10,719	\$ 453,957
Investment Income:				
Net Increase (Decrease) in Fair Value of Investments	-	749,545	2,765	752,310
Interest and Dividend Income	488	176,111	48	176,647
Total Investment Income	488	925,656	2,813	928,957
Investment Expenses	-	13,574	115	13,689
Net Investment Income	488	912,082	2,698	915,268
Escheat Revenue	23,200	-	-	23,200
Total Additions	23,688	1,355,320	13,417	1,392,425
DEDUCTIONS				
Benefits	-	647,426	4,548	651,974
Amounts Distributed to Outside Parties	20,596	-	42	20,638
Administrative Expenses	251	-	33	284
Total Deductions	20,847	647,426	4,623	672,896
Change in Net Position Restricted for:				
College Savings Plan	-	707,894	-	707,894
Individuals, Organizations, and Other Governments	2,841	-	8,794	11,635
NET POSITION-BEGINNING OF YEAR	32,231	5,935,975	30,653	5,998,859
RESTATEMENTS	-	-	-	-
NET POSITION-END OF YEAR	<u>\$ 35,072</u>	<u>\$ 6,643,869</u>	<u>\$ 39,447</u>	<u>\$ 6,718,388</u>

COMBINING STATEMENT OF FIDUCIARY NET POSITION CUSTODIAL FUNDS

June 30, 2024

(Dollars in Thousands)

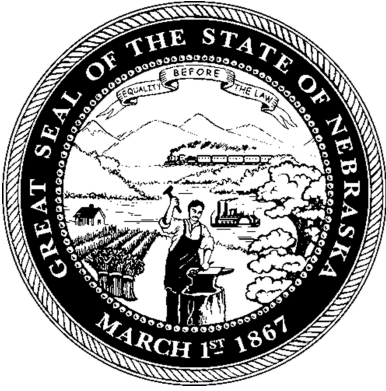
	CARE FACILITIES	CHILD SUPPORT	COUNTY COURTS	FLEX SPENDING	INMATE TRUST FUND	LOCAL GOVERNMENT TAXES	OTHER	TOTALS
ASSETS								
Cash and Cash Equivalents	\$ 4,563	\$ 6,014	\$ 14,020	\$ 2,532	\$ 6,815	\$ -	\$ 170	\$ 34,114
Receivables:								
Interest and Dividends	48	-	-	40	113	-	1	202
Taxes	-	-	-	-	-	62,021	-	62,021
Other	-	164	-	-	-	-	-	164
Due from Other Funds	-	-	37	-	-	107,387	-	107,424
Other Assets	-	-	-	25	-	-	3,762	3,787
Total Assets	<u>\$ 4,611</u>	<u>\$ 6,178</u>	<u>\$ 14,057</u>	<u>\$ 2,597</u>	<u>\$ 6,928</u>	<u>\$ 169,408</u>	<u>\$ 3,933</u>	<u>\$ 207,712</u>
LIABILITIES								
Accounts Payable and Accrued Liabilities	\$ -	\$ 6,178	\$ 12,970	\$ 543	\$ 699	\$ -	\$ -	\$ 20,390
Due to Other Governments	-	-	1,050	-	-	169,408	-	170,458
Deposits	2,113	-	-	-	-	-	3,766	5,879
Due to Other Funds	-	-	-	-	13	-	-	13
Total Liabilities	<u>\$ 2,113</u>	<u>\$ 6,178</u>	<u>\$ 14,020</u>	<u>\$ 543</u>	<u>\$ 712</u>	<u>\$ 169,408</u>	<u>\$ 3,766</u>	<u>\$ 196,740</u>
NET POSITION								
Restricted for:								
Individuals, Organizations, and Other Governments	<u>\$ 2,498</u>	<u>\$ -</u>	<u>\$ 37</u>	<u>\$ 2,054</u>	<u>\$ 6,216</u>	<u>\$ -</u>	<u>\$ 167</u>	<u>\$ 10,972</u>

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION CUSTODIAL FUNDS

For the Year Ended June 30, 2024

(Dollars in Thousands)

	CARE FACILITIES	CHILD SUPPORT	COUNTY COURTS	FLEX SPENDING	INMATE TRUST FUND	LOCAL GOVERNMENT TAXES	OTHER	TOTALS
ADDITIONS:								
Contributions:								
Client Contributions	\$ 20,761	\$ 288,620	\$ 59,330	\$ (21)	\$ 24,838	\$ -	\$ -	\$ 393,528
Participant Contributions	-	-	-	6,576	-	-	-	6,576
Interest and Dividend Income	80	-	-	39	95	-	1	215
Local Taxes	-	-	-	-	-	696,133	-	696,133
Other Additions	-	-	-	-	-	-	522	522
Total Additions	<u>20,841</u>	<u>288,620</u>	<u>59,330</u>	<u>6,594</u>	<u>24,933</u>	<u>696,133</u>	<u>523</u>	<u>1,096,974</u>
DEDUCTIONS:								
Benefits	-	-	-	6,226	-	-	-	6,226
Amounts Distributed to								
Outside Parties	20,761	288,620	59,323	-	25,225	-	202	394,131
Local Taxes	-	-	-	-	-	696,133	-	696,133
Other Deductions	-	-	-	-	644	-	370	1,014
Total Deductions	<u>20,761</u>	<u>288,620</u>	<u>59,323</u>	<u>6,226</u>	<u>25,869</u>	<u>696,133</u>	<u>572</u>	<u>1,097,504</u>
Change in Net Position								
Restricted for:								
Individuals, Organizations, and Other Governments	80	-	7	368	(936)	-	(49)	(530)
NET POSITION-BEGINNING OF YEAR								
	2,418	-	30	1,925	7,143	-	20	11,536
RESTATEMENTS								
	-	-	-	(239)	9	-	196	(34)
NET POSITION-END OF YEAR	<u>\$ 2,498</u>	<u>\$ -</u>	<u>\$ 37</u>	<u>\$ 2,054</u>	<u>\$ 6,216</u>	<u>\$ -</u>	<u>\$ 167</u>	<u>\$ 10,972</u>



BUDGETARY COMPARISON SCHEDULES

BUDGETARY COMPARISON SCHEDULE

CASH FUNDS

For the Year Ended June 30, 2024

(Dollars in Thousands)

	CASH FUNDS			VARIANCE WITH FINAL BUDGET
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
REVENUES				
Taxes	\$ 165,305	\$ 165,305	\$ 165,305	\$ -
Federal Grants and Contracts	776,283	776,283	776,283	-
Sales and Charges	719,593	719,593	719,593	-
Other	383,180	383,180	383,180	-
Total Revenues	<u>2,044,361</u>	<u>2,044,361</u>	<u>2,044,361</u>	<u>-</u>
EXPENDITURES				
Current:				
General Government	487,817	495,166	454,942	40,224
Conservation of Natural Resources	391,949	383,471	107,332	276,139
Culture – Recreation	190,226	185,806	48,331	137,475
Economic Development and Assistance	580,330	623,996	196,598	427,398
Education	1,157,211	1,190,438	972,593	217,845
Health and Social Services	365,609	374,015	263,586	110,429
Public Safety	142,164	142,718	54,593	88,125
Regulation of Business and Professions	220,388	220,588	145,049	75,539
Transportation	1,497,142	1,448,899	1,295,282	153,617
Capital Projects	40,716	40,716	18,509	22,207
Total Expenditures	<u>5,073,552</u>	<u>5,105,813</u>	<u>3,556,815</u>	<u>1,548,998</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,029,191)</u>	<u>(3,061,452)</u>	<u>(1,512,454)</u>	<u>1,548,998</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	4,055,364	4,055,364	4,055,364	-
Transfers Out	(1,016,589)	(1,016,589)	(1,016,589)	-
Other	5,015	5,015	5,015	-
Total Other Financing Sources (Uses)	<u>3,043,790</u>	<u>3,043,790</u>	<u>3,043,790</u>	<u>-</u>
Net Change in Fund Balance	14,599	(17,662)	1,531,336	1,548,998
FUND BALANCES, JULY 1 (as restated)	<u>2,624,065</u>	<u>2,624,065</u>	<u>2,624,065</u>	<u>-</u>
FUND BALANCES, JUNE 30	<u>\$ 2,638,664</u>	<u>\$ 2,606,403</u>	<u>\$ 4,155,401</u>	<u>\$ 1,548,998</u>
A reconciliation of the budgetary basis versus GAAP fund balance for the Major Funds as of June 30, 2024, follows:				
Actual Fund Balances, budgetary basis, June 30, 2024				
Cash			\$ 4,155,401	
Construction			492,896	
Federal			720,511	
Revolving			430,516	
Budgetary fund balances			<u>5,799,324</u>	
Unbudgeted fund balances			2,654,116	
Non-major fund balances			(2,354,599)	
Record cash funds substantially funded with General Fund transfers			(1,966,970)	
Differences due to basis of accounting			294,259	
GAAP fund balance, June 30, 2024			<u>\$ 4,426,130</u>	
Actual Fund Balances of Major Funds, June 30, 2024				
Highway			\$ 384,191	
Federal			71,560	
Health and Social Services			824,192	
Permanent School			3,146,187	
GAAP fund balance, June 30, 2024			<u>\$ 4,426,130</u>	

BUDGETARY COMPARISON SCHEDULE

CONSTRUCTION FUNDS

For the Year Ended June 30, 2024

(Dollars in Thousands)

	CONSTRUCTION FUNDS			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Federal Grants and Contracts	-	-	-	-
Sales and Charges	-	-	-	-
Other	6,620	6,620	6,619	1
Total Revenues	<u>6,620</u>	<u>6,620</u>	<u>6,619</u>	<u>1</u>
EXPENDITURES				
Current:				
General Government	-	-	-	-
Conservation of Natural Resources	-	-	-	-
Culture – Recreation	-	-	-	-
Economic Development and Assistance	-	-	-	-
Education	25,000	25,000	1,776	23,224
Health and Social Services	-	-	-	-
Public Safety	-	-	-	-
Regulation of Business and Professions	-	-	-	-
Transportation	-	-	-	-
Capital Projects	268,749	259,799	59,466	200,333
Total Expenditures	<u>293,749</u>	<u>284,799</u>	<u>61,242</u>	<u>223,557</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(287,129)</u>	<u>(278,179)</u>	<u>(54,623)</u>	<u>223,556</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	425,674	425,674	425,674	-
Transfers Out	(256,443)	(256,443)	(256,443)	-
Other	-	-	-	-
Total Other Financing Sources (Uses)	<u>169,231</u>	<u>169,231</u>	<u>169,231</u>	<u>-</u>
Net Change in Fund Balance	(117,898)	(108,948)	114,608	223,556
FUND BALANCES, JULY 1	<u>378,288</u>	<u>378,288</u>	<u>378,288</u>	<u>-</u>
FUND BALANCES, JUNE 30	<u>\$ 260,390</u>	<u>\$ 269,340</u>	<u>\$ 492,896</u>	<u>\$ 223,556</u>

BUDGETARY COMPARISON SCHEDULE

FEDERAL FUNDS

For the Year Ended June 30, 2024

(Dollars in Thousands)

	FEDERAL FUNDS			VARIANCE WITH FINAL BUDGET
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Federal Grants and Contracts	5,009,259	5,009,259	5,009,259	-
Sales and Charges	29,729	29,729	29,729	-
Other	350,361	350,361	350,361	-
Total Revenues	<u>5,389,349</u>	<u>5,389,349</u>	<u>5,389,349</u>	<u>-</u>
EXPENDITURES				
Current:				
General Government	8,619	10,038	36,794	(26,756)
Conservation of Natural Resources	438,460	444,947	115,790	329,157
Culture – Recreation	16,497	17,508	2,884	14,624
Economic Development and Assistance	469,874	473,711	158,524	315,187
Education	1,323,212	1,640,944	1,385,736	255,208
Health and Social Services	3,607,425	3,785,006	3,552,113	232,893
Public Safety	275,435	411,425	278,644	132,781
Regulation of Business and Professions	6,048	6,064	2,024	4,040
Transportation	-	25,332	-	25,332
Capital Projects	53,609	55,828	-	55,828
Total Expenditures	<u>6,199,179</u>	<u>6,870,803</u>	<u>5,532,509</u>	<u>1,338,294</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(809,830)</u>	<u>(1,481,454)</u>	<u>(143,160)</u>	<u>1,338,294</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	4,268	4,268	4,268	-
Transfers Out	(23,728)	(23,728)	(23,728)	-
Other	65	65	65	-
Total Other Financing Sources (Uses)	<u>(19,395)</u>	<u>(19,395)</u>	<u>(19,395)</u>	<u>-</u>
Net Change in Fund Balance	(829,225)	(1,500,849)	(162,555)	1,338,294
FUND BALANCES, JULY 1	883,066	883,066	883,066	-
FUND BALANCES, JUNE 30	<u>\$ 53,841</u>	<u>\$ (617,783)</u>	<u>\$ 720,511</u>	<u>\$ 1,338,294</u>

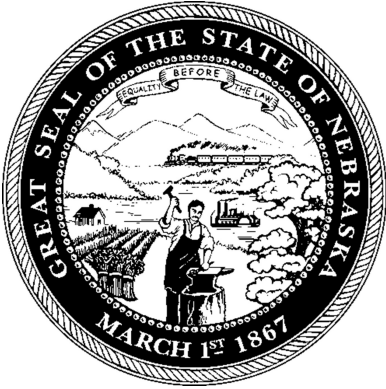
BUDGETARY COMPARISON SCHEDULE

REVOLVING FUNDS

For the Year Ended June 30, 2024

(Dollars in Thousands)

	REVOLVING FUNDS			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Taxes	\$ 5	\$ 5	\$ 5	\$ -
Federal Grants and Contracts	(5,066)	(5,066)	(5,066)	-
Sales and Charges	725,721	725,721	725,721	-
Other	275,889	275,889	275,888	1
Total Revenues	996,549	996,549	996,548	1
EXPENDITURES				
Current:				
General Government	306,737	307,509	252,293	55,216
Conservation of Natural Resources	-	-	-	-
Culture – Recreation	-	-	-	-
Economic Development and Assistance	432	432	197	235
Education	929,245	930,419	735,603	194,816
Health and Social Services	-	-	-	-
Public Safety	23,973	24,010	19,736	4,274
Regulation of Business and Professions	-	-	-	-
Transportation	-	-	-	-
Capital Projects	900	900	-	900
Total Expenditures	1,261,287	1,263,270	1,007,829	255,441
Excess (Deficiency) of Revenues Over (Under) Expenditures	(264,738)	(266,721)	(11,281)	255,440
OTHER FINANCING SOURCES (USES)				
Transfers In	194,177	194,177	194,177	-
Transfers Out	(216,247)	(216,247)	(216,247)	-
Other	1,692	1,692	1,692	-
Total Other Financing Sources (Uses)	(20,378)	(20,378)	(20,378)	-
Net Change in Fund Balance	(285,116)	(287,099)	(31,659)	255,440
FUND BALANCES, JULY 1	462,175	462,175	462,175	-
FUND BALANCES, JUNE 30	\$ 177,059	\$ 175,076	\$ 430,516	\$ 255,440



STATISTICAL SECTION

STATISTICAL SECTION TABLE OF CONTENTS

For the Year Ended June 30, 2024

This part of the State of Nebraska’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 State’s overall financial health.

FINANCIAL TRENDS INFORMATION

These schedules contain trend information to help the reader understand how the State’s financial performance and well-being have changed over time.

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The State has no debt because the Nebraska State Constitution prohibits the State’s debt from exceeding, in the aggregate, one hundred thousand dollars. However, the State does have leasing arrangements; such information is provided in this section.

Schedule of Ratios of Outstanding Debt	213
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DEMOGRAPHIC AND ECONOMIC INFORMATION

These schedules offer demographic and economic indicators to help the reader understand the environment within which the State’s financial activities take place and to help make comparisons over time and with other governments.

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Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

NET POSITION BY COMPONENT

2015 - 2024

(Dollars in Thousands)

	2015	2016	2017	2018	2019
Governmental activities					
Net investment in capital assets	\$ 8,673,916	\$ 8,757,532	\$ 8,888,705	\$ 9,046,411	\$ 9,148,273
Restricted	2,495,373	2,554,449	2,708,755	4,063,574	4,180,690
Unrestricted	1,156,733	968,515	550,525	503,722	737,992
Total governmental activities net position	<u>\$ 12,326,022</u>	<u>\$ 12,280,496</u>	<u>\$ 12,147,985</u>	<u>\$ 13,613,707</u>	<u>\$ 14,066,955</u>
Business-type activities					
Net investment in capital assets	\$ 7,030	\$ 6,870	\$ 7,682	\$ 7,769	\$ 7,394
Restricted	466,735	490,408	502,646	516,332	537,553
Unrestricted	87,538	87,761	78,185	79,943	72,769
Total business-type activities net position	<u>\$ 561,303</u>	<u>\$ 585,039</u>	<u>\$ 588,513</u>	<u>\$ 604,044</u>	<u>\$ 617,716</u>
Primary government					
Net investment in capital assets	\$ 8,680,946	\$ 8,764,402	\$ 8,896,387	\$ 9,054,180	\$ 9,155,667
Restricted	2,962,108	3,044,857	3,211,401	4,579,906	4,718,243
Unrestricted	1,244,271	1,056,276	628,710	583,665	810,761
Total primary government net position	<u>\$ 12,887,325</u>	<u>\$ 12,865,535</u>	<u>\$ 12,736,498</u>	<u>\$ 14,217,751</u>	<u>\$ 14,684,671</u>

(Dollars in Thousands)

	2020	2021	2022	2023	2024
Governmental activities					
Net investment in capital assets	\$ 9,168,580	\$ 9,556,057	\$ 9,950,483	\$ 10,153,219	\$ 10,150,836
Restricted	4,362,140	4,924,031	5,028,750	5,350,946	6,078,586
Unrestricted	949,044	2,114,476	3,297,599	3,857,133	4,564,137
Total governmental activities net position	<u>\$ 14,479,764</u>	<u>\$ 16,594,564</u>	<u>\$ 18,276,832</u>	<u>\$ 19,361,298</u>	<u>\$ 20,793,559</u>
Business-type activities					
Net investment in capital assets	\$ 7,224	\$ 10,600	\$ 10,123	\$ 10,090	\$ 9,507
Restricted	539,923	581,724	546,042	575,142	520,960
Unrestricted	68,657	71,475	62,013	61,243	65,952
Total business-type activities net position	<u>\$ 615,804</u>	<u>\$ 663,799</u>	<u>\$ 618,178</u>	<u>\$ 646,475</u>	<u>\$ 596,419</u>
Primary government					
Net investment in capital assets	\$ 9,175,804	\$ 9,566,657	\$ 9,960,606	\$ 10,163,309	\$ 10,160,343
Restricted	4,902,063	5,505,755	5,574,792	5,926,088	6,599,546
Unrestricted	1,017,701	2,185,951	3,359,612	3,918,376	4,630,089
Total primary government net position	<u>\$ 15,095,568</u>	<u>\$ 17,258,363</u>	<u>\$ 18,895,010</u>	<u>\$ 20,007,773</u>	<u>\$ 21,389,978</u>

NOTE: Prior year amounts have not been adjusted for the restatements

CHANGES IN NET POSITION

2015 - 2024

(Dollars in Thousands)

	2015	2016	2017	2018
Governmental Activities:				
EXPENSES				
General Government	\$ 548,000	\$ 631,739	\$ 650,253	\$ 656,287
Conservation of Natural Resources	149,492	144,326	145,919	143,915
Culture - Recreation	31,410	37,118	37,513	43,410
Economic Development and Assistance	109,318	99,611	102,348	103,259
Education	1,723,893	1,799,893	1,811,058	1,845,719
Higher Education - Colleges and University	651,138	676,456	663,979	651,636
Health and Social Services	3,350,345	3,477,627	3,616,020	3,634,539
Public Safety	408,096	409,403	395,782	389,694
Regulation of Business and Professions	125,207	118,005	116,590	107,763
Transportation	981,999	1,096,243	1,040,906	1,012,181
Interest on Long-term Debt	1,289	192	559	645
Net OPEB Expense	—	—	—	1,381
Net Pension Expense	29,409	79,670	81,603	97,889
Total expenses	<u>8,109,596</u>	<u>8,570,283</u>	<u>8,662,530</u>	<u>8,688,318</u>
PROGRAM REVENUES				
Charges for Services:				
General Government	90,319	95,871	99,001	107,412
Conservation of Natural Resources	33,624	39,476	39,880	38,672
Culture - Recreation	22,752	25,725	28,569	36,163
Economic Development and Assistance	1,758	1,065	1,234	1,479
Education	49,350	51,790	50,208	50,671
Health and Social Services	130,645	124,134	127,310	123,593
Public Safety	34,918	37,731	38,369	42,021
Regulation of Business and Professions	139,275	129,750	128,818	122,817
Transportation	109,427	110,984	125,831	130,688
Operating grants and contributions	2,648,173	2,719,366	2,765,857	2,755,954
Capital grants and contributions	3,320	946	1,067	1,133
Total program revenues	<u>3,263,561</u>	<u>3,336,838</u>	<u>3,406,144</u>	<u>3,410,603</u>
Total Governmental Activities				
Net Program Expense	<u>(4,846,035)</u>	<u>(5,233,445)</u>	<u>(5,256,386)</u>	<u>(5,277,715)</u>
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION				
Taxes				
Income taxes	2,578,226	2,520,240	2,507,059	2,686,510
Sales and use taxes	1,829,956	1,827,206	1,834,043	1,925,312
Petroleum taxes	345,357	363,824	371,744	388,349
Excise taxes	129,390	133,620	132,308	131,355
Business and franchise taxes	85,959	109,649	100,595	117,590
Other taxes	7,117	6,404	8,271	2,002
Total taxes	<u>4,976,005</u>	<u>4,960,943</u>	<u>4,954,020</u>	<u>5,251,118</u>
Unrestricted investment earnings	88,736	144,734	108,912	(2,670)
Miscellaneous	1,548	2,159	3,733	5,444
Contributions to permanent fund principal	19,331	24,712	(868)	10,273
Federal CARES	—	—	—	—
Transfers	56,299	49,414	43,590	48,432
Total general revenues and other changes in net position	<u>5,141,919</u>	<u>5,181,962</u>	<u>5,109,387</u>	<u>5,312,597</u>
Total Governmental Activities				
Change in Net Position	<u>\$ 295,884</u>	<u>\$ (51,483)</u>	<u>\$ (146,999)</u>	<u>\$ 34,882</u>

NOTE: Prior year amounts have not been adjusted for the restatements.

	2019	2020	2021	2022	2023	2024
\$	700,965	\$ 931,855	\$ 851,637	\$ 830,145	\$ 894,486	\$ 1,003,723
	133,662	143,941	142,840	138,574	174,798	233,232
	37,182	53,679	50,791	50,156	62,109	59,476
	103,015	114,913	136,860	130,174	262,115	386,603
	1,843,170	1,908,483	2,083,674	2,336,369	2,146,895	2,686,314
	651,933	669,227	697,006	717,690	741,410	764,759
	3,719,897	3,962,425	4,833,151	5,172,386	6,211,606	6,252,918
	401,747	590,081	1,280,094	662,755	664,146	733,949
	99,339	115,602	128,374	134,492	130,758	179,639
	1,099,649	1,278,059	1,259,783	1,303,312	1,469,317	1,511,494
	(3,476)	1,005	856	817	1,013	1,870
	898	—	—	—	—	—
	148,150	—	—	—	—	—
	<u>8,936,131</u>	<u>9,769,270</u>	<u>11,465,066</u>	<u>11,476,870</u>	<u>12,758,653</u>	<u>13,813,977</u>
	117,859	119,665	125,341	126,496	116,402	102,106
	43,147	39,947	42,430	40,427	37,317	38,546
	26,171	35,022	32,533	32,120	35,973	36,851
	1,403	1,901	1,364	2,406	5,159	4,892
	49,826	48,888	56,128	42,230	63,170	63,129
	93,202	131,482	144,205	142,282	237,938	226,543
	38,486	38,363	54,166	43,687	48,267	51,810
	126,820	135,722	153,199	153,211	166,474	154,032
	124,377	125,584	162,386	172,912	186,260	164,892
	2,844,493	3,271,794	4,620,913	5,207,556	5,416,048	5,699,817
	5,203	3,220	5,663	38,955	46,736	31,939
	<u>3,470,987</u>	<u>3,951,588</u>	<u>5,398,328</u>	<u>6,002,282</u>	<u>6,359,744</u>	<u>6,574,557</u>
	(5,465,144)	(5,817,682)	(6,066,738)	(5,474,588)	(6,398,909)	(7,239,420)
	2,992,575	2,907,528	3,660,558	3,936,754	3,624,403	4,108,815
	1,980,173	2,189,486	2,528,753	2,616,640	2,806,187	2,841,231
	407,169	410,940	431,765	389,799	389,012	422,584
	129,161	131,786	142,573	145,412	143,549	150,312
	112,248	135,558	142,394	171,640	151,977	173,178
	7,238	6,696	6,287	6,769	6,100	19,588
	<u>5,628,564</u>	<u>5,781,994</u>	<u>6,912,330</u>	<u>7,267,014</u>	<u>7,121,228</u>	<u>7,715,708</u>
	257,096	263,430	380,959	(342,021)	376,131	631,751
	2,533	2,168	1,381	3,923	2,219	4,900
	17,158	20,385	30,421	21,698	29,381	28,568
	(22,008)	48,343	683,522	27,818	—	—
	50,181	49,974	53,183	50,053	56,291	125,700
	<u>5,933,524</u>	<u>6,166,294</u>	<u>8,061,796</u>	<u>7,028,485</u>	<u>7,585,250</u>	<u>8,506,627</u>
\$	<u>468,380</u>	<u>\$ 348,612</u>	<u>\$ 1,995,058</u>	<u>\$ 1,553,897</u>	<u>\$ 1,186,341</u>	<u>\$ 1,267,207</u>

CHANGES IN NET POSITION (Concluded)

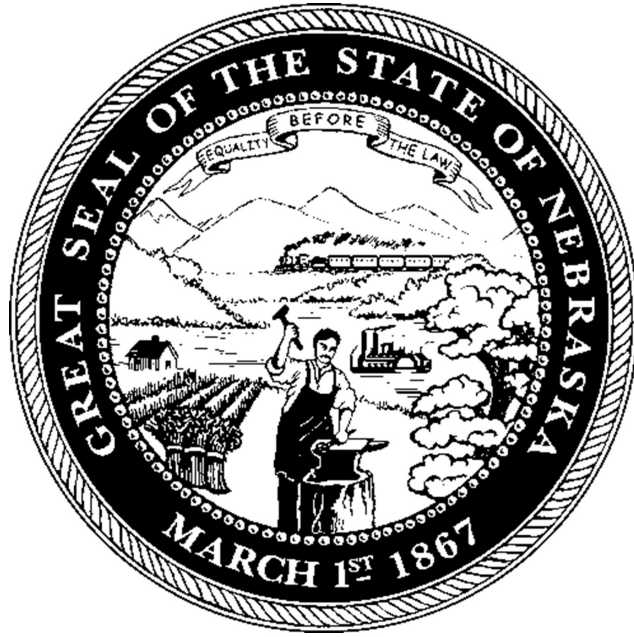
2015 - 2024

(Dollars in Thousands)

	2015	2016	2017	2018
Business-type Activities:				
EXPENSES				
Unemployment Insurance	\$ 93,612	\$ 78,747	\$ 75,593	\$ 73,003
Lottery	123,278	135,819	132,417	138,483
Excess Liability	5,755	9,010	21,131	5,564
Cornhusker State Industries	13,066	13,830	17,018	12,666
Total expenses	<u>235,711</u>	<u>237,406</u>	<u>246,159</u>	<u>229,716</u>
REVENUES				
Charges for services:				
Unemployment Insurance	107,613	97,748	81,154	80,507
Lottery	159,968	179,473	173,819	183,368
Excess Liability	4,519	3,928	5,319	6,238
Cornhusker State Industries	12,099	13,505	21,633	12,578
Operating grants and contributions	—	—	—	—
Total revenues	<u>284,199</u>	<u>294,654</u>	<u>281,925</u>	<u>282,691</u>
Total Business-type Activities				
Net Program Expense	<u>48,488</u>	<u>57,248</u>	<u>35,766</u>	<u>52,975</u>
OTHER CHANGES IN NET POSITION				
Unrestricted investment earnings	12,018	15,882	11,254	10,974
Miscellaneous	14	20	44	14
Federal CARES	—	—	—	—
Transfers	(56,299)	(49,414)	(43,590)	(48,432)
Total other changes in net position	<u>(44,267)</u>	<u>(33,512)</u>	<u>(32,292)</u>	<u>(37,444)</u>
Total Business-type Activities				
Change in Net Position	<u>\$ 4,221</u>	<u>\$ 23,736</u>	<u>\$ 3,474</u>	<u>\$ 15,531</u>
Total Primary Government Change in Net Position	<u>\$ 300,105</u>	<u>\$ (27,747)</u>	<u>\$ (143,525)</u>	<u>\$ 50,413</u>

NOTE: The decreases in taxes and fund balances in 2016 & 2017 were primarily due to the slow recovery of the agricultural sector related to the recession.

	2019	2020	2021	2022	2023	2024
\$	65,984	\$ 820,754	\$ 608,945	\$ 79,442	\$ 80,069	\$ 90,414
	146,030	140,677	157,147	152,757	164,948	165,069
	20,041	16,518	7,021	8,236	19,469	11,268
	13,326	14,886	13,602	17,405	17,409	15,502
	<u>245,381</u>	<u>992,835</u>	<u>786,715</u>	<u>257,840</u>	<u>281,895</u>	<u>282,253</u>
	76,289	647,520	66,456	85,594	78,172	87,723
	192,182	183,076	205,283	202,265	220,130	221,501
	7,561	8,797	11,576	10,922	11,216	15,212
	12,594	11,340	11,654	11,890	26,247	11,205
	–	–	444,091	18,528	11,688	186
	<u>288,626</u>	<u>850,733</u>	<u>739,060</u>	<u>329,199</u>	<u>347,453</u>	<u>335,827</u>
	43,245	(142,102)	(47,655)	71,359	65,558	53,574
	21,029	21,376	11,524	(4,536)	10,099	21,797
	9	12	21	26	31	131
	–	168,798	121,190	5,616	–	–
	<u>(50,181)</u>	<u>(49,996)</u>	<u>(51,792)</u>	<u>(49,913)</u>	<u>(56,151)</u>	<u>(125,700)</u>
	<u>(29,143)</u>	<u>140,190</u>	<u>80,943</u>	<u>(48,807)</u>	<u>(46,021)</u>	<u>(103,772)</u>
\$	<u>14,102</u>	<u>(1,912)</u>	<u>33,288</u>	<u>22,552</u>	<u>19,537</u>	<u>(50,198)</u>
\$	<u>482,482</u>	<u>346,700</u>	<u>2,028,346</u>	<u>1,576,449</u>	<u>1,205,878</u>	<u>1,217,009</u>



FUND BALANCES
GOVERNMENTAL FUNDS

2015 - 2024

(Dollars in Thousands)

	2015	2016	2017	2018	2019
General Fund					
Nonspendable	\$ 1,580	\$ 1,087	\$ 2,239	\$ 1,898	\$ 2,456
Committed	727,835	730,655	680,655	339,990	333,549
Unassigned	614,763	396,669	67,443	314,760	617,381
Total general fund	\$ 1,344,178	\$ 1,128,411	\$ 750,337	\$ 656,648	\$ 953,386
All Other Governmental Funds					
Nonspendable	\$ 550,082	\$ 555,720	\$ 575,587	\$ 586,636	\$ 603,586
Restricted	1,931,112	1,983,398	2,120,008	3,464,633	3,565,196
Committed	99,358	113,034	71,320	134,940	119,577
Assigned	50,094	46,237	43,057	37,635	29,827
Total all other governmental funds	\$ 2,630,646	\$ 2,698,389	\$ 2,809,972	\$ 4,223,844	\$ 4,318,186

(Dollars in Thousands)

	2020	2021	2022	2023	2024
General Fund					
Nonspendable	\$ 3,621	\$ 3,696	\$ 3,452	\$ 6,652	\$ 2,902
Restricted	-	-	-	-	26,892
Committed	426,308	466,964	927,524	1,530,400	2,848,009
Assigned	-	-	-	-	4,886
Unassigned	750,768	1,892,956	2,262,938	1,967,759	1,258,215
Total general fund	\$ 1,180,697	\$ 2,363,616	\$ 3,193,914	\$ 3,504,811	\$ 4,140,904
All Other Governmental Funds					
Nonspendable	\$ 624,592	\$ 654,946	\$ 662,665	\$ 706,311	\$ 735,577
Restricted	3,727,013	4,255,444	4,353,413	4,632,162	5,190,155
Committed	86,014	21,138	136,705	455,044	559,516
Assigned	25,620	32,507	56,453	74,334	40,269
Unassigned	-	-	(118)	(1,159)	(381)
Total all other governmental funds	\$ 4,463,239	\$ 4,964,035	\$ 5,209,118	\$ 5,866,692	\$ 6,525,136

CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS

2015 - 2024

(Dollars in Thousands)

	2015	2016	2017
REVENUES			
Taxes:			
Income	\$ 2,576,621	\$ 2,517,537	\$ 2,506,432
Sales and Use	1,833,701	1,828,465	1,834,868
Petroleum	349,721	365,695	373,685
Excise	129,390	133,620	132,308
Business and Franchise	85,959	109,649	100,595
Other	7,117	6,404	8,271
Total Taxes	4,982,509	4,961,370	4,956,159
Federal Grants and Contracts	2,651,355	2,720,258	2,766,923
Licenses, Fees and Permits	318,198	322,736	341,758
Charges for Services	109,207	112,984	117,265
Investment Income	86,211	141,897	106,374
Rental Income	70,910	74,941	72,672
Other	116,072	111,279	88,774
Total Revenues	8,334,462	8,445,465	8,449,925
EXPENDITURES			
Current:			
General Government	551,297	623,393	628,342
Conservation of Natural Resources	151,308	145,218	146,814
Culture – Recreation	38,653	44,313	42,613
Economic Development and Assistance	109,976	100,007	102,623
Education	1,774,095	1,842,774	1,853,583
Higher Education - Colleges and University	651,138	676,456	663,979
Health and Social Services	3,355,065	3,477,074	3,655,813
Public Safety	414,235	417,785	398,090
Regulation of Business and Professions	125,099	117,894	116,982
Transportation	1,076,805	1,175,832	1,114,119
Capital Projects	19,824	28,174	37,527
Debt Service			
Principal - Bonds	6,995	1,425	2,025
Interest - Bonds	1,090	7	6
Principal - Lease Financing	–	–	–
Interest - Lease Financing	–	–	–
Principal - Subscription Financing	–	–	–
Interest - Subscription Financing	–	–	–
Total Expenditures	8,275,580	8,650,352	8,762,516
Excess (Deficiency) of Revenues Over (Under) Expenditures	58,882	(204,887)	(312,591)
OTHER FINANCING SOURCES (USES)			
Transfers In	249,057	249,761	205,177
Transfers Out	(192,758)	(200,347)	(161,587)
Other	1,645	1,492	2,195
Bond Issuance	–	–	–
Financed Purchases	–	–	–
Certificates of Participation	–	–	–
Net Change in Fund Balances	116,826	(153,981)	(266,806)
Restatements	–	5,957	315
BEGINNING FUND BALANCE	3,857,998	3,974,824	3,826,800
ENDING FUND BALANCE	\$ 3,974,824	\$ 3,826,800	\$ 3,560,309
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	<1%	<1%	<1%

NOTE: The decreases in taxes and fund balances in 2016 & 2017 were primarily due to the slow recovery of the agricultural sector related to the recession.

Bond Issuance, financed purchases and certificates of participation began to be broken down in the financial statements starting in 2023. The amounts were reflected as Other prior to this.

	2018	2019	2020	2021	2022	2023	2024
\$	2,683,270	\$ 2,967,877	\$ 2,880,793	\$ 3,658,993	\$ 3,903,649	\$ 3,695,341	\$ 4,101,856
	1,926,292	1,982,210	2,188,414	2,527,914	2,609,643	2,803,094	2,829,321
	390,600	409,595	412,627	433,223	392,668	391,944	425,087
	131,355	129,161	131,786	142,573	145,412	143,549	150,312
	117,590	112,248	135,558	142,394	171,640	151,977	173,178
	2,002	7,238	6,696	6,287	6,769	6,101	19,588
	5,251,109	5,608,329	5,755,874	6,911,384	7,229,781	7,192,006	7,699,342
	2,756,999	2,849,697	3,323,355	5,310,099	5,274,330	5,459,784	5,646,361
	340,482	300,902	296,736	346,802	346,406	374,611	374,552
	123,906	116,542	134,957	150,101	143,820	141,334	121,362
	(5,389)	253,684	260,563	378,729	(344,453)	372,229	634,698
	74,223	70,965	68,860	79,473	80,178	84,849	81,925
	102,114	122,316	165,711	179,517	158,414	304,992	321,320
	8,643,444	9,322,435	10,006,056	13,356,105	12,888,476	13,929,805	14,879,560
	668,578	686,699	781,697	798,428	824,730	863,461	987,074
	144,509	134,630	140,475	139,069	140,894	172,910	220,428
	49,941	46,270	43,299	52,183	56,385	66,988	59,988
	103,713	103,214	112,094	134,263	131,855	255,401	381,621
	1,877,539	1,896,643	1,954,727	2,133,706	2,395,471	2,199,253	2,742,943
	651,636	651,933	669,227	697,006	717,690	741,410	764,760
	3,630,632	3,713,711	3,934,180	4,817,200	5,216,768	6,156,793	6,169,055
	407,059	418,722	576,050	1,312,037	690,548	633,315	738,796
	107,957	101,125	111,441	123,464	135,519	123,213	176,318
	1,114,902	1,161,938	1,330,631	1,507,409	1,528,501	1,647,681	1,716,711
	46,340	56,512	51,944	72,544	45,633	33,654	77,042
	2,560	3,300	3,860	2,000	3,820	5,300	4,928
	6	56	55	9	15	126	212
	-	-	-	-	2,797	2,765	2,772
	-	-	-	-	450	467	500
	-	-	-	-	-	5,578	6,824
	-	-	-	-	-	169	258
	8,805,372	8,974,753	9,709,680	11,789,318	11,891,076	12,908,484	14,050,230
	(161,928)	347,682	296,376	1,566,787	997,400	1,021,321	829,330
	320,590	219,855	250,160	240,508	410,224	681,015	653,696
	(272,158)	(169,674)	(195,629)	(187,325)	(360,171)	(643,474)	(538,246)
	5,119	3,300	3,919	2,000	3,963	-	-
	-	-	-	-	-	5,300	4,928
	-	-	-	-	-	1,592	15,419
	-	-	-	-	-	-	145
	(108,377)	401,163	354,826	1,621,970	1,051,416	1,065,754	965,272
	1,428,560	(10,083)	17,538	61,745	23,965	(97,283)	329,265
	3,560,309	4,880,492	5,271,572	5,643,936	7,327,651	8,403,032	9,371,503
\$	4,880,492	\$ 5,271,572	\$ 5,643,936	\$ 7,327,651	\$ 8,403,032	\$ 9,371,503	\$ 10,666,040
	<1%	<1%	<1%	<1%	<1%	<1%	<1%

INDIVIDUAL INCOME TAX RATES

Tax Year 2015 - 2024

	Tax Brackets			
	Bracket 1	Bracket 2	Bracket 3	Bracket 4
Single				
2015 Income Range	\$0-3,050	\$3,050-18,280	\$18,280-29,460	Over \$29,460
2016 Income Range	\$0-3,060	\$3,060-18,370	\$18,370-29,590	Over \$29,590
2017 Income Range	\$0-3,090	\$3,090-18,510	\$18,510-29,830	Over \$29,830
2018 Income Range	\$0-3,150	\$3,150-18,880	\$18,880-30,420	Over \$30,420
2019 Income Range	\$0-3,230	\$3,230-19,330	\$19,330-31,160	Over \$31,160
2020 Income Range	\$0-3,290	\$3,290-19,700	\$19,700-31,750	Over \$31,750
2021 Income Range	\$0-3,340	\$3,340-19,990	\$19,990-32,210	Over \$32,210
2022 Income Range	\$0-3,440	\$3,440-20,590	\$20,590-33,180	Over \$33,180
2023 Income Range	\$0-3,700	\$3,700-22,170	\$22,170-35,730	Over \$35,730
2024 Income Range	\$0-3,900	\$3,900-23,370	\$23,370-37,670	Over \$37,670
Heads of Household				
2015 Income Range	\$0-5,690	\$5,690-29,260	\$29,260-43,680	Over \$43,680
2016 Income Range	\$0-5,710	\$5,710-29,390	\$29,390-43,880	Over \$43,880
2017 Income Range	\$0-5,760	\$5,760-29,620	\$29,620-44,230	Over \$44,230
2018 Income Range	\$0-5,870	\$5,870-30,210	\$30,210-45,110	Over \$45,110
2019 Income Range	\$0-6,020	\$6,020-30,940	\$30,940-46,200	Over \$46,200
2020 Income Range	\$0-6,130	\$6,130-31,530	\$31,530-47,080	Over \$47,080
2021 Income Range	\$0-6,220	\$6,220-31,990	\$31,990-47,760	Over \$47,760
2022 Income Range	\$0-6,410	\$6,410-32,950	\$32,950-49,200	Over \$49,200
2023 Income Range	\$0-6,900	\$6,900-35,480	\$35,480-52,980	Over \$52,980
2024 Income Range	\$0-7,270	\$7,270-37,400	\$37,400-55,850	Over \$55,850
Married Filing Joint				
2015 Income Range	\$0-6,090	\$6,090-36,570	\$36,570-58,920	Over \$58,920
2016 Income Range	\$0-6,120	\$6,120-36,730	\$36,730-59,180	Over \$59,180
2017 Income Range	\$0-6,170	\$6,170-37,030	\$37,030-59,660	Over \$59,660
2018 Income Range	\$0-6,290	\$6,290-37,760	\$37,760-60,840	Over \$60,840
2019 Income Range	\$0-6,440	\$6,440-38,680	\$38,680-62,320	Over \$62,320
2020 Income Range	\$0-6,570	\$6,570-39,410	\$39,410-63,500	Over \$63,500
2021 Income Range	\$0-6,660	\$6,660-39,990	\$39,990-64,430	Over \$64,430
2022 Income Range	\$0-6,860	\$6,860-41,190	\$41,190-66,360	Over \$66,360
2023 Income Range	\$0-7,390	\$7,390-44,350	\$44,350-71,460	Over \$71,460
2024 Income Range	\$0-7,790	\$7,790-46,760	\$46,760-75,340	Over \$75,340
Married Filing Separate				
2015 Income Range	\$0-3,050	\$3,050-18,280	\$18,280-29,460	Over \$29,460
2016 Income Range	\$0-3,060	\$3,060-18,370	\$18,370-29,590	Over \$29,590
2017 Income Range	\$0-3,090	\$3,090-18,510	\$18,510-29,830	Over \$29,830
2018 Income Range	\$0-3,150	\$3,150-18,880	\$18,880-30,420	Over \$30,420
2019 Income Range	\$0-3,230	\$3,230-19,330	\$19,330-31,160	Over \$31,160
2020 Income Range	\$0-3,290	\$3,290-19,700	\$19,700-31,750	Over \$31,750
2021 Income Range	\$0-3,340	\$3,340-19,990	\$19,990-32,210	Over \$32,210
2022 Income Range	\$0-3,440	\$3,440-20,590	\$20,590-33,180	Over \$33,180
2023 Income Range	\$0-3,700	\$3,700-22,170	\$22,170-35,730	Over \$35,730
2024 Income Range	\$0-3,900	\$3,900-23,370	\$23,370-37,670	Over \$37,670
Income Tax Rate by Bracket for All Filing Types				
2015 - 2022 Rates	2.46 %	3.51 %	5.01 %	6.84 %
2023 Rates	2.46 %	3.51 %	5.01 %	6.64 %
2024 Rates	2.46 %	3.51 %	5.01 %	5.84 %

SOURCE: Nebraska Department of Revenue

INDIVIDUAL INCOME TAX LIABILITY BY INCOME LEVEL

Tax Years 2013 - 2022

2013				
Federal Adjusted Gross Income Level	Number of Returns	Net Liability After Nonrefundable Credits (dollars in thousands)	Number of Returns With Liability	Net Liability Percent
Less Than \$10,000	140,550	\$ 5,362	45,234	0.27 %
\$10,000 - 24,999	192,646	\$ 27,881	177,752	1.41 %
\$25,000 - 49,999	231,292	\$ 166,740	226,330	8.43 %
\$50,000 - 99,999	232,367	\$ 494,400	228,977	24.98 %
\$100,000 and Over	157,602	\$ 1,284,544	152,503	64.91 %
State Total	954,457	\$ 1,978,927	830,796	100.00 %

2022				
Federal Adjusted Gross Income Level	Number of Returns	Net Liability After Nonrefundable Credits (dollars in thousands)	Number of Returns With Liability	Net Liability Percent
Less Than \$10,000	105,528	\$ 6,341	22,436	0.19 %
\$10,000 - 24,999	148,117	\$ 16,736	131,752	0.51 %
\$25,000 - 49,999	236,245	\$ 162,622	229,262	4.98 %
\$50,000 - 99,999	270,869	\$ 553,568	265,242	16.93 %
\$100,000 and Over	281,764	\$ 2,529,985	272,528	77.39 %
State Total	1,042,523	\$ 3,269,252	921,220	100.00 %

NOTE: Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the state's revenue.

Tax year 2022 is the most recent year for which data is available.

SOURCE: Department of Revenue 2013 and 2022 Annual Reports; www.revenue.nebraska.gov

TAXABLE SALES BY INDUSTRY

Calendar Years 2014 and 2023

	2014	2023
Agriculture, Forestry, Fishing & Hunting	\$ 87,130,794	\$ 87,029,823
Mining	48,671,576	82,549,443
Utilities	2,440,872,368	3,005,613,957
Construction	656,223,262	1,144,904,356
Manufacturing	548,602,897	836,457,472
Wholesale Trade	1,737,472,427	2,201,468,888
Retail Trade	10,532,256,573	13,780,020,150
Transportation	88,199,710	845,197,209
Warehousing Services	43,340,592	38,386,430
Information	799,177,424	808,697,509
Finance & Insurance	24,018,924	32,826,132
Real Estate, Rental & Leasing Services	259,149,469	406,256,396
Professional, Scientific & Technical Services	352,904,473	640,286,811
Management of Companies & Enterprises Services	3,952,631	22,480,808
Administration, Support, Waste Management, Remedial Services	527,977,921	693,150,373
Educational Services	24,836,821	24,277,078
Health Care & Social Assistance Services	40,484,715	54,288,056
Arts, Entertainment & Recreation Services	356,483,288	567,716,095
Accommodation & Food Services	3,280,192,594	4,782,942,457
Other Services	957,143,088	1,462,684,577
Public Administration	258,313,608	272,831,015
Unclassified	1,487,941	4,980,204
Nebraska Total	<u>23,068,893,096</u>	<u>31,795,045,239</u>
Non-Nebraska ⁽¹⁾	<u>5,104,908,976</u>	<u>12,137,696,213</u>
Nebraska - Total Sales	<u>\$ 28,173,802,072</u>	<u>\$ 43,932,741,452</u>
Direct sales tax rate	Jan. 1 - Dec. 31 5.5%	Jan. 1 - Dec. 31 5.5%

SOURCE: Nebraska Department of Revenue - Annual Report
Sales Tax Statistics by Nebraska Business Classification

NOTES: ⁽¹⁾ Sales made by non-Nebraska vendors, goods delivered to Nebraska, sales tax remitted to Nebraska.

SCHEDULE OF RATIOS OF OUTSTANDING DEBT

2015 - 2024

(Dollars in thousands)

	2015	2016	2017	2018	2019
Governmental Activities					
Certificates of participation	\$ 15,475	\$ 34,780	\$ 29,450	\$ 33,455	\$ 38,445
Lease Liability *	-	-	-	-	-
Subscription Liability *	-	-	-	-	-
Total Primary Government	\$ 15,475	\$ 34,780	\$ 29,450	\$ 33,455	\$ 38,445
Debt as a Percentage of Personal Income	0.02 %	0.04 %	0.03 %	0.03 %	0.04 %
Amount of Debt per Capita	\$ 8	\$ 18	\$ 15	\$ 17	\$ 20
	2020	2021	2022	2023	2024
Governmental Activities					
Certificates of participation	\$ 31,430	\$ 37,825	\$ 32,965	\$ 33,220	\$ 24,370
Lease Liability *	-	-	45,024	42,154	42,864
Subscription Liability *	-	-	-	11,228	18,332
Total Primary Government	\$ 31,430	\$ 37,825	\$ 77,989	\$ 86,602	\$ 85,566
Debt as a Percentage of Personal Income	0.03 %	0.03 %	0.06 %	0.07 %	0.06 %
Amount of Debt per Capita	\$ 16	\$ 19	\$ 40	\$ 44	\$ 43

NOTE: Details regarding Certificates of Participation, Lease and Subscription Liabilities, Obligations Under Other Financing Arrangements, and Bonds Payable can be found in ACFR Notes 7, 8, 9 & 15 of the financial statements. Population figures are from the Population, Personal and Per Capita Income schedule.

* Lease and Subscription liabilities were implemented in accordance with Governmental Accounting Standards Board (GASB) Statements No. 87 and 96, in Fiscal Years 2022 and 2023, respectively. Data prior to this is not available.

COMPARATIVE UNEMPLOYMENT NEBRASKA AND UNITED STATES

2014 - 2023

YEAR	NEBRASKA			NEBRASKA	UNITED STATES
	TOTAL LABOR FORCE	TOTAL EMPLOYMENT	UNEMPLOYMENT	UNEMPLOYMENT AS PERCENT OF LABOR FORCE	UNEMPLOYMENT AS PERCENT OF LABOR FORCE
2014	1,011,918	978,208	33,710	3.3	6.2
2015	1,008,616	977,465	31,151	3.1	5.3
2016	1,011,180	978,261	32,919	3.3	4.9
2017	1,007,011	977,444	29,567	2.9	4.4
2018	1,020,197	991,688	28,509	2.8	3.9
2019	1,035,240	1,003,680	31,560	3.0	3.7
2020	1,035,175	991,388	43,787	4.2	8.1
2021	1,049,033	1,022,662	26,371	2.5	5.4
2022	1,058,927	1,034,091	24,836	2.3	3.6
2023	1,054,681	1,030,880	23,801	2.3	3.6

SOURCE: Nebraska Statistics - Nebraska Department of Labor, Labor Market Information
United States Unemployment – U.S. Department of Labor, Bureau of Labor Statistics

POPULATION, PERSONAL AND PER CAPITA INCOME NEBRASKA AND UNITED STATES

Calendar Years 2014 – 2023

YEAR	NEBRASKA			UNITED STATES		
	POPULATION	PERSONAL INCOME (IN MILLIONS)	PER CAPITA INCOME	POPULATION	PERSONAL INCOME (IN MILLIONS)	PER CAPITA INCOME
2014	1,881,503	88,569	47,073	318,857,056	14,708,582	46,129
2015	1,896,190	92,048	48,544	321,418,820	15,463,981	48,112
2016	1,907,116	95,411	50,029	323,127,513	15,912,777	49,246
2017	1,920,076	97,557	50,809	325,719,178	16,820,250	51,640
2018	1,929,268	102,759	53,263	327,167,434	17,813,035	54,446
2019	1,934,408	105,454	54,515	328,239,523	18,542,262	56,490
2020	1,937,552	111,545	57,570	329,484,123	19,607,447	59,510
2021	1,963,692	120,189	61,205	331,893,745	21,288,709	64,143
2022	1,967,923	126,474	64,268	333,287,557	21,820,248	65,470
2023	1,978,379	141,151	71,347	334,914,895	23,380,269	69,810

SOURCE: U.S. Department of Commerce, Bureau of Economic Analysis.

TEN LARGEST EMPLOYERS

2023 and 2014

NAME OF COMPANY	December 2023			December 2014		
	RANK	NUMBER OF EMPLOYEES	% OF TOTAL EMPLOYMENT	RANK	NUMBER OF EMPLOYEES	% OF TOTAL EMPLOYMENT
State of Nebraska (excluding University)	1	18,330	1.818 %	2	16,445	1.671 %
US Government (excluding Department of Defense*)	2	17,112	1.697 %			
University of Nebraska**	3	14,870	1.475 %	1	16,563	1.683 %
Nebraska Medicine	4	14,684	1.456 %			
CHI Health	5	8,938	0.887 %			
Walmart, Inc.	6	8,631	0.856 %			
Omaha Public Schools	7	7,978	0.791 %	6	7,351	0.747 %
Lincoln Public Schools	8	6,836	0.678 %	9	5,839	0.593 %
Hy-Vee, Inc.	9	6,712	0.666 %	7	6,210	0.631 %
Peter Kiewit Sons', Inc.	10	5,700	0.565 %			
Alegent Health				3	11,512	1.170 %
Tyson Foods, Inc.				4	10,760	1.094 %
Walmart				5	9,605	0.976 %
Crete Carrier				8	6,000	0.610 %
First National Bank				10	4,440	0.451 %

SOURCE: The Nebraska Department of Economic Development, Hoovers, a Dun and Bradstreet data base, and Employers

NOTES:

* Sources did not track US Government employment in Nebraska for 2014

** University of Nebraska - Medical Center, University of Nebraska - Lincoln, University of Nebraska at Omaha, University of Nebraska at Kearney

PUBLIC AND STATE OPERATED SCHOOL ENROLLMENT PREKINDERGARTEN – GRADE 12

2014/15 - 2023/24

ACADEMIC YEAR	PRE KDG. AND KDG.	GRADES 1 – 3	GRADES 4 – 6	GRADES 7 – 9	GRADES 10 – 12	TOTAL ALL GRADES
2014 - 2015	39,204	69,398	68,988	67,843	67,202	312,635
2015 - 2016	39,039	69,979	69,688	68,560	68,749	316,015
2016 - 2017	38,750	71,445	69,071	70,133	69,795	319,194
2017 - 2018	40,745	70,624	70,383	70,911	71,103	323,766
2018 - 2019	41,582	69,814	71,122	71,747	71,899	326,164
2019 - 2020	42,984	69,552	72,540	71,272	72,942	329,290
2020 - 2021	40,447	68,679	70,488	71,232	73,330	324,176
2021 - 2022	42,232	69,123	69,756	72,283	73,661	327,055
2022 - 2023	48,261	78,447	77,790	80,933	80,256	365,687
2023 - 2024	47,539	78,350	78,661	80,093	80,824	365,467

SOURCE: Statistics and Facts About Nebraska Schools, Nebraska Department of Education.

PUBLIC HIGHER EDUCATION INSTITUTIONS TOTAL FALL HEADCOUNT ENROLLMENT

2014 - 2023

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
COLLEGES AND UNIVERSITIES										
Chadron State College	3,033	2,993	2,977	2,737	2,448	2,407	2,330	2,250	2,260	2,205
Peru State College	2,499	2,506	2,571	2,349	2,114	2,109	1,902	2,067	1,799	1,638
Wayne State College	3,470	3,431	3,357	3,292	3,633	3,890	4,202	4,580	4,773	4,807
University of Nebraska										
Lincoln ⁽¹⁾	25,390	25,772	26,239	26,396	26,155	25,721	25,390	24,713	24,108	24,245
Omaha	15,227	15,526	15,627	15,731	15,431	15,153	15,892	15,328	15,058	15,015
Kearney	6,902	6,747	6,788	6,644	6,327	6,279	6,225	6,275	6,041	6,017
Medical Center	3,696	3,790	3,862	3,908	3,972	4,055	3,699	3,750	3,660	3,786
TOTAL COLLEGES AND UNIVERSITIES	<u>60,217</u>	<u>60,765</u>	<u>61,421</u>	<u>61,057</u>	<u>60,080</u>	<u>59,614</u>	<u>59,640</u>	<u>58,963</u>	<u>57,699</u>	<u>57,713</u>
COMMUNITY COLLEGES										
Central CC	6,377	6,227	6,316	6,082	6,354	6,368	5,974	6,309	6,519	6,862
Metropolitan CC	14,675	14,812	14,788	14,954	14,913	14,300	13,244	13,709	14,541	15,964
Mid-Plains CC	2,143	2,235	2,276	2,221	2,216	2,125	2,075	2,101	2,084	2,066
Northeast CC	5,061	5,051	5,075	5,086	5,016	5,258	5,105	5,345	5,583	5,595
Southeast CC	9,392	9,248	9,262	9,412	9,240	9,756	9,328	9,416	9,465	9,799
Western CC	1,836	1,534	1,719	1,905	1,825	1,722	1,625	1,306	1,575	1,508
TOTAL COMMUNITY COLLEGES	<u>39,484</u>	<u>39,107</u>	<u>39,436</u>	<u>39,660</u>	<u>39,564</u>	<u>39,529</u>	<u>37,351</u>	<u>38,186</u>	<u>39,767</u>	<u>41,794</u>
TOTAL ALL INSTITUTIONS	<u>99,701</u>	<u>99,872</u>	<u>100,857</u>	<u>100,717</u>	<u>99,644</u>	<u>99,143</u>	<u>96,991</u>	<u>97,149</u>	<u>97,466</u>	<u>99,507</u>

NOTE: ⁽¹⁾ University of Nebraska-Lincoln count includes Nebraska College of Technical Agriculture - Curtis for all years.

SOURCE: Nebraska Coordinating Commission for Postsecondary Education

FULL TIME EQUIVALENT PERMANENT EMPLOYEES BY FUNCTION

2014 - 2023

FUNCTION	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Conservation	316	313	318	309	314	300	302	345	338	364
Regulation	353	360	355	348	351	353	351	338	356	363
Economic Development	439	440	444	1,029	1,082	1,093	1,051	965	1,064	1,102
Culture and Recreation	510	504	502	490	503	533	539	541	528	535
Education	603	608	605	588	565	549	573	571	576	609
Transportation	2,103	2,113	2,083	2,003	1,970	1,980	1,980	1,941	1,869	1,929
General Government	2,919	2,975	3,057	3,055	3,070	3,319	3,312	3,247	3,240	3,294
Public Safety	3,436	3,406	3,320	3,307	3,333	3,365	3,375	3,131	3,506	3,478
Health & Social Services	5,700	5,726	5,476	4,781	4,670	4,651	4,694	4,448	4,744	4,955
	<u>16,379</u>	<u>16,445</u>	<u>16,160</u>	<u>15,910</u>	<u>15,858</u>	<u>16,143</u>	<u>16,177</u>	<u>15,527</u>	<u>16,221</u>	<u>16,629</u>

SOURCE: Nebraska State Government - State Personnel Division - 2024 Almanac

OPERATING INDICATORS BY FUNCTION

2015 - 2024

	2015	2016	2017	2018
General Government				
Department of Revenue				
Percentage of returns filed electronically	90.8%	90.8%	90.7%	91.6%
Percentage of direct deposit refunds	77.8%	78.2%	77.5%	80.0%
Department of Transportation				
Percentage of Roads in very good or good condition(1)	82%	84%	84%	84%
Conservation of Natural Resources				
Department of Environmental and Energy				
Inspections by field office staff				
Air Quality	216	184	139	141
Water Quality	1,396	1,552	1,682	1,219
Waste Management	135	130	126	156
Culture - Recreation				
Game and Parks Commission				
Park visitors(1,2)	11,654,110	13,469,281	12,746,003	10,086,731
Hatchery fish raised (in millions)(1)	49.7	48.0	47.0	50.2
Education				
Department of Education				
Fall Enrollment				
Pre-K to 12th grade	316,015	319,194	323,766	326,164
State Colleges and Universities	60,765	61,421	61,057	60,080
Public Community Colleges	39,107	39,436	39,660	39,564
Health and Social Services				
Health and Human Services				
Child Support Payments				
Number of Payments Received	1,513,974	1,537,522	1,501,372	1,472,013
Number of Payments Disbursed	1,414,213	1,415,392	1,400,110	1,380,588
Medicaid (average monthly)				
Medicaid recipients	235,355	232,795	237,309	241,966
Percentage of Nebraska population	12.4%	12.2%	12.4%	12.5%
Supplemental Nutrition Assistance Program				
Number of households	76,989	78,370	78,788	77,122
Percentage of Nebraska households	9.4%	9.5%	9.4%	9.1%
Public Safety				
Department of Correctional Services				
Inmate population (average daily)(3)	6,659	6,641	6,588	6,611
Percentage of Nebraska population	0.35%	0.35%	0.34%	0.34%
Total Admissions(3)	2,608	2,504	2,315	2,239
Total Releases(3)	2,555	2,094	2,372	2,402
State Patrol				
Traffic Stops	N/A	N/A	182,935	149,232
Transportation				
Department of Motor Vehicles				
Motor Vehicle Registrations(1)				
Automobiles	1,205,595	1,220,465	1,239,329	1,242,548
Trucks				
Farm	180,150	180,697	182,312	182,481
Commercial / Other	428,617	439,291	448,501	454,098
Motorcycles	55,585	55,340	54,863	53,566

NOTES:

(1) Data is provided on a calendar basis.

(2) Park visitation is counted in daily visits.

(3) Prior to 2019, data provided was on a calendar basis.

N/A - Not Available

SOURCE: State Agencies: Department of Revenue, Department of Transportation, Department of Environment and Energy, Game and Parks Commission, Department of Education, Health and Human Services, Department of Correctional Services, Nebraska State Patrol, Department of Motor Vehicles

2019	2020	2021	2022	2023	2024
92.4%	93.1%	94.0%	94.8%	94.2%	95.9%
81.2%	81.1%	79.2%	83.9%	83.4%	84.3%
82%	82%	90%	92%	95%	96%
164	132	145	188	341	195
1,234	1,075	1,788	2,656	2,991	3,399
138	107	228	284	333	316
9,497,926	6,706,057	9,058,025	8,434,888	7,900,634	N/A
41.3	10.5	49.0	74.6	71.9	N/A
329,290	324,176	327,055	365,687	365,467	N/A
59,614	59,640	58,963	57,699	57,713	N/A
39,529	37,351	38,186	39,767	41,794	N/A
1,490,642	1,502,975	1,488,749	1,375,197	1,395,849	1,340,647
1,378,498	1,401,680	1,383,168	1,304,172	1,299,743	1,268,302
242,316	244,010	304,655	351,694	387,311	364,255
12.5%	12.6%	15.5%	17.9%	19.6%	N/A
74,031	72,425	72,476	74,592	77,119	76,703
8.7%	8.5%	8.5%	8.6%	8.8%	N/A
5,434	5,629	5,364	5,534	5,628	5,880
0.28%	0.29%	0.27%	0.28%	0.28%	N/A
2,715	2,463	2,427	2,441	2,353	2,621
2,507	2,519	2,416	2,259	2,119	2,543
115,210	96,325	110,616	116,434	126,046	N/A
1,203,304	1,190,940	1,206,477	1,203,049	1,216,306	N/A
164,281	164,363	162,966	163,223	162,510	N/A
406,225	414,177	423,963	427,828	434,108	N/A
50,647	50,373	51,153	51,173	50,725	N/A

CAPITAL ASSET STATISTICS BY FUNCTION

2015 - 2024

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Government										
Department of Administrative Services										
Buildings	267	263	270	269	267	255	235	234	214	190
Vehicles	1,058	1,046	1,062	1,120	1,096	1,176	1,130	1,074	1,203	1,139
Conservation of Natural Resources										
Game and Parks Commission										
Acres of state park and wildlife land (in thousands)	152	154	151	158	148	148	153	142	152	152
Culture - Recreation										
Game and Parks Commission										
State Parks	8	8	8	8	8	8	8	8	8	8
Historical Parks	9	9	9	10	10	10	10	10	10	10
Recreation and wildlife areas	347	350	350	357	350	347	347	345	346	346
Fish hatcheries	5	5	5	5	5	5	5	5	5	5
Education										
NETV Commission										
Towers, antennas and transmitters	42	45	51	46	45	45	46	51	53	53
Public Safety										
State Patrol										
Pursuit Vehicles	526	339	310	554	384	249	340	373	355	358
Department of Corrections										
Buildings	150	149	134	148	146	133	136	134	140	143
Transportation										
Department of Transportation										
Highway miles (calendar year)	9,942	9,944	9,945	9,945	9,944	9,942	9,940	9,940	9,931	N/A
Heavy trucks, plows and graders	1,022	1,025	1,064	1,049	1,052	1,031	1,048	1,053	1,005	1,099

NOTE: Other agencies, including those in the Economic Development, Health and Social Services and Regulation functional areas are not capital asset intensive.
N/A - Not Available

SOURCE: State Agencies: Department of Administrative Services, Game and Parks Commission, NETV Commission, Nebraska State Patrol, Department of Correctional Services, and Department of Transportation

MISCELLANEOUS DATA

June 30, 2024

Date Entered Union	March 1, 1867 (37th State)
Form of Government	Legislative – Executive – Judicial
Land Area	77,358 square miles (16th largest in U.S.)
Elevation	840 to 5,424 feet above sea level
Capital	Lincoln
Largest City	Omaha
Origin of Name	From Oto Indian word "Nebrathka" meaning "flat water"
Nickname	Cornhusker State (from method of harvesting or "husking" corn by hand)

SOURCE: Nebraska Blue Book, 2022-23

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