

# City of Omaha, Nebraska



## COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

DECEMBER 31, 2016



*Photo Courtesy of the Omaha Convention & Visitors Bureau*

**PREPARED BY:**

**THE FINANCE DEPARTMENT**

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City of Omaha  
Jean Stothert, Mayor

**Office of the Mayor**  
1819 Farnam Street, Suite 300  
Omaha, Nebraska 68183-0300  
(402) 444-5000  
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Dear Omaha Citizens and Public Officials,

I am pleased to submit the City of Omaha's Comprehensive Annual Financial Report for the fiscal year that ended December 31, 2016.

A public report from government entities of their financial transactions and fund balances represents the work of those entrusted with public funds on behalf of their fellow citizens. In Omaha, the work of thousands of dedicated public employees is reflected in this report.

Complete and accurate disclosure of explanations of public expenses not only satisfy government accounting standards, they provide the transparency citizens expect and deserve.

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

Sincerely,

Jean Stothert, Mayor  
City of Omaha

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# City of Omaha, Nebraska

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**City of Omaha**  
**Jean Stothert, Mayor**

## **Finance Department**

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**Stephen B. Curtiss**  
Finance Director

**Allen R. Herink**  
Comptroller

June 29, 2017

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

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the City of Omaha, Nebraska (the City) for the fiscal year ended December 31, 2016.

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

The City of Omaha's financial statements have been audited by BKD, LLP, a firm of licensed and certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Omaha for the fiscal year ended December 31, 2016, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering unmodified opinions that the City of Omaha's financial statements for the fiscal year ended December 31, 2016, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

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

## **Profile of the Government**

The City of Omaha, incorporated in 1857, is located in the eastern part of the state of Nebraska, and is the 43rd largest city in the nation. The City of Omaha currently occupies a land area of 139.98 square miles and serves a population of 449,204. The City of Omaha is empowered to levy a property tax on both real and personal properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing council.

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

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

The annual budget serves as the foundation for the City of Omaha's financial planning and control. All agencies of the City of Omaha are required to submit requests for appropriation to the Finance Director during April of each year. The Finance Director uses these requests as the starting point for developing a proposed budget. The Finance Director then provides the Mayor with a proposed budget. The Mayor reviews all estimates, expenditures, and capital improvements, and makes revisions where necessary. Not later than 30 days before the tax levy certification date, the Mayor then submits the proposed budget to the City Council for consideration, at which time the budget becomes a public record and open to inspection. The City Council is required to hold public hearings on the proposed budget and to adopt a final budget no later than the day prior to the tax levy certification date. The appropriated budget is prepared by fund and department (e.g., police, fire, planning). The Mayor may at any time transfer an unencumbered appropriation balance or portion thereof between appropriations of the same division. Transfers of appropriations between divisions within the same department, however, require the special approval of the City Council. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented on page 107 as part of the required supplementary information. For governmental funds, other than the general fund, with appropriated annual budgets, this comparison is presented in the governmental fund subsection of this report, which starts on page 115. Also included in the governmental fund subsection are project-length budget-to-actual comparisons for each governmental fund for which a project-length budget has been adopted (e.g., the CDBG revitalization project special revenue fund and the capital projects funds).

## **Factors Affecting Financial Condition**

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

**Local Economy.** The City of Omaha currently enjoys a favorable economic environment and local indicators point to continued stability. Unemployment in the City of Omaha at the end of 2016 was 3.2%, well below the national average. The City of Omaha has a high concentration of its employment in trade, transportation and utilities, professional and business services, education, and healthcare services. The City has a relatively small amount of total employment in manufacturing and government. Over the past decade, Omaha has experienced solid growth, despite two recessions at the national level. The City is the corporate headquarters for such Fortune 500 companies as: Berkshire Hathaway, Union Pacific, Peter Kiewit, and Mutual of Omaha, and also Fortune 1000 companies such as: TD Ameritrade, West Corporation, Werner Enterprises, and Valmont Industries.

The Greater Omaha Metropolitan Statistical Area (MSA) (which includes the eight-county region of Douglas, Sarpy, Cass, Saunders and Washington counties in Nebraska and Harrison, Mills and Pottawattamie counties in Iowa) has a population of approximately 922,290. In addition, over 1.3 million people live within a 60-minute drive of Omaha. The government's central business district is expected to maintain its current occupancy rate with a variety of stores, specialty shops, commercial businesses, and a rising number of residential living spaces.

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

### ***Combined Sewer Overflow (CSO)***

Like many communities across the nation, the City of Omaha is addressing its CSO problem by implementing a CSO Long Term Control Plan. Combined sewer overflow occurs when untreated wastewater and storm water commingle in a single pipe and spill into Omaha's rivers and creeks. The final plan was submitted in October of 2009 and approved in February of 2010 to deal with this federal mandate. The original completion date was October 2024, but due to the floods of 2011, that has been extended to October 2027. The cost is estimated at \$2 billion (current dollars) over 15-20 years. Annual Sewer Fee rate increases through 2018 have been adopted. The annual debt service estimated in the finance plan ranges from \$25 to \$165 million annually, depending on the capital expenditures for the year.

## **Awards and Acknowledgements**

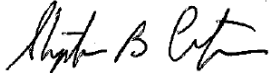
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Omaha for its comprehensive annual financial report for the fiscal year ended December 31, 2015. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

In addition, the City also received the GFOA's Distinguished Budget Presentation Award for its 2016 budget document. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document must be judged as proficient in several categories, including as a policy document, a financial plan, an operations guide, and a communications device.

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

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Stephen B. Curtiss". The signature is fluid and cursive, with the first name "Stephen" and last name "Curtiss" clearly distinguishable.

Stephen B. Curtiss  
Finance Director



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**City of Omaha  
Nebraska**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2015**

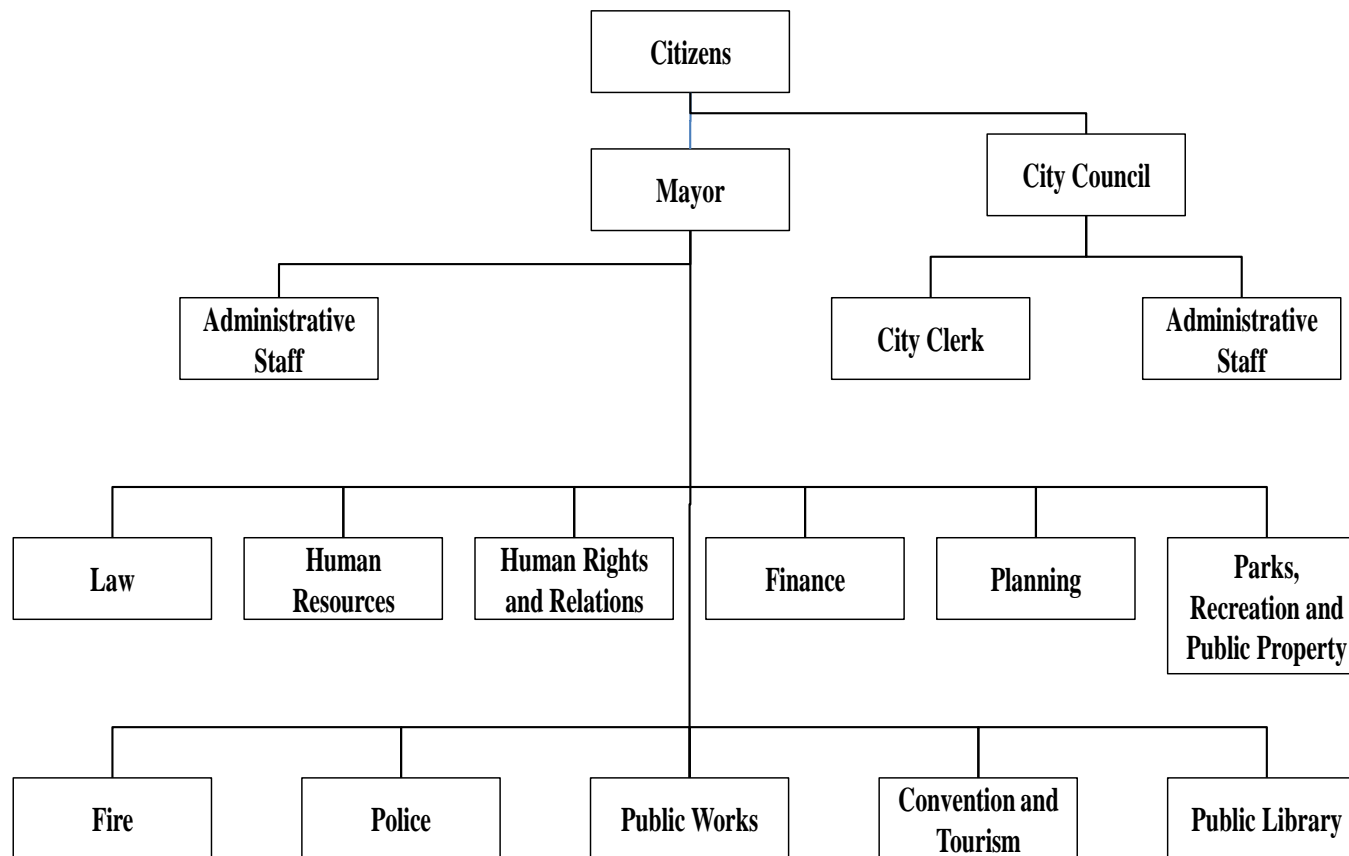
Executive Director/CEO

# City of Omaha, Nebraska

## Organizational Chart



### Executive and Legislative



# City of Omaha, Nebraska

## Elected and Appointed Officials

### Mayor

*Jean Stothert*

### City Council

*Pete Festersen*

*District #1*

*Ben Gray*

*District #2*

*Chris Jerram*

*District #3*

*Garry Gernandt*

*District #4*

*Rich Pahls*

*District #5*

*Franklin Thompson*

*District #6*

*Aimee Melton*

*District #7*

### City Officials

*Buster Brown*

*City Clerk*

*Stephen Curtiss*

*Finance Director*

*Daniel Olsen*

*Fire Chief*

*Mikki Frost*

*Human Resources Director*

*Spencer Danner*

*Human Rights and Relation Director*

*Paul Kratz*

*City Attorney*

*Laura Marlane*

*Library Director*

*Brook Bench*

*Parks, Recreation & Public Property Director*

*James Thele*

*Planning Director*

*Todd Schmaderer*

*Police Chief*

*Robert Stubbe*

*Public Works Director*

*Keith Backsen*

*Convention and Tourism Director*

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## Independent Auditor's Report

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

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Omaha, Nebraska (the City) as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

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

### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Metropolitan Entertainment & Convention Authority (MECA) and Heartland Workforce Solutions, Inc., whose financial statements are included as discretely presented component units and represent 100% of the discretely presented component units as of and for the year ended December 31, 2016. Those financial statements were audited by other auditors, whose reports thereon have been furnished to us, and our opinions, insofar as they relate to the amounts included for MECA and Heartland Workforce Solutions, Inc., are based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## ***Opinions***

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Omaha, Nebraska, as of December 31, 2016, 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.

## ***Other Matters***

### ***Required Supplementary Information***

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

### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying supplementary and other information, consisting of combining fund financial statements, budgetary comparison schedules and the introductory and statistical sections, and including the schedule of expenditures of federal awards required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The combining fund financial statements, budgetary comparison schedules and schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining fund financial statements, budgetary comparison schedules and schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2017, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Handwritten signature of BKD, LLP in black ink.

Omaha, Nebraska  
June 29, 2017

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# City of Omaha, Nebraska

## Management's Discussion and Analysis

### Year Ended December 31, 2016



This discussion and analysis of the City of Omaha's (the City) financial performance provides an overall review of the City's financial activities for the fiscal year ended December 31, 2016. The intent of this discussion and analysis is to look at the City's financial performance as a whole. Readers should also review the basic financial statements to enhance their understanding of the City's financial performance.

#### Financial Highlights for Fiscal Year 2016

- The liabilities of the City, on a government-wide basis, excluding component units, exceeded its assets at the close of fiscal year 2016 by \$91.7 million (net deficit). Of this amount, \$1,086.6 million is an unrestricted deficit, \$804.1 million is the City's net investment in capital assets, and \$190.8 million is restricted for specific purposes.
- The City's total net position increased by \$93.4 million from the prior year. Of this amount, \$21.4 million was an increase in governmental activities and \$72.0 million was an increase in business-type activities. The increase in business-type activities is primarily attributable to an increase of \$70.3 million in the Sewer Revenue Fund. The Sewer's Fund net income before contributions and transfers was \$64.8 million. Contributions and transfers added \$5.5 to the net position.
- As of December 31, 2016, the City's governmental funds reported combined ending fund balances of \$175.2 million, an increase of \$15.4 million in comparison with the prior year. This increase is largely due to an increase in the fund balance of the General Fund of \$3.1 million, the Debt Service Fund of \$3.1 million and increases in various Nonmajor Governmental Fund balances of \$9.1 million. These changes were due primarily to a budget surplus with expenditures being under budget by \$4.9 million in the General Fund. The aggregate fund balance in the nonmajor special revenue funds increased \$9.3 million, which accounts for the increase in fund balance for the nonmajor governmental funds. Of the combined governmental funds ending fund balances, approximately 40.6%, or \$71.1 million, is available for spending at the City's discretion (unassigned and assigned fund balance).
- The general fund, on a current fiscal resources budget basis, reported a surplus of revenues over expenditures, lapsed encumbrances, and transfers of \$11.1 million. Revenues were on budget and expenditures, lapsed encumbrances, and year-end transfers were below budget by approximately \$11.1 million which resulted in a 2016 year-end carryover reserve of \$11.1 million.
- At the end of the current fiscal year, the unassigned/assigned fund balance for the general fund was \$74.8 million, or 21.5% of general fund expenditures.
- As of December 31, 2016, the City's general obligation bond rating from Standard & Poor's was AA+ and Moody's Investor Service rated the City's bonds Aa2.

#### Overview of the Financial Statements

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

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

- The first two statements are the government-wide statements that provide both long-term and short-term information about the City's overall financial status.

# City of Omaha, Nebraska

## Management's Discussion and Analysis

### Year Ended December 31, 2016



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

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

#### **Government-wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, using accounting methods similar to those used by private sector companies. The statement of net position and the statement of activities, which are the government-wide statements, include the City's assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private sector companies. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

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

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

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

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

# City of Omaha, Nebraska

## Management's Discussion and Analysis

### Year Ended December 31, 2016



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

The government-wide financial statements can be found on pages 24 and 25 of this report.

#### **Fund Financial Statements**

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

The City has three kinds of funds:

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

The City maintains 75 governmental funds, some of which are combined into a single fund for financial statement purposes. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and debt service fund, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation as nonmajor governmental funds.

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

The governmental fund financial statements can be found on pages 26 through 28 of this report.

**Proprietary Funds** – Services for which the City charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both short-term and long-term financial information. The City maintains 11 enterprise funds, which are a type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its sewer system, air quality control enforcement, marina and dredge operations, golf course operations, tennis operations, river plaza facility, parking facilities, printing services, citywide sports, and hotel. The City has classified the Sewer Revenue,

# City of Omaha, Nebraska

## Management's Discussion and Analysis

### Year Ended December 31, 2016



Convention Center Hotel, and Parking Facilities funds as major funds and they are presented separately in the proprietary fund statement of net position; the proprietary statement of revenues, expenses, and changes in net position; and the proprietary statement of cash flows. Data from the other proprietary funds are combined into a single aggregated presentation as nonmajor enterprise funds.

The proprietary fund financial statements can be found on pages 29 through 33 of this report.

**Fiduciary Funds** – The City is the trustee, or fiduciary, for certain donated funds. It is also responsible for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries. The City maintains 23 fiduciary funds. The City is responsible for ensuring that the assets reported in these funds are used for their intended purpose. These activities are reported in a separate statement of fiduciary net position. The City excludes this activity from its government-wide financial statements because the City cannot use these assets to finance its operations. The accounting used for fiduciary funds is the accrual basis, same method used by proprietary funds.

The fiduciary fund financial statements can be found on pages 34 and 35 of this report.

#### **Notes to the Basic Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 38 through 103 of this report.

#### **Required Supplementary Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's 2016 budget information for the general fund, and the City's progress in funding the net pension liability and other postemployment benefits obligation. Required supplementary information can be found on pages 104 through 112 of this report.

#### **City Government-wide Financial Analysis**

As noted earlier, net position (assets and deferred outflows of resources over liabilities and deferred inflows of resources) may serve over time as a useful indicator of a government's financial position. In the case of the City, liabilities and deferred inflows of resources exceeded its assets and deferred outflows of resources by \$91.7 million at the close of fiscal year 2016. The City's net investment in capital assets reflects its investment in capital assets (e.g., land, building, equipment, and infrastructure) less accumulated depreciation, any related deferred outflows of resources, and the debt relating to unspent proceeds and related outstanding debt used to acquire those assets. The City uses these assets to provide services to its citizens, and consequently, these assets are not available for future spending. The resources needed to repay the debt related to these capital assets must be provided from other sources.



# City of Omaha, Nebraska

## Management's Discussion and Analysis

### Year Ended December 31, 2016



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

<b>CITY OF OMAHA</b>						
Summary of Net Position						
(In millions)						
	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total Primary Government</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
Current and other assets	\$ 367.0	352.6	163.4	181.0	530.4	533.6
Capital assets	1,185.0	1,162.2	1,004.2	930.6	2,189.2	2,092.8
Total assets	<u>1,552.0</u>	<u>1,514.8</u>	<u>1,167.6</u>	<u>1,111.6</u>	<u>2,719.6</u>	<u>2,626.4</u>
Deferred outflows of resources	62.0	75.5	4.2	5.1	66.2	80.6
Total assets and deferred outflows of resources	<u>\$ 1,614.0</u>	<u>1,590.3</u>	<u>1,171.8</u>	<u>1,116.7</u>	<u>2,785.8</u>	<u>2,707.0</u>
Current and other liabilities	\$ 52.6	126.7	25.0	41.7	77.6	168.4
Long-term liabilities	1,965.8	1,864.7	709.6	703.0	2,675.4	2,567.7
Total liabilities	<u>2,018.4</u>	<u>1,991.4</u>	<u>734.6</u>	<u>744.7</u>	<u>2,753.0</u>	<u>2,736.1</u>
Deferred inflows of resources	<u>105.3</u>	<u>130.0</u>	<u>19.2</u>	<u>26.0</u>	<u>124.5</u>	<u>156.0</u>
Net position:						
Net investment in capital assets	470.6	443.1	333.5	244.3	804.1	687.4
Restricted position	138.7	146.0	52.1	51.3	190.8	197.3
Unrestricted position (deficit)	<u>(1,119.0)</u>	<u>(1,120.2)</u>	<u>32.4</u>	<u>50.4</u>	<u>(1,086.6)</u>	<u>(1,069.8)</u>
Total net position (deficit)	<u>(509.7)</u>	<u>(531.1)</u>	<u>418.0</u>	<u>346.0</u>	<u>(91.7)</u>	<u>(185.1)</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 1,614.0</u>	<u>1,590.3</u>	<u>1,171.8</u>	<u>1,116.7</u>	<u>2,785.8</u>	<u>2,707.0</u>

#### Governmental Activities

Net position of the City's governmental activities increased \$21.4 million (4.0%) to a \$509.7 million deficit. However, a significant portion of that net position is either the City's net investment in capital assets (building, roads, bridges, etc.) or restricted as to the purpose it can be used for. Consequently, unrestricted net position showed a \$1,119.0 million deficit at the end of this year. This deficit does not mean that the City does not have the resources available to pay its current liabilities. Rather, it is the result of having long-term commitments that are greater than current available resources. Specifically, the City did not include in past annual budgets, the full amounts needed to finance the future liabilities arising from workers' compensation and healthcare claims (\$46.9 million); Civilian and Police and Fire net pension liabilities (\$849.7 million), and post-employment benefits (\$230.4 million). The City will include these amounts in future years' budgets as they become due.

#### Business-Type Activities

The net position of the City's business-type activities increased approximately \$72.0 million to \$418.0 million. The City generally can only use this net position to finance the continuing operation of its enterprise operations. A key element of this increase is the \$70.3 million increase in net position of the Sewer Fund.

**City of Omaha, Nebraska**  
**Management's Discussion and Analysis**  
**Year Ended December 31, 2016**



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

<b>CITY OF OMAHA</b>						
Change in Net Position						
(In millions)						
	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total Primary Government</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
Revenues:						
Program revenues:						
Charges for services	\$ 96.8	97.5	167.6	152.3	264.4	249.8
Operating grants and contributions	60.1	54.0	-	-	60.1	54.0
Capital grants and contributions	9.7	4.5	4.7	8.1	14.4	12.6
General revenues:						
Sales and use tax	152.0	150.2	-	-	152.0	150.2
Property tax	154.4	157.1	-	-	154.4	157.1
Other taxes	87.9	85.8	-	-	87.9	85.8
Unrestricted investment earnings	1.0	0.7	(0.3)	0.9	0.7	1.6
Other	-	(0.2)	2.0	2.0	(3.6)	1.8
Total revenues	<u>561.9</u>	<u>549.6</u>	<u>174.0</u>	<u>163.3</u>	<u>730.3</u>	<u>712.9</u>
Expenses:						
General government	67.0	37.6	-	-	67.0	37.6
Public safety	248.3	239.3	-	-	248.3	239.3
Transportation services	77.2	75.2	-	-	77.2	75.2
Other public services	25.7	23.7	-	-	25.7	23.7
Community development	36.2	36.3	-	-	36.2	36.3
Culture and parks	55.0	53.3	-	-	55.0	53.3
Interest on long-term debt	30.3	31.3	-	-	30.3	31.3
Convention Center Hotel	-	-	14.8	16.4	14.8	16.4
Parking	-	-	7.7	7.5	7.7	7.5
Sewage treatment	-	-	75.0	64.0	75.0	64.0
Other	-	-	5.3	5.2	5.3	5.2
Total expenses	<u>539.7</u>	<u>496.7</u>	<u>102.8</u>	<u>93.1</u>	<u>642.5</u>	<u>589.8</u>
Increase in net position before transfers	22.2	52.9	71.2	70.2	93.4	123.1
Transfers	(0.8)	0.1	0.8	(0.1)	-	-
Increase in net position	21.4	53.0	72.0	70.1	93.4	123.1
Net position(deficit) at beginning of year	(531.1)	(584.1)	346.0	275.9	(185.1)	(308.2)
Net position (deficit) at end of year	<u>\$ (509.7)</u>	<u>(531.1)</u>	<u>418.0</u>	<u>346.0</u>	<u>(91.7)</u>	<u>(185.1)</u>

**Governmental Activities**

The City's total revenues from governmental activities were \$561.9 million for the fiscal year ended December 31, 2016. Property tax is the largest source of revenue for the City in 2016 at \$154.4 million. Property tax revenues decreased \$2.7 million (1.7%) during 2016. This reduction is primarily due to a \$3 million reduction in Tax Increment Finance revenues in 2016 when compared in 2015. The City property tax rate was 48.922 cents per \$100 of assessed value for both 2016 and 2015. The 2016 property tax valuations increased by 3.5% when compared with the valuations from 2015.

# City of Omaha, Nebraska

## Management's Discussion and Analysis

### Year Ended December 31, 2016



The City's expenses for governmental activities cover a wide range of services, with 46.0% or \$248.3 million related to public safety and 14.3 % or \$77.2 million related to transportation services for fiscal year 2016. In total, the 2016 expenses for governmental activities increased by 8.7% or \$43.0 million. This increase can largely be attributed to general government expenses, which increased \$29.4 million from 2015.

#### Business-Type Activities

The net position of the City's business-type activities increased by \$72.0 million. The change of net position by the major enterprise funds and the other nonmajor enterprise funds is presented as follows:

<u>Fund</u>	<u>Amount</u>
	(In millions)
Convention Center Hotel	\$ (1.5)
Parking facilities	1.8
Sewer revenue	70.3
Other nonmajor enterprise funds	1.4
	<u>\$ 72.0</u>

The Convention Center Hotel Fund began operations in April 2004. The City believes that future operations of the Hotel will eliminate this deficit. Annual appropriations from the City will subsidize any debt service shortfall. In October 2011, construction was completed on a 150-room expansion project bringing the hotel's total inventory to 600 guestrooms. The expansion project also included a refresh of existing rooms and the addition of another ballroom.

The Parking Facilities Fund was established as a tool to manage the City's eight parking structures and various surface lots throughout the City. Lease-purchase debt has been issued to finance the construction of the parking structures. All operating activities of the Parking Facility Fund have been consolidated within Public Works. The completion of a comprehensive parking-fee resulted in hourly rate increases in many areas and longer hours of enforcement. Operating revenues have increased \$5.2 million since 2012.

In May 2009, the City Council enacted an ordinance increasing sewer use fees by twenty to thirty percent annually beginning in 2012 through 2018. This action provides funding for the sewer system's capital improvements.

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

#### Financial Analysis of the Government's Funds

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

#### Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In

# City of Omaha, Nebraska

## Management's Discussion and Analysis

### Year Ended December 31, 2016



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

For the fiscal year ended December 31, 2016, the governmental funds reported combined ending fund balances of \$175.2 million, an increase of \$15.4 million in comparison with the prior year. An increase in fund balance in the amount of \$3.1 million for the General Fund, \$3.1 million for the Debt Service Fund, and \$9.1 million for the nonmajor governmental funds accounted for this overall fund balance increase.

Approximately 49.4% or \$86.7 million of the combined fund balance constitutes committed/assigned/unassigned fund balance, which generally is available for spending at the City's discretion. The remainder of the fund balance is restricted to indicate that it is not available for new spending, because it has already been restricted for:

- debt service payments (\$32.8 million)
- public safety (\$2.0 million)
- community development (\$2.7 million)
- culture and parks (\$8.9 million)
- general government (\$10.6 million)
- transportation and street systems (\$26.0 million)

The general fund is the City's chief operating fund. The general fund's assigned/unassigned fund balance at December 31, 2016 is \$74.8 million, while the total fund balance is \$78.2 million. As a measure of the general fund's liquidity, it may be useful to compare both the assigned/unassigned fund balance and the total fund balance to total fund expenditures. The assigned/unassigned fund balance represents 21.5% of the total fund balance to total fund expenditures, whereas the total fund balance represents 22.5% of that same amount. The fund balance of the general fund increased by \$3.1 million in fiscal year 2016.

Another major governmental fund is the Debt Service Fund. The Debt Service Fund has a total fund balance of \$23.0 million, all of which will be used either for payment of debt service on the City's general obligation debt or for payment of debt issuance costs. The Debt Service Fund increased by \$3.1 million for fiscal year 2016.

#### General Fund Budgetary Highlights

December 31, 2016

(In millions)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
Revenues:			
Taxes	\$ 297.7	297.7	297.4
Charges for services	23.3	23.3	23.8
Other	28.9	28.9	28.7
Total	<u>349.9</u>	<u>349.9</u>	<u>349.9</u>
Expenditures, lapsed encumbrances, and transfers	<u>358.9</u>	<u>358.9</u>	<u>354.0</u>
Changes in fund balance	<u>\$ (9.0)</u>	<u>(9.0)</u>	<u>(4.1)</u>

# **City of Omaha, Nebraska**

## **Management's Discussion and Analysis**

### **Year Ended December 31, 2016**



There are three types of budget transfers, each requiring a successive level of authority. First, the Mayor may, at any time, transfer an unencumbered appropriation balance or portion thereof between appropriations of the same division. Second, transfers between divisions in the same department may be authorized by resolution of the City Council. Third, transfers between departments/agencies may be authorized by ordinance of the City Council. At the end of the year, the City Council passed a budget amendment to transfer \$5.75 million from the General Fund, \$0.25 million to the Cash Reserve Fund, \$0.25 million to the Contingent Liability Fund, \$0.25 million to the City Capital Improvement Fund, and \$5.00 million to the City Street Maintenance Fund.

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

- Property tax revenue was \$2.4 million below budget.
- Motor vehicle tax revenue was \$2.2 million above budget.
- Sales tax revenue was \$1.8 million above budget.
- Utility occupation taxes were \$3.2 million below budget.
- Hotel/Motel occupation taxes were \$0.7 million below budget.
- Restaurant tax revenue was \$2.2 million above budget.
- In lieu taxes were \$0.9 million below budget.
- The Mayor's Office, City Council, City Clerk, Law, Human Resources, Human Rights and Relations, Finance, Planning, Parks, Public Works, and the Library were collectively \$3.5 million under budget.
- The Police Department was \$3.5 million under budget.
- The Fire Department was \$0.8 million under budget.
- Retiree Benefits and Other Budgetary Accounts were \$2.8 million over budget.
- Lapsed encumbrances were \$10.0 million due to the closing of wage adjustment encumbrances.

### **Proprietary Funds**

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

Net position of the Convention Center Hotel Fund, Parking Facilities Fund, Sewer Revenue Fund, and other enterprise funds amounted to \$(51.4) million, \$(3.3) million, \$479.6 million, and \$(6.9) million, respectively, at December 31, 2016. Additional discussion concerning the finances of these funds has already been addressed in the discussion of the City's business-type activities.

### **Capital Asset and Debt Administration**

#### ***Capital Assets***

The City's investment in capital assets for its governmental and business-type activities as of December 31, 2016, is approximately \$2.2 billion (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, streets, bridges, storm sewers, sanitary sewers, event facilities, and wastewater treatment plants. The total change in the City's investment in capital assets for the current year was a net increase of 4.6% (an increase of 2% for governmental activities and an increase of 8% for business-type activities).

# City of Omaha, Nebraska

## Management's Discussion and Analysis

### Year Ended December 31, 2016



	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
	(In millions)					
Land	\$ 143.2	140.8	5.2	5.2	148.3	146.0
Cultural assets	5.9	5.9	0.7	0.7	6.6	6.6
Construction in progress	32.6	28.1	80.4	203.5	113.0	231.6
Buildings	319.4	324.9	100.7	104.0	420.1	428.9
Machinery and equipment	31.8	25.5	4.4	4.2	36.1	29.7
Furniture and fixtures	-	-	0.5	2.0	0.5	2.0
Infrastructure	652.3	637.0	812.3	611.0	1,464.6	1,248.0
Total	\$ 1,185.0	1,162.2	1,004.2	930.6	2,189.2	2,092.8

Major capital asset events during 2016 included the following:

- Construction continued on the City's sewer system including the Combined Sewer Overflow Program with capital outlays of \$101.6 million
- Construction in progress citywide totaled \$113.0 million.
- Annual citywide depreciation expense for governmental activities totaled \$47.5 million.
- Keystone trail improvements totaled \$1.9 million.
- Construction costs for the Southwest Police Precinct totaled \$7.9 million.
- Public improvements at 180<sup>th</sup> & Pacific and 192<sup>nd</sup> & Pacific totaled \$1.3 million.
- Hell Creek Rehab at Westwood landing totaled \$2.85 million

Additional information on the City's capital assets can be found in note 11 to the financial statements on pages 93 through 95 of this report.

#### ***Long-Term Debt***

At December 31, 2016, the City had total long-term debt outstanding of \$1.3 billion. Of this amount, \$494.5 million is general obligation debt backed by the full faith and credit of the City; \$528.6 million of revenue bonds secured solely by specified revenue sources; \$67.1 million of special obligation bonds backed by a variety of revenue sources, including sales tax and property tax; \$29.6 million of special tax revenue bonds backed by a redevelopment property tax levy; \$136.0 million of lease purchase bonds backed by annual General Fund appropriations; and \$64.8 million of notes payable backed by a variety of revenue sources.

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
	(In millions)					
General obligation bonds	\$ 494.5	503.7	-	-	494.5	503.7
Revenue bonds	1.1	1.2	527.5	544.7	528.6	545.9
Special obligation bonds	52.4	53.9	14.7	15.0	67.1	68.9
Special tax revenue bonds	29.6	32.5	-	-	29.6	32.5
Lease purchase bonds	110.0	104.7	26.0	28.3	136.0	133.0
Notes payable	1.5	2.0	63.3	59.0	64.8	61.0
Total	\$ 689.1	698.0	631.5	647.0	1,320.6	1,345.0

# City of Omaha, Nebraska

## Management's Discussion and Analysis

### Year Ended December 31, 2016



During 2016, the City's total debt decreased by \$24.4 million (1.8%). In 2016, the City issued \$4.9 million for the Sewer Fund's capital improvement projects, \$32.6 million for governmental activities projects, and assumed \$13.7 million through annexations. In 2016, the City retired \$70.8 million of outstanding debt. These actions account for the decrease in outstanding debt.

At December 31, 2016, the City maintained an AA+ rating from Standard & Poor's Corporation and an Aa2 rating from Moody's Investors Service on general obligation bonds.

Under the City's Home Rule Charter, the total amount of general obligation indebtedness outstanding at any time shall not exceed 3.5% of the actual value of taxable real and personal property in the City. The legal debt margin as of December 31, 2016, is \$638.9 million.

Additional information on the City's long-term debt can be found in notes 7 and 8 to the financial statements on pages 63 through 74 of this report.

#### **Economic Factors and Next Year's Budget and Rates**

- Revenue
  - Sales tax continues to increase at a steady pace. The City continues to remain cautiously optimistic regarding sales tax growth. LB775 and LB312 refunds remain somewhat unpredictable and are projected to remain at their recent higher levels. Refunds are budgeted at \$10 million in 2017. Even with the refunds, net sales tax receipts are projected at \$155.9 million which is a 3.1% increase over what was received on a budgetary basis in 2016 and a 4.3% increase over the 2016 budget. Sales tax continues to be the largest revenue source for the general fund at 43% of revenues on a budgetary basis.
  - Property tax valuations increased due to annexations and a new ruling from the State of Nebraska Tax Equalization and Review Commission which adjusted home values in Douglas County. The property tax levy in total was reduced by one cent. Property tax is a large revenue source and accounts for approximately 23% of General Fund revenues on a budgetary basis.
  - The restaurant tax continues to perform well. Restaurant tax is projected at \$31.1 million in 2017, an estimated increase of 6.3% over the 2016 budget.
  - Net General Fund revenue increased by 3.1% in the 2017 budget.
- Expenditures
  - *Labor Costs:* A majority of the City of Omaha's General Fund is allocated for labor costs, most of which are under contract. Currently all groups have a labor contract negotiated with the exception being Police Sworn. The City of Omaha budgeted \$6,734,887 in the wage adjustment account for the 2017 budget from the General fund. Wage increases for 2017 are budgeted at 2% for Civilian groups and 3% for Fire Sworn.

**City of Omaha, Nebraska**  
**Management's Discussion and Analysis**  
**Year Ended December 31, 2016**



- *Combined Sewer Overflow Program (CSO):*
  - The final plan was submitted in October 2009 and approved in February 2010 to deal with this federal mandate. The original completion date was scheduled for October 2024, but due to the floods of 2011, the completion date has been extended to October 2027.
  - The costs are estimated at approximately \$2 billion (current dollars) over 15-20 years.
  - Annual Sewer Fee rate increases through 2018 have been adopted.
  - This is the largest Public Works project in the history of the State of Nebraska.
  - The City continually monitors the progress of the project in the hopes of project scope reductions based on current results.

During 2016, the assigned/unassigned fund balance in the general fund was \$74.8 million. The City appropriated \$11.1 million of this amount for spending in the 2018 fiscal year. This 2018 appropriation represents the 2016 budget balance carried forward. The 2016 budget balance carried forward in the amount of \$11.1 million will be appropriated for spending in 2018. The City Charter requires that the general fund budget balance, as of the close of any particular fiscal year, be applied as general fund revenue in the budget for the fiscal year two years subsequent to that fiscal year.

**Requests for Information**

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



**City of Omaha, Nebraska**  
**Statement of Net Position**  
**December 31, 2016**



Assets and Deferred Outflows of Resources	Primary Government			Aggregate Discretely Presented Component Units
	Governmental Activities	Business-type Activities	Total	
<b>Assets:</b>				
Cash and pooled investments	\$ 60,063,168	1,614,508	61,677,676	13,339,390
Investments	95,498,120	83,022,880	178,521,000	21,257,193
Receivables (net of allowance for uncollectibles)	169,127,912	5,331,811	174,459,723	8,145,756
Due from other governments	43,229,948	10,753,329	53,983,277	428,659
Internal balances	(9,000,000)	9,000,000	-	-
Accrued interest	290,278	317,382	607,660	-
Inventories	2,148,334	735,858	2,884,192	-
Other assets	509,271	518,157	1,027,428	1,988,184
Restricted assets:				
Investments	-	29,056,175	29,056,175	-
Funds with trustee	5,166,221	23,000,587	28,166,808	-
Capital assets:				
Nondepreciable	181,567,459	86,304,462	267,871,921	30,451
Depreciable	1,003,401,804	917,876,284	1,921,278,088	20,219,713
Total assets	<u>1,552,002,515</u>	<u>1,167,531,433</u>	<u>2,719,533,948</u>	<u>65,409,346</u>
<b>Deferred outflows of resources:</b>				
Deferred outflows of resources related to pensions	29,898,473	1,038,958	30,937,431	-
Loss on refunding of bonds	32,131,821	3,201,610	35,333,431	-
Total deferred outflows of resources	<u>62,030,294</u>	<u>4,240,568</u>	<u>66,270,862</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 1,614,032,809</u>	<u>1,171,772,001</u>	<u>2,785,804,810</u>	<u>65,409,346</u>
<b>Liabilities, Deferred Inflows of Resources, and Net Position</b>				
<b>Liabilities:</b>				
Accounts payable and other	\$ 39,595,893	19,432,248	59,028,141	22,626,496
Accrued interest payable	5,650,646	5,557,386	11,208,032	-
Due to other governments	1,724,993	-	1,724,993	-
Unearned revenue	5,651,667	3,400	5,655,067	-
Long-term liabilities:				
Due within one year	74,200,893	19,911,945	94,112,838	605,701
Due in more than one year	1,891,629,622	689,652,863	2,581,282,485	6,049,988
Total liabilities	<u>2,018,453,714</u>	<u>734,557,842</u>	<u>2,753,011,556</u>	<u>29,282,185</u>
<b>Deferred inflows of resources:</b>				
Deferred inflows of resources related to pensions	104,464,175	18,593,703	123,057,878	-
Gain on refunding of bonds	803,029	605,852	1,408,881	-
Total deferred inflows of resources	<u>105,267,204</u>	<u>19,199,555</u>	<u>124,466,759</u>	<u>-</u>
<b>Net position:</b>				
Net investment in capital assets	470,579,928	333,533,772	804,113,700	19,242,411
Restricted for:				
Debt service	93,181,666	52,056,762	145,238,428	-
Other	42,769,226	-	42,769,226	-
Perpetual care:				
Expendable	26,915	-	26,915	-
Nonexpendable	2,775,389	-	2,775,389	-
Unrestricted (deficit)	<u>(1,119,021,233)</u>	<u>32,424,070</u>	<u>(1,086,597,163)</u>	<u>16,884,750</u>
Total net position (deficit)	<u>(509,688,109)</u>	<u>418,014,604</u>	<u>(91,673,505)</u>	<u>36,127,161</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 1,614,032,809</u>	<u>1,171,772,001</u>	<u>2,785,804,810</u>	<u>65,409,346</u>

**City of Omaha, Nebraska**  
**Statement of Activities**  
**Year Ended December 31, 2016**



		<b>Program Revenues</b>		
	<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>
<b>Functions/programs:</b>				
Primary government:				
Governmental activities:				
General government	\$ 66,987,340	11,890,445	116,535	-
Public safety	248,325,486	20,657,273	6,081,212	-
Transportation services	77,240,101	22,733,310	39,991,269	9,738,439
Other public services	25,729,596	5,226,734	3,252,778	-
Community development	36,194,467	25,000,358	10,696,980	-
Culture and parks	55,025,221	11,329,924	-	-
Interest on long-term debt	30,308,366	-	-	-
Total governmental activities	539,810,577	96,838,044	60,138,774	9,738,439
Business-type activities:				
Convention Center Hotel	14,759,515	12,467,698	-	-
Parking	7,700,792	9,504,523	-	-
Sewer	74,982,801	138,903,852	-	4,717,071
Citywide Sports	394,932	425,305	-	-
Marinas	(126,656)	551,491	-	-
Tennis operations	181,245	258,269	-	-
Golf operations and concessions	3,906,993	4,232,829	-	-
Air quality	511,611	769,731	-	-
Printing and graphics	424,978	405,423	-	-
River Front Plaza and Marina	45,075	36,121	-	-
Total business-type activities	102,781,286	167,555,242	-	4,717,071
Total primary government	\$ 642,591,863	264,393,286	60,138,774	14,455,510
Component units:				
MECA	\$ 41,475,184	37,078,893	5,860,783	-
Heartland Workforce Solutions	3,231,638	189,413	3,167,517	-
Total component units	\$ 44,706,822	37,268,306	9,028,300	-
General revenues:				
Property taxes				
Motor vehicle taxes				
Sales and use taxes				
Business taxes				
Payments in lieu of taxes				
Unrestricted investment earnings				
Miscellaneous				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position (deficit), beginning				
Net position (deficit), ending				

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

<b>Primary Government</b>			<b>Aggregate Discretely Presented Component Units</b>
<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	
(54,980,360)	-	(54,980,360)	-
(221,587,001)	-	(221,587,001)	-
(4,777,083)	-	(4,777,083)	-
(17,250,084)	-	(17,250,084)	-
(497,129)	-	(497,129)	-
(43,695,297)	-	(43,695,297)	-
(30,308,366)	-	(30,308,366)	-
(373,095,320)	-	(373,095,320)	-
-	(2,291,817)	(2,291,817)	-
-	1,803,731	1,803,731	-
-	68,638,122	68,638,122	-
-	30,373	30,373	-
-	678,147	678,147	-
-	77,024	77,024	-
-	325,836	325,836	-
-	258,120	258,120	-
-	(19,555)	(19,555)	-
-	(8,954)	(8,954)	-
-	69,491,027	69,491,027	-
(373,095,320)	69,491,027	(303,604,293)	-
-	-	-	1,464,492
-	-	-	125,292
-	-	-	1,589,784
\$ 154,385,627	-	154,385,627	-
12,187,075	-	12,187,075	-
151,997,330	-	151,997,330	-
71,443,516	-	71,443,516	-
4,298,870	-	4,298,870	-
1,009,212	(291,088)	718,124	172,309
-	1,948,700	1,948,700	-
(806,627)	806,627	-	-
394,515,003	2,464,239	396,979,242	172,309
21,419,683	71,955,266	93,374,949	1,762,093
(531,107,792)	346,059,338	(185,048,454)	34,365,068
\$ (509,688,109)	418,014,604	(91,673,505)	36,127,161

**City of Omaha, Nebraska**  
**Balance Sheet – Governmental Funds**  
**December 31, 2016**



Assets	General Fund	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
Cash and pooled investments	\$ 2,623,954	20,211,157	37,228,057	60,063,168
Investments	91,260,297	-	4,237,823	95,498,120
Receivables (net of allowance for uncollectibles)	93,162,119	60,287,723	15,678,070	169,127,912
Due from other governments	31,036,034	282,628	11,911,286	43,229,948
Due from other funds	-	-	42,791,000	42,791,000
Accrued interest	251,895	-	38,383	290,278
Inventories	2,148,334	-	-	2,148,334
Other assets	10,372	-	498,899	509,271
Restricted assets:				
Funds with trustee	-	-	5,166,221	5,166,221
Total assets	\$ 220,493,005	80,781,508	117,549,739	418,824,252
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>				
Liabilities:				
Accounts payable and other	\$ 25,372,260	530,629	13,693,004	39,595,893
Due to other governments	1,722,258	-	2,735	1,724,993
Due to other funds	41,200,000	-	10,591,000	51,791,000
Unearned revenue	59,952	2,847,635	2,744,080	5,651,667
Total liabilities	68,354,470	3,378,264	27,030,819	98,763,553
Deferred inflows of resources:				
Unavailable revenue	73,889,110	54,368,525	16,594,037	144,851,672
Fund balances (deficits):				
Nonspendable	2,158,706	-	3,274,288	5,432,994
Restricted	1,322,528	23,034,719	58,694,273	83,051,520
Committed	-	-	15,633,667	15,633,667
Assigned	9,479,584	-	3,367,929	12,847,513
Unassigned	65,288,607	-	(7,045,274)	58,243,333
Total fund balances	78,249,425	23,034,719	73,924,883	175,209,027
Total liabilities, deferred inflows of resources, and fund balances	\$ 220,493,005	80,781,508	117,549,739	

Amounts reported for governmental activities in the statement of net position  
are different because:

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds	1,184,969,263
Deferred outflows and inflows of resources relating to the refunding of long-term debt and deferred outflows and inflows of resources related to pensions are not current financial resources and, therefore, are not reported in the funds	(43,236,910)
Revenues earned during the current period are not available as resources and, therefore, are recorded as unavailable revenue in the funds	144,851,672
Long-term liabilities, including bonds payable and net pension liabilities, are not due and payable in the current period and, therefore, are not reported in the funds (see note 5)	(1,971,481,161)
Net position of governmental activities	\$ (509,688,109)

**City of Omaha, Nebraska**  
**Statement of Revenues, Expenditures, and Changes**  
**in Fund Balances – Governmental Funds**  
**Year Ended December 31, 2016**



	<b>General Fund</b>	<b>Debt Service Fund</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Revenues:</b>				
<b>Taxes:</b>				
Property	\$ 82,119,480	62,842,583	10,005,800	154,967,863
Motor vehicle	12,187,075	-	-	12,187,075
City sales and use	151,997,330	-	-	151,997,330
Business	70,595,010	-	844,109	71,439,119
In lieu	4,100,465	178,839	19,566	4,298,870
Licenses and permits	9,600,964	-	2,120,371	11,721,335
Intergovernmental	-	2,424,344	46,380,459	48,804,803
Investment income	909,643	25,587	73,982	1,009,212
Revenue from Keno	639,546	-	7,155,276	7,794,822
Charges for services	23,805,498	1,346,293	31,148,510	56,300,301
Rents, royalties, and other	670,657	-	1,339,731	2,010,388
Contributions and grants	49,603	2,698,327	33,112,708	35,860,638
<b>Total revenues</b>	<b>356,675,271</b>	<b>69,515,973</b>	<b>132,200,512</b>	<b>558,391,756</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	39,998,460	1,300,086	6,568,863	47,867,409
Public safety	233,995,343	-	6,686,072	240,681,415
Transportation services	2,297,604	-	59,077,153	61,374,757
Other public services	18,660,538	-	2,863,456	21,523,994
Community development	13,495,286	-	17,633,422	31,128,708
Culture and parks	31,230,192	-	8,345,075	39,575,267
<b>Debt service:</b>				
Principal	4,052,327	46,295,000	4,834,790	55,182,117
Interest	2,125,316	22,043,821	6,499,971	30,669,108
Bond issuance costs	353,803	324,282	68,719	746,804
Capital outlay	869,579	-	51,224,553	52,094,132
<b>Total expenditures</b>	<b>347,078,448</b>	<b>69,963,189</b>	<b>163,802,074</b>	<b>580,843,711</b>
Excess (deficiency) of revenues over (under) expenditures	9,596,823	(447,216)	(31,601,562)	(22,451,955)
<b>Other financing sources (uses):</b>				
Transfers in	426,665	-	9,264,752	9,691,417
Transfers out	(7,004,323)	(57,466)	(3,436,255)	(10,498,044)
Issuance of debt	-	-	32,565,000	32,565,000
Issuance of refunding debt	54,925,000	18,370,000	-	73,295,000
Premium on debt issued	8,485,823	1,508,433	2,109,198	12,103,454
Payment to escrow agent	(63,285,738)	(17,165,382)	-	(80,451,120)
Sale of capital assets	-	908,625	220,895	1,129,520
<b>Total other financing sources (uses)</b>	<b>(6,452,573)</b>	<b>3,564,210</b>	<b>40,723,590</b>	<b>37,835,227</b>
<b>Net change in fund balances</b>	<b>3,144,250</b>	<b>3,116,994</b>	<b>9,122,028</b>	<b>15,383,272</b>
Fund balances, beginning	75,105,175	19,917,725	64,802,855	159,825,755
Fund balances, ending	\$ <b>78,249,425</b>	<b>23,034,719</b>	<b>73,924,883</b>	<b>175,209,027</b>

**City of Omaha, Nebraska**  
**Reconciliation of the Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances – Governmental Funds**  
**to the Statement of Activities for Governmental Activities**  
**Year Ended December 31, 2016**



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

Net change in fund balances – total governmental funds	\$ 15,383,272
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period (see note 5).	4,552,668
The net effect of capital contribution transactions and the sale of capital assets increased net position.	18,251,832
Changes in the net pension liability and deferred outflows and inflows of resources related to the net pension liability do not represent financial activity in the governmental funds.	11,225,936
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This amount represents the change in revenues in fund statements previously recognized in the statement of activities.	(3,561,542)
The issuance of long-term debt (e.g., bonds, leases, etc.) and long-term liabilities provide current financial resources to governmental funds, whereas the repayment of the principal of long-term liabilities consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of the premiums and discounts, when debt is first issued, whereas these amounts are capitalized and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term liabilities and related items (see note 5).	(295,323)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds (see note 5).	(24,137,160)
Change in net position - governmental activities	\$ <u><u>21,419,683</u></u>

# City of Omaha, Nebraska

## Statement of Net Position - Proprietary Funds December 31, 2016



Assets and Deferred Outflows of Resources	Convention Center Hotel Fund	Parking Facilities Fund	Sewer Revenue Fund	Nonmajor Enterprise Funds	Total Proprietary Funds
<b>Assets:</b>					
Current assets:					
Cash and cash equivalents	\$ 16,832	234,535	442,851	920,290	1,614,508
Investments	-	-	83,022,880	-	83,022,880
Receivables (net of allowance)	330,159	391,993	4,532,189	77,470	5,331,811
Due from other governments	-	-	10,753,329	-	10,753,329
Due from other funds	-	2,000,000	7,000,000	1,665,000	10,665,000
Accrued interest receivable	137	-	317,245	-	317,382
Inventories	-	-	730,711	5,147	735,858
Restricted assets:					
Funds with trustee	9,853,697	-	-	-	9,853,697
Total current assets	10,200,825	2,626,528	106,799,205	2,667,907	122,294,465
Noncurrent assets:					
Restricted assets:					
Investments	-	-	29,056,175	-	29,056,175
Funds with trustee	13,146,890	-	-	-	13,146,890
Advanced charges	518,157	-	-	-	518,157
Capital assets:					
Land	-	2,473,344	2,721,046	-	5,194,390
Cultural assets	735,978	-	-	-	735,978
Construction in progress	-	455,249	79,918,845	-	80,374,094
Infrastructure	-	-	1,207,103,936	-	1,207,103,936
Buildings and systems	91,868,617	61,840,416	55,482,971	9,616,705	218,808,709
Machinery and equipment	4,419,994	91,253	12,936,804	2,226,494	19,674,545
Furniture and fixtures	15,418,255	-	-	-	15,418,255
	112,442,844	64,860,262	1,358,163,602	11,843,199	1,547,309,907
Less accumulated depreciation	(46,058,082)	(42,802,387)	(446,270,231)	(7,998,461)	(543,129,161)
Capital assets, net	66,384,762	22,057,875	911,893,371	3,844,738	1,004,180,746
Total noncurrent assets	80,049,809	22,057,875	940,949,546	3,844,738	1,046,901,968
Total assets	90,250,634	24,684,403	1,047,748,751	6,512,645	1,169,196,433
<b>Deferred outflows of resources:</b>					
Deferred outflows related to pensions	-	22,720	897,578	118,660	1,038,958
Loss on refunding of bonds	2,900,712	164,783	136,115	-	3,201,610
Total deferred outflows of resources	2,900,712	187,503	1,033,693	118,660	4,240,568
Total assets and deferred outflows of resources	\$ 93,151,346	24,871,906	1,048,782,444	6,631,305	1,173,437,001

# City of Omaha, Nebraska

## Statement of Net Position - Proprietary Funds (Continued)

December 31, 2016



Liabilities, Deferred Inflows of Resources, and Net Position	Convention Center Hotel Fund	Parking Facilities Fund	Sewer Revenue Fund	Nonmajor Enterprise Funds	Total Proprietary Funds
<b>Liabilities:</b>					
<b>Current liabilities:</b>					
Accounts payable and other current liabilities	\$ 702,256	303,971	18,233,004	193,017	19,432,248
Accrued interest payable	3,055,239	404,021	2,098,126	-	5,557,386
Unearned revenue	-	-	-	3,400	3,400
Due to other funds	-	-	-	1,665,000	1,665,000
Current installments of long-term debt	2,650,000	2,350,000	14,235,237	-	19,235,237
Workers' compensation and healthcare claims	-	8,310	448,958	85,057	542,325
Compensated absences	-	2,545	108,317	23,521	134,383
Total current liabilities	6,407,495	3,068,847	35,123,642	1,969,995	46,569,979
<b>Noncurrent liabilities:</b>					
Long-term debt, excluding current installments	138,097,309	23,794,762	476,012,610	-	637,904,681
Net pension liability	-	520,621	28,127,631	5,329,043	33,977,295
Postretirement benefit obligation	-	208,436	11,261,255	2,133,539	13,603,230
Workers' compensation and healthcare claims	-	33,579	1,814,156	343,707	2,191,442
Compensated absences	-	37,423	1,592,884	345,908	1,976,215
Total noncurrent liabilities	138,097,309	24,594,821	518,808,536	8,152,197	689,652,863
Total liabilities	144,504,804	27,663,668	553,932,178	10,122,192	736,222,842
<b>Deferred inflows of resources:</b>					
Deferred inflows related to pensions	-	515,122	14,623,149	3,455,432	18,593,703
Gain of refunding of bonds	-	12,620	593,232	-	605,852
Total deferred inflows of resources	-	527,742	15,216,381	3,455,432	19,199,555
<b>Net position:</b>					
Net investment in capital assets (deficit)	(71,461,835)	(4,107,400)	405,258,269	3,844,738	333,533,772
Restricted for debt service	23,000,587	-	29,056,175	-	52,056,762
Unrestricted	(2,892,210)	787,896	45,319,441	(10,791,057)	32,424,070
Total net position (deficit)	(51,353,458)	(3,319,504)	479,633,885	(6,946,319)	418,014,604
 Total liabilities, deferred inflows of resources, and net position	 \$ 93,151,346	 24,871,906	 1,048,782,444	 6,631,305	 1,173,437,001



**City of Omaha, Nebraska**  
**Statement of Revenues, Expenses, and Changes in Net Position -**  
**Proprietary Funds**  
**Year Ended December 31, 2016**



	Convention Center Hotel Fund	Parking Facilities Fund	Sewer Revenue Fund	Nonmajor Enterprise Funds	Total Proprietary Funds
Operating revenues:					
Charges for services	\$ 12,467,698	9,504,523	138,903,852	6,679,169	167,555,242
Total operating revenues	12,467,698	9,504,523	138,903,852	6,679,169	167,555,242
Operating expenses:					
Personal services	-	219,432	12,870,393	3,335,655	16,425,480
Employer pension expense reduction	-	(184,167)	(4,035,997)	(998,617)	(5,218,781)
Outside services	517,276	2,745,640	13,160,381	1,092,256	17,515,553
Operation and maintenance	2,461,334	1,050,833	12,712,658	1,156,332	17,381,157
Cost of sales and services	-	-	-	365,558	365,558
Depreciation and amortization	4,369,729	2,425,278	28,091,098	386,994	35,273,099
Total operating expenses	7,348,339	6,257,016	62,798,533	5,338,178	81,742,066
Operating income	5,119,359	3,247,507	76,105,319	1,340,991	85,813,176
Nonoperating revenues (expenses):					
Investment income (loss)	(14,322)	673	(277,439)	-	(291,088)
Interest expense	(7,411,176)	(1,443,776)	(12,184,268)	-	(21,039,220)
Interest subsidy	797,969	-	1,150,731	-	1,948,700
Total nonoperating expenses	(6,627,529)	(1,443,103)	(11,310,976)	-	(19,381,608)
Net income (loss) before contributions and transfers	(1,508,170)	1,804,404	64,794,343	1,340,991	66,431,568
Transfers in	-	-	838,621	47,006	885,627
Transfers out	-	-	(50,000)	(29,000)	(79,000)
Contributed capital	-	-	4,717,071	-	4,717,071
Change in net position	(1,508,170)	1,804,404	70,300,035	1,358,997	71,955,266
Net position (deficit), beginning	(49,845,288)	(5,123,908)	409,333,850	(8,305,316)	346,059,338
Net position (deficit), ending	\$ (51,353,458)	(3,319,504)	479,633,885	(6,946,319)	418,014,604

**City of Omaha, Nebraska**  
**Statement of Cash Flows -**  
**Proprietary Funds**  
**Year Ended December 31, 2016**



	<b>Convention Center Hotel Fund</b>	<b>Parking Facilities Fund</b>	<b>Sewer Revenue Fund</b>	<b>Nonmajor Enterprise Funds</b>	<b>Total Proprietary Funds</b>
Cash flows from operating activities:					
Receipts from customers	\$ 12,467,698	9,415,152	137,000,581	6,652,724	165,536,155
Payments to suppliers	(3,056,183)	(3,827,679)	(25,046,778)	(2,554,738)	(34,485,378)
Payments to employees	-	(231,048)	(13,737,202)	(3,769,551)	(17,737,801)
Net cash provided by operating activities	<u>9,411,515</u>	<u>5,356,425</u>	<u>98,216,601</u>	<u>328,435</u>	<u>113,312,976</u>
Cash flows from noncapital financing activities:					
Transfers in	-	-	788,621	18,006	806,627
Advances to (from) other funds	-	(2,000,000)	41,760,000	-	39,760,000
Net cash provided by (used in) noncapital financing activities	<u>-</u>	<u>(2,000,000)</u>	<u>42,548,621</u>	<u>18,006</u>	<u>40,566,627</u>
Cash flows from capital and related financing activities:					
Capital expenditures	(117,656)	(471,479)	(101,636,114)	(412,635)	(102,637,884)
Payments on long-term debt	(2,410,000)	(5,250,000)	(54,381,815)	-	(62,041,815)
Issuance of long-term debt	-	3,015,000	43,547,076	-	46,562,076
Interest subsidy receipts	801,959	-	1,176,222	-	1,978,181
Interest paid	(7,395,983)	(1,357,498)	(8,370,119)	-	(17,123,600)
Net cash used in capital and related financing activities	<u>(9,121,680)</u>	<u>(4,063,977)</u>	<u>(119,664,750)</u>	<u>(412,635)</u>	<u>(133,263,042)</u>
Cash flows from investing activities:					
Net sale/purchases of investment securities	(261,349)	-	(31,615,625)	-	(31,876,974)
Interest received	(14,354)	673	(470,483)	-	(484,164)
Net cash provided by (used in) investing activities	<u>(275,703)</u>	<u>673</u>	<u>(32,086,108)</u>	<u>-</u>	<u>(32,361,138)</u>
Net increase (decrease) in cash and cash equivalents	<u>14,132</u>	<u>(706,879)</u>	<u>(10,985,636)</u>	<u>(66,194)</u>	<u>(11,744,577)</u>
Cash and cash equivalents, beginning	<u>2,700</u>	<u>941,414</u>	<u>11,428,487</u>	<u>986,484</u>	<u>13,359,085</u>
Cash and cash equivalents, ending	<u>\$ 16,832</u>	<u>234,535</u>	<u>442,851</u>	<u>920,290</u>	<u>1,614,508</u>

# City of Omaha, Nebraska

## Statement of Cash Flows - Proprietary Funds (Continued) Year Ended December 31, 2016



	Convention Center Hotel Fund	Parking Facilities Fund	Sewer Revenue Fund	Nonmajor Enterprise Funds	Total Proprietary Funds
Reconciliation of operating income to net cash provided by operating activities:					
Operating income	\$ 5,119,359	3,247,507	76,105,319	1,340,991	85,813,176
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation and amortization	4,369,729	2,425,278	28,091,098	386,994	35,273,099
Cash flows impacted by changes in:					
Receivables	-	(89,371)	(1,903,271)	(9,460)	(2,002,102)
Inventories	-	-	(1,585)	16,965	15,380
Advance charges	-	-	112,687	-	112,687
Deferred outflows of resources related to pensions	-	1,204	406,720	280,135	688,059
Accounts payable and other current liabilities	(77,573)	(31,206)	715,159	(1,102)	605,278
Unearned revenue	-	-	-	700	700
Workers' compensation and healthcare claims	-	(376)	70,040	1,422	71,086
Compensated absences	-	831	(78,847)	(47,830)	(125,846)
Net pension liability	-	4,449	(13,721)	(621,851)	(631,123)
Postretirement benefit obligation	-	18,780	923,401	(52,529)	889,652
Deferred inflows of resources related to pensions	-	(220,671)	(6,210,399)	(966,000)	(7,397,070)
Net cash provided by operating activities	<u>\$ 9,411,515</u>	<u>5,356,425</u>	<u>98,216,601</u>	<u>328,435</u>	<u>113,312,976</u>
Noncash capital and related financing activities					
Capital asset acquisitions included in accounts payable	\$ -	172,675	15,930,138	-	16,102,813
Contribution of capital assets	-	-	4,717,071	-	4,717,071

**City of Omaha, Nebraska**  
**Statement of Fiduciary Net Position -**  
**Fiduciary Funds**  
**December 31, 2016**



	<b>Pension Trust Funds</b>	<b>Agency Funds</b>
Assets:		
Cash and cash equivalents	\$ 2,966,370	12,444,018
Receivables:		
Contributions receivable	3,255,987	11,881
Accrued interest	761,663	575
Due from other governments	1,714	-
Due from other funds	-	3,300
Investments, at fair value:		
Government securities	13,120,644	1,198,312
Municipal issues	4,943,169	-
Corporate bonds	42,867,523	-
Bond mutual funds	60,459,556	-
Domestic equities	210,992,015	-
International equities	178,566,847	-
Domestic real estate securities	207,749,572	-
International real estate	3,456,308	-
Commodities	27,750,086	-
Private equity	58,387,016	-
Hedge funds	44,695,427	-
Cash and cash equivalents	17,251,085	-
Total assets	<u>877,224,982</u>	<u>13,658,086</u>
Liabilities:		
Accounts payable and other liabilities	1,018,255	13,654,786
Due to other funds	-	3,300
Total liabilities	<u>1,018,255</u>	<u>13,658,086</u>
Net position restricted for pensions	<u>\$ 876,206,727</u>	

**City of Omaha, Nebraska**  
**Statement of Changes in Fiduciary Net Position -**  
**Pension Trust Funds**  
**December 31, 2016**



Additions:		
Contributions:		
Employer	\$	56,015,210
Employee		<u>27,080,977</u>
Total contributions		<u>83,096,187</u>
Investment earnings:		
Dividends and interest		18,144,101
Net realized and unrealized appreciation		<u>58,154,686</u>
Total investment earnings		<u>76,298,787</u>
Less investment expenses		<u>(4,143,336)</u>
Net investment income		<u>72,155,451</u>
Total additions		<u>155,251,638</u>
Deductions:		
Benefit payments		<u>105,380,206</u>
Change in net position		<u>49,871,432</u>
Net position restricted for pensions, beginning		<u>826,335,295</u>
Net position restricted for pensions, ending	\$	<u><u>876,206,727</u></u>

**City of Omaha, Nebraska**  
**Discretely Presented Component Units**  
**Combining Statement of Net Position**  
**December 31, 2016**



<b>Assets</b>	<b>MECA</b>	<b>Heartland Workforce Solutions</b>	<b>Total</b>
Cash and pooled investments	\$ 12,819,189	520,201	13,339,390
Investments	21,257,193	-	21,257,193
Receivables (net of allowance for uncollectibles)	8,143,855	1,901	8,145,756
Due from other governments	-	428,659	428,659
Other assets	1,988,184	-	1,988,184
Capital assets:			
Nondepreciable	30,451	-	30,451
Depreciable	20,045,256	174,457	20,219,713
Total assets	\$ 64,284,128	1,125,218	65,409,346
<b>Liabilities and Net Position</b>			
Liabilities:			
Accounts payable and other liabilities	\$ 22,164,766	461,730	22,626,496
Long-term liabilities:			
Other liabilities	5,647,936	-	5,647,936
Notes payable:			
Due within one year	575,946	29,755	605,701
Due in more than one year	402,052	-	402,052
Total liabilities	28,790,700	491,485	29,282,185
Net position:			
Net investment in capital assets	19,097,709	144,702	19,242,411
Unrestricted	16,395,719	489,031	16,884,750
Total net position	35,493,428	633,733	36,127,161
Total liabilities and net position	\$ 64,284,128	1,125,218	65,409,346

**City of Omaha, Nebraska**  
**Discretely Presented Component Units**  
**Combining Statement of Activities**  
**Year Ended December 31, 2016**



	Program Revenues				Net Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	MECA	Heartland Workforce Solutions	Total
Functions/programs:							
Component units:							
MECA	\$ 41,475,184	37,078,893	5,860,783	-	1,464,492	-	1,464,492
Heartland Workforce Solutions	3,231,638	189,413	3,167,517	-	-	125,292	125,292
Total component units	<u>44,706,822</u>	<u>37,268,306</u>	<u>9,028,300</u>	<u>-</u>	<u>1,464,492</u>	<u>125,292</u>	<u>1,589,784</u>
General revenues:							
Investment earnings					172,309	-	172,309
Total general revenues					172,309	-	172,309
Change in net position					1,636,801	125,292	1,762,093
Net position, beginning					33,856,627	508,441	34,365,068
Net position, ending					<u>\$ 35,493,428</u>	<u>633,733</u>	<u>36,127,161</u>

**City of Omaha, Nebraska**  
**Notes to Basic Financial Statements**  
**December 31, 2016**



**(1) Summary of Significant Accounting Policies**

**(a) Reporting Entity**

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

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

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

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



**City of Omaha, Nebraska**  
**Notes to Basic Financial Statements**  
**December 31, 2016**



which has been determined to be 35%. Separate financial statements for ODPBC's fiscal year ended June 30, 2016 are available at 1819 Farnam Street, Omaha, Nebraska 68183.

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

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

**Metropolitan Entertainment & Convention Authority**

Metropolitan Entertainment & Convention Authority (MECA) is a separate nonprofit corporation that is responsible for the operation of the Omaha Convention Center/Arena and Downtown Stadium. Title to the facilities and all related infrastructure assets are vested with the City, while title to furniture, fixtures and equipment, leasehold improvements and other similar capital assets vest with MECA. Construction activities were principally funded by private donations and general obligation bonds of the City, and the board members of MECA are appointed by the City. The financial statements for MECA included herein are for the year ended June 30, 2016. MECA's separate financial statements are available at 1819 Farnam Street, Omaha, Nebraska 68183.

**Heartland Workforce Solutions**

Heartland Workforce Solutions (HWS) is a separate 501(c)(3) nonprofit corporation that was formed in October 2010. HWS administers the Workforce Investment Act to expand employment opportunities for youth, adults, and dislocated workers in Douglas, Sarpy, and Washington Counties in Nebraska. The organization receives the majority of its funding from the City of Omaha as pass-through federal funds. In 2015, the City of Omaha provided \$40,000 in General Fund support to HWS. In 2016, that amount of support increased to \$440,000 and will stay at that level in 2017. The Mayor of the City of Omaha is the chief elected official of the Tri-County workforce area. The Mayor appoints all board members and approves HWS's budget. The financial statements for HWS included herein are for the fiscal year ended June 30, 2016. Separate financial statements for HWS are available at 1819 Farnam Street, Omaha, Nebraska 68183.

**Related Organizations**

The City's officials are responsible for appointing members of the boards of other organizations, but the City's accountability for these organizations do not extend beyond making the appointments. The Mayor or City Council appoints board members of the Omaha

**City of Omaha, Nebraska**  
**Notes to Basic Financial Statements**  
**December 31, 2016**



Housing Authority, the Omaha Airport Authority, and the Metro Area Transit Authority. The City is not financially accountable for these organizations.

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

**(b) Basis of Presentation**

**Government-wide Financial Statements**

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

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

**Fund Financial Statements**

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

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those

**City of Omaha, Nebraska**  
**Notes to Basic Financial Statements**  
**December 31, 2016**



in which each party receives and gives up essentially equal values. Nonoperating revenues, such as investment earnings, result from nonexchange transactions, or ancillary activities.

The City reports the following major governmental funds:

- The *general fund* is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the City that are not accounted for through other funds.
- The *debt service fund* is used to account for the resources for, and the payment of, general long-term debt principal, interest, and related costs.

The City reports the following major proprietary funds:

- The *convention center hotel fund* is used to account for costs associated with the construction and operation of the Convention Center Hotel.
- The *parking facilities fund* accounts for all revenues from parking garages, surface lots, parking meters and parking violations and late fees, and the related operation, maintenance, and construction expenditures for all parking facilities.
- The *sewer revenue fund* accounts for activity from sewer service charges, construction grants, and related expenditures for operation, maintenance, and capital improvements of the sanitary sewerage system and wastewater treatment plants.

The City also reports the following additional nonmajor fund types:

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

**City of Omaha, Nebraska**  
**Notes to Basic Financial Statements**  
**December 31, 2016**



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

**(c) *Basis of Accounting***

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

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

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

**(d) *Pooled Cash and Investments***

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

**City of Omaha, Nebraska**  
**Notes to Basic Financial Statements**  
**December 31, 2016**



**(e) Cash and Cash Equivalents**

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

**(f) Investments**

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

**(g) Inventories**

Inventories of materials and supplies are stated at the lower of cost or market using the first-in, first-out method. The costs of inventories are recorded as assets when purchased and expended as used.

**(h) Revenue**

- *Property tax:* Nebraska Legislative Bill (LB) 1114 imposes a tax ceiling for general revenue purposes. The tax levy certified in any year shall not exceed \$0.45 per \$100 of actual valuation. The 2016 general tax levy (\$0.26307 per \$100 of assessed valuation) was below the legal limit by \$0.18403 or approximately \$59.3 million.
- The Home Rule Charter of the City imposes a tax ceiling for general revenue purposes. The tax levy certified in any year shall not exceed \$0.6125 per \$100 of actual valuation plus whatever tax levy is necessary to provide for principal and interest payments on the indebtedness of the City for administrative expenses incurred in issuing and maintaining bonds and for satisfaction of judgments and litigation expenses in connection therewith. The 2016 general tax levy (\$0.26307 per \$100 of assessed valuation) was below the legal limit by \$0.34943, or approximately \$110.9 million. The assessed value upon which the 2016 levy was based was \$31,724,365,620.

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

- *Motor vehicle tax:* Motor vehicle tax is imposed upon all motor vehicles registered for operation upon the highways of the State of Nebraska. This tax is imposed at the rates

**City of Omaha, Nebraska**  
**Notes to Basic Financial Statements**  
**December 31, 2016**



authorized by the State and in the manner and for the purpose specified. The Motor Vehicle Tax is assessed on a vehicle at the time of initial registration and annually thereafter until the vehicle reaches 14 years of age or more. It is based upon the Manufacturer's Suggested Retail Price of the vehicle.

- *City sales and use tax:* A tax imposed upon the sale transactions within the corporate limits of the City on which the State is authorized to impose a tax according to the provisions of the Nebraska Revenue Act of 1967. Sales tax collected by the State is remitted to the City two months after the month of sale. Unremitted sales tax is accrued as receivables/revenue by the City at year-end. The City's sales tax is 1.5% and is added to the 5.5% State sales tax set by the Nebraska Legislature. (The State Department of Revenue retains a 3% collection charge on all of the City's sales tax receipts.) This revenue pays the City's day-to-day operations.
- *Business tax:* Includes the cable television franchise fee, keno administrative fee, hotel/motel occupation tax, restaurant occupation tax, tobacco occupation tax, vehicle rental occupation tax, Omaha Public Power District occupation tax, Metropolitan Utilities District occupation tax and vending machines concessions. These fees/taxes were implemented to raise money for the City and to fund special projects.
- *Taxes in lieu:* Includes payments made by tax exempt quasi-public entities to the local government (including the City) in place of property taxes. The quasi-public entities include Metropolitan Utilities District (MUD) and Omaha Public Power District (OPPD). MUD pays 2% of the annual gross revenue derived from all retail sales of water and gas sold by the MUD within the City of Omaha. OPPD pays the amount paid in lieu of taxes in 1957 which was \$183,998. The OPPD in-lieu-of tax payment received is distributed to the General, Judgment, Debt Service, and Redevelopment Debt Service Funds in the same proportion that each respective ad valorem tax levy is in relation to the total City ad valorem tax levy.
- *License and permits:* Includes various licensing fees, permit fees, and other fees related to professional/business activities (beer and liquor permits, firearm permits, and pawnbroker's permits). A majority of these fees were implemented to raise money for the City; however, some items were implemented to regulate businesses and professionals that require a license or permit to practice.
- *Intergovernmental:* Includes federal and state grants and state tax distribution. The federal and state grants are sought by the City to help fund specific programs and projects which probably could not be fully funded or implemented without financial assistance from outside agencies and special interest groups. The state tax distribution was set up to provide for State aid to political subdivisions. This revenue source established in 1982, by the State of Nebraska, replaced the City's allocation of personal property tax relief and the City's allocation of proceeds of State sales and income taxes from the State Governmental Subdivision Fund prior to 1983.
- *Investment income:* Revenue source provided from the investment of idle City funds.

**City of Omaha, Nebraska**  
**Notes to Basic Financial Statements**  
**December 31, 2016**



- *Revenue from Keno:* Includes the City of Omaha's share of the keno revenues generated under contractual agreements. The City of Omaha receives no less than 12.75% of the gross keno handled, plus unclaimed winning keno tickets. There is one contractor, EHPV Lottery Services LLC, d/b/a Big Red Keno.
- *Charges for services:* Includes various fees and surcharges related to professional and business activities (asbestos removal, parking meters, swimming fees, tree removal). A majority of these fees were implemented to raise money for the City in order to recover costs of maintenance, upkeep of public property, administration costs, and costs related to the service provided by the City.
- *Rents, royalties, and other:* Includes rental of publicly-owned property to private citizens for authorized purposes.
- *Contributions and grants:* Includes federal, state, and private funding for various items such as: neighborhood development projects, community development activities, shelter for homeless and temporarily displaced families, housing rehabilitation and home buyer assistance, renovation of Omaha Police Department public safety projects, and after school activities.

**(i) Capital Assets**

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

The estimated useful lives are as follows:

Infrastructure	15 – 50 years
Buildings and systems	15 – 50 years
Improvements	5 – 30 years
Machinery and equipment	5 – 20 years
Vehicles	5 – 15 years
Furniture and Fixtures	5 – 7 years

Net interest costs on funds borrowed to finance the construction on proprietary fund assets are capitalized and depreciated over the life of the related asset.

**City of Omaha, Nebraska**  
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**(j) *Compensated Absences***

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

In the event of termination, police employees are reimbursed for accumulated vacation time up to a maximum of 320 hours, plus the current year leave balance. Upon retirement, death, or resignation after 20 years, police employees receive 1 for 1 for the first 1,200 hours of accumulated sick leave and 1 for 4 hours thereafter up to a maximum of 3,200 hours (1,700 maximum paid hours). Police management are reimbursed for accumulated vacation time up to a maximum of 320 hours plus the current year leave balance. Police management will receive sick leave payout for up to 3,200 hours at the same rates as police employees. Police employees may accrue a maximum of 360 hours of compensatory time. In the event of termination, fire department 24-hour shift employees are reimbursed for accumulated vacation time up to a maximum of 432 hours, plus current year accumulation. Upon retirement or resignation, fire bargaining 24-hour shift employees are reimbursed for accumulated sick leave at 65% of actual hours. For every quarter a fire bargaining employee does not use sick leave or family sick leave, they earn an additional 0.25% up to the maximum of 10% toward their sick leave payoff. In the event of termination, fire management employees are reimbursed for accumulated vacation time up to a maximum of 280 hours, plus current year accumulation. Upon retirement, fire management employees are reimbursed for accumulated sick leave 1 for 1 for the first 1,200 hours and 1 for 4 the next 2,000 hours for a maximum of 1,700 paid hours. In the event of termination, fire department 40-hour shift employees are reimbursed for accumulated vacation time up to a maximum of 291.48 hours, plus current year accumulation. Upon retirement or resignation, 40-hour shift employees are converted to 24-hour shift employees and reimbursed for accumulated sick leave as noted above.

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



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**(k) Risk Management**

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

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

**(l) Long-Term Obligations**

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

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

**(m) Pensions**

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

**(n) Interfund Transactions**

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

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

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**(o) *Restricted Assets***

Restricted assets include deposits with trustees of various enterprise funds and capital project funds.

**(p) *Deferred Outflows of Resources***

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

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

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

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

**(q) *Deferred Inflows of Resources***

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

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

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

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

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**(r) Use of Estimates**

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

**(s) Adoption of New Accounting Standards**

During 2016, the City adopted the provisions of the following accounting standards:

**IMPLEMENTATION OF NEW ACCOUNTING PRINCIPLES**

GASB Statement No. 72, *Fair Value Measurement and Application*. This Statement provides guidance for determining a fair value measurement for financial reporting purposes as well as applying fair value to certain investments and the disclosures related to all fair value measurements.

Implementation of this standard required the City to expand disclosures made about fair value measurements, the level of fair value hierarchy, valuation techniques, and additional disclosure regarding investments in certain entities that calculate net asset value per share (or its equivalent).

GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. The requirements of this Statement are intended to improve financial reporting by establishing a single framework for the presentation of information about pensions, which will enhance the comparability of pension-related information reported by employers and non-employer contributing entities.

GASB Statement No. 77, *Tax Abatement Disclosures*. This Statement requires governments that enter into tax abatement agreements to disclose certain specified information about the agreements.

GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*. This Statement enhances comparability of financial statements among governments by establishing specific criteria used to determine whether a qualifying external investment pool may select to use an amortized cost exception to fair value measurement. Those criteria will provide qualifying external investment pools and participants of those pools with consistent application of an amortized cost-based measurement for financial reporting purposes.

The implementation of these GASB Statements did not have a significant impact on the City's financial statements.

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**(2) Interfund Receivables, Payables, and Transfers**

Individual interfund receivables and payables at December 31, 2016 are as follows:

<u>Receivable Fund</u>	<u>Amount</u>	<u>Payable Fund</u>
Nonmajor Governmental Funds	\$ 10,591,000	Nonmajor Governmental Funds
Nonmajor Governmental Funds	32,200,000	General Fund
Parking Facilities Fund	2,000,000	General Fund
Sewer Revenue Fund	7,000,000	General Fund
Nonmajor Enterprise Funds	1,665,000	Nonmajor Enterprise Funds
Agency Funds	3,300	Agency Funds

All remaining balances result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. All amounts are expected to be paid within one year.

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

<u>Transfers Out</u>	<u>Transfers In</u>				<u>Total</u>
	<u>General Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Sewer Revenue Fund</u>	<u>Nonmajor Enterprise Funds</u>	
Major governmental funds:					
General fund	\$ -	7,004,323	-	-	7,004,323
Debt service fund	-	57,466	-	-	57,466
Major enterprise funds:					
Sewer revenue fund	50,000	-	-	-	50,000
Nonmajor enterprise funds	-	-	-	29,000	29,000
Nonmajor governmental funds	376,665	2,202,963	838,621	18,006	3,436,255
Total	\$ <u>426,665</u>	<u>9,264,752</u>	<u>838,621</u>	<u>47,006</u>	<u>10,577,044</u>

**(3) Deposits and Investments**

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

**City of Omaha, Nebraska**  
**Notes to Basic Financial Statements**  
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**(a) Summary**

The following is a complete listing of the deposits and investments of the City, excluding the pension trust funds, as of December 31, 2016:

<u>Investment type</u>	<u>Fair Value</u>
Deposits	\$ 98,374,329
Investments	184,461,605
Trustee accounts	
Cash and cash equivalents	20,888,438
Investments	7,278,370
Imprest funds	61,247
	<u>\$ 311,063,989</u>

The deposits and investments of the City, excluding the pension trust funds, at December 31, 2016, are reflected in the financial statements as follows:

<u>Investment Type</u>	<u>Government-wide Statement of Net Position</u>	<u>Fiduciary Funds Statement of Net Position</u>	<u>Total</u>
Cash and pooled investments	\$ 61,677,676	12,444,018	74,121,694
Investments	178,521,000	1,198,312	179,719,312
Restricted funds with trustee	28,166,808	-	28,166,808
Restricted investments	29,056,175	-	29,056,175
	<u>\$ 297,421,659</u>	<u>13,642,330</u>	<u>311,063,989</u>

**(b) Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the City will not be able to recover its deposits. The City's cash deposits are insured up to \$250,000 by the FDIC per FDIC institution. The Public Fund Deposit Security Act, Nebraska Revised Statute 77-2398, requires banks to either provide a deposit guaranty bond or by depositing, pledging, or granting a security interest in a single pool of securities to secure repayment of the City's funds in excess of FDIC insured amounts. All of the City's deposits in excess of FDIC insurance limits at December 31, 2016, were collateralized with securities held by the City's agent in the City's name.

**(c) City Investments**

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

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

**Interest Rate Risk** – Interest rate risk is the risk that the fair value of the City’s investments will decrease as a result of an increase in interest rates. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City’s investment policy related to maturity is as follows: U.S. Treasury securities cannot exceed five years; zero-coupon or stripped coupon U.S. Treasury notes or bonds cannot exceed two years; certificates of deposit issued by commercial banks cannot exceed 30 months; and all other investments not mentioned above cannot exceed a five-year maturity from the date of purchase. An exception is that the funds on deposit in the Sewer Revenue Bond Reserve Account may be invested in investment securities maturing no later than 10 years from the date of such investment per bond covenants.

The City had the following maturities for pooled investments:

Investment Type	Fair Value	Investment Term		
		Less Than		
		1 year	1 - 5 Years	6 - 10 Years
U.S. Agencies	\$ 184,412,585	32,046,147	149,468,948	2,897,490
U.S. Treasuries	49,020	-	49,020	-
	<u>\$ 184,461,605</u>	<u>32,046,147</u>	<u>149,517,968</u>	<u>2,897,490</u>

The City had the following maturities for investments held by trustees:

Investment Type	Fair Value	Investment Term	
		Less Than	
		1 Year	1 - 5 Years
U.S. Agencies	\$ 7,278,370	2,378,220	4,900,150

**Credit Risk** – Credit risk is the risk that the City will not recover its investments due to the inability of the counterparty to fulfill their obligation. State statute limits investment options to certain specific investment vehicles as noted above; however, there is no statutory requirement for investments to meet a certain quality rating.

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The City's investments had the following credit ratings as of December 31, 2016:

<b>Investment Issuer</b>	<b>Fair Value</b>	<b>Quality Rating</b>
U.S. Agencies		
FNMA	\$ 51,793,695	AA+
FHLMC	30,814,017	AA+
FHLB	60,991,578	AA+
FFCB	40,813,295	AA+
U.S. Treasuries	49,020	AA+
	<u>\$ 184,461,605</u>	

The City's investments with trustees had the following credit ratings as of December 31, 2016:

<b>Investment Issuer</b>	<b>Fair Value</b>	<b>Quality Rating</b>
U.S. Agencies		
FHLB	\$ 5,901,555	AA+
FNMA	1,376,815	AA+
	<u>\$ 7,278,370</u>	

**Concentration of Credit Risk** – Concentration of credit risk is the risk of loss attributed to the magnitude of the City's investment with a single issuer. State statute does not restrict the concentration of a City's investments with any issuer. The City's policy states that no more than 25% of the total portfolio will be invested in the issuance of any single institution other than securities of the U.S. government and its agencies.

The City's investments had the following concentrations by issuer as of December 31, 2016:

<b>Investment type and issuer</b>	<b>Fair Value</b>	<b>Percentage</b>
U.S. Agencies		
FNMA	\$ 51,793,695	28.08%
FHLMC	30,814,017	16.70%
FHLB	60,991,578	33.06%
FFCB	40,813,295	22.13%
U.S. Treasuries	49,020	0.03%
	<u>\$ 184,461,605</u>	<u>100.00%</u>

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The City's investments held by trustees had the following concentrations by issuer as of December 31, 2016:

<b>Investment type and issuer</b>	<b>Fair Value</b>	<b>Percentage</b>
U.S. Agencies		
FHLB	\$ 5,901,555	81.08%
FNMA	1,376,815	18.92%
	<u>\$ 7,278,370</u>	<u>100.00%</u>

**(d) Pension Trust Funds**

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

**Interest Rate Risk** – The Pension Board of each plan, with the recommendation from the respective Investment Committee, approves the fund manager agreements. These management agreements outline specific investment policies each manager must adhere to. The Pension Board of each plan adopted updated investment guidelines in 2016. These guidelines restrict the amount of assets that can be invested in fixed income securities. The Uniformed Plan's approved target range for fixed income securities is between 6.5% and 13.5% of the total portfolio value and the Civilian Plan's approved target range for fixed income securities is between 3% and 7.7% of the total portfolio value. Fixed income securities are held in seven accounts managed by four managers: \$60,931,335 in managed accounts and \$60,459,556 in bond mutual funds.



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

Investment Type	Fair Value	Investment Term			
		Less Than 1 Year	1 - 5 Years	6 - 10 Years	10+ Years
Comingled funds:					
U.S. Treasuries	\$ 6,109,719	0.7%	1.1%	2.7%	5.5%
U.S. Agencies	7,010,926	0.1%	1.6%	6.4%	3.4%
Municipal bonds	4,943,169	-	3.4%	1.9%	2.8%
Corporate bonds	42,867,521	6.3%	30.9%	23.5%	9.7%
	<u>\$ 60,931,335</u>	<u>7.1%</u>	<u>37.0%</u>	<u>34.5%</u>	<u>21.4%</u>
Bond mutual funds:	<u>\$ 60,459,556</u>	<u>4.8%</u>	<u>53.4%</u>	<u>41.3%</u>	<u>0.50%</u>

**Credit Risk** – Credit risk is the risk that an issuer or other counterparty to an investment will not be able to fulfill its obligations. The Investment Committee of each plan monitors and selects the fund managers based on an investment policy that diversifies the plan's risks. Each manager employs a varying type of investment style. The following table shows the quality ratings of the investment securities held by investment managers as of December 31, 2016.

Managed Accounts		
Investment Type	Ratings	Percentage of Total
U.S. Treasuries	AAA	10.0%
U.S. Agencies	AAA/AA+	11.5
Municipal bonds	AAA/A3	7.1
Corporate bonds	AAA/A3	45.0
U.S. Agencies	BAA1/BBB	1.0
Corporate bonds	BAA1/BBB	25.1
Corporate bonds	N/R	0.3
Bond Mutual Funds		
Rating		Percentage of Total
BBB/Ba2		90.1%
Caa		9.9

**Concentration of Credit Risk** – Concentration of credit risk is the risk of the loss attributed to the magnitude of the pension plans investments with a single issuer. See footnote 10 for each pension plan's target asset allocations by asset class and see the actual asset allocations as of December 31, 2016 for the pension plans in the table below. There are two domestic real estate securities and one international equity security that have concentrations in excess of 5% of total pensions investments as of December 31, 2016, as disclosed in the table on the following page.

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Investment Type	Carrying Value	Percentage Allocated
Government securities	\$ 13,120,644	1.50%
Municipal issues	4,943,169	0.57%
Corporate bonds	42,867,523	4.93%
Bond mutual funds		
Columbia High Yield	60,459,556	6.95%
Domestic equities	210,992,015	24.25%
International equities		
Lazard	142,421,760	16.37%
Dimensional fund advisors	36,145,087	4.15%
Domestic real estate securities		
PRISA	131,063,425	15.06%
PRISA III	62,841,108	7.22%
Other	13,845,039	1.59%
International real estate	3,456,308	0.40%
Commodities	27,750,086	3.19%
Private equity	58,387,016	6.71%
Hedge funds	44,695,427	5.14%
Cash and cash equivalents	17,251,085	1.98%
Total	<u>\$ 870,239,248</u>	<u>100.00%</u>

**(e) Disclosures About Fair Value of Assets and Liabilities**

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

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

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

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

**Recurring Measurements** – The following table presents the fair value measurements of assets and liabilities recognized in the accompanying statement of fiduciary position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2016. Money market mutual funds are carried at cost, which approximates fair value, and thus are not included within the fair value hierarchy.

**City of Omaha, Nebraska**  
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	Carrying Value	Fair Value Measurements Using		
		(Level 1)	(Level 2)	(Level 3)
		Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Unobservable Inputs
City Investments				
Fixed Income				
U.S. Treasury & Agency	\$ 191,739,975	\$ 191,739,975	\$ -	\$ -
Pension Trust Funds				
Equities				
Domestic	\$ 177,779,608	177,779,608	-	-
International	90,707,997	90,707,997	-	-
Fixed income				
U.S. Treasury & Agency	13,120,644	13,120,644	-	-
Municipal bonds	4,943,169	4,943,169		
Asset backed securities	3,093,313	-	3,093,313	-
Corporate bonds & other	39,774,210	-	39,774,210	-
Mutual bond funds	60,459,556	60,459,556	-	-
	389,878,497	347,010,974	42,867,523	-
Other investments measured at net asset value (A)	463,109,666			
	<u>\$ 852,988,163</u>			

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

Following is a description of the valuation methodologies and inputs used for assets and liabilities measured at fair value on a recurring basis and recognized in the accompanying statements of financial position, as well as the general classification of such assets and liabilities pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the year ended December 31, 2016.

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

**City of Omaha, Nebraska**  
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**Other Investments Measured at Net Asset Value** - The fair value of other investments, hedge funds, private equity funds, real estate funds, commodity funds, and some of the domestic and international equities funds has been estimated using the net asset value per share (or its equivalent) practical expedient. These investments held at December 31 consist of the following:

	Carrying Value	Unfunded Commitments	Redemption Frequency currently eligible)	(if Redemption Notice Period
<b>Multistrategy Hedge Funds (A)</b>	\$ 44,695,427	\$ -	Quarterly	60-100 days
<b>Domestic Real Estate (B)</b>	207,749,576	-	Quarterly	90 days
<b>International Real Estate (B)</b>	3,456,308	-	Liquidation only	N/A
<b>Private Equity Funds (C)</b>	58,387,016	114,451,001	Anytime	N/A
<b>Commodities (D)</b>	27,750,086	-	Quarterly	5-30 days
<b>International Equities (E)</b>	87,858,849	-	Anytime	N/A
<b>Domestic Equities (F)</b>	33,212,404	-	Anytime	N/A
	<u>\$ 463,109,666</u>	<u>\$ 114,451,001</u>		

- (A) This category includes investments in hedge funds that pursue multiple strategies to diversify risks and reduce volatility. The funds' composite portfolio includes investments in U.S. common stocks, global real estate projects and arbitrage investments. The funds allow redemption quarterly with 60-100 days of redemption notice period.
- (B) This category includes several real estate funds that invest primarily in U.S. commercial real estate. These investments can be redeemed quarterly with at least 90 days of redemption notice.
- (C) This category includes 12 private equity funds that invest in both domestic and global markets. These investments can never be redeemed with the funds. Instead, the nature of the investments in this category is that distributions are received through the liquidation of underlying assets of the fund. If these investments were held, it is estimated the underlying assets of the fund would be liquidated over five to eight years.
- (D) This category includes two commodity funds that invest in both domestic and global markets. The funds allow redemption quarterly with 5-30 days of redemption notice period.
- (E) This category includes international equities funds that invest in the emerging markets. The funds allow redemption with a one-day notice. These investments determine their value based on daily net asset value.
- (F) This category includes Russell 2000 ETFs, which consist of open-end U.S. mutual funds.

**City of Omaha, Nebraska**  
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**(4) Net Position/Fund Balances**

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

- **Net Investment in Capital Assets** – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and outstanding balances of debt that are attributable to the acquisition, construction, or improvement of these assets reduce the balance in this category. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvements of those assets or related debt are also included in this component of net position. The portion of the debt attributable to unspent proceeds is not included in the calculations of net investment in capital assets.
- **Restricted Net Position** – This category presents external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.
  - **Debt Service** – This fund is restricted for resources for, and the payment of, general long-term debt principal, interest, and related costs.
  - **Other** – These funds are restricted by external parties for various capital and non-capital projects including library supplies, infrastructure, federal grant projects, and others. The restricted amounts and categories are similar to those shown as restricted at the governmental fund level.
  - **Perpetual Care** – These funds are used to report resources that are legally restricted to the extent that earnings, and not principal, may be used for purposes that support the City's programs for the benefit of the City or its citizenry.
- **Unrestricted Net position** – This category represents net position of the City not restricted for any project or other purpose.

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

- **Nonspendable Fund Balances** – Nonspendable fund balances are amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact.
- **Restricted Fund Balances** – Restricted fund balances represent amounts constrained by creditors, grantors, contributors or laws, and regulations of other governments, or limitations are imposed by law through constitutional provisions or enabling legislation.
- **Committed Fund Balances** – Committed funds can only be used for specific purposes pursuant to constraints imposed by the highest level of decision making, which is the City Council. Only the City Council, through an ordinance or resolution, can change any fund balance commitment. An ordinance and resolution are equally binding.

**City of Omaha, Nebraska**  
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- **Assigned Fund Balances** – Assigned fund balances are intended for specific purposes. All assignments of contracts and purchase orders over \$20,000 are approved by the City Council. A resolution passed by the City Council would explicitly state the specific purpose for the use of funds. For assignments below \$20,000, the City Council has given the Finance Director the authority to assign fund balances to reflect the City's intended use of resources.
- **Unassigned Fund Balance** – Unassigned fund balance is the residual classification for the general fund. In nonmajor governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

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

	<u>General</u>	<u>Debt Service</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Fund balances:				
Nonspendable:				
Inventory	\$ 2,148,334	-	-	2,148,334
Prepays	10,372	-	-	10,372
Land held for resale	-	-	498,899	498,899
Permanent principal	-	-	2,775,389	2,775,389
Total nonspendable	<u>2,158,706</u>	<u>-</u>	<u>3,274,288</u>	<u>5,432,994</u>
Restricted:				
General	-	-	10,566,742	10,566,742
Public safety				
Police	-	-	2,048,584	2,048,584
Transportation	-	-	25,478,115	25,478,115
Other public services	-	-	483,820	483,820
Community development	-	-	2,736,207	2,736,207
Culture and parks	1,322,528	-	7,611,762	8,934,290
Debt service	-	23,034,719	9,769,043	32,803,762
Total restricted	<u>1,322,528</u>	<u>23,034,719</u>	<u>58,694,273</u>	<u>83,051,520</u>
Committed:				
General	-	-	50,246	50,246
Other public services	-	-	12,358,695	12,358,695
Community development	-	-	1,231,213	1,231,213
Culture and parks	-	-	1,993,513	1,993,513
Total committed	<u>-</u>	<u>-</u>	<u>15,633,667</u>	<u>15,633,667</u>
Assigned:				
General	6,555,420	-	1,232,431	7,787,851
Public safety				
Police	1,836,162	-	1,463,866	3,300,028
Fire	456,355	-	-	456,355
Transportation	35,787	-	-	35,787
Other public services	47,427	-	-	47,427
Community development	396,375	-	671,632	1,068,007
Culture and parks	152,058	-	-	152,058
Total assigned	<u>9,479,584</u>	<u>-</u>	<u>3,367,929</u>	<u>12,847,513</u>
Unassigned	<u>65,288,607</u>	<u>-</u>	<u>(7,045,274)</u>	<u>58,243,333</u>
	<u>65,288,607</u>	<u>-</u>	<u>(7,045,274)</u>	<u>58,243,333</u>
Total all funds	<u>\$ 78,249,425</u>	<u>23,034,719</u>	<u>73,924,883</u>	<u>175,209,027</u>

**City of Omaha, Nebraska**  
**Notes to Basic Financial Statements**  
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**(5) Reconciliation of Government-wide and Fund Financial Statements**

**(a) Explanation of Certain Differences between the Governmental Funds Balance Sheet and the Government-Wide Statement of Net Position**

The governmental funds balance sheet includes a reconciliation between the *total fund balance of the governmental funds and the total net position of the governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that, “Long-term liabilities, including bonds payable and net pension liabilities, are not due and payable in the current period and, therefore, are not reported in the funds.” The details of this \$1,971,481,161 difference are as follows:

Bonds payable	\$ (577,642,770)
Less: issuance discounts	320,911
Plus: issuance premiums	(50,280,738)
Lease-purchase contracts payable	(109,960,011)
Notes payable	(1,507,799)
Contracts payable	(16,363,727)
Grants payable	(10,518,326)
Accrued interest payable	(5,650,646)
Workers' compensation and healthcare claims	(46,870,130)
Net pension liability	(849,728,161)
Postemployment benefit obligation	(230,435,194)
Claims and judgments payable	(595,000)
Compensated absences	(72,249,570)
Net difference	<u><u>\$ (1,971,481,161)</u></u>

**(b) Explanation of Certain Differences between the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities**

Following the governmental funds statement of revenues, expenditures, and changes in fund balances there is a reconciliation between the *net change in fund balances – total governmental funds* and the *change in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains, “Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this \$4,552,668 difference are as follows:

Capital outlay	\$ 52,094,132
Depreciation expense	(47,541,464)
Net difference	<u><u>\$ 4,552,668</u></u>



**City of Omaha, Nebraska**  
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Another element of that reconciliation states, “The issuance of long-term debt (e.g., bonds, leases, etc.) and long-term liabilities provide current financial resources to governmental funds, whereas the repayment of the principal of long-term liabilities consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums and discounts, when debt is first issued, whereas these amounts are capitalized and amortized in the statement of activities.” The details of this \$(295,323) difference are as follows:

Debt issued or incurred:	
Issuance of long-term debt	\$ (119,605,000)
Net premium/discount of issued debt	(12,103,454)
Amortization of premiums, discounts and deferred amounts from refunding	7,795,241
Principal repayments	55,182,117
Issuance of contracts payable	(9,276,477)
Payments on contracts payable	4,422,250
Current refundings (defeased debt)	1,825,000
Advance refundings (defeased debt)	71,465,000
Net difference	<u><u>\$ (295,323)</u></u>

Another element of that reconciliation states, “Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.” The details of this \$(24,137,160) difference are as follows (amounts represent changes in the respective accounts included in the government-wide statements compared to the funds (as applicable):

Grants payable	\$ 334,974
Workers' compensation and health claims	(2,571,889)
Claims and judgments payable	1,007,500
Postretirement benefit obligation	(21,560,066)
Accrued interest payable	261,622
Compensated absences	(1,609,301)
Net difference	<u><u>\$ (24,137,160)</u></u>

**(6) Special Assessment Note Payable**

The City did not obtain a special assessment note payable in fiscal year 2016, as there were sufficient funds available to fund the current requirements in the special assessment fund for the purpose of meeting its obligations to contractors for work completed that will ultimately be assessed to the benefited property owners.

**City of Omaha, Nebraska**  
**Notes to Basic Financial Statements**  
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**(7) Bonds Payable and Other Long-Term Obligations**

The following is a summary of long-term liability transactions for the year ended December 31, 2016:

	<b>Balances at January 1, 2016</b>	<b>Issuances or Other Additions</b>	<b>Retirements or Other Reductions</b>	<b>Balances at December 31, 2016</b>	<b>Amount Due Within One Year</b>
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 473,960,000	39,845,000	58,325,000	455,480,000	43,515,000
Annexed general obligation bonds	29,685,000	13,745,000	4,390,000	39,040,000	2,960,000
Special tax revenue bonds	32,510,000	-	2,945,000	29,565,000	2,980,000
Special obligation bonds	53,900,385	-	1,502,615	52,397,770	1,562,670
Revenue bonds	1,235,000	-	75,000	1,160,000	75,000
Unamortized premiums	44,059,421	12,103,454	5,882,137	50,280,738	-
Unamortized discounts	(340,228)	-	(19,317)	(320,911)	-
Total bonds payable	635,009,578	65,693,454	73,100,435	627,602,597	51,092,670
Lease-purchase contracts payable	104,703,217	66,015,000	60,758,206	109,960,011	4,244,067
Notes payable	1,984,095	-	476,296	1,507,799	356,111
Contracts payable	11,509,500	9,276,477	4,422,250	16,363,727	1,418,838
Grants payable	10,853,300	2,185,126	2,520,100	10,518,326	2,634,200
Compensated absences	70,640,269	3,853,471	2,244,170	72,249,570	4,600,215
Workers' compensation and healthcare claims	44,298,241	2,571,889	-	46,870,130	9,259,792
Claims and judgments payable	1,602,500	-	1,007,500	595,000	595,000
Net pension liability	851,687,018	-	1,958,857	849,728,161	-
Postemployment benefit obligation	208,875,128	21,560,066	-	230,435,194	-
Total governmental activities	1,941,162,846	171,155,483	146,487,814	1,965,830,515	74,200,893
Business-type activities:					
Convention Center Hotel:					
Revenue bonds	141,300,000	-	2,410,000	138,890,000	2,650,000
Unamortized premium	2,175,907	-	118,417	2,057,490	-
Unamortized discount	(208,536)	-	(8,355)	(200,181)	-
Total convention center hotel fund	143,267,371	-	2,520,062	140,747,309	2,650,000

**City of Omaha, Nebraska**  
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	<b>Balances at January 1, 2016</b>	<b>Issuances or Other Additions</b>	<b>Retirements or Other Reductions</b>	<b>Balances at December 31, 2016</b>	<b>Amount Due Within One Year</b>
<b>Parking Facilities Fund:</b>					
Lease-purchase contracts payable	\$ 28,295,000	3,015,000	5,250,000	26,060,000	2,350,000
Unamortized premium	9,304	88,723	11,914	86,113	-
Unamortized discount	(2,305)	-	(954)	(1,351)	-
Compensated absences	39,137	831	-	39,968	2,545
Workers' compensation and healthcare claims	42,265	-	376	41,889	8,310
Net pension liability	516,172	4,449	-	520,621	-
Postemployment benefit obligation	189,656	18,780	-	208,436	-
<b>Total parking facilities fund</b>	<b>29,089,229</b>	<b>3,127,783</b>	<b>5,261,336</b>	<b>26,955,676</b>	<b>2,360,855</b>
<b>Sewer Revenue Fund:</b>					
Revenue bonds	403,410,000	38,605,000	53,435,000	388,580,000	10,705,000
Unamortized premium	20,241,987	4,603,113	1,374,070	23,471,030	-
Notes payable	58,954,199	4,942,076	624,430	63,271,845	3,192,907
Special obligation bonds	15,049,615	-	322,385	14,727,230	337,330
Unamortized premium	205,651	-	7,909	197,742	-
Compensated absences	1,780,048	149,192	228,039	1,701,201	108,317
Workers' compensation and healthcare claims	2,193,074	70,040	-	2,263,114	448,958
Net pension liability	28,141,352	-	13,721	28,127,631	-
Postemployment benefit obligation	10,337,854	923,401	-	11,261,255	-
<b>Total sewer revenue fund</b>	<b>540,313,780</b>	<b>49,292,822</b>	<b>56,005,554</b>	<b>533,601,048</b>	<b>14,792,512</b>
<b>Nonmajor enterprise activities:</b>					
Compensated absences	417,259	54,362	102,192	369,429	23,521
Workers' compensation and healthcare claims	427,342	44,460	43,038	428,764	85,057
Net pension liability	5,950,894	-	621,851	5,329,043	-
Postemployment benefit obligation	2,186,068	71,326	123,855	2,133,539	-
<b>Total nonmajor enterprise fund</b>	<b>8,981,563</b>	<b>170,148</b>	<b>890,936</b>	<b>8,260,775</b>	<b>108,578</b>
<b>Total business-type activities</b>	<b>721,651,943</b>	<b>52,590,753</b>	<b>64,677,888</b>	<b>709,564,808</b>	<b>19,911,945</b>
<b>Total primary government</b>	<b>\$ 2,662,814,789</b>	<b>223,746,236</b>	<b>211,165,702</b>	<b>2,675,395,323</b>	<b>94,112,838</b>

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

**City of Omaha, Nebraska**  
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**(a) Governmental Activities**

Bonds payable at December 31, 2016 is comprised of the following individual issues:

<b>Amount</b>	<b>Original Issued</b>	<b>Issue</b>	<b>Interest Rate Payable Semiannually</b>	<b>Series Due</b>	<b>First Date Callable</b>	<b>December 31, 2016</b>
\$ 205,875,000	04/01/04	G.O. – defeasance bonds	5.25%	2004 – 2027	2014	\$ 158,925,000
46,785,000	10/15/07	Various purpose – refund series	4.00% - 4.75%	2008 – 2027	2017	2,875,000
75,540,000	07/24/08	Various purpose – refund series	3.75% - 5.00%	2009 – 2025	2018	27,655,000
17,880,000	10/30/08	G.O. – defeasance bonds	5.00% - 5.75%	2009 – 2028	2018	1,790,000
37,050,000	04/16/09	G.O. – defeasance bonds	3.125% - 5.00%	2010 – 2025	2019	8,940,000
7,440,000	10/15/09	Various purpose	2.00% - 3.00%	2010 – 2017	none	930,000
11,160,000	10/15/09	Various purpose (BAB)	4.229% - 5.721%	2018 – 2029	2019	11,160,000
8,510,000	10/15/09	G.O. – defeasance bonds	2.00% - 5.00%	2010 – 2029	2019	4,955,000
35,950,000	11/10/10	G.O. – defeasance bonds	2.00% - 4.50%	2011 – 2030	2020	18,950,000
8,500,000	11/18/10	Various purpose	0.70% - 5.00%	2011 – 2030	2020	5,950,000
13,310,000	10/13/11	Various purpose	1.25% - 5.00%	2012 – 2031	2020	9,975,000
9,525,000	10/13/11	G.O. – defeasance bonds	2.00% - 5.00%	2012 – 2025	2021	4,575,000
27,170,000	10/12/12	Various purpose - refund series	3.00% - 4.125%	2013 - 2032	2022	20,670,000
32,040,000	10/12/12	G.O. – defeasance bonds	3.00% - 4.00%	2013 - 2028	2022	26,230,000
24,970,000	09/26/13	Various purpose - refund series	2.00% - 5.00%	2014-2033	2023	16,010,000
29,215,000	11/10/14	Various purpose - refund series	2.00% - 5.00%	2015-2034	2024	24,365,000
41,020,000	11/10/14	G.O. – defeasance bonds	1.25% - 5.00%	2015-2031	2024	40,415,000
24,050,000	10/22/15	Various purpose - refund series B	1.50% - 5.00%	2016-2035	2025	22,520,000
8,745,000	10/22/15	G.O. – defeasance bonds	2.00% - 4.00%	2017-2032	2025	8,745,000
23,660,000	12/15/16	Various purpose - refund series A	0.90% - 4.00%	2017-2036	2026	23,660,000
16,185,000	12/15/16	G.O. – defeasance bonds	0.90% - 5.00%	2017-2025	none	16,185,000
		Total general obligation bonds				<u>455,480,000</u>

**City of Omaha, Nebraska**  
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Annexed General Obligation Bonds						
Amount	Original Issued	Issue	Interest Rate Payable Semiannually	Series Due	First Date Callable	December 31, 2016
\$ 2,300,000	05/15/15	S.I.D. #206	1.00% - 2.60%	2016 - 2023	2015	\$ 2,030,000
1,350,000	02/15/12	S.I.D. #240	1.30% - 3.85%	2016 - 2027	2017	1,100,000
185,000	02/15/13	S.I.D. #281	1.70%	2013 - 2020	2018	110,000
550,000	06/15/12	S.I.D. #293	1.20% - 3.90%	2013 - 2028	2017	405,000
415,000	06/15/14	S.I.D. #293	1.15% - 4.30%	2015 - 2034	2019	410,000
1,150,000	05/15/13	S.I.D. #373	1.30% - 3.20%	2014 - 2025	2018	1,025,000
4,350,000	10/01/12	S.I.D. #374	1.20% - 3.40%	2013 - 2024	2017	3,700,000
1,010,000	08/15/14	S.I.D. #374	2.80% - 3.20%	2019 - 2023	2019	1,010,000
2,425,000	04/15/13	S.I.D. #382	1.20% - 3.35%	2014 - 2028	2017	1,875,000
2,460,000	03/15/15	S.I.D. #385	1.05% - 2.55%	2016 - 2023	2020	2,180,000
1,420,000	03/15/15	S.I.D. #389	1.00% - 2.75%	2015 - 2024	2020	1,320,000
605,000	05/15/12	S.I.D. #394	1.30% - 4.45%	2013 - 2032	2017	5,000
975,000	08/22/14	S.I.D. #394	1.10% - 4.35%	2015 - 2034	2019	875,000
2,900,000	04/15/13	S.I.D. #397	1.30% - 2.70%	2014 - 2022	2018	2,425,000
2,630,000	09/03/14	S.I.D. #398	1.05% - 3.65%	2015 - 2027	2019	2,275,000
1,400,000	04/17/12	S.I.D. #399	1.25% - 4.10%	2013 - 2031	2017	1,035,000
2,500,000	08/15/14	S.I.D. #399	1.35% - 4.35%	2017 - 2034	2019	2,415,000
865,000	07/15/15	S.I.D. #401	1.15% - 2.60%	2016 - 2021	2020	750,000
1,140,000	08/15/12	S.I.D. #412	1.20% - 4.05%	2013 - 2032	2017	975,000
885,000	10/11/11	S.I.D. #416	1.10% - 3.50%	2012 - 2021	2016	495,000
1,100,000	04/15/12	S.I.D. #422	2.10% - 4.20%	2017 - 2032	2017	1,100,000
670,000	05/15/12	S.I.D. #430	1.30% - 3.65%	2013 - 2022	2017	10,000
2,650,000	04/15/15	S.I.D. #431	1.00% - 3.00%	2015 - 2024	2020	2,375,000
840,000	10/15/10	S.I.D. #432	1.15% - 4.00%	2011 - 2025	2015	540,000
3,485,000	11/01/15	S.I.D. #434	1.20% - 4.05%	2016 - 2036	2020	3,350,000
2,425,000	10/15/12	S.I.D. #458	1.20% - 3.30%	2013 - 2026	2017	1,865,000
430,000	10/15/08	S.I.D. #460	3.40% - 5.00%	2010 - 2020	2008	205,000
425,000	10/01/10	S.I.D. #460	2.25% - 5.00%	2013 - 2028	2015	400,000
820,000	08/15/12	S.I.D. #460	1.20% - 3.50%	2013 - 2025	2017	385,000
940,000	05/15/12	S.I.D. #486	2.60% - 4.20%	2017 - 2032	2017	940,000
615,000	08/15/16	S.I.D. #486	1.55% - 2.85%	2017 - 2033	2021	615,000
1,000,000	12/01/12	S.I.D. #510	1.50% - 3.65%	2013 - 2027	2017	840,000
Total annexed general obligation bonds						39,040,000
Total general obligation and annexed area bonds						\$ 494,520,000

**City of Omaha, Nebraska**  
**Notes to Basic Financial Statements**  
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**Governmental Activities – Special Tax Revenue Bonds**

<u>Amount</u>	<u>Original Issued</u>	<u>Issue</u>	<u>Interest Rate Payable Semiannually</u>	<u>Series Due</u>	<u>First Date Callable</u>	<u>December 31, 2016</u>
4,075,000	12/20/07	Various Projects				
		Redevelopment Series 2007	3.60% – 5.125%	2007 – 2027	2017	\$ 3,810,000
4,865,000	11/13/08	Special Tax Revenue				
		Redevelopment Series 2008	4.00% – 5.25%	2009 – 2028	2018	3,405,000
5,170,000	10/29/09	Special Tax Revenue				
		Redevelopment Taxable				
		Series 2009A (BAB)	1.159% – 6.022%	2010 – 2029	2019	4,125,000
3,225,000	03/01/12	Special Tax Revenue				
		Refunding Series 2012	2.00% – 4.00%	2012 – 2018	None	835,000
8,690,000	03/01/12	Special Tax Revenue				
		Refunding Series 2012A	2.00% – 5.00%	2013 – 2032	None	8,400,000
11,785,000	10/25/12	Special Tax Revenue				
		Refunding Series 2012	2.00% – 4.00%	2015 – 2024	2022	8,990,000
						<u>\$ 29,565,000</u>

**Governmental Activities – Special Obligation Bonds**

<u>Amount</u>	<u>Original Issued</u>	<u>Issue</u>	<u>Interest Rate Payable Semiannually</u>	<u>Series Due</u>	<u>First Date Callable</u>	<u>December 31, 2016</u>
\$ 38,535,000	03/25/08	Riverfront Redevelopment				
		Refund Series 2008	4.00% – 6.40%	2009 – 2026	None	\$ 32,635,000
23,152,065	03/01/12	Riverfront Redevelopment				
		Refund Series 2012	2.00% – 5.00%	2013 – 2032	2022	19,762,770
						<u>\$ 52,397,770</u>

**Governmental Activities – Revenue Bonds**

<u>Amount</u>	<u>Original Issued</u>	<u>Issue</u>	<u>Interest Rate Payable Semiannually</u>	<u>Series Due</u>	<u>First Date Callable</u>	<u>December 31, 2016</u>
\$ 1,420,000	09/30/06	Highway Allocation	3.85% – 4.45%	2007 – 2026	2011	<u>\$ 1,160,000</u>

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**(b) Business-Type Activities**

Revenue bonds payable at December 31, 2016 comprises the following individual issues:

<b>Business-Type Activities Revenue Bonds</b>						
<b>Amount</b>	<b>Original Issued</b>	<b>Issue</b>	<b>Interest Rate Payable Semiannually</b>	<b>Series Due</b>	<b>First Date Callable</b>	<b>December 31, 2016</b>
\$ 109,750,000	05/15/07	Convention Center Hotel Revenue Series 2007A	4.00% – 5.00%	2010 – 2035	2017	\$ 102,575,000
29,975,000	12/10/09	Sanitary Sewer System Revenue Series 2009B (BAB)	1.04% – 6.153%	2010 – 2039	2019	25,195,000
37,000,000	12/15/10	Convention Center Hotel Revenue Series 2010B (BAB)	3.905% – 7.125%	2016 – 2040	2020	36,315,000
33,800,000	11/18/10	Sanitary Sewer System Refunding Revenue Series 2010A	2.00% – 3.75%	2011 – 2026	2020	19,445,000
34,079,570	11/18/10	Sanitary Sewer System Revenue Series 2010B (RZDB)	0.993% – 6.191%	2011 – 2040	2020	29,060,000
69,560,000	12/01/11	Sanitary Sewer System Revenue Series 2011	2.00% – 5.00%	2012 – 2041	2021	63,080,000
97,650,000	12/31/12	Sanitary Sewer System Revenue Series 2012	2.00% - 5.00%	2013 - 2042	2022	89,865,000
127,780,000	12/04/14	Sanitary Sewer System Revenue Series 2014	1.50% - 5.00%	2015-2044	2024	123,330,000
38,605,000	11/29/16	Sanitary Sewer System Revenue Series 2016	3.00% - 5.00%	2017 -2036	2026	38,605,000
						<u>\$ 527,470,000</u>
<b>Special Obligation Bonds - Business-Type Activities (Sewer Revenue Fund)</b>						
<b>Amount</b>	<b>Original Issued</b>	<b>Issue</b>	<b>Interest Rate Payable Semiannually</b>	<b>Series Due</b>	<b>First Date Callable</b>	<b>December 31, 2016</b>
\$ 17,252,935	03/01/12	Riverfront Redevelopment Project Series 2012	2.00% - 5.00%	2013 - 2032	2022	<u>\$ 14,727,230</u>

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As of December 31, 2016, the bonds payable debt service requirements of the City for principal and interest in future years are as follows:

<b>Governmental Activities</b>			
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
Year ending December 31:			
2017	\$ 51,092,670	24,908,274	76,000,944
2018	50,365,000	23,044,708	73,409,708
2019	49,025,000	20,939,748	69,964,748
2020	48,035,000	18,828,932	66,863,932
2021	49,650,000	16,758,219	66,408,219
2022-2026	216,160,235	51,117,367	267,277,602
2027-2031	89,560,885	12,383,403	101,944,288
2032-2036	23,753,980	1,631,214	25,385,194
	<u>\$ 577,642,770</u>	<u>169,611,865</u>	<u>747,254,635</u>
<b>Business-type Activities</b>			
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
Year ending December 31:			
2017	\$ 13,692,330	24,490,250	38,182,580
2018	13,685,000	24,251,506	37,936,506
2019	14,335,000	23,702,244	38,037,244
2020	15,065,000	23,068,555	38,133,555
2021	15,820,000	22,426,270	38,246,270
2022-2026	92,639,765	100,483,477	193,123,242
2027-2031	117,154,115	75,469,897	192,624,012
2032-2036	139,046,020	45,075,906	184,121,926
2037-2041	94,190,000	17,898,482	112,088,482
2042-2044	26,570,000	1,933,000	28,503,000
	<u>\$ 542,197,230</u>	<u>358,799,587</u>	<u>900,996,817</u>

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



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**(c) Notes Payable**

Notes payable consist of a loan contract between the City and the U.S. Army Corps of Engineers and four loan contracts between the City and the Nebraska Department of Environmental Quality (NDEQ) with interest rates ranging from 1.34% to 3.25%. This also includes a loan contract between the City of Omaha and MECA with approximately \$186,243 outstanding as of December 31, 2016. Maturities of the notes payable are as follows:

<b>Governmental Activities</b>			
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
Year ending December 31:			
2017	\$ 356,111	49,006	405,117
2018	175,817	40,332	216,149
2019	181,974	34,175	216,149
2020	188,347	27,802	216,149
2021	194,943	21,206	216,149
2022 – 2026	410,607	21,693	432,300
	<u>\$ 1,507,799</u>	<u>194,214</u>	<u>1,702,013</u>
<b>Business-type Activities</b>			
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
Year ending December 31:			
2017	\$ 3,192,907	715,242	3,908,149
2018	3,216,866	678,030	3,894,896
2019	3,241,092	640,476	3,881,568
2020	3,265,590	602,575	3,868,165
2021	3,290,363	564,323	3,854,686
2022 – 2026	16,833,389	2,235,189	19,068,578
2027 – 2031	17,496,706	1,223,272	18,719,978
2032 – 2036	12,734,932	316,088	13,051,020
	<u>\$ 63,271,845</u>	<u>6,975,195</u>	<u>70,247,040</u>

**(d) Grants Payable**

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

Year ending December 31:	
2017	\$ 2,634,200
2018	2,754,080
2019	2,880,046
2020	2,250,000
	<u>\$ 10,518,326</u>

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**(e) Tax Increment Financing Notes and Bonds**

At December 31, 2016, \$292,824,667 of tax increment financing notes and bonds were outstanding. Tax increment financing allows cities to create special districts and to make public/private improvements within those districts that will generate public/private-sector development. For a period of 15 years, the tax base is frozen at the predevelopment level, and taxes generated from the incremental increases in assessed value are remitted as payment on the notes and bonds. The developer funds the improvements or obtains financing for the improvements, and the development agreements between the City and developer expressly limit the City's commitment for debt repayment to the incremental tax collected during the 15-year period. At the end of the 15-year period, the tax jurisdiction collects on the increased property values. The related tax increment districts are not component units of the City; therefore, the City is not liable for the outstanding debt. The City's responsibility for this liability is limited only to remittance of paid taxes.

**(f) Debt Margin/Covenants**

According to the City Charter, the total amount of general obligation indebtedness (including annexed area bonds) outstanding at any time, which shall include bonds issued, but shall not include bonds authorized until they are issued, shall not exceed 3.5% of the actual value of taxable real and personal property in the City. Debt margin as of December 31, 2016 is calculated as follows:

Debt limit	\$ <u>1,110,352,797</u>
General obligation debt	494,520,000
Debt service fund balance	<u>23,034,719</u>
	<u>471,485,281</u>
Debt margin	\$ <u><u>638,867,516</u></u>

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

**(g) In Substance Defeasance – Advance Refunding**

On June 2, 2016, the City issued \$53,355,000 of lease purchase refunding bonds to provide resources to purchase investment securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of \$55,045,000 of lease purchase bonds. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of the statement of net position. The reacquisition price exceeded the net carrying amount of the old debt by \$5,437,884. This amount is being presented as a deferred outflow of resources and amortized

**City of Omaha, Nebraska**  
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over the shorter life of the refunded debt or new debt. This refunding was undertaken to reduce total debt service payments over the next 20 years by \$8,555,295 and resulted in an economic gain of \$6,809,979.

On June 2, 2016, the City issued \$1,080,000 of lease purchase refunding bonds to provide resources to purchase investment securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of \$1,070,000 of lease purchase bonds. The bonds were called and retired on October 15, 2016. The reacquisition price exceeded the net carrying amount of the old debt by \$23,986. This amount is being presented in the business-type activities column of the statement of net position as a deferred outflow of resources and amortized over the shorter life of the refunded debt or new debt. This refunding was undertaken to reduce total debt service payments over the next 10 years by \$220,805 and resulted in an economic gain of \$192,200.

On December 15, 2016, the City issued \$16,185,000 of general obligation refunding bonds to provide resources to purchase investment securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of \$16,420,000 of general obligation bonds. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of the statement of net position. The reacquisition price was less than the net carrying amount of the old debt by \$334,206. This amount is being presented as a deferred inflow of resources and amortized over the shorter life of the refunded debt or new debt. This refunding was undertaken to reduce total debt service payments over the next 9 years by \$791,719 and resulted in an economic gain of \$608,494.

In the current and prior years, the City defeased certain general obligation and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. The amount of substance defeased debt outstanding at December 31, 2016 is shown as follows:

**General Obligation Bonds**

2000 Convention Center Series A	\$ 66,585,000
2007 Various Purpose & Refunding	10,810,000
2008 G.O. Defeasance Bonds	8,935,000
2007 Various purpose - refund series	8,650,000
2008 Various purpose - refund series	5,865,000
2009 G.O. Defeasance bonds	1,025,000
	<u>101,870,000</u>

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**General Obligation Bonds**

S.I.D. # 394 D	\$ 590,000
S.I.D. #430 B	625,000
S.I.D. #460 D	255,000
	<u>1,470,000</u>
Total general obligation and annexed area bonds	<u>103,340,000</u>

**Lease Purchase Bonds**

2007 Rosenblatt Stadium	320,000
2009 Public Facilities Corp. Lease Series	55,045,000
Total lease purchase bonds	<u>55,365,000</u>
Total	<u>\$ 158,705,000</u>

**(h) Current Refundings**

On June 2, 2016, the City issued \$1,570,000 of lease purchase refunding bonds to provide resources to call and retire \$1,825,000 of lease purchase bonds. The bonds were called and retired on July 5, 2016, resulting in a current refunding. The reacquisition price was less than the net carrying amount of the old debt by \$13,057. This amount is being presented in the governmental activities column of the statement of net position as a deferred inflow of resources and amortized over the shorter life of the refunded debt or new debt. This refunding was undertaken to reduce the total debt service payments over the next 9 years by \$253,557 and resulted in an economic gain of \$236,015.

On June 2, 2016, the City issued \$1,935,000 of lease purchase refunding bonds to provide resources to call and retire \$2,120,000 of lease purchase bonds. The bonds were called and retired on July 5, 2016, resulting in a current refunding. The reacquisition price was less than the net carrying amount of the old debt by \$13,002. This amount is being presented in the business-type activities column of the statement of net position as a deferred inflow of resources and amortized over the shorter life of the refunded debt or new debt. This refunding was undertaken to reduce the total debt service payments over the next 17 years by \$307,201 and resulted in an economic gain of \$276,259.

On November 29, 2016, the City issued \$38,605,000 of sanitary sewer system revenue refunding bonds to provide resources to call and retire \$43,200,000 of sanitary sewer system revenue bonds. The bonds were called and retired on November 29, 2016, resulting in a current refunding. The reacquisition price was less than the net carrying amount of the old debt by \$595,714. This amount is being presented in the business-type activities column of the statement of net position as a deferred inflow of resources and amortized over the shorter life of the refunded debt or new debt. This refunding was undertaken to reduce the total debt service payments over the next 20 years by \$9,871,206 and resulted in an economic gain of \$6,888,835.

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On December 15, 2016, the City issued \$2,185,000 of general obligation refunding bonds to provide resources to call and retire \$2,355,000 of general obligation bonds. \$1,340,000 of bonds will be called and retired on January 3, 2017 and the remaining \$1,015,000 of the bonds will be called and retired on February 15, 2017, resulting in a current refunding. The reacquisition price equaled the net carrying amount of the old debt. This refunding was undertaken to reduce the total debt service payments over the next 12 years by \$173,665 and resulted in an economic gain of \$140,631.

**(8) Lease Purchase Contracts Payable and Contracts Payable**

The City is leasing libraries and other facilities under noncancelable lease-purchase agreements expiring at various times through 2036, at which time title will be conveyed to the City. The net book value of leased assets is approximately \$156.3 million. The rental payments are designed to equal the debt service requirements of certain nonprofit organizations that financed the construction of the facilities. The City has an option to purchase the facilities at any time by paying an amount equal to the total of all remaining unpaid lease obligations to the lessor at that time.

The following schedule reflects future minimum lease payments under the lease-purchase agreements and contracts payable together with the present value of the net minimum lease payments as of December 31, 2016:

	<b>Governmental Activities</b>	<b>Business-type Activities</b>
Fiscal year ending:		
2017	\$ 10,750,282	3,613,239
2018	10,796,549	3,619,445
2019	10,665,589	2,766,861
2020	10,705,230	2,760,634
2021	10,113,544	1,973,278
2022-2026	48,618,930	9,890,022
2027-2031	41,069,666	9,063,778
2032-2036	36,396,892	3,633,565
Total minimum lease payments	179,116,682	37,320,822
Less amount representing interest	52,792,944	11,260,822
Total principal obligation under capital leases with rates of interest from 1.098% to 6.516%	\$ 126,323,738	26,060,000

Included in contracts payable is the City's lease for space in the Omaha Douglas Civic Center and the adjoining Hall of Justice under a lease that expires only upon payment of all outstanding bonds of the ODPBC. The annual rental payments are determined based upon actual space occupied by the City for operation and maintenance. Actual rental payments for 2016 were \$1,866,355.

The City has recorded its portion of the ODPBC's debt as of the date of ODPBC's most recent fiscal year end of June 30, 2016. The ODPBC has issued Series 2015 Refunding and Series 2015B bonds before June 30, 2016. The City's portion of these new bonds, less the defeased bonds is approximately \$3,590,000 and is recorded in the City's financial statements.

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**(9) Receivables and Due From Other Governments**

The City's receivables and due from other governments amounts as of December 31, 2016 for the City's major and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

Receivables and Due From Other Governments (in Thousands)										
				Total	Convention				Total	
	General	Debt	Nonmajor	Governmental	Center	Parking		Nonmajor	Business-	
		Service		Activities	Hotel	Facilities	Sewer		type	Total
									Activities	
Receivables:										
Property taxes	\$	81,165	59,919	7,963	149,047	-	-	-	-	149,047
Motor vehicle tax		1,105	-	-	1,105	-	-	-	-	1,105
City sales and use tax		26,248	-	-	26,248	-	-	-	-	26,248
Cable TV and gas franchise fee		1,480	-	-	1,480	-	-	-	-	1,480
Telephone occupation tax		1,759	-	-	1,759	-	-	-	-	1,759
Hotel motel occupation tax		442	-	-	442	-	-	-	-	442
Vehicle rental occupation tax		734	-	-	734	-	-	-	-	734
Restaurant tax		3,835	-	-	3,835	-	-	-	-	3,835
MUD & OPPD in lieu of tax		1,003	51	6	1,060	-	-	-	-	1,060
Library supplement		-	-	667	667	-	-	-	-	667
Wheel tax		-	-	1,644	1,644	-	-	-	-	1,644
Highway allocation fees		-	-	3,701	3,701	-	-	-	-	3,701
Special assessment		-	368	4,054	4,422	-	-	-	-	4,422
Grants		-	-	4,893	4,893	-	-	-	-	4,893
Charges for services and other		6,425	211	4,645	11,281	330	392	15,286	77	27,366
	\$	124,198	60,570	27,589	212,357	330	392	15,286	77	228,442

As of December 31, 2016, the City has recorded an allowance of approximately \$32,510,000 for uncollectible property taxes related to the past six levies.

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

At December 31, 2016, the various components of unavailable revenue and unearned revenue are as follows:

	(in thousands)	
	<u>Unavailable</u>	<u>Unearned</u>
Property tax receivable (general fund)	\$ 73,118	-
Property tax receivable (debt service fund)	53,979	-
Property tax receivable (other governmental funds)	7,167	-
Special assessments (debt service fund)	368	-
Special assessments (other governmental funds)	4,971	-
Charges for services and other (general fund)	744	60
Charges for services and other (debt service fund)	21	2,848
Charges for services and other (other governmental funds)	1,578	-
Grants (general fund)	27	-
Grants (other governmental funds)	2,879	2,744
	<u>\$ 144,852</u>	<u>5,652</u>

**(10) Employees' Retirement Plans**

Substantially all City employees are covered by one of two single-employer contributory defined benefit pension plans: the City of Omaha Employees' Retirement System (the Civilian Plan) and the City of Omaha Police and Firefighters Retirement System (the Uniformed Plan). These plans are accounted by the City as pension trust funds and the financial statements are prepared using the accrual basis of accounting. See discussion of the investment policies of the retirement plans in footnote 3.

**(a) Civilian Plan**

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

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Plan Membership – Membership of the Civilian Plan consisted of the following as of December 31, 2016:

Number of:

Active members	1,203
Service retirements	1,104
Surviving spouses and children	273
Disabled	64
Deferred vested	77
Deferred nonvested	35
Total participants:	<u><u>2,756</u></u>

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

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

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

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



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

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

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

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

- i. Death of an active member with five years of service or service-connected death and six months of service – A monthly pension equal to 75% of the member's accrued pension is paid to the surviving spouse until death or remarriage.
- ii. Death of a member eligible for retirement or death of a retired member - A monthly pension equal to 75% of the pension the member was receiving or was eligible to receive at the time of death until death or remarriage.

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

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

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

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

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

*Funding Policy* – Effective January 1, 2016, Civilian Plan members are required to contribute, by payroll deduction, 10.075% of their annual covered salary and the City is required to contribute at a rate of 18.775% of annual covered salary. The contribution requirements of the plan members and the City are established by City Ordinance and determined by actuarial valuation and may be amended by the City Council. Administrative costs for management of the investment funds are financed through investment earnings. Other administrative costs of the Civilian Plan are paid by the City's general fund. Plan member and employer contributions are recognized in the period in which the contributions are due and benefits are provided based on a percentage of the member's final average compensation. Contributions to the Civilian Plan totaled \$6,866,102 for the employees and \$12,779,968 for the employer for the year ended December 31, 2016.

*Actuarial Methods and Assumptions* – The annual required contribution for the current year was determined as part of the January 1, 2016 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) rate of return on the investment of present and future assets of 8.00% per year compounded annually, (b) projected salary increases of 4.00% to 10.00% per year, including wage inflation at 3.25%, and (c) the assumption that benefits will not increase after retirement except for those members with COLA. As of January 1, 2014, the amortization of the unfunded actuarial accrued liability moved from a single amortization base to a "layered" approach as a level percentage of payrolls on a closed basis over periods of 17 to 20 years, depending on the base. Changes to the unfunded actuarial liability in subsequent years are set up as a new amortization base with payments determined as a level percentage of payroll over a closed 20 year period beginning on that valuation date.

*Net Pension Liability* – The components of the net pension liability for the City's Civilian Plan as of December 31, 2016 were as follows:

Total pension liability	\$ 443,534,848
Fiduciary net position	(239,825,245)
Net pension liability	<u>\$ 203,709,603</u>
Ratio of fiduciary net position to total pension liability	54.07%

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*Actuarial Assumptions* – The total pension liability of the Civilian Plan was determined by an actuarial valuation as of January 1, 2016, rolled forward one year to December 31, 2016 (the measurement date), using the entry age normal cost method and calculated based on the discount and actuarial assumptions below.

Inflation	3.25%, net of investment expenses
Projected salary increases	4.00% to 10.00%
Interest credited to cash balance accounts	6.25% per year
Investment rate of return	8.00% per year

The actuarial assumptions used in the valuation are based on the results of the most recent actuarial experience study dated September 17, 2013, which covered the five-year period ending December 31, 2011.

*Mortality Rates* – The pre-retirement mortality rates were based on the RP-2000 Employee Table (ages set forward 1 year) with generational mortality projections using Scale AA. The post-retirement mortality rates were based on the RP-2000 Healthy Annuitant Table (ages set forward 1 year) with generational mortality projections using Scale AA. The disabled mortality rates were based on the RP-2000 Disabled Retiree Table using generational mortality projections.

*Discount Rate* – The discount rate used to measure the total pension liability as of December 31, 2016 was 8%. There has been no change in the discount rate since the prior measurement date. The projected cash flows used to determine the discount rate assumed that plan contributions from members and the City will be made at the current contribution rates and were projected through the year 2115. Based on the assumption changes made in 2016, the Civilian Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on the Civilian Plan's pension investments was applied to all periods of projected benefit payments to determine the pension liability.

*Long-Term Rate of Return* – The long-term expected rate of return on pension plan investments was reviewed as part of the regular experience study prepared for the Civilian Plan. The results of the most recent experience study were presented in a report dated September 17, 2013. Some of the factors used in evaluating the long-term rate of return assumption are as follows: long-term historical data, estimates inherent in current market data, and an analysis of best-estimate ranges of expected future real rates of return (expected returns, net of investment expenses and inflation) which, along with estimates of variability and correlations for each asset class, were developed by the Civilian Plan's investment consultant. These ranges were combined to develop the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation and then adding expected inflation. The Civilian Plan's investment consultant provides capital market assumptions for a thirty year period and was used in the actuary's analysis. The target asset allocation and best estimates for the arithmetic real rate of return for each asset class, as provided by the Civilian Plan's investment consultant, as of December 31, 2016 are as follows on the next page.

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<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-term Expected Real Rate of Return</b>
US large cap equities	10.0 %	6.7 %
US mid cap equities	5.0	7.2
US small cap equities	8.0	8.1
International equities - developed markets	5.0	7.2
International equities - emerging markets	10.0	9.2
Intermediate fixed income	6.0	3.6
Short fixed income	2.5	1.5
High yield bonds	8.5	5.0
Private real estate	20.0	5.2
Private equity	11.5	6.2
Commodities	3.5	3.0
Hedge funds	10.0	9.5
Total	<u>100.0 %</u>	

*Rate of Return* – For the year ended December 31, 2016, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 10.247%. The money rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

*Changes in the Net Pension Liability –*

	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability (a) - (b)</b>
<b>Balances at January 1, 2016</b>	\$ 437,884,976	232,156,796	205,728,180
Changes for the year:			
Service cost	6,640,988	-	6,640,988
Interest	33,702,119	-	33,702,119
Differences between expected and actual experience	(812,596)	-	(812,596)
Employer contributions	-	12,779,968	(12,779,968)
Employee contributions	-	6,866,102	(6,866,102)
Net investment income	-	21,908,840	(21,908,840)
Benefit payments, including member refunds	(33,880,639)	(33,880,639)	-
Administrative expenses	-	(5,822)	5,822
Net changes	<u>5,649,872</u>	<u>7,668,449</u>	<u>(2,018,577)</u>
<b>Balances at December 31, 2016</b>	<u>\$ 443,534,848</u>	<u>239,825,245</u>	<u>203,709,603</u>

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*Sensitivity of the Net Pension Liability to Changes in the Discount Rate* – The following presents the net pension liability of the Civilian Plan, calculated using the discount rate of 8.00%, as well as what the Civilian Plan's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.00%) or 1-percentage-point higher (9.00%) than the current rate:

	<b>1% Decrease (7.00%)</b>	<b>Current Discount Rate (8.00%)</b>	<b>1% Increase (9.00%)</b>
City's net pension liability	\$248,374,474	\$ 203,709,603	\$ 165,690,543

*Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions* – For the year ended December 31, 2016, the City recognized a reduction of pension expense of \$29,161,264 for the Civilian Plan. At December 31, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to the Civilian Plan from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 317,927	628,334
Changes of assumptions	-	103,214,003
Differences between projected and actual earnings on pension plan investments	3,690,488	-
Changes in proportion of the collective net pension liability since the prior measurement date		
Change in proportion - governmental activities	903,168	-
Change in proportion - business-type activities	370,382	1,273,550
	<u>\$ 5,281,965</u>	<u>105,115,887</u>

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

**Year ended December 31:**

2017	\$ (44,630,186)
2018	(44,630,186)
2019	(9,719,014)
2020	(854,536)
	<u>\$ (99,833,922)</u>

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Summary financial information for the Civilian Plan as of and for the year ended December 31, 2016 is as follows:

Assets	
Cash and cash equivalents	\$ 235,295
Due from other governments	1,714
Receivables:	
Contributions receivable	778,081
Accrued interest	216,421
Investments	238,993,823
Total assets	<u>\$ 240,225,334</u>
Liabilities	
Accounts payable and other current liabilities	<u>\$ 400,089</u>
Net Position	
Net position restricted for pensions	239,825,245
Total liabilities and net position	<u>\$ 240,225,334</u>
Additions	
Contributions	
Employer	\$ 12,779,968
Employee	6,866,102
Total contributions	<u>19,646,070</u>
Dividends and interest income	5,481,034
Net realized and unrealized appreciation	17,668,462
Investment expense	<u>(1,240,656)</u>
Net investment income	<u>21,908,840</u>
Total additions	<u>41,554,910</u>
Deductions	
Benefit payments	<u>33,886,461</u>
Change in net position	<u>7,668,449</u>
Net position restricted for pensions, beginning	<u>232,156,796</u>
Net position restricted for pensions, ending	<u>\$ 239,825,245</u>

**(b) Uniformed Plan**

**Plan Description** –The Uniformed Plan is a single-employer contributory defined benefit pension plan. The Uniformed Plan covers all eligible probationary and regular sworn personnel of the police and fire departments of the City. Cost-of-living adjustments are provided to members and beneficiaries at the discretion of the City in accordance with plan provisions. A cost-of-living adjustment currently is provided to all members in accordance with plan provisions. The Pension Board of the City administers the Uniformed Plan and the City Council is responsible for establishing or amending plan provisions through the labor agreements. The Pension Board is comprised of 7 members as follows: the City Finance Director, the City Personnel Director, a City

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Council member, three members of the Uniformed Plan, and a trustee, who is not a member of the Uniformed Plan. The Uniformed Plan does not issue separate financial statements.

Plan Membership – Membership of the Uniformed Plan consisted of the following as of December 31, 2016.

Number of:

Active members	1,424
DROP participants	57
Service retirements	984
Surviving spouses and children	319
Disabled	225
Deferred vested	13
Deferred nonvested	6
Total participants:	3,028

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

*Average Final Monthly Compensation*

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

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

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*Retirement Age*

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

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

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

- i. Injury or illness of an active member in the line of duty with less than 20 years of service – The monthly pension benefit is equal to 50% of the member's final average monthly compensation.
- ii. Injury or illness of an active member in the line of duty with 20 or more years of service – The monthly pension benefit is same as if the member took a normal service retirement, however, there is no 7% reduction for each year below the age of 55 years.
- iii. Injury or illness of an active member not in the line of duty with less than 20 years of service – The monthly pension benefit is a specific percentage, ranging from 10% to 30%, of the member's final average monthly compensation.
- iv. Injury or illness of an active member not in the line of duty with 20 or more years of service – The monthly pension benefit is a specific percentage, ranging from 45% to 75%, of the member's final average monthly compensation.

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

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

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

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



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- ii. Death of an active member in the line of duty with 25 or more years of service – A monthly pension equal to 69% of the member's average final monthly compensation is paid to the surviving spouse until death or remarriage.
- iii. Death of an active member not in the line of duty with less than 25 years of service – A monthly pension equal to a specific percentage, ranging from 35% to 49%, of the member's average final monthly compensation is to be paid to the surviving spouse until death or remarriage. The specific percentage is dependent upon the years of service at the time of the member's death.
- iv. Death of an active member not in the line of duty with 25 or more years of service – A monthly pension equal to 69% of the member's average final monthly compensation is to be paid to the surviving spouse until death or remarriage.
- v. Death of a retired member - A monthly pension equal to 90% or 75% for fire or police, respectively, of the pension the member was receiving or was eligible to receive at the time of death until death or remarriage if that member was hired before January 1, 2013 or January 1, 2010 for fire and police, respectively. For fire and police members hired after these dates, the benefit is 50% of the pension the member was receiving or was eligible to receive at the time of death until death or remarriage.

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

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

<b>Number of Dependent Children</b>	<b>Percentage of Accrued Benefit</b>
1	15%
2	30%
3	45%
4 or more	50%

If the member has no eligible dependents at the time of death, the accumulated member's contribution less previous pension payments made (if any) or \$500, if greater, will be paid out in a lump sum death benefit. The lump sum death benefit for a member with eligible dependents is paid at two points in time, which might coincide: immediately and at the time when there is only one

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remaining dependent. For an active member, an amount equal to one year's salary computed on the basis of the maximum monthly rate for patrolmen and firefighters is payable immediately and the deceased member's accumulated contributions less pension payments made to the member's dependents is payable in a lump sum to the dependent who last ceases to receive pension benefits. For a retired member, \$1,000 is payable immediately (\$5,000 for fire retirements after June 30, 2005) and the excess over \$1,000 (\$5,000 for fire retirements after June 30, 2005), if any, of the deceased member's accumulated contributions less pension payments made to the member's dependents is payable in a lump sum to the dependent who last ceases to receive pension benefits.

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

*Deferred Retirement Option Program (DROP)* – The City has established a DROP for police and fire pension members as of the union contracts entered into in 2013 for fire members and 2011 for police members. The DROP allows a member to retire for pension purposes once they reach retirement eligibility, as long as they also meet the minimum age and/or years of service eligibility requirements for the DROP, but to continue working for three to five years. The member receives a paycheck and the member's monthly pension benefit is deposited into the member's DROP account. At the end of the elected DROP period, which is a minimum of three years and a maximum of 5 years, the member must "retire-in-fact." The member may withdraw, without penalty, from the DROP prior to the expiration of the member's DROP election period due to a hardship, non-service connected disability, or a service connected disability with approval from the Pension Board. Contributions to the pension are eliminated at the beginning of the DROP period. Pension benefits are set and will not be increased because of raises, promotions, increased years of service, or pension enhancements. When a member retires-in-fact, their monthly pension benefit will be paid directly to them and the member will have access to the funds in their DROP account. The balance held by the third party DROP administrator at December 31, 2016, was \$12,333,924.

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

<b>Bargaining Group</b>	<b>Employee Rate</b>	<b>City Rate</b>
Fire sworn	17.150 %	32.965 %
Fire management	17.230	33.170
Police sworn	15.350	33.670
Police management	16.350	33.170

The police management employee contribution rate is 15.350% for employees participating in the DROP program.

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In addition, the City shall make additional contributions of \$1,327,600 annually through the year 2028. The contribution requirements of the plan members and the City are established by City Ordinance and determined by actuarial valuation and may be amended by the City Council. Administrative costs for management of the investment funds are financed through investment earnings. Other administrative costs of the Uniformed Plan are paid by the City's general fund. Plan member and employer contributions are recognized in the period in which the contributions are due and benefits are provided based on a percentage of the member's final average compensation and are recognized when due and payable. Contributions to the Uniformed Plan totaled \$20,214,875 for the employees and \$43,235,242 for the employer for the year ended December 31, 2016.

*Actuarial Methods and Assumptions* – The annual required contribution for the current year was determined as part of the January 1, 2016 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) rate of return on the investment of present and future assets of 8.00% per year compounded annually, (b) projected salary increases of 4.00% to 13.00% per year, including wage inflation at 3.25%, and (c) the assumption that benefits will increase after retirement due to COLA adjustments. The unfunded actuarial accrued liability will be amortized as a level percentage of payrolls over a closed period of 28 years.

*Net Pension Liability* – The components of the net pension liability for the City's Uniformed Plan as of December 31, 2016 were as follows:

Total pension liability	\$ 1,316,377,335
Fiduciary net position	(636,381,482)
Net pension liability	<u><u>\$ 679,995,853</u></u>
Ratio of fiduciary net position to total pension liability	48.34%

*Actuarial Assumptions* – The total pension liability of the Uniformed Plan was determined by an actuarial valuation as of January 1, 2016, rolled forward one year to December 31, 2016 (the measurement date), using the entry age normal cost method and calculated based on the discount and actuarial assumptions below.

Inflation	3.25%, net of investment expenses
Projected salary increases	4.00% to 13.00%
Investment rate of return	8.00% per year

The actuarial assumptions used in the valuation are based on the results of the most recent actuarial experience study dated September 17, 2013, which covered the five year period ending December 31, 2011.

*Mortality Rates* – The pre-retirement mortality rates were based on the RP-2000 Employee Table (ages set forward 1 year) with generational mortality projections using Scale AA. The post-retirement mortality rates were based on the RP-2000 Healthy Annuitant Table (ages set forward 5

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years) with generational mortality projections using Scale AA. The disabled mortality rates were based on the RP-2000 Disabled Retiree Table using generational mortality projections.

**Discount Rate** – The discount rate (or single equivalent interest rate (SEIR)) used to measure the total pension liability as of December 31, 2016 was 8.00%. There has been no change in the discount rate since the prior measurement date. The projected cash flows used to determine the discount rate assumed that plan contributions from members and the City will be made at the current contribution rates and were projected through the year 2115. Based on those assumptions, the Uniformed Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on the Uniformed Plan's pension investments was applied to all periods of projected benefit payments to determine the pension liability.

**Long-Term Rate of Return** – The long-term expected rate of return on pension plan investments was reviewed as part of the regular experience study prepared for the Uniformed Plan. The results of the most recent experience study were presented in a report dated September 17, 2013. Some of the factors used in evaluating the long-term rate of return assumption are as follows: long-term historical data, estimates inherent in current market data, and an analysis of best-estimate ranges of expected future real rates of return (expected returns, net of investment expenses and inflation) which, along with estimates of variability and correlations for each asset class, were developed by the Uniformed Plan's investment consultant. These ranges were combined to develop the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation and then adding expected inflation. The Uniformed Plan's investment consultant provides capital market assumptions for a thirty year period and was used in the actuary's analysis.

The target asset allocation and best estimates for the arithmetic real rate of return for each asset class, as provided by the Uniformed Plan's investment consultant, as of December 31, 2016 are as follows:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-term Expected Real Rate of Return</b>
US large cap equities	11.0 %	6.7 %
US small cap equities	12.0	8.1
International equities - developed markets	7.0	7.2
International equities - small cap	5.0	8.3
International equities - emerging markets	10.0	9.2
Intermediate fixed income	5.0	3.6
High yield bonds	5.0	5.0
Private real estate	20.0	5.2
Timberland	5.0	4.2
Commodities	3.0	6.2
Hedge funds	3.5	4.1
Private equity	13.5	9.5
Total	100.0 %	

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***Rate of Return*** – For the year ended December 31, 2016, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 9.064%. The money rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

***Changes in the Net Pension Liability –***

	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability (a) - (b)</b>
<b>Balances at January 1, 2016</b>	\$ 1,274,745,755	594,178,499	680,567,256
Changes for the year:			
Service cost	30,289,918	-	30,289,918
Interest	99,175,359	-	99,175,359
Differences between expected and actual experience	(16,350,979)	-	(16,350,979)
Employer contributions	-	43,235,242	(43,235,242)
Employee contributions	-	20,214,875	(20,214,875)
Net investment income		50,246,611	(50,246,611)
Benefit payments, including member refunds	(71,482,718)	(71,482,718)	-
Administrative expenses	-	(11,027)	11,027
Net changes	41,631,580	42,202,983	(571,403)
<b>Balances at December 31, 2016</b>	\$ 1,316,377,335	636,381,482	679,995,853

***Sensitivity of the Net Pension Liability to Changes in the Discount Rate*** – The following presents the net pension liability of the Uniformed Plan, calculated using the discount rate of 8.00%, as well as what the Uniformed Plan's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.00%) or 1-percentage-point higher (9.00%) than the current rate:

	<b>1% Decrease (7.00%)</b>	<b>Current Discount Rate (8.00%)</b>	<b>1% Increase (9.00%)</b>
City's net pension liability	\$ 833,956,838	\$ 679,995,853	\$ 551,041,759

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*Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions* – For the year ended December 31, 2016, the City recognized pension expense of \$66,610,408 for the Uniformed Plan. At December 31, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to the Uniformed Plan from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ -	17,941,991
Differences between projected and actual earnings on pension plan investments	25,665,465	-
	<u>\$ 25,665,465</u>	<u>17,941,991</u>

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

**Year ended December 31:**

2017	\$ 4,567,705
2018	4,567,705
2019	4,567,705
2020	(4,316,387)
2021	(1,673,253)
	<u>\$ 7,713,475</u>

Summary financial information for the Uniformed Plan as of and for the year ended December 31, 2016 is as follows:

<b>Assets</b>	
Cash and cash equivalents	\$ 2,731,075
Receivables:	
Contributions receivable	2,477,906
Accrued interest	545,242
Investments	631,245,425
Total assets	<u>\$ 636,999,648</u>
<b>Liabilities</b>	
Accounts payable and other current liabilities	<u>\$ 618,166</u>
<b>Net Position</b>	
Net position restricted for pensions	636,381,482
Total liabilities and net position	<u>\$ 636,999,648</u>

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Additions		
Contributions		
Employer	\$	43,235,242
Employee		20,214,875
Total contributions		<u>63,450,117</u>
Dividends and interest income		12,663,067
Net realized and unrealized depreciation		40,486,224
Investment expense		<u>(2,902,680)</u>
Net investment income		<u>50,246,611</u>
Total additions		<u>113,696,728</u>
Deductions		
Benefit payments		<u>71,493,745</u>
Change in net position		<u>42,202,983</u>
Net position restricted for pensions, beginning		<u>594,178,499</u>
Net position restricted for pensions, ending	\$	<u><u>636,381,482</u></u>

**City of Omaha, Nebraska**  
**Notes to Basic Financial Statements**  
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**(11) Capital Assets**

Capital asset activity of governmental activities for the year ended December 31, 2016 is as follows:

	<b>Beginning Balances</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balances</b>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 140,802,071	3,253,605	908,625	143,147,051
Cultural assets	5,853,296	900	-	5,854,196
Construction in progress	28,142,363	34,422,097	29,998,248	32,566,212
Total capital assets, not being depreciated	<u>174,797,730</u>	<u>37,676,602</u>	<u>30,906,873</u>	<u>181,567,459</u>
Capital assets, being depreciated:				
Buildings and systems	606,105,060	17,931,274	35,832,780	588,203,554
Machinery and equipment	86,028,604	13,718,717	5,179,484	94,567,837
Infrastructure	952,280,122	47,357,845	-	999,637,967
Total capital assets, being depreciated	<u>1,644,413,786</u>	<u>79,007,836</u>	<u>41,012,264</u>	<u>1,682,409,358</u>
Less accumulated depreciation for:				
Buildings and systems	281,256,712	17,168,270	29,573,772	268,851,210
Machinery and equipment	60,535,653	6,394,284	4,111,535	62,818,402
Infrastructure	315,254,388	32,083,554	-	347,337,942
Total accumulated depreciation	<u>657,046,753</u>	<u>55,646,108</u>	<u>33,685,307</u>	<u>679,007,554</u>
Total capital assets, being depreciated, net	<u>987,367,033</u>	<u>23,361,728</u>	<u>7,326,957</u>	<u>1,003,401,804</u>
Governmental activities capital assets, net	<u>\$ 1,162,164,763</u>	<u>61,038,330</u>	<u>38,233,830</u>	<u>1,184,969,263</u>

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

Depreciation expense was charged to the following functions/program in 2016:

Governmental activities:	
General government	\$ 1,815,324
Public safety	4,605,643
Community development	1,247,151
Other public services	1,366,543
Culture and parks	17,074,496
Transportation services	21,432,308
Total depreciation expense – governmental	<u>\$ 47,541,464</u>

Depreciation expense charged to the function/programs in 2016 is less than depreciation expense shown on the governmental activities capital asset activity table due to capital contributions in 2016.



**City of Omaha, Nebraska**  
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Capital asset activity of each major enterprise fund for the year ended December 31, 2016 is as follows:

	<b>Beginning Balances</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balances</b>
<b>Convention Center Hotel Fund:</b>				
Capital assets, not being depreciated:				
Cultural assets	\$ 735,978	-	-	735,978
Capital assets, being depreciated:				
Buildings	91,764,799	103,818	-	91,868,617
Machinery and equipment	4,406,156	13,838	-	4,419,994
Furniture and fixtures	15,418,255	-	-	15,418,255
Total capital assets, being depreciated	<u>111,589,210</u>	<u>117,656</u>	<u>-</u>	<u>111,706,866</u>
Less accumulated depreciation for:				
Buildings	24,367,336	2,575,664	-	26,943,000
Machinery and equipment	3,959,327	195,236	-	4,154,563
Furniture and fixtures	13,391,512	1,569,007	-	14,960,519
Total accumulated depreciation	<u>41,718,175</u>	<u>4,339,907</u>	<u>-</u>	<u>46,058,082</u>
Total capital assets, being depreciated, net	<u>69,871,035</u>	<u>(4,222,251)</u>	<u>-</u>	<u>65,648,784</u>
Convention center hotel fund capital assets, net	<u>\$ 70,607,013</u>	<u>(4,222,251)</u>	<u>-</u>	<u>66,384,762</u>
<b>Parking Facilities Fund:</b>				
Capital assets, not being depreciated:				
Land	\$ 2,473,344	-	-	2,473,344
Construction in progress	253,053	562,850	360,654	455,249
Total capital assets, not being depreciated	<u>2,726,397</u>	<u>562,850</u>	<u>360,654</u>	<u>2,928,593</u>
Capital assets, being depreciated:				
Leased buildings and buildings	61,398,458	441,958	-	61,840,416
Machinery and equipment	91,253	-	-	91,253
Total capital assets, being depreciated	<u>61,489,711</u>	<u>441,958</u>	<u>-</u>	<u>61,931,669</u>
Less accumulated depreciation for:				
Leased buildings and buildings	40,367,984	2,409,634	-	42,777,618
Machinery and equipment	9,125	15,644	-	24,769
Total accumulated depreciation	<u>40,377,109</u>	<u>2,425,278</u>	<u>-</u>	<u>42,802,387</u>
Total capital assets, being depreciated, net	<u>21,112,602</u>	<u>(1,983,320)</u>	<u>-</u>	<u>19,129,282</u>
Parking facilities fund capital assets, net	<u>\$ 23,838,999</u>	<u>(1,420,470)</u>	<u>360,654</u>	<u>22,057,875</u>
<b>Sewer Revenue Fund:</b>				
Capital assets, not being depreciated:				
Land	\$ 2,721,046	-	-	2,721,046
Construction in progress	203,230,433	101,150,061	224,461,649	79,918,845
Total capital assets, not being depreciated	<u>205,951,479</u>	<u>101,150,061</u>	<u>224,461,649</u>	<u>82,639,891</u>
Capital assets, being depreciated:				
Infrastructure	973,090,505	234,013,431	-	1,207,103,936
Buildings and systems	53,352,788	2,130,183	-	55,482,971
Machinery and equipment	11,842,819	1,148,350	54,365	12,936,804
Total capital assets, being depreciated	<u>1,038,286,112</u>	<u>237,291,964</u>	<u>54,365</u>	<u>1,275,523,711</u>
Less accumulated depreciation for:				
Infrastructure	362,148,759	32,690,270	-	394,839,029
Buildings and systems	41,261,048	1,097,041	-	42,358,089
Machinery and equipment	8,450,346	677,132	54,365	9,073,113
Total accumulated depreciation	<u>411,860,153</u>	<u>34,464,443</u>	<u>54,365</u>	<u>446,270,231</u>
Total capital assets, being depreciated, net	<u>626,425,959</u>	<u>202,827,521</u>	<u>-</u>	<u>829,253,480</u>
Sewer revenue fund capital assets, net	<u>\$ 832,377,438</u>	<u>303,977,582</u>	<u>224,461,649</u>	<u>911,893,371</u>

**City of Omaha, Nebraska**  
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Depreciation expense recorded on the sewer revenue funds' statement of net revenues, expenses and changes in net position for 2016 is lower than depreciation expense shown on the sewer revenue funds' capital assets activity table above due to capital contributions in 2016.

Capital asset activity of the nonmajor enterprise funds for the year ended December 31, 2016 is as follows:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Nonmajor Enterprise Funds:				
Capital assets, not being depreciated:				
Construction in progress	\$ 47,625	-	47,625	-
Capital assets, being depreciated:				
Buildings and systems	9,228,130	388,575	-	9,616,705
Machinery and equipment	2,154,809	98,681	26,996	2,226,494
Total capital assets, being depreciated	<u>11,382,939</u>	<u>487,256</u>	<u>26,996</u>	<u>11,843,199</u>
Less accumulated depreciation for:				
Building and systems	5,760,987	292,348	-	6,053,335
Machinery and equipment	1,850,480	94,646	-	1,945,126
Total accumulated depreciation	<u>7,611,467</u>	<u>386,994</u>	<u>-</u>	<u>7,998,461</u>
Nonmajor enterprise funds capital assets, net	<u>\$ 3,819,097</u>	<u>100,262</u>	<u>74,621</u>	<u>3,844,738</u>

Interest incurred during the construction phase of capital assets of business-type activities is added to the cost of the underlying assets constructed and is depreciated over the useful lives of the assets. During 2016, the Sewer Revenue Fund capitalized \$6,241,760 in interest costs related to its major construction projects incurred during 2016.

**(12) Fund Deficits**

Fund deficits exist in the following funds as of December 31, 2016:

Major Enterprise Funds:	
Convention Center Hotel	\$ (51,353,458)
Parking Facilities	(3,319,504)
Nonmajor Special Revenue Funds:	
Douglas County Library Supplement	(604,361)
Community Park Development	(478,303)
Household Chemical Disposal	(132,099)
Nonmajor Capital Projects Funds:	
2014 Transportation Bond	(3,428,006)
2014 Public Facilities Bond	(282,571)
2014 Public Safety Bond	(453,776)
Capital Special Assessment	(1,666,158)
Nonmajor Enterprise Funds:	
City Wide Sports Revenue	(1,007,440)
Golf Operations	(8,206,356)
Air Quality	(1,054,458)
Printing Services & Graphics	(307,873)

**City of Omaha, Nebraska**  
**Notes to Basic Financial Statements**  
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**(a) Major Enterprise Funds**

The Convention Center Hotel began operations in April 2004. The City projects that future operations of the hotel will eliminate the fund's deficit. An addition of 150 rooms, a junior ballroom, and additional meeting space were completed in 2012 and are expected to generate additional revenue to reduce the deficit. Several national-profile events have been secured for the adjoining Century-Link Center providing increased revenue stability. Annual appropriations from the City will subsidize any debt service shortfall.

The Parking Facilities Fund was established as a tool to manage the City's eight parking structures and various surface lots throughout the City. Lease-purchase debt has been issued to finance the construction of the parking structures. The City has completed a comprehensive parking study. Among the recommendations implemented to date are: the consolidation of all parking functions under one department – Public Works and the installation of new parking meters that accept both credit cards and coins. In 2015, the City increased parking fees in some areas and increased hours of enforcement. A review of vendor and leasing contracts is under consideration. The City has also hired a full-time parking facilities manager to oversee all parking operations. Total annual revenues have increased steadily since 2012.

**(b) Nonmajor Special Revenue Funds**

The Community Park Development Fund's deficit is a result of the acquisition of two large land purchases. These sites are outside of the City and have been selected as future regional parks. A park development fee has been established, which will be collected from neighboring Sanitary Improvement Districts to fund these acquisitions.

The other Nonmajor Special Revenue Fund deficits will be eliminated upon collection of unavailable revenues from the sponsoring grantor agency, reduction of expenses, or changes in fee structures.

**(c) Nonmajor Capital Funds**

The deficit in the nonmajor capital projects funds will be eliminated with the issuance of bonds in 2017.

**(d) Nonmajor Enterprise Funds**

The deficits in the nonmajor enterprise funds will be eliminated by fee increases and reduction of expenses.

**(13) Postemployment Healthcare Benefits**

**(a) Plan Description**

The City sponsors a single-employer, defined benefit healthcare plan that provides certain postemployment healthcare benefits to eligible retirees and their dependents up to age 65 when they would be Medicare eligible in accordance with provisions established in Chapter 23 of the Omaha Municipal Code. The benefits include medical and prescription coverage. The rates paid by retirees are substantially lower than they would be under individual health insurance policies. This difference is an implicit rate subsidy and considered other postemployment benefits (OPEB). The plan is administered by the City. The plan does not issue separate financial statements.

**City of Omaha, Nebraska**  
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**(b) Funding Policy**

The contribution requirements of plan members and the City are established through labor negotiations, with the Omaha Police Union Local No. 101, the Professional Firefighters Association of Omaha Local No. 385, the Omaha City Employees Local No. 251, and other classified civilian and sworn employees. All agreements are approved and can be amended by the City Council. Contributions are made to the plan based on a pay-as-you-go basis and the City self-insures this benefit. For the year ended December 31, 2016, the City paid \$16,377,904 for 844 retirees. Retiree contribution rates vary from 0% to 10% of an annual estimated premium depending on the bargaining group. Retiree contributions for 2016 were \$849,327.

**(c) Annual OPEB Cost and Net OPEB Obligation**

The City's annual OPEB cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The amortization method used is the level percentage of projected payroll and the amortized period is a closed 30-year period beginning in 2007. The remaining amortization period as of the last actuarial valuation (January 1, 2016) was 21 years. The unprojected unit-credit-actuarial-cost method is used. The following table shows the components of the City's annual OPEB costs for the year, the amount actually contributed to the plan, and the changes in the City's net OPEB obligation:

Normal cost	\$ 22,846,599
Amortization of unfunded actuarial accrued liability	20,143,622
Interest on net OPEB obligation	6,647,661
Adjustments to annual required obligation	<u>(10,810,260)</u>
Annual OPEB cost	38,827,622
Contributions made by employer	<u>(16,377,904)</u>
Increase in net OPEB obligation	22,449,718
Net OPEB obligation, beginning of year	<u>(221,588,706)</u>
Net OPEB obligation, end of year	<u><u>\$ (244,038,424)</u></u>

The net OPEB obligation is allocated to governmental activities, parking facilities enterprise fund, sewer revenue enterprise fund, and other nonmajor enterprise funds based on 2016 compensation expense, as follows:

Governmental activities	\$ (230,435,194)
Parking facilities fund	(208,436)
Sewer revenue fund	(11,261,255)
Nonmajor enterprise funds	<u>(2,133,539)</u>
Total OPEB obligation	<u><u>\$ (244,038,424)</u></u>

**City of Omaha, Nebraska**  
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The annual OPEB costs, the percentage of annual OPEB cost contributed, and the net OPEB obligation for 2016, 2015, and 2014 are as follows:

	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Contributed</u>	<u>Net OPEB</u>
Fiscal year ended:			
2016	\$ 38,827,622	42%	\$ (244,038,424)
2015	38,605,015	39	(221,588,706)
2014	39,346,566	39	(197,852,880)

**(d) Funded Status and Funding Progress**

The funded status of the plan as of January 1, 2016, the most recent actuarial valuation date, is as follows:

Actuarial accrued liability (AAL)	\$ 400,877,646
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	<u>\$ 400,877,646</u>
Funded ratio	0%
Covered payroll	\$ 183,800,000
UAAL as a percentage of covered payroll	218%

**(e) Actuarial Methods and Assumptions**

Actuarial valuations on an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information, which shows the actuarial liability as a percentage of covered payroll.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan member to that point. In the January 1, 2016 actuarial valuation, the unit-credit-actuarial-cost method was used. The actuarial assumptions included a 3% projected investment rate of return, a payroll growth rate of 2.75%, and an annual healthcare cost trend of 7.60% during 2016, reduced to an ultimate rate of 4.00% after 80 years. Both rates include an inflation assumption of 3.00%. The amortization of the unfunded actuarial accrued liability is calculated assuming 21 annual payments increasing at 2.75% per year. The amortization method used is the level percentage of projected payroll method and the amortization period is a closed 30-year period beginning in 2007.

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**(14) Risk Management**

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

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

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

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

The City maintains a blanket surety bond covering all City employees, including those of the City clerk's office and the public libraries, in the amount of \$201,000.

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

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

Changes in the balance of claims liabilities during the fiscal years 2016 and 2015 for workers' compensation and employee health and dental are as follows:

	<b>Beginning of Year Liability</b>	<b>Current Year Claims</b>	<b>Claim Payments</b>	<b>End of Year Liability</b>
2016	\$ 46,960,922	38,933,541	36,290,566	49,603,897
2015	47,264,882	45,604,916	45,908,876	46,960,922

Reconciliation of the December 31, 2016 claims liability for workers' compensation and employee health and dental to the financial statements is as follows:

Governmental activities	\$ 46,870,130
Parking facilities fund	41,889
Sewer revenue fund	2,263,114
Nonmajor enterprise funds	428,764
Total workers' compensation and employee health and dental	<u>\$ 49,603,897</u>

**City of Omaha, Nebraska**  
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**(15) Commitments and Contingencies**

**(a) Judgment Claims**

The City is a defendant in a number of lawsuits in its normal course of operations. As of December 31, 2016, the City has accrued \$595,000 in claims and judgments payable. Additionally, the City is a defendant in various lawsuits for which management has determined that there is a reasonable possibility of an adverse opinion. No accrual has been made in the financial statements for these items, which approximate \$3,810,000, as these potential losses are not both probable and estimable.

**(b) Grants**

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

**(c) Encumbrances**

An encumbrance is the commitment of appropriated funds to purchase goods or services to be delivered or performed at a future date. On a budget basis, an encumbrance is a reserve of fund balance. The encumbrances are generally in a requisition form before the end of the budget year. The purchasing process must be initiated before year-end. The encumbrances do not lapse at year-end. Department heads are authorized to make or approve encumbrances in their respective departments. Contracts or purchase orders over \$20,000 are approved by the City Council. Encumbrances are included in restricted, committed, or assigned, fund balances as appropriate. The City's encumbrances as of December 31, 2016 by fund type are as follows:

Governmental funds:

General	\$ 10,802,112
Special revenue	10,776,364
Capital projects	<u>16,554,642</u>
Total encumbrances	<u><u>\$ 38,133,118</u></u>

**(d) Construction Commitments**

The City has various construction projects. The sewer revenue enterprise fund accounts for construction proceeds from bond issuances, income from sewer service charges, construction grants and related expenditures for operation, maintenance and capital improvements of the sanitary sewer system and wastewater treatment plants. The City's obligation under these construction commitments was approximately \$79,823,000 as of December 31, 2016.

**City Of Omaha, Nebraska**  
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**(16) Pledged Revenues**

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

<b>Issue</b>	<b>Type Revenue Pledged</b>	<b>General Purpose for Debt</b>	<b>Term of Commitment</b>	<b>Percentage of Revenue Pledged</b>	<b>Principal and Interest for the Year Ended December 31, 2016</b>	<b>Recognized for the Year Ended December 31, 2016</b>
Special tax revenue redevelopment (series 2007A, 2007C, 2008, 2008, 2009A taxable, 2012, 2012A, 2012B)	Community redevelopment property tax	To finance infrastructure and capital improvements in redevelopment areas throughout the City	Through 2032	100%	\$ 4,231,811	4,914,334
Special obligation (series Riverfront 2008 refunding, 2012 refunding)	Cigarette tax, TIF revenues, sewer revenue, land sales, and sales tax	To finance infrastructure and capital improvements in the Riverfront Business Park	Through 2032	Various	4,334,814	155,165,372
Highway allocation (series 2006)	Street and highway gasoline taxes	To finance street improvements	Through 2026	100%	128,555	39,991,268
Convention Center Hotel (series 2007A, 2010B taxable)	Net operating revenue of the hotel	To finance the construction of the Convention Center Hotel	Through 2040	100%	9,806,013	13,265,667
Sanitary sewer system (series 2006,2009B taxable, 2010A Refunding, 2010 B taxable, 2011, 2012, 2014) NE Department of Environmental Quality (series C317432, C317476, C317734, C317735)	Operating revenue of the sanitary sewer system	To finance the construction and rehabilitation of the sanitary sewer system	Through 2044	100%	30,321,665	139,777,145



# City Of Omaha, Nebraska

## Notes to Basic Financial Statements

### December 31, 2016



#### (17) Tax Abatements

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

TIF provides property tax abatements to encourage improvements to blighted property. The program is established under the auspices of a state statute (Article 21, Section 18-2101 - 2144) empowering cities and counties to establish such programs. The abatements equal 100 percent of the additional property tax resulting from the increase in assessed value as a result of the improvements, are administered as a rebate of the incremental taxes generated from the improvements to property, and last for 15 years (or fewer, if the loan is paid off). Eligibility for approval requires the property to have no loss of pre-existing tax revenues, and the developer demonstrates the project is not feasible without TIF. Abatements are obtained through application by the property owner and are reviewed and approved by a TIF council prior to commencing the improvements. This refund reduces the net monthly property tax to the City of Omaha.

The Employment and Investment Growth Act under State Legislative Bills 775 and 312 grants tax credits and sales tax refunds for companies that hire at least 30 new employees and invest at least \$3 million. This act allows a refund of sales tax paid on equipment or other taxable property purchased in connection with the project. This refund to companies reduces the net monthly sales receipts remitted to the City.

The City of Omaha is not prohibited from releasing information that may be considered public record and therefore available to any entity submitting the proper request to the city clerk.

Taxes abated under these programs for the fiscal year ended December 31, 2016 were as follows (in thousands):

Tax Increment Financing Program - \$5,209

Employment and Investment Growth Act - \$7,721

#### (18) Discretely Presented Component Units

##### (a) Investments

As of June 30, 2016, the investment balances of Metropolitan Entertainment & Convention Authority (MECA), a discretely presented component unit, are as follows:

Investment	Maturities	Credit Rating	Fair Value
Certificates of deposit	7/14/16 - 2/5/18	100% FDIC Insured	\$ 8,015,000
Corporate bonds	9/15/16 - 5/15/17	N/A	6,575,487
Commercial paper	9/7/2016	S&P-A1 and Moody's P1	1,693,200
U.S. Treasury securities	2/28/2017	N/A	999,545
Government agency discount notes	8/25/16 - 9/27/17	N/A	3,973,961
Total investments			\$ 21,257,193

Heartland Workforce Solutions, Inc. (HWS), a discretely presented component unit, had no investments at June 30, 2016.

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**(b) Capital Assets**

Activity for the year ended June 30, 2016 for MECA's property, equipment, and intangible assets and accumulated depreciation and amortization is as follows:

		<b>July 1, 2015</b>	<b>Additions &amp; Reclassifications</b>	<b>Dispositions</b>	<b>June 30, 2016</b>
Leasehold improvements	\$	16,698,449	1,629,004	-	18,327,453
Furniture, fixtures, and equipment		13,928,966	311,903	-	14,240,869
Building rights		10,079,196	-	-	10,079,196
Construction in progress		285,651	(255,200)	-	30,451
		<u>40,992,262</u>	<u>1,685,707</u>	<u>-</u>	<u>42,677,969</u>
Accumulated depreciation and amortization		<u>(19,489,743)</u>	<u>(3,112,519)</u>	<u>-</u>	<u>(22,602,262)</u>
Total	\$	<u><u>21,502,519</u></u>	<u><u>(1,426,812)</u></u>	<u><u>-</u></u>	<u><u>20,075,707</u></u>

Heartland Workforce Solutions, Inc. had \$174,457 in capital assets, net of \$143,205 in accumulated depreciation as of June 30, 2016. These capital assets consisted of furniture and equipment and leasehold improvements.

**(c) Notes Payable**

Activity for the year ended June 30, 2016 for MECA's long-term debt activity is as follows:

	<b>Balance June 30, 2015</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance, June 30, 2016</b>
City of Omaha	\$ <u>1,553,944</u>	<u>-</u>	<u>(575,946)</u>	<u>977,998</u>

Heartland Workforce Solutions, Inc. had \$29,755 in long-term debt as of June 30, 2016.

Through the amended agreement and lease with the City, MECA agreed to exercise good faith and best efforts to raise and pay over to the City the sum of \$14,000,000 to offset additional funds provided by the City for the construction of the facility. Proceeds from the sale of Naming Rights were specifically identified as a source of repayment. The Naming Rights have been sold to Century Tel Service Group, LLC, a subsidiary of Century Link, Inc. (previously Quest Communications International, Inc.) under a Convention Center/Arena Naming Rights Agreement, which terminates on September 1, 2018. As a result, the obligation for the repayment of this portion of the construction funds has been recorded as long-term debt payable to the City offset by recording intangible Building Rights.

**City Of Omaha, Nebraska**  
**Notes to Basic Financial Statements**  
**December 31, 2016**



Debt service payments for MECA are as follows:

	<u>Principal</u>	<u>Interest</u>
Year:		
2017	\$ 575,946	149,054
2018	402,052	173,895
	<u>\$ 977,998</u>	<u>322,949</u>

**(d) Commitments and Contingencies**

MECA entered into a long-term contract for food service operations for CenturyLink Center Omaha in November 2001. MECA renewed this long-term contract in March 2013. The terms of the contract commit MECA to a ten-year CPI indexed annual payment to the contractor of \$250,000. The annual payments made as of June 30, 2016 and 2015 were \$257,868 and \$253,750, respectively. There are incentive provisions in the contract that may result in additional payments to the contractor, capped at \$62,500 per contract year, subject to CPI indexing. Such incentives totaled \$64,467 and \$63,438 for years ended June 30, 2016 and 2015, respectively. The remaining costs of such commitments as of June 30, 2016 are seven annual payments of \$250,000 subject to increases in accordance with a CPI index.

MECA entered into a contract for food service operations for TD Ameritrade Park Omaha in July of 2013. The contract term is February 1, 2016 until June 30, 2023. The terms of the contract commit MECA to a seven year, five month CPI indexed annual payment to the contractor of \$75,000. The annual payments made as of June 30, 2016 were \$40,559. There are incentive provisions in the contract that may result in additional payments to the contractor, capped at \$18,750 per contract year, subject to CPI indexing. Such incentives totaled \$20,138 for year ended June 30, 2016. The remaining costs of such commitments as of June 30, 2016 are seven annual payments of \$75,000 subject to increases in accordance with a CPI index.

**(19) Subsequent Events**

On March 9, 2017, the City issued City of Omaha Public Facilities Corporation Lease Revenue Bonds in the amount of \$95,510,000, bearing at interest rates ranging from 1.495% to 4.353%. The proceeds of the Bonds will be provided to a Trustee for deposit in an Acquisition Fund and used to refinance, on behalf of the City of Omaha, a portion of the indebtedness of the City of Omaha Convention Hotel Corporation incurred to develop an upscale convention center hotel located adjacent to and connected via a skywalk to the Omaha Convention Center and Arena located immediately north of downtown. The City will assist in refinancing the Project by applying the proceeds of the Bonds to the purchase of the Hotel Corporation's Convention Center Hotel Second Tier Revenue Refunding Bonds, Series 2017. The Hotel Corporation will use the purchase price of the Revenue Refunding Bonds to refund and redeem in whole its outstanding Convention Center Hotel First Tier Revenue Refunding Bonds, Series 2007 in the amount of \$100,635,000. This refunding was undertaken to restructure the long-term debt of the hotel and reduce annual debt service costs. This refunding resulted in an economic gain of \$3,508,895. The loan provides for annual principal payments ranging from \$335,000 to \$10,450,000 and semiannual interest payments each February 1 and August 1 through February 1, 2047.

**City Of Omaha, Nebraska**  
**Notes to Basic Financial Statements**  
**December 31, 2016**



On March 15, 2017, the City entered into a loan agreement with Nebraska Department of Environmental Quality in the amount of \$15,000,000 for sewer related construction costs, bearing interest at 0.5% during construction and 1.5% after the date of initiation of operation. Funds were drawn down as project costs were incurred. As of June 2017, all funds were drawn upon. This loan provides for semiannual principal payments of \$454,452 and semiannual interest payments each June 15 and December 15 through June 15, 2039.

# City of Omaha, Nebraska

## Budgetary Comparison Schedule – General Fund – Budgetary Basis Year Ended December 31, 2016



	Budgeted amounts			Variance with final budget positive (negative)
	Original	Final	Actual	
Revenues:				
Property tax	\$ 82,640,224	82,640,224	80,281,667	(2,358,557)
Motor vehicle taxes	10,000,000	10,000,000	12,187,075	2,187,075
City sales and use tax	149,425,244	149,425,244	151,233,150	1,807,906
Business taxes	21,300,000	21,300,000	18,111,294	(3,188,706)
Taxes in lieu	5,014,180	5,014,180	4,100,465	(913,715)
Licenses and permits	9,410,946	9,410,946	9,600,964	190,018
Charges for services	23,275,414	23,275,414	23,805,499	530,085
Revenue for KENO	581,950	581,950	639,546	57,596
Interest income	600,000	600,000	867,747	267,747
Rent and royalties	921,200	921,200	670,658	(250,542)
Miscellaneous	-	-	33,463	33,463
Restaurant tax	29,269,966	29,269,966	31,452,039	2,182,073
Business usage	13,687,640	13,687,640	13,179,685	(507,955)
Tobacco tax	3,750,000	3,750,000	3,756,165	6,165
Total revenues	349,876,764	349,876,764	349,919,417	42,653
Expenditures:				
General government:				
Mayor's office	1,181,798	1,181,798	1,072,904	108,894
City clerks	713,459	713,459	649,698	63,761
City council	1,269,152	1,269,152	1,213,905	55,247
Law	4,252,616	4,252,616	3,974,446	278,170
Human resources	2,449,411	2,449,411	2,389,231	60,180
Human rights and relations	874,879	874,879	830,039	44,840
Finance	4,063,033	4,063,033	3,688,932	374,101
Planning	8,917,676	8,917,676	8,060,880	856,796
Employee benefits	20,570,242	20,570,242	20,358,241	212,001
Other agencies	27,541,907	27,541,907	28,820,405	(1,278,498)
Other accounts	4,539,341	4,539,341	6,243,411	(1,704,070)
Total general government	76,373,514	76,373,514	77,302,092	(928,578)
Public safety:				
Fire	97,159,343	97,159,343	96,318,772	840,571
Police	131,029,153	131,029,153	127,543,311	3,485,842
Total public safety	228,188,496	228,188,496	223,862,083	4,326,413
Public works:				
Environmental	18,003,743	18,003,743	17,163,223	840,520
Street and highway	3,515,459	3,515,459	3,420,224	95,235
Total public works	21,519,202	21,519,202	20,583,447	935,755
Culture and recreation:				
Parks and recreation	20,052,888	20,052,888	19,953,454	99,434
GOCVB	800,000	800,000	800,000	-
Libraries	11,942,664	11,942,664	11,485,142	457,522
Total culture and recreation	32,795,552	32,795,552	32,238,596	556,956
Total expenditures	358,876,764	358,876,764	353,986,218	(4,890,546)
Deficiency of revenues under expenditures	(9,000,000)	(9,000,000)	(4,066,801)	4,933,199
Net changes in fund balances	\$ (9,000,000)	(9,000,000)	(4,066,801)	4,933,199

# City of Omaha, Nebraska

## Notes to Budgetary Comparison Schedule – General Fund

Year Ended December 31, 2016



### (1) Budget and Budgetary Accounting

The Mayor is required by the City Charter to prepare and submit an annual budget to the City Council. A budget is prepared for the general fund and all special revenue funds, exclusive of all grant funds and the service-type special assessments fund. These budgets are prepared primarily on a cash basis for revenues and modified accrual basis for expenditures. The budget presented reflects the original budget and the revised budget prior to the closing ordinance. In addition, encumbrances are reported as expenditures for budgetary purposes. Under this system, purchase orders, contracts, and other commitments for the expenditure of funds are recorded as encumbrances in order to reserve a portion of the applicable appropriation.

Throughout the year, budgetary monitoring, to ensure compliance with the City Council approved budget, is performed by each division and by the following category of expenditures: personnel services, non-personnel services, capital outlay, and debt service. All budget amendments must be approved by the Mayor and/or City Council. Unencumbered appropriations lapse at the end of the fiscal year. Encumbered funds are carried over to the ensuing fiscal year until utilized or canceled.

The City Charter also requires the City Council each year to make an ad valorem tax levy for a sinking fund (debt service fund) that shall provide for principal and interest payments on the general obligation bonded indebtedness of the City.

Appropriations for certain special revenue funds and capital projects funds are controlled on a project basis and are carried forward each year until the project is completed or grant funds are expended.

Budgets are also prepared for the proprietary funds as a management control device. The budgets for these funds are prepared on a revenue and expenditure basis similar to the budgets for the governmental fund types.

### (2) Reconciliation of Budget-Basis Revenues and Expenditures to GAAP

Revenue and expenditures presented on a non-GAAP budget basis of accounting differ from the revenues and expenditures presented in accordance with GAAP because of the different treatment of encumbrances and accruals (revenue recognition).

In addition, Section 5.14 of the City of Omaha's Home Rule Charter requires, in relevant part, that the year-end general fund balance "... be applied as general fund revenue in the budget for the fiscal year two years subsequent to that fiscal year." Therefore, the amount of the general fund carryover coming into a particular fiscal year has already been determined. Any general fund encumbrances at the end of a fiscal year are not included in the year-end general fund balance because those encumbrances will normally need to be paid in the following fiscal year and cannot be held until the fiscal year two years subsequent to the fiscal year when the encumbrance was incurred.

# City of Omaha, Nebraska

## Notes to Budgetary Comparison Schedule – General Fund

Year Ended December 31, 2016



All general fund encumbrances are charged to the appropriate accounts at the end of the fiscal year. This allows those funds to be kept separate from the year-end general fund balance. Therefore, when the actual payments to the vendors are required in the following fiscal year, there are general fund moneys available. A reconciliation of the differences between the budgetary versus GAAP is presented as follows:

	<u>General Fund</u>
Budget basis:	
2015 carryover to 2017	\$ 8,619,438
2016 carryover to 2018	<u>11,142,368</u>
Total budget basis fund balance before transfer out	<u>19,761,806</u>
Basis differences:	
Cash reserve	8,012,680
Contingent liability reserve	4,705,059
Accrued property taxes	7,766,048
Accrued sales taxes	26,248,844
Accrued interest	249,851
Encumbrances	10,810,187
Inventory	<u>694,950</u>
GAAP basis fund balance	<u>\$ 78,249,425</u>

### (3) Expenditures in Excess of Budget

Budgeted expenditures were exceeded in the following departments/divisions:

<u>Department/Division</u>	<u>Amount</u>
General fund:	
General Government:	
Other agencies	\$ (1,278,498)
Other accounts	(1,704,070)

**City of Omaha, Nebraska**  
**Schedule of Changes in the Civilian Plan's**  
**Net Pension Liability**  
**Year ended December 31, 2016**  
**(Dollars in Thousands)**



	<b>2016</b>	<b>2015</b>	<b>2014</b>
<b>Total Pension Liability</b>			
Service cost	\$ 6,641	12,970	14,010
Interest	33,702	28,908	30,653
Benefit changes	-	(36,495)	-
Differences between expected and actual experience	(812)	602	-
Changes of assumptions	-	(195,369)	70,858
Benefit payments, including member refunds	(33,881)	(32,770)	(31,316)
Net change in Total Pension Liability	<u>5,650</u>	<u>(222,154)</u>	<u>84,205</u>
 Total Pension Liability - beginning	 <u>437,885</u>	 <u>660,039</u>	 <u>575,834</u>
 Total Pension Liability - ending (a)	 <u><u>\$ 443,535</u></u>	 <u><u>437,885</u></u>	 <u><u>660,039</u></u>
 <b>Civilian Plan Fiduciary Net Position</b>			
Contributions – employer	\$ 12,780	12,401	12,327
Contributions – member	6,866	6,584	6,321
Net investment income	21,909	7,214	11,122
Benefit payments, including member refunds	(33,881)	(32,770)	(31,316)
Administrative expense	(6)	(3)	(66)
Net change in Civilian Plan Fiduciary Net Position	<u>7,668</u>	<u>(6,574)</u>	<u>(1,612)</u>
 Civilian Plan Fiduciary Net Position – beginning	 <u>232,157</u>	 <u>238,731</u>	 <u>240,343</u>
 Civilian Plan Fiduciary Net Position - ending (b)	 <u><u>\$ 239,825</u></u>	 <u><u>232,157</u></u>	 <u><u>238,731</u></u>
 Net Pension Liability - ending (a) - (b)	 <u><u>\$ 203,710</u></u>	 <u><u>205,728</u></u>	 <u><u>421,308</u></u>
 Civilian plan fiduciary net position as a percentage of the total pension liability	 54.07%	 53.02%	 36.17%
 Covered-employee payroll	 67,586	 62,061	 60,477
 City's net pension liability as a percentage of covered- employee payroll	 301.41%	 331.49%	 696.64%

**Note to schedule:**

Results for the other years within the last ten years are not available and will be developed prospectively.



**City of Omaha, Nebraska**  
**Civilian Plan - Schedule of City Contributions**  
**Year ended December 31, 2016**  
**(Dollars in Thousands)**



	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined employer contribution	\$ 11,794	14,677	17,163
Contributions in relation to actuarially determined contribution	12,780	12,401	12,327
Annual contribution deficiency (excess)	<u>\$ (986)</u>	<u>2,276</u>	<u>4,836</u>
Covered-employee payroll	\$ 67,586	62,061	60,477
Actual contributions as a percentage of covered-employee payroll	18.91%	19.98%	20.38%

**Notes to Schedule:**

Results for the other years within the last ten years are not available and will be developed prospectively.

Valuation date: 1/1/2016 1/1/2015 1/1/2014

Actuarially determined contribution rates are calculated as of January 1 of the most recent actuarial valuation date.

Methods and assumptions used to determine contribution rates:

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal
Amortization method	Layered approach with level percent of payroll, closed periods	Layered approach with level percent of payroll, closed periods	Layered approach with level percent of payroll, closed periods
Remaining amortization period	17 to 20 years, depending on base	17 to 20 years, depending on base	18 to 20 years, depending on base
Asset valuation method	Expected + 25% of (Market - Expected Values)	Expected + 25% of (Market - Expected Values)	Expected + 25% of (Market - Expected Values)
Inflation	3.25%	3.25%	3.25%
Salary increase, including inflation	4.00% to 10.00%	4.00% to 10.00%	4.00% to 10.00%
Interest credited to cash balance accounts	6.25%	6.25%	N/A
Investment rate of return	8.00%, net of investment expense, including inflation	8.00%, net of investment expense, including inflation	8.00%, net of investment expense, including inflation

**City of Omaha, Nebraska**  
**Schedule of Changes in the Uniformed Plan's**  
**Net Pension Liability**  
**Year ended December 31, 2016**  
**(Dollars in Thousands)**



	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Total Pension Liability</b>			
Service cost	\$ 30,290	30,031	29,469
Interest	99,175	95,307	91,066
Difference between expected and actual experience	(16,351)	(7,027)	-
Benefit payments	<u>(71,483)</u>	<u>(68,509)</u>	<u>(66,559)</u>
Net change in Total Pension Liability	41,631	49,802	53,976
Total Pension Liability - beginning	<u>1,274,746</u>	<u>1,224,944</u>	<u>1,170,968</u>
Total Pension Liability - ending (a)	<u>\$ 1,316,377</u>	<u>1,274,746</u>	<u>1,224,944</u>
<b>Uniformed Plan Fiduciary Net Position</b>			
Contributions – employer	\$ 43,235	42,138	41,852
Contributions – member	20,215	19,705	19,623
Net investment income	50,247	936	25,665
Benefit payments	(71,483)	(68,509)	(66,559)
Administrative expense	<u>(11)</u>	<u>(18)</u>	<u>(149)</u>
Net change in Uniformed Plan Fiduciary Net Position	42,203	(5,748)	20,432
Uniformed Plan Fiduciary Net Position – beginning	<u>594,179</u>	<u>599,927</u>	<u>579,495</u>
Uniformed Plan Fiduciary Net Position - ending (b)	<u>\$ 636,382</u>	<u>594,179</u>	<u>599,927</u>
Net Pension Liability - ending (a) - (b)	<u>\$ 679,995</u>	<u>680,567</u>	<u>625,017</u>
Uniformed plan fiduciary net position as a percentage of the total pension liability	48.34%	46.61%	48.98%
Covered-employee payroll	125,201	121,729	120,776
City's net pension liability as a percentage of covered-employee payroll	543.12%	559.08%	517.50%

**Note to schedule:**

Results for the other years within the last ten years are not available and will be developed prospectively.

**City of Omaha, Nebraska**  
**Uniformed Plan - Schedule of City Contributions**  
**Year ended December 31, 2016**  
**(Dollars in Thousands)**



	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined employer contribution	\$ 42,468	41,911	43,525
Contribution in relation to actuarially determined contribution	43,235	42,138	41,852
Annual contribution deficiency (excess)	<u>\$ (767)</u>	<u>(227)</u>	<u>1,673</u>
Covered-employee payroll	\$ 125,201	121,729	120,776
Actual contributions as a percentage of covered-employee payroll	34.53%	34.62%	34.65%

**Notes to Schedule:**

Results for the other years within the last ten years are not available and will be developed prospectively.

Valuation date: 1/1/2016 1/1/2015 1/1/2014

Actuarially determined contribution rates are calculated as of January 1 of the most recent actuarial valuation date.

Methods and assumptions used to determine contribution rates:

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarial cost method	Entry age	Entry age	Entry age
Amortization method	Level percent of payroll, closed	Level percent of payroll, closed	Level percent of payroll, closed
Remaining amortization period	28 years	29 years	30 years
Asset valuation method	Expected + 25% of (Market - Expected Values)	Expected + 25% of (Market - Expected Values)	Expected + 25% of (Market - Expected Values)
Inflation	3.25%	3.25%	3.25%
Salary increase, including inflation	4.00% to 13.00%	4.00% to 13.00%	4.00% to 13.00%
Investment rate of return	8.00%, net of investment expense, including inflation	8.00%, net of investment expense, including inflation	8.00%, net of investment expense, including inflation
Cost-of-living adjustment	The lesser of 3% or \$50 for Police or \$65 for Fire	The lesser of 3% or \$50 for Police or \$65 for Fire	The lesser of 3% or \$50 for Police or \$65 for Fire

**City of Omaha, Nebraska**  
**Required Supplementary Information Schedules**  
**Year Ended December 31, 2016**



**Civilian Plan - Schedule of Investment Returns**

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return, net of investment expense	10.247%	3.403%	5.256%

**Note to schedule:**

Results for the other years within the last ten years are not available and will be developed prospectively.

**Uniformed Plan – Schedule of Investment Returns**

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return, net of investment expense	9.064%	0.676%	4.939%

**Note to schedule:**

Results for the other years within the last ten years are not available and will be developed prospectively.

**Schedule of Funding Progress for Postemployment Obligation (OPEB)**

(Dollars in Millions)

<u>Schedule of Funding Progress</u>							<b>UAAL as a percentage of covered payroll ((b-a)/c)</b>
<u>Actuarial valuation date</u>	<u>Actuarial value of assets (a)</u>	<u>Actuarial accrued liability (AAL) (b)</u>	<u>Unfunded AAL (UAAL) (b-a)</u>	<u>Funded ratio (a-b)</u>		<u>Covered payroll (c)</u>	
January 1, 2016	\$ -	\$ 400.9	\$ 400.9	-	%	\$ 183.8	218%
January 1, 2014	-	400.8	400.8	-		179.3	224
January 1, 2012	-	449.4	449.4	-		164.2	274

**City of Omaha, Nebraska**  
**Notes to Required Supplementary Information**  
**Year Ended December 31, 2016**



**Civilian Plan – Changes of Benefit and Funding Terms**

The following changes to the provisions of the Civilian Plan were first reflected in the valuation performed as of January 1, 2015 listed below:

There were a number of changes as a result of the settlement of certain labor agreements:

- Reduction in the benefit multiplier for future years of service after March 1, 2015 from 2.25% to 1.90%.
- Change in the normal retirement age from age 50, if the Rule of 80 (age plus service equals or exceeds 80) is met, or age 60 with five years of service to age 55, if the Rule of 85 is met, or age 65 with 5 years of service. However, certain transition rules apply. If a member is within 5 years of normal retirement, no change applies. If a member is more than five, but less than 10 years from normal retirement age, their normal retirement age moves to Rule of 85 or age 62 with five years of service.
- Change in final average salary from a high one-year average to a high five-year average. If a member is within five years of normal retirement, the final average salary changes to the average of the highest three-years. The amount of final average salary at February 28, 2015 (under the definition at that time) is protected so the final average salary used to calculate a member's benefit is never less than the final average salary at February 28, 2015.
- Disability benefit changed from 60% of final monthly compensation to 1.50% times years of service times final average salary for non-service related disabilities and 1.75% times years of service times final average salary for service-related disabilities.
- The employer contribution rate increased from 11.775% to 17.775% of total pay in 2014 and 18.775% of total pay in 2015 and beyond.
- Creation of a cash balance plan for employees hired on and after March 1, 2015.

**Uniformed Plan – Changes in Actuarial Assumptions and Methods**

The following changes to actuarial assumptions and methods of the Uniformed Plan were first reflected in the valuation performed as of January 1, 2015 listed below:

- The valuation methodology for members who are currently participating in the Deferred Retirement Option Plan (DROP) or assumed to participate in the DROP in the future was changed. Under the revised methodology, the Entry Age Normal Cost calculation spreads the costs of benefits over the member's entire career, ending on the date they are assumed to leave the DROP. Previously, the normal cost calculation spread the costs from entry age to the date the member was assumed to enter the DROP.

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**City of Omaha, Nebraska**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**December 31, 2016**



Assets	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Governmental Funds
Cash and pooled investments	\$ 16,553,247	9,158,477	11,422,947	93,386	37,228,057
Investments	-	-	1,451,295	2,786,528	4,237,823
Receivables (net of allowance for uncollectibles)	3,667,584	6,606,459	5,404,027	-	15,678,070
Due from other governments	11,881,627	19,576	10,083	-	11,911,286
Due from other funds	38,036,000	-	4,755,000	-	42,791,000
Accrued interest	25,803	-	12,372	208	38,383
Other assets	-	-	498,899	-	498,899
Restricted assets:					
Funds with trustee	3,010,842	-	2,155,379	-	5,166,221
Total assets	<u>\$ 73,175,103</u>	<u>15,784,512</u>	<u>25,710,002</u>	<u>2,880,122</u>	<u>117,549,739</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>					
Liabilities:					
Accounts payable and other current liabilities	\$ 8,730,518	4,000	4,958,486	-	13,693,004
Due to other governments	2,735	-	-	-	2,735
Due to other funds	5,836,000	-	4,755,000	-	10,591,000
Unearned revenue	2,741,990	2,090	-	-	2,744,080
Total liabilities	<u>17,311,243</u>	<u>6,090</u>	<u>9,713,486</u>	<u>-</u>	<u>27,030,819</u>
Deferred inflows of resources:					
Unavailable revenue	<u>5,189,775</u>	<u>6,009,379</u>	<u>5,394,883</u>	<u>-</u>	<u>16,594,037</u>
Fund balances (deficits):					
Nonspendable	-	-	498,899	2,775,389	3,274,288
Restricted	37,054,256	9,769,043	11,844,059	26,915	58,694,273
Committed	12,930,529	-	2,625,320	77,818	15,633,667
Assigned	1,904,063	-	1,463,866	-	3,367,929
Unassigned	<u>(1,214,763)</u>	<u>-</u>	<u>(5,830,511)</u>	<u>-</u>	<u>(7,045,274)</u>
Total fund balances	<u>50,674,085</u>	<u>9,769,043</u>	<u>10,601,633</u>	<u>2,880,122</u>	<u>73,924,883</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 73,175,103</u>	<u>15,784,512</u>	<u>25,710,002</u>	<u>2,880,122</u>	<u>117,549,739</u>

**City of Omaha, Nebraska**  
**Combining Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**Year Ended December 31, 2016**



	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Governmental Funds
Revenues:					
Taxes:					
Property	\$ 1,850,761	7,343,464	811,575	-	10,005,800
Business	844,109	-	-	-	844,109
In lieu	5,351	14,215	-	-	19,566
Licenses and grants	2,120,371	-	-	-	2,120,371
Intergovernmental	45,630,459	750,000	-	-	46,380,459
Investment income (loss)	48,827	-	37,184	(12,029)	73,982
Revenue from Keno	7,155,276	-	-	-	7,155,276
Charges for services	30,000,512	-	1,147,998	-	31,148,510
Rents, royalties, and other	614,731	725,000	-	-	1,339,731
Contributions and grants	25,090,758	217,510	7,804,440	-	33,112,708
Total revenues	<u>113,361,155</u>	<u>9,050,189</u>	<u>9,801,197</u>	<u>(12,029)</u>	<u>132,200,512</u>
Expenditures:					
Governmental activities:					
General government	6,489,718	51,871	27,274	-	6,568,863
Public safety	6,686,072	-	-	-	6,686,072
Transportation services	57,690,607	-	1,386,546	-	59,077,153
Other public services	2,863,456	-	-	-	2,863,456
Community development	17,138,664	-	494,758	-	17,633,422
Culture and parks	5,631,544	-	2,638,531	75,000	8,345,075
Debt service:					
Principal	75,000	4,447,615	312,175	-	4,834,790
Interest	2,405,371	4,034,172	60,428	-	6,499,971
Bond issuance costs	-	-	68,719	-	68,719
Capital outlay:					
General government	-	-	4,975,997	-	4,975,997
Public safety	1,181,780	-	10,691,779	-	11,873,559
Transportation	6,997,102	-	12,815,424	-	19,812,526
Other public services	642,235	-	4,489,611	-	5,131,846
Culture and parks	32,175	-	9,398,450	-	9,430,625
Total expenditures	<u>107,833,724</u>	<u>8,533,658</u>	<u>47,359,692</u>	<u>75,000</u>	<u>163,802,074</u>
Excess (deficiency) of revenues over (under) expenditures	<u>5,527,431</u>	<u>516,531</u>	<u>(37,558,495)</u>	<u>(87,029)</u>	<u>(31,601,562)</u>
Other financing sources (uses):					
Transfers in	6,771,827	-	2,492,925	-	9,264,752
Transfers out	(3,009,894)	-	(426,361)	-	(3,436,255)
Issuance of debt	-	-	32,565,000	-	32,565,000
Premium on debt issued	-	-	2,109,198	-	2,109,198
Sale of capital assets	-	194,335	26,560	-	220,895
Total other financing sources (uses)	<u>3,761,933</u>	<u>194,335</u>	<u>36,767,322</u>	<u>-</u>	<u>40,723,590</u>
Net change in fund balances	<u>9,289,364</u>	<u>710,866</u>	<u>(791,173)</u>	<u>(87,029)</u>	<u>9,122,028</u>
Fund balances, beginning	<u>41,384,721</u>	<u>9,058,177</u>	<u>11,392,806</u>	<u>2,967,151</u>	<u>64,802,855</u>
Fund balances, ending	<u>\$ 50,674,085</u>	<u>9,769,043</u>	<u>10,601,633</u>	<u>2,880,122</u>	<u>73,924,883</u>



# City of Omaha, Nebraska

## Nonmajor Governmental Funds

### Special Revenue Funds



Special Revenue Funds account for the proceeds from specific revenue sources that are restricted to expenditures for specified purposes.

**Judgment Fund** – To accumulate resources for the purpose of providing a means to satisfy judgments, damage claims, and related litigation expenses against the City. It is sustained by a Judgment Fund tax levy upon tangible property. The actual and projected revenues are derived from a levy of 0.6 cents per \$100 in 2007 – 2016.

**Public Library Contribution Fund** – To accumulate and hold special contributions for the library from outside sources. Funds are generally restricted for specific purposes to enhance library operations. The trust fund includes grants, gifts, State Aid, and contributions from Friends of the Library and the Library Foundation.

**Library Fines and Fees Fund** – To account for the revenues generated through fees and fines collected by the Library.

**Douglas County Library Supplement Fund** – To account for the revenue generated by a property tax levy assessed on Douglas County residents living in unincorporated areas. The Douglas County Board passed this levy in 1995 for the purpose of providing countywide funding for the Omaha Public Library System.

**Miscellaneous Contribution Fund** – To account for money collected and encumbered into this Expendable Trust Fund. These short-term “small funds” are not large enough for the creation of a fund and are established for the sole purpose of private entity or individual contributions for specific usage of funds. Organizations with current year activity or previous year balances are tracked individually by the finance department.

**Keno/Lottery Proceeds Fund** – To accumulate resources from the City’s percentage of Keno revenue in the City and account for activities financed with Keno revenues.

**SID Administrative Fee Revenue Fund** – To collect a 1% fee on Sanitary and Improvement District final construction costs. The City ordinance #36247 passed April 29, 2003 authorized the City to collect a 1% fee (1% of final construction costs) from subdivision applications using Sanitary and Improvement District (SID) financing. SID Administration Fee Revenue Fund was closed and moved to the General Fund in 2016. There will no longer be activity in this fund going forward.

**Storm Water Fee Revenue Fund** – To account for revenues collected from a fee charged to all retail Metropolitan Utilities District customers. The funds are used to implement administrative requirements of the NPDES Storm Water Permit issued by the Nebraska Department of Environmental Quality in 2003. This function is mandated by the Environmental Protection Agency of the Federal Government.

**City Street Maintenance Fund** – To account for the usage of City motor vehicle registration fees and street cut fees. The City Motor Vehicle Registration Fee was increased to \$50.00 per passenger vehicle, with a graduated schedule for larger vehicles. The street cut fee, derived from local utilities and contractors, is based upon the size of the street cut. Use of funds is restricted to street maintenance and repair purposes and their related costs.

**Street and Highway Allocation Fund** – To account for usage of State shared vehicle user taxes allocated to the City. Usage of fund proceeds is restricted to street maintenance, improvements, and related purposes. In addition to the state gasoline tax portion, cities and counties divide an additional 2 cents per gallon as authorized by the 1985 State Legislature.

# City of Omaha, Nebraska

## Nonmajor Governmental Funds

### Special Revenue Funds



**Interceptor Sewer Construction Fund** – To accumulate resources from the Special Sewer Connection Fees charged to new plats outside the City limits within the Papillion Creek Watershed and existing platted lots as they are developed. These fees are used to finance the extension and/or relief of existing interceptor sanitary sewers in the Papillion Creek Watershed Basin.

**Community Park Development Fund** – To account for the costs of community park acquisition, and park improvements in suburban Omaha. In addition, subdivision agreements include provisions for revenues to be collected from Sanitary Improvement Districts at appropriate debt to value intervals.

**Storm Water Management Plan Program** – To account for storm water planning grants received. These funds are used primarily for implementation.

**State Turn Back Revenue Fund** – To account for money collected upon adoption of LB 551 by the State Legislature and amended in 2008 by LB 754 and LB 912. The City receives 70% of the state sales tax collected through the CenturyLink Omaha and the Hilton hotel. The majority of these funds are used to repay the CenturyLink debt. The remaining 10% of the City's revenue from this source is to be distributed for tourism-related purposes in the areas of the City with high concentrations of poverty.

**Ballpark Revenue Fund** – With the passage of City Ordinance #68123 dated June 1, 2008, the City Council established the Ballpark Revenue Fund. The purpose of this special revenue fund is to accumulate excess College World Series revenues for any purpose related to the New Stadium or its operations. The annual excess of Public Funds that exceed the stadium debt service or the Variable Funds that exceed planned projections are to be deposited into this fund. The City's portion of College World Series revenue shall also be deposited into this fund. The City may retain all Public Surplus Funds in the event the fund balance of this fund exceeds \$10,000,000.

**Keno Lottery Reserve Fund** – To account for the reserve perpetual fund in accordance with Ordinance No. 34688 passed in 1998. Twenty-five (25%) of all Keno revenue must be credited to this fund until the fund balance reaches \$2,370,000. After this reserve fund reaches \$3,000,000, 25% of the interest earned stays in the fund; 75% is appropriated as permitted.

**Grants Fund** – To account for costs associated with activities related to various grants received by the City, which are designated for a specific purpose or period of time.

**Greater Omaha Convention and Visitors Bureau Fund** – To account for the operations of the Greater Omaha Convention and Visitors Bureau, which is a City department established to improve the City's economy by attracting conventions and visitors.

**Household Chemical Disposal Fund** – To account for funds related to the collection of household hazardous waste. In August 2001, an Interlocal Agreement between Omaha, Douglas, and Sarpy counties was executed to establish a regional collection center for household hazardous waste (HHW).

**Development Revenue Fund** – To record fees collected on Tax Increment Financing (TIF) projects in accordance with the City of Omaha Municipal Code, Section 24-150, Fees: Tax Increment Financing Applications, Processing and Administration. Funds received will be used to fund additional staff required to administer the processing of TIF applications.

**City of Omaha, Nebraska**  
**Nonmajor Governmental Funds**  
**Special Revenue Funds**



**Technology and Training Fund** – To account for technology and training fees from any permit, inspection, zoning approval, subdivision approval, board application, or other item sought from or performed by the Planning Department. Fees collected will be used to defray the costs of enhancing the technological resources and training of the Planning Department. This is City Council Ordinance # 39121.

**City of Omaha, Nebraska**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**December 31, 2016**



<b>Assets</b>	<b>Judgment</b>	<b>Public Library Contribution</b>	<b>Library Fines and Fees</b>	<b>Douglas County Library Supplement</b>	<b>Miscellaneous Contribution</b>	<b>Keno/ Lottery Proceeds</b>
Cash and pooled investments	\$ 373,459	373,262	1,301	281	2,758,644	1,210,421
Receivables (net of allowance for uncollectibles)	1,851,172	-	-	-	131,266	342,943
Due from other governments	-	-	-	667,358	-	-
Due from other funds	4,000,000	-	-	-	-	-
Accrued interest	-	-	-	-	-	-
Restricted assets:						
Funds with trustee	-	-	-	-	-	-
Total assets	<u>\$ 6,224,631</u>	<u>373,262</u>	<u>1,301</u>	<u>667,639</u>	<u>2,889,910</u>	<u>1,553,364</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>						
Liabilities:						
Accounts payable and other current liabilities	\$ 46,701	22,355	22	-	42,555	320,933
Due to other governments	2,735	-	-	-	-	-
Due to other funds	-	-	-	1,272,000	-	-
Unearned revenue	538	-	-	-	-	-
Total liabilities	<u>49,974</u>	<u>22,355</u>	<u>22</u>	<u>1,272,000</u>	<u>42,555</u>	<u>320,933</u>
Deferred inflows of resources:						
Unavailable revenue	<u>1,667,648</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,581</u>	<u>-</u>
Fund balances (deficits):						
Restricted	4,507,009	350,907	-	-	2,826,774	-
Committed	-	-	1,279	-	-	-
Assigned	-	-	-	-	-	1,232,431
Unassigned	-	-	-	(604,361)	-	-
Total fund balances (deficits)	<u>4,507,009</u>	<u>350,907</u>	<u>1,279</u>	<u>(604,361)</u>	<u>2,826,774</u>	<u>1,232,431</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 6,224,631</u>	<u>373,262</u>	<u>1,301</u>	<u>667,639</u>	<u>2,889,910</u>	<u>1,553,364</u>

**City of Omaha, Nebraska**  
**Combining Balance Sheet (Continued)**  
**Nonmajor Special Revenue Funds**  
**December 31, 2016**



<b>Assets</b>	<b>SID Administrative Fee Revenue</b>	<b>Storm Water Fee Revenue</b>	<b>City Street Maintenance</b>	<b>Street and Highway Allocation</b>	<b>Interceptor Sewer Construction</b>	<b>Community Park Development</b>
Cash and pooled investments	\$ -	536,063	1,148,746	325,835	1,311,781	297
Receivables (net of allowance for uncollectibles)	-	-	779,364	112,284	-	338,072
Due from other governments	-	-	1,643,787	3,703,891	-	-
Due from other funds	-	3,000,000	10,500,000	9,500,000	7,536,000	-
Accrued interest	-	-	-	-	-	-
Restricted assets:						
Funds with trustee	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ -</b>	<b>3,536,063</b>	<b>14,071,897</b>	<b>13,642,010</b>	<b>8,847,781</b>	<b>338,369</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>						
<b>Liabilities:</b>						
Accounts payable and other current liabilities	\$ -	666,456	2,196,685	3,644,231	19,351	175
Due to other governments	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	501,000
Unearned revenue	-	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>666,456</b>	<b>2,196,685</b>	<b>3,644,231</b>	<b>19,351</b>	<b>501,175</b>
<b>Deferred inflows of resources:</b>						
Unavailable revenue	-	-	210,619	65,232	-	315,497
<b>Fund balances (deficits):</b>						
Restricted	-	-	11,664,593	9,932,547	-	-
Committed	-	2,869,607	-	-	8,828,430	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	(478,303)
<b>Total fund balances (deficits)</b>	<b>-</b>	<b>2,869,607</b>	<b>11,664,593</b>	<b>9,932,547</b>	<b>8,828,430</b>	<b>(478,303)</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ -</b>	<b>3,536,063</b>	<b>14,071,897</b>	<b>13,642,010</b>	<b>8,847,781</b>	<b>338,369</b>

**City of Omaha, Nebraska**  
**Combining Balance Sheet (Continued)**  
**Nonmajor Special Revenue Funds**  
**December 31, 2016**



<b>Assets</b>	<b>Storm Water Management Plan Program</b>	<b>State Turn Back Revenue</b>	<b>Ballpark Revenue</b>	<b>Keno Lottery Reserve</b>	<b>Grants</b>	<b>Greater Omaha Convention and Visitors Bureau</b>
Cash and pooled investments	\$ 288,247	180,054	542,266	197,162	3,816,401	1,572,284
Receivables (net of allowance for uncollectibles)	-	-	-	-	2,600	11,637
Due from other governments	-	-	-	-	4,910,400	956,191
Due from other funds	-	-	1,500,000	-	2,000,000	-
Accrued interest	-	-	-	25,803	-	-
Restricted assets:						
Funds with trustee	-	-	-	3,010,842	-	-
<b>Total assets</b>	<b>\$ 288,247</b>	<b>180,054</b>	<b>2,042,266</b>	<b>3,233,807</b>	<b>10,729,401</b>	<b>2,540,112</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>						
<b>Liabilities:</b>						
Accounts payable and other current liabilities	\$ 22,608	151,276	979	-	1,210,453	336,677
Due to other governments	-	-	-	-	-	-
Due to other funds	-	-	-	-	3,900,000	-
Unearned revenue	265,639	-	-	-	2,475,813	-
<b>Total liabilities</b>	<b>288,247</b>	<b>151,276</b>	<b>979</b>	<b>-</b>	<b>7,586,266</b>	<b>336,677</b>
<b>Deferred inflows of resources:</b>						
Unavailable revenue	-	-	-	-	2,877,982	34
<b>Fund balances (deficits):</b>						
Restricted	-	28,778	2,041,287	3,233,807	265,153	2,203,401
Committed	-	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
<b>Total fund balances (deficits)</b>	<b>-</b>	<b>28,778</b>	<b>2,041,287</b>	<b>3,233,807</b>	<b>265,153</b>	<b>2,203,401</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 288,247</b>	<b>180,054</b>	<b>2,042,266</b>	<b>3,233,807</b>	<b>10,729,401</b>	<b>2,540,112</b>

**City of Omaha, Nebraska**  
**Combining Balance Sheet (Continued)**  
**Nonmajor Special Revenue Funds**  
**December 31, 2016**



<b>Assets</b>	<b>Household Chemical Disposal</b>	<b>Development Revenue</b>	<b>Technology and Training</b>	<b>Total Special Revenue Funds</b>
Cash and pooled investments	\$ 526	1,238,655	677,562	16,553,247
Receivables (net of allowance for uncollectibles)	98,246	-	-	3,667,584
Due from other governments	-	-	-	11,881,627
Due from other funds	-	-	-	38,036,000
Accrued interest	-	-	-	25,803
Restricted assets:				
Funds with trustee	-	-	-	3,010,842
Total assets	<u>\$ 98,772</u>	<u>1,238,655</u>	<u>677,562</u>	<u>73,175,103</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>				
Liabilities:				
Accounts payable and other current liabilities	\$ 35,689	7,442	5,930	8,730,518
Due to other governments	-	-	-	2,735
Due to other funds	163,000	-	-	5,836,000
Unearned revenue	-	-	-	2,741,990
Total liabilities	<u>198,689</u>	<u>7,442</u>	<u>5,930</u>	<u>17,311,243</u>
Deferred inflows of resources:				
Unavailable revenue	<u>32,182</u>	<u>-</u>	<u>-</u>	<u>5,189,775</u>
Fund balances (deficits):				
Restricted	-	-	-	37,054,256
Committed	-	1,231,213	-	12,930,529
Assigned	-	-	671,632	1,904,063
Unassigned	<u>(132,099)</u>	<u>-</u>	<u>-</u>	<u>(1,214,763)</u>
Total fund balances (deficits)	<u>(132,099)</u>	<u>1,231,213</u>	<u>671,632</u>	<u>50,674,085</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 98,772</u>	<u>1,238,655</u>	<u>677,562</u>	<u>73,175,103</u>

**City of Omaha, Nebraska**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**Year Ended December 31, 2016**



	<u>Judgment</u>	<u>Public Library Contribution</u>	<u>Library Fines and Fees</u>	<u>Douglas County Library Supplement</u>	<u>Miscellaneous Contribution</u>	<u>Keno/ Lottery Proceeds</u>
Revenues:						
Taxes:						
Property	\$ 1,850,761	-	-	-	-	-
Business	-	-	-	-	-	-
In lieu	5,351	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	1,546,783	-	-
Investment income	-	-	-	-	11,670	52
Revenue from Keno	-	-	-	-	-	7,155,276
Charges for services	-	-	387,479	-	417,832	-
Rents, royalties, and other	-	-	-	-	212,586	-
Contributions and grants	-	765,415	-	-	721,170	-
Total revenues	<u>1,856,112</u>	<u>765,415</u>	<u>387,479</u>	<u>1,546,783</u>	<u>1,363,258</u>	<u>7,155,328</u>
Expenditures:						
Current:						
General government	591,898	-	-	-	-	1,274,589
Public safety	-	-	-	-	10,718	700,100
Transportation services	-	-	-	-	-	-
Other public services	-	-	-	-	-	120,000
Community development	-	-	-	-	240,204	-
Culture and parks	-	559,338	250,000	2,100,000	637,356	1,820,100
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	2,351,816
Capital outlay:						
Public safety	-	-	-	-	-	476,000
Transportation	-	-	-	-	-	-
Other public services	-	-	-	-	-	-
Culture and parks	-	-	-	-	32,175	-
Total expenditures	<u>591,898</u>	<u>559,338</u>	<u>250,000</u>	<u>2,100,000</u>	<u>920,453</u>	<u>6,742,605</u>
Excess (deficiency) revenues over (under) expenditures	<u>1,264,214</u>	<u>206,077</u>	<u>137,479</u>	<u>(553,217)</u>	<u>442,805</u>	<u>412,723</u>
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances (deficits)	<u>1,264,214</u>	<u>206,077</u>	<u>137,479</u>	<u>(553,217)</u>	<u>442,805</u>	<u>412,723</u>
Fund balances (deficits), beginning	<u>3,242,795</u>	<u>144,830</u>	<u>(136,200)</u>	<u>(51,144)</u>	<u>2,383,969</u>	<u>819,708</u>
Fund balances (deficits), ending	<u>\$ 4,507,009</u>	<u>350,907</u>	<u>1,279</u>	<u>(604,361)</u>	<u>2,826,774</u>	<u>1,232,431</u>



**City of Omaha, Nebraska**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances (Continued)**  
**Nonmajor Special Revenue Funds**  
**Year Ended December 31, 2016**



	<u>SID Administrative Fee Revenue</u>	<u>Storm Water Fee Revenue</u>	<u>City Street Maintenance</u>	<u>Street and Highway Allocation</u>	<u>Interceptor Sewer Construction</u>	<u>Community Park Development</u>
Revenues:						
Taxes:						
Property	\$ -	-	-	-	-	-
Business	-	-	-	-	-	-
In lieu	-	-	-	-	-	-
Licenses and permits	-	-	325	-	1,596,872	-
Intergovernmental	-	-	-	39,991,268	-	-
Investment income	-	-	-	-	-	-
Revenue from Keno	-	-	-	-	-	-
Charges for services	-	1,555,383	25,136,770	909,295	-	363,635
Rents, royalties, and other	-	-	21,290	371,028	-	-
Contributions and grants	-	276,797	405,225	165,816	-	-
Total revenues	<u>-</u>	<u>1,832,180</u>	<u>25,563,610</u>	<u>41,437,407</u>	<u>1,596,872</u>	<u>363,635</u>
Expenditures:						
Current:						
General government	-	-	429,439	3,894,855	-	-
Public safety	-	-	-	-	-	-
Transportation services	-	-	20,170,073	37,457,391	-	-
Other public services	-	1,404,202	-	-	-	-
Community development	-	-	-	-	-	-
Culture and parks	-	-	202,316	-	-	21,455
Debt service:						
Principal	-	-	-	75,000	-	-
Interest	-	-	-	53,555	-	-
Capital outlay:						
Public safety	-	-	-	-	-	-
Transportation	-	-	-	6,324,113	-	-
Other public services	-	384,603	-	-	-	-
Culture and parks	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>1,788,805</u>	<u>20,801,828</u>	<u>47,804,914</u>	<u>-</u>	<u>21,455</u>
Excess (deficiency) revenues over (under) expenditures	<u>-</u>	<u>43,375</u>	<u>4,761,782</u>	<u>(6,367,507)</u>	<u>1,596,872</u>	<u>342,180</u>
Other financing sources (uses):						
Transfers in	24,006	-	5,000,000	725,784	-	33,460
Transfers out	(143,701)	-	(615,159)	(453,555)	(335,562)	-
Total other financing sources (uses)	<u>(119,695)</u>	<u>-</u>	<u>4,384,841</u>	<u>272,229</u>	<u>(335,562)</u>	<u>33,460.000</u>
Net change in fund balances (deficits)	<u>(119,695)</u>	<u>43,375</u>	<u>9,146,623</u>	<u>(6,095,278)</u>	<u>1,261,310</u>	<u>375,640</u>
Fund balances (deficits), beginning	<u>119,695</u>	<u>2,826,232</u>	<u>2,517,970</u>	<u>16,027,825</u>	<u>7,567,120</u>	<u>(853,943)</u>
Fund balances (deficits), ending	<u>\$ -</u>	<u>2,869,607</u>	<u>11,664,593</u>	<u>9,932,547</u>	<u>8,828,430</u>	<u>(478,303)</u>

**City of Omaha, Nebraska**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances (Continued)**  
**Nonmajor Special Revenue Funds**  
**Year Ended December 31, 2016**



	<b>Storm Water Management Plan Program</b>	<b>State Turn Back Revenue</b>	<b>Ballpark Revenue</b>	<b>Keno Lottery Reserve</b>	<b>Grants</b>	<b>Greater Omaha Convention and Visitors Bureau</b>
Revenues:						
Taxes:						
Property	\$ -	-	-	-	-	-
Business	-	-	-	-	-	844,109
In lieu	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	269,372	-	-	-	3,776,338
Investment income	-	-	-	36,261	844	-
Revenue from Keno	-	-	-	-	-	-
Charges for services	-	-	302,848	-	-	392,988
Rents, royalties, and other	-	-	-	-	-	9,796
Contributions and grants	631,550	-	-	-	21,625,211	-
Total revenues	<u>631,550</u>	<u>269,372</u>	<u>302,848</u>	<u>36,261</u>	<u>21,626,055</u>	<u>5,023,231</u>
Expenditures:						
Current:						
General government	-	-	-	-	48,996	206,557
Public safety	-	-	-	-	5,975,254	-
Transportation services	-	-	-	-	63,143	-
Other public services	373,918	-	-	-	472,519	-
Community development	-	288,276	-	-	10,784,933	5,192,081
Culture and parks	-	-	979	40,000	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Public safety	-	-	-	-	705,780	-
Transportation	-	-	-	-	672,989	-
Other public services	257,632	-	-	-	-	-
Culture and parks	-	-	-	-	-	-
Total expenditures	<u>631,550</u>	<u>288,276</u>	<u>979,000</u>	<u>40,000</u>	<u>18,723,614</u>	<u>5,398,638</u>
Excess (deficiency) revenues over (under) expenditures	<u>-</u>	<u>(18,904)</u>	<u>301,869</u>	<u>(3,739)</u>	<u>2,902,441</u>	<u>(375,407)</u>
Other financing sources (uses):						
Transfers in	-	-	201,940	-	785,809	-
Transfers out	-	-	-	-	(1,461,917)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>201,940</u>	<u>-</u>	<u>(676,108)</u>	<u>-</u>
Net change in fund balances (deficits)	<u>-</u>	<u>(18,904)</u>	<u>503,809</u>	<u>(3,739)</u>	<u>2,226,333</u>	<u>(375,407)</u>
Fund balances (deficits), beginning	<u>-</u>	<u>47,682</u>	<u>1,537,478</u>	<u>3,237,546</u>	<u>(1,961,180)</u>	<u>2,578,808</u>
Fund balances (deficits), ending	<u>\$ -</u>	<u>28,778</u>	<u>2,041,287</u>	<u>3,233,807</u>	<u>265,153</u>	<u>2,203,401</u>

**City of Omaha, Nebraska**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances (Continued)**  
**Nonmajor Special Revenue Funds**  
**Year Ended December 31, 2016**



	Household Chemical Disposal	Development Revenue	Technology and Training	Total Special Revenue Funds
Revenues:				
Taxes:				
Property	\$ -	-	-	1,850,761
Business	-	-	-	844,109
In lieu	-	-	-	5,351
Licenses and permits	-	-	523,174	2,120,371
Intergovernmental	46,698	-	-	45,630,459
Investment income	-	-	-	48,827
Revenue from Keno	-	-	-	7,155,276
Charges for services	-	534,282	-	30,000,512
Rents, royalties, and other	31	-	-	614,731
Contributions and grants	499,574	-	-	25,090,758
Total revenues	<u>546,303</u>	<u>534,282</u>	<u>523,174</u>	<u>113,361,155</u>
Expenditures:				
Current:				
General government	23,384	20,000	-	6,489,718
Public safety	-	-	-	6,686,072
Transportation services	-	-	-	57,690,607
Other public services	492,817	-	-	2,863,456
Community development	-	217,487	415,683	17,138,664
Culture and parks	-	-	-	5,631,544
Debt service:				
Principal	-	-	-	75,000
Interest	-	-	-	2,405,371
Capital outlay:				
Public safety	-	-	-	1,181,780
Transportation	-	-	-	6,997,102
Other public services	-	-	-	642,235
Culture and parks	-	-	-	32,175
Total expenditures	<u>516,201</u>	<u>237,487</u>	<u>415,683</u>	<u>107,833,724</u>
Excess (deficiency) revenues over (under) expenditures	<u>30,102</u>	<u>296,795</u>	<u>107,491</u>	<u>5,527,431</u>
Other financing sources (uses):				
Transfers in	828	-	-	6,771,827
Transfers out	-	-	-	(3,009,894)
Total other financing sources (uses)	<u>828</u>	<u>-</u>	<u>-</u>	<u>3,761,933</u>
Net change in fund balances (deficits)	<u>30,930</u>	<u>296,795</u>	<u>107,491</u>	<u>9,289,364</u>
Fund balances (deficits), beginning	<u>(163,029)</u>	<u>934,418</u>	<u>564,141</u>	<u>41,384,721</u>
Fund balances (deficits), ending	<u>\$ (132,099)</u>	<u>1,231,213</u>	<u>671,632</u>	<u>50,674,085</u>

**City of Omaha, Nebraska**  
**Budgetary Comparison Schedule – Judgment Fund**  
**Year Ended December 31, 2016**



	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Revenues:				
Taxes property	\$ 1,864,276	1,864,276	1,850,761	(13,515)
Taxes in lieu	6,868	6,868	5,351	(1,517)
Total revenues	1,871,144	1,871,144	1,856,112	(15,032)
Expenditures:				
General government	1,918,643	1,918,643	591,898	1,326,745
Total expenditures	1,918,643	1,918,643	591,898	1,326,745
Net change in fund balances	(47,499)	(47,499)	1,264,214	1,311,713
Fund balances, beginning	3,242,795	3,242,795	3,242,795	-
Fund balances, ending	\$ 3,195,296	3,195,296	4,507,009	1,311,713

**City of Omaha, Nebraska**  
**Budgetary Comparison Schedule –**  
**Library Fine and Fees Fund**  
**Year Ended December 31, 2016**



	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Revenues:				
Charges for services	\$ 422,455	422,455	387,479	(34,976)
Total revenues	422,455	422,455	387,479	(34,976)
Expenditures:				
Culture and parks	250,000	250,000	250,000	-
Total expenditures	250,000	250,000	250,000	-
Net change in fund balances (deficits)	172,455	172,455	137,479	(34,976)
Fund deficits, beginning	(136,200)	(136,200)	(136,200)	-
Fund balances, ending	\$ 36,255	36,255	1,279	(34,976)

**City of Omaha, Nebraska**  
**Budgetary Comparison Schedule –**  
**Douglas County Library Supplement Fund**  
**Year Ended December 31, 2016**



	<b>Budgeted Amounts</b>		<b>Variance with Final Budget Positive (Negative)</b>	
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
Revenues:				
Intergovernmental	\$ 1,850,000	1,850,000	1,546,783	(303,217)
Total revenues	<u>1,850,000</u>	<u>1,850,000</u>	<u>1,546,783</u>	<u>(303,217)</u>
Expenditures:				
Culture and parks	<u>2,100,000</u>	<u>2,100,000</u>	<u>2,100,000</u>	<u>-</u>
Total expenditures	<u>2,100,000</u>	<u>2,100,000</u>	<u>2,100,000</u>	<u>-</u>
Net change in fund balances (deficits)	(250,000)	(250,000)	(553,217)	(303,217)
Fund deficits, beginning	<u>(51,144)</u>	<u>(51,144)</u>	<u>(51,144)</u>	<u>-</u>
Fund deficits, ending	<u><u>\$ (301,144)</u></u>	<u><u>(301,144)</u></u>	<u><u>(604,361)</u></u>	<u><u>(303,217)</u></u>

**City of Omaha, Nebraska**  
**Budgetary Comparison Schedule –**  
**Keno / Lottery Proceeds Fund**  
**Year Ended December 31, 2016**



	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Revenues:				
Investment income	\$ -	-	52	52
Revenue from Keno	5,820,000	5,820,000	7,155,276	1,335,276
Total revenues	5,820,000	5,820,000	7,155,328	1,335,328
Expenditures:				
General government	-	-	1,274,589	(1,274,589)
Public safety	1,176,000	1,176,000	1,176,100	(100)
Other public services	120,000	120,000	120,000	-
Culture and parks	1,820,100	1,820,100	1,820,100	-
Debt service:				
Interest	2,351,816	2,351,816	2,351,816	-
Total expenditures	5,467,916	5,467,916	6,742,605	(1,274,689)
Net change in fund balances	352,084	352,084	412,723	60,639
Fund balances, beginning	819,708	819,708	819,708	-
Fund balances, ending	\$ 1,171,792	1,171,792	1,232,431	60,639

**City of Omaha, Nebraska**  
**Budgetary Comparison Schedule –**  
**SID Administrative Fees Revenue Fund**  
**Year Ended December 31, 2016**



	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Other financing uses:				
Transfers in	\$ -	-	24,006	(24,006)
Transfers out	-	-	(143,701)	143,701
Total other financing uses	-	-	(119,695)	119,695
Net change in fund balances	-	-	(119,695)	119,695
Fund balances, beginning	119,695	119,695	119,695	-
Fund balances, ending	\$ 119,695	119,695	-	(119,695)



**City of Omaha, Nebraska**  
**Budgetary Comparison Schedule –**  
**Storm Water Fee Revenue Fund**  
**Year Ended December 31, 2016**



	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Revenues:				
Charges for services	\$ 1,900,000	1,900,000	1,555,383	(344,617)
Contributions and grants	-	-	276,797	276,797
Total revenues	1,900,000	1,900,000	1,832,180	(67,820)
Expenditures:				
Other public services	1,726,844	1,726,844	1,404,202	322,642
Capital outlay	-	-	384,603	(384,603)
Total expenditures	1,726,844	1,726,844	1,788,805	(61,961)
Net change in fund balances	173,156	173,156	43,375	(129,781)
Fund balances, beginning	2,826,232	2,826,232	2,826,232	-
Fund balances, ending	\$ 2,999,388	2,999,388	2,869,607	(129,781)

**City of Omaha, Nebraska**  
**Budgetary Comparison Schedule –**  
**City Street Maintenance Fund**  
**Year Ended December 31, 2016**



	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Revenues:				
Licenses and permits	\$ -	-	325	325
Charges for services	23,187,798	23,187,798	25,136,770	1,948,972
Rents, royalties, and others	-	-	21,290	21,290
Contributions and grants	1,325,000	1,325,000	405,225	(919,775)
Total revenues	24,512,798	24,512,798	25,563,610	1,050,812
Expenditures:				
General government	408,812	408,812	429,439	(20,627)
Transportation services	20,074,522	20,074,522	20,170,073	(95,551)
Culture and parks	292,731	292,731	202,316	90,415
Total expenditures	20,776,065	20,776,065	20,801,828	(25,763)
Excess of revenues over expenditures	3,736,733	3,736,733	4,761,782	1,025,049
Other financing uses:				
Transfers in	-	-	5,000,000	5,000,000
Transfers out	-	-	(615,159)	(615,159)
Total other financing uses	-	-	4,384,841	4,384,841
Net change in fund balances	3,736,733	3,736,733	9,146,623	5,409,890
Fund balances, beginning	2,517,970	2,517,970	2,517,970	-
Fund balances, ending	\$ 6,254,703	6,254,703	11,664,593	5,409,890

**City of Omaha, Nebraska**  
**Budgetary Comparison Schedule –**  
**Street and Highway Allocation Fund**  
**Year Ended December 31, 2016**



	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance With Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Revenues:				
Intergovernmental	\$ 40,505,591	40,505,591	39,991,268	(514,323)
Charges for services	-	-	909,295	909,295
Rents, royalties and other	29,000	29,000	371,028	342,028
Contributions and grants	-	-	165,816	165,816
Total revenues	<u>40,534,591</u>	<u>40,534,591</u>	<u>41,437,407</u>	<u>902,816</u>
Expenditures:				
General government	3,626,382	3,626,382	3,894,855	(268,473)
Transportation services	44,318,148	44,318,148	37,457,391	6,860,757
Debt service:				
Principal	500,000	500,000	75,000	425,000
Interest	14,455	14,455	53,555	(39,100)
Capital outlay	-	-	6,324,113	(6,324,113)
Total expenditures	<u>48,458,985</u>	<u>48,458,985</u>	<u>47,804,914</u>	<u>654,071</u>
Deficiency of revenues under expenditures	<u>(7,924,394)</u>	<u>(7,924,394)</u>	<u>(6,367,507)</u>	<u>1,556,887</u>
Other financing uses:				
Transfers in	-	-	725,784	(725,784)
Transfers out	-	-	(453,555)	453,555
Total other financing uses	<u>-</u>	<u>-</u>	<u>272,229</u>	<u>(272,229)</u>
Net change in fund balances	<u>(7,924,394)</u>	<u>(7,924,394)</u>	<u>(6,095,278)</u>	<u>(1,829,116)</u>
Fund balances, beginning	<u>16,027,825</u>	<u>16,027,825</u>	<u>16,027,825</u>	<u>-</u>
Fund balances, ending	<u>\$ 8,103,431</u>	<u>8,103,431</u>	<u>9,932,547</u>	<u>1,829,116</u>

**City of Omaha, Nebraska**  
**Budgetary Comparison Schedule –**  
**Interceptor Sewer Construction Fund**  
**Year Ended December 31, 2016**



	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance With Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Revenues:				
Licenses and permits	\$ 1,400,000	1,400,000	1,596,872	196,872
Total revenues	1,400,000	1,400,000	1,596,872	196,872
Expenditures:				
Other public services	1,600,000	1,600,000	-	1,600,000
Total expenditures	1,600,000	1,600,000	-	1,600,000
Excess (deficiency) of revenues over (under) expenditures	(200,000)	(200,000)	1,596,872	1,796,872
Other financing uses:				
Transfers out	-	-	(335,562)	335,562
Total other financing uses	-	-	(335,562)	335,562
Net change in fund balances	(200,000)	(200,000)	1,261,310	1,461,310
Fund balances, beginning	7,567,120	7,567,120	7,567,120	-
Fund balances, ending	\$ 7,367,120	7,367,120	8,828,430	1,461,310

**City of Omaha, Nebraska**  
**Budgetary Comparison Schedule –**  
**Community Park Development Fund**  
**Year Ended December 31, 2016**



	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance With Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Revenues:				
Charges for services	\$ 350,000	350,000	363,635	13,635
Total revenues	350,000	350,000	363,635	13,635
Expenditures:				
Culture and parks	-	-	21,455	(21,455)
Total expenditures	-	-	21,455	(21,455)
Excess of revenues over expenditures	350,000	350,000	342,180	(7,820)
Other financing sources:				
Transfers in	-	-	33,460	33,460
Total other financing sources	-	-	33,460	33,460
Net change in fund deficits	350,000	350,000	375,640	25,640
Fund deficits, beginning	(853,943)	(853,943)	(853,943)	-
Fund deficits, ending	\$ (503,943)	(503,943)	(478,303)	25,640

**City of Omaha, Nebraska**  
**Budgetary Comparison Schedule –**  
**State Turn Back Revenue Fund**  
**Year Ended December 31, 2016**



	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance With Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Revenues:				
Intergovernmental	\$ 265,000	265,000	269,372	4,372
Total revenues	265,000	265,000	269,372	4,372
Expenditures:				
Community development	245,188	245,188	288,276	(43,088)
Total expenditures	245,188	245,188	288,276	(43,088)
Net change in fund balances	19,812	19,812	(18,904)	(38,716)
Fund balances, beginning	47,682	47,682	47,682	-
Fund balances, ending	\$ 67,494	67,494	28,778	(38,716)

**City of Omaha, Nebraska**  
**Budgetary Comparison Schedule –**  
**Keno / Lottery Reserve Fund**  
**Year Ended December 31, 2016**



	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance With Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Revenues:				
Investment income	\$ 100,000	100,000	36,261	(63,739)
Total revenues	100,000	100,000	36,261	(63,739)
Expenditures:				
Culture and parks	40,000	40,000	40,000	-
Total expenditures	40,000	40,000	40,000	-
Net change in fund balances	60,000	60,000	(3,739)	(63,739)
Fund balances, beginning	3,237,546	3,237,546	3,237,546	-
Fund balances, ending	\$ 3,297,546	3,297,546	3,233,807	(63,739)

**City of Omaha, Nebraska**  
**Budgetary Comparison Schedule –**  
**Greater Omaha Convention and Visitors Bureau Fund**  
**Year Ended December 31, 2016**



	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance With Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Revenues:				
Taxes business	\$ 805,705	805,705	844,109	38,404
Intergovernmental	3,100,000	3,100,000	3,776,338	676,338
Charges for services	153,000	153,000	392,988	239,988
Rents, royalties, and other	35,000	35,000	9,796	(25,204)
Total revenues	<u>4,093,705</u>	<u>4,093,705</u>	<u>5,023,231</u>	<u>929,526</u>
Expenditures:				
General government	206,733	206,733	206,557	176
Community development	5,208,460	5,208,460	5,192,081	16,379
Total expenditures	<u>5,415,193</u>	<u>5,415,193</u>	<u>5,398,638</u>	<u>16,555</u>
Net change in fund balances	(1,321,488)	(1,321,488)	(375,407)	946,081
Fund balances, beginning	<u>2,578,808</u>	<u>2,578,808</u>	<u>2,578,808</u>	<u>-</u>
Fund balances, ending	<u>\$ 1,257,320</u>	<u>1,257,320</u>	<u>2,203,401</u>	<u>946,081</u>



**City of Omaha, Nebraska**  
**Budgetary Comparison Schedule –**  
**Household Chemical Disposal Fund**  
**Year Ended December 31, 2016**



	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance With Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Revenues:				
Intergovernmental	\$ 400,000	400,000	46,698	(353,302)
Rents, royalties, and other	-	-	31	31
Contributions and grants	150,000	150,000	499,574	349,574
Total revenues	550,000	550,000	546,303	(3,697)
Expenditures:				
General government	23,419	23,419	23,384	35
Other public services	483,837	483,837	492,817	(8,980)
Total expenditures	507,256	507,256	516,201	(8,945)
Excess (deficiency) of revenues over (under) expenditures	42,744	42,744	30,102	(12,642)
Other financing uses:				
Transfers in	-	-	828	828
Total other financing uses	-	-	828	828
Net change in fund deficits	42,744	42,744	30,930	(11,814)
Fund deficits, beginning	(163,029)	(163,029)	(163,029)	-
Fund deficits, ending	\$ (120,285)	(120,285)	(132,099)	(11,814)

**City of Omaha, Nebraska**  
**Budgetary Comparison Schedule –**  
**Technology and Training Fund**  
**Year Ended December 31, 2016**



	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance With Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Revenues:				
Licenses and permits	\$ 500,000	500,000	523,174	23,174
Total revenues	500,000	500,000	523,174	23,174
Expenditures:				
Community development	591,450	591,450	415,683	175,767
Total expenditures	591,450	591,450	415,683	175,767
Net change in fund balances	(91,450)	(91,450)	107,491	198,941
Fund balances, beginning	564,141	564,141	564,141	-
Fund balances, ending	\$ 472,691	472,691	671,632	198,941

# City of Omaha, Nebraska

## Nonmajor Governmental Funds

### Debt Service Fund



The Debt Service Funds are used to account for the resources for, and the payment of, general long-term debt principal, interest, and related costs.

**Riverfront Redevelopment Special Tax Fund** – This redevelopment levy is used to pay bond and interest payments on Redevelopment Bonds. The levy for 2009 was .894 cents per \$100 of taxable valuation. The levy for 2010 through 2016 is 1.594 cents. The State Development Law authorizes a taxing authority of 2.6 cents on each \$100 upon actual value of all taxable property in the City.

This Redevelopment Debt Service Fund services the following issuances:

<u>Name</u>	<u>Date of Issue</u>	<u>Date Retired</u>
Homeland Redevelopment Project Series 2007A	2007	2016
Various Projects Redevelopment Series 2007 C	2007	2027
Special Tax Redevelopment Series 2008	2008	2028
Riverfront Redevelopment Refunds Series 2008	2008	2026
Special Tax Redevelopment Taxable Series 2009A (BAB)	2009	2029
Special Tax Revenue Refunding Series 2012B	2012	2018
Special Tax Revenue Refunding Series 2012A	2012	2032
Special Tax Revenue Refunding Series 2012	2012	2024
Riverfront Redevelopment Project Series 2012	2012	2032

The 2012 Special Obligation Refunding Bonds and the 2008 Special Obligation Refunding Bonds are serviced by a variety of revenue sources including Property Tax Revenue, Tax Allocation Revenue, State Cigarette Tax, NRD Miller Park Contribution, Douglas County Miller Park Contribution, Sewer Fees and Land Sales.

\*The debt service for the sewer-related portion of the 2008 and 2012 Special Obligation Bonds is paid directly from the Sewer Revenue Enterprise Fund.

**City of Omaha, Nebraska**  
**Balance Sheet**  
**Nonmajor Debt Service Fund –**  
**Riverfront Redevelopment Special Tax Fund**  
**December 31, 2016**



<b>Assets</b>	<b>Riverfront Redevelopment Special Tax</b>
Cash and pooled investments	\$ 9,158,477
Receivables (net of allowance for uncollectibles)	6,606,459
Due from other governments	19,576
Total assets	\$ <u>15,784,512</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balance</b>	
Liabilities:	
Accounts payable and other current liabilities	\$ 4,000
Unearned revenue	2,090
Total liabilities	<u>6,090</u>
Deferred inflows of resources:	
Unavailable revenue	<u>6,009,379</u>
Fund balance:	
Restricted	<u>9,769,043</u>
Total fund balance	<u>9,769,043</u>
Total liabilities, deferred inflows of resources, and fund balance	\$ <u><u>15,784,512</u></u>

**City of Omaha, Nebraska**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balance**  
**Nonmajor Debt Service Fund –**  
**Riverfront Redevelopment Special Tax Fund**  
**Year Ended December 31, 2016**



	<b>Riverfront Redevelopment Special Tax</b>
Revenues:	
Taxes:	
Property	\$ 7,343,464
In lieu	14,215
Intergovernmental	750,000
Rents, royalties, and other	725,000
Contributions and grants	217,510
Total revenues	<u>9,050,189</u>
Expenditures:	
Current:	
General government	51,871
Debt service:	
Principal	4,447,615
Interest	4,034,172
Total expenditures	<u>8,533,658</u>
Excess of revenues over expenditures	<u>516,531</u>
Other financing sources:	
Proceeds from sale of real estate	<u>194,335</u>
Total other financing sources	<u>194,335</u>
Net change in fund balance	710,866
Fund balance, beginning	9,058,177
Fund balance, ending	<u>\$ 9,769,043</u>

**City of Omaha, Nebraska**  
**Budgetary Comparison Schedule –**  
**Debt Service Fund (Major Fund)**  
**Year Ended December 31, 2016**



	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance With Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Revenues:				
Taxes property	\$ 62,549,549	62,549,549	62,842,583	293,034
Taxes in lieu	-	-	178,839	178,839
Intergovernmental	2,582,983	2,582,983	2,424,344	(158,639)
Investment income	275,000	275,000	25,587	(249,413)
Charges for services	2,025,000	2,025,000	1,346,293	(678,707)
Contributions and grants	233,165	233,165	2,698,327	2,465,162
Total revenues	<u>67,665,697</u>	<u>67,665,697</u>	<u>69,515,973</u>	<u>1,850,276</u>
Expenditures:				
General government	625,495	625,495	1,300,086	(674,591)
Debt service:				
Principal	45,292,943	45,292,943	46,295,000	(1,002,057)
Interest	21,058,783	21,058,783	22,043,821	(985,038)
Bond issuance costs	-	-	324,282	(324,282)
Total expenditures	<u>66,977,221</u>	<u>66,977,221</u>	<u>69,963,189</u>	<u>(2,985,968)</u>
Excess (fefficiency) of revenues over (under) expenditures	<u>688,476</u>	<u>688,476</u>	<u>(447,216)</u>	<u>(1,135,692)</u>
Other financing sources (uses):				
Transfer out	-	-	(57,466)	(57,466)
Proceeds from sale of real estate	-	-	908,625	908,625
Issuance of refunding debt	-	-	18,370,000	18,370,000
Premium on debt issued	-	-	1,508,433	1,508,433
Payment to escrow agent	-	-	(17,165,382)	(17,165,382)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>3,564,210</u>	<u>3,564,210</u>
Net change in fund balances	<u>688,476</u>	<u>688,476</u>	<u>3,116,994</u>	<u>2,428,518</u>
Fund balances, beginning	<u>19,917,725</u>	<u>19,917,725</u>	<u>19,917,725</u>	<u>-</u>
Fund balances, ending	<u>\$ 20,606,201</u>	<u>20,606,201</u>	<u>23,034,719</u>	<u>2,428,518</u>

**City of Omaha, Nebraska**  
**Budgetary Comparison Schedule -**  
**Riverfront Redevelopment Special Tax Fund**  
**Year Ended December 31, 2016**



	<b>Budgeted amounts</b>			<b>Variance With Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
Revenues:				
Taxes property	\$ 7,223,722	7,223,722	7,343,464	119,742
Taxes in lieu	-	-	14,215	14,215
Intergovernmental	1,518,246	1,518,246	750,000	(768,246)
Rents, royalties, and other	918,256	918,256	725,000	(193,256)
Contributions and grants	81,964	81,964	217,510	135,546
Total revenues	<u>9,742,188</u>	<u>9,742,188</u>	<u>9,050,189</u>	<u>(691,999)</u>
Expenditures:				
General government	49,527	49,527	51,871	(2,344)
Debt service:				
Principal	4,447,615	4,447,615	4,447,615	-
Interest	4,119,010	4,119,010	4,034,172	84,838
Total expenditures	<u>8,616,152</u>	<u>8,616,152</u>	<u>8,533,658</u>	<u>82,494</u>
Excess of revenues over expenditures	<u>1,126,036</u>	<u>1,126,036</u>	<u>516,531</u>	<u>(609,505)</u>
Other financing sources (uses):				
Proceeds from sale of real estate	-	-	194,335	194,335
Total other financing sources	<u>-</u>	<u>-</u>	<u>194,335</u>	<u>194,335</u>
Net change in fund balances	1,126,036	1,126,036	710,866	(415,170)
Fund balances, beginning	<u>9,058,177</u>	<u>9,058,177</u>	<u>9,058,177</u>	<u>-</u>
Fund balances, ending	<u>\$ 10,184,213</u>	<u>10,184,213</u>	<u>9,769,043</u>	<u>(415,170)</u>

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# City of Omaha, Nebraska

## Nonmajor Governmental Funds

### Capital Project Funds



The Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

**ASARCO/Lewis and Clark Remediation Fund** – To develop initial public improvements associated with the conversion of the ASARCO property to a public recreational area, along with other improvements along the riverfront. Improvements will include trails, benches, landscaping, roads, parking lots, and similar public developments. In addition, the agreement requires ASARCO to deposit \$1.5 million to be invested by the City to fund long-term remediation costs.

**Advanced Acquisition Fund** – To account for net proceeds from the sale or exchange of real property. The net proceeds from the sale or exchange of real property not needed for public purposes are to be credited to this fund. Section 5.03 of the Municipal Code permits usage of available funds to facilitate the orderly and timely acquisition of real estate for public purposes as proposed in the master plan.

**City Capital Improvement Fund** – To account for money supplemented by General Fund appropriations and grants used to fund various city projects.

**2010 Environmental Bond Fund** – To account for money received through the issuance of a general obligation bond voted on in the May 2010 primary election. Proceeds from the sale of the bond are used toward the cost of construction and improvement of storm, sanitary, and interceptor sewers throughout the City.

**2014 Environmental Bond Fund** – To account for money received through the issuance of a general obligation bond voted on in the May 2014 primary election. Proceeds from the sale of the bond are used toward the cost of construction and improvement of storm, sanitary, and interceptor sewers throughout the City.

**Airport Business Park Development Fund** – To account for contributions received from developers who request Tax Increment Financing throughout the Downtown Northeast area. This requirement is incorporated in the Redevelopment Agreement between the City of Omaha and the developer when sewer connections are required within the Airport Industrial Park and/or East Omaha Detention Cells. All sewer connection fees within this area are paid by this fund. Other funding is provided by TIF proceeds and the sale of land.

**2006 Transportation Bond Fund** – To account for money received through the issuance of general obligation bonds in the May 2006 primary elections. Proceeds from the sale of these bonds are used toward the cost of construction and improvement of streets, expressways, freeways, and various bridge improvements throughout the City. The 2006 Transportation Bond Fund is now closed and all remaining funds have been moved to the 2010 Transportation Bond Fund.

**2010 Transportation Bond Fund** – To account for money received through the issuance of general obligation bonds in the May 2010 primary elections. Proceeds from the sale of these bonds are used toward the cost of construction and improvement of streets, expressways, freeways, and various bridge improvements throughout the City.

**2014 Transportation Bond Fund** – To account for money received through the issuance of general obligation bonds in the May 2014 primary elections. Proceeds from the sale of these bonds are used toward the cost of construction and improvement of streets, expressways, freeways, and various bridge improvements throughout the City.

# City of Omaha, Nebraska

## Nonmajor Governmental Funds

### Capital Project Funds



**2010 Public Facilities Bond Fund** – To account for money received through the issuance of the general obligation bonds in the May 2010 primary elections. Proceeds from the sale of these bonds are used toward the cost of construction and improvements of facility projects throughout the City.

**2014 Public Facilities Bond Fund** – To account for money received through the issuance of the general obligation bonds in the May 2014 primary elections. Proceeds from the sale of these bonds are used toward the cost of construction and improvements of facility projects throughout the City.

**2010 Public Safety Bond Fund** – To account for money received through the issuance of general obligation bonds in the May 2010 primary election. Proceeds from the sale of these bonds will be used for various public safety capital expenditures, including the purchase of aerials, pumpers, and emergency vehicle preemption system equipment.

**2014 Public Safety Bond Fund** – To account for money received through the issuance of general obligation bonds in the May 2014 primary election. Proceeds from the sale of these bonds will be used for various public safety capital expenditures, including the purchase of aerials, pumpers, and emergency vehicle preemption system equipment.

**2010 Parks and Recreation Bond Fund** – To account for the City of Omaha 2010 Bond issue. The City of Omaha citizens voted and approved on May 11, 2010 the issuance of \$14,410,000 in General Obligation bonds. This money will be used for development and rehabilitation of City of Omaha Parks and Recreations Centers.

**2014 Parks and Recreation Bond Fund** – To account for the City of Omaha 2014 Bond issue. The City of Omaha citizens voted and approved in May 2014 the issuance of \$14,511,000 in General Obligation bonds. This money will be used for development and rehabilitation of City of Omaha Parks and Recreations Centers.

**Downtown Stadium & Companion Project** – To account for the construction of a new City baseball stadium to be built between 10th and 13th Streets between Cuming and Webster Streets. The City of Omaha Facilities Corporation will issue lease purchase bonds to provide funding. On June 10, 2008, the Omaha City Council adopted Ordinance 38124 approving the Sixth Amendment to the Agreement and Lease regarding the Omaha Convention Center/Arena between the City and MECA (Metropolitan Entertainment & Convention Authority) to provide for the construction and operation.

**Trail Bridge – Joint Use Omaha/Council Bluffs Fund** – To account for moneys spent toward the operation and maintenance of the Missouri River Pedestrian Bridge. Funds received in this fund may be used toward inspection, operation and maintenance costs of the crossing bridge.

**Missouri River Pedestrian Bridge Fund** – To account for the costs associated with the construction of the Missouri River Pedestrian Bridge. Final payment due was received in 2016 and the fund was closed. There will no longer be activity in this fund going forward.

**Capital Special Assessment Fund** – To account for Public Works assessments for sidewalks and sewer repairs done by the City. This is assessed annually for the homeowner with outstanding bills. S.I.D.'s are also billed for street and sewer repairs.

**Service Special Assessment Fund** – To account for a Parks and Recreation fund to enforce the city codes for weeds, litter, and demolition of buildings. This is assessed annually for the homeowner with outstanding bills.

# City of Omaha, Nebraska

## Combining Balance Sheet Nonmajor Capital Project Funds December 31, 2016



<b>Assets</b>	<b>ASARCO/ Lewis &amp; Clark Remediation</b>	<b>Advanced Acquisition</b>	<b>City Capital Improvement</b>	<b>2010 Environmental Bond</b>	<b>2014 Environmental Bond</b>	<b>Airport Business Park Development</b>
Cash and pooled investments	\$ 455,100	2,134,052	2,982,334	287,479	820,266	660,658
Investments	1,451,295	-	-	-	-	-
Receivables (net of allowance for uncollectibles)	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-
Due from other funds	-	-	883,000	-	-	-
Accrued interest	8,021	-	-	-	-	-
Other assets	-	-	498,899	-	-	-
Deposits with trustee	-	-	2,073	-	-	-
Total assets	<u>\$ 1,914,416</u>	<u>2,134,052</u>	<u>4,366,306</u>	<u>287,479</u>	<u>820,266</u>	<u>660,658</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>						
Liabilities:						
Accounts payable and other current liabilities	\$ -	6,000	2,403,541	5,535	618,390	-
Due to other funds	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>6,000</u>	<u>2,403,541</u>	<u>5,535</u>	<u>618,390</u>	<u>-</u>
Deferred inflows of resources:						
Unavailable revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances (deficits):						
Nonspendable	-	-	498,899	-	-	-
Restricted	-	2,128,052	-	281,944	201,876	-
Committed	1,914,416	-	-	-	-	660,658
Assigned	-	-	1,463,866	-	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances (deficits)	<u>1,914,416</u>	<u>2,128,052</u>	<u>1,962,765</u>	<u>281,944</u>	<u>201,876</u>	<u>660,658</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,914,416</u>	<u>2,134,052</u>	<u>4,366,306</u>	<u>287,479</u>	<u>820,266</u>	<u>660,658</u>

**City of Omaha, Nebraska**  
**Combining Balance Sheet (Continued)**  
**Nonmajor Capital Project Funds**  
**December 31, 2016**



<b>Assets</b>	<b>2010 Transportation Bond</b>	<b>2014 Transportation Bond</b>	<b>2010 Public Facilities Bond</b>	<b>2014 Public Facilities Bond</b>	<b>2010 Public Safety Bond</b>	<b>2014 Public Safety Bond</b>	<b>2010 Parks and Recreation Bond</b>
Cash and pooled investments	\$ 1,125,066	458	167,560	690	439,668	224	432,400
Investments	-	-	-	-	-	-	-
Receivables (net of allowance for uncollectibles)	270,761	153,388	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	-
Due from other funds	3,146,000	-	272,000	-	454,000	-	-
Accrued interest	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-
Deposits with trustee	-	-	-	-	-	-	-
Total assets	<u>\$ 4,541,827</u>	<u>153,846</u>	<u>439,560</u>	<u>690</u>	<u>893,668</u>	<u>224</u>	<u>432,400</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>							
Liabilities:							
Accounts payable and other current liabilities	\$ 398,282	282,464	131,131	11,261	-	-	286,307
Due to other funds	-	3,146,000	-	272,000	-	454,000	-
Total liabilities	<u>398,282</u>	<u>3,428,464</u>	<u>131,131</u>	<u>283,261</u>	<u>-</u>	<u>454,000</u>	<u>286,307</u>
Deferred inflows of resources:							
Unavailable revenue	<u>270,761</u>	<u>153,388</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances (deficits):							
Nonspendable	-	-	-	-	-	-	-
Restricted	3,872,784	-	308,429	-	893,668	-	146,093
Committed	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-
Unassigned	-	(3,428,006)	-	(282,571)	-	(453,776)	-
Total fund balances (deficits)	<u>3,872,784</u>	<u>(3,428,006)</u>	<u>308,429</u>	<u>(282,571)</u>	<u>893,668</u>	<u>(453,776)</u>	<u>146,093</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 4,541,827</u>	<u>153,846</u>	<u>439,560</u>	<u>690</u>	<u>893,668</u>	<u>224</u>	<u>432,400</u>

**City of Omaha, Nebraska**  
**Combining Balance Sheet (Continued)**  
**Nonmajor Capital Project Funds**  
**December 31, 2016**



<b>Assets</b>	<b>2014 Parks and Recreation Bond</b>	<b>Downtown Stadium &amp; Companion Project</b>	<b>Trail Bridge Joint Use Omaha/ Council Bluffs</b>	<b>Capital Special Assessment</b>	<b>Service Special Assessment</b>	<b>Total Capital Projects</b>
Cash and pooled investments	\$ 1,051,359	-	823,137	434	42,062	11,422,947
Investments	-	-	-	-	-	1,451,295
Receivables (net of allowance for uncollectibles)	-	-	-	1,772,068	3,207,810	5,404,027
Due from other governments	-	-	-	255	9,828	10,083
Due from other funds	-	-	-	-	-	4,755,000
Accrued interest	-	-	-	25	4,326	12,372
Other assets	-	-	-	-	-	498,899
Deposits with trustee	-	2,153,306	-	-	-	2,155,379
Total assets	\$ 1,051,359	\$ 2,153,306	823,137	1,772,782	3,264,026	25,710,002
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>						
Liabilities:						
Accounts payable and other current liabilities	\$ -	-	16,589	793,016	5,970	4,958,486
Due to other funds	-	-	-	883,000	-	4,755,000
Total liabilities	-	-	16,589	1,676,016	5,970	9,713,486
Deferred inflows of resources:						
Unavailable revenue	-	-	-	1,762,924	3,207,810	5,394,883
Fund balances (deficits):						
Nonspendable	-	-	-	-	-	498,899
Restricted	1,051,359	2,153,306	806,548	-	-	11,844,059
Committed	-	-	-	-	50,246	2,625,320
Assigned	-	-	-	-	-	1,463,866
Unassigned	-	-	-	(1,666,158)	-	(5,830,511)
Total fund balances (deficits)	1,051,359	2,153,306	806,548	(1,666,158)	50,246	10,601,633
Total liabilities, deferred inflows of resources, and fund balances	\$ 1,051,359	\$ 2,153,306	823,137	1,772,782	3,264,026	25,710,002

# City of Omaha, Nebraska

## Combining Statement of Revenues, Expenditures, and Changes in Fund Balances Nonmajor Capital Project Funds Year Ended December 31, 2016



	ASARCO/ Lewis & Clark Remediation	Advanced Acquisition	City Capital Improvement	2010 Environmental Bond	2014 Environmental Bond	Airport Business Park Development	2006 Transportation Bond
Revenues:							
Taxes property	\$ -	-	811,575	-	-	-	-
Investment income	(25,204)	-	2,073	-	-	-	-
Charges for services	-	100	-	-	-	-	-
Contributions and grants	-	-	713,790	564,577	300,000	-	32,509
Total revenues	<u>(25,204)</u>	<u>100</u>	<u>1,527,438</u>	<u>564,577</u>	<u>300,000</u>	<u>-</u>	<u>32,509</u>
Expenditures:							
Current:							
General government	-	-	757	-	-	-	-
Transportation services	-	-	-	-	-	-	-
Community development	-	117,220	77,538	-	-	-	-
Culture and parks	-	-	2,547,013	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Debt issuance costs	-	-	68,719	-	-	-	-
Capital outlay:							
General government	-	1,113,763	20,027	-	-	-	-
Public safety	-	-	2,566,637	-	-	-	-
Transportation	-	-	1,602,307	-	-	-	-
Other public services	-	-	-	2,111,381	2,378,230	-	-
Culture and parks	-	-	608,364	-	-	-	-
Total expenditures	<u>-</u>	<u>1,230,983</u>	<u>7,491,362</u>	<u>2,111,381</u>	<u>2,378,230</u>	<u>-</u>	<u>-</u>
Excess (deficiency) revenues over (under) expenditures	<u>(25,204)</u>	<u>(1,230,883)</u>	<u>(5,963,924)</u>	<u>(1,546,804)</u>	<u>(2,078,230)</u>	<u>-</u>	<u>32,509</u>
Other financing sources (uses):							
Transfers in	-	-	1,318,032	-	-	-	-
Transfers out	-	-	-	-	-	-	(76,362)
Issuance of debt	-	-	11,090,000	-	-	-	-
Premium on issuance of debt	-	-	784,198	-	-	-	-
Sale of capital assets	-	26,560	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>26,560</u>	<u>13,192,230</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(76,362)</u>
Total change in fund balances (deficits)	<u>(25,204)</u>	<u>(1,204,323)</u>	<u>7,228,306</u>	<u>(1,546,804)</u>	<u>(2,078,230)</u>	<u>-</u>	<u>(43,853)</u>
Fund balances (deficits), beginning	1,939,620	3,332,375	(5,265,541)	1,828,748	2,280,106	660,658	43,853
Fund balances (deficits), ending	<u>\$ 1,914,416</u>	<u>2,128,052</u>	<u>1,962,765</u>	<u>281,944</u>	<u>201,876</u>	<u>660,658</u>	<u>-</u>

# City of Omaha, Nebraska

## Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)

### Nonmajor Capital Project Funds

Year Ended December 31, 2016



	2014 Parks and Recreation Bond	Downtown Stadium & Companion Project	Trail Bridge Joint Use Omaha/ Council Bluffs	Missouri River Pedestrian Bridge	Capital Special Assessment	Service Special Assessment	Total Capital Projects
Revenues:							
Taxes property	\$ -	-	-	-	-	-	811,575
Investment income	-	-	-	-	11,398	48,917	37,184
Charges for services	-	872,603	-	-	-	275,295	1,147,998
Contributions and grants	-	-	150,000	10,000	3,029,909	40,483	7,804,440
Total revenues	-	872,603	150,000	10,000	3,041,307	364,695	9,801,197
Expenditures:							
Current:							
General government	-	-	-	-	21,075	5,442	27,274
Transportation services	-	-	-	-	504,183	882,363	1,386,546
Community development	-	-	-	-	300,000	-	494,758
Culture and parks	-	-	51,518	-	40,000	-	2,638,531
Debt service:							
Principal	-	312,175	-	-	-	-	312,175
Interest	-	60,428	-	-	-	-	60,428
Debt issuance costs	-	-	-	-	-	-	68,719
Capital outlay:							
General government	-	-	-	-	3,842,207	-	4,975,997
Public safety	-	-	-	-	-	-	10,691,779
Transportation	-	-	-	-	-	-	12,815,424
Other public services	-	-	-	-	-	-	4,489,611
Culture and parks	3,981,791	367,275	-	-	-	-	9,398,450
Total expenditures	3,981,791	739,878	51,518	-	4,707,465	887,805	47,359,692
Excess (deficiency) revenues over (under) expenditures	(3,981,791)	132,725	98,482	10,000	(1,666,158)	(523,110)	(37,558,495)
Other financing sources (uses):							
Transfers in	-	-	130,000	-	-	-	2,492,925
Transfers out	-	-	-	-	-	-	(426,361)
Issuance of debt	3,307,150	-	-	-	-	-	32,565,000
Premium on issued debt	204,050	-	-	-	-	-	2,109,198
Sale of capital assets	-	-	-	-	-	-	26,560
Total other financing sources (uses)	3,511,200	-	130,000	-	-	-	36,767,322
Total change in fund balances (deficits)	(470,591)	132,725	228,482	10,000	(1,666,158)	(523,110)	(791,173)
Fund balances (deficits), beginning	1,521,950	2,020,581	578,066	(10,000)	-	573,356	11,392,806
Fund balances (deficits), ending	\$ 1,051,359	2,153,306	806,548	-	(1,666,158)	50,246	10,601,633

**City of Omaha, Nebraska**  
**Budgetary Comparison Schedule –**  
**Advance Acquisition Fund**  
**Year Ended December 31, 2016**



	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance With Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Revenues:				
Charges for services	\$ -	-	100	100
Total revenues	-	-	100	100
Expenditures:				
Community development	-	-	117,220	(117,220)
Capital outlay	-	-	1,113,763	(1,113,763)
Total expenditures	-	-	1,230,983	(1,230,983)
Deficiency of revenues under expenditures	-	-	(1,230,883)	(1,230,883)
Other financing sources:				
Sale of capital assets	-	-	26,560	26,560
Total other financing sources	-	-	26,560	26,560
Net change in fund balances	-	-	(1,204,323)	(1,204,323)
Fund balances, beginning	3,332,375	3,332,375	3,332,375	-
Fund balances, ending	\$ 3,332,375	3,332,375	2,128,052	(1,204,323)



**City of Omaha, Nebraska**  
**Budgetary Comparison Schedule –**  
**2010 Environmental Bond Fund**  
**Year Ended December 31, 2016**



	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance With Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Revenues:				
Contributions and grants	\$ -	-	564,577	564,577
Total revenues	-	-	564,577	564,577
Expenditures:				
Capital outlay	-	-	2,111,381	(2,111,381)
Total expenditures	-	-	2,111,381	(2,111,381)
Net change in fund balances	-	-	(1,546,804)	(1,546,804)
Fund balances, beginning	1,828,748	1,828,748	1,828,748	-
Fund balances, ending	<u>\$ 1,828,748</u>	<u>1,828,748</u>	<u>281,944</u>	<u>(1,546,804)</u>

**City of Omaha, Nebraska**  
**Budgetary Comparison Schedule –**  
**2014 Environmental Bond Fund**  
**Year Ended December 31, 2016**



	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance With Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Revenues:				
Contributions and grants	\$ -	-	300,000	300,000
Total revenues	-	-	300,000	300,000
Expenditures:				
Capital outlay	3,484,000	3,484,000	2,378,230	1,105,770
Total expenditures	3,484,000	3,484,000	2,378,230	1,105,770
Deficiency of revenues under expenditures	(3,484,000)	(3,484,000)	(2,078,230)	1,405,770
Other financing sources:				
Issuance of debt	3,484,000	3,484,000	-	(3,484,000)
Total other financing sources	3,484,000	3,484,000	-	(3,484,000)
Net change in fund balances	-	-	(2,078,230)	(2,078,230)
Fund balances, beginning	2,280,106	2,280,106	2,280,106	-
Fund balances, ending	\$ 2,280,106	2,280,106	201,876	(2,078,230)

**City of Omaha, Nebraska**  
**Budgetary Comparison Schedule –**  
**2010 Transportation Bond Fund**  
**Year Ended December 31, 2016**



		<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance With Final Budget Positive (Negative)</b>
		<b>Original</b>	<b>Final</b>		
Revenues:					
Contributions and grants	\$	-	-	499,771	499,771
Total revenues		-	-	499,771	499,771
Expenditures:					
Capital outlay		5,169,000	5,169,000	7,278,623	(2,109,623)
Total expenditures		5,169,000	5,169,000	7,278,623	(2,109,623)
Deficiency of revenues under expenditures		(5,169,000)	(5,169,000)	(6,778,852)	(1,609,852)
Other financing sources (uses):					
Transfers in		-	-	691,521	691,521
Transfers out		-	-	(349,999)	(349,999)
Issuance of debt		5,169,000	5,169,000	9,706,700	4,537,700
Premium on debt issued		-	-	598,900	598,900
Total other financing sources (uses)		5,169,000	5,169,000	10,647,122	5,478,122
Net change in fund balances		-	-	3,868,270	3,868,270
Fund balances, beginning		4,514	4,514	4,514	-
Fund balances, ending	\$	4,514	4,514	3,872,784	3,868,270

**City of Omaha, Nebraska**  
**Budgetary Comparison Schedule –**  
**2010 Public Facilities Bond Fund**  
**Year Ended December 31, 2016**



	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance With Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Revenues:				
Contributions and grants	\$ -	-	-	-
Total revenues	-	-	-	-
Expenditures:				
Capital outlay	-	-	1,420,200	(1,420,200)
Total expenditures	-	-	1,420,200	(1,420,200)
Deficiency of revenues under expenditures	-	-	(1,420,200)	(1,420,200)
Other financing sources:				
Issuance of debt	-	-	1,596,050	1,596,050
Total other financing sources	-	-	1,596,050	1,596,050
Net change in fund balances (deficits)	-	-	175,850	175,850
Fund balances, beginning	132,579	132,579	132,579	-
Fund balances, ending	\$ 132,579	132,579	308,429	175,850

**City of Omaha, Nebraska**  
**Budgetary Comparison Schedule –**  
**2014 Public Facilities Bond Fund**  
**Year Ended December 31, 2016**



	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance With Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Revenues:				
Contributions and grants	\$ -	-	-	-
Total revenues	-	-	-	-
Expenditures:				
Capital outlay	3,125,000	3,125,000	5,235,752	(2,110,752)
Total expenditures	3,125,000	3,125,000	5,235,752	(2,110,752)
Deficiency of revenues under expenditures	(3,125,000)	(3,125,000)	(5,235,752)	(2,110,752)
Other financing sources:				
Issuance of debt	3,125,000	3,125,000	4,803,500	1,678,500
Premium on debt issued	-	-	394,850	394,850
Total other financing sources	3,125,000	3,125,000	5,198,350	2,073,350
Net change in fund balances (deficits)	-	-	(37,402)	(37,402)
Fund balances (deficits), beginning	(245,169)	(245,169)	(245,169)	-
Fund balances (deficits), ending	\$ (245,169)	(245,169)	(282,571)	(37,402)

**City of Omaha, Nebraska**  
**Budgetary Comparison Schedule –**  
**2010 Public Safety Bond Fund**  
**Year Ended December 31, 2016**



	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance With Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Revenues:				
Contributions and grants	\$ -	-	-	-
Total revenues	-	-	-	-
Expenditures:				
Capital outlay	-	-	448,335	(448,335)
Total expenditures	-	-	448,335	(448,335)
Deficiency of revenues under expenditures	-	-	(448,335)	(448,335)
Other financing sources:				
Issuance of debt	-	-	755,950	755,950
Total other financing sources	-	-	755,950	755,950
Net change in fund balances	-	-	307,615	307,615
Fund balances, beginning	586,053	586,053	586,053	-
Fund balances, ending	<u>\$ 586,053</u>	<u>586,053</u>	<u>893,668</u>	<u>307,615</u>

**City of Omaha, Nebraska**  
**Budgetary Comparison Schedule –**  
**2014 Public Safety Bond Fund**  
**Year Ended December 31, 2016**



	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance With Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Revenues:				
Contributions and grants	\$ -	-	-	-
Total revenues	-	-	-	-
Expenditures:				
Capital outlay	2,000,000	2,000,000	1,618,528	381,472
Total expenditures	2,000,000	2,000,000	1,618,528	381,472
Deficiency of revenues under expenditures	(2,000,000)	(2,000,000)	(1,618,528)	381,472
Other financing sources:				
Issuance of debt	2,000,000	2,000,000	1,305,650	(694,350)
Premium on debt issued	-	-	127,200	127,200
Total other financing sources	2,000,000	2,000,000	1,432,850	(567,150)
Net change in fund balances (deficits)	-	-	(185,678)	(185,678)
Fund balances (deficits), beginning	(268,098)	(268,098)	(268,098)	-
Fund balances (deficits), ending	<u>\$ (268,098)</u>	<u>(268,098)</u>	<u>(453,776)</u>	<u>(185,678)</u>

**City of Omaha, Nebraska**  
**Budgetary Comparison Schedule –**  
**2010 Parks and Recreation Bond Fund**  
**Year Ended December 31, 2016**



	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance With Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Revenues:				
Contributions and grants	\$ -	-	2,463,401	2,463,401
Total revenues	-	-	2,463,401	2,463,401
Expenditures:				
Capital outlay	1,498,000	1,498,000	4,349,835	(2,851,835)
Total expenditures	1,498,000	1,498,000	4,349,835	(2,851,835)
Deficiency of revenues under expenditures	(1,498,000)	(1,498,000)	(1,886,434)	(388,434)
Other financing sources:				
Transfers in	-	-	353,372	353,372
Issuance of debt	1,498,000	1,498,000	-	(1,498,000)
Total other financing sources	1,498,000	1,498,000	353,372	(1,144,628)
Net change in fund balances	-	-	(1,533,062)	(1,533,062)
Fund balances, beginning	-	-	1,679,155	1,679,155.000
Fund balances, ending	\$ -	-	146,093	146,093



**City of Omaha, Nebraska**  
**Budgetary Comparison Schedule –**  
**Downtown Stadium and Companion Project Fund**  
**Year Ended December 31, 2016**



	<b>Budgeted Amounts</b>			<b>Variance With Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
Revenues:				
Charges for services	\$ 750,000	750,000	872,603	122,603
Total revenues	750,000	750,000	872,603	122,603
Expenditures:				
Debt Service:				
Principal	336,000	336,000	312,175	23,825
Interest	33,600	33,600	60,428	(26,828)
Capital outlay	260,400	260,400	367,275	(106,875)
Total expenditures	630,000	630,000	739,878	(109,878)
Net change in fund balances	120,000	120,000	132,725	12,725
Fund balances, beginning	2,020,581	2,020,581	2,020,581	-
Fund balances, ending	\$ 2,140,581	2,140,581	2,153,306	12,725

**City of Omaha, Nebraska**  
**Budgetary Comparison Schedule – Pedestrian Trail Bridge**  
**Joint-Use Omaha / Council Bluffs Fund**  
**Year Ended December 31, 2016**



	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b><u>Original</u></b>	<b><u>Final</u></b>	<b><u>Actual</u></b>	
Revenues:				
Contributions and grants	\$ 130,000	130,000	150,000	20,000
Total revenues	<u>130,000</u>	<u>130,000</u>	<u>150,000</u>	<u>20,000</u>
Expenditures:				
Culture and parks	125,000	125,000	51,518	73,482
Total expenditures	<u>125,000</u>	<u>125,000</u>	<u>51,518</u>	<u>73,482</u>
Excess of revenues over expenditures	<u>5,000</u>	<u>5,000</u>	<u>98,482</u>	<u>93,482</u>
Other financing sources:				
Transfers in	130,000	130,000	130,000	-
Total other financing sources	<u>130,000</u>	<u>130,000</u>	<u>130,000</u>	<u>-</u>
Net change in fund balances	135,000	135,000	228,482	93,482
Fund balances, beginning	<u>578,066</u>	<u>578,066</u>	<u>578,066</u>	<u>-</u>
Fund balances, ending	<u><u>\$ 713,066</u></u>	<u><u>713,066</u></u>	<u><u>806,548</u></u>	<u><u>93,482</u></u>

**City of Omaha, Nebraska**  
**Budgetary Comparison Schedule –**  
**Capital Special Assessment Fund**  
**Year Ended December 31, 2016**



	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance With Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Revenues:				
Investment income	\$ 30,000	30,000	11,398	(18,602)
Charges for services	465,000	465,000	-	(465,000)
Contributions and grants	-	-	3,029,909	3,029,909
Total revenues	495,000	495,000	3,041,307	2,546,307
Expenditures:				
General government	23,000	23,000	21,075	1,925
Transportation services	-	-	504,183	(504,183)
Community development	300,000	300,000	300,000	-
Culture and parks	40,000	40,000	40,000	-
Capital outlay	865,000	865,000	3,842,207	(2,977,207)
Total expenditures	1,228,000	1,228,000	4,707,465	(3,479,465)
Deficiency of revenues under expenditures	(733,000)	(733,000)	(1,666,158)	(933,158)
Other financing sources:				
Proceeds from issuance of bonds	733,000	733,000	-	(733,000)
Total other financing sources	733,000	733,000	-	(733,000)
Net change in fund balances	-	-	(1,666,158)	(1,666,158)
Fund balances, beginning	-	-	-	-
Fund deficits, ending	\$ -	-	(1,666,158)	(1,666,158)

**City of Omaha, Nebraska**  
**Budgetary Comparison Schedule –**  
**Service Special Assessment Fund**  
**Year Ended December 31, 2016**



	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance With Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Revenues:				
Investment income	\$ 35,000	35,000	48,917	13,917
Charges for services	200,000	200,000	275,295	75,295
Contributions and grants	-	-	40,483	40,483
Total revenues	<u>235,000</u>	<u>235,000</u>	<u>364,695</u>	<u>129,695</u>
Expenditures:				
General government	8,000	8,000	5,442	2,558
Transportation services	-	-	882,363	(882,363)
Total expenditures	<u>8,000</u>	<u>8,000</u>	<u>887,805</u>	<u>(879,805)</u>
Net change in fund balances	227,000	227,000	(523,110)	(750,110)
Fund balances, beginning	<u>573,356</u>	<u>573,356</u>	<u>573,356</u>	<u>-</u>
Fund balances, ending	<u>\$ 800,356</u>	<u>800,356</u>	<u>50,246</u>	<u>(750,110)</u>

# City of Omaha, Nebraska

## Nonmajor Governmental Funds

### Permanent Funds



Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs.

**Western Heritage Special Revenue Fund** – To account for a Permanent Endowment fund established in accordance with City Ordinance #33472 passed January 31, 1995, whereby the City will contribute moneys toward the renovation and construction at the Western Heritage Museum. These funds were realized from the sale of a portion of the Byron Reed coin and manuscript collection held in October 1996.

**Endowment for Library Fund** – To account for funds that are donated to the Public Library from outside sources. This is a permanent fund for endowment gifts. In 1974, Don L. Hayes bequeathed to the Public Library a permanent memorial endowment with interest to be used to purchase books in honor of his parents. In 1979, Ralph Anderson bequeathed an endowment to the library with interest to be used to benefit the library. Annual interest from these accounts is used to enhance the library's collections and operations.

# City of Omaha, Nebraska

## Combining Balance Sheet

### Permanent Funds

December 31, 2016



	<b>Western Heritage</b>	<b>Endowment for Library</b>	<b>Total Permanent Funds</b>
<b>Assets</b>			
Cash and pooled investments	\$ 67,929	25,457	93,386
Investments	2,727,807	58,721	2,786,528
Accrued interest	-	208	208
Total assets	<u>\$ 2,795,736</u>	<u>84,386</u>	<u>2,880,122</u>
<b>Fund Balances</b>			
Fund balances:			
Nonspendable	\$ 2,717,918	57,471	2,775,389
Restricted	-	26,915	26,915
Committed	77,818	-	77,818
Total fund balances	<u>\$ 2,795,736</u>	<u>84,386</u>	<u>2,880,122</u>

**City of Omaha, Nebraska**  
**Combining Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances**  
**Permanent Funds**  
**Year Ended December 31, 2016**



	<u>Western Heritage</u>	<u>Endowment for Library</u>	<u>Total Permanent Funds</u>
Revenues:			
Investment income (loss)	\$ (16,524)	4,495	(12,029)
Total revenues	<u>(16,524)</u>	<u>4,495</u>	<u>(12,029)</u>
Expenditures:			
Culture and parks	75,000	-	75,000
Total expenditures	<u>75,000</u>	<u>-</u>	<u>75,000</u>
Net change in fund balances	(91,524)	4,495	(87,029)
Fund balances, beginning	<u>2,887,260</u>	<u>79,891</u>	<u>2,967,151</u>
Fund balances, ending	<u>\$ 2,795,736</u>	<u>84,386</u>	<u>2,880,122</u>

**City of Omaha, Nebraska**  
**Budgetary Comparison Schedule –**  
**Western Heritage Fund**  
**Year Ended December 31, 2016**



	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance With Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Revenues:				
Investment income (loss)	\$ 31,500	31,500	(16,524)	(48,024)
Total revenues	31,500	31,500	(16,524)	(48,024)
Expenditures:				
Culture and parks	75,000	75,000	75,000	-
Total expenditures	75,000	75,000	75,000	-
Deficiency of revenues under expenditures	(43,500)	(43,500)	(91,524)	(48,024)
Net change in fund balances	(43,500)	(43,500)	(91,524)	(48,024)
Fund balances, beginning	2,887,260	2,887,260	2,887,260	-
Fund balances, ending	\$ 2,843,760	2,843,760	2,795,736	(48,024)



# City of Omaha, Nebraska

## Nonmajor Enterprise Funds



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

**City Wide Sports Revenue Fund** – To account for the moneys received from adult leagues operated by the Parks, Recreation, and Public Property Department. Currently, leagues are formed for football, volleyball, and basketball competition. The fund is self-supported through registration fees charged to participants.

**Marinas Fund** – To account for activities at the N.P. Dodge Park Marina, the Riverfront Marina, and Cunningham Lake Marina. This Enterprise Fund accounts for receipts generated through the leasing of boat stalls at the N.P. Dodge Park Marina.

**Dodge Park Marina Dredge Fund** – To account for the accumulated reserves for the replacement of the River Dredge. The Dodge Park Marina Dredge Fund is a special fund created to take care of any contingencies (repairs, etc.) that occur with the dredge. Each year, \$4,000 is transferred from the Dodge Park Marina fund to this fund.

**Tennis Operations Fund** – To account for the Tennis operations at the City of Omaha Tennis courts. This enterprise fund provides for the operation of one 8-court indoor tennis center, one 15-court tennis center, and numerous neighborhood tennis courts located throughout the City.

**Golf Operations Fund** – To account for the Golf operations and concessions at the City of Omaha Golf Courses. This enterprise fund was created in 1993 to form a self-supporting enterprise fund for the operations at all Municipal Golf Courses, which includes maintenance of the City's four 18-hole golf courses and four 9-hole golf courses and to fund necessary capital improvements.

**Air Quality Fund** – To account for the Title V federal funding and the applicable City ordinance authorized fees. These funds provide the City the necessary resources to monitor the air quality and enforce the health and environmental laws relating to clean air.

**Printing Services and Graphics Fund** – To account for the charges for printing services for the various City and Douglas County departments, agencies, and grant fund projects.

**Riverfront Plaza and Marina Fund** – To account for the activity at Lewis and Clark landing on the City of Omaha's Missouri Riverfront. The plaza is available for private groups to rent.

**City of Omaha, Nebraska**  
**Combining Statement of Net Position**  
**Nonmajor Enterprise Funds**  
**December 31, 2016**



Assets	City Wide Sports Revenue	Marinas	Dodge Park Marina Dredge	Tennis Operations	Golf Operations
Current assets:					
Cash and cash equivalents	\$ 1,162	12,893	130,722	899	401
Receivable (net of allowance for uncollectibles)	-	-	-	-	1
Due from other funds	-	1,306,000	-	-	-
Inventories	-	-	-	-	5,147
Total current assets	<u>1,162</u>	<u>1,318,893</u>	<u>130,722</u>	<u>899</u>	<u>5,549</u>
Noncurrent assets:					
Capital assets:					
Building and systems	-	3,059,422	-	3,648,929	2,908,354
Machinery and equipment	-	264,247	-	-	1,828,266
Less accumulated depreciation	-	(1,873,528)	-	(2,077,552)	(3,959,759)
Total capital assets, net	<u>-</u>	<u>1,450,141</u>	<u>-</u>	<u>1,571,377</u>	<u>776,861</u>
Total noncurrent assets	<u>-</u>	<u>1,450,141</u>	<u>-</u>	<u>1,571,377</u>	<u>776,861</u>
Total assets	<u>1,162</u>	<u>2,769,034</u>	<u>130,722</u>	<u>1,572,276</u>	<u>782,410</u>
Deferred outflows of resources:					
Deferred outflows related to pensions	<u>7,157</u>	<u>5,385</u>	<u>-</u>	<u>3,721</u>	<u>77,452</u>
Total assets and deferred outflows of resources	<u>\$ 8,319</u>	<u>2,774,419</u>	<u>130,722</u>	<u>1,575,997</u>	<u>859,862</u>
<b>Liabilities, Deferred Inflows of Resources, and Net Position</b>					
Current liabilities:					
Accounts payable and other	\$ 31,356	14,630	-	3,774	67,969
Unearned revenue	-	-	-	-	3,400
Due to other funds	300,000	-	-	59,000	1,306,000
Workers' compensation and healthcare claims	5,130	3,861	-	2,667	55,519
Compensated absences	-	-	-	-	17,990
Total current liabilities	<u>336,486</u>	<u>18,491</u>	<u>-</u>	<u>65,441</u>	<u>1,450,878</u>
Noncurrent liabilities:					
Net pension liability	321,433	241,844	-	167,103	3,478,382
Postretirement benefit obligation	128,687	96,825	-	66,902	1,392,612
Workers' compensation and healthcare claims	20,731	15,598	-	10,777	224,346
Compensated absences	-	-	-	-	264,563
Total noncurrent liabilities	<u>470,851</u>	<u>354,267</u>	<u>-</u>	<u>244,782</u>	<u>5,359,903</u>
Total liabilities	<u>807,337</u>	<u>372,758</u>	<u>-</u>	<u>310,223</u>	<u>6,810,781</u>
Deferred inflows of resources:					
Deferred inflows related to pensions	<u>208,422</u>	<u>156,816</u>	<u>-</u>	<u>108,351</u>	<u>2,255,437</u>
Net position (deficit):					
Net investment in capital assets	-	1,450,141	-	1,571,377	776,861
Unrestricted (deficit)	<u>(1,007,440)</u>	<u>794,704</u>	<u>130,722</u>	<u>(413,954)</u>	<u>(8,983,217)</u>
Total net position (deficit)	<u>(1,007,440)</u>	<u>2,244,845</u>	<u>130,722</u>	<u>1,157,423</u>	<u>(8,206,356)</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 8,319</u>	<u>2,774,419</u>	<u>130,722</u>	<u>1,575,997</u>	<u>859,862</u>

**City of Omaha, Nebraska**  
**Combining Statement of Net Position (Continued)**  
**Nonmajor Enterprise Funds**  
**December 31, 2016**



Assets	Air Quality	Printing Services & Graphics	Riverfront Plaza & Marina	Total Nonmajor Enterprise
Current assets:				
Cash and cash equivalents	\$ 650,309	73,027	50,877	920,290
Receivable (net of allowance for uncollectibles)	49,008	28,461	-	77,470
Due from other funds	359,000	-	-	1,665,000
Inventories	-	-	-	5,147
Total current assets	<u>1,058,317</u>	<u>101,488</u>	<u>50,877</u>	<u>2,667,907</u>
Noncurrent assets:				
Capital assets:				
Building and systems	-	-	-	9,616,705
Machinery and equipment	-	76,471	57,510	2,226,494
Less accumulated depreciation	-	(76,471)	(11,151)	(7,998,461)
Total capital assets, net	<u>-</u>	<u>-</u>	<u>46,359</u>	<u>3,844,738</u>
Total noncurrent assets	<u>-</u>	<u>-</u>	<u>46,359</u>	<u>3,844,738</u>
Total assets	<u>1,058,317</u>	<u>101,488</u>	<u>97,236</u>	<u>6,512,645</u>
Deferred outflows of resources:				
Deferred outflows related to pensions	21,095	3,850	-	118,660
Total assets and deferred outflows of resources	<u>\$ 1,079,412</u>	<u>105,338</u>	<u>97,236</u>	<u>6,631,305</u>
<b>Liabilities, Deferred Inflows of Resources, and Net Position</b>				
Current liabilities:				
Accounts payable and other	\$ 42,493	32,377	418	193,017
Unearned revenue	-	-	-	3,400
Due to other funds	-	-	-	1,665,000
Workers' compensation and healthcare claims	15,121	2,759	-	85,057
Compensated absences	4,724	807	-	23,521
Total current liabilities	<u>62,338</u>	<u>35,943</u>	<u>418</u>	<u>1,969,995</u>
Noncurrent liabilities:				
Net pension liability	947,372	172,909	-	5,329,043
Postretirement benefit obligation	379,290	69,223	-	2,133,539
Workers' compensation and healthcare claims	61,103	11,152	-	343,707
Compensated absences	69,477	11,868	-	345,908
Total noncurrent liabilities	<u>1,457,242</u>	<u>265,152</u>	<u>-</u>	<u>8,152,197</u>
Total liabilities	<u>1,519,580</u>	<u>301,095</u>	<u>418</u>	<u>10,122,192</u>
Deferred inflows of resources:				
Deferred inflows related to pensions	614,290	112,116	-	3,455,432
Net position (deficit):				
Net investment in capital assets	-	-	46,359	3,844,738
Unrestricted (deficit)	(1,054,458)	(307,873)	50,459	(10,791,057)
Total net position (deficit)	<u>(1,054,458)</u>	<u>(307,873)</u>	<u>96,818</u>	<u>(6,946,319)</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 1,079,412</u>	<u>105,338</u>	<u>97,236</u>	<u>6,631,305</u>

**City of Omaha, Nebraska**  
**Combining Statement of Revenues, Expenses, and**  
**Changes in Net Position**  
**Nonmajor Enterprise Funds**  
**Year Ended December 31, 2016**



	<b>City Wide Sports Revenue</b>	<b>Marinas</b>	<b>Dodge Park Marina Dredge</b>	<b>Tennis Operations</b>	<b>Golf Operations</b>
Operating revenues:					
Charges for services	\$ 425,305	551,491	-	258,269	4,232,829
Total operating revenues	<u>425,305</u>	<u>551,491</u>	<u>-</u>	<u>258,269</u>	<u>4,232,829</u>
Operating expenses:					
Personal services	284,531	46,595	-	111,588	2,402,033
Employer pension expense reduction	(176,128)	(424,738)	-	(144,927)	(201,288)
Outside services	134,007	50,450	4,864	74,871	708,237
Operation and maintenance	140,516	2,006	-	38,797	560,999
Cost of sales and service	12,006	67,251	-	-	286,301
Depreciation and amortization	-	126,916	-	100,916	150,711
Total operating expenses	<u>394,932</u>	<u>(131,520)</u>	<u>4,864</u>	<u>181,245</u>	<u>3,906,993</u>
Operating income (loss)	<u>30,373</u>	<u>683,011</u>	<u>(4,864)</u>	<u>77,024</u>	<u>325,836</u>
Transfer in		14,718	29,000	486	1,555
Transfer out	-	(29,000)	-	-	-
Change in net position	<u>30,373</u>	<u>668,729</u>	<u>24,136</u>	<u>77,510</u>	<u>327,391</u>
Net position (deficit), beginning	<u>(1,037,813)</u>	<u>1,576,116</u>	<u>106,586</u>	<u>1,079,913</u>	<u>(8,533,747)</u>
Net position (deficit), ending	<u>\$ (1,007,440)</u>	<u>2,244,845</u>	<u>130,722</u>	<u>1,157,423</u>	<u>(8,206,356)</u>

**City of Omaha, Nebraska**  
**Combining Statement of Revenues, Expenses, and**  
**Changes in Net Position (Continued)**  
**Nonmajor Enterprise Funds**  
**Year Ended December 31, 2016**



	<b>Air Quality</b>	<b>Printing Services &amp; Graphics</b>	<b>Riverfront Plaza &amp; Marina</b>	<b>Total Nonmajor Enterprise</b>
Operating revenues:				
Charges for services	\$ 769,731	405,423	36,121	6,679,169
Total operating revenues	<u>769,731</u>	<u>405,423</u>	<u>36,121</u>	<u>6,679,169</u>
Operating expenses:				
Personal services	396,215	94,693	-	3,335,655
Employer pension expense reduction	(47,786)	(3,750)	-	(998,617)
Outside services	14,875	81,472	23,480	1,092,256
Operation and maintenance	148,307	252,563	13,144	1,156,332
Cost of sales and service	-	-	-	365,558
Depreciation and amortization	-	-	8,451	386,994
Total operating expenses	<u>511,611</u>	<u>424,978</u>	<u>45,075</u>	<u>5,338,178</u>
Operating income (loss)	<u>258,120</u>	<u>(19,555)</u>	<u>(8,954)</u>	<u>1,340,991</u>
Transfer in	1,247	-	-	47,006
Transfer out	-	-	-	(29,000)
Change in net position	<u>259,367</u>	<u>(19,555)</u>	<u>(8,954)</u>	<u>1,358,997</u>
Net position (deficit), beginning	<u>(1,313,825)</u>	<u>(288,318)</u>	<u>105,772</u>	<u>(8,305,316)</u>
Net position (deficit), ending	<u>\$ (1,054,458)</u>	<u>(307,873)</u>	<u>96,818</u>	<u>(6,946,319)</u>

**City of Omaha, Nebraska**  
**Combining Statement of Cash Flows**  
**Nonmajor Enterprise Funds**  
**Year Ended December 31, 2016**



	<b>City Wide Sports Revenue</b>	<b>Marinas</b>	<b>Dodge Park Marina Dredge</b>	<b>Tennis Operations</b>	<b>Golf Operations</b>
Cash flows from operating activities:					
Receipts from customers	\$ 425,305	551,491	-	258,269	4,233,528
Payments to suppliers	(242,983)	(109,855)	(4,864)	(116,131)	(1,549,093)
Payments to employees	(327,508)	(141,966)	-	(199,351)	(2,564,294)
Net cash provided by (used in) operating activities	(145,186)	299,670	(4,864)	(57,213)	120,141
Cash flows from noncapital financing activities:					
Transfers in (out)	-	(14,282)	29,000	486	1,555
Advances from (to) other funds	145,000	94,000	-	56,800	(133,000)
Net cash provided by (used in) noncapital financing activities	145,000	79,718	29,000	57,286	(131,445)
Cash flows from capital and related financing activities:					
Capital expenditures	-	(382,122)	-	-	-
Net cash used in capital and related financing activities	-	(382,122)	-	-	-
Net increase (decrease) in cash and cash equivalents	(186)	(2,734)	24,136	73	(11,304)
Cash and cash equivalents, beginning of year	1,348	15,627	106,586	826	11,705
Cash and cash equivalents, end of year	\$ 1,162	12,893	130,722	899	401
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	\$ 30,373	683,011	(4,864)	77,024	325,836
Adjustment to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation and amortization	-	126,916	-	100,916	150,711
Cash flows impacted by changes in:					
Receivables	17,685	-	-	-	(1)
Inventories	-	-	-	-	16,965
Deferred outflows of resources related to pensions	12,104	15,373	-	36,467	183,042
Accounts payable and other current liabilities	-	9,852	-	(2,462)	(10,521)
Unearned revenue	-	-	-	-	700
Workers' compensation and health care claims	25,861	(13,413)	-	(5,340)	(6,596)
Compensated absences	-	-	-	(41,637)	(2,698)
Net pension liability	(94,138)	(206,026)	-	(102,607)	(183,168)
Postretirement benefit obligation	(23,964)	(67,687)	-	(32,204)	47,527
Deferred inflows of resources related to pensions	(113,107)	(248,356)	-	(87,370)	(401,656)
Net cash provided by (used in) operating activities	\$ (145,186)	299,670	(4,864)	(57,213)	120,141

**City of Omaha, Nebraska**  
**Combining Statement of Cash Flows (Continued)**  
**Nonmajor Enterprise Funds**  
**Year Ended December 31, 2016**



	<u>Air Quality</u>	<u>Printing Services &amp; Graphics</u>	<u>Riverfront Plaza &amp; Marina</u>	<u>Total Nonmajor Enterprise</u>
Cash flows from operating activities:				
Receipts from customers	\$ 743,484	404,526	36,121	6,652,724
Payments to suppliers	(149,087)	(346,092)	(36,633)	(2,554,738)
Payments to employees	(437,049)	(99,383)	-	(3,769,551)
Net cash provided by (used in) operating activities	<u>157,348</u>	<u>(40,949)</u>	<u>(512)</u>	<u>328,435</u>
Cash flows from noncapital financing activities:				
Transfers in (out)	1,247	-	-	18,006
Advances from (to) other funds	(162,800)	-	-	-
Net cash provided by (used in) noncapital financing activities	<u>(161,553)</u>	<u>-</u>	<u>-</u>	<u>18,006</u>
Cash flows from capital and related financing activities:				
Capital expenditures	-	-	(30,513)	(412,635)
Net cash used in capital and related financing activities	-	-	(30,513)	(412,635)
Net increase (decrease) in cash and cash equivalents	(4,205)	(40,949)	(31,025)	(66,194)
Cash and cash equivalents, beginning of year	654,514	113,976	81,902	986,484
Cash and cash equivalents, end of year	<u>\$ 650,309</u>	<u>73,027</u>	<u>50,877</u>	<u>920,290</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ 258,120	(19,555)	(8,954)	1,340,991
Adjustment to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation and amortization	-	-	8,451	386,994
Cash flows impacted by changes in:				
Receivables	(26,247)	(897)	-	(9,460)
Inventories	-	-	-	16,965
Deferred outflows of resources related to pensions	28,923	4,226	-	280,135
Accounts payable and other current liabilities	14,095	(12,057)	(9)	(1,102)
Unearned revenue	-	-	-	700
Workers' compensation and health care claims	1,087	(177)	-	1,422
Compensated absences	(4,375)	880	-	(47,830)
Net pension liability	(34,569)	(1,343)	-	(621,851)
Postretirement benefit obligation	18,593	5,206	-	(52,529)
Deferred inflows of resources related to pensions	(98,279)	(17,232)	-	(966,000)
Net cash provided by (used in) operating activities	<u>\$ 157,348</u>	<u>(40,949)</u>	<u>(512)</u>	<u>328,435</u>

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## City of Omaha, Nebraska

### Pension Trust Funds



The Pension Trust Funds are used to account for assets held by the City in a trustee capacity.

**Civilian Retirement Fund** – To account for resources that are held in trust for the members and beneficiaries of the full-time Civilian employees of the City of Omaha.

**Police/Fire Retirement Reserve Fund** – To account for resources that are held in trust for the members and beneficiaries of the Police and Fire Sworn full-time employees of the City of Omaha.

**City of Omaha, Nebraska**  
**Combining Statement of Fiduciary Net Position**  
**Pension Trust Funds**  
**December 31, 2016**



	<b>Civilian Retirement Fund</b>	<b>Police/Fire Retirement Reserve Fund</b>	<b>Total Pension Trust Funds</b>
<b>Assets</b>			
Cash and cash equivalents	\$ 235,295	2,731,075	2,966,370
Receivables:			
Contributions receivable	778,081	2,477,906	3,255,987
Accrued interest	216,421	545,242	761,663
Due from other governments	1,714	-	1,714
Investments, at fair value:			
Government securities	4,859,589	8,261,055	13,120,644
Municipal issues	1,998,794	2,944,375	4,943,169
Corporate bonds	11,876,598	30,990,925	42,867,523
Bond mutual funds	20,755,218	39,704,338	60,459,556
Domestic equities	52,685,878	158,306,137	210,992,015
International equities	34,609,513	143,957,334	178,566,847
Domestic real estate securities	48,145,088	159,604,484	207,749,572
International real estate	-	3,456,308	3,456,308
Commodities	7,731,990	20,018,096	27,750,086
Private equity	26,209,099	32,177,917	58,387,016
Hedge funds	23,319,718	21,375,709	44,695,427
Cash and cash equivalents	6,802,338	10,448,747	17,251,085
Total assets	\$ 240,225,334	636,999,648	877,224,982
<b>Liabilities and Net Position</b>			
Accounts payable and other current liabilities	\$ 400,089	618,166	1,018,255
Total liabilities	400,089	618,166	1,018,255
Net position restricted for pensions	239,825,245	636,381,482	876,206,727
Total liabilities and net position	\$ 240,225,334	636,999,648	877,224,982

**City of Omaha, Nebraska**  
**Combining Statement of Changes in Fiduciary Net Position**  
**Pension Trust Funds**  
**Year Ended December 31, 2016**



	<b>Civilian Retirement Fund</b>	<b>Police/Fire Retirement Reserve Fund</b>	<b>Total Pension Trust Funds</b>
Additions:			
Contributions:			
Employer	\$ 12,779,968	43,235,242	56,015,210
Employee	6,866,102	20,214,875	27,080,977
Total contributions	19,646,070	63,450,117	83,096,187
Investment earnings:			
Dividends and interest	5,481,034	12,663,067	18,144,101
Net realized and unrealized appreciation	17,668,462	40,486,224	58,154,686
Total investment earnings	23,149,496	53,149,291	76,298,787
Investment expenses	(1,240,656)	(2,902,680)	(4,143,336)
Net investment income	21,908,840	50,246,611	72,155,451
Total additions	41,554,910	113,696,728	155,251,638
Deductions:			
Benefit payments	33,886,461	71,493,745	105,380,206
Change in net position	7,668,449	42,202,983	49,871,432
Net position restricted for pensions, beginning	232,156,796	594,178,499	826,335,295
Net position restricted for pensions, ending	\$ 239,825,245	636,381,482	876,206,727

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# City of Omaha, Nebraska

## Agency Funds



The Agency Funds account for assets held by the City as an agent for various local governments.

**R/D #126 First National Bank Tower Fund** – To account for the tax increment financing revenues collected in regard to the First National Bank Tower TIF project. The TIF project is closed. This fund will no longer be used going forward.

**R/D #132 ConAgra Campus and Parking Fund** – To account for the tax increment financing revenues collected with regard to the ConAgra Campus/Parking TIF project. Property taxes from the increased property value are collected and used to pay off the TIF debt service requirements.

**TIF Bond Debt Service Fund** – To account for the tax increment financing revenues collected in regards to the Convention Center Hotel TIF project and account for the debt service reserve required by the issuance of bonds.

**TIF Redevelopment Projects Fund** – To comply with the Community Development Law of the State of Nebraska (Chapter 18, Article 21, Sections 18-2101) as supplemented and including Sections 18-2147 to 18-2153, Reissue Revised Statutes of Nebraska, 1943, as amended. This fiduciary fund is required in accordance with Section 18-2147 to establish separate funds into which Excess Tax Revenues (provided from special tax provisions) from the Redevelopment site shall be paid and from which the principal and interest of the Redevelopment Note shall be paid.

**R/D #77 Hammons/Embassy Suites Fund** – To account for the tax increment financing revenues collected in regards to the ConAgra Embassy Suites Hotel TIF project.

**Appeal Bond Deposit Fund** – To account for appeal application fees received from citizens whose application to build upon or rezone an area of land within the City limits has been denied. Fees are charged for appeal applications to defray the administrative costs incurred by the City Planning Board of Appeals.

**Automobile Impounding Deposit Fund** – To account for vehicles sold at auction at the police tow lot for more than the accumulated charges against the vehicle. The amount in excess of the accumulated charges is held in escrow for two years, during which the former owner can claim the money held.

**Bid Deposit Fund** – To account for moneys collected from vendors based on the required amounts to place a bid within the City. Once the bid process is completed and bid is awarded, the bid deposits for those who did not receive the bid are returned.

**Board of Education Liquor Deposit Fund** – To account for the collection of fees derived from a wholesale beer and liquor occupation tax imposed on any person who engages in the manufacture or distribution of beer or liquors, or selling at retail of alcoholic beverages within the City limit. The tax rates are controlled by the State of Nebraska. These license fees are remitted to the Omaha Public Schools Board of Education, through the Douglas County Treasurer via wire transfer, on a quarterly basis.

**Board of Education Tobacco Deposit Fund** – To account for license fees from retailers for all tobacco sales, including a separate permit fee for the operation of any machine, which upon insertion of a coin or substitute object operates or may be operated to dispense tobacco products. These license fees are remitted to the Omaha Public Schools Board of Education, through the Douglas County Treasurer via wire transfer, on a quarterly basis.

# City of Omaha, Nebraska

## Agency Funds



**Humane Society Kennel Permits Fund** – To account for collection of kennel permits and licenses from citizens. Receipts are remitted to the Humane Society on a quarterly basis.

**Sales Tax Deposit Fund** – To account for all sales tax receipts collected by the City, which are imposed upon sales transactions within the corporate limits of the City in accordance with the Nebraska Tax Revenue Act of 1967. The State portion of the sales tax is remitted to the Nebraska Department of Revenue on a monthly basis.

**After Hours Dance Deposit Fund** – To account for money collected through Section 5-64 of the Omaha Municipal Code, in which the City requires a \$5,000 bond to be posted when a business is granted an after-hours dance permit.

**Board of Education Parking Fines Fund** – To account for moneys collected by the City Cashier for parking violation fines, which are remitted to the Omaha Public Schools Board of Education through the Douglas County Treasurer, via wire transfer, on a quarterly basis.

**Park Development Deposits Fund** – To account for the receipts received for neighborhood parks to be built within suburban Omaha in the future. In addition, subdivision agreements include provision for deposits to be made to the fund at appropriate debt to value intervals.

**Arterial Street Improvement Program Fund** – To collect and distribute funds for the design and construction of arterial street improvements in the unincorporated portions of Douglas County. These funds are collected on behalf of Douglas County and are remitted on an as-requested basis to the County.

**R/D #102 First National Processing Center Fund** – To account for the tax increment financing revenues collected in regards to the First National Bank Data Center TIF project.

**Demolition Performance Bond Fund** – To hold moneys where citizens post a deposit for the demolition of dilapidated structures. Before the demolition fee is refunded, a visual inspection is done to insure proper cleanup of the demolition site.

**Performance Bond Fund** – To hold deposits received in the form of a bond or cashier's check from vendors whose bid was accepted to provide services, i.e., professional or construction, to the City of Omaha. Upon satisfactory completion of the contracted services, the bond deposit is returned to the vendor. If the vendor fails to satisfactorily complete the contracted services, the bonding company is then responsible for finding another vendor to complete the contracted services.

**TIF Projects Contribution Fund** – To account for the contributions received from redevelopment projects on certain locations for the purpose of defraying costs of improvements to those locations. This special revenue fund was created to record contributions collected on TIF projects in accordance with the existing redevelopment agreements.

**City of Omaha, Nebraska**  
**Combining Statement of Fiduciary Assets and Liabilities**  
**Agency Funds**  
**December 31, 2016**



	<b>R/D #126 First National Bank Tower</b>	<b>R/D #132 ConAgra Campus &amp; Parking</b>	<b>TIF Bond Debt Service</b>	<b>TIF Redevelopment Projects</b>	<b>R/D #77 Hammons/ Embassy Suites</b>	<b>Appeal Bond Deposit</b>	<b>Automobile Impounding Deposit</b>
<b>Assets</b>							
Cash and pooled investments	\$ -	76,035	2,557,649	431,585	10,977	3,087	112,324
Accounts receivable (net of allowance for uncollectibles)	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-
Accrued interest	-	-	575	-	-	-	-
Investments	-	-	1,198,312	-	-	-	-
Total assets	<u>\$ -</u>	<u>76,035</u>	<u>3,756,536</u>	<u>431,585</u>	<u>10,977</u>	<u>3,087</u>	<u>112,324</u>
<b>Liabilities</b>							
Accounts payable and other liabilities	\$ -	76,035	3,756,536	431,585	10,977	3,087	112,324
Due to other funds	-	-	-	-	-	-	-
Total liabilities	<u>\$ -</u>	<u>76,035</u>	<u>3,756,536</u>	<u>431,585</u>	<u>10,977</u>	<u>3,087</u>	<u>112,324</u>

**City of Omaha, Nebraska**  
**Combining Statement of Fiduciary Assets and Liabilities**  
**Agency Funds**  
**December 31, 2016**



<b>Assets</b>	<b>Bid Deposit</b>	<b>Board of Education Liquor Deposit</b>	<b>Board of Education Tobacco Deposit</b>	<b>Humane Society Kennel Permits</b>	<b>Sales Tax Deposit</b>	<b>After Hours Dance Deposit</b>	<b>Board of Education Parking Fines</b>
Cash and pooled investments	\$ 138,295	135,263	8,590	100	24	5,000	130,466
Accounts receivable (net of allowance for uncollectibles)	-	6,300	2,425	1,400	1,756	-	-
Due from other funds	-	-	-	-	-	-	3,300
Accrued interest	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 138,295</b>	<b>141,563</b>	<b>11,015</b>	<b>1,500</b>	<b>1,780</b>	<b>5,000</b>	<b>133,766</b>
<b>Liabilities</b>							
Accounts payable and other liabilities	\$ 138,295	141,563	11,015	1,500	(1,520)	5,000	133,766
Due to other funds	-	-	-	-	3,300	-	-
<b>Total liabilities</b>	<b>\$ 138,295</b>	<b>141,563</b>	<b>11,015</b>	<b>1,500</b>	<b>1,780</b>	<b>5,000</b>	<b>133,766</b>



**City of Omaha, Nebraska**  
**Combining Statement of Fiduciary Assets and Liabilities**  
**Agency Funds**  
**December 31, 2016**



<b>Assets</b>	<b>Park Development Deposits</b>	<b>Arterial Street Improvement Program</b>	<b>R/D #102 First National Processing Center</b>	<b>Demolition Performance Bond</b>	<b>Performance Bonds</b>	<b>TIF Projects Contribution</b>	<b>Total Agency</b>
Cash and pooled investments	\$ 969,803	7,458,687	6,833	1,000	54,300	344,000	12,444,018
Accounts receivable (net of allowance for uncollectibles)	-	-	-	-	-	-	11,881
Due from other funds	-	-	-	-	-	-	3,300
Accrued interest	-	-	-	-	-	-	575
Investments	-	-	-	-	-	-	1,198,312
Total assets	<u>\$ 969,803</u>	<u>7,458,687</u>	<u>6,833</u>	<u>1,000</u>	<u>54,300</u>	<u>344,000</u>	<u>13,658,086</u>
<b>Liabilities</b>							
Accounts payable and other liabilities	\$ 969,803	7,458,687	6,833	1,000	54,300	344,000	13,654,786
Due to other funds	-	-	-	-	-	-	3,300
Total liabilities	<u>\$ 969,803</u>	<u>7,458,687</u>	<u>6,833</u>	<u>1,000</u>	<u>54,300</u>	<u>344,000</u>	<u>13,658,086</u>

**City of Omaha, Nebraska**  
**Combining Statement of Changes in**  
**Fiduciary Assets and Liabilities**  
**Agency Funds**  
**Year Ended December 31, 2016**



	Balance, January 1, 2016	Additions	Deductions	Balance, December 31, 2016
<b>R/D #126 First National Bank Tower</b>				
Assets:				
Cash and pooled investments	\$ -	2,786,876	2,786,876	-
Liabilities:				
Accounts payable and other liabilities	\$ -	2,786,876	2,786,876	-
<b>R/D #132 ConAgra Campus and Parking</b>				
Assets:				
Cash and pooled investments	\$ 76,035	-	-	76,035
Liabilities:				
Accounts payable and other liabilities	\$ 76,035	76,035	76,035	76,035
<b>TIF Bond Debt Service</b>				
Assets:				
Cash and pooled investments	\$ 2,262,186	3,902,755	3,607,292	2,557,649
Investments	1,191,489	6,823	-	1,198,312
Accrued interest	575	-	-	575
	\$ 3,454,250	3,909,578	3,607,292	3,756,536
Liabilities:				
Accounts payable and other liabilities	\$ 3,454,250	2,517,458	2,215,172	3,756,536
<b>TIF Redevelopment Projects</b>				
Assets:				
Cash and pooled investments	\$ 653,410	50,169,468	50,391,293	431,585
Liabilities:				
Accounts payable and other liabilities	\$ 653,410	25,755,700	25,977,525	431,585
<b>R/D #77 Hammons/Embassy Suites</b>				
Assets:				
Cash and pooled investments	\$ 10,977	-	-	10,977
Liabilities:				
Accounts payable and other liabilities	\$ 10,977	10,977	10,977	10,977
<b>Appeal Bond Deposit</b>				
Assets:				
Cash and pooled investments	\$ 3,137	-	50	3,087
Liabilities:				
Accounts payable and other liabilities	\$ 3,137	-	50	3,087
<b>Automobile Impounding Deposit</b>				
Assets:				
Cash and pooled investments	\$ 99,676	69,131	56,483	112,324
Liabilities:				
Accounts payable and other liabilities	\$ 99,676	69,131	56,483	112,324

**City of Omaha, Nebraska**  
**Combining Statement of Changes in**  
**Fiduciary Assets and Liabilities**  
**Agency Funds**  
**Year Ended December 31, 2016**



	Balance, January 1, 2016	Additions	Deductions	Balance, December 31, 2016
<b>Bid Deposit</b>				
Assets:				
Cash and pooled investments	\$ 151,392	762,825	775,922	138,295
Liabilities:				
Accounts payable and other liabilities	\$ 151,392	729,156	742,253	138,295
<b>Board of Education Liquor Deposit</b>				
Assets:				
Cash and pooled investments	\$ 135,775	583,650	584,162	135,263
Accounts receivable	6,000	489,750	489,450	6,300
	\$ 141,775	1,073,400	1,073,612	141,563
Liabilities:				
Accounts payable and other liabilities	\$ 141,775	1,274,350	1,274,562	141,563
<b>Board of Education Tobacco Deposit</b>				
Assets:				
Cash and pooled investments	\$ 9,365	21,881	22,656	8,590
Accounts receivable	2,055	12,412	12,042	2,425
	\$ 11,420	34,293	34,698	11,015
Liabilities:				
Accounts payable and other liabilities	\$ 11,420	42,693	43,098	11,015
<b>Humane Society Kennel Permits</b>				
Assets:				
Cash and pooled investments	\$ 700	2,200	2,800	100
Accounts receivable	700	1,400	700	1,400
	\$ 1,400	3,600	3,500	1,500
Liabilities:				
Accounts payable and other liabilities	\$ 1,400	3,700	3,600	1,500
<b>Sales Tax Deposit</b>				
Assets:				
Cash and pooled investments	\$ 63	483,645	483,684	24
Accounts receivable	1,791	29,683	29,718	1,756
	\$ 1,854	513,328	513,402	1,780
Liabilities:				
Accounts payable and other liabilities	\$ (3,146)	480,123	478,497	(1,520)
Due to other funds	5,000	3,300	5,000	3,300
	1,854	483,423	483,497	1,780
<b>After Hours Dance Deposit</b>				
Assets:				
Cash and pooled investments	\$ 5,000	-	-	5,000
Liabilities:				
Accounts payable and other liabilities	\$ 5,000	-	-	5,000
<b>Board of Education Parking Fines</b>				
Assets:				
Cash and pooled investments	\$ 75,893	455,563	400,990	130,466
Due from other funds	5,000	3,300	5,000	3,300
	\$ 80,893	458,863	405,990	133,766
Liabilities:				
Accounts payable and other liabilities	\$ 80,893	549,056	496,183	133,766

**City of Omaha, Nebraska**  
**Combining Statement of Changes in**  
**Fiduciary Assets and Liabilities**  
**Agency Funds**  
**Year Ended December 31, 2016**



	Balance, January 1, 2016	Additions	Deductions	Balance, December 31, 2016
<b>Park Development Deposits</b>				
Assets:				
Cash and pooled investments	\$ 541,967	444,801	16,965	969,803
Liabilities:				
Accounts payable and other liabilities	\$ 541,967	444,847	17,011	969,803
<b>Arterial Street Improvement Program</b>				
Assets:				
Cash and pooled investments	\$ 12,143,946	10,346,091	15,031,350	7,458,687
Liabilities:				
Accounts payable and other liabilities	\$ 12,143,946	10,342,133	15,027,392	7,458,687
<b>R/D #102 First National Processing Center</b>				
Assets:				
Cash and pooled investments	\$ 6,833	-	-	6,833
Liabilities:				
Accounts payable and other liabilities	\$ 6,833	6,833	6,833	6,833
<b>Demolition Performance Bond</b>				
Assets:				
Cash and pooled investments	\$ 16,252	15,252	30,504	1,000
Liabilities:				
Accounts payable and other liabilities	\$ 16,252	15,252	30,504	1,000
<b>Performance Bond</b>				
Assets:				
Cash and pooled investments	\$ 43,400	45,900	35,000	54,300
Liabilities:				
Accounts payable and other liabilities	\$ 43,400	45,900	35,000	54,300
<b>TIF Projects Contribution</b>				
Assets:				
Cash and pooled investments	\$ 151,834	237,834	45,668	344,000
Liabilities:				
Accounts payable and other liabilities	\$ 151,834	195,000	2,834	344,000
<b>Total Agency Funds</b>				
Assets:				
Cash and pooled investments	\$ 16,387,841	70,327,872	74,271,695	12,444,018
Accounts receivable	10,546	533,245	531,910	11,881
Due from other funds	5,000	3,300	5,000	3,300
Accrued interest	575	-	-	575
Investments	1,191,489	6,823	-	1,198,312
Total assets	\$ 17,595,451	70,871,240	74,808,605	13,658,086
Liabilities:				
Accounts payable and other liabilities	\$ 17,590,451	45,345,220	49,280,885	13,654,786
Due to other funds	5,000	3,300	5,000	3,300
Total liabilities	\$ 17,595,451	45,348,520	49,285,885	13,658,086

# City of Omaha, Nebraska

## Statistical Section (Unaudited)

December 31, 2016



This part of the City's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<b>Contents</b>	<b>Page</b>
<b>Financial Trends</b>	
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	190
<b>Revenue Capacity</b>	
These schedules contain information to help the reader assess the City's most significant local revenue sources: property tax and sales tax.	196
<b>Debt Capacity</b>	
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	203
<b>Demographic and Economic Information</b>	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	210
<b>Operating Information</b>	
These schedules contain service and infrastructure data to help the readers understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	213

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

**Schedule 1**

**City of Omaha, Nebraska**  
**Net Position (Deficit) by Component**  
**Last Ten Fiscal Years**  
**(Accrual Basis of Accounting)**



	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Governmental activities:				
Net investment in capital assets	\$ 261,308,456	295,937,697	309,036,583	327,786,022
Restricted	16,814,445	15,189,807	8,238,405	6,350,609
Unrestricted	<u>49,343,457</u>	<u>(540,888)</u>	<u>(24,680,926)</u>	<u>(87,779,242)</u>
Total governmental activities net position	<u>\$ 327,466,358</u>	<u>310,586,616</u>	<u>292,594,062</u>	<u>246,357,389</u>
Business-type activities:				
Net investment in capital assets	\$ 222,456,144	235,667,494	228,900,267	195,594,307
Restricted	6,898,070	4,248,375	8,253,046	31,292,774
Unrestricted	<u>40,308,588</u>	<u>23,937,327</u>	<u>25,401,260</u>	<u>37,903,634</u>
Total business-type activities net position	<u>\$ 269,662,802</u>	<u>263,853,196</u>	<u>262,554,573</u>	<u>264,790,715</u>
Primary government:				
Net investment in capital assets	\$ 483,764,600	531,605,191	537,936,850	523,380,329
Restricted	23,712,515	19,438,182	16,491,451	37,643,383
Unrestricted	<u>89,652,045</u>	<u>23,396,439</u>	<u>720,334</u>	<u>(49,875,608)</u>
Total primary government net position	<u>\$ 597,129,160</u>	<u>574,439,812</u>	<u>555,148,635</u>	<u>511,148,104</u>

In 2015, adjustments applicable to prior years were made for the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pension*. Net pension balances prior to 2015 have not been changed within this schedule for these adjustments.

Source: City of Omaha Financial Statements.

<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
352,248,316	359,649,050	363,088,678	418,572,319	443,118,081	470,579,928
6,565,759	17,390,845	15,812,979	130,831,416	145,942,187	138,753,196
<u>(158,706,845)</u>	<u>(209,477,684)</u>	<u>(233,375,320)</u>	<u>(389,282,348)</u>	<u>(1,120,168,060)</u>	<u>(1,119,021,233)</u>
<u>200,107,230</u>	<u>167,562,211</u>	<u>145,526,337</u>	<u>160,121,387</u>	<u>(531,107,792)</u>	<u>(509,688,109)</u>
166,025,886	136,922,155	214,916,418	186,069,768	244,300,590	333,533,772
40,374,573	43,439,439	42,844,357	22,011,634	51,277,502	52,056,762
<u>64,678,906</u>	<u>99,378,150</u>	<u>36,145,215</u>	<u>127,571,758</u>	<u>50,481,246</u>	<u>32,424,070</u>
<u>271,079,365</u>	<u>279,739,744</u>	<u>293,905,990</u>	<u>335,653,160</u>	<u>346,059,338</u>	<u>418,014,604</u>
518,274,202	496,571,205	578,015,096	604,642,087	687,418,671	804,113,700
46,940,332	60,830,284	58,657,336	152,843,050	197,219,689	190,809,958
<u>(94,027,939)</u>	<u>(110,099,534)</u>	<u>(197,230,105)</u>	<u>(261,710,590)</u>	<u>(1,069,686,814)</u>	<u>(1,086,597,163)</u>
<u>471,186,595</u>	<u>447,301,955</u>	<u>439,442,327</u>	<u>495,774,547</u>	<u>(185,048,454)</u>	<u>(91,673,505)</u>

## Schedule 2

**City of Omaha, Nebraska**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(Accrual Basis of Accounting)**



	2007	2008	2009	2010
Expenses:				
Governmental activities:				
General government	\$ 93,334,595	95,914,300	100,443,246	116,720,038
Public safety	182,854,883	205,824,014	188,694,996	193,001,551
Transportation services	53,248,665	60,683,765	61,124,356	60,380,233
Other public services	15,650,815	17,366,093	17,355,052	21,001,115
Community development	19,460,381	25,723,952	27,376,811	31,987,295
Culture and parks	44,894,282	40,980,138	47,480,688	64,931,722
Interest on long-term debt	34,696,594	36,519,588	37,443,658	38,360,978
Total governmental activities expenses	<u>444,140,215</u>	<u>483,011,850</u>	<u>479,918,807</u>	<u>526,382,932</u>
Business-type activities:				
Convention center hotel	11,290,566	11,114,593	10,172,478	8,905,205
Parking	4,911,916	4,809,194	4,755,065	4,376,749
Sewer	45,508,217	49,533,194	47,580,754	51,529,157
Other	6,456,717	7,346,209	7,367,490	6,368,220
Total business-type activities expenses	<u>68,167,416</u>	<u>72,803,190</u>	<u>69,875,787</u>	<u>71,179,331</u>
Total primary government	<u>\$ 512,307,631</u>	<u>555,815,040</u>	<u>549,794,594</u>	<u>597,562,263</u>
Component units:				
MECA & Heartland Workforce Solutions	\$ 25,035,984	27,211,194	27,425,166	26,355,147
Program revenues:				
Governmental activities:				
Charges for services:				
General government	\$ 5,854,592	5,729,600	8,560,906	11,432,415
Public safety	15,205,428	15,812,344	14,736,190	18,373,482
Transportation services	18,133,477	18,848,115	19,092,487	22,167,354
Other public services	9,620,112	6,205,471	3,877,405	2,582,651
Community development	8,343,329	6,397,642	7,465,072	5,748,813
Culture and parks	4,789,667	3,545,845	10,177,203	8,772,389
Operating grants and contributions	76,410,773	82,615,753	70,638,578	65,624,631
Capital grants and contributions	29,598,164	30,129,275	27,255,802	31,671,217
Total governmental activities program revenues	<u>167,955,542</u>	<u>169,284,045</u>	<u>161,803,643</u>	<u>166,372,952</u>
Business-type activities:				
Charges for services:				
Convention center hotel	7,732,472	8,918,038	6,819,371	7,824,146
Parking	4,151,923	4,115,811	4,144,920	4,170,400
Sewer revenue fund	38,474,534	41,194,630	43,633,767	49,944,627
Citywide sports	117,543	148,420	130,940	193,202
Marinas	737,166	550,236	486,878	446,039
Tennis operations	248,238	267,683	268,028	263,691
Golf operations and concessions	3,537,287	3,441,617	3,644,417	3,421,704
Air quality	532,192	509,037	537,111	802,199
Compost	756,900	561,151	769,070	835,696
Printing and graphics	528,309	543,339	551,847	474,093
River front plaza and marina	85,482	38,350	40,179	48,532
Operating grants and contributions	-	-	-	-
Capital grants and contributions	<u>4,486,724</u>	<u>4,565,282</u>	<u>5,491,917</u>	<u>-</u>
Total business-type activities program revenues	<u>61,388,770</u>	<u>64,853,594</u>	<u>66,518,445</u>	<u>68,424,329</u>
Total primary government	<u>\$ 229,344,312</u>	<u>234,137,639</u>	<u>228,322,088</u>	<u>234,797,281</u>

Source: City of Omaha Financial Statements



	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
\$	102,690,207	108,841,189	91,390,308	83,925,873	37,591,512	66,987,340
	216,023,998	221,081,828	230,254,594	235,395,146	239,292,044	248,325,486
	61,355,661	63,844,036	71,625,887	70,582,625	75,253,703	77,240,101
	34,196,504	30,052,963	28,740,801	23,090,607	23,747,936	25,729,596
	31,619,209	27,254,620	28,867,688	33,123,570	36,275,179	36,194,467
	60,697,876	49,472,973	49,340,930	51,983,977	53,317,528	55,025,221
	35,225,037	33,961,782	31,203,115	30,319,426	31,258,170	30,308,366
	<u>541,808,492</u>	<u>534,509,391</u>	<u>531,423,323</u>	<u>528,421,224</u>	<u>496,736,072</u>	<u>539,810,577</u>
	10,064,689	16,760,156	15,712,726	15,546,907	16,385,139	14,759,515
	6,293,627	6,033,429	8,430,265	6,979,924	7,503,047	7,700,792
	56,781,587	62,037,663	64,709,568	71,915,197	63,980,772	74,982,801
	7,211,689	71,903,725	7,615,502	7,790,680	5,208,173	5,338,178
	<u>80,351,592</u>	<u>156,734,973</u>	<u>96,468,061</u>	<u>102,232,708</u>	<u>93,077,131</u>	<u>102,781,286</u>
\$	<u>622,160,084</u>	<u>691,244,364</u>	<u>627,891,384</u>	<u>630,653,932</u>	<u>589,813,203</u>	<u>642,591,863</u>
	40,381,582	44,898,851	44,607,103	44,147,789	43,781,781	44,706,822
\$	9,482,548	3,639,384	3,693,496	7,067,312	7,367,090	11,890,445
	16,902,557	16,269,792	17,079,473	24,978,154	21,576,596	20,657,273
	28,495,842	34,946,985	33,889,943	16,185,140	30,669,577	22,733,310
	2,968,813	4,106,470	3,420,354	7,105,263	7,401,621	5,226,734
	10,553,850	11,836,131	21,003,207	20,290,498	20,704,293	25,000,358
	9,894,853	13,412,015	11,027,280	12,919,954	9,744,185	11,329,924
	81,334,162	70,615,981	64,458,307	55,761,435	54,005,376	60,138,774
	<u>1,991,113</u>	<u>2,111,413</u>	<u>1,383,647</u>	<u>3,272,418</u>	<u>4,487,108</u>	<u>9,738,439</u>
	<u>161,623,738</u>	<u>156,938,171</u>	<u>155,955,707</u>	<u>147,580,174</u>	<u>155,955,846</u>	<u>166,715,257</u>
	6,765,385	11,147,600	11,892,337	12,616,329	11,570,555	12,467,698
	4,230,566	4,064,700	6,266,862	7,285,311	7,950,807	9,504,523
	60,461,497	72,391,970	88,339,205	107,872,946	126,087,353	138,903,852
	151,708	292,769	344,704	363,430	465,267	425,305
	397,457	603,435	619,904	581,984	581,055	551,491
	259,872	256,924	269,595	266,099	262,661	258,269
	3,347,221	3,713,606	3,814,386	4,075,029	4,237,058	4,232,829
	689,868	759,500	752,083	744,000	730,095	769,731
	322,717	1,072,270	832,054	-	-	-
	348,389	499,711	412,301	356,682	346,585	405,423
	34,612	46,725	42,980	59,510	65,679	36,121
	711,466	929,479	-	691,787	-	-
	<u>-</u>	<u>1,336,274</u>	<u>967,081</u>	<u>5,761,604</u>	<u>8,048,598</u>	<u>4,717,071</u>
	<u>77,720,758</u>	<u>97,114,963</u>	<u>114,553,492</u>	<u>140,674,711</u>	<u>160,345,713</u>	<u>172,272,313</u>
\$	<u>239,344,496</u>	<u>254,053,134</u>	<u>270,509,199</u>	<u>288,254,885</u>	<u>316,301,559</u>	<u>338,987,570</u>

**Schedule 2**

**City of Omaha, Nebraska**  
**Changes in Net Position - Continued**  
**Last Ten Fiscal Years**  
**(Accrual Basis of Accounting)**



	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Component units:				
MECA & Heartland Workforce Solutions:				
Charges for services	\$ 24,863,872	29,865,018	30,629,846	28,717,594
Operating grants and contributions	1,500,000	1,815,000	-	-
Total component unit revenues	<u>\$ 26,363,872</u>	<u>31,680,018</u>	<u>30,629,846</u>	<u>28,717,594</u>
Net revenue (expense):				
Governmental activities	\$ (276,184,673)	(313,727,805)	(318,115,164)	(360,009,980)
Business-type activities	<u>(6,778,646)</u>	<u>(7,949,596)</u>	<u>(3,357,342)</u>	<u>(2,755,002)</u>
Total primary government	<u>\$ (282,963,319)</u>	<u>(321,677,401)</u>	<u>(321,472,506)</u>	<u>(362,764,982)</u>
Component units:				
MECA & Heartland Workforce Solutions	\$ 1,327,888	4,468,824	3,204,680	2,362,447

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
\$	39,797,000	42,570,030	42,769,020	41,933,731	35,794,141	37,268,306
	<u>1,023,608</u>	<u>3,813,685</u>	<u>3,400,987</u>	<u>2,693,627</u>	<u>8,262,760</u>	<u>9,028,300</u>
\$	<u>40,820,608</u>	<u>46,383,715</u>	<u>46,170,007</u>	<u>44,627,358</u>	<u>44,056,901</u>	<u>46,296,606</u>
\$	(380,184,754)	(377,571,220)	(375,467,616)	(380,841,050)	(340,780,226)	(373,095,320)
	<u>(2,630,834)</u>	<u>(59,620,010)</u>	<u>18,085,431</u>	<u>38,442,003</u>	<u>67,268,582</u>	<u>69,491,027</u>
\$	<u>(382,815,588)</u>	<u>(437,191,230)</u>	<u>(357,382,185)</u>	<u>(342,399,047)</u>	<u>(273,511,644)</u>	<u>(303,604,293)</u>
\$	439,026	1,484,864	1,562,904	479,569	275,120	1,589,784

**City of Omaha, Nebraska**  
**Changes in Net Position - Continued**  
**Last Ten Fiscal Years**  
**(Accrual Basis of Accounting)**



	2007	2008	2009	2010
General revenues and other changes in net position:				
Governmental activities:				
Taxes:				
Property tax	\$ 114,935,220	118,979,538	130,016,943	138,320,939
Motor vehicle tax	8,825,629	9,374,405	9,299,184	9,309,995
Sales and use tax	116,051,364	124,470,354	120,735,362	126,910,238
Business taxes	30,884,535	33,963,566	34,251,049	38,228,765
Payments in lieu of taxes	5,543,008	5,898,722	4,595,289	4,538,014
Unrestricted investment earnings	6,722,915	4,720,079	1,663,491	1,440,989
Sale of capital assets	(143,254)	-	1,290,879	(252,225)
Transfers	(1,385,123)	(558,601)	(1,729,587)	(4,723,408)
Total governmental activities	<u>281,434,294</u>	<u>296,848,063</u>	<u>300,122,610</u>	<u>313,773,307</u>
Business-type activities:				
Unrestricted investment earnings	2,810,340	1,581,389	328,132	267,736
Sale of capital assets	(13,447)	-	-	-
Miscellaneous	-	-	-	-
Transfers	1,385,123	558,601	1,729,587	4,723,408
Total business-type activities	<u>4,182,016</u>	<u>2,139,990</u>	<u>2,057,719</u>	<u>4,991,144</u>
Total	<u>\$ 285,616,310</u>	<u>298,988,053</u>	<u>302,180,329</u>	<u>318,764,451</u>
Component units:				
MECA & Heartland Workforce Solutions:				
Donations not restricted to specific programs	\$ 2,562,289	-	-	-
Unrestricted investment earnings	821,148	984,508	506,343	-
Miscellaneous	-	-	-	-
Total	<u>\$ 3,383,437</u>	<u>984,508</u>	<u>506,343</u>	<u>-</u>
Change in net position:				
Governmental activities	\$ 5,249,621	(16,879,742)	(17,992,554)	(46,236,673)
Business-type activities	(2,605,630)	(5,809,606)	(1,298,623)	2,236,142
Total	<u>\$ 2,643,991</u>	<u>(22,689,348)</u>	<u>(19,291,177)</u>	<u>(44,000,531)</u>
Component units:				
MECA & Heartland Workforce Solutions	\$ 4,711,325	5,453,332	3,711,023	2,362,447
Net position (deficit), beginning of year				
Governmental activities	\$ 322,216,737	327,466,358	310,586,616	292,594,062
Business-type activities	272,268,432	269,662,802	263,853,196	262,554,573
Total	<u>\$ 594,485,169</u>	<u>597,129,160</u>	<u>574,439,812</u>	<u>555,148,635</u>
Component units:				
MECA & Heartland Workforce Solutions	\$ 13,257,056	17,968,381	23,421,713	27,132,736
Net position (deficit), end of year:				
Governmental activities	\$ 327,466,358	310,586,616	292,594,062	246,357,389
Business-type activities	269,662,802	263,853,196	262,554,573	264,790,715
Total	<u>\$ 597,129,160</u>	<u>574,439,812</u>	<u>555,148,635</u>	<u>511,148,104</u>
Component units:				
MECA & Heartland Workforce Solutions	\$ 17,968,381	23,421,713	27,132,736	29,495,183

Source: City of Omaha Financial Statements

1. Beginning in 2011, the City began reporting Heartland Workforce Solutions as an additional component unit.
2. The end balance in 2012 for the City does not match the 2013 beginning balance due to the restatement for the implementation of GASB Statement No. 65.
3. The end balance in 2013 for the City does not match the 2014 beginning balance due the restatement of property tax revenue recognition and the restatement of capital contributions for governmental activities in 2014.
4. The end balance in 2014 for the City does not match the 2015 beginning balance due the restatement of the net pension liability for the implementation of GASB Statement 68.

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
\$	139,574,325	141,765,319	142,350,476	144,656,976	157,120,747	154,385,627
	9,068,784	9,163,518	9,839,552	10,338,405	11,294,628	12,187,075
	126,636,793	128,379,322	136,693,604	142,645,168	150,201,310	151,997,330
	60,121,479	62,341,910	66,484,605	67,972,149	69,906,081	71,443,516
	4,870,216	4,174,522	5,085,338	5,666,434	4,609,256	4,298,870
	2,008,143	2,365,086	396,792	1,596,581	740,895	1,009,212
	-	-	-	-	(197,461)	-
	(8,345,147)	(3,163,477)	(515,017)	(2,037,726)	50,000	(806,627)
	<u>333,934,593</u>	<u>345,026,200</u>	<u>360,335,350</u>	<u>370,837,987</u>	<u>393,725,456</u>	<u>394,515,003</u>
	574,337	406,561	(43,612)	416,708	939,738	(291,088)
	(345,700)	-	-	-	-	-
	-	-	-	840,733	1,813,886	1,948,700
	<u>8,345,147</u>	<u>3,163,477</u>	<u>515,017</u>	<u>2,037,726</u>	<u>(50,000)</u>	<u>806,627</u>
	<u>8,573,784</u>	<u>3,570,038</u>	<u>471,405</u>	<u>3,295,167</u>	<u>2,703,624</u>	<u>2,464,239</u>
\$	<u>342,508,377</u>	<u>348,596,238</u>	<u>360,806,755</u>	<u>374,133,154</u>	<u>396,429,080</u>	<u>396,979,242</u>
\$	-	-	-	-	-	-
	112,275	80,648	115,488	99,782	112,821	172,309
	-	-	-	-	107,388	-
\$	<u>112,275</u>	<u>80,648</u>	<u>115,488</u>	<u>99,782</u>	<u>220,209</u>	<u>172,309</u>
\$	(46,250,161)	(32,545,020)	(15,132,266)	(10,003,063)	52,945,230	21,419,683
	6,288,650	8,660,382	18,556,836	41,737,170	69,972,206	71,955,266
\$	<u>(39,961,511)</u>	<u>(23,884,638)</u>	<u>3,424,570</u>	<u>31,734,107</u>	<u>122,917,436</u>	<u>93,374,949</u>
\$	551,301	1,565,512	1,678,392	579,351	495,329	1,762,093
\$	246,357,392	200,107,231	160,658,603	170,124,450	(584,053,022)	(531,107,792)
	264,790,715	271,079,362	275,359,154	293,915,990	275,889,671	346,059,338
\$	<u>511,148,107</u>	<u>471,186,593</u>	<u>436,017,757</u>	<u>464,040,440</u>	<u>(308,163,351)</u>	<u>(185,048,454)</u>
\$	29,495,183	30,046,484	31,611,996	33,290,388	33,869,739	34,365,068
\$	200,107,231	167,562,211	145,526,337	160,121,387	(531,107,792)	(509,688,109)
	271,079,365	279,739,744	293,915,990	335,653,160	345,861,877	418,014,604
\$	<u>471,186,596</u>	<u>447,301,955</u>	<u>439,442,327</u>	<u>495,774,547</u>	<u>(185,245,915)</u>	<u>(91,673,505)</u>
	30,046,484	31,611,996	33,290,388	33,869,739	34,365,068	36,127,161

## Schedule 3

**City of Omaha, Nebraska**  
**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)**



	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
General fund:				
Reserved	\$ 1,896,788	2,810,463	3,921,976	3,637,299
Unreserved	27,071,866	28,855,951	24,167,995	25,940,212
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total general fund	<u>\$ 28,968,654</u>	<u>31,666,414</u>	<u>28,089,971</u>	<u>29,577,511</u>
All other governmental funds:				
Reserved	\$ 55,180,529	42,178,023	44,190,404	40,659,061
Unreserved, reported in:				
Special revenue funds	27,285,911	19,190,703	4,876,004	5,273,301
Capital projects funds	(2,097,906)	(15,493,032)	35,431,679	17,252,775
Permanent funds	4,058	4,525	539,208	428,925
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total all other governmental funds	<u>\$ 80,372,592</u>	<u>45,880,219</u>	<u>85,037,295</u>	<u>63,614,062</u>

Source: City of Omaha Financial Statements.

\* Beginning in 2011, the City adopted GASB 54 which adjusted the fund balance classifications names and definitions for all governmental funds.

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
\$	-	-	-	-	-	-
	-	-	-	-	-	-
	2,246,558	2,320,144	2,301,101	2,390,388	2,037,608	2,158,706
	709,301	747,561	853,190	889,911	935,017	1,322,528
	8,391,106	7,233,035	848,127	5,397,753	11,752,633	9,479,584
	<u>32,595,155</u>	<u>37,608,141</u>	<u>52,622,429</u>	<u>59,788,477</u>	<u>60,379,917</u>	<u>65,288,607</u>
\$	<u><u>43,942,120</u></u>	<u><u>47,908,881</u></u>	<u><u>56,624,847</u></u>	<u><u>68,466,529</u></u>	<u><u>75,105,175</u></u>	<u><u>78,249,425</u></u>
\$	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	2,775,389	2,775,389	2,775,389	3,274,288	3,624,288	3,274,288
	38,509,089	53,513,385	42,613,307	66,730,475	77,921,232	81,728,992
	18,252,217	18,704,036	20,593,562	13,106,594	14,790,441	15,633,667
	1,676,859	6,691,614	4,732,086	636,511	1,033,849	3,367,929
	<u>(41,915,268)</u>	<u>(13,987,312)</u>	<u>(9,824,485)</u>	<u>(6,531,545)</u>	<u>(12,649,230)</u>	<u>(7,045,274)</u>
\$	<u><u>19,298,286</u></u>	<u><u>67,697,112</u></u>	<u><u>60,889,859</u></u>	<u><u>77,216,323</u></u>	<u><u>84,720,580</u></u>	<u><u>96,959,602</u></u>

**Schedule 4**

**City of Omaha, Nebraska**  
**Changes Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)**



	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Revenues:				
Taxes:				
Property	\$ 102,681,478	112,384,610	117,561,400	130,625,280
Motor vehicle	8,825,629	9,374,405	9,299,184	9,309,995
City sales and use	116,051,364	124,470,354	120,735,362	126,910,238
Business	30,884,535	34,249,571	34,251,051	38,228,765
In lieu	5,543,008	5,898,722	4,590,903	4,538,013
Licenses and permits	8,044,824	8,022,731	7,125,362	8,447,524
Intergovernmental	48,850,176	41,275,818	37,433,627	38,943,475
Investment income	6,722,915	4,720,079	1,663,490	1,291,935
Revenue from Keno	7,693,010	7,455,212	6,195,196	6,959,045
Charges for services	45,727,075	45,777,345	61,279,668	49,441,858
Rents, royalties and other	5,353,045	2,726,418	1,459,459	2,388,690
Contributions and grants	48,985,045	56,815,186	41,657,358	44,964,597
Total revenues	<u>435,362,104</u>	<u>453,170,451</u>	<u>443,252,060</u>	<u>462,049,415</u>
Expenditures:				
Current:				
General government	40,689,673	52,797,201	44,237,217	45,480,158
Public safety	183,747,875	197,108,649	195,327,042	192,681,892
Transportation services	43,421,768	48,623,732	48,208,708	47,095,867
Other public services	14,750,946	16,929,963	16,403,382	20,012,730
Community development	18,744,993	25,035,148	26,735,726	27,990,036
Culture and parks	31,551,223	30,321,658	29,906,063	31,916,664
Debt service:				
Principal	42,832,712	72,787,515	36,895,854	35,934,250
Interest	33,532,480	34,954,674	36,899,394	38,360,978
Bond issuance costs	303,209	1,346,460	1,271,689	740,548
Capital outlay	58,734,797	76,692,920	64,895,974	79,278,779
Total expenditures	<u>468,309,676</u>	<u>556,597,920</u>	<u>500,781,049</u>	<u>519,491,902</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(32,947,572)</u>	<u>(103,427,469)</u>	<u>(57,528,989)</u>	<u>(57,442,487)</u>
Other financing sources (uses):				
Transfers in	1,434,525	679,238	5,570,605	6,442,775
Transfers out	(2,819,648)	(1,237,839)	(7,300,192)	(11,169,286)
Sales of capital assets	-	421,700	1,334,919	647,484
Issuance of debt	57,565,000	146,483,605	91,592,000	77,485,000
Issuance of refunding debt	-	-	45,560,000	-
Premium on debt issued	671,698	4,350,806	4,649,445	2,435,125
Payment to escrow agent	(17,900,194)	(79,064,654)	(48,297,153)	(37,988,113)
Discount on debt issued	-	-	-	(346,191)
Total other financing sources	<u>38,951,381</u>	<u>71,632,856</u>	<u>93,109,624</u>	<u>37,506,794</u>
Net change in fund balances	<u>\$ 6,003,809</u>	<u>(31,794,613)</u>	<u>35,580,635</u>	<u>(19,935,693)</u>
Debt Service as a percentage of non-capital expenditures	18.64%	22.45%	16.93%	16.88%

Source: City of Omaha Financial Statements.



	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
\$	135,175,220	140,715,380	142,356,535	141,195,508	150,741,691	154,967,863
	9,068,784	9,163,518	9,839,552	10,338,405	11,294,628	12,187,075
	126,636,793	128,379,322	136,693,604	142,645,168	150,201,310	151,997,330
	60,121,478	62,331,646	66,482,755	67,979,140	69,906,635	71,439,119
	4,870,216	4,174,522	5,085,338	5,666,434	4,609,256	4,298,870
	8,627,683	9,953,636	12,690,376	11,219,057	10,763,432	11,721,335
	39,289,990	41,896,021	43,962,013	45,396,325	49,901,439	48,804,803
	1,834,089	2,133,506	396,793	1,596,581	740,895	1,009,212
	7,222,115	7,220,283	7,568,495	7,722,991	7,951,072	7,794,822
	53,453,047	54,709,031	51,118,569	54,584,845	55,807,610	56,300,301
	2,066,022	22,628,777	2,213,984	3,066,532	2,300,137	2,010,388
	44,972,195	52,404,647	48,134,603	41,266,495	36,639,858	35,860,638
	<u>493,337,632</u>	<u>535,710,289</u>	<u>526,542,617</u>	<u>532,677,481</u>	<u>550,857,963</u>	<u>558,391,756</u>
	45,478,299	48,389,444	44,398,810	48,004,264	49,343,480	47,867,409
	209,513,357	213,748,374	224,066,859	229,072,245	232,813,275	240,681,415
	48,800,535	48,966,496	55,910,474	54,390,754	59,078,618	61,374,757
	33,340,836	29,513,629	27,526,059	20,525,429	20,681,914	21,523,994
	26,808,123	26,243,564	28,095,556	31,630,923	29,021,855	31,128,708
	38,392,941	33,807,833	34,352,195	35,656,948	37,208,797	39,575,267
	40,000,182	47,062,140	51,224,548	64,980,499	57,974,517	55,182,117
	35,225,036	33,803,919	32,872,116	31,734,100	31,491,672	30,669,108
	303,220	973,248	253,321	420,440	323,228	746,804
	55,701,862	32,819,516	41,896,199	31,685,137	45,922,328	52,094,132
	<u>533,564,391</u>	<u>515,328,163</u>	<u>540,596,137</u>	<u>548,100,739</u>	<u>563,859,684</u>	<u>580,843,711</u>
	<u>(40,226,759)</u>	<u>20,382,126</u>	<u>(14,053,520)</u>	<u>(15,423,258)</u>	<u>(13,001,721)</u>	<u>(22,451,955)</u>
	1,845,880	2,326,735	7,078,509	4,520,389	5,561,917	9,691,417
	(10,191,027)	(5,490,210)	(7,593,526)	(5,833,239)	(5,511,917)	(10,498,044)
	12,044,740	658,000	-	1,575,285	49,888	1,129,520
	27,995,000	77,890,862	15,403,783	19,258,012	21,810,000	32,565,000
	-	35,067,065	10,645,000	51,110,000	10,985,000	73,295,000
	1,349,812	8,380,765	1,323,467	11,130,961	3,130,880	12,103,454
	(22,768,806)	(86,845,834)	(10,895,000)	(49,035,479)	(8,881,144)	(80,451,120)
	<u>-</u>	<u>(3,922)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>10,275,599</u>	<u>31,983,461</u>	<u>15,962,233</u>	<u>32,725,929</u>	<u>27,144,624</u>	<u>37,835,227</u>
\$	<u>(29,951,160)</u>	<u>52,365,587</u>	<u>1,908,713</u>	<u>17,302,671</u>	<u>14,142,903</u>	<u>15,383,272</u>
	15.74%	16.76%	16.86%	18.73%	17.27%	16.24%

**Schedule 5**

**City of Omaha, Nebraska**  
**Tax Revenues by Source**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)**



<b>Year</b>	<b>Sales Tax</b>	<b>General Property Tax</b>	<b>Street Highway Allocation</b>	<b>Telephone Occupation Tax</b>	<b>Wheel Tax</b>
2007	128,625,275	98,142,156	28,638,167	14,965,695	14,934,190
2008	131,801,803	109,912,905	29,459,975	15,932,992	15,525,838
2009	127,301,965	115,586,354	27,572,563	15,746,026	15,638,431
2010	131,455,524	128,501,803	27,674,536	14,815,170	18,348,772
2011	133,278,455	133,399,969	30,371,268	14,963,767	23,247,322
2012	128,379,322	138,875,565	32,452,013	16,254,082	22,870,980
2013	136,693,604	139,940,082	34,215,504	15,330,236	19,659,390
2014	142,645,168	138,883,919	37,673,381	14,263,312	19,943,832
2015	150,201,310	146,779,576	38,306,509	13,145,400	20,784,465
2016	151,997,330	150,914,619	39,991,268	12,158,561	21,499,438

Source: City of Omaha Financial Statements.

<b>Motor Vehicle Taxes</b>	<b>Hotel/Vehicle Occupation Tax</b>	<b>MUD in Lieu of Tax</b>	<b>Cable Franchise Tax</b>	<b>Restaurant Tax</b>
8,825,629	6,990,559	5,229,233	4,312,349	-
9,374,405	8,310,620	5,714,591	4,727,391	-
9,299,184	8,087,878	4,411,087	4,952,987	-
9,309,995	8,162,031	4,356,585	5,198,243	4,419,993
9,068,784	9,314,653	4,362,256	5,617,734	23,796,387
9,163,518	7,543,401	3,666,563	5,449,203	24,851,426
9,839,552	7,960,019	4,524,169	5,396,107	25,719,588
10,338,405	8,415,277	5,156,958	5,646,229	26,999,949
11,294,628	8,821,955	4,099,685	5,878,922	29,448,765
12,187,075	9,124,452	3,863,548	5,971,461	31,452,039

**Schedule 6**

**City of Omaha, Nebraska**  
**Assessed Value and Estimated**  
**Actual Value of Taxable Property**  
**Last Ten Fiscal Years**



	<u><b>Real Property</b></u>	<u><b>Other Property</b></u>	<b>Total</b>	<b>Total</b>
	<b>Residential/ Commercial Property</b>	<b>Personal/ Centrally Assessed Property</b>	<b>Taxable Assessed Value</b>	<b>Direct Tax Rate</b>
Year ended December 31:				
2007	23,466,618,660	1,835,621,110	25,302,239,770	43.387
2008	24,851,524,870	1,658,411,000	26,509,935,870	43.387
2009	25,148,357,122	1,929,355,078	27,077,712,200	47.587
2010	24,966,532,305	1,923,371,175	26,889,903,480	49.922
2011	25,675,576,785	1,807,884,970	27,483,461,755	49.922
2012	26,035,695,300	1,877,985,140	27,913,680,440	49.922
2013	25,891,486,245	1,911,962,630	27,803,448,875	49.922
2014	26,951,266,975	2,009,897,245	28,961,164,220	48.922
2015	27,859,616,600	2,786,492,295	30,646,108,895	48.922
2016	29,691,520,415	2,032,845,205	31,724,365,620	47.922

Source: Douglas County Assessor's Office.

Note: Property is assessed at actual value; therefore, the assessed values are equal to actual value. Taxes assessed by the County during 2015 are not due and payable until 2016.

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**Schedule 7**

**City of Omaha, Nebraska**  
**Property Tax Rates**  
**Direct and Overlapping Governments**  
**Last Ten Fiscal Years**



	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
City of Omaha:					
General fund	0.26307	0.26597	0.26597	0.28447	0.28447
Judgment	0.00600	0.00600	0.00600	0.00600	0.00600
Debt service	0.19421	0.20131	0.20131	0.19281	0.19281
Redevelopment debt service	0.01594	0.01594	0.01594	0.01594	0.01594
Total City of Omaha	<u>0.47922</u>	<u>0.48922</u>	<u>0.48922</u>	<u>0.49922</u>	<u>0.49922</u>
Overlapping rates <sup>1</sup> :					
Douglas County	0.28059	0.28059	0.28059	0.28059	0.26459
Omaha Douglas Building Commission	0.01500	0.01500	0.01500	0.01290	0.01300
Papio NRD	0.03803	0.03276	0.03276	0.03275	0.03275
Omaha Public Schools	0.29403	0.27975	0.24833	0.25204	0.25465
Metro Community College	0.09500	0.09500	0.09500	0.09500	0.08500
Education Service Units	0.01500	0.01500	0.01499	0.01563	0.01500
Omaha Transit Authority	0.05226	0.05154	0.05270	0.05224	0.05027
Learning Community	0.96525	0.96625	0.96000	0.96000	0.96000
Learning Community – capital projects	-	-	-	-	-
Total overlapping rates	<u>1.75516</u>	<u>1.73589</u>	<u>1.69937</u>	<u>1.70115</u>	<u>1.67526</u>
Total tax rate	<u>2.23438</u>	<u>2.22511</u>	<u>2.18859</u>	<u>2.20037</u>	<u>2.17448</u>

Sources: Douglas County Clerk's Office and City of Omaha Finance Department.

Note: <sup>1</sup> Overlapping rates are those of local and county governments that apply to property owners within the City of Omaha.

<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
0.28447	0.28447	0.26112	0.24312	0.24912
0.00600	0.00600	0.00600	0.00600	-
0.19281	0.19281	0.19281	0.17581	0.18475
0.01594	0.01594	0.01594	0.00894	-
<u>0.49922</u>	<u>0.49922</u>	<u>0.47587</u>	<u>0.43387</u>	<u>0.43387</u>
0.26459	0.26459	0.24519	0.24519	0.24519
0.01300	0.01300	0.01300	0.01300	0.01096
0.03275	0.03275	0.03275	0.03375	0.03485
0.25909	0.25863	0.25572	1.20064	1.20059
0.08500	0.08500	0.08500	0.06740	0.06470
0.01500	0.01500	0.01500	0.01500	0.01500
0.04872	0.04872	0.04674	0.04613	0.04617
0.96000	0.96000	0.96000	-	-
0.00125	0.00125	0.00500	-	-
<u>1.67940</u>	<u>1.67894</u>	<u>1.65840</u>	<u>1.62111</u>	<u>1.61746</u>
<u>2.17862</u>	<u>2.17816</u>	<u>2.13427</u>	<u>2.05498</u>	<u>2.05133</u>

## Schedule 8

**City of Omaha, Nebraska**  
**Principal Property Taxpayers**  
**Current Year and Nine Years Ago**



Taxpayer	Type of Business	2016		
		Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
SFI Ltd Partnership	Real estate management	\$ 136,025,600	1	0.43 %
First National Bank of Omaha	Banking	103,962,000	2	0.33
Westroads Mall LLC	Retail management	92,602,800	3	0.29
168th and Dodge LP	Real estate management	88,292,300	4	0.28
TD Ameritrade Service Co	Online Broker	87,466,500	5	0.28
Oak View Mall LLC	Retail management	85,206,100	6	0.27
First Data Resources Inc	Payment Processing	78,780,400	7	0.25
Wal-Mart Real Estate Business	Retail management	76,834,300	8	0.24
Nebraska Furniture Mart	Retail management	66,535,800	9	0.21
Conagra Foods	Retail management	64,681,100	10	0.20
IRET LLC	Real estate management			
WOW Life Insurance	Insurance			
United of Omaha Life Insurance	Insurance			
Opis Realty	Real estate management			
		<u>\$ 880,386,900</u>		<u>2.78 %</u>

Source: Douglas County Assessor.



<b>2007</b>			
	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total City Taxable Assessed Value</b>
\$	61,506,400	4	0.24 %
	86,017,700	2	0.34
	75,907,800	3	0.30
	102,718,100	1	
	48,702,300	7	0.19
	47,589,800	8	0.19
	58,575,900	5	0.23
	57,948,500	6	0.23
	46,443,700	9	0.18
	43,994,900	10	0.17
\$	<u>629,405,100</u>		<u>2.07 %</u>

**City of Omaha, Nebraska**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Year**



	<b>Taxes Levied for the Fiscal Year</b>	<b>Collected Within the Year of the Levy</b>		<b>Collections in Subsequent Years</b>	<b>Total collections to Date</b>	
		<b>Amount</b>	<b>Percentage of Levy</b>		<b>Amount</b>	<b>Percentage of Levy</b>
Year ended December 31:						
2007	\$ 109,778,828	107,891,215	98.28	2,021,690	109,912,905	100.12
2008	115,018,659	113,644,205	98.81	1,708,782	115,352,987	100.29
2009	128,854,709	126,195,724	97.94	1,873,134	128,068,858	99.39
2010	134,239,776	131,111,754	97.67	1,644,917	132,756,671	98.90
2011	137,202,938	136,885,263	99.77	1,456,009	138,341,272	100.83
2012	139,350,675	138,009,236	99.04	1,463,387	139,472,713	100.09
2013	138,800,377	136,839,584	98.59	545,669	137,385,253	98.98
2014	141,683,808	28,479	0.02	137,271,833	137,300,312	96.91
2015	149,926,894	20,238	0.01	144,103,534	144,123,772	96.13
2016	151,891,166	60,831	0.04		60,831	0.04

Note 1: Property taxes are certified in August of each year by the Douglas County Assessor. The taxes are based on cents per \$100 of taxable value. Taxes become due on December 31, of that year and may be paid in two equal installments. Taxes become delinquent if not paid by April 1 and August 1. Delinquent taxes bear 14% interest. Prior to 2009, the figures above included interest. The City includes total interest for late payments with taxes on the financial statements.

Note 2: In 2014, the City changed how it accounts for property tax revenues and the figures of the fiscal year 2014 were restated to reflect this change.

**Schedule 10****City of Omaha, Nebraska****Total City Taxable Sales****Last Ten Fiscal Years**

	<b>Total City Taxable Sales</b>	<b>Total Direct Tax Rate</b>
Year ended December 31:		
2007	\$ 8,819,720,867	0.0150
2008	9,037,369,933	0.0150
2009	8,736,921,267	0.0150
2010	9,023,580,333	0.0150
2011	9,143,290,667	0.0150
2012	9,630,891,267	0.0150
2013	10,067,835,399	0.0150
2014	10,404,045,783	0.0150
2015	10,796,246,324	0.0150
2016	10,908,761,819	0.0150

Source: City of Omaha Revenue Division.

**City of Omaha, Nebraska**  
**Sales Tax Rates**  
**Direct and Overlapping Governments**  
**Last Ten Fiscal Years**



	<u>Direct</u> <u>City of</u> <u>Omaha</u>	<u>Overlapping<sup>1</sup></u>	
		<u>State of</u> <u>Nebraska</u>	<u>Total</u> <u>Tax Rate</u>
Fiscal year:			
2007	0.015	0.055	0.070
2008	0.015	0.055	0.070
2009	0.015	0.055	0.070
2010	0.015	0.055	0.070
2011	0.015	0.055	0.070
2012	0.015	0.055	0.070
2013	0.015	0.055	0.070
2014	0.015	0.055	0.070
2015	0.015	0.055	0.070
2016	0.015	0.055	0.070

Note: <sup>1</sup> Overlapping rates are those of other governments that apply to consumers within the City of Omaha.

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**City of Omaha, Nebraska**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**  
**(Amounts in Thousands, Except per Capita)**



<b>Governmental Activities</b>								
	<b>General</b>	<b>Tax</b>	<b>Special</b>					<b>Net</b>
	<b>Obligation</b>	<b>Supported</b>	<b>Assessment</b>	<b>Revenue</b>	<b>Notes</b>	<b>Capital</b>	<b>Contracts</b>	<b>Premiums</b>
	<b>Bonds</b>	<b>Bonds</b>	<b>Notes</b>	<b>Bonds</b>	<b>Payable</b>	<b>Leases</b>	<b>Payable</b>	<b>(Discounts)</b>
	<b>Payable</b>		<b>Payable</b>					
Fiscal year:								
2007	\$ 536,827	99,040	215	2,350	3,096	37,418	-	30,778
2008	558,062	108,491	706	2,210	2,881	41,312	-	33,226
2009	545,829	110,873	257	2,065	2,658	107,131	-	35,704
2010	526,180	107,306	-	1,920	2,428	128,883	12,215	35,498
2011	518,750	103,615	-	1,855	2,191	119,240	11,363	34,431
2012	516,795	100,012	-	1,675	2,947	120,663	10,431	39,043
2013	490,030	95,072	-	1,490	2,802	116,627	9,476	36,814
2014	501,765	90,034	-	1,295	2,478	110,911	8,491	44,320
2015	503,645	86,410	-	1,235	1,984	104,703	11,510	43,719
2016	494,520	81,962	-	1,160	1,508	109,960	16,364	49,960

Source: City of Omaha Financial Statements

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

<sup>1</sup> See table 17, Demographic and Economic Statistics, for income and population data.

**Business-type Activities**

	<b>Hotel</b>	<b>Tax</b>	<b>Sewer</b>	<b>Sewer</b>		<b>Net</b>	<b>Total</b>	<b>Percentage</b>	<b>Net</b>
	<b>Revenue</b>	<b>Supported</b>	<b>Revenue</b>	<b>Notes</b>	<b>Revenue</b>	<b>Premiums</b>	<b>Primary</b>	<b>of Personal</b>	<b>Debt per</b>
	<b>Bonds</b>	<b>Bonds</b>	<b>Bonds</b>	<b>Payable</b>	<b>Bonds</b>	<b>(Discounts)</b>	<b>Government</b>	<b>Income<sup>1</sup></b>	<b>Capita<sup>1</sup></b>
\$	109,750	19,855	54,430	37,056	155	47,815	4,230	983,015	4.94
	109,750	19,335	53,295	34,879	-	46,200	4,110	1,014,457	4.86
	109,750	18,792	82,095	32,628	-	44,505	3,901	1,096,188	5.25
	146,435	18,229	148,074	6,650	-	42,010	3,590	1,179,418	6.33
	145,965	17,639	212,040	13,071	-	39,425	5,015	1,224,600	6.25
	145,325	17,252	302,755	13,455	-	36,765	14,133	1,321,251	6.50
	144,165	16,318	293,560	12,863	-	34,125	13,591	1,266,933	5.90
	142,825	15,366	413,640	12,710	-	31,105	23,305	1,398,245	6.10
	141,300	15,050	403,410	58,954	-	28,295	22,422	1,422,637	6.21
	138,890	14,727	388,580	63,272	-	26,060	25,611	1,412,574	N/A
									3,182

**Schedule 13**

**City of Omaha, Nebraska**  
**Ratios of General Obligation Debt Outstanding**  
**Last Ten Fiscal Years**



	<b>General Obligation Bonds</b>	<b>Plus Premium (Discount)</b>	<b>Less amounts Available in Debt Service Fund</b>	<b>Total</b>	<b>Net Bonded Debt per Capital<sup>1</sup></b>	<b>Ratio of Net Debt to Estimated Valuation of Taxable Real Property<sup>2</sup></b>
Fiscal year:						
2007	\$ 536,826,472	29,519,529	16,491,540	549,854,461	1,270	2.06
2008	558,062,463	32,094,714	18,976,244	571,180,933	1,302	2.03
2009	545,829,194	33,375,135	13,489,712	565,714,617	1,244	1.97
2010	526,180,000	33,626,137	16,693,476	543,112,661	1,325	1.89
2011	518,750,000	32,580,749	18,595,398	532,735,351	1,278	1.82
2012	516,794,764	35,910,225	18,689,053	534,015,936	1,274	1.78
2013	490,030,000	35,054,183	19,394,224	505,689,959	1,200	1.69
2014	501,765,000	42,390,409	19,207,492	524,947,917	1,209	1.67
2015	503,645,000	41,613,790	19,917,725	525,341,065	1,176	1.58
2016	494,520,000	39,948,253	23,034,719	511,433,534	1,152	1.61

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

<sup>1</sup> Population data can be found in table 17, Demographic and Economic Statistics.

<sup>2</sup> Property value information can be found in table 6, Assessed Value and Actual Value of Taxable Property.



## Schedule 14

**City of Omaha, Nebraska**  
**Direct and Overlapping Governmental Activities Debt**  
**December 31, 2016**



<u>Governmental Units</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable<sup>1</sup></u>	<u>Direct and Overlapping Debt to the City</u>
Direct:			
City <sup>4</sup>	\$ 705,474,307	100.00%	\$ 705,474,307
Overlapping:			
Douglas County	48,225,000	78.78	37,991,655
Omaha-Douglas Public Bldg. Commission <sup>2</sup>	44,570,000	78.78	35,112,246
School District of Omaha <sup>3</sup>	290,815,000	88.60	257,662,090
School District of Ralston <sup>3</sup>	22,952,953	77.04	17,682,955
School District of Millard <sup>3</sup>	153,351,500	88.62	135,900,099
School District of Elkhorn <sup>3</sup>	201,425,000	47.83	96,341,578
School District No. 66 of Douglas County <sup>3</sup>	71,540,000	100.00	71,540,000
	<u>832,879,453</u>		<u>652,230,623</u>
Total	\$ <u>1,538,353,760</u>		\$ <u>1,357,704,930</u>

Source: The information regarding the bonds outstanding comes from the State of Nebraska Auditor of Public Accounts Web site, reported as of December 31, 2016.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and business of the City. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and, therefore, is responsible for repaying the debt, of each overlapping government.

<sup>1</sup> The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the City's taxable assessed value and dividing it by the corresponding overlapping government unit's taxable assessed value.

<sup>2</sup> Payable from certain property tax revenues and payments to be made to it by the City of Omaha and Douglas County under certain contractual agreements. Actual rental payments by the City for 2016 were \$1,866,355. The Act authorizing issuance of bonds by the Omaha-Douglas Public Building Commission permits them to levy a tax of \$0.17 per \$100 of actual valuation on all the taxable property in Douglas County. However, although the same Act authorizes the City to levy a tax on all the taxable property in the City, except intangible property, of \$0.17 per \$100 of actual valuation in excess of the Charter limitation described under "AUTHORITY TO LEVY TAXES," if and to the extent necessary to make the City's payments to the Commission, no such levy has ever been made by the City for such purpose.

<sup>3</sup> Residents of the City reside in one of the five school districts and pay taxes only to that school district. These numbers represent bonds outstanding as of December 31, 2016.

<sup>4</sup> The debt for the City of Omaha is based on the governmental activities debt outstanding.

**City of Omaha, Nebraska**  
**Legal Debt Margin Information**  
**Last Ten Fiscal Years**  
**(Amount in thousands)**



	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Debt limit	\$ 885,578	927,848	947,720	941,147
Total net debt applicable to limit	<u>520,335</u>	<u>539,086</u>	<u>532,339</u>	<u>509,487</u>
Legal debt margin	\$ <u>365,243</u>	<u>388,762</u>	<u>415,381</u>	<u>431,660</u>
Total net debt applicable to the limit as a percentage of debt limit	<u>58.76%</u>	<u>58.10%</u>	<u>56.17%</u>	<u>54.13%</u>

**Legal debt margin calculation for fiscal year 2016**

Taxable property values:	
Real estate	\$ 29,691,520
Personal property	<u>2,032,846</u>
Total assessed value	<u>31,724,366</u>
Debt limit (3.5% of total assessed value)	1,110,353
Debt applicable to limit:	
General obligation bonds	494,520
Less amount set aside for repayment of general obligation debt	<u>(23,035)</u>
Total net debt applicable to limit	<u>471,485</u>
Legal debt margin	\$ <u>638,868</u>

Note: Under Article V, Section 5.27, Home Rule Charter of the City of Omaha, 1956 as amended, the City of Omaha's outstanding general obligation debt should not exceed 3.5% of the actual value of taxable real and personal property in the City. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
\$	941,147	961,921	961,921	973,121	1,072,614	1,110,353
	509,487	500,154	500,154	474,783	483,727	471,485
\$	<u>431,660</u>	<u>461,767</u>	<u>461,767</u>	<u>498,338</u>	<u>588,887</u>	<u>638,868</u>
	<u>54.13%</u>	<u>52.00%</u>	<u>52.00%</u>	<u>48.79%</u>	<u>45.10%</u>	<u>42.46%</u>

## Schedule 16

# City of Omaha, Nebraska

## Pledge Revenue Coverage

### Last Ten Fiscal Years



	Gross Revenue <sup>1</sup>	Direct Operating Expenses <sup>2</sup>	Net Available Revenue	Debt Service Requirements			
				Principal	Interest	Total <sup>3</sup>	Coverage
<b>Sewer System</b>	<b>Utility Service Charges</b>						
2007	\$ 40,573,046	26,148,634	14,424,412	2,436,679	5,078,921	7,515,600	1.92
2008	41,969,126	29,381,293	12,587,833	3,832,682	5,080,556	8,913,238	1.41
2009	43,704,193	29,341,757	14,362,436	3,968,039	4,867,190	8,835,229	1.63
2010	49,783,043	32,629,953	17,153,090	4,790,945	6,246,860	11,037,805	1.55
2011	59,414,374	35,082,144	24,332,230	6,183,692	7,670,908	13,854,600	1.76
2012	73,636,605	35,026,078	38,610,527	9,819,735	7,797,934	17,617,669	2.19
2013	88,272,211	35,169,996	53,102,215	10,722,865	13,396,933	24,119,798	2.20
2014	108,956,218	40,610,074	68,346,144	9,255,315	13,426,326	22,681,641	3.01
2015	128,165,551	28,783,162	99,382,389	11,159,651	18,764,345	29,923,996	3.32
2016	139,777,145	34,707,132	105,069,713	11,181,814	19,139,849	30,321,663	3.47

(1) Generally, gross revenues include sewer use fees and interest on investments.

(2) Generally, direct operating expenses include sewage treatment and pumping, sewer maintenance, administrative and general, and industrial waste control. Excluded from direct operating expense are depreciation and amortization.

(3) The numbers reflect the total annual fiscal year's debt service requirements on all the outstanding senior and junior revenue bonds and notes.

	Net Revenues from Manager						
<b>Convention Center Hotel</b>							
2007	\$ 8,414,989	1,835,394	6,579,595	-	5,299,307	5,299,307	1.24
2008	9,715,892	1,956,436	7,759,456	-	6,158,546	6,158,546	1.26
2009	7,065,949	1,863,396	5,202,553	-	5,192,217	5,192,217	1.00
2010*	7,824,146	348,451	7,475,695	315,000	5,185,917	5,500,917	1.36
2011	6,765,385	712,286	6,053,099	470,000	5,170,217	5,640,217	1.07
2012	11,147,600	262,091	10,885,509	640,000	7,606,435	8,246,435	1.32
2013	11,892,337	325,197	11,567,140	1,160,000	7,570,504	8,730,504	1.32
2014	12,283,972	235,480	12,048,492	1,340,000	7,520,504	8,860,504	1.36
2015	12,370,003	1,237,713	11,132,290	1,525,000	7,463,204	8,988,204	1.24
2016	13,265,667	1,043,748	12,221,919	2,410,000	7,395,978	9,805,978	1.25

(1) Generally, gross revenues include net revenues from manager.

\*Starting in 2010, interest is not included in accordance to the Series 2010 bond debt covenant.

(2) Generally, direct operating expenses include administrative costs and insurance. Excluded from direct operating expense are depreciation and amortization.

\*Starting in 2010, only depreciation and taxes are excluded in accordance to the Series 2010 bond debt covenant.

## Schedule 16

**City of Omaha, Nebraska**  
**Pledge Revenue Coverage - Continued**  
**Last Ten Fiscal Years**



<b>Marinas</b>	<b>Dock Rental Fees</b>						
2007	\$ 517,829	300,929	216,900	150,000	12,038	162,038	1.34
2008	504,623	325,086	179,537	155,000	5,288	160,288	1.12
2009	498,450	450,812	47,638	-	-	-	N/A
2010	446,039	283,542	162,497	-	-	-	N/A
2011	397,344	272,036	125,308	-	-	-	N/A
2012	603,435	471,743	131,692	-	-	-	N/A
2013	619,904	531,989	87,915	-	-	-	N/A
2014	581,984	473,960	108,024	-	-	-	N/A
2015	581,055	221,741	359,314	-	-	-	N/A
2016	551,491	(258,436)	809,927	-	-	-	N/A

(1) Generally, gross revenues include net slip rental fees, concessions, and interest on investments.

(2) Generally, direct operating expenses include operating and maintenance costs.  
 Excluded from direct operating expense are depreciation and amortization.

<b>Special Tax Revenue</b>	<b>Redevelopment</b>						
<b>Redevelopment Bonds</b>	<b>Levy</b>						
2007	\$ 1,987,825	-	1,987,825	1,095,000	1,768,361	2,863,361	0.69
2008	2,266,497	-	2,266,497	1,420,000	1,889,680	3,309,680	0.68
2009	2,386,049	-	2,386,049	1,730,000	2,105,945	3,835,945	0.62
2010	4,175,584	-	4,175,584	2,315,000	2,302,714	4,617,714	0.90
2011	4,258,621	-	4,258,621	2,390,000	2,228,570	4,618,570	0.92
2012	4,436,505	-	4,436,505	2,625,000	2,113,708	4,738,708	0.94
2013	4,469,767	-	4,469,767	3,130,000	1,530,279	4,660,279	0.96
2014	4,263,934	-	4,263,934	2,765,000	1,440,558	4,205,558	1.01
2015	4,706,454	-	4,706,454	2,175,000	1,344,229	3,519,229	1.34
2016	4,914,334	-	4,914,434	2,945,000	1,286,811	4,231,811	1.16

(1) Gross revenue include the Special Tax Redevelopment Property Tax Levy.

**City of Omaha, Nebraska**  
**Pledge Revenue Coverage - Continued**  
**Last Ten Fiscal Years**



	Gross Revenue <sup>1</sup>	Direct Operating Expenses <sup>2</sup>	Net Available Revenue	Debt Service Requirements			
				Principal	Interest	Total <sup>3</sup>	Coverage
<b>Special Obligation Bonds</b>							
2007	\$ 121,702,023	-	121,702,023	670,527	3,325,702	3,996,229	30.45
2008	128,318,818	-	128,318,818	699,182	2,455,815	3,154,997	40.67
2009	125,060,406	-	125,060,406	1,442,837	3,645,523	5,088,360	24.58
2010	130,252,172	-	130,252,172	1,251,492	3,589,306	4,840,798	26.91
2011	129,912,045	-	129,912,045	1,300,878	3,534,862	4,835,740	26.86
2012	131,719,136	-	131,719,136	1,360,264	3,210,247	4,570,511	28.82
2013	140,253,013	-	140,253,013	1,809,870	3,020,695	4,830,565	29.03
2014	146,535,568	-	146,535,568	2,272,790	2,961,534	5,234,324	28.00
2015	157,977,098	-	157,977,098	1,449,020	2,896,668	4,345,688	36.35
2016	155,359,707	-	155,359,707	1,502,615	2,832,199	4,334,814	35.84

(1) Gross revenues include state cigarette tax, TIF revenues, land sales, and sales tax.

(2) Generally, direct operating expenses include administrative costs, taxes, and insurance.

(3) Sewer Revenue portion of debt service requirement reported under the Sewer Revenue Fund.

<b>Street &amp; Highway Tax Allocation Bonds</b>							
2007	\$						
2008							
2009							
2010	27,674,538	-	27,674,538	145,000	84,503	229,503	120.58
2011	30,371,268	-	30,371,268	65,000	77,645	142,645	212.92
2012	32,469,853	-	32,469,853	180,000	73,578	253,578	128.05
2013	34,215,504	-	34,215,504	185,000	67,270	252,270	135.63
2014	37,673,381	-	37,673,381	195,000	60,305	255,305	147.56
2015	38,306,509	-	38,306,509	60,000	55,985	115,985	330.27
2016	39,991,268	-	39,991,268	75,000	53,555	128,555	311.08

(1) Gross revenues include state street and highway allocation taxes.

**City of Omaha, Nebraska**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**



	<b>Population<sup>1</sup></b>	<b>Personal Income<sup>2</sup></b>	<b>Per Capita Personal Income<sup>2</sup></b>	<b>School Enrollment<sup>3</sup></b>	<b>Unemployment Rate<sup>4</sup></b>
Fiscal year:					
2007	432,791	22,786,541	45,946	75,318	3.3
2008	438,646	23,941,124	47,588	75,764	3.7
2009	454,731	23,428,776	45,921	77,096	5.0
2010	409,850	23,584,222	45,473	77,560	4.7
2011	416,855	24,672,885	47,008	78,708	5.0
2012	419,041	25,765,091	48,498	78,796	4.4
2013	421,570	27,395,503	50,966	80,638	4.5
2014	434,353	28,668,332	52,772	78,167	3.2
2015	446,599	30,920,092	56,212	81,736	3.1
2016	443,887	N/A	N/A	82,339	3.2

Sources: <sup>1</sup> U.S. Census Bureau.

<sup>2</sup> U.S. Department of Commerce Bureau of Economic Analysis. Personal Income and Per Capita Income are based on Douglas County figures. Personal income and per capita personal income data is not available for 2016.

<sup>3</sup> Omaha Public Schools, Millard Public Schools, District 66.

<sup>4</sup> United States Department of Labor – Bureau of Labor Statistics

The unemployment rates are for the Omaha – Council Bluffs Metropolitan Statistical Area.

**City of Omaha, Nebraska**  
**Principal Employers**  
**Current and Seven Years Ago**



<b>2016</b>			
<b>Employer</b>	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total City Employment</b>
Offutt Air Force Base	7,500+	1	1.62
CHI Health	7,500+	2	1.62
University of Nebraska Medical Center (Hospitals and University)	5,000+	3	1.08
Methodist Health System	5,000+	4	1.08
Hy-Vee Inc.	3,000+	5	0.65
Walmart Stores	3,000+	6	0.65
Union Pacific Railroad Co	3,000+	7	0.65
Mutual Of Omaha	3,000+	8	0.65
Valmont Industries, Inc	3,000+	9	0.65
ConAgra Foods Inc	3,000+	10	0.65
West Corp.	3,000+	11	0.65
Pay Pal	1,000+	12	0.22
CSG International	1,000+	13	0.22
Omni Center	1,000+	14	0.22
Union Pacific Corp	1,000+	15	0.22
Total			10.83%

<b>2009</b>			
<b>Employer</b>	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total City Employment</b>
Offutt Air Force Base	7,500+	1	1.99
Alegent Health	7,500+	2	1.99
Omaha Public Schools	7,500+	3	1.99
Methodist Health System	5,000+	4	1.32
The Nebraska Medical Center	5,000+	5	1.32
First Data Corp.	2,500+	6	1.32
Union Pacific Corp.	2,500+	7	0.66
University of Nebraska Medical Center	2,500+	8	0.66
West Corp.	2,500+	9	0.66
First National Bank of Nebraska	2,500+	10	0.66
Mutual of Omaha	2,500+	11	0.66
ConAgra Foods	2,500+	12	0.66
Creighton University	2,500+	13	0.66
City of Omaha	2,500+	14	0.66
University of Nebraska Omaha	2,500+	15	0.66
Total			15.87%

Sources: Greater Omaha Economic Development Partnership – Omaha Chamber of Commerce Web site.

Note: Data not available for employers nine years prior; therefore, earliest year available is presented above.



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**City of Omaha, Nebraska**  
**Full-Time Equivalent City Government**  
**Employees by Function/Program**  
**Last Ten Fiscal Years**



	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Function:				
General government	161	170	170	176
Public safety:				
Police:				
Sworn	751	796	765	787
Civilian	161	147	143	149
Fire:				
Sworn	630	662	667	640
Civilian	9	9	5	-
Prosecutors	13	11	12	12
Transportation services	249	255	262	262
Community development	106	118	117	120
Culture and parks	211	221	208	221
Other public services	98	96	95	105
Golf	23	21	22	17
Tennis	1	1	1	1
Dodge Park Marina	1	1	1	1
Printing and graphics	5	5	3	3
Sewer	57	57	57	57
Air quality control	7	7	7	6
Compost	7	7	7	5
Parking facilities	1	-	-	-
Total	<u>2,491</u>	<u>2,584</u>	<u>2,542</u>	<u>2,562</u>

Source: City of Omaha Annual Budgets.

<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
180	169	169	167	178	179
780	790	774	788	819	842
142	142	134	141	138	139
624	633	651	633	627	640
-	3	5	5	5	6
12	12	12	12	9	12
275	284	262	271	287	293
121	119	117	118	126	129
221	220	206	226	223	218
104	102	111	122	126	129
16	16	18	20	20	19
1	1	1	1	1	1
1	1	1	1	1	1
3	2	2	2	1	1
63	63	65	64	67	61
6	6	5	5	5	4
5	5	5	5	5	3
-	1	2	2	2	3
<u>2,554</u>	<u>2,569</u>	<u>2,540</u>	<u>2,583</u>	<u>2,640</u>	<u>2,680</u>

**Schedule 20**

**City of Omaha, Nebraska**  
**Operating Indicators by Function/Program**  
**Last Ten Fiscal Years**



	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Function:				
General government:				
Law – civic:				
Civil active cases	389	161	241	245
Public safety:				
Police:				
Calls for service	232,586	226,616	236,670	229,933
Incidents of arrests	32,732	32,178	25,009	39,973
Crime scene investigation	n/a	n/a	n/a	n/a
Calls for services per day	n/a	n/a	n/a	n/a
Traffic citations:				
Moving	28,834	20,120	24,409	43,186
Response to Priority 1 Citizen Calls:				
Average response time	n/a	n/a	n/a	n/a
Fire:				
Fire calls answered	1,905	1,620	1,549	1,585
Average response time	4 min 34 sec	4 min 31 sec	4 min 25 sec	4 min 28 sec
Culture and recreation:				
Library:				
Number of items checked out by public	2,855,393	3,002,144	3,131,585	3,205,734
Recreation:				
Attendance: community centers	720,778	611,081	615,000	893,737
Community development:				
Planning:				
Planning board case reviews	452	233	277	218
Golf:				
Golf rounds played	189,346	182,157	181,000	157,500

Source: City of Omaha Annual Budget.

Note: The figures shown above are based on actuals.

<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
261	280	269	259	310	310
218,446	217,149	n/a	n/a	n/a	n/a
24,078	22,732	n/a	n/a	n/a	n/a
n/a	n/a	5,830	5,083	5,545	5,716
n/a	n/a	519	620	625	637
47,230	43,219	n/a	n/a	n/a	n/a
n/a	n/a	5 min	6 min 26 sec	5 min 43 sec	5 min 48 sec
1,420	1,878	1,619	1,754	1,751	1,724
4 min 23 sec	4 min 24 sec	4 min 18 sec	4 min 28 sec	4 min 25 sec	4 min 34 sec
3,148,969	3,038,060	n/a	3,021,207	3,015,319	3,039,413
959,984	884,734	749,175	712,223	785,765	760,082
188	167	181	219	300	282
152,503	162,479	160,707	168,086	169,254	170,538

## Schedule 21

**City of Omaha, Nebraska**  
**Capital Asset Statistics by Function/Program**  
**Last Ten Fiscal Years**



	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Function:				
Public safety:				
Police precincts (includes headquarters)	5	5	5	5
Police horse patrol facility	1	1	1	1
Emergency response and traffic facility	1	1	1	1
Police air support facility	1	1	1	1
Fire stations (includes headquarters)	23	24	24	24
Police/fire training facility	1	1	1	1
Medic units	15	15	15	15
Transportation services:				
Lane miles of streets, striped	870	870	940	1,200
Streetlights	53,696	54,852	56,277	57,074
Bike lane symbols installed/painted	n/a	n/a	n/a	n/a
Culture and recreation:				
Parks acreage	8,537	8,680	9,455	9,475
Parks	n/a	n/a	192	225
Swimming pools (outdoor)	16	16	14	16
Swimming pools (indoor)	3	3	3	3
Golf courses (public)	8	8	8	8
Community centers	15	15	16	15
Libraries	11	11	12	12
Sewer:				
Sewer line cleaned (linear feet)	3,383,994	3,150,344	3,383,994	3,711,211

Sources: Various City departments.

<sup>1</sup> The City's Public Works Department stopped reporting the number of streetlights in 2016.

The City began tracking and reporting the number of bike lane symbols installed/painted during 2016.

<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016<sup>1</sup></b>
5	5	5	5	5	5
1	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1
24	24	24	24	24	24
1	1	1	1	1	1
15	15	15	15	15	15
930	930	1,045	1,160	1,175	1,585
58,207	58,725	58,685	59,729	59,867	n/a
n/a	n/a	n/a	n/a	n/a	1,092
9,475	9,620	9,620	9,522	9,112	9,596
225	231	231	239	239	241
15	15	15	15	15	15
3	3	3	3	3	3
8	8	9	9	9	8
14	14	13	13	13	13
12	12	12	12	12	12
3,459,317	3,539,909	3,528,832	3,346,046	3,283,127	3,424,438

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# City Of Omaha, Nebraska

## Schedule of Expenditures of Federal Awards

### Year Ended December 31, 2016

Federal Grantor/Pass-through Grantor/Program Title or Cluster Title	Federal CFDA Number	Grant Number/ Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Housing and Urban Development:				
Community Development Block Grants/Entitlement Grants Program Cluster:				
Community Development Block Grants/Entitlement Grants	14.218	B-(13)-MC-31-0002	\$ -	\$ 172,186
Community Development Block Grants/Entitlement Grants	14.218	B-(14)-MC-31-0002	144,013	220,571
Community Development Block Grants/Entitlement Grants	14.218	B-(15)-MC-31-0002	155,322	1,229,329
Community Development Block Grants/Entitlement Grants	14.218	B-(16)-MC-31-0002	125,000	1,850,962
Community Development Block Grants/Entitlement Grants	14.218		-	144,623
Subtotal for CFDA 14.218 - CDBG/Entitlement Grants Program Cluster			424,335	3,617,671
Community Development Block Grants/State-Administered Small Cities Program:				
Neighborhood Stabilization Program - 3	14.228	B-11-MN-31-0001	-	32,920
Neighborhood Stabilization Program - 3	14.228		-	23,705
Passed through Nebraska Department of Economic Development:				
Neighborhood Stabilization Program	14.228	0910S23	-	40,369
Subtotal for CFDA 14.228			-	96,994
Emergency Solutions Grants Program:				
Emergency Solutions Program - 2015	14.231	E15MC310001	360,190	382,040
Emergency Solutions Program - 2016	14.231	E16MC310001	-	47,759
Subtotal for CFDA 14.228			360,190	429,799
Shelter Plus Care:				
Shelter Plus Care - 2015	14.238	NE0039L7D011405	-	137,993
HOME Investment Partnerships Program:				
HOME Investment Partnership Program	14.239	M-13-DC-31-0203	182,730	552,716
HOME Investment Partnership Program	14.239	M-14-DC-31-0203	484,284	1,124,866
HOME Investment Partnership Program	14.239	M-15-DC-31-0203	-	449,028
HOME Investment Partnership Program	14.239	M-16-DC-31-0203	-	221,844
HOME Investment Partnership Program	14.239		-	650,601
Subtotal for CFDA 14.239			667,014	2,999,055
Fair Housing Assistance Program State and Local:				
Fair Housing Assistance Program - 2010	14.401	FF207K107008	-	1,368
Fair Housing Assistance Program - 2014	14.401	FF207K147008	-	90,048
Subtotal for CFDA 14.401			-	91,416
Lead Hazard Reduction Demonstration Grant Program:				
2015 Lead Hazard Reduction Demonstration	14.905	NELHD0278-15	-	580,477
Total U.S. Department of Housing and Urban Development			1,451,539	7,953,405
U.S. Department of Interior:				
Historic Preservation Fund Grants-in-Aid Program:				
Passed through State of Nebraska Historical Society:				
Historic Preservation Fund Grants-in-Aid - 2015/16	15.904	2015/16 GRANT	-	33,237
Total U.S. Department of Interior			-	33,237



# City Of Omaha, Nebraska

## Schedule of Expenditures of Federal Awards - Continued

### Year Ended December 31, 2016

Federal Grantor/Pass-through Grantor/Program Title or Cluster Title	Federal CFDA Number	Grant Number/ Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Justice:				
Law Enforcement Assistance - Narcotics and Dangerous Drugs -				
Laboratory Analysis:				
DEA - Marijuana Eradication	16.001	2015 GRANT	\$ -	\$ 79
DEA - Marijuana Eradication	16.001	2016 GRANT		6,891
DEA - Drug Task Force	16.001	2016 GRANT	-	38,142
Subtotal for CFDA 16.001			-	45,112
Juvenile Justice and Delinquency Prevention Allocation to States:				
African America Youth Leadership	16.540	14-JJ-0019	-	9,900
African America Youth Leadership	16.540	15-JJ-004	-	5,926
Subtotal for CFDA 16.540			-	15,826
Missing Children's Assistance Program:				
Mini-Grants	16.543	Helmets & Armor Plate & Monitor	-	4,460
Mini-Grants	16.543	Misc Travel	-	4,128
Mini-Grants	16.543	Secret Service	-	2,338
Mini-Grants	16.543	US Marshalls	-	4,947
Subtotal for CFDA 16.543			-	15,873
National Institute of Justice Research, Evaluation, and Development				
Project Grants:				
2014 Cold Case DNA	16.560	2014-DN-BX-K085	-	161,490
Violence Against Women Office:				
Passed through Domestic Violence Council:				
NCC VAWA - 2013	16.588	13-VW-0707	-	18,459
NCC VAWA - 2014	16.588	14-VW-0711	-	43,881
Passed through State of Nebraska Commission on Law Enforcement and Criminal Justice:				
Douglas County CRT	16.588	15-VW-0714	12,912	91,535
Subtotal for CFDA 16.588			12,912	153,875
Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program:				
ENC. ARREST POL. - GEAP 2011	16.590	2011-WE-AX-0018	163,321	178,282
Project Safe Neighborhoods:				
2014 Project Safe Neighborhoods	16.609	2014-GP-BX-0010	58,036	95,882
2015 Project Safe Neighborhoods	16.609	2015-GP-BX-0005	-	33,137
Subtotal for CFDA 16.609			58,036	129,019
Public Safety Partnership and Community Policing Grants:				
2011 COPS Hiring Grants	16.710	2011-UL-WX-0022	-	19,764
2014 COPS Hiring Grants	16.710	2014-UL-WX-0048	-	145,295
2015 COPS Hiring Grants	16.710	2015-UL-WX-0035	-	17,145
Subtotal for CFDA 16.710			-	182,204
Transitional Housing Assistance for Victims of Domestic Violence, Dating Violence, Stalking, or Sexual Assault Program:				
Transitional Housing Assistance	16.736	2015-WH-AX-0034	-	4,879
Edward Byrne Memorial Justice Assistance Grant Program:				
2013 Justice Assistance (JAG)	16.738	2013-DJ-BX-0974	54,011	113,545
2014 Justice Assistance (JAG)	16.738	2014-DJ-BX-0891	25,843	34,550
2015 Justice Assistance (JAG)	16.738	2015-DJ-BX-0270	-	25,739
Passed through State of Nebraska Commission on Law Enforcement and Criminal Justice:				
2014-15 Metro Drug Task Force	16.738	14-DA-0325	-	18,286
2015-16 Metro Drug Task Force	16.738	15-DA-0311	-	105,555
Subtotal for CFDA 16.738			79,854	297,675



# City Of Omaha, Nebraska

## Schedule of Expenditures of Federal Awards - Continued

### Year Ended December 31, 2016

Federal Grantor/Pass-through Grantor/Program Title or Cluster Title	Federal CFDA Number	Grant Number/ Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
Paul Coverdell Forensic Sciences Improvement Grant Program: 2015 Coverdell Grant	16.742	2015-CD-BX-0005	\$ -	\$ 142,952
Byrne Criminal Justice Innovation Program: 2012 Byrne Criminal Innovation Program	16.817	2012-AJ-BX-0013	75,607	153,721
Equitable Sharing Program: General Seized Assets	16.922	Justice	-	367,566
Total U.S. Department of Justice			389,730	1,848,474
U.S. Department of Transportation:				
Highway Planning and Construction Cluster:				
Passed through Omaha-Council Bluffs Metropolitan Area Planning Agency:				
Highway Planning and Construction	20.205	MAPA 16504101201	-	78,858
Highway Planning and Construction	20.205	MAPA 17504101201	-	19,159
Highway Planning and Construction	20.205	HSIP-133-2(112)	-	11,248
Highway Planning and Construction	20.205	MAPA-5057(9)	-	115,671
Highway Planning and Construction	20.205	MAPA-5127(2)	-	39,805
Subtotal for CFDA 20.205 - Highway Planning and Construction Cluster			-	264,741
Highway Traffic Safety Cluster:				
State and Community Highway Safety:				
Passed through State of Nebraska Department of Highway Safety:				
State and Community Highway Safety	20.600	08-40	-	115,635
State and Community Highway Safety	20.600	213 Helmet Check	-	9,988
State and Community Highway Safety	20.600	213 Selective Traffic OT	-	17,541
State and Community Highway Safety	20.600	213-YDYDYL	-	31,739
Subtotal for CFDA 20.600			-	174,903
National Priority Safety Programs:				
Passed through State of Nebraska Department of Highway Safety:				
National Priority Safety Programs	20.616	213 Click-it or Ticket	-	19,562
National Priority Safety Programs	20.616	213 Selective Alcohol OT	-	28,907
National Priority Safety Programs	20.616	Traffic Training - DRE	-	9,438
Subtotal for CFDA 20.616			-	57,907
Subtotal for Highway Traffic Safety Cluster			-	232,810
Total U.S. Department of Transportation			-	497,551
U.S. Department of Treasury:				
Equitable Sharing Program:				
General Seized Assets	21.000	Treasury	-	743,729
Total U.S. Department of Treasury			-	743,729



# City Of Omaha, Nebraska

## Schedule of Expenditures of Federal Awards - Continued

### Year Ended December 31, 2016

Federal Grantor/Pass-through Grantor/Program Title or Cluster Title	Federal CFDA Number	Grant Number/ Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Environmental Protection Agency:				
Congressional Mandated Projects:				
Omaha Lead Database - 2012	66.202	V-97734901	\$ -	\$ 27,376
Superfund State Political Subdivision, and Indian Tribe Site - Specific Cooperation Agreements:				
2012 EPA Lead Pass Through	66.802	V-97733501	-	25,992
2015 EPA Lead Soil	66.802	V-97748601-0	221,914	1,289,299
Subtotal for CFDA 66.802			221,914	1,315,291
Total U.S. Environmental Protection Agency			221,914	1,342,667
U.S. Department of Health and Human Services:				
Hospital Preparedness Program (HPP) Ebola Preparedness and Response Activities Program:				
Passed through State of Nebraska Department of Health and Human Services:				
HPP Ebola Preparedness & Response	93.817	U3REP0491A3	-	7,979
National Bioterrorism Hospital Preparedness Program:				
Passed through State of Nebraska Department of Health and Human Services:				
2013 Office of Assistant Secretary for Preparedness and Response Grant	93.889	5U90TP000533-02	-	(14,824)
2014 Office of Assistant Secretary for Preparedness and Response Grant	93.889	5U90TP000533	-	(79,244)
2015 Office of Assistant Secretary for Preparedness and Response Grant	93.889	5U90TP000533	-	79,942
Subtotal for CFDA 93.889			-	(14,126)
Total U.S. Department of Health and Human Services			-	(6,147)
Executive Office of the President:				
High Intensity Drug Trafficking Areas Program:				
High Intensity Drug Trafficking Areas Program - METRO/COOR #14	95.001	G14MW0008A	-	36,548
High Intensity Drug Trafficking Areas Program - METRO/COOR #15	95.001	G15MW0008A	66,687	260,361
High Intensity Drug Trafficking Areas Program - METRO/COOR #16	95.001	G16MW0008A	75,486	177,516
Subtotal for CFDA 95.001			142,173	474,425
Total Executive Office of the President			142,173	474,425
U.S. Department of Homeland Security:				
Disaster Grants - Public Assistance (Presidentially Declared Disasters) Program:				
FEMA Grant	97.036		-	444,630
Assistance to Firefighters Grant Program:				
Assistance to Firefighters Grant	97.044	EMW-2013-FP-01003	-	26,834
Assistance to Firefighters Grant	97.044	EMW-2014-FV-02611	-	226,471
Assistance to Firefighters Grant	97.044	EMW-2014-FP-00935	-	50,003
Assistance to Firefighters Grant	97.044	EMW-2015-FR-00456	-	2,260,607
Subtotal for CFDA 97.044			-	2,563,915
State Homeland Security Program:				
Passed through Nebraska Emergency Management Agency:				
2014 State Homeland Security Program	97.067	EMW-2014-SS-00054	56,462	85,550
2015 State Homeland Security Program	97.067	EMW-2015-SS-00079-S01	45,567	313,447
2016 State Homeland Security Program	97.067	EMW-2016-SS-00084-S01	-	8,385
Subtotal for CFDA 97.067			102,029	407,382
National Explosives Detection Canine Team Program:				
Passed through Transportation and Security Administration:				
National Explosives Detection Canine Team Program	97.072	HST02-15-NCP458	-	202,000
Total Department of Homeland Security			102,029	3,617,927
Total expenditures of federal awards			\$ 2,307,385	\$ 16,505,268



# City Of Omaha, Nebraska

## Notes to Schedule of Expenditures of Federal Awards

### Year Ended December 31, 2016

#### Note 1: Reporting Entity

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") presents the activity of all federal financial award programs of the City of Omaha, Nebraska (the "City") for the year ended December 31, 2016. The City's basic financial statements include the operations of Heartland Workforce Solutions (HWS), a discretely presented component unit, which received approximately \$2,590,000 in Federal awards which is not included in the City's schedule of expenditures of federal awards for the year ended December 31, 2016. The City's reporting entity is defined in note 1 to the City's basic financial statements. For the purposes of the schedule, federal awards include grants, contracts, loans, and loan guarantee agreements entered into directly between the City and agencies and departments of the federal government or passed through other government agencies or other organizations. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because this Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, change in net position or cash flows, where applicable, of the City of Omaha, Nebraska.

#### Note 2: Basis of Accounting

Expenditures reported in the schedule are on the accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87 or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown in the Schedule, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The City has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

#### Note 3: Outstanding Loan Principal Balances

The federal loan programs listed subsequently are administered directly by the City, and balances and transactions relating to these programs are included in the City's basic financial statements. Loans outstanding at the beginning of the year and loans made during the year are included in the federal expenditures presented in the Schedule. The balance of loans outstanding at December 2016 consists of:

CFDA Number	Program Name	Outstanding Balance at December 31, 2016
14.218	Community Development Block Grant	\$ 122,727
14.228	Neighborhood Stabilization Program	22,769
14.239	HOME Investment Partnership Program	484,113

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## **Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards***

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Omaha, Nebraska (the City), as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 29, 2017, which contained a reference to the report of other auditors. Our report includes a reference to other auditors who audited the financial statements of Heartland Workforce Solutions, Inc. and Metropolitan Entertainment & Convention Authority, as described in our report on the City's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported separately by those auditors.

### ***Internal Control Over Financial Reporting***

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified a deficiency in internal control that we consider to be a material weakness.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2016-001 to be a material weakness.

### ***Compliance and Other Matters***

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

### ***Management's Response to Finding***

The City's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Management's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### ***Purpose of this Report***

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

*BKD, LLP*

Omaha, Nebraska  
June 29, 2017



## Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance

### Independent Auditor's Report

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

#### Report on Compliance for Each Major Federal Program

We have audited the City of Omaha, Nebraska's (the City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2016. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

The City's basic financial statements include the operations as of June 30, 2016 of Heartland Workforce Solutions (HWS), a discretely presented component unit, which received approximately \$2,590,000 in federal awards which are not included in the City's schedule of expenditures of federal awards for the year ended December 31, 2016. Our audit, described below, did not include the operations of HWS because the component unit engaged other auditors to perform an audit in accordance with the Uniform Guidance.

#### ***Management's Responsibility***

Management is responsible for compliance with federal statutes, requirements of laws, regulations, contracts, terms and conditions of its federal awards applicable to its federal programs.

#### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, the City of Omaha, Nebraska, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2016.

### **Report on Internal Control Over Compliance**

Management of the City of Omaha, Nebraska, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

*BKD, LLP*

Omaha, Nebraska  
June 29, 2017

**City of Omaha, Nebraska**  
**Schedule of Findings and Questioned Costs**  
**Year Ended December 31, 2016**



**Summary of Auditor's Results**

*Financial Statements*

1. The type of report the auditor issued on whether the financial statements audited were prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) was:

☒ *Unmodified*      ☐ *Qualified*      ☐ *Adverse*      ☐ *Disclaimer*

2. The independent auditor's report on internal control over financial reporting disclosed:

Significant deficiency(ies)?      ☐ *Yes*      ☒ *None Reported*  
Material weakness(es)?      ☒ *Yes*      ☐ *No*

3. Noncompliance considered material to the financial statements was disclosed by the audit?

☐ *Yes*      ☒ *No*

*Federal Awards*

4. The independent auditor's report on internal control over compliance for major federal awards programs disclosed:

Significant deficiency(ies)?      ☐ *Yes*      ☒ *None Reported*  
Material weakness(es)?      ☐ *Yes*      ☒ *No*

5. The opinions expressed in the independent auditor's report on compliance for major federal awards were:

☒ *Unmodified*      ☐ *Qualified*      ☐ *Adverse*      ☐ *Disclaimer*

6. The audit disclosed findings required to be reported by 2 CFR 200.516(a)?

☐ *Yes*      ☒ *No*

**City of Omaha, Nebraska**  
**Schedule of Findings and Questioned Costs**  
**Year Ended December 31, 2016**



7. The City's major programs were:

<b>Cluster/Program</b>	<b>CFDA Number</b>
HOME Investment Partnership Program	14.239
Superfund State, Political Subdivision, and Indian Tribe Site-Specific Cooperative Agreements	66.802
Assistance to Firefighters Grant	97.044

8. The threshold used to distinguish between Type A and Type B programs was \$750,000.

9. The City qualified as a low-risk auditee?

☐ *Yes*

☒ *No*

**City of Omaha, Nebraska**  
**Schedule of Findings and Questioned Costs - Continued**  
**Year Ended December 31, 2016**



**Findings Required to be Reported by Government Auditing Standards**

<b>Reference Number</b>	<b>Finding</b>
2016-001	<p><b>Proposed Audit Adjustments</b></p> <p><i><b>Criteria or Specific Requirement</b></i> – Management is responsible for the preparation of the financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP).</p> <p><i><b>Condition</b></i> – The preparation of the City’s financial statements required proposed adjusting journal entries for proper financial statement presentation. See 2014-001 and 2015-001</p> <p><i><b>Context</b></i> – City procedures did not allow for the proper evaluation of potential adjustments that, individually or in the aggregate, have a significant effect on the financial statements at year-end.</p> <p><i><b>Effect</b></i> – Current year adjustments were identified and proposed in connection with the financial statement audit.</p> <p><i><b>Cause</b></i> – City controls did not identify all potential adjustments that had a significant effect on the financial statements at year-end.</p> <p><i><b>Recommendation</b></i> – Management should review procedures to help ensure that controls are in place that will allow for the preparation of the financial statements in accordance with accounting principles generally accepted in the United States of America.</p> <p><i><b>Views of Responsible Officials and Planned Corrective Actions (Management’s Response)</b></i> – City management has reviewed the proposed adjustments and will ensure that the recommended procedures are incorporated in future fiscal year financial statements.</p>

**City of Omaha, Nebraska**  
**Schedule of Findings and Questioned Costs - Continued**  
**Year Ended December 31, 2016**



**Findings Required to be Reported by the Uniform Guidance**

<b>Reference Number</b>	<b>Finding</b>	<b>Questioned Costs</b>
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No matters are reportable.

**City of Omaha, Nebraska**  
**Summary Schedule of Prior Audit Findings**  
**Year Ended December 31, 2016**



Reference Number	Summary of Finding	Status
2015-001	<p><b><i>Finding</i></b> – The preparation of the City’s financial statements required proposed adjusting journal entries for proper financial statement presentation.</p> <p><b><i>Reasons for Recurrence and Planned Corrective Action</i></b> – City management reviewed the proposed adjustments for the prior audit and made numerous changes and corrections for the current audit. Many of the adjustments identified in connection with the current audit were not repeat adjustments from the prior audit. City management has reviewed the proposed adjustments for the current audit and will ensure that the recommended procedures are incorporated in future fiscal year financial statements.</p>	Partially Corrected See 2016-001
2015-002	<p><b><i>Finding</i></b> – The City’s SEFA initially omitted federal awards for CFDA Program 66.458, which was determined to be a major program.</p>	Corrected