ANNUAL COMPREHENSIVE FINANCIAL REPORT
OF THE
CITY OF SOUTH SIOUX CITY, NEBRASKA

FOR THE YEAR ENDED SEPTEMBER 30, 2025

Prepared by
Finance Department
Nanci Ann Walsh, City Treasurer/Finance Officer

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CITY OF SOUTH SIOUX CITY, NEBRASKA

INTRODUCTORY SECTION

April 2, 2026

Citizens of South Sioux City, Nebraska,

The Annual Comprehensive Financial Report of the City of South Sioux City, Nebraska for the fiscal year ended September 30, 2025 is hereby submitted. State law requires cities to issue within six months of fiscal year end a set of audited financial statements. This report fulfills this requirement for the fiscal year ended September 30, 2025. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data, as presented, is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The City's financial statements have been audited by Williams & Company, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2025, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended September 30, 2025, are fairly presented in conformity with generally accepted accounting principles (GAAP). The independent auditors' 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 South Sioux City 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 report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the City's Single Audit Section of the City's Annual Comprehensive Financial Report.

GAAP requires management provide a narrative introduction, overview, and analysis to accompanying 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's MD&A can be found immediately following the report of the independent auditors.

CITY PROFILE

The City has applied criteria for its reporting entity in light of GASB Statement 14. Included in this report are all funds of the City. The report includes the operations administered by the City Council, Community Development Agency, the South Sioux City Community Foundation, and combined utilities. Dependence on the City was determined through evaluation of the areas of budget adoption, taxing authority, and outstanding debt secured by general obligations of the City. The City provides a full range of services. These services include police and fire protection; the construction and maintenance of streets and infrastructure; recreational activities; a public library; a system of parks; planning, zoning, health, and housing; water, sewer, electric, and sanitation utilities.

The Council is required to adopt a final budget by no later than September 30th. This annual budget serves as the foundation for the City of South Sioux City's financial planning and control. Nebraska budget law requires the adoption of legal budgets on forms prescribed and provided by the state auditor. Although the budget document presents expenditures by function, the legal level of control is at the total budget level. The city develops the budget at the fund, then department level. All governmental funds are annually appropriated.

The City of South Sioux City has emerged as a progressive community from a rugged river front city of the 1800's. Originally this area was the site of several small towns: Covington, Harney, Stanton, Pacific City, platted primarily in the 1850's to the 1890's. Early history reminds readers of old west towns of lore with many stories emanating from this bustling river town. With the taming of the river and the evolution of law and order, South Sioux City transformed into a city of pride and prosperity.

Year	Population
1930	3,927
1940	4,556
1950	6,557
1960	7,200
1970	7,920
1980	9,339
1990	9,677
2000	11,925
2010	13,353
2020	14,043

The population growth from 1950 through 1980 presented some very difficult growth related challenges to the community. In the early 1960's, literally scores of paving, water and sewer improvement districts were formed by the City Council as it began moving forward with the transformation of the community and our evolving goals. The difficult decisions to implement the numerous public improvements back to back as was done in this time frame, was a statement and demonstration of the commitment the local government and citizens held for our community.

The 1970's again brought significant growth to our City. New residential subdivisions continued sprouting in the southwestern and southeastern portions of the community at a remarkable pace. The rapid growth during this era cemented many of the cooperative ventures we enjoy today. Growth patterns of this nature require positive, cooperative attitudes and commitments. Solid partnerships have been formed between our school district, our county government, and with adjoining communities both in Nebraska and Iowa.

South Sioux City has rightfully earned the reputation of a consensus builder in the region. We strongly believe that the continued efficient and economic delivery of services to our community will be enhanced by our Council's commitment to seek out partnerships and joint ventures with the private sector. These partnerships include:

- First recipient of the State of Nebraska Intergovernmental Award.
- One of the first two cities to aggregate gas in the United States for its entire community.
- A charter member of one of the oldest joint planning agencies (Siouxland Interstate Metropolitan Planning Council) in the country (1965).
- The largest, by land area, member of the Keep America Beautiful Program both in the state and in the country.
- Starting in 1979, the oldest joint City/County/School District meeting in the state.
- Charter member of the Nebraska Municipal Power Pool representing cities across the State of Nebraska for energy needs.
- Joint sewer system with Sioux City and Sergeant Bluff, Iowa, North Sioux City, South Dakota and South Sioux City, Nebraska.
- Joint transit system serving the Sioux City urbanized areas in three states.
- First interconnected water systems in the state providing back up water needs for the citizens both within and outside the City limits.
- The only multi-state consortium in the United States was formed in 1994 to serve the housing needs of our areas using HOME funds.
- Other agreements include mutual aid for police and fire protection, joint planning and promotion of highway development, joint economic development committees, cooperative venture for an arboretum and tree board, and cooperative recreational programs.
- Joint agreement with Dakota City to share property taxes in a new industrial park.
- Joint agreement with Homer/Hubbard/Jackson/and Dakota County to expand industrial development in these locations.
- A joint City/School project to build a house. School students are building a house and learning a trade. Local businesses are partners in this project. They are helping train possible future workers.
- First municipal battery storage project between North Dakota and Texas.

ECONOMIC CONDITION

The South Sioux City economy continues to prosper. Retail sales of non-motor vehicle sales tax collections are shown on the following chart as compiled by the Nebraska Department of Revenue.

2004	$95,687,792
2005	94,084,552
2006	105,310,134
2007	118,358,662
2008	123,946,457
2009	127,664,459
2010	127,730,758
2011	133,056,431
2012	133,407,710
2013	134,012,764
2014	137,828,190
2015	146,127,381
2016	150,617,609
2017	149,207,139
2018	155,079,163
2019	162,998,752
2020	160,402,070
2021	177,095,964
2022	173,416,643
2023	$183,485,327

Housing and worker shortages continue to emerge as problems for our area. Housing starts are increasing both multi-family and single family units as shown on the table below.

Housing History

Year	# S.F. Homes	$ In Mil	Ave Cost	# M.F. Housing	# of Units	Total # of Units
2003	17	$2.2	$118,251	16	32	49
2004	11	1.4	129,517	1	2	2
2005	15	1.8	121,501	1	2	17
2006	21	2.5	120,980	1	2	23
2007	13	1.4	104,312	3	6	19
2008	19	2.4	128,412	0	0	19
2009	12	1.7	137,667	1	4	16
2010	13	1.6	120,769	33	96	109
2011	12	1.6	135,958	0	0	12
2012	9	1.3	146,222	0	0	9
2013	27	3.9	164,932	0	0	27
2014	16	2.79	167,810	0	0	16
2015	15	2.9	193,948	0	0	15
2016	20	4.4	221,052	0	0	20
2017	24	5.4	228,791	0	0	24
2018	25	6.1	245,780	1	14	39
2019	28	6.1	216,785	0	0	28
2020	21	5.7	273,952	10	334	355
2022	17	5.2	301,058	0	0	17
2023	22	7.5	341,577	0	0	22
2024	25	8.5	341,160	0	0	25
2025	32	$11.3	$352,696	0	0	32

At the end of the year the unemployment rate was 2.6%.

The City of South Sioux City has undertaken several initiatives for the benefit of the citizens;

- A joint arboretum with the school district is growing each year with new varieties of trees. This is part of our Tree City USA program.
- A unique community orchard and family gardens thrive in the city.
- The state's first cross-laminated timber building was constructed in 2017 by the University of Nebraska.
- A new arterial road is a result of the cooperation among South Sioux City, Dakota County, and Ho-Chunk Development.
- The City's trail system was expanded again this year, and now has approximately 19.5 miles of bicycle paths enabling the citizens of South Sioux City to enjoy them for work and pleasure.
- A 13 field soccer complex and a rugby field provides regional recreational opportunities.
- Industrial development activities will be highlighted by expansions and spin off industries leading the way; Empirical, Richardson, Great West Casualty, Gerkin Doors and Windows, Lite-Form, Ingredion and Omega.
- Major work continues on protecting the public investment in infrastructure with new paving, overlays, storm sewer repair, and water extensions and replacement planned for the upcoming year.
- Constructed the first plastic road in Nebraska using asphalt and plastic bags.

LONG-TERM FINANCIAL PLANNING

Unassigned fund balance in the general fund (74% of total general fund expenditures) is in excess of the policy guidelines set by the Council for budgetary and planning purposes. The Council's goal is to maintain at least a 120 day reserve in the general fund to cover any slow down or major funding shift. The City Council reached their goal to get the reserve to a level of 180 days.

The City Council is working towards a goal to be general obligation debt free and has made progress on this goal.

In July, 2024 the voters, approved changing the ½ cent sales tax for streets and infrastructure to be divided 75% to streets and infrastructure and 25% to public safety including salaries. The purpose of the change was to hire three additional full time firefighters to allow there to be four on duty on each shift.

FINANCIAL CONDITION

I believe that the financial condition of the City of South Sioux City at September 30, 2025 was good. Services were delivered at levels desired by citizens within the financial ability of the City. For the most part, revenue and expenditure levels were realized within the parameters established in the annual budget.

GFOA CERTIFICATE OF ACHIEVEMENT

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 South Sioux City, Nebraska for its annual comprehensive financial report (ACFR) for the fiscal year ended September 30, 2024. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local governmental financial reports.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized annual comprehensive financial report, whose contents conform to program standards. Such ACFR must satisfy both U.S. generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to Certificate of Achievement program requirements, and we are submitting to GFOA to determine its eligibility for another certificate.

AWARDS AND ACKNOWLEDGEMENTS

- The City has won the following National and State Awards:

1993-2024
Certificate of Achievement for Excellence in Financial Reporting – Government Finance Officers Association

1992-2025
Tree City USA

Year 2015

1. Tree City USA Growth Award
2. Bicycle Friendly Community Award
3. Nebraska Economic Development Certified Community
4. Nebraska Enterprise Zone Designation for Economic Development
5. Site Selection ranked the Siouxland Area #1 for Economic Development

Year 2016

1. Site Selection ranked the Siouxland Area #1 for Economic Development
2. Navigator Award Route Fifty, Lance Hedquist and City of South Sioux City
3. Tami Bailey, USDA Rural Development, Project Manager of the Year
4. City of South Sioux City was chosen to be the Host City for the Nebraska Economic Development Conference
5. Great Places Nebraska award for Scenic Park and Freedom Park
6. Community Enhancement award from the Nebraska Forest Service
7. Helmsley Charitable Trust (Private Donation for the Lucas Device)

Year 2017

1. Tree City USA Growth Award
2. Nebraska Community Forestry Community Enhancement Award
3. Great Places Nebraska
4. WAPA's Administrator's Award
5. Youth Grants for Excellence SSC Library

Year 2018

1. Lance Hedquist – NMPP the Bob Arraj Innovative Service Award
2. Gene Maffit – Nebraska Forestry Award!
3. Tree City USA Growth Award
4. State Forester's Award
5. Fire Captain Jay Mathis – 2019 Friends of Children Award from Nebraska School of Nurse Association!
6. Presentation to the Fire Department on behalf of the National Safety Council.
7. Service Line Warranties of America Award to South Sioux City. In recognition of 7 years of partnership.
8. Department of Health & Human Services – EMS Division for a Life Saver Award

9. Police Department eCitation Grant Award
10. Presentation to the Fire Depart. on behalf of National Safety Council

Year 2019

1. The HURST Mfg. "Jaws of Life" Green Cross Awards
2. Award For Merit for Concrete Pavement Construction – Atokad Trail
3. Code Save Award – Fire Department
4. 2019 Nebraska Recycling Council's Commonwealth Award
5. Site Selection ranked the Siouxland Area #1 for Economic Development

Year 2020

1. Economic Development Certified Community Recertification Award
2. Bicycle Friendly Community 2020-2024 Bronze
3. Nebraska Economic Development Certified Community
4. Site Selection ranked the Siouxland Area #1 for Economic Development

Year 2021

1. 2021 Community Service Award – South Sioux City Fire Department
2. Site Selection ranked the Siouxland Area #1 for Economic Development
3. 1st place with the Deanie Anderson Community Award
4. 2nd place with the Jane Polson Beautification Award

Year 2022

1. Site Selection ranked the Siouxland Area #1 for Economic Development
2. South.Sioux City Renewable Energy Project. NMPP Energy Project of the Year

Year 2023

1. Site Selection ranked the Siouxland Area #1 for Economic Development
2. Better Cities for Pets Certification Award

Year 2024

1. Site Selection ranked the Siouxland Area #1 for Economic Development
2. ACEC Award for South Sioux City Waste Water Treatment Plant -HDR/JEO
3. Tree City USA Growth Award

Year 2025

1. Site Selection ranked the Siouxland Area #1 for Economic Development
3. Tree City USA Growth Award

ACKNOWLEDGEMENTS

The successful completion of this report was made possible through the dedication of the City Council and City staff. It is sincerely hoped that this report accomplishes its purpose of providing financial results of City operations to all with a need and desire to know.

Respectfully submitted,

Nanci Walsh

Nanci Walsh, City Clerk/Finance Officer

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of South Sioux City Nebraska

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2024

Christopher P. Morrill

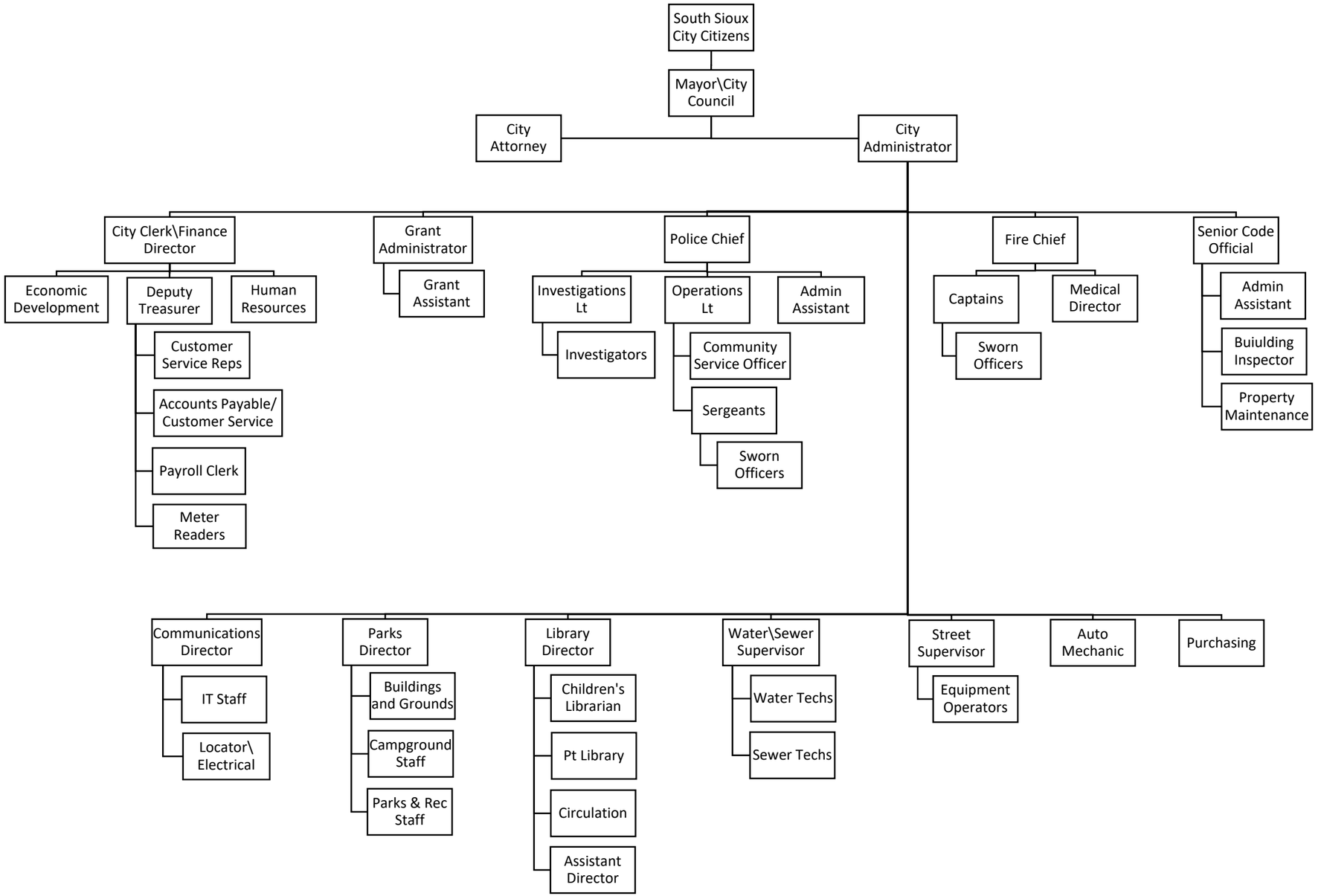
Executive Director/CEO

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 South Sioux City, Nebraska for its annual comprehensive financial report for the fiscal year ended September 30, 2024.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized annual comprehensive financial report, whose contents conform to program standards. Such reports must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to Certificate of Achievement requirements, and we are submitting to GFOA to determine its eligibility for another certificate.

Organizational Chart
City of South Sioux City, Nebraska



CITY OF SOUTH SIOUX CITY, NEBRASKA

Listing of Officials

September 30, 2025

ELECTED OFFICIALS

Mayor	Rod Koch
Council President	Jasper Kriens
Council Member	Yahaira Schultz
Council Member	Randy Meyer
Council Member	Jim Gunsolley
Council Member	Mahamud Osman
Council Member	Ben Schulz
Council Member	Dan Bousquet
Council Member	Monty Peters

APPOINTED OFFICIALS

City Administrator	Lance Hedquist
City Attorney	Michael Schmiedt
City Clerk/Finance Officer	Nanci Walsh
Police Chief	Ed Mahon
Fire Chief	Douglas Koopman

DEPARTMENT DIRECTORS

Library Director	Cicely Douglas
Communications/IT	Matt Andrews
Parks Director	Eugene Maffit
Economic Development Director	Oscar Gomez
Senior Code Official	Kent Zimmerman

WILLIAMS & COMPANY P.C.
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

The Mayor and Members of the
City Council
City of South Sioux City, Nebraska

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of South Sioux City, Nebraska, as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of South Sioux City, Nebraska, as of September 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City South Sioux City, Nebraska and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Correction of Error

As described in Note 19 to the financial statements internal financing amounts relating to TIF capital projects were updated to reflect the correct balance. These amounts have been corrected on the accompanying financial statements. Our opinion is not modified with respect to this matter.

Responsibilities of Management 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards* we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Budgetary Comparison Information on pages 16 through

27 and 64 through 66 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining balance sheet of the governmental nonmajor funds, the combining statement of revenues, expenditures, and changes in fund balances for the governmental nonmajor funds, the combining statement of fiduciary net position for the custodial funds, the combining statement of changes in fiduciary net position for the custodial funds, the schedule of net position for the community development agency, the schedule of activities for the community development agency, the statement of cash flows for the community development agency, the schedule of revenues, expenditures, and changes in fund balance, budget and actual, nonmajor special revenue funds – budgetary basis, the schedule of revenues, expenditures, and changes in fund balance, budget and actual, debt service fund – budgetary basis, the schedule of revenues, expenditures, and changes in fund balance, budget and actual, capital project funds – budgetary basis, and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining balance sheet of the governmental nonmajor funds, the combining statement of revenues, expenditures, and changes in fund balances for the governmental nonmajor funds, the combining statement of fiduciary net position for the custodial funds, the combining statement of changes in fiduciary net position for the custodial funds, the schedule of net position for the community development agency, the schedule of activities for the community development agency, the statement of cash flows for the community development agency, the schedule of revenues, expenditures, and changes in fund balance, budget and actual, nonmajor special revenue funds – budgetary basis, the schedule of revenues, expenditures, and changes in fund balance, budget and actual, debt service fund – budgetary basis, the schedule of revenues, expenditures, and changes in fund balance, budget and actual, capital project funds – budgetary basis, and the schedule of expenditures of federal awards are fairly stated in all material respects, in relation to the basic financial statements as a whole.

The combining departmental schedule of revenues, expenses, and changes in net position of the enterprise fund, which includes the current year and preceding year, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the

responsibility of management. The current-year amounts in the combining departmental schedule of revenues, expenses, and changes in net position of the enterprise fund were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The current-year 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 generally accepted auditing standards in the United States of America. The amounts presented for the preceding year was audited in a prior period in conjunction with the financial statements of that year, however, we did not perform auditing procedures on those amounts in the current period. Accordingly, we do not express an opinion or provide any assurance on the preceding year amounts. In our opinion, the current-year amounts in the combining departmental schedule of revenues, expenses, and changes in net position of the enterprise fund are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 2, 2026, on our consideration of the City of South Sioux City, Nebraska's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of South Sioux City, Nebraska's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of South Sioux City, Nebraska's internal control over financial reporting and compliance.

Williams & Company P.C.

Certified Public Accountants

Sheldon, Iowa
April 2, 2026

Management Discussion and Analysis

September 30, 2025

This discussion and analysis of the City of South Sioux City financial performance provides an overview of the City's financial activities for the fiscal year ending September 30, 2025. We encourage the readers to consider the information presented here in conjunction with the additional information furnished in our letter of transmittal on page 1 and the City's financial statements that follow this report.

Financial Highlights:

- The assets and deferred outflows of resources of the City of South Sioux City exceeded liabilities and deferred inflows of resources at September 30, 2025, by $170,381,539. Of this amount, $23,099,771 is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors.

- The City's net position increased by $6,609,765 during the year. Of this amount, the assets of our Governmental Activities increased by $3,659,702 and the assets and deferred outflows of resources of our Business Activities increased $12,259,504.

- The City's long-term debt increased by $2,877,491 due to the issuance of state revolving loan funds to finance the new wastewater treatment plant expansion and decreased by $4,411,866 due to bond service payments.

OVERVIEW OF THE FINANCIAL STATEMENTS

In addition to the Management Discussion and Analysis, this annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Fund financial statements tell how these services were financed in the short term, as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. An additional part of the basic financial statements are the Notes to the Financial Statements. This report also contains required and supplementary information in addition to the basic financial statements.

REPORTING THE CITY AS A WHOLE

The Statement of Net Position and the Statement of Activities

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the government's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the Statement of Activities, regardless of when cash is received or paid.

One of the most important questions asked about the City's finances is *"Is the City of South Sioux City in a better financial position at the end of this fiscal year, compared to last year?"* The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets, deferred outflows of resources and liabilities using the accrual basis of accounting, which is very similar to the method of accounting used by most private-sector companies. These two statements report the City's net position, which is the difference between assets, deferred outflows of resources, liabilities, and

deferred inflows of resources as one way to measure the City's financial health, or financial position. Over time, increases or decreases in the City's net position is one indicator of whether its financial health is improving or deteriorating. Additional factors, such as changes in the City's property tax base and sales tax collections and condition of the City's infrastructure, are also important in making this determination.

As discussed in Note 19 – Correction of Error, during fiscal year 2025, the City corrected an error related to interfund financing balances between the TIF fund, street project fund, and combined utilities fund that affected the financial reporting for fiscal year 2024. The amounts presented in the following schedules for fiscal year 2024 reflect the corrected balances, if applicable, and have been indicated as restated.

In the Statement of Net Position and the Statement of Activities, we have divided the City into two kinds of activities:

- **Governmental Activities** – Most of the City's basic services are reported here, such as Police, Fire, Public Works and Parks departments, and general administration. Property taxes and state and federal grants finance most of these activities.

- **Business Type Activities** – The City charges fees to customers to cover the cost of these services. Included here are the City Water, Sewer, Electric, and Solid Waste Systems.

REPORTING THE CITY'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds – not the City as a whole. Some funds are required to be established by State law or by bond requirements. The City Council also established funds to control and manage money for particular purposes (such as construction projects) and to show that it is properly using certain revenues (such as Sales Tax Revenues). The City has the following types of funds:

- **Governmental Funds** – Most of the City's basic services are included in Governmental Funds, which focus on how money moves into and out of these funds and the balances left at year-end that are available for spending. These funds are reported using the "modified accrual basis" of accounting, which measures cash and all other financial assets that can readily be converted to cash. The Governmental Fund Statements provide a detailed short-term view of the City's general governmental operations and basic services it provides. Governmental Fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance City programs. We describe the relationship between Governmental Activities (reported in the Statement of Net Position and the Statement of Activities) and Governmental Funds in a reconciliation following each Governmental Fund financial statement.

- **Proprietary Funds** – When the City charges customers for the service it provides, these services are generally reported in Proprietary Funds. Proprietary Funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. The major difference between the Proprietary Funds report and the Business Type Activities we report in the government-wide statements is the detail and additional information, such as cash flows, provided in the Proprietary Funds report.

- **Fiduciary Funds** – The City is the trustee, or fiduciary, for the assets that belong to others. The City reports the City's flex cafeteria plan fund for its employees and the Freedom Park fund as custodial funds. The City is responsible for ensuring the assets reported in the fiduciary funds are used only for their intended purposes and by those to whom the assets belong. The

City excludes this activity from the government-wide statements because it cannot use these to finance its operations.

The required financial statements for fiduciary funds include a statement of fiduciary net position and a statement of changes in fiduciary net position.

THE CITY AS A WHOLE

As stated earlier, net position may serve over time as a useful indicator of a government's financial position. The largest part of the City's net position reflects its investment in capital assets (land, buildings and improvements, and equipment), less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from the other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

CITY OF SOUTH SIOUX CITY NET POSITION

	Governmental		Business-Type		Totals	
		(restated)		(restated)		(restated)
	2025	2024	2025	2024	2025	2024
Current & Other Assets	$ 30,431,735	$ 30,686,981	$ 32,219,435	$ 28,464,612	$ 62,651,170	$ 59,151,593
Capital Assets	66,017,553	62,102,605	119,966,457	111,458,560	185,984,010	173,561,165
Total Assets	96,449,288	92,789,586	152,185,892	139,923,172	248,635,180	232,712,758
Deferred Outflows	-	-	2,144	5,360	2,144	5,360
Long-Term Liabilities	4,707,952	5,452,718	64,432,891	55,388,678	69,140,843	60,841,396
Other Liabilities	858,821	1,333,164	5,402,850	3,732,163	6,261,671	5,065,327
Total Liabilities	5,566,773	6,785,882	69,835,741	59,120,841	75,402,514	65,906,723
Deferred Outflows	2,853,271	3,039,621	-	-	2,853,271	3,039,621
Net Investment in Capital Assets	62,377,868	57,380,411	62,800,381	56,442,895	125,178,249	113,823,306
Restricted	19,660,619	18,045,901	2,442,900	2,461,804	22,103,519	20,507,705
Unrestricted	5,990,757	7,537,771	17,109,014	21,902,992	23,099,771	29,440,763
Total Net Position	$ 88,029,244	$ 82,964,083	$ 82,352,295	$ 80,807,691	$ 170,381,539	$ 163,771,774

A portion of South Sioux City's net position (13.0%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position $23,099,771 may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the fiscal year, the City has positive balances in all three categories of net position, both for the City as a whole as well as for the separate Business-Type Activities. The same situation held true for the prior fiscal year.

The following comparative chart shows the changes in net position for the years ended September 30, 2025 and 2024:

	Governmental Activities		Business-Type Activities		Total	
	2025	(restated) 2024	2025	(restated) 2024	2025	(restated) 2024
Beginning Net Position, Restated	$ 82,964,083	$ 75,853,021	$ 80,807,691	$ 73,941,058	$ 163,771,774	$ 149,794,079
Increase in Net Position	5,065,161	7,111,062	1,544,604	6,866,633	6,609,765	13,977,695
Ending Net Position	$ 88,029,244	$ 82,964,083	$ 82,352,295	$ 80,807,691	$ 170,381,539	$ 163,771,774

This summary reflects an increase of 6.11% for the Governmental Activities and an increase of 1.91% in the Business-Type Activities. Total net position of the city increased by 4.04%. The largest part of the change in position for Governmental Activities is the addition and improvement of street infrastructure. The restricted funds increase is related to future capital projects.

Business-Type Activities saw an increase in part due capital infrastructure construction. Part of the change in net position is due to the continued work of the city to reduce the general obligation debt of the city. In addition to working each year to reduce the long term debt, the city council is committed to increasing the cash reserves of the city in an effort to make the city as resilient to changes as possible.

Total revenue reported in Fiscal 2025 was $63,874,668. The following table breaks down revenues collected for General Governmental Activities and Business-Type Activities:

	Governmental		Business-Type		Totals	
	2025	(restated) 2024	2025	(restated) 2024	2025	(restated) 2024
Revenue						
Program Revenue						
Charges for services	$ 2,104,836	$ 2,119,422	$ 36,381,776	$ 32,870,308	$ 38,486,612	$ 34,989,730
Operating grants & contributions	2,974,422	5,163,396	177,792	320,870	3,152,214	5,484,266
Capital grants & contributions	3,362,988	1,493,007	570,994	601,999	3,933,982	2,095,006
Total Program Revenues	8,442,246	8,775,825	37,130,562	33,793,177	45,572,808	42,569,002
General Revenue						
Property Taxes	6,683,255	6,127,690	-	-	6,683,255	6,127,690
Franchise Taxes	1,608,185	1,499,525	-	-	1,608,185	1,499,525
Occupation Taxes	49,708	40,524	-	-	49,708	40,524
Local Option Sales Tax	4,153,395	3,859,311	729,796	678,106	4,883,191	4,537,417
Interest	946,419	989,865	935,790	958,422	1,882,209	1,948,287
Finance Charges	-	-	-	-	-	-
Unrestricted Intergovernmental Revenues	1,313,463	1,087,629	-	-	1,313,463	1,087,629
Unrestricted Lottery Revenue	151,713	108,962	-	-	151,713	108,962
Gain on Sale of Land Held for Resale	35,606	43,297	-	-	35,606	43,297
Gain on Sale of Capital Assets	-	-	-	-	-	-
Gain on Sale of Uncapitalized Assets	-	21,927	-	-	-	21,927
Miscellaneous	261,561	302,520	1,432,969	96,671	1,694,530	399,191
Total General Revenue	15,203,305	14,081,250	3,098,555	1,733,199	18,301,860	15,814,449
Total Revenues	$ 23,645,551	$ 22,857,075	$ 40,229,117	$ 35,526,376	$ 63,874,668	$ 58,383,451

Operating grants and contributions in governmental activities decreased by $2,188,974. This is due to changes in grants available and the federal government changing some grants including one for taking down trees that are affected by the emerald ash bore. There were also reductions in grants for victims assistance. Grant revenues tend to fluctuate based on availability and projects.

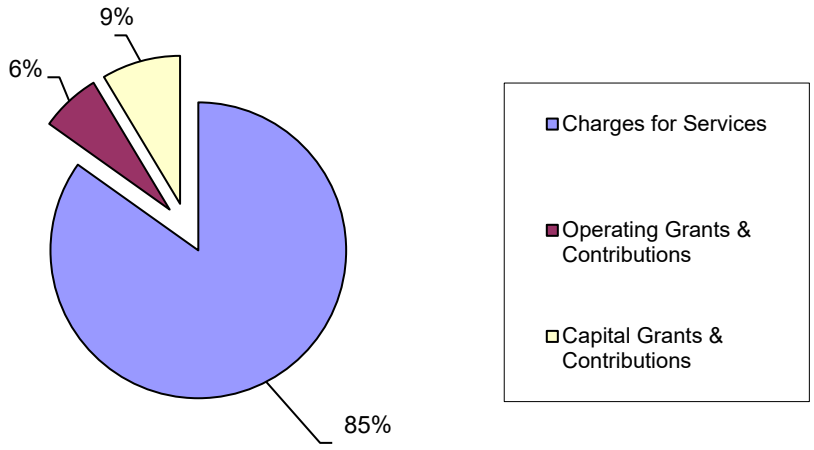
Capital grants and contributions in governmental activities increased by $1,869,981. This includes grants for many projects including flood repairs and street and infrastructure projects.

Charges for services in the business-type activities increased by $3,511,468. This is due in part to an increase in utility rates. There were increases in water, sewer and electric rates during the year. The City also saw some industrial production increase leading to an increase in wastewater to be processed.

Capital grants and contributions in the business-type activities decreased by $31,005. The current year contributions included a grant for some street light replacements.

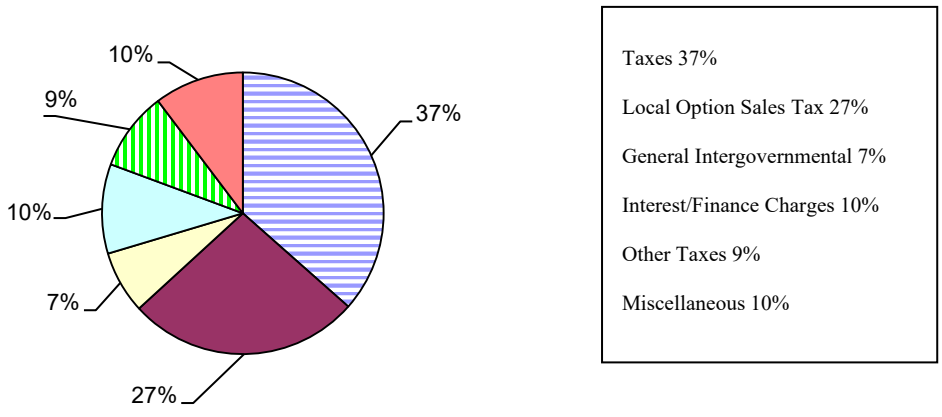
Program revenues totaled $45,572,808 for fiscal year 2025. Governmental Activities provided $8,442,246 and Business-Type Activities provided $37,130,562. Revenue collected for Charges for Services during fiscal year 2025 was $38,486,612 accounting for 85% of the total program revenues. The following chart breaks down program revenues by source:

Program Revenues



General Revenues for fiscal year 2025 totaled $18,301,860. Property Tax Revenues for fiscal year 2025 totaled $6,683,255 accounting for 37% of General Revenues. The following chart breaks down General Revenues by source:

General Revenues



Expenses for Fiscal 2025 totaled $47,514,903. Expenses for General Governmental Activities totaled $18,304,960 accounting for 39% of total expenses. Business-Type Activity expenses totaled $29,209,943 for 62% of the total.

	Governmental		Business-Type		Totals	
	2025	(restated) 2024	2025	(restated) 2024	2025	(restated) 2024
Program Level						
Public Safety	$ 8,133,308	$ 7,584,490	$ -	$ -	$ 8,133,308	$ 7,584,490
Public Works	3,767,167	3,641,937	-	-	3,767,167	3,641,937
Culture and Recreation	3,121,506	1,869,909	-	-	3,121,506	1,869,909
Community and Economic Development	1,783,959	1,905,467	-	-	1,783,959	1,905,467
General Government	1,283,965	1,340,703	-	-	1,283,965	1,340,703
Debt Service	215,055	109,558	-	-	215,055	109,558
Utility Administration	-	-	4,142,294	4,133,086	4,142,294	4,133,086
Electric	-	-	16,336,760	15,974,921	16,336,760	15,974,921
Sewer	-	-	5,454,883	4,839,613	5,454,883	4,839,613
Water	-	-	2,409,528	2,129,232	2,409,528	2,129,232
Sanitation	-	-	866,478	876,840	866,478	876,840
Total Expenditures/Expenses	18,304,960	16,452,064	29,209,943	27,953,692	47,514,903	44,405,756
Increase in Net Position Before Transfers and Extraordinary Items	5,340,591	6,405,011	11,019,174	7,572,684	16,359,765	13,977,695
Transfers	(275,430)	706,051	275,430	(706,051)	-	-
Extraordinary Item - Settlement Expense	-	-	(9,750,000)	-	(9,750,000)	-
Increase in Net Position	5,065,161	7,111,062	1,544,604	6,866,633	6,609,765	13,977,695
Net Position - Beginning, as Restated	82,964,083	75,853,021	80,807,691	73,941,058	163,771,774	149,794,079
Net Position - Ending	$ 88,029,244	$ 82,964,083	$ 82,352,295	$ 80,807,691	$ 170,381,539	$ 163,771,774

The largest decrease in expenses in the governmental category was Community and Economic Development by $121,508. This difference is due timing of community development projects that took place in the prior year.

The largest increase was Culture and Recreation which increased by $1,251,597. This is tied to flood-related repairs and other infrastructure projects.

The City did process industrial wastewater at our new plant, so there were increased operational costs in our sewer department. The amount of waste processed by our plant also increased. Residential and commercial wastewater continues to be processed by the City of Sioux City, Iowa. Sioux City raised the rates to South Sioux by over 30% in July of 2024 and an additional 3% in July of 2025.

The cost per unit of electricity increased. The city continues to purchase from multiple sources and has both solar and wind electric generation. Our rates are below the 2016 level.

The following table shows the activities included within each program level:

Program Level	Activity
Public Safety	Individual & Community Protection
Public Works	Roadway Construction, Street Lighting, Transportation Services
Culture and Recreation	Education & Culture, Leisure Time Opportunities
Community Development	Economic Development, Community Beautification, Planning & Zoning
General Government	Administration, Support Services
Debt Service	Payment of Interest
Capital Projects	Construction of Capital Facilities
Electric System	Operation of the Electric Distribution System
Water System	Operation of Water Treatment Plant/Supply Distribution System
Solid Waste	Operation of Garbage Collection And Disposal
Sewer System	Operation of the Waste Water Distribution System
Utility Administration	Utility Administration, utility billing, and customer service

Governmental Activities

To aid in the understanding of the Statement of Activities, some additional explanation is given. Of particular interest is the format that is significantly different than a typical Statement of Revenues, Expenses and Changes in Fund Balance. Please note that the expenses are listed in the first column, with revenues from that particular program reported to the right. The result is a Net (Expense) Revenue calculation. This format highlights the respective financial burden that each of the functions place on the taxpayers.

For example, for Public Safety, the City spent $8,133,308 and received $1,618,599 in revenue, thus leaving a cost to the taxpayer of $6,514,709 to be funded by various methods. This format also identifies how much each function draws from general revenues or is self-financing through fees or grants. Some of the individual line item revenues reported for each function are:

Public Safety	Fines, Fees, State and Federal Grants
Public Works	State Allocations and Grants
Culture and Recreation	Fees, State and Federal Grants
General Government	Licenses, Permits

The total cost of governmental activities this year was $18,304,960. Of these costs, $2,104,836 were paid by those who directly benefited from the programs. Costs paid by other governments and organizations that subsidized certain programs with grants and contributions were $6,337,410 leaving a Net Expense of $9,862,714 for Governmental Activities. These were covered with tax revenues, interest and other general revenues. The Statement of Activities in the financial statements provides further detail. The Net (Expense) Revenue by Governmental Activity is shown in the following table:

Function/Programs	Net (Expense) Revenue	
	2025	(restated) 2024
Governmental Activities:		
Public Safety	$ (6,514,709)	$ (5,403,686)
Public Works	1,694,465	50,666
Culture and Recreation	(2,381,801)	(840,202)
Community and Economic Development	(1,335,349)	(196,756)
General Government	(1,110,265)	(1,176,703)
Debt Service	(215,055)	(109,558)
Total Net (Expense) Governmental Activities	(9,862,714)	(7,676,239)
General Revenues	15,203,305	14,081,250
Excess of revenues over expenditures	5,340,591	6,405,011
Interfund Transfers	(275,430)	706,051
Change in Net Position	$ 5,065,161	$ 7,111,062

Total resources available during the year to finance governmental operations were $106,334,204, consisting of Net Position at October 1, 2024, as restated, of $82,964,083, Program Revenues of $8,442,246, General Revenues of $15,203,305, and a transfer out of $275,430. Total Governmental Activities during the year expended $18,304,960, thus, Net Position increased by $5,065,161, to $88,029,244.

Business Type Activities

The cost of all Proprietary Activities this year was $29,209,943. As shown in the Statement of Activities, the amount paid by users of the systems was $36,381,776, operating grant revenues of $177,792, capital grant revenues of $570,994, general revenues totaled $3,098,555, a transfer in of $275,430, and an extraordinary item settlement expense of $9,750,000 resulting in change in Net Position for Business Type Activities of $1,544,604. The Net (Expense) Revenue by Business Type Activity is shown in the following table:

Function/Programs	Net (Expense) Revenue	
		(restated)
	2025	2024
Business Type Activities:		
Electric Distribution	$ 7,580,172	$ 5,851,753
Sewer System	3,369,757	3,227,810
Water System	615,301	344,681
Sanitation	54,711	40,412
Utility Administration	(3,699,322)	(3,625,171)
Total Net (Expense)Revenue Business Type Activities	7,920,619	5,839,485
General Revenues	3,098,555	1,733,199
Excess of revenues over expenditures	11,019,174	7,572,684
Interfund Transfers	275,430	(706,051)
Extraordinary Item - Settlement Expense	(9,750,000)	-
Change in Net Position	$ 1,544,604	$ 6,866,633

Total resources available during the year to finance Proprietary Fund activities were $121,312,238 consisting of Net Position at October 1, 2024, as restated, of $80,807,691, Program Revenues of $37,130,562 , General Revenues of $3,098,555, and a transfer in of $275,430. Total Proprietary Fund Activities during the year expended $38,959,943; thus Net Position increased by $1,544,604 to $82,352,295.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. 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 financing requirements. The governmental fund balance may serve as a useful measure of a government's net resources available for spending at the end of a fiscal year. The City's Governmental Funds reported combined ending fund balances of $25,166,952. The combined Governmental Funds fund balance increased by $324,822 from the prior year.

The General Fund is the primary operating fund of the City. During the year, General Fund revenues and transfers in exceeded expenditures and transfers out by $983,930. This increase in fund balance is similar to prior year. The fund balance of $8,761,255 is 81% of expenditures which is considered a sufficient cushion.

The Street Projects Capital Projects Fund is used to expend for improvement projects. The Fund balance increased by $931,704. This was due to the receipt of grant funds relating to street construction projects.

GENERAL FUND BUDGETARY HIGHLIGHTS

The fiscal year 2025 original (adopted) General Fund budget amount was $15,883,618 for revenues and $16,350,482 for expenditures. There were no current year budget amendments.

The following table shows the General Fund budget variances by program structure:

Revenues	Budget	Actual (Cash Basis)	Variance Favorable (Unfavorable)
Taxes	$ 3,268,672	$ 3,315,472	$ 46,800
Other Taxes	1,232,863	1,308,293	75,430
Licenses and Permits	4,400	9,325	4,925
Intergovernmental	9,694,460	4,409,304	(5,285,156)
Charges for Services	840,069	766,817	(73,252)
Fines and Forfeits	20,000	12,056	(7,944)
Lottery Revenue	145,000	151,713	6,713
Interest on Investments	-	455,080	455,080
Rental Income	172,200	142,169	(30,031)
Contributions	-	70	70
Reimbursements	-	53,384	53,384
Miscellaneous	505,954	191,500	(314,454)
Total	$ 15,883,618	$ 10,815,183	$ (5,068,435)

Expenditures	Budget	Actual (Cash Basis)	Variance Favorable (Unfavorable)
Public Safety	$ 5,546,972	$ 5,349,116	$ 197,856
Public Works	2,675,302	1,889,157	786,145
Culture and Recreation	1,092,458	997,052	95,406
General Government	1,485,750	1,348,194	137,556
Community and Economic Development	5,550,000	93,565	5,456,435
Debt Service	-	25,558	(25,558)
Total	$ 16,350,482	$ 9,702,642	$ 6,647,840

The above chart shows a breakdown of the General Fund Budget. For budgetary purposes, the City's grant expenses are accounted for under the General Government category which would not necessarily compare to the actual function the expenses are recorded.

The city was under budgeted expenditures overall. In planning the budget, the City Council and staff allow for some contingencies. The largest variance is in community and economic development. The city had planned for a project in a tax increment finance district that has been delayed. The second largest is in public works. A quiet zone street project has taken longer than expected.

The largest variance between budgeted and actual revenues was intergovernmental revenues. This variance in intergovernmental revenue is caused by timing differences from Federal grants.

CAPITAL ASSETS

The City's investment in capital assets, including land, buildings and improvements, equipment, streets, sewer systems, traffic signals and other infrastructure represents the value of the resources utilized to provide services to our citizens. The net investment in capital assets as of September 30, 2025, was $125,178,249 (net of accumulated depreciation/amortization). The gross additions to capital assets for Fiscal 2025 are as follows:

	Governmental Activities	Business-Type Activities	Total
Buildings	$ 7,500	$ -	$ 7,500
Utility Plant/Distribution System	3,063,285	2,280,548	5,343,833
Equipment	1,829,038	316,769	2,145,807
Right-to-Use Leased Equipment Assets	32,966	-	32,966
Right-to-Use Leased Subscription Assets	107,741	-	107,741
Construction in Progress	5,704,832	11,195,262	16,900,094
Total Gross Additions	$ 10,745,362	$ 13,792,579	$ 24,537,941

Construction in Progress for governmental activities consisted of costs associated with the interpretive center, construction of a residential development, and various street projects.

For Business-Type Activities, the construction in progress consisted of costs associated with distribution system improvements and expansion. The City is working on design of new line from north to south as well as an expansion of the waste water treatment plant to accommodate our residential/commercial waste water so that it will not have to continue to be processed by Sioux City, Iowa.

See Note 6 in the financial statements for more information on the City's capital assets.

DEBT ADMINISTRATION

At year-end the City had $57,911,160 of debt outstanding. This is a decrease of $1,534,375 from the prior year.

Debt administration is on track, with over 49% of all City debt repaid within the next 10 years. A large portion of the debt is related to the new wastewater treatment facility. This was necessary to allow for future economic growth by existing and future industries.

In May, 2010, the citizens of South Sioux City voted to implement a ½ cent sales tax that became effective in October of 2013. This ½ cent is divided amongst several things. Fifty percent of the half cent is being used to pay combined utility debt. This raised $729,796 for debt service this year. Twenty-five percent of the ½ cent is for Public Safety. Ten percent is for economic development and the other fifteen percent is split between street repair and park improvements.

More detailed information on debt administration is provided in Note 7 of the financial statements.

ECONOMIC FACTORS

Fiscal Year 2025 continued progress for the City of South Sioux City, residentially, commercially, and industrially. Ho Chunk continues to develop 200 acres with expansion of the single-family housing units. The Ogden project continues to build single family housing. The Hovey project continues to complete phase 3 developing single family housing for our community. The Harvest Meadow housing development on the west side of the city on property annexed into the city limits has completed several homes and has more under construction.

The Nelson subdivision continues to add commercial buildings for the West 29th Street area. Gerkin Windows has completed Phase 1 of their expansion, Phase 2 is currently under construction on target finish date of spring 2026. Marriott Convention Center completed a new expansion and total renovation of building last year. This new expansion will be able to host national conventions in our community.

South Sioux City just received an Inland Port Authority Certification. South Sioux City is one of five communities in the State of Nebraska with this certification. This certification will help South Sioux City continue to promote growth on commercial and industrial sectors.

A national award-winning industrial development reflects the growth of many industries including Tyson's development of a new renewable energy project to be completed in2026; Empirical meat processing has added a new production line, while Ingredion and Omega Industries continue to grow with $30 million in expansion plans. Richardson has a $14 million expansion underway that will triple the production of granola as they continue to improve on demand.

A 45+-million-dollar wastewater treatment plant is now processing waste from our major industries and construction is underway to expand this plant to serve commercial and residential customers.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers and investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Department at 402-494-7594.

CITY OF SOUTH SIOUX CITY, NEBRASKA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

	Governmental Activities	Business-Type Activities	Total	Component Unit Community Development Agency
Assets				
Cash and Cash Equivalents	$ 4,903,503	$ 2,193,660	$ 7,097,163	$ 500
Certificates of Deposit	251,360	-	251,360	3,000,000
Investments	18,178,198	19,730,048	37,908,246	808,444
Receivables (net, where applicable, of allowance for uncollectibles)				
Taxes	620,945	-	620,945	-
Accounts	248,568	3,590,771	3,839,339	6,758
Estimated Unbilled Usage	-	2,503,028	2,503,028	-
Accrued Interest	38,127	-	38,127	79,857
Lease Receivable	3,073,848	-	3,073,848	598,669
Notes Receivable	801,860	-	801,860	1,117,880
Notes Receivable - Component Unit	157,014	-	157,014	-
Interfund Balances	(679,673)	679,673	-	-
Due from Other Governmental Agencies	1,347,214	131,578	1,478,792	-
Due from Component Unit	1,046,506	37,827	1,084,333	-
Land Held for Resale, At Cost	258,346	-	258,346	3,294,720
Prepaid Expense	61,881	-	61,881	-
Inventories	-	372,430	372,430	-
Restricted Assets:				
Cash Restricted for Customer Deposits	-	399,997	399,997	-
Certificates of Deposit	124,038	-	124,038	-
Investments	-	2,580,423	2,580,423	-
Land	2,961,227	3,181,048	6,142,275	2,205
Construction in Progress	3,519,812	60,975,809	64,495,621	-
Infrastructure, Property and Equipment, Net of Accumulated Depreciation and Amortization	59,536,514	55,809,600	115,346,114	1,915,081
Total Assets	96,449,288	152,185,892	248,635,180	10,824,114
Deferred Outflows of Resources				
Deferred Charges on Refunding	-	2,144	2,144	-
Liabilities				
Accounts Payable	454,620	4,663,999	5,118,619	3,088
Other Accrued Liabilities	121,888	149,685	271,573	-
Accrued Wages	44,324	16,707	61,031	-
Accrued Interest Payable	19,975	-	19,975	113,744
Customer Deposits	-	399,997	399,997	-
Accrued Claims	163,014	-	163,014	-
Unearned Revenue	55,000	34,939	89,939	-
Due to Primary Government	-	-	-	1,084,333
Payables from Restricted Assets:				
Accrued Revenue Bond Interest	-	137,523	137,523	-
Noncurrent Liabilities:				
Due within one year:				
Lease Agreements Payable	27,837	-	27,837	-
Revenue Bonds Payable	-	2,955,362	2,955,362	-
General Obligation Bonds	645,000	-	645,000	-
Notes Payable	68,940	-	68,940	3,000,000
Notes Payable - Primary Government	-	-	-	157,014
Settlement Liability - Current	-	5,000,000	5,000,000	-
Compensated Absences	473,694	231,693	705,387	-
Due in more than one year:				
Lease Agreements Payable	22,971	-	22,971	-
Revenue Bonds Payable	-	51,316,113	51,316,113	-
General Obligation Bonds	1,495,000	-	1,495,000	-
Notes Payable	1,379,937	-	1,379,937	-
Notes Payable - Primary Government	-	-	-	-
Settlement Liability	-	4,750,000	4,750,000	-
Compensated Absences	594,573	179,723	774,296	-
Total Liabilities	5,566,773	69,835,741	75,402,514	4,358,179
Deferred Inflows of Resources				
Unavailable Revenue - Lease Related Deferred Inflows	2,853,271	-	2,853,271	581,000
Total Deferred Inflows of Resources	2,853,271	-	2,853,271	581,000
Net Position				
Net Investment in Capital Assets	62,377,868	62,800,381	125,178,249	1,917,286
Restricted for:				
Debt Service	802,730	2,442,900	3,245,630	-
Capital Improvements	10,826,792	-	10,826,792	-
Tax Increment Financing	3,569,470	-	3,569,470	-
Specific Tax Levy Purposes	1,879,750	-	1,879,750	-
Wireless 911 Purposes	23,608	-	23,608	-
Jail & LEC Purposes	362,967	-	362,967	-
Economic Development	1,405,926	-	1,405,926	-
Public Safety	312,522	-	312,522	-
Opioids Settlement	35,442	-	35,442	-
Foundation	441,412	-	441,412	-
Unrestricted	5,990,757	17,109,014	23,099,771	3,967,649
Total Net Position	$ 88,029,244	$ 82,352,295	$ 170,381,539	$ 5,884,935

CITY OF SOUTH SIOUX CITY, NEBRASKA
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General Government	$ 1,283,965	$ 173,700	$ -	$ -
Public Safety	8,133,308	1,281,321	337,278	-
Public Works	3,767,167	-	2,193,852	3,267,780
Culture and Recreation	3,121,506	585,328	59,169	95,208
Community Development	1,783,959	64,487	384,123	-
Debt Service	215,055	-	-	-
Total Governmental Activities	18,304,960	2,104,836	2,974,422	3,362,988
Business-Type Activities:				
Electric	16,336,760	23,845,938	-	70,994
Water	2,409,528	3,024,829	-	-
Sewer	5,454,883	8,324,640	-	500,000
Sanitation	866,478	921,189	-	-
Utility Administration	4,142,294	265,180	177,792	-
Total Business-Type Activities:	29,209,943	36,381,776	177,792	570,994
Total Primary Government	47,514,903	38,486,612	3,152,214	3,933,982
Component Units:				
Community Development Agency	$ 1,194,187	$ 355,305	$ -	$ -

General Revenues:
Property taxes
Franchise taxes
Local Option Sales Taxes
Occupation taxes
Interest
Unrestricted Intergovernmental Revenue
Unrestricted Lottery Revenue
Gain on Sale of Land Held for Resale
Tenant Reimbursement
Miscellaneous
Transfers
Total general revenues

Extraordinary Item:
Settlement Expense

Change in net position

Net position - beginning

Correction of an Error

Net position - beginning, as restated

Net position - ending

See Accompanying Notes to Financial Statements

Net (Expense) Revenue and Changes in Net Position			
Governmental Activities	Business-Type Activities	Total	Component Unit Community Development
$ (1,110,265)		$ (1,110,265)	
(6,514,709)		(6,514,709)	
1,694,465		1,694,465	
(2,381,801)		(2,381,801)	
(1,335,349)		(1,335,349)	
(215,055)		(215,055)	
(9,862,714)		(9,862,714)	
	$ 7,580,172	7,580,172	
	615,301	615,301	
	3,369,757	3,369,757	
	54,711	54,711	
	(3,699,322)	(3,699,322)	
	7,920,619	7,920,619	
(9,862,714)	7,920,619	(1,942,095)	
			$ (838,882)
6,683,255	-	6,683,255	-
1,608,185	-	1,608,185	-
4,153,395	729,796	4,883,191	-
49,708	-	49,708	-
946,419	935,790	1,882,209	383,730
1,313,463	-	1,313,463	-
151,713	-	151,713	-
35,606	-	35,606	5,000
-	-	-	312,480
261,561	1,432,969	1,694,530	-
(275,430)	275,430	-	-
14,927,875	3,373,985	18,301,860	701,210
-	(9,750,000)	(9,750,000)	-
5,065,161	1,544,604	6,609,765	(137,672)
82,679,119	81,092,655	163,771,774	6,022,607
284,964	(284,964)	-	-
82,964,083	80,807,691	163,771,774	6,022,607
$ 88,029,244	$ 82,352,295	$ 170,381,539	$ 5,884,935

See Accompanying Notes to Financial Statements

CITY OF SOUTH SIOUX CITY, NEBRASKA
BALANCE SHEET
Governmental Funds
SEPTEMBER 30, 2025

	General	Street Projects	Other Governmental Funds	Total Governmental Funds
Assets				
Cash and Cash Equivalents	$ 325,830	$ 516,390	$ 3,890,899	$ 4,733,119
Certificates of Deposit	89,402	-	161,958	251,360
Investments	7,830,001	4,869,017	4,150,063	16,849,081
Receivables (net, where applicable, of allowance for uncollectibles)				
Taxes	404,276	-	216,669	620,945
Accounts	67,129	6,050	175,389	248,568
Accrued Interest	-	-	38,127	38,127
Lease Receivable	2,048,418	-	1,025,430	3,073,848
Notes Receivable	-	-	958,874	958,874
Due from Other Funds	-	2,604,596	110,691	2,715,287
Due from Other Governmental Agencies	199,845	337,882	809,487	1,347,214
Due from Component Unit	-	-	1,046,506	1,046,506
Land Held for Resale, At Cost	-	-	258,346	258,346
Advances from Other Funds	-	-	196,280	196,280
Restricted Assets:				
Certificates of Deposit	-	-	124,038	124,038
Total Assets	10,964,901	8,333,935	13,162,757	32,461,593
Liabilities				
Accounts Payable	40,950	271,429	142,241	454,620
Other Accrued Liabilities	101,455	-	20,433	121,888
Accrued Wages	35,619	-	8,705	44,324
Unearned Revenue	55,000	-	-	55,000
Due to Other Funds	-	-	3,394,960	3,394,960
Advances to Other Funds	-	-	196,280	196,280
Total Liabilities	233,024	271,429	3,762,619	4,267,072
Deferred Inflows of Resources				
Unavailable Revenue - Property Tax	95,277	-	40,894	136,171
Unavailable Revenue - Accrued Interest Receivable	-	-	38,127	38,127
Unavailable Revenue - Lease Related Deferred Inflows	1,875,345	-	977,926	2,853,271
Total Deferred Inflows of Resources	1,970,622	-	1,056,947	3,027,569
Fund Balances:				
Restricted for:				
Capital Improvements	-	8,062,506	2,764,286	10,826,792
Debt Service	-	-	822,705	822,705
Specific Tax Levy Purposes	-	-	1,879,750	1,879,750
LEC Purposes	-	-	362,967	362,967
Tax Increment Financing Purposes	-	-	3,569,470	3,569,470
Wireless 911	-	-	23,608	23,608
Economic Development	-	-	1,405,926	1,405,926
Public Safety Purposes	-	-	312,522	312,522
Opioids Settlement	-	-	35,442	35,442
South Sioux City Community Foundation	-	-	441,412	441,412
Unassigned	8,761,255	-	(3,274,897)	5,486,358
Total Fund Balances	8,761,255	8,062,506	8,343,191	25,166,952
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 10,964,901	$ 8,333,935	$ 13,162,757	$ 32,461,593

See Accompanying Notes to Financial Statements

CITY OF SOUTH SIOUX CITY, NEBRASKA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

Amounts reported for Governmental Activities in the Statement of Net Position are different because:

Total Fund Balance - Governmental Funds (page 31)		$ 25,166,952
Infrastructure, property, and equipment used in governmental activities are not financial resources and, therefore, are not reported in the funds.		66,017,553
Internal service funds are used by management to fund and maintain the City's health, dental, and vision insurance provided to user departments and are included in the statement of net position.		1,336,487
Unavailable revenues that provide current financial resources for governmental activities.		174,298
Accrued interest payable on long-term liabilities is not due and payable in the current year and, therefore, is not reported as a liability in the governmental funds.		(19,975)
Prepaid expenses are reported in the governmental activities but are not reported in the funds as they do not provide current economic resources.		61,881
Compensated absences are not due and payable in the current period and therefore are not reported in the funds.		(1,068,267)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.		
General Obligation Bonds	$ (2,140,000)	
Notes Payable	(1,448,877)	
Lease Agreements Payable	(50,808)	(3,639,685)
Total Net Position - Governmental Activities (page 28)		$ 88,029,244

CITY OF SOUTH SIOUX CITY, NEBRASKA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
Governmental Funds
For the Year Ended September 30, 2025

	General	Street Projects	Other Governmental Funds	Total Governmental Funds
Revenue:				
Property Taxes	$ 3,276,982	$ -	$ 3,387,571	$ 6,664,553
Franchise Taxes	1,258,185	-	350,000	1,608,185
Local Option Sales Taxes	-	1,708,581	2,444,814	4,153,395
Occupation Taxes	49,708	-	-	49,708
Licenses and Permits	9,325	-	-	9,325
Intergovernmental	4,160,455	1,321,196	1,541,240	7,022,891
Charges for Services	735,120	-	375,333	1,110,453
Fines and Forfeits	12,056	-	1,447	13,503
Lottery Revenue	151,713	-	-	151,713
Interest	455,080	258,383	230,425	943,888
Rental Income	178,559	-	74,873	253,432
Contributions	70	-	38,900	38,970
Reimbursements	53,384	-	-	53,384
Miscellaneous	191,500	6,435	85,242	283,177
Total Revenue	10,532,137	3,294,595	8,529,845	22,356,577
Expenditures:				
Current:				
General Government	1,293,259	-	-	1,293,259
Public Safety	5,354,518	-	3,116,099	8,470,617
Public Works	1,875,470	-	-	1,875,470
Culture and Recreation	995,536	-	2,149,552	3,145,088
Community Development	93,565	-	1,695,544	1,789,109
Capital Projects	-	4,312,600	16,184	4,328,784
Debt Service	25,558	132,515	872,238	1,030,311
Total Expenditures	9,637,906	4,445,115	7,849,617	21,932,638
Excess of Revenues Over Expenditures	894,231	(1,150,520)	680,228	423,939
Other Financing Sources (Uses):				
Inception of Lease	32,966	-	107,741	140,707
Proceeds from Sale of Land Held for Resale	-	-	35,606	35,606
Transfers In	71,133	2,286,728	2,007,854	4,365,715
Transfers Out	(14,400)	(204,504)	(4,422,241)	(4,641,145)
Total Other Financing Sources (Uses)	89,699	2,082,224	(2,271,040)	(99,117)
Net Change in Fund Balance	983,930	931,704	(1,590,812)	324,822
Fund Balances - Beginning of Year	7,777,325	7,072,891	9,706,950	24,557,166
Correction of an Error	-	57,911	227,053	284,964
Fund Balances - Beginning of Year, As Restated	7,777,325	7,130,802	9,934,003	24,842,130
Fund Balances - End of Year	$ 8,761,255	$ 8,062,506	$ 8,343,191	$ 25,166,952

See Accompanying Notes to Financial Statements

CITY OF SOUTH SIOUX CITY, NEBRASKA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2025

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds (page 33)		$ 324,822
Governmental funds report capital outlays, including infrastructure, as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives or lease term and reported as depreciation/amortization expense. Depreciation/amortization expense exceeded capital outlay in the current year as follows:		
Expenditures for capital assets	$ 5,913,129	
Leased Assets	(140,707)	
Depreciation/Amortization Expense	(3,293,602)	2,478,820
Capital Contributions reported in the Statement of Activities that do not provide current financial resources and are not reported as revenues in the funds.		1,154,714
Internal service funds are used by management to fund and maintain the City's health, dental, and vision insurance provided to user departments and are included in the statement of net position. The net revenue of the internal service fund is reported with governmental activities.		128,565
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.		(53,767)
Accrued interest expense that does not require current financial resources.		1,536
Compensated absences that do not require current financial resources.		(60,236)
Prepaid insurance is not reported in the governmental funds as it is not available to provide current financial resources.		4,291
The issuance of indebtedness provides current financial resources to the governmental funds without affecting net position. The statement of activities does not reflect the proceeds from the issuance of long-term debt. The proceeds from the issuance of long-term debt for the year was:		
Lease Agreements Payable	$ 32,966	
IT Agreements Payable	107,741	140,707
The repayment of the principal on long-term debt consumes the current financial resources of governmental funds without affecting the net position. The statement of activities does not reflect the payment of principal on long-term debt. The principal paid on long-term debt during the current year was as follows:		
General Obligation Bonds	$ 635,000	
Notes Payable	178,720	
Lease Agreements Payable	131,989	945,709
Change in net position of governmental activities (page 30)		$ 5,065,161

CITY OF SOUTH SIOUX CITY, NEBRASKA
STATEMENT OF NET POSITION
Proprietary Funds
SEPTEMBER 30, 2025

	Business-Type Activities	Governmental Activities
	Combined Utilities	Internal Service
Assets		
Current Assets:		
Cash and Cash Equivalents	$ 2,193,660	$ 170,384
Investments	19,730,048	1,329,117
Receivables:		
Accounts	3,590,771	-
Estimated Unbilled Usage	2,503,028	-
Due from Other Funds	679,673	-
Due from Other Governmental Agencies	131,578	-
Due from Component Unit	37,827	-
Inventories	372,430	-
Restricted Assets:		
Cash Restricted for Customer Deposits	399,997	-
Investments	2,580,423	-
Total Current Assets	32,219,435	1,499,501
Noncurrent Assets:		
Land	3,181,048	-
Construction in Progress	60,975,809	-
Infrastructure, Property and Equipment, Net of Accumulated Depreciation	55,809,600	-
Total Noncurrent Assets	119,966,457	-
Total Assets	152,185,892	1,499,501
Deferred Outflows of Resources		
Deferred Charges on Refunding	2,144	-
Liabilities		
Current Liabilities:		
Accounts Payable	4,663,999	-
Other Accrued Liabilities	149,685	-
Accrued Wages	16,707	-
Customer Deposits	399,997	-
Unearned Revenue	34,939	-
Accrued Claims	-	163,014
Payables from Restricted Assets:		
Accrued Revenue Bond Interest	137,523	-
Revenue Bonds - Current	2,955,362	-
Settlement Liability - Current	5,000,000	-
Compensated Absences	231,693	-
Total Current Liabilities	13,589,905	163,014
Noncurrent Liabilities:		
Revenue Bonds Payable	51,316,113	-
Settlement Liability	4,750,000	-
Compensated Absences	179,723	-
Total Noncurrent Liabilities	56,245,836	-
Total Liabilities	69,835,741	163,014
Net Position		
Net Investment in Capital Assets	62,800,381	-
Restricted for:		
Debt Service	2,442,900	-
Unrestricted	17,109,014	1,336,487
Total Net Position	$ 82,352,295	$ 1,336,487

See Accompanying Notes to Financial Statements

CITY OF SOUTH SIOUX CITY, NEBRASKA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
Proprietary Funds
For the Year Ended September 30, 2025

	Business-Type Activities	Governmental Activities
	Combined Utilities	Internal Service
Operating Revenues:		
Charges for services	$ 36,381,776	$ 1,422,684
Reimbursement from employees/insurance	-	209,315
Total Operating Revenues	36,381,776	1,631,999
Operating Expenses:		
Production	15,640,875	-
Operation and Maintenance	3,234,054	-
General and Administration	6,547,995	1,548,569
Depreciation and Amortization	3,088,472	-
Total Operating Expenses	28,511,396	1,548,569
Operating Income	7,870,380	83,430
Non-Operating Income (Expense):		
Interest Income	935,790	45,135
Intergovernmental Revenue	177,792	-
Local Option Sales Tax	729,796	-
Miscellaneous Revenue	1,432,969	-
Interest Expense	(698,547)	-
Total Non-Operating Income	2,577,800	45,135
Income before contributions and transfers	10,448,180	128,565
Contributed Capital Revenue	570,994	-
Extraordinary Item - Settlement Expense	(9,750,000)	-
Transfer In	732,025	-
Transfer Out	(456,595)	-
Change in Net Position	1,544,604	128,565
Net Position - Beginning	81,092,655	1,207,922
Correction of an Error	(284,964)	-
Net Position - Beginning, as restated	80,807,691	1,207,922
Net Position - Ending	$ 82,352,295	$ 1,336,487

See Accompanying Notes to Financial Statements

CITY OF SOUTH SIOUX CITY, NEBRASKA
STATEMENT OF CASH FLOWS
Proprietary Funds
For the Year Ended September 30, 2025

	Business-Type Activities	Governmental Activities
	Combined Utilities	Internal Service
Cash Flows From Operating Activities:		
Cash Received from Customers	$ 36,163,625	$ 1,631,999
Cash Paid to Suppliers for Goods and Services	(23,265,462)	-
Cash Paid to Employees for Services	(2,641,316)	(1,514,996)
Other Nonoperating Revenues	1,074,762	-
Net Cash Provided from Operating Activities	11,331,609	117,003
Cash Flows From Capital and Related Financing Activities:		
Acquisition and Construction of Capital Assets	(8,145,592)	-
Proceeds from Bond Sales	2,736,784	-
Principal Paid on Bonds	(3,466,157)	-
Interest Paid on Bonds	(706,094)	-
Receipts from Other Governments	370,108	-
Net Cash (Used) from Capital and Related Financing Activities	(9,210,951)	-
Cash Flows From Non-Capital Financing Activities:		
Due To Other Funds	(162,255)	-
Transfers In	732,025	-
Transfers Out	(456,595)	-
Net Cash Provided from Non-Capital Financing Activities	113,175	-
Cash Flows From Investing Activities:		
Interest and Dividends on Investments	14,793	-
Purchase of Investments	(1,435,000)	(300,000)
Receipts from Notes Receivable	3,610	-
Net Cash (Used) from Investing Activities	(1,416,597)	(300,000)
Net Increase (Decrease) in Cash and Cash Equivalents	817,236	(182,997)
Cash and Cash Equivalents at Beginning of Year	1,776,421	353,381
Cash and Cash Equivalents at End of Year	$ 2,593,657	$ 170,384

(Continued)

CITY OF SOUTH SIOUX CITY, NEBRASKA
STATEMENT OF CASH FLOWS (Continued)
Proprietary Funds
For the Year Ended September 30, 2025

	Business-Type Activities	Governmental Activities
	Combined Utilities	Internal Service
Reconciliation of Operating Income to Net Cash Provided from Operating Activities:		
Operating Income	$ 7,870,380	$ 83,430
Adjustments to Reconcile Net Operating Income to Net Cash Provided from Operating Activities:		
Depreciation	3,085,256	-
Amortization	3,216	-
Other Non-Operating Income	1,074,762	-
(Increase) Decrease in Assets:		
Accounts Receivable	260,385	-
Estimated Unbilled Usage	(328,986)	-
Inventories	19,474	-
Increase (Decrease) in Liabilities:		
Accounts Payable	(618,118)	-
Accrued Wages	8,066	-
Accrued Compensated Absences	23,586	-
Accrued Expenses	15,682	33,573
Customer Deposits	(3,925)	-
Unearned Revenue	(78,169)	-
Total Adjustments	3,461,229	33,573
Net Cash Provided from Operating Activities	$ 11,331,609	$ 117,003
Supplemental Schedule of Noncash Capital and Related Financing Activities:		
Capital Contributions	$ 570,994	$ -
Accounts Payable Associated with Construction in Progress	(2,896,745)	-
Extraordinary Item - Settlement Expense	(9,750,000)	-
Total	$ (12,075,751)	$ -
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position:		
Cash and Cash Equivalents	$ 2,193,660	$ 170,384
Cash Restricted for Customer Deposits	399,997	-
	$ 2,593,657	$ 170,384

CITY OF SOUTH SIOUX CITY, NEBRASKA
STATEMENT OF FIDUCIARY NET POSITION
Custodial Funds
SEPTEMBER 30, 2025

	Custodial Funds
Assets	
Cash and Cash Equivalents	$ 359,800
Total Assets	359,800
Liabilities	
Accounts Payable	
Other Payables	17,743
Total Liabilities	17,743
Net Position	
Restricted for Individuals and other Organizations	342,057
Total Net Position	$ 342,057

See Accompanying Notes to Financial Statements

CITY OF SOUTH SIOUX CITY, NEBRASKA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
Custodial Funds
For the Year Ended September 30, 2025

	Custodial Funds
Additions:	
Local Sources:	
Other	$ 179,025
Interest Income	2,794
Miscellaneous	68,283
Total additions	250,102
Deductions:	
Services	119,714
Supplies	68,405
Miscellaneous	67,481
Total deductions	255,600
Change in Net Position	(5,498)
Net Position, beginning of year	347,555
Net Position, end of year	$ 342,057

See Accompanying Notes to Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of South Sioux City, Nebraska is a political subdivision of the state of Nebraska located in Dakota County. The City operates under the mayor-council form of government with the mayor and council members elected on a nonpartisan basis. The City administers the following programs as authorized by its charter: General Government, Public Works, Public Safety, Culture and Recreation, and Community Development. It also provides municipal utility services including: electric, water, sewer and solid waste.

The City's financial statements are prepared in accordance with accounting principles generally accepted in the U.S. (GAAP). The Governmental Accounting Standards Board is responsible for establishing GAAP for state and local governments through its pronouncements. The more significant accounting policies established in GAAP and used by the City are discussed below.

A. Reporting Entity

For financial reporting purposes, the City of South Sioux City, Nebraska, has included all funds, organizations, agencies, boards, commissions and authorities. The City has also considered all potential component units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the City to impose its will on that organization or (2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on the City. There is one discretely presented component unit and one blended component unit included with this financial report.

Discretely Presented Component Unit – Community Development Agency (CDA)

The CDA was created by the Mayor and City Council in September 1982 to provide for redevelopment of various blighted areas within the City. Members of the CDA consist of various appointed city council members and local business leaders. The CDA is legally separate from the City but functions for all practical purposes as a department of the City. The CDA's sole purpose is to carry out the economic development function of the City. The City is financially accountable for the CDA because the City levies taxes (if necessary) and must approve any debt issuances. The financial activity of the CDA is included in the financial statements of the City as a component unit for the year ended September 30, 2025. The CDA does not issue separate financial statements.

Blended Component Unit – South Sioux City Community Foundation

South Sioux City Community Foundation is a legally separate non-profit corporation, whose goal is to provide support to the City and its citizens, and whose financial activities are included as a special revenue fund in these financial statements. South Sioux City Community Foundation primarily receives funds through donations to help fund various community projects. The governing board of this organization has members who are also council members of the City. However, these members do not comprise a majority of the Foundation's board. The Foundation has issued debt to assist in the construction of a new fire station, which is being repaid with lease payments from the City. This is the only debt outstanding for the Foundation and this debt is expected to be repaid entirely with the resources of the City. The Foundation does not issue separate financial statements.

B. Basic Financial Statements-Government-Wide Statements

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The City's general, special revenue, debt service, and capital projects funds are classified as governmental activities. The City's internal service fund is classified as a governmental activity.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES- (CONTINUED)

In the government-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The City's net position is reported in three parts: net investment in capital assets, restricted net position, and unrestricted net position. The City first uses restricted resources to finance qualifying activities.

The Government-wide Statement of Activities reports both the gross and net cost of each of the City's functions (public safety, public works, culture and recreation, community development, general government, etc.) and business-type activities. The functions are also supported by general government expenses (including depreciation) by related program revenue, operating grants, and capital grants. Program revenue must be directly associated with the function or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The City does not allocate indirect costs. Certain expenses of the City are accounted for through an internal service fund on a cost-reimbursement basis.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are interfund services provided and other charges between the government's combined utilities function and various other functions of the government.

This government-wide focus is more on the sustainability of the City as an entity and the change in the City's net position resulting from the current year activities.

C. Fund Accounting

The accounts of the City are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues or receipts, and expenditures or expenses, as appropriate. Government resources are allocated to, and accounted for, in individual funds based on the purpose for which they are to be spent and the means by which spending activities are controlled.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. GASB No. 34 sets forth minimum criteria for the determination of major funds. The City can electively add funds, as major funds, which may have a specific community focus. The non-major funds are combined into a single column in the fund financial statements.

The City reports the following major governmental funds:

Governmental Fund Types – The governmental fund financial statements are reported using the current financial resources measurement focus. This means that the focus of the governmental funds' measurement is upon the determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income. The following is a description of the major governmental funds of the City:

1) General Fund – The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. The sources of revenue include property taxes, state allocations, charges for services, fines and fees, licenses and permits, as well as state and federal grants. The expenditures of the General Fund relate to general administration, police and fire protection, maintenance of public streets, and culture and recreation.

2) Capital Project Fund – The Street Project Capital Project Fund is used to account for expenditures relating to public improvements and construction of public infrastructure.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (CONTINUED)

Proprietary Fund Types – The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. Operating revenues and expenses are distinguished from non-operating revenues and expenses. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. The principal operating revenues of enterprise funds are charges to customers for services. Operating expenses consist of cost of sales and services, administrative expenses and depreciation on capital assets. The U.S. generally accepted accounting principles used are those applicable to similar businesses in the private sector.

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

   Electric Utility – The electric utility accounts for the operation of a municipally owned electric system which distributes electrical power to the residents of the City.

   Water Utility – The water utility accounts for the operation of a municipally owned water system which provides services to the residents of the City.

   Sewer Utility – The sewer utility accounts for the operation of a municipally owned sewage collection, which provides services to the residents of the City.

   Sanitation – The sanitation utility accounts for the operation of a municipally owned solid waste disposal system which provides services to the residents of the City.

   Utility Administration – Includes the costs of customer accounts and general utility management for the combined utility system.

2) Internal Service Funds – Internal Service funds account for operations that provide services to other departments or agencies of the government, or to other governments, on a cost-reimbursement basis.

   The City's internal service funds are presented in the proprietary fund financial statements. Because the principal users of the internal services are the City's governmental activities, the financial statements of the internal service fund are consolidated into the governmental column when presented in the governmental-wide financial statements. To the extent possible, the cost of these services is reported in the appropriate functional activity.

   A description of the City's internal service funds is as follows:

   Group Insurance Fund – The Group Insurance Fund is used to account for the accumulation of resources used to fund claims under the City's partial self-insured health, dental, and vision plans.

The City also reports fiduciary funds which focuses on net position and changes in net position. Fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when they are earned and expenses are recognized when a liability is incurred. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the City's own programs. The City's custodial funds are as follows:

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (CONTINUED)

The Flex Fund is used to account for employee contributions to third party flexible spending accounts and for disbursements made to those employees for the eligible expenses they incur.

The Freedom Park Fund is used to account for assets held by the City as a custodian for this separate nonprofit organization.

D. Basis of Accounting

Basis of accounting refers to the point at which revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made, regardless of the measurement focus applied.

Accrual basis of accounting is used for all activities in the government-wide financial statements and for the proprietary and fiduciary activities in the fund financial statements. Revenues are recognized when earned and expenses are recognized when incurred.

Modified accrual basis of accounting is used by all governmental funds in the fund financial statements. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The government considers property taxes as available if they are collected within 60 days after year-end. The City considers sales and use taxes and gasoline taxes as available when in the hands of the State of Nebraska, the intermediary collecting government. The City normally collects these taxes within 60 days of year-end. A one-year availability period is used for revenue recognition in regard to expenditure-driven grants.

Expenditures are recorded when the related fund liability is incurred. An exception to this general rule is that principal and interest on general obligation debt, if any, is recognized when due.

Those revenues susceptible to accrual are property taxes, assessments, and intergovernmental revenues. Licenses, fines and permits are not susceptible to accrual because generally they are not measurable until received in cash.

E. Budgets

The budgetary comparison and related disclosures are reported as Required Supplementary Information.

F. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Fund Equity

1. Cash and Cash Equivalents - Includes cash and investments with original maturities of three months or less.

2. Temporary Cash Investments - Investments consist of certificates of deposit with original maturities of more than three months. The City uses the following methods in determining the reported amounts:

Type	Method
Non-negotiable Certificates of Deposit	Amortized Cost
Nebraska Public Agency Investment Trust	Amortized Cost

The Certificates of Deposits have redemption terms that do not consider market rates and therefore are reported at amortized cost.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (CONTINUED)

3. Short-Term Interfund Receivables/Payables – During the course of its operations, the City has numerous transactions between funds to finance operations, provide services, construct assets, and service debt. To the extent that certain transactions between funds have not been paid or received as of September 30, 2025, balances of interfund amounts payable or receivable have been recorded as "due to other funds" and "due from other funds", respectively. Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as interfund balances.

4. Advances to Other Funds – Noncurrent portions of long-term interfund loan receivables are reported as advances.

5. Land Held for Resale - During the course of activities incidental to its operations, the City acquires land to develop for economic development purposes. The City then offers the land for resale. The land is carried at cost including any improvements made to the land.

6. Inventories - Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental inventories are recorded as expenditures when consumed rather than when purchased. The amounts in the governmental funds are not material and therefore not recorded on the Statement of Net Position.

7. Prepaid Items – Payments made to vendors for services that will benefit periods beyond September 30, 2025 are recorded as prepaid items. Prepaid items in the governmental funds are accounted for using the purchases method, recognizing expenses immediately upon purchase.

8. Restricted Assets - Proceeds from debt and funds set aside for payment of enterprise fund revenue bonds are also classified as restricted assets since their use is limited by applicable bond indentures.

   The City's restricted cash and investments and the nature of the restriction is as follows:

Fund	Restricted By	Amount
Combined Utilities	Customer Deposits	$ 399,997
Combined Utilities	Bond Covenants	$ 2,580,423
South Sioux City Community Foundation	Bond Covenants	$ 124,038

9. Property and Equipment – Capital assets, which include property, equipment and vehicles and infrastructure assets (e.g. roads, bridges, curbs, gutters, sidewalks and similar items which are immovable and of value only to the government) are reported in the applicable governmental or business type activities columns in the government-wide Statement of Net Position and in the Proprietary Funds Statement of Net Position. Capital assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value. Acquisition value is the price that would have been paid to acquire a capital asset with equivalent service potential. The costs of normal maintenance and repair not adding to the value of the asset or materially extending asset lives are not capitalized. Assets with initial individual cost of $5,000 or more are considered capital assets. Bulk purchases of equipment could also be capitalized. The capitalization threshold for bulk purchases is $50,000 or more. Infrastructure has been capitalized using historical or estimated historical cost of $15,000 or more beginning in 1980 required by GASB 34. Depreciation expense is calculated using the straight-line method over the following useful lives:

Buildings & Improvements	39 – 50 Years
Land Improvements	10 – 50 Years
Vehicles	3 – 20 Years
Machinery & Equipment	3 – 20 Years
Infrastructure	10– 50 Years

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (CONTINUED)

10. Leases – City as Lessee: The City is the lessee for noncancellable leases of vehicles. The City has recognized a lease liability and intangible right-to-use lease assets in the government-wide financial statements.

    At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the term of the lease.

    Key estimates and judgments related to leases include how the City determines the discount rate it uses to discount the expected lease payments to present value, lease term and lease payments.

        The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.

        The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments.

    The City monitors changes in circumstances that would require a measurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

    On the statement of net position, lease assets are reported with other capital assets and lease liabilities are reported as separate line items for the current and long-term portion of the lease agreements.

    City as Lessor: City of South Sioux City is a lessor for multiple different agreements. The City recognizes lease receivables and deferred inflows of resources in the government-wide, governmental fund, and proprietary fund financial statements.

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

    Key estimates and judgments include how the City of South Sioux City determines the discount rate it uses to discount the expected lease receipts to present value, lease term and lease receipts.

        City of South Sioux City uses its estimated incremental borrowing rate as the discount rate for leases.

        The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (CONTINUED)

11. Deferred Inflows of Resources – Deferred inflows of resources represent an acquisition of net assets applicable to a future year(s) which will not be recognized as an inflow of resources (revenue) until that time. Although certain revenues are measurable, they are not available. Available means collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred inflows of resources in the governmental fund financial statements represent the amount of assets that have been recognized, but the related revenue has not been recognized since the assets are not collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year.

    Deferred inflows of resources consist of property tax receivable and other receivables not collected within sixty days after year end, and lease receivables.

    Deferred inflows of resources in the Statement of Net Position consist of deferred inflows related to lease receivables.

12. Deferred Outflows of Resources – Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred outflows of resources consist of deferred charges on refunding

13. Accrued Compensated Absences – City employees accumulate a limited amount of earned but unused vacation, sick leave, and military leave hours for subsequent use or for payment upon termination, death or retirement. A liability for this and any related benefits is recorded when incurred in the government-wide and proprietary fund financial statements when each of the following have occurred: the leave is attributable to services already rendered, the leave accumulates and carries forward from one reporting period to the next and the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. A liability for these amounts and related benefits is reported in governmental fund financial statements only for employees that have resigned or retired. The compensated absences liability has been computed based on rates of pay in effect at September 30, 2025.

14. Long-Term Obligations – Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the government-wide financial statements. Long-term liabilities expected to be financed from proprietary fund operations are accounted for in the combined utility fund.

15. Fund Equity – In the fund financial statements, fund balances are classified as follows:

    Nonspendable – Amounts which cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.

    Restricted – Amounts restricted to specific purposes when constraints placed on the use of the resources are either externally imposed by creditors, grantors or state or federal laws or imposed by law through constitutional provisions or enabling legislation.

    Committed – Amounts which can be used only for specific purposes pursuant to constraints formally imposed by the City Council through an ordinance approved prior to yearend. Those committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same action it employed to commit those amounts.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (CONTINUED)

Assigned – Amounts the City intends to use for specific purposes that do not meet the criteria to be classified as restricted or committed. The finance officer or City Manager is authorized to assign amounts to a specific purpose pursuant to authority given by the City Council.

Unassigned – All amounts not included in other spendable classifications. Only the general fund will report a positive unassigned fund balance.

15. Net Position Flow Assumption - Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

16. Fund Balance Flow Assumptions - Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

17. Property Taxes – Real estate taxes are levied on October 15 of each year and may be paid in two equal installments. These taxes are due December 31. The first and second half of the taxes become delinquent on the following May 1 and September 1, respectively. Real estate taxes collected within 60 days after year-end are recognized as revenues in accordance with the revenue recognition policy described in Note 1.D. Real estate taxes become a lien against the property on the levy date.

18. Interfund Transactions – Interfund services provided and used are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

    All other interfund transactions, except interfund services provided and used transactions and reimbursements, are reported as transfers.

19. Landfill Closure Costs

    The City is not currently responsible for any landfill closure or post-closure care costs.

NOTE 2 - CASH AND CASH EQUIVALENTS AND INVESTMENTS

The City's deposits at September 30, 2025 were covered by Federal depository insurance or by a letter of credit held by the depository in the City' s name in accordance with the *Revised Statutes of Nebraska*. At September 30, 2025, the City's cash deposits were entirely covered by Federal Depository Insurance.

NOTE 2 - CASH AND CASH EQUIVALENTS AND INVESTMENTS – (CONTINUED)

The City is authorized to invest public funds not currently needed for operations in securities which are obligations of or guaranteed by the United States of America or any of its agencies, bonds of another governmental unit of the State of Nebraska, or in federally insured or collateralized time deposits held in joint custody in the City's name at third party banks acting as the City's agent or savings accounts in depositories approved by the City Council.

The City and its discretely presented component unit have investments in the Nebraska Public Agency Investment Trust (NPAIT) which are valued at an amortized cost of $41,297,113. NPAIT is a separate legal and administrative entity organized and existing pursuant to the Interlocal Cooperation Act and other Nebraska law. There were no limitations or restrictions on withdrawals of the NPAIT investments.

Custodial Credit Risk – Deposits: In the case of deposits, this is the risk that in the event of bank failure, the government's deposits may not be returned to it. The City does not have a deposit policy for custodial credit risk. As of September 30, 2025, the City was not exposed to custodial credit risk as all cash and certificates of deposit were properly collateralized through FDIC insurance and securities pledged by the financial institution. Nebraska CLASS is an external investment pool and therefore is not subject to custodial credit risk.

Credit Risk – Investments: The investment in the Nebraska Public Agency Investment Trust is unrated. NPAIT invests in only U.S. Government and U.S. Agency securities and investments collateralized by those securities.

Interest Rate Risk – This is the risk that changes in the market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to the changes in market interest rates. The City does not have a formal investment policy. The City's investments consist of certificates of deposit totaling $89,402 that has an original maturity of less than 365 days with an interest rate of 4.91%. The Component Unit's investments consist of a certificate of deposit totaling $3,000,000 that has an original maturity date of December 31, 2025 with an interest rate of 10%. The City's investments also include certificates of deposit totaling $285,996 at the South Sioux City Community Foundation. Interest rates on this investment ranges from 0.30% to 4.50%. The City and Component Unit's investments also include $40,488,669 and $808,444, respectively, in NPAIT, that is not subject to interest rate risk.

The City had no investments meeting the disclosure requirements of Governmental Accounting Standards Board Statement No. 72.

NOTE 3 - INTERFUND BALANCES

As of September 30, 2025, short-term interfund borrowings were as follows:

Fund Due To	Fund Due From	Amount	
Street Projects	Nonmajor Governmental Funds	$ 2,604,596	*
Nonmajor Governmental Funds	Nonmajor Governmental Funds	$ 110,691	*
Combined Utilities	Nonmajor Governmental Funds	$ 679,673	**

*The purpose of these interfund balances is to finance short-term cash flow shortages of various funds.
**These balances are expenditures/expenses paid out of the capital projects fund and combined utilities fund that are financed with TIF. The TIF fund will reimburse these funds once TIF dollars are available.

NOTE 3 - INTERFUND BALANCES - Continued

As of September 30, 2025, long-term advances were as follows:

Fund Due To	Fund Due From	Amount
Nonmajor Governmental Funds	Nonmajor Governmental Funds	$ 196,280

These balances were a result of the internal financing of certain capital and economic development projects.

NOTE 4 - RECEIVABLES

Receivables at September 30, 2025 are net of allowance for uncollectibles. The allowance for uncollectibles in the Combined Utilities was $1,294,011 as of September 30, 2025.

NOTE 5 - LEASE RECEIVABLES

Lease Name	Governmental Activities
American Tower	$ 346,540
TDS - US Cellular Tower (311)	190,488
TDS - US Cellular Tower (322)	190,488
Vertical Partners - AT&T Tower	292,031
T-Mobile – Riverview Tower	205,548
T-Mobile – B Street Tower	142,373
St. Gabriel Tower	203,834
Verizon Tower	441,362
HG Parking Lot	3,307
Fiber Comm	32,447
J. Morten Building	1,025,430
	$ 3,073,848

On September 26, 2018, the City of South Sioux City entered into a five year lease as Lessor for use of tower space for antennas. The Lessee has the option to extend up to eight additional terms of five years. As of September 30, 2025, the value of the lease receivable was $346,540. The Lessee is required to make monthly payments of $919, with a 2% increase each year. The lease has an interest rate of 2.87%. The value of the deferred inflow of resources as of September 30, 2025 was $315,574, and the City of South Sioux City recognized lease revenue of $9,282 and lease interest of $9,973 during the fiscal year.

On April 23, 2019 and May 15, 2019, the City of South Sioux City entered into two five year leases as Lessor for use of tower space for antennas. The Lessee has the option to extend both leases up to five additional terms of five years. As of September 30, 2025, the value of each lease receivable was $190,488. The Lessee is required to make monthly payments of $700 for each lease, with a 10% increase every five years. The lease has an interest rate of 2.87%. The value of the deferred inflows of resources for each lease as of September 30, 2025 was $173,255, and the City of South Sioux City recognized total lease revenue of $14,692 and lease interest of $11,050 during the fiscal year.

On March 17, 2017, the City of South Sioux City entered into a five year lease as Lessor for use of tower space for antennas. The Lessee has the option to extend up to three additional terms of five years. As of September 30, 2025, the value of the lease receivable was $292,031. The Lessee is required to make monthly payments of $1,600, with a 10% increase every 5 years. The lease has an interest rate of 2.67%. The value of the deferred inflow of resources as of September 30, 2025 was $266,770, and the City of South Sioux City recognized lease revenue of $17,119 and lease interest of $7,960 during the fiscal year.

NOTE 5 - LEASE RECEIVABLES – (CONTINUED)

On November 17, 2014, the City of South Sioux City entered into a five year lease as Lessor for use of tower space for antennas. The Lessee has the option to extend up to four additional terms of five years. As of September 30, 2025, the value of the lease receivable was $205,548. The Lessee is required to make monthly payments of $1,295, with an increase adjustment according to the Consumer Price Index every five years. The lease has an interest rate of 2.77%. The value of the deferred inflow of resources as of September 30, 2025 was $190,180, and the City of South Sioux City recognized lease revenue of $13,504 and lease interest of $5,855 during the fiscal year.

On April 27, 2001, the City of South Sioux City entered into a five year lease as Lessor for use of tower space for antennas. The Lessee has the option to extend up to five additional terms of five years. As of September 30, 2025, the value of the lease receivable was $142,373. The Lessee is required to make monthly payments of $1,948, with a 3% increase each year. The lease has an interest rate of 2.87%. The value of the deferred inflow of resources as of September 30, 2025 was $126,986, and the City of South Sioux City recognized lease revenue of $22,744 and lease interest of $4,412 during the fiscal year.

In 2007, the City of South Sioux City entered into a twenty year lease as Lessor for use of tower space for antennas. The Lessee has the option to extend up to four additional terms of ten years. As of September 30, 2025, the value of the lease receivable was $203,834. The Lessee is required to make monthly payments of $600, with a 6% increase after twenty five years, and 10% increases after years thirty, forty, and fifty. The lease has an interest rate of 2.87%. The value of the deferred inflow of resources as of September 30, 2025 was $191,085, and the City of South Sioux City recognized lease revenue of $4,586 and lease interest of $5,871 during the fiscal year.

On August 3, 2018, the City of South Sioux City entered into a five year lease as Lessor for use of tower space for antennas. The Lessee has the option to extend up to three additional terms of five years. As of September 30, 2025, the value of the lease receivable was $441,362. The Lessee is required to make monthly payments of $2,633, with a 10% increase each year. The lease has an interest rate of 2.67%. The value of the deferred inflow of resources as of September 30, 2025 was $403,756, and the City of South Sioux City recognized lease revenue of $29,364 and lease interest of $12,113 during the fiscal year.

On April 23, 2018, the City of South Sioux City entered into a ten year lease as Lessor for the easement of city land. As of September 30, 2025, the value of the lease receivable was $3,307. The Lessee is required to make annual payments of $1,700. The lease has an interest rate of 1.86%. The value of the deferred inflow of resources as of September 30, 2025 was $2,732, and the City of South Sioux City recognized lease revenue of $1,726 and lease interest of $92 during the fiscal year.

On July 1, 2024, the City of South Sioux City entered into a twenty year lease as Lessor the use of a city building. The Lessee has the option to extend up to one additional term of five years. As of September 30, 2025, the value of the lease receivable was $32,447. The Lessee is required to make annual payments of $200. The lease has an interest rate of 5.28%. The value of the deferred inflow of resources as of September 30, 2025 was $31,752, and the City of South Sioux City recognized lease revenue of $1,337 and lease interest of $1,732 during the fiscal year.

On August 27, 2018, the City of South Sioux City entered into a ten year lease as Lessor for use of a City-owned building. The Lessee has the option to extend up to two additional terms of five years. As of September 30, 2025, the value of the lease receivable was $1,025,430. The Lessee is required to make monthly payments of $7,508. The lease has an interest rate of 2.67%. The value of the deferred inflow of resources as of September 30, 2025 was $977,926, and the City of South Sioux City recognized lease revenue of $71,995 and lease interest of $28,277 during the fiscal year.

NOTE 5 - LEASE RECEIVABLES – (CONTINUED)

A summary of the remaining lease receivable principal and interest to maturity is as follows:

Year Ending	Government		
September 30,	Principal	Interest	Total
2026	$ 145,527	$ 83,458	$ 228,985
2027	151,713	79,407	231,120
2028	155,260	75,203	230,463
2029	162,296	70,877	233,173
2030	172,668	66,286	238,954
2031-2035	826,364	264,044	1,090,408
2036-2040	781,536	145,572	927,108
2041-2045	194,108	84,847	278,955
2046-2050	187,997	55,033	243,030
2051-2055	113,233	34,851	148,084
2056-2060	121,575	16,792	138,367
2061-2065	45,058	5,733	50,791
2066-2070	16,513	417	16,930
	$ 3,073,848	$ 982,520	$ 4,056,368

NOTE 6 - CAPITAL ASSETS

A summary of changes in capital assets is as follows:

	Balance October 1, 2024	Additions	Deletions	Balance September 30, 2025
Governmental Activities:				
Capital assets not being depreciated/amortized:				
Land	$ 2,961,227	$ -	$ -	$ 2,961,227
Construction in Progress	1,351,792	5,704,832	3,536,812	3,519,812
Total capital assets not being depreciated/amortized	4,313,019	5,704,832	3,536,812	6,481,039
Capital assets being depreciated/amortized:				
Buildings	22,908,052	7,500	-	22,915,552
Equipment	14,329,116	1,829,038	238,234	15,919,920
Infrastructure	108,213,900	3,063,285	-	111,277,185
Right-to-Use Leased Equipment Assets	54,065	32,966	-	87,031
Right-to-Use Subscription Assets	-	107,741	-	107,741
Total capital assets being depreciated/amortized	145,505,133	5,040,530	238,234	150,307,429
Less: Accumulated Depreciation/amortization for:				
Buildings	8,633,254	632,452	-	9,265,706
Equipment	11,199,975	782,336	238,234	11,744,077
Infrastructure	67,869,841	1,809,045	-	69,678,886
Right-to-Use Leased Equipment	12,477	24,876	-	37,353
Right-to-Use Subscription Assets	-	44,893	-	44,893
Total Accumulated Depreciation/amortized	87,715,547	3,293,602	238,234	90,770,915
Total capital assets being depreciated/amortized, net	57,789,586	1,746,928	-	59,536,514
Governmental activities capital assets, net	$ 62,102,605	$ 7,451,760	$ 3,536,812	$ 66,017,553

Construction in progress at September 30, 2025 for the governmental activities consisted of costs associated with various park improvements and street projects.

NOTE 6 - CAPITAL ASSETS – (CONTINUED)

	Balance October 1, 2024	Additions	Deletions	Balance September 30, 2025
Business-type Activities:				
Capital assets not being depreciated:				
Land	$ 3,181,048	$ -	$ -	$ 3,181,048
Construction in Progress	51,979,973	11,195,262	2,199,426	60,975,809
Total capital assets not being depreciated	55,161,021	11,195,262	2,199,426	64,156,857
Capital assets being depreciated:				
Buildings	3,165,493	-	-	3,165,493
Equipment	7,605,686	316,769	114,632	7,807,823
Utility Plant/Distribution System	100,105,544	2,280,548	-	102,386,092
Total capital assets being depreciated	110,876,723	2,597,317	114,632	113,359,408
Less: Accumulated Depreciation for :				
Buildings	2,012,873	61,856	-	2,074,729
Equipment	6,453,612	414,905	114,632	6,753,885
Utility Plant/Distribution System	46,112,699	2,608,495	-	48,721,194
Total Accumulated Depreciation	54,579,184	3,085,256	114,632	57,549,808
Total capital assets being depreciated, net	56,297,539	(487,939)	-	55,809,600
Business-type activities capital assets, net	$ 111,458,560	$ 10,707,323	$ 2,199,426	$ 119,966,457

Construction in progress at September 30, 2025 for the business-type activities consisted of costs associated with various system improvements.

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

Governmental Activities:	
General Government	$ 164,936
Public Safety	665,426
Public Works	1,958,864
Culture and Recreation	504,376
Total Depreciation/Amortization Expense - Governmental Activities	$ 3,293,602
Business-type activities:	
Electric	$ 1,471,298
Water	524,561
Sewer	612,021
Utility Administration	477,376
Total Depreciation Expense - Business-Type Activities	$ 3,085,256

NOTE 6 - CAPITAL ASSETS – (CONTINUED)

A summary of changes in capital assets for the discretely presented component unit is as follows:

	Balance October 1, 2024	Additions	Deletions	Balance September 30, 2025
Community Development Agency:				
Capital Assets Not Being Depreciated:				
Land	$ 2,205	$ -	$ -	$ 2,205
Construction in Progress	20,177	448,543	468,720	-
Total Capital Assets Not Being Depreciated	22,382	448,543	468,720	2,205
Capital Assets Being Depreciated:				
Buildings	1,827,472	468,720	-	2,296,192
Equipment	47,000	-	-	47,000
Less: Accumulated Depreciation	355,653	72,458	-	428,111
Total Capital Assets Being Depreciated, Net	1,518,819	396,262	-	1,915,081
Component Unit Capital Assets, Net	$ 1,541,201	$ 844,805	$ 468,720	$ 1,917,286

Reconciliation of Net Investment in Capital Assets:		Governmental Activities	Business-type Activities	Component Unit Community Development Agency
Land		$ 2,961,227	$ 3,181,048	$ 2,205
Construction in Progress		3,519,812	60,975,809	-
Capital Assets (net of accumulated depreciation/amortization)		59,536,514	55,809,600	1,915,081
Less:	General Obligation Bonds Payable	2,140,000	-	-
	Accounts Payable associated with Construction in Progress	-	2,896,745	-
	Lease Agreements Payable	50,808	-	-
	IT Subscriptions Payable	-	-	-
	Revenue Bonds	-	54,271,475	-
	Notes Payable	1,448,877	-	-
Add:	Deferred Charges on Refunding	-	2,144	-
Net Investment in Capital Assets		$ 62,377,868	$ 62,800,381	$ 1,917,286

NOTE 7 - LONG-TERM DEBT

Notes Payable (Direct Borrowing)

On March 2, 2016, the South Sioux City Community Foundation was approved for a $2,587,000 loan from the United States Department of Agriculture (USDA) Rural Development for the construction of a new fire station. In 2019, the final advances were made totaling $2,587,000. The interest rate is 3.125% with payments maturing on May 15, 2048.

Details of Notes Payable outstanding at September 30, 2025 for the City and the Community Development Agency Component Unit are as follows:

	Date of Issue	Interest Rates	Final Due Date	Annual Payments	Originally Issued	Outstanding September 30, 2025	Due Within One Year	
Primary Government - Direct Borrowing:								
Governmental Activities:								
USDA	6/14/2018	3.125%	5/15/2048	$ 114,217	$2,587,000	$ 1,448,877	$ 68,940	
Component Unit - Direct Borrowing:								
Siouxland National Bank	8/8/2000	10%	On Demand	On Demand	3,000,000	3,000,000	3,000,000	(1)
City of South Sioux City	5/9/2019	2.50%	7/1/2030	31,121	250,000	-	-	(2)
City of South Sioux City	10/23/2015	2.25%	10/1/2025	-	157,014	157,014	157,014	(2)
						$ 3,157,014	$ 3,157,014	

(1) Siouxland National Bank loaned the Community Development Agency $3,000,000 for economic development purposes. The note is payable on demand and is secured with a certificate of deposit at Siouxland National Bank for the same amount, same interest and same repayment terms. In the event of default, the bank will use the $3,000,000 certificate of deposit as payment.

(2) The City will provide loans to the Community Development Agency for economic development purposes. In the event of default, the outstanding amounts become immediately due.

The annual debt service requirements for the City and the Community Development Agency Component Unit are as follows:

Year Ending	City		Component Unit	
September 30,	Principal	Interest	Principal	Interest
2026	$ 68,940	$ 45,277	$ 3,157,014	$ 189,318
2027	71,094	43,123	-	-
2028	73,316	40,901	-	-
2029	75,607	38,610	-	-
2030	77,969	36,248	-	-
2031-2035	427,954	143,131	-	-
2036-2040	499,134	71,951	-	-
2041-2045	154,863	6,261	-	-
	$ 1,448,877	$ 425,502	$ 3,157,014	$ 189,318

NOTE 7 - LONG-TERM DEBT – (CONTINUED)

General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities and projects. General obligation bonds have been issued for the governmental type activities. These bonds are direct obligations and pledge the full faith and credit of the City.

In December 2021, the City issued $2,675,000 of lease purchase refunding bonds to refund the series 2013 lease purchase bonds. The difference between the cash flows required to service the old debt and the new debt is $339,470 and the city has an economic gain of $169,235.

In January 2022, the City issued $535,000 of public safety tax anticipation refunding bonds to refund the series 2013 public safety tax anticipation bonds. The difference between the cash flows required to service the old debt and the new debt is $94,421 and the city has an economic gain of $34,636.

General obligation bonds outstanding as of September 30, 2025 are as follows:

	Date of Issue	Interest Rates	Final Due Date	Annual Payments	Amount Originally Issued	Outstanding September 30, 2025
GO Bonds/ Capital Loan Notes:						
Public Safety Department						
Tax Anticipation Refunding Bond Series 2022	2022	0.55-1.25%	2028	$ 83,000-102,000	$ 525,000	$ 285,000
Municipal Facilities Corporation						
Lease Purchase Refunding Bonds	2021	0.40-1.20%	2028	390,000-440,000	2,675,000	1,285,000
Highway Allocation Fund Pledge Bonds	2017	1.15-2.85%	2029	20,000-150,000	1,310,000	570,000
						$ 2,140,000

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ending	Governmental Activities	
September 30,	Principal	Interest
2026	$ 645,000	$ 30,905
2027	665,000	23,145
2028	680,000	13,963
2029	150,000	4,275
	$2,140,000	$ 72,288

Revenue Bonds

The City also has issued revenue bonds where the City pledges income derived from the acquired or constructed asset to pay debt service. The City has pledged future combined utility revenues, net of specified operating expenses, to repay outstanding combined utility revenue bonds. The bonds are payable solely from the combined utilities net revenues and are payable through 2055. In 2025, the City issued an additional $2,736,784 of bonds. The total principal and interest remaining to be paid on the bonds is $60,291,170. Principal and interest paid for the current year, excluding principal paid on bonds refunded, and total combined utilities net revenues were $3,961,565 and $14,296,249, respectively. For the year ended September 30, 2025, the annual principal and interest payments required approximately 27.7% percent of net revenues.

NOTE 7 - LONG-TERM DEBT – (CONTINUED)

The City has issued state revolving revenue bonds from the Nebraska Department of Environmental Quality (NDEQ) for various utility improvements. These revenue bonds are considered direct borrowings with the NDEQ. The loan agreement includes a provision that in the event of default the payment due shall be deducted from the amount of aid to municipalities to which the Borrower is entitled under Neb. Rev. Stat Section 72-1503. Such amount shall be paid directly to the fund.

On January 17, 2020, the City Council approved water revenue bonds not to exceed $5,600,000 from the NDEQ to finance the building of a 2.5-million-gallon water tank. The revenue bond has an interest rate of 1.5% and is set to have semi-annual payments of $116,247 starting in June 2022. This bond is expected to be paid off in December 2044. In fiscal year 2025, the City drew down $573,564 in bond proceeds.

On April 13, 2020, the City Council approved sewer revenue bonds not to exceed $31,591,000 from the NDEQ to finance the building of a new wastewater treatment plant. This agreement was amended to increase the loan amount not to exceed $38,591,000. The revenue bond has an interest rate of 0.5% and is set to have semi-annual payments of $693,430 starting in December 2022. This bond is expected to be paid off in June 2052. In fiscal year 2025, the City drew down $2,163,220 in bond proceeds.

In November 2021, the City issued $3,485,000 of combined utility revenue bonds to refund the series 2015B and 2016A revenue bonds. The difference between the cash flows required to service the old debt and the new debt is $528,377 and the city has an economic gain of $343,502.

Revenue bonds outstanding at September 30, 2025 are as follows:

Business-Type Activities:

Purpose - Bonds	**Interest Rates**	**Amounts**
Combined Utility Refunding Bond	1.05-2.45%	$ 2,460,000
Combined Utility Refunding Bond	1.45-2.25%	2,210,000
Combined Utility Bonds	0.70-2.30%	3,635,000
Combined Utility Bonds	0.45-2.20%	2,865,000
Total Bonds		11,170,000
Purpose - Direct Borrowing		
Combined Utility SRF	3.65%	759,146
Combined Utility SRF	1.32%	549,979
Combined Utility SRF	2.50%	623,471
Combined Utility SRF	2.00%	522,018
Combined Utility SRF	1.50%	878,613
Combined Utility SRF	1.50%	4,097,250
Combined Utility SRF	0.50%	35,670,988
Total Direct Borrowing		43,101,475
Grand Total Revenue Bonds		$ 54,271,475

NOTE 7 - LONG-TERM DEBT – (CONTINUED)

Revenue bond debt service requirements to maturity are as follows:

Year Ending	Business-Type Activities		Business-Type Activities - Direct Borrowing		Total	
September 30,	Principal	Interest	Principal	Interest	Principal	Interest
2026	$ 1,595,000	$ 207,595	$ 1,360,362	$ 212,429	$ 2,955,362	$ 420,024
2027	1,745,000	179,675	1,299,191	271,434	3,044,191	451,109
2028	1,415,000	148,160	1,307,807	260,636	2,722,807	408,796
2029	975,000	123,300	1,316,499	249,743	2,291,499	373,043
2030	975,000	107,343	1,133,102	239,233	2,108,102	346,576
2031-2035	3,505,000	313,990	5,177,117	1,068,133	8,682,117	1,382,123
2036-2010	960,000	28,320	4,545,139	896,644	5,505,139	924,964
2041-2045	-	-	4,501,466	763,292	4,501,466	763,292
2046-2050	-	-	4,637,482	627,275	4,637,482	627,275
2051-2055	-	-	17,823,310	322,493	17,823,310	322,493
	$11,170,000	$1,108,383	$43,101,475	$4,911,312	$54,271,475	$ 6,019,695

Leases

City as Lessee

The City of South Sioux City, as a lessee, has entered into vehicle lease agreements in 2024 and 2025. The total costs of the City's lease assets are recorded as $87,031, less accumulated amortization of $37,353.

Broadway Police Vehicle Lease – On January 3, 2024, the City entered into a vehicle lease with Broadway Chrysler Dodge Jeep, Inc. for a police vehicle. The term of the lease is for a period of 39 months commencing on January 3, 2024 and expiring on April 2, 2027. Monthly payments of $745 are to be paid. The lease has an incremental borrowing rate of 4.23%.

Broadway Police Vehicle Lease – On January 10, 2024, the City entered into a vehicle lease with Broadway Chrysler Dodge Jeep, Inc. for a police vehicle. The term of the lease is for a period of 39 months commencing on January 10, 2024 and expiring on April 9, 2027. Monthly payments of $736 are to be paid. The lease has an incremental borrowing rate of 4.23%.

Broadway Police Vehicle Lease – On January 8, 2025, the City entered into a vehicle lease with Broadway Chrysler Dodge Jeep, Inc. for a police vehicle. The term of the lease is for a period of 36 months commencing on January 8, 2025 and expiring on December 31, 2027. Monthly payments of $973 are to be paid. The lease has an incremental borrowing rate of 4.23%.

The future lease payments under lease agreements are as follows:

Year Ending September 30,	Government		
	Principal	Interest	Total
2026	$ 27,837	$ 1,614	$ 29,451
2027	20,072	492	20,564
2028	2,899	20	2,919
	$ 50,808	$ 2,126	$ 52,934

NOTE 7 - LONG-TERM DEBT – (CONTINUED)

Subscription-Based IT Agreements

Flock Safety Camera Software Lease – On December 16, 2024, the City entered into a subscription-based software lease with Flock Safety for access to their camera software. The term of the lease is for a period of 24 months commencing on December 16, 2024 and expiring on November 30, 2026. Two annual payments of $55,000 are to be paid at inception of the lease. The lease has an incremental borrowing rate of 4.23%. Since the lease was paid in advance, there are no future lease payments.

Long-Term liability activity for the year ended September 30, 2025, was as follows:

	Beginning Balance	Additions		Reductions	Ending Balance	Due Within One Year
Primary Government:						
Governmental Activities:						
Bonds Payable:						
General Obligation	$ 2,775,000	$ -		$ 635,000	$ 2,140,000	$ 645,000
Notes Payable - Direct Borrowing	1,627,597	-		178,720	1,448,877	68,940
Lease Agreements	42,090	32,966		24,248	50,808	27,837
IT Subscriptions	-	107,741		107,741	-	-
Compensated Absences	1,008,031	60,236	*	-	1,068,267	473,694
Governmental Activity Long-Term Liabilities	$ 5,452,718	$ 200,943		$ 945,709	$ 4,707,952	$ 1,215,471
Business-Type Activities:						
Bonds Payable:						
Revenue Bonds - Direct Borrowing	$ 42,095,848	$ 2,736,784		$ 1,731,157	$ 43,101,475	$ 1,360,362
Revenue Bonds	12,905,000	-		1,735,000	11,170,000	1,595,000
Settlement Liability	-	9,750,000		-	9,750,000	5,000,000
Compensated Absences	387,830	23,586	*	-	411,416	231,693
Business-Type Activity Long-Term Liabilities	$ 55,388,678	$ 12,510,370		$ 3,466,157	$ 64,432,891	$ 8,187,055
Component Unit:						
Notes Payable - Direct Borrowing	$ 3,370,430	$ -		$ 213,416	$ 3,157,014	$ 3,157,014

* The change in compensated absences liability is presented as a net change.

NOTE 8 - TRANSFERS

The following is a summary of transfers between funds:

	General	Street Projects	Proprietary Fund Combined Utilities	Nonmajor Governmental	Total Transfers Out
General	$ -	$ -	$ -	$ 14,400	$ 14,400
Street Projects	-	-	204,504	-	204,504
Proprietary Fund – Combined Utilities	-	-	-	456,595	456,595
Nonmajor Governmental	71,133	2,286,728	527,521	1,536,859	4,422,241
Total Transfers In	$ 71,133	$ 2,286,728	$ 732,025	$ 2,007,854	$ 5,097,740

Transfers are used to:

1. Move revenue from the fund that statute or budget required to collect them to the fund that statute or budget requires to expend them.

NOTE 9 - PENSION AND RETIREMENT FUND COMMITMENTS

For police officers hired on or before January 1, 1984, the City provides pension benefits through a qualified retirement plan which has characteristics of both a defined contribution plan and a defined benefit plan. The plan provides for guaranteed minimum payments calculated to be the greater of defined contributions or 50% of the average wages for the five years preceding retirement. There is one police officer who will benefit from this plan. Based on the latest actuarial valuation report, it is anticipated that the unallocated account is not sufficient to provide the minimum defined benefits for the remaining pre-84 hires. The estimated present value of this shortfall is $52,306.

Police officers hired after January 1, 1984 are covered only by the defined contribution portion of the plan and are not guaranteed any minimum benefits. This plan is the City of South Sioux City 401(a) Money Purchase Plan and is administered by Mission Square Retirement (formerly ICMA Retirement Corporation).

State legislation requires that each police officer and the City contribute an amount equal to 7% of the employee's total salary each month. The City's contributions for each employee (and thereon) are 40% vested after two years of service, 60% vested after four years, 80% vested after five years and 100% vested after seven years; and all police officers shall be 100% vested upon attainment of age sixty while employed by the city as a police officer.

Firefighters are covered under a defined contribution plan and are not guaranteed any minimum benefits. This plan is the City of South Sioux City 401(a) Money Purchase Plan and is administered by Mission Square Retirement (formerly ICMA Retirement Corporation).

State legislation requires that each firefighter contribute 6.5% and the City contribute an amount equal to 13% of the employee's total salary each month. The City's contributions for each employee (and thereon) are 40% vested after four years of service, 60% vested after five years, 80% vested after six years and 100% vested after seven.

The City has no fiduciary responsibility for the pension funds, therefore, no pension trust fund is reported. Funds collected by the City including property taxes are reported in a special revenue fund.

NOTE 9 - PENSION AND RETIREMENT FUND COMMITMENTS – (CONTINUED)

The City maintains an additional defined contribution plan for substantially all other employees. This plan is optional for the employees. If the employee wished to participate, the employee could contribute 3% to receive a City contribution of 3%, 4% to receive a City contribution of 4%, or 5% to receive a City contribution of 5%. Under this plan, the City's contributions for each participant (and interest thereon) are 20% vested after one year of service and increase 20% for each additional year of service with 100% vesting after five years of service. The City's portion is invested with Mission Square Retirement in the City of South Sioux City Nebraska Profit Sharing Plan. The employee has the option of investing his portion with Mission Square Retirement Corporation (Administrator) in the City of South Sioux City 457 Deferred Compensation Plan or Mission Square (Administrator) in the City of South Sioux City Nebraska Money Profit Sharing Plan.

The Police and Fire Pension and City Employee Pension plans are established or may be amended by State Law and/or the City of South Sioux City as applicable.

The City's total payroll for the year ended September 30, 2025, was $8,129,652. Contributions were made as follows:

	Eligible Wages	City Contributions	Employee Contributions
Policemen Total Salaries	$ 2,456,778	$ 214,827	$ 280,483
Fire Total Salaries.....	974,498	126,685	86,272
Active Participants' Base Wages.....	3,084,636	136,555	186,886
	6,515,912	$ 478,067	$ 553,641
Active Participants' Overtime and Employees Not Participating	1,613,740		
	$ 8,129,652		

The City did not make any direct payments to the plan in fiscal year 2025.

NOTE 10 - RISK FINANCING

Beginning in February of 2005, the City began a self-funded plan for health, dental, and vision employee benefits. The City purchased a stop loss policy for medical claims in excess of $35,000 per covered employee and a $50,000 aggregate spec with an aggregate stop loss policy for claims in excess of $1,416,036 for the entire group. A premium is charged to each fund that has employees and is calculated by taking the fixed costs, consisting of the specific stop loss premium, the aggregate stop loss premium, administrative costs, and the maximum risk level that the City is exposed. Liabilities of the fund are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payments and other economic and social factors. Changes in the balances of claims liabilities follow:

	2025
Unpaid claims, beginning of fiscal year	$ 129,441
Incurred claims (including IBNR's)	1,183,652
Claim payments	(1,150,079)
Unpaid claims, end of fiscal year	$ 163,014

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 has elected to purchase commercial insurance to cover against the risk of loss. There have been no significant reductions in insurance coverage from prior years, nor were there settlements in excess of insurance coverage the last three years.

NOTE 11 - NOTES RECEIVABLE

The City has entered into various notes with businesses and organizations in the community, including Community Development Agency in the amount of $157,014, for economic development purposes. The notes have various interest rates and maturity dates. The balances of the notes and the funds that advanced these loans are as follows:

Economic Development Sales Tax	$	931,837
Capital Improvement Sales Tax		27037
Governmental Activities	$	958,874
Component Unit	$	1,117,880

NOTE 12 - DEFICIT FUND BALANCES

The City has two funds with deficit fund balances at September 30, 2025. The City intends to finance these deficits from various resources including; property taxes, general funds, charges to various departments, and capital project debt financing.

The individual fund deficits are as follows:

Northeast Redevelopment Area	$	1,262,394
Harvest Meadows TIF	$	1,816,062
Marina Inn TIF	$	196,441

NOTE 13 - COMMITMENTS

As of September 30, 2025, the City had entered into several construction and engineering contracts totaling $56,736,407 of which $11,676,959 has been expended to date. The remaining balance will be paid as work progresses.

NOTE 14 - BALANCES WITH DISCRETELY PRESENTED COMPONENT UNITS

As of September 30, 2025, the City reported the following balances with its discretely presented component unit:

Due To	Due From		Amount	
Nonmajor Governmental Funds	Community Development Agency	$	443,437	*
Nonmajor Governmental Funds	Community Development Agency	$	603,069	**
Combined Utilities	Community Development Agency	$	37,827	**

* These balances are short-term advances to cover negative cash balances in pooled account.
** These balances are to repay expenditures that should have been paid by the CDA fund.

NOTE 15 - CONTINGENCY

The City receives significant financial assistance from the U.S. government. Entitlement to the resources is generally based on compliance with terms and conditions of the grant agreements and applicable federal regulations, including the expenditure of the resources for eligible purposes. Substantially all grants are subject to financial and compliance audits by the grantors. Any disallowances as a result of these audits become a liability of the fund that receives the grant. As of September 2025, the City estimates that no material liabilities will result from such audits.

NOTE 15 - CONTINGENCY – (CONTINUED)

The City is involved in a legal proceeding arising in the normal course of operations. As of September 30, 2025, the City is a defendant in a contract dispute. A settlement was signed and is effective on October 1, 2025. The settlement states the City will obtain ownership of the former Big Ox property and is required to pay a settlement of $9,750,000 over 10 years, with a payment of $5,000,000 due in 2026. The nature of this transaction is an extraordinary item as it is both unusual in nature and infrequent in occurrence and was recorded as of September 30, 2025 because the condition existed at year-end.

NOTE 16 - MAJOR CUSTOMER

During the year ended September 30, 2025, charges for services provided by the combined utilities of the City to Empirical Foods Inc. was $9,816,624. This represents approximately 26.8% of total combined utilities (water, sewer, and electric) charges for services.

NOTE 17 - URBAN RENEWAL DEVELOPMENT AGREEMENTS

The City has entered into one development agreement for an urban renewal project. The agreement requires the City to rebate portions of the incremental property tax paid by the developer in exchange for infrastructure improvements, rehabilitation and development of commercial projects by the developer. The total to be paid by the City under the agreement is not to exceed $630,900.

The total cumulative principal amount rebated on the agreements is $315,450. The outstanding balance on the agreements at September 30, 2025 was $315,450.

The agreements are not general obligations of the City and, due to their nature, are not recorded as a liability in the City's financial statements. However, the agreements are subject to the constitutional debt limitation of the City.

Certain agreements include an annual appropriation clause and, accordingly, only the amount payable in the succeeding year on the agreements is subject to the constitutional debt limitation. The entire outstanding principal balance of agreements not including an annual appropriation clause is subject to the constitutional debt limitation.

NOTE 18 - TAX ABATEMENTS

Governmental Accounting Standards Board Statement No. 77 defines tax abatements as a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments.

City Tax Abatements

The City provides tax abatements for urban renewal and economic development projects with tax increment financing as established under the auspices of State Statute (Article 21, Section 18-2101-2144) empowering cities and counties to establish such programs. For these types of projects, the City enters into agreements with developers which require the City, after developers meet the terms of the agreements, to rebate a portion of the property tax paid by the developers, to pay the developers an economic development grant or to pay the developers a predetermined dollar amount. No other commitments were made by the City as part of these agreements. The City did not abate any property taxes under the urban renewal and economic development projects.

NOTE 18 - TAX ABATEMENTS – (CONTINUED)

The Employment and Investment Growth Act and the Nebraska Advantage Act under State Legislative Bills 775 and 312 grants tax credits and sales tax refunds for companies that meet certain qualified economic development requirements. 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.

Taxes abated under these programs for the fiscal year ended September 30, 2025 were $208,434.

Note 19 - CORRECTION OF ERROR

It was determined in the current year that the City had misstated interfund financing balances between the TIF fund, street project fund, and combined utilities fund. The effects of fund balance/net position are as follows:

	Street Projects	Nonmajor Governmental	Combined Utilities	Governmental Activities	Business-Type Activities
Fund Balance/Net Position					
Beginning of Year, as previously reported	$ 7,072,891	$ 9,706,950	$ 81,092,655	$ 82,679,119	$ 81,092,655
Correction of an Error	57,911	227,053	(284,964)	284,964	(284,964)
Fund Balance/Net Position					
Beginning of Year, as restated	$ 7,130,802	$ 9,934,003	$ 80,807,691	$ 82,964,083	$ 80,807,691

Note 20 - CHANGE IN ACCOUNTING PRINCIPLE

During fiscal year 2025, the City implemented GASB Statement No. 101, Compensated Absences. Statement 101 establishes a single recognition and measurement model for all forms of unused leave that (a) is attributable to services already rendered, (b) accumulates, (c) is more-likely-then-not to be used or paid. No material changes to the financial statements were deemed necessary.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF SOUTH SIOUX CITY, NEBRASKA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE, BUDGET AND ACTUAL, GENERAL FUND - BUDGETARY BASIS
For the Year Ended September 30, 2025

	Budgeted Original & Final	Actual	Variance with Final Budget Positive (Negative)
Revenue:			
Taxes	$ 3,268,672	$ 3,315,472	$ 46,800
Other Taxes	1,232,863	1,308,293	75,430
Licenses and Permits	4,400	9,325	4,925
Intergovernmental	9,694,460	4,409,304	(5,285,156)
Charges for Services	840,069	766,817	(73,252)
Fines and Forfeits	20,000	12,056	(7,944)
Lottery Revenue	145,000	151,713	6,713
Interest on Investments	-	455,080	455,080
Rental Income	172,200	142,169	(30,031)
Contributions	-	70	70
Reimbursements	-	53,384	53,384
Miscellaneous	505,954	191,500	(314,454)
Total Revenue	15,883,618	10,815,183	(5,068,435)
Expenditures:			
General Government	1,485,750	1,348,194	137,556
Public Safety	5,546,972	5,349,116	197,856
Public Works	2,675,302	1,889,157	786,145
Culture and Recreation	1,092,458	997,052	95,406
Community Development	5,550,000	93,565	5,456,435
Debt Service	-	25,558	(25,558)
Total Expenditures	16,350,482	9,702,642	6,647,840
Excess (Deficiency) of revenues over expenditures	(466,864)	1,112,541	1,579,405
Other financing sources (uses):			
Proceeds from Issuance of Lease	-	32,966	(32,966)
Transfers In	-	71,133	(71,133)
Transfers Out	(14,400)	(14,400)	-
Total other financing sources (uses)	(14,400)	89,699	(104,099)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	$ (481,264)	1,202,240	$ 1,475,306
Fund balances - beginning of year		7,042,993	
Fund balances - end of year		$ 8,245,233	

CITY OF SOUTH SIOUX CITY, NEBRASKA
Notes to Required Supplementary Information – Budgetary Reporting
September 30, 2025

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

1. On or around May 1, the City's department and division heads prepare and submit budget requests for the following fiscal year to the City Administrator who then reviews the requests with the department and division heads.

2. After this review process has been completed, the City Administrator presents these budget requests to the Mayor and City Council along with his recommendations as to what changes, if any, should be made. These budget requests and recommendations are reviewed by the Finance Committee of the City Council at meetings open to the public.

3. A public hearing on the budget is then conducted at a City Council meeting to obtain citizen comments.

4. Prior to October 1, the City legally enacts the ensuing fiscal year's budget for all funds, except the Library Foundation Special Revenue Fund through the passage of an ordinance, which establishes the legal level of control (the level on which expenditures may not legally exceed appropriations) at the total governmental fund level.

   Proposed expenditures, which are expected to exceed the fund's total appropriation, require amendment by the City Council. The legal level of budgetary control is at the total governmental fund level. Expenditures in excess of the amount budgeted within individual funds do not require amendment by the City Council.

5. Formal budgetary integration is employed as a management control device during the year for all Governmental and Proprietary Funds, except for the Internal Service Fund.

6. The budgets adopted are stated on a cash basis. Budgetary comparisons are presented in the financial statements for the governmental funds and are on this budgetary basis, which is not in accordance with accounting principles generally accepted in the United States.

There were no budget amendments during the year that changed the original total expenditures.

The South Sioux City Community Foundation meets the requirements to be reported as a blended component unit of the City. The Foundation did not adopt a budget, therefore, no budgetary information is presented.

CITY OF SOUTH SIOUX CITY, NEBRASKA
Notes to Required Supplementary Information – Budgetary Reporting
September 30, 2025

BUDGETARY CONTROL

The annual appropriated budget adopted by the City is prepared on a cash basis and, therefore, the budgetary basis differs from that used to present the financial statements in accordance with accounting principles generally accepted in the United States (GAAP). Such differences and their effect on the respective funds reported operations are summarized as follows:

	General
Excess (Deficiency) of revenues and other financial sources over expenditures and other financial uses, on a budgetary basis	$ 1,202,240
Basis differences:	
To adjust revenues from recognition on a cash basis	(283,046)
To adjust total expenditures from recognition on a cash basis	64,736
Excess (Deficiency) of revenues and other financial sources over expenditures and other financial uses, on a GAAP basis (page 33)	$ 983,930

	Total Governmental Funds (Excluding Special Revenue Fund - Foundation)
Expenditures and other financing uses, on a budgetary basis	$ (29,154,978)
Basis Differences:	
To adjust total expenditures from recognition on a cash basis	2,857,284
Expenditures and other financing uses, on a GAAP basis	$ (26,297,694)

The following schedule demonstrates the City's legal compliance to the budget:

Fund	Budget	Actual	Variance Over (Under) Budget
Governmental Funds Expenditures	$ 36,498,309	$ 26,297,694	$ (10,200,615)

SUPPLEMENTARY INFORMATION

CITY OF SOUTH SIOUX CITY
COMBINING FUND STATEMENTS
GOVERNMENTAL FUNDS

NON MAJOR FUNDS

DEBT SERVICE – The Debt Service Fund is used to account for the accumulations of resources for, and the payment of, general long-term debt principal, interest, and related costs.

SPECIAL REVENUE FUNDS - Special Revenue Funds are used to account for the proceeds of specific revenue (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

Capital Improvement Sales Tax – To account for the collection of sales tax, which is then transferred to the General Fund for property tax relief.

Library – To account for the collection of property taxes restricted for the Library.

Fire – To account for the collection of property taxes restricted for the Fire Department.

County/LEC Sales Tax – To account for the collection of sales tax which is restricted for the Law Enforcement Center.

TIF Funds – The City creates various TIF districts to finance capital projects. The TIF funds are used to account for the collection of TIF revenues in each TIF district.

Opioids Settlement Fund – To account for the monies received from the opioid law suit settlements the City receives.

Police Pension – To account for the collection of property taxes restricted for the Police Pension Fund.

Wireless 911 Fund – To account for collection of 911 revenues that are restricted for 911 operations.

Economic Development Sales Tax – To account for sales tax restricted for economic development.

Public Safety Sales Tax – To account for the collection of sales tax, which is then transferred to the Fire Fund to finance additional staff salaries

South Sioux City Community Foundation – To account for the activity of the South Sioux City Community Foundation, a blended component unit of the City.

CAPITAL PROJECTS FUNDS – Capital Projects Funds are established to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary funds and trust funds.

Capital Project Funds – To account for expenditures related to major capital projects.

CITY OF SOUTH SIOUX CITY, NEBRASKA
COMBINING BALANCE SHEET
Governmental Nonmajor Funds
SEPTEMBER 30, 2025

		Special Revenue	
	Debt Service	Capital Improvement Sales Tax	Library
Assets			
Cash and Cash Equivalents	$ 656,273	$ 502,779	$ 275,474
Certificates of Deposit	-	-	-
Investments	166,432	1,600,644	347,935
Receivables (net, where applicable, of allowance for uncollectibles)			
Taxes	-	-	93,959
Accounts	-	-	-
Accrued Interest	-	-	-
Lease Receivable	-	-	-
Notes Receivable	-	27,037	-
Due from Other Funds	-	-	-
Due from Other Governmental Agencies	-	650,854	-
Due from Component Unit	-	-	-
Land Held for Resale, At Cost	-	-	-
Advances to Other Funds	-	-	-
Restricted Assets:			
Certificates of Deposit	-	-	-
Total Assets	822,705	2,781,314	717,368
Liabilities			
Accounts Payable	-	113,994	544
Other Accrued Liabilities	-	-	4,850
Accrued Wages	-	-	3,099
Due to Other Funds	-	417	-
Advances from Other Funds	-	-	-
Total Liabilities	-	114,411	8,493
Deferred Inflows of Resources			
Unavailable Revenue - Property Tax	-	-	23,433
Unavailable Revenue - Accrued Interest Receivable	-	-	-
Unavailable Revenue - Lease Related Deferred Inflows	-	-	-
Total Deferred Inflows of Resources	-	-	23,433
Fund Balances:			
Restricted for:			
Capital Improvements	-	2,666,903	-
Debt Service	822,705	-	-
Specific Tax Levy Purposes	-	-	685,442
LEC Purposes	-	-	-
Tax Increment Financing Purposes	-	-	-
Wireless 911	-	-	-
Economic Development	-	-	-
Public Safety Purposes	-	-	-
Opioids Settlement	-	-	-
South Sioux City Community Foundation	-	-	-
Unassigned	-	-	-
Total Fund Balances	822,705	2,666,903	685,442
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 822,705	$ 2,781,314	$ 717,368

Special Revenue						
Fire	All America City TIF	County/LEC Sales Tax	Opioids Settlement Fund	W 25th-39th TIF	Roth TIF
$ 430,827	$ -	$ 194,051	$ 35,442	$ 144,733	$ 796,568
-	-	-	-	-	-
301,135	130,106	168,916	-	1,256,872	-
41,514	-	-	-	14,306	544
175,389	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	110,274
739	-	-	-	-	-
-	310,472	-	-	-	443,437
-	258,346	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
949,604	698,924	362,967	35,442	1,415,911	1,350,823
27,703	-	-	-	-	-
15,583	-	-	-	-	-
5,606	-	-	-	-	-
-	110,274	-	-	-	-
-	-	-	-	-	-
48,892	110,274	-	-	-	-
10,353	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
10,353	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
890,359	-	-	-	-	-
-	-	362,967	-	-	-
-	588,650	-	-	1,415,911	1,350,823
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	35,442	-	-
-	-	-	-	-	-
-	-	-	-	-	-
890,359	588,650	362,967	35,442	1,415,911	1,350,823
$ 949,604	$ 698,924	$ 362,967	$ 35,442	$ 1,415,911	$ 1,350,823

(Continued)

CITY OF SOUTH SIOUX CITY, NEBRASKA
COMBINING BALANCE SHEET
Governmental Nonmajor Funds - (Continued)
SEPTEMBER 30, 2025

	Special Revenue		
	W 29th & Hwy 77 TIF	Riverview HCI - Flatwater TIF	Police Pension
Assets			
Cash and Cash Equivalents	$ 41,793	$ -	$ 104,532
Certificates of Deposit	-	-	-
Investments	-	-	178,023
Receivables (net, where applicable, of allowance for uncollectibles)			
Taxes	10,523	17,949	28,502
Accounts	-	-	-
Accrued Interest	-	-	-
Lease Receivable	1,025,430	-	-
Notes Receivable	-	-	-
Due from Other Funds	-	-	-
Due from Other Governmental Agencies	-	-	-
Due from Component Unit	292,597	-	-
Land Held for Resale, At Cost	-	-	-
Advances to Other Funds	-	-	-
Restricted Assets:			
Certificates of Deposit	-	-	-
Total Assets	1,370,343	17,949	311,057
Liabilities			
Accounts Payable	-	-	-
Other Accrued Liabilities	-	-	-
Accrued Wages	-	-	-
Due to Other Funds	-	-	-
Advances from Other Funds	196,280	-	-
Total Liabilities	196,280	-	-
Deferred Inflows of Resources			
Unavailable Revenue - Property Tax	-	-	7,108
Unavailable Revenue - Accrued Interest Receivable	-	-	-
Unavailable Revenue - Lease Related Deferred Inflows	977,926	-	-
Total Deferred Inflows of Resources	977,926	-	7,108
Fund Balances:			
Restricted for:			
Capital Improvements	-	-	-
Debt Service	-	-	-
Specific Tax Levy Purposes	-	-	303,949
LEC Purposes	-	-	-
Tax Increment Financing Purposes	196,137	17,949	-
Wireless 911	-	-	-
Economic Development	-	-	-
Public Safety Purposes	-	-	-
Opioids Settlement	-	-	-
South Sioux City Community Foundation	-	-	-
Unassigned	-	-	-
Total Fund Balances	196,137	17,949	303,949
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 1,370,343	$ 17,949	$ 311,057

Special Revenue					
Wireless 911 Fund	Economic Development Sales Tax	Public Safety Sales Tax	South Sioux City Community Foundation	Northeast Redevelopment Area TIF	Harvest Meadows Area TIF
$ 23,608	$ 251,076	$ 180,944	$ 155,416	$ -	$ -
-	-	-	161,958	-	-
-	-	-	-	-	-
-	-	-	-	9,372	-
-	-	-	-	-	-
-	38,127	-	-	-	-
-	-	-	-	-	-
-	931,837	-	-	-	-
-	417	-	-	-	-
-	26,316	131,578	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	196,280	-	-	-	-
-	-	-	124,038	-	-
23,608	1,444,053	312,522	441,412	9,372	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	1,271,766	1,816,062
-	-	-	-	-	-
-	-	-	-	1,271,766	1,816,062
-	-	-	-	-	-
-	38,127	-	-	-	-
-	-	-	-	-	-
-	38,127	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
23,608	-	-	-	-	-
-	1,405,926	-	-	-	-
-	-	312,522	-	-	-
-	-	-	-	-	-
-	-	-	441,412	-	-
-	-	-	-	(1,262,394)	(1,816,062)
23,608	1,405,926	312,522	441,412	(1,262,394)	(1,816,062)
$ 23,608	$ 1,444,053	$ 312,522	$ 441,412	$ 9,372	$ -

(Continued)

CITY OF SOUTH SIOUX CITY, NEBRASKA
COMBINING BALANCE SHEET
Governmental Nonmajor Funds - (Continued)
SEPTEMBER 30, 2025

	Special Revenue	Capital Projects	Total
	Marina Inn TIF	Misc Projects	Governmental Nonmajor Funds
Assets			
Cash and Cash Equivalents	$ -	$ 97,383	$ 3,890,899
Certificates of Deposit	-	-	161,958
Investments	-	-	4,150,063
Receivables (net, where applicable, of allowance for uncollectibles)			
Taxes	-	-	216,669
Accounts	-	-	175,389
Accrued Interest	-	-	38,127
Lease Receivable	-	-	1,025,430
Notes Receivable	-	-	958,874
Due from Other Funds	-	-	110,691
Due from Other Governmental Agencies	-	-	809,487
Due from Component Unit	-	-	1,046,506
Land Held for Resale, At Cost	-	-	258,346
Advances to Other Funds	-	-	196,280
Restricted Assets:			
Certificates of Deposit	-	-	124,038
Total Assets	-	97,383	13,162,757
Liabilities			
Accounts Payable	-	-	142,241
Other Accrued Liabilities	-	-	20,433
Accrued Wages	-	-	8,705
Due to Other Funds	196,441	-	3,394,960
Advances from Other Funds	-	-	196,280
Total Liabilities	196,441	-	3,762,619
Deferred Inflows of Resources			
Unavailable Revenue - Property Tax	-	-	40,894
Unavailable Revenue - Accrued Interest Receivable	-	-	38,127
Unavailable Revenue - Lease Related Deferred Inflows	-	-	977,926
Total Deferred Inflows of Resources	-	-	1,056,947
Fund Balances:			
Restricted for:			
Capital Improvements	-	97,383	2,764,286
Debt Service	-	-	822,705
Specific Tax Levy Purposes	-	-	1,879,750
LEC Purposes	-	-	362,967
Tax Increment Financing Purposes	-	-	3,569,470
Wireless 911	-	-	23,608
Economic Development	-	-	1,405,926
Public Safety Purposes	-	-	312,522
Opioids Settlement	-	-	35,442
South Sioux City Community Foundation	-	-	441,412
Unassigned	(196,441)	-	(3,274,897)
Total Fund Balances	(196,441)	97,383	8,343,191
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ -	$ 97,383	$ 13,162,757

CITY OF SOUTH SIOUX CITY, NEBRASKA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
Governmental Nonmajor Funds
For the Year Ended September 30, 2025

	Special Revenue		
	Debt Service	**Capital Improvement Sales Tax**	**Library**
Revenue:			
Property Taxes	$ -	$ -	$ 745,702
Franchise Taxes	350,000	-	-
Local Option Sales Taxes	-	1,569,059	-
Intergovernmental	-	1,186,650	60,704
Charges for Services	-	-	-
Fines and Forfeits	-	-	1,447
Interest on Investments	7,124	92,890	14,892
Rental Income	-	-	10,286
Contributions	-	-	-
Miscellaneous	-	36,063	12,117
Total Revenue	357,124	2,884,662	845,148
Expenditures:			
Current:			
Public Safety	-	909,265	-
Culture and Recreation	-	1,378,483	771,069
Community Development	-	-	-
Capital Projects	-	-	-
Debt Service	-	55,000	-
Total Expenditures	-	2,342,748	771,069
Excess (deficiency) of revenues over expenditures	357,124	541,914	74,079
Other financing sources (uses):			
Inception of Lease	-	107,741	-
Proceeds from Sale of Captial Assets	-	-	-
Interfund Transfers In	-	-	-
Interfund Transfers Out	(84,425)	(828,434)	-
Total other financing sources (uses)	(84,425)	(720,693)	-
Net Change in Fund Balance	272,699	(178,779)	74,079
Fund balances (deficits) - beginning of year	550,006	2,845,682	611,363
Correction of an Error	-	-	-
Fund balances (deficits) - beginning of year, as restated	550,006	2,845,682	611,363
Fund balances (deficits) - end of year	$ 822,705	$ 2,666,903	$ 685,442

Special Revenue						
Fire	All America City TIF	County/LEC Sales Tax	Opioids Settlement Fund	W 25th-39th TIF	Roth TIF	
$ 329,991	$ -	$ -	$ -	$ 193,256	$ 609,772	
-	-	-	-	-	-	
-	-	-	-	-	-	
218,545	-	-	-	-	-	
375,333	-	-	-	-	-	
-	-	-	-	-	-	
1,135	15,059	7,230	-	40,956	-	
100	-	-	-	-	-	
-	-	-	-	-	-	
12,595	-	14,400	10,067	-	-	
937,699	15,059	21,630	10,067	234,212	609,772	
1,904,426	-	87,144	-	-	-	
-	-	-	-	-	-	
-	233,661	-	-	-	581,478	
-	-	-	-	-	-	
-	-	-	-	-	-	
1,904,426	233,661	87,144	-	-	581,478	
(966,727)	(218,602)	(65,514)	10,067	234,212	28,294	
-	-	-	-	-	-	
-	35,606	-	-	-	-	
1,224,000	-	14,400	-	-	-	
-	-	-	-	-	(212,771)	
1,224,000	35,606	14,400	-	-	(212,771)	
257,273	(182,996)	(51,114)	10,067	234,212	(184,477)	
633,086	771,646	414,081	25,375	1,181,699	1,535,300	
-	-	-	-	-	-	
633,086	771,646	414,081	25,375	1,181,699	1,535,300	
$ 890,359	$ 588,650	$ 362,967	$ 35,442	$ 1,415,911	$ 1,350,823	

(Continued)

CITY OF SOUTH SIOUX CITY, NEBRASKA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
Governmental Nonmajor Funds - (Continued)
For the Year Ended September 30, 2025

	Special Revenue		
	W 29th & Hwy 77 TIF	Riverview HCI - Flatwater TIF	Police Pension
Revenue:			
Property Taxes	$ 471,868	$ 217,634	$ 226,849
Franchise Taxes	-	-	-
Local Option Sales Taxes	-	-	-
Intergovernmental	-	-	-
Charges for Services	-	-	-
Fines and Forfeits	-	-	-
Interest on Investments	28,277	-	7,620
Rental Income	64,487	-	-
Contributions	-	-	-
Miscellaneous	-	-	-
Total Revenue	564,632	217,634	234,469
Expenditures:			
Current:			
Public Safety	-	-	215,264
Culture and Recreation	-	-	-
Community Development	-	294,323	-
Capital Projects	16,184	-	-
Debt Service	-	-	-
Total Expenditures	16,184	294,323	215,264
Excess (deficiency) of revenues over expenditures	548,448	(76,689)	19,205
Other financing sources (uses):			
Payment to Refunded Bond Escrow Agent	-	-	-
Proceeds from Sale of Captial Assets	-	-	-
Interfund Transfers In	-	-	-
Interfund Transfers Out	(267,445)	-	-
Total other financing sources (uses)	(267,445)	-	-
Net Change in Fund Balance	281,003	(76,689)	19,205
Fund balances (deficits) - beginning of year	(84,866)	94,638	284,744
Correction of an Error	-	-	-
Fund balances (deficits) - beginning of year, as restated	(84,866)	94,638	284,744
Fund balances (deficits) - end of year	$ 196,137	$ 17,949	$ 303,949

Special Revenue						
Wireless 911 Fund	Economic Development Sales Tax	Public Safety Sales tax	South Sioux City Community Foundation	Northeast Redevelopment Area TIF	Harvest Meadows Area TIF
$ -	$ -	$ -	$ -	$ 592,499	$ -
-	-	-	-	-	-
-	145,959	729,796	-	-	-
75,341	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	9,181	-	6,061	-	-
-	-	-	-	-	-
-	-	-	38,900	-	-
-	-	-	-	-	-
75,341	155,140	729,796	44,961	592,499	-
-	-	-	-	-	-
-	-	-	-	-	-
-	39,000	-	37,655	509,427	-
-	-	-	-	-	-
-	-	-	228,434	48,284	-
-	39,000	-	266,089	557,711	-
75,341	116,140	729,796	(221,128)	34,788	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	228,434	-	-
(71,133)	-	(624,000)	-	(321,530)	(1,816,062)
(71,133)	-	(624,000)	228,434	(321,530)	(1,816,062)
4,208	116,140	105,796	7,306	(286,742)	(1,816,062)
19,400	1,289,786	206,726	434,106	(1,202,705)	-
-	-	-	-	227,053	-
19,400	1,289,786	206,726	434,106	(975,652)	-
$ 23,608	$ 1,405,926	$ 312,522	$ 441,412	$ (1,262,394)	$ (1,816,062)

(Continued)

CITY OF SOUTH SIOUX CITY, NEBRASKA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
Governmental Nonmajor Funds - (Continued)
For the Year Ended September 30, 2025

	Special Revenue	Capital Projects	Total
	Marina Inn TIF	Misc Projects	Governmental Nonmajor Funds
Revenue:			
Property Taxes	$ -	$ -	$ 3,387,571
Franchise Taxes	-	-	350,000
Local Option Sales Taxes	-	-	2,444,814
Intergovernmental	-	-	1,541,240
Charges for Services	-	-	375,333
Fines and Forfeits	-	-	1,447
Interest on Investments	-	-	230,425
Rental Income	-	-	74,873
Contributions	-	-	38,900
Miscellaneous	-	-	85,242
Total Revenue	-	-	8,529,845
Expenditures:			
Current:			
Public Safety	-	-	3,116,099
Culture and Recreation	-	-	2,149,552
Community Development	-	-	1,695,544
Capital Projects	-	-	16,184
Debt Service	-	540,520	872,238
Total Expenditures	-	540,520	7,849,617
Excess (deficiency) of revenues over expenditures	-	(540,520)	680,228
Other financing sources (uses):			
Payment to Refunded Bond Escrow Agent	-	-	107,741
Proceeds from Sale of Captial Assets	-	-	35,606
Interfund Transfers In	-	541,020	2,007,854
Interfund Transfers Out	(196,441)	-	(4,422,241)
Total other financing sources (uses)	(196,441)	541,020	(2,271,040)
Net Change in Fund Balance	(196,441)	500	(1,590,812)
Fund balances (deficits) - beginning of year	-	96,883	9,706,950
Correction of an Error	-	-	227,053
Fund balances (deficits) - beginning of year, as restated	-	96,883	9,934,003
Fund balances (deficits) - end of year	$ (196,441)	$ 97,383	$ 8,343,191

CITY OF SOUTH SIOUX CITY, NEBRASKA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
Custodial Funds
September 30, 2025

	FLEX	Freedom Park	Total
Assets			
Cash and temporary cash investments	$ 17,608	$ 342,192	$ 359,800
Total Assets	17,608	342,192	359,800
Liabilities			
Accounts payable and other liabilities	17,608	135	17,743
Total Liabilities	17,608	135	17,743
Net Position			
Restricted for Individuals and other Organizations	-	342,057	342,057
Total Net Position	$ -	$ 342,057	$ 342,057

CITY OF SOUTH SIOUX CITY, NEBRASKA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
Custodial Funds
For the Year Ended September 30, 2025

	FLEX	Freedom Park	Total
Additions:			
Local sources:			
Other	$ -	$ 179,025	$ 179,025
Interest Income	66	2,728	2,794
Miscellaneous	64,691	3,592	68,283
Total additions	64,757	185,345	250,102
Deductions:			
Services	-	119,714	119,714
Supplies	-	68,405	68,405
Miscellaneous	64,757	2,724	67,481
Total deductions	64,757	190,843	255,600
Change in net position	-	(5,498)	(5,498)
Net position beginning of year	-	347,555	347,555
Net position end of year	$ -	$ 342,057	$ 342,057

CITY OF SOUTH SIOUX CITY, NEBRASKA
Combining Departmental Schedule of Revenues, Expenses and Changes in Net Position
Combined Utilities
For the Year Ended September 30, 2025
With Comparative Totals for the Year Ended September 30, 2024

	Electric	Water
Revenues:		
Charges for Services	$ 23,845,938	$ 3,024,829
Expenses:		
Production:		
Purchased Power and Services	12,803,246	362,459
Operation and Maintenance:		
Operating Supplies	173,180	424,034
Franchise Fees	929,440	117,898
Repairs and Maintenance	75,485	188,725
	1,178,105	730,657
General Expenses:		
Personnel Services	290,941	499,884
Professional and Schooling	241,012	19,947
Contract Services	101,659	26,517
Engineering Services	3,270	-
Communications	3,773	4,368
Advertising and Publications	-	1,671
Public Relations	-	-
Postage & Freight	2	5,347
Dues & Subscriptions	173,866	1,130
Insurance	72,414	97,368
Utilities	5,296	1,093
Transportation and Fuel	2,558	11,801
Miscellaneous	41,223	90,629
Office Supplies	2,572	2,744
Bad Debt Expense	-	-
Equipment Rental	-	-
	938,586	762,499
Total Operating Expense Before Depreciation	14,919,937	1,855,615
Operating Income (Loss) Before Depreciation and Amortization	8,926,001	1,169,214
Less: Depreciation	1,416,823	553,913
Amortization	-	-
Operating Income (Loss)	$ 7,509,178	$ 615,301

Sewer	Sanitation	General and Administrative Expenses	Totals 2025	2024
$ 8,324,640	$ 921,189	$ 265,180	$ 36,381,776	$ 32,870,308
1,645,010	830,160	-	15,640,875	14,733,212
608,186	300	166,798	1,372,498	903,037
324,468	35,905	10,337	1,418,048	1,309,087
161,731	-	17,567	443,508	785,233
1,094,385	36,205	194,702	3,234,054	2,997,357
373,085	-	1,509,058	2,672,968	2,535,485
7,725	113	337,051	605,848	530,329
771,041	-	118,017	1,017,234	1,386,733
44,630	-	-	47,900	38,747
4,169	-	20,697	33,007	31,916
1,601	-	85,448	88,720	90,029
-	-	7,737	7,737	2,793
200	-	84,391	89,940	76,878
28,457	-	84,314	287,767	191,432
191,998	-	211,331	573,111	472,693
601,966	-	12,231	620,586	378,456
6,562	-	2,640	23,561	23,758
131,543	-	185,417	448,812	633,346
(51,843)	-	6,368	(40,159)	23,904
-	-	67,456	67,456	51,373
-	-	3,507	3,507	21,400
2,111,134	113	2,735,663	6,547,995	6,489,272
4,850,529	866,478	2,930,365	25,422,924	24,219,841
3,474,111	54,711	(2,665,185)	10,958,852	8,650,467
604,354	-	510,166	3,085,256	3,032,613
-	-	3,216	3,216	2,555
$ 2,869,757	$ 54,711	$ (3,178,567)	$ 7,870,380	$ 5,615,299

(Continued)

CITY OF SOUTH SIOUX CITY, NEBRASKA
Combining Departmental Schedule of Revenues, Expenses and Changes in Net Position
Combined Utilities
For the Year Ended September 30, 2025
With Comparative Totals for the Year Ended September 30, 2024

(Continued)

	Totals	
	2025	**2024**
Nonoperating Revenues (Expense):		
Interest Income	$ 935,790	$ 958,422
Intergovernmental Revenue	177,792	365,977
Local Option Sales Tax	729,796	678,106
Miscellaneous Revenue	1,432,969	96,671
Interest Expense	(698,547)	(698,683)
Total Nonoperating Income (Expense)	2,577,800	1,400,493
Income before contributions and transfers	10,448,180	7,015,792
Capital Contributions	570,994	556,892
Extraordinary Item - Settlement Expense	(9,750,000)	-
Transfers In	732,025	13,498
Transfers (Out)	(456,595)	(434,585)
Change in Net Position	1,544,604	7,151,597
Net Position at Beginning of Year	81,092,655	73,941,058
Correction of an Error	(284,964)	-
Net Position at Beginning of Year - Restated	80,807,691	73,941,058
Net Position at End of Year	$ 82,352,295	$ 81,092,655

CITY OF SOUTH SIOUX CITY, NEBRASKA
SCHEDULE OF NET POSITION
Discretely Presented Component Unit
Community Development Agency
SEPTEMBER 30, 2025

	CDA
Assets	
Cash and Cash Equivalents	$ 500
Certificates of Deposit	3,000,000
Investments	808,444
Receivables (net, where applicable, of allowance for uncollectibles)	
Accounts	6,758
Accrued Interest	79,857
Lease Receivable	598,669
Notes Receivable	1,117,880
Land Held for Resale, At Cost	3,294,720
Land	2,205
Infrastructure, Property and Equipment, Net of Accumulated Depreciation	1,915,081
Total Assets	10,824,114
Liabilities	
Accounts Payable	3,088
Accrued Interest Payable	113,744
Unearned Revenue	
Due to Primary Government	1,084,333
Notes Payable	3,157,014
Total Liabilities	4,358,179
Deferred Inflows of Resources	
Unavailable Revenue - Lease Related Deferred Inflows	581,000
Total Deferred Inflows of Resources	581,000
Net Position	
Net Investment in Capital Assets	1,917,286
Unrestricted	3,967,649
Total Net Position	$ 5,884,935

CITY OF SOUTH SIOUX CITY, NEBRASKA
SCHEDULE OF ACTIVITIES
Discretely Presented Component Unit
Community Development Agency
For the Year Ended September 30, 2025

		CDA
Operating Revenues:		
Rental Income	$	328,992
Miscellaneous		26,313
Total Operating Revenue		355,305
Operating Expenses:		
Community Development		810,016
Depreciation		72,458
Total Operating Expenses		882,474
Operating (Loss)		(527,169)
Non-Operating Income (Expense):		
Tenant Reimbursement		312,480
Gain on Sale of Land		5,000
Interest Income		383,730
Interest Expense		(311,713)
Total Non-Operating Income		389,497
Total Income before Contributions		(137,672)
Change in Net Position		(137,672)
Net Position - beginning of year		6,022,607
Net Position - end of year	$	5,884,935

CITY OF SOUTH SIOUX CITY, NEBRASKA
STATEMENT OF CASH FLOWS
Discretely Presented Component Unit
Community Development Agency
For the Year Ended September 30, 2025

	CDA
Cash Flows From Operating Activities:	
Cash Received from Customers	$ 411,584
Cash Paid to Suppliers for Goods and Services	(829,519)
Net Cash (Used) for Operating Activities	(417,935)
Cash Flows From Capital and Related Financing Activities:	
Acquisition and Construction of Capital Assets	(448,543)
Principal Paid on Notes	(213,416)
Interest Paid on Bonds	(309,181)
Receipts from Other Governments	1,006,825
Net Cash Provided from Capital and Related Financing Activities	35,685
Cash Flows From Investing Activities:	
Interest and Dividends on Investments	319,236
Purchase of Investments	(310,472)
Proceeds from Sale of Land Held for Resale	10,000
Receipts from Notes Receivable	36,400
Net Cash Provided from Investing Activities	55,164
Net (Decrease) in Cash and Cash Equivalents	(327,086)
Cash and Cash Equivalents at Beginning of Year	327,586
Cash and Cash Equivalents at End of Year	$ 500
Reconciliation of Operating (Loss) to Net Cash (Used) for Operating Activities:	
Operating (Loss)	$ (527,169)
Adjustments to Reconcile Net Operating (Loss) to Net Cash (Used) for Operating Activities:	
Depreciation	72,458
Other Non-Operating Income	
Other Non-Operating Expenses	18,356
(Increase) Decrease in Assets:	
Accounts Receivable	38,809
Increase (Decrease) in Liabilities:	
Accounts Payable	(20,389)
Total Adjustments	109,234
Net Cash (Used) for Operating Activities	$ (417,935)

CITY OF SOUTH SIOUX CITY, NEBRASKA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE, BUDGET AND ACTUAL, NONMAJOR SPECIAL REVENUE FUNDS - BUDGETARY BASIS
For the Year Ended September 30, 2025

	Capital Improvement Sales Tax			Library		
	Budgeted Original & Final	Actual	Variance With Final Budget Positive (Negative)	Budgeted Original & Final	Actual	Variance With Final Budget Positive (Negative)
Revenue:						
Taxes	$ -	$ -	$ -	$ 750,712	$ 750,957	$ 245
Other Taxes	1,460,000	1,569,059	109,059	-	-	-
Intergovernmental	1,261,000	1,041,377	(219,623)	34,180	60,704	26,524
Charges for Services	-	-	-	-	-	-
Fines and Forfeits	-	-	-	1,500	1,447	(53)
Interest on Investments	50,000	92,890	42,890	12,500	14,892	2,392
Rental Income	-	-	-	14,000	10,286	(3,714)
Miscellaneous	50,000	36,063	(13,937)	7,250	12,117	4,867
Total Revenue	2,821,000	2,739,389	(81,611)	820,142	850,403	30,261
Expenditures:						
Public Safety	615,300	909,265	(293,965)	-	-	-
Culture and Recreation	1,807,000	1,309,438	497,562	864,142	781,596	82,546
Community Development	-	-	-	-	-	-
Debt Service	228,434	40,583	187,851	-	-	-
Total Expenditures	2,650,734	2,259,286	391,448	864,142	781,596	82,546
Excess (deficiency) of revenues over expenditures	170,266	480,103	309,837	(44,000)	68,807	112,807
Other financing sources (uses):						
Proceeds from Sale of Capital Assets	-	-	-	-	-	-
Proceeds from Sale of Uncaptialized Assets	-	-	-	-	-	-
Issuance of Lease	-	107,741	107,741	-	-	-
Transfers In	-	-	-	-	-	-
Transfers Out	(600,000)	(828,434)	(228,434)	-	-	-
Total other financing sources (uses)	(600,000)	(720,693)	(120,693)	-	-	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	$ (429,734)	(240,590)	$ 189,144	$ (44,000)	68,807	$ 112,807
Fund balances - beginning of year		2,344,013			554,602	
Fund balances - end of year		$ 2,103,423			$ 623,409	

Fire			All America City TIF			County/LEC Sales Tax		
Budgeted Original & Final	Actual	Variance With Final Budget Positive (Negative)	Budgeted Original & Final	Actual	Variance With Final Budget Positive (Negative)	Budgeted Original & Final	Actual	Variance With Final Budget Positive (Negative)
$ 332,683	$ 330,555	$ (2,128)	$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-	-	-
255,000	235,263	(19,737)	-	-	-	-	-	-
359,580	384,276	24,696	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	1,135	1,135	5,000	15,059	10,059	10,000	7,230	(2,770)
(100)	100	200	-	-	-	-	-	-
7,700	12,595	4,895	-	-	-	64,400	14,400	(50,000)
954,863	963,924	9,061	5,000	15,059	10,059	74,400	21,630	(52,770)
2,194,799	1,881,473	313,326	-	-	-	500,000	87,144	412,856
-	-	-	-	-	-	-	-	-
-	-	-	40,000	233,661	(193,661)	-	-	-
-	-	-	-	844,124	(844,124)	-	-	-
2,194,799	1,881,473	313,326	40,000	1,077,785	(1,037,785)	500,000	87,144	412,856
(1,239,936)	(917,549)	322,387	(35,000)	(1,062,726)	(1,027,726)	(425,600)	(65,514)	360,086
-	-	-	432,015	-	(432,015)	-	-	-
-	-	-	-	102,464	102,464	-	-	-
-	-	-	-	-	-	-	-	-
1,240,000	1,224,000	(16,000)	-	-	-	14,400	14,400	-
-	-	-	(625,251)	-	625,251	-	-	-
1,240,000	1,224,000	(16,000)	(193,236)	102,464	295,700	14,400	14,400	-
$ 64	306,451	$ 306,387	$ (228,236)	(960,262)	$ (732,026)	$ (411,200)	(51,114)	$ 360,086
	425,511			1,090,368			414,081	
	$ 731,962			$ 130,106			$ 362,967	

CITY OF SOUTH SIOUX CITY, NEBRASKA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE, BUDGET AND ACTUAL, NONMAJOR SPECIAL REVENUE FUNDS - BUDGETARY BASIS - (Continued)
For the Year Ended September 30, 2025

	Opioids Settlement			W 25th - W 39th TIF		
	Budgeted Original & Final	Actual	Variance With Final Budget Positive (Negative)	Budgeted Original & Final	Actual	Variance With Final Budget Positive (Negative)
Revenue:						
Taxes	$ -	$ -	$ -	$ 253,435	$ 188,675	$ (64,760)
Intergovernmental	-	-	-	-	-	-
Interest on Investments	-	-	-	25,000	40,956	15,956
Rental Income	-	-	-	-	-	-
Miscellaneous	30,000	10,067	(19,933)	-	-	-
Total Revenue	30,000	10,067	(19,933)	278,435	229,631	(48,804)
Expenditures:						
Community Development	51,877	-	51,877	1,558,904	600	1,558,304
Capital Projects	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Total Expenditures	51,877	-	51,877	1,558,904	600	1,558,304
Excess (deficiency) of revenues over expenditures	(21,877)	10,067	31,944	(1,280,469)	229,031	1,509,500
Other financing sources (uses):						
Transfers Out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	$ (21,877)	10,067	$ 31,944	$ (1,280,469)	229,031	$ 1,509,500
Fund balances (deficits) - beginning of year		25,375			1,172,574	
Fund balances (deficits) - end of year		$ 35,442			$ 1,401,605	

Roth TIF			W 29th & Hwy 77 TIF			Riverview HCI Flatwater TIF		
Budgeted Original & Final	Actual	Variance With Final Budget Positive (Negative)	Budgeted Original & Final	Actual	Variance With Final Budget Positive (Negative)	Budgeted Original & Final	Actual	Variance With Final Budget Positive (Negative)
$ 538,583	$ 613,428	$ 74,845	$ 525,000	$ 462,447	$ (62,553)	$ 306,000	$ 294,323	$ (11,677)
-	-	-	-	77,508	77,508	-	-	-
-	-	-	-	28,277	28,277	-	-	-
-	-	-	90,000	54,306	(35,694)	-	-	-
-	-	-	-	-	-	-	-	-
538,583	613,428	74,845	615,000	622,538	7,538	306,000	294,323	(11,677)
751,478	581,478	170,000	-	-	-	306,000	308,947	(2,947)
-	-	-	324,445	-	324,445	-	-	-
-	443,437	(443,437)	-	308,781	(308,781)	-	-	-
751,478	1,024,915	(273,437)	324,445	308,781	15,664	306,000	308,947	(2,947)
(212,895)	(411,487)	(198,592)	290,555	313,757	23,202	-	(14,624)	(14,624)
(751,478)	(212,771)	538,707	-	(267,445)	(267,445)	-	-	-
(751,478)	(212,771)	538,707	-	(267,445)	(267,445)	-	-	-
$ (964,373)	(624,258)	$ 340,115	$ 290,555	46,312	$ (244,243)	$ -	(14,624)	$ (14,624)
	1,531,100			(4,519)			14,624	
	$ 906,842			$ 41,793			$ -	

CITY OF SOUTH SIOUX CITY, NEBRASKA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE, BUDGET AND ACTUAL, NONMAJOR SPECIAL REVENUE FUNDS - BUDGETARY BASIS - (Continued)
For the Year Ended September 30, 2025

	Police Pension			Wireless 911 Fund		
	Budgeted Original & Final	Actual	Variance With Final Budget Positive (Negative)	Budgeted Original & Final	Actual	Variance With Final Budget Positive (Negative)
Revenue:						
Taxes	$ 228,426	$ 228,143	$ (283)	$ -	$ -	$ -
Other Taxes	-	-	-	-	-	-
Intergovernmental	2,500	-	(2,500)	71,133	81,808	10,675
Interest on Investments	8,000	7,620	(380)	-	-	-
Reimbursements	-	-	-	-	-	-
Total Revenue	238,926	235,763	(3,163)	71,133	81,808	10,675
Expenditures:						
Public Safety	507,726	215,264	292,462	-	-	-
Community Development	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Total Expenditures	507,726	215,264	292,462	-	-	-
Excess (deficiency) of revenues over expenditures	(268,800)	20,499	289,299	71,133	81,808	10,675
Other financing sources (uses):						
Transfers Out	-	-	-	(71,133)	(71,133)	-
Total other financing sources (uses)	-	-	-	(71,133)	(71,133)	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	$ (268,800)	20,499	$ 289,299	$ -	10,675	$ 10,675
Fund balances - beginning of year		262,056			12,933	
Fund balances - end of year		$ 282,555			$ 23,608	

Economic Development Sales Tax			Public Safety Sales Tax			Northeast Redevelopment Area TIF		
Budgeted Original & Final	Actual	Variance With Final Budget Positive (Negative)	Budgeted Original & Final	Actual	Variance With Final Budget Positive (Negative)	Budgeted Original & Final	Actual	Variance With Final Budget Positive (Negative)
$ -	$ -	$ -	$ -	$ -	$ -	$ 612,000	$ 583,128	$ (28,872)
130,000	142,836	12,836	676,000	714,185	38,185	-	-	-
-	-	-	-	-	-	-	-	-
-	9,181	9,181	-	-	-	-	-	-
85,000	117,170	32,170	-	-	-	-	-	-
215,000	269,187	54,187	676,000	714,185	38,185	612,000	583,128	(28,872)
-	-	-	-	-	-	-	-	-
225,000	39,000	186,000	-	-	-	612,000	395,723	216,277
-		-	-	-	-	-	48,284	(48,284)
225,000	39,000	186,000	-	-	-	612,000	444,007	167,993
(10,000)	230,187	240,187	676,000	714,185	38,185	-	139,121	139,121
-	-	-	(640,000)	(624,000)	16,000	-	(321,530)	(321,530)
-	-	-	(640,000)	(624,000)	16,000	-	(321,530)	(321,530)
$ (10,000)	230,187	$ 240,187	$ 36,000	90,185	$ 54,185	$ -	(182,409)	$ (182,409)
	21,306			90,759			182,409	
	$ 251,493			$ 180,944			$ -	

CITY OF SOUTH SIOUX CITY, NEBRASKA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE, BUDGET AND ACTUAL, NONMAJOR SPECIAL REVENUE FUNDS - BUDGETARY BASIS - (Continued)
For the Year Ended September 30, 2025

	Harvest Meadows Area TIF			Marina Inn TIF		
	Budgeted Original & Final	Actual	Variance With Final Budget Positive (Negative)	Budgeted Original & Final	Actual	Variance With Final Budget Positive (Negative)
Expenditures:						
Public Safety	-	1,816,062	(1,816,062)	-	-	-
Total Expenditures	-	1,816,062	(1,816,062)	-	-	-
Excess (deficiency) of revenues over expenditures	-	(1,816,062)	(1,816,062)	-	-	-
Other financing sources (uses):						
Transfers Out	-	-	-	-	(196,441)	(196,441)
Total other financing sources (uses)	-	-	-	-	(196,441)	(196,441)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	$ -	(1,816,062)	$ (1,816,062)	$ -	(196,441)	$ (196,441)
Fund balances - beginning of year		-			-	
Fund balances - end of year		$ (1,816,062)			$ (196,441)	

CITY OF SOUTH SIOUX CITY, NEBRASKA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE, BUDGET AND ACTUAL, DEBT SERVICE FUND - BUDGETARY BASIS
For the Year Ended September 30, 2025

	Debt Service		
	Budgeted Original & Final	Actual	Variance with Final Budget Positive (Negative)
Revenue:			
Other Taxes	$ 350,000	$ 350,000	$ -
Interest on Investments	10,000	7,124	(2,876)
Miscellaneous	100,000	-	(100,000)
Total Revenue	460,000	357,124	(102,876)
Excess of revenues over expenditures	460,000	357,124	(102,876)
Other financing sources:			
Transfers Out	(84,425)	(84,425)	-
Total other financing sources	(84,425)	(84,425)	-
Excess of revenues and other financing sources over expenditures and other financing uses	$ 375,575	272,699	$ (102,876)
Fund balances (deficits) - beginning of year		550,006	
Fund balances - end of year		$ 822,705	

CITY OF SOUTH SIOUX CITY, NEBRASKA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE, BUDGET AND ACTUAL, CAPITAL PROJECT FUNDS - BUDGETARY BASIS
For the Year Ended September 30, 2025

	Street Projects			Miscellaneous Projects		
	Budgeted Original & Final	Actual	Variance With Final Budget Positive (Negative)	Budgeted Original & Final	Actual	Variance With Final Budget Positive (Negative)
Revenue:						
Other Taxes	$ 1,413,000	$ 1,683,209	$ 270,209	$ -	$ -	$ -
Special Assessments	575	-	(575)	-	-	-
Intergovernmental	2,031,500	1,456,062	(575,438)	-	-	-
Interest on Investments	125,000	258,383	133,383	-	-	-
Miscellaneous	70,000	960	(69,040)	-	-	-
Total Revenue	3,640,075	3,398,614	(241,461)	-	-	-
Expenditures:						
Capital Projects	6,100,000	5,841,873	258,127	-	-	-
Debt Service	133,015	-	133,015	541,020	540,520	500
Total Expenditures	6,233,015	5,841,873	391,142	541,020	540,520	500
Excess (deficiency) of revenues over expenditures	(2,592,940)	(2,443,259)	149,681	(541,020)	(540,520)	500
Other financing sources (uses):						
Transfers In	-	2,286,728	2,286,728	541,020	541,020	-
Transfers Out	-	(204,504)	(204,504)	-	-	-
Total other financing sources (uses)	-	2,082,224	2,082,224	541,020	541,020	-
Excess (deficiency) of revenues and and other financing sources over expenditures and other financing uses	$ (2,592,940)	(361,035)	$ 2,231,905	$ -	500	$ 500
Fund balances (deficits) - beginning of year		5,746,442			96,883	
Fund balances (deficits) - end of year		$ 5,385,407			$ 97,383	

CITY OF SOUTH SIOUX CITY
STATISTICAL SECTION

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

Contents: Pages

Financial Trends 96 – 105

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

Revenue Capacity 106 – 111

These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

Debt Capacity 112 – 116

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information 117 – 118

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

Operating Information 119 – 121

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

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

CITY OF SOUTH SIOUX CITY, NEBRASKA
Government-Wide Net Position by Component (1)
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2016	**2017**	**2018**	**2019**
Governmental Activities				
Net Investment in Capital Assets	$ 45,731,034	$ 52,416,287	$ 52,978,297	$ 56,315,765
Restricted	5,470,959	5,333,098	5,232,844	6,145,039
Unrestricted	2,472,291	1,419,309	2,256,766	1,228,247
Total Governmental Activities				
Net Position	$ 53,674,284	$ 59,168,694	$ 60,467,907	$ 63,689,051
Business-type Activities				
Net Investment in Capital Assets	$ 26,452,083	$ 29,461,858	$ 29,490,667	$ 32,362,618
Restricted	1,926,965	1,880,669	1,944,999	1,958,696
Unrestricted	8,524,182	6,027,679	6,142,574	6,871,178
Total Business-type Activities				
Net Position	$ 36,903,230	$ 37,370,206	$ 37,578,240	$ 41,192,492
Primary Government				
Net Investment in Capital Assets	$ 72,183,117	$ 81,878,145	$ 82,468,964	$ 88,678,383
Restricted	7,397,924	7,213,767	7,177,843	8,103,735
Unrestricted	10,996,473	7,446,988	8,399,340	8,099,425
Total Primary Government				
Net Position	$ 90,577,514	$ 96,538,900	$ 98,046,147	$104,881,543

Notes:
(1) - Accounting standards require that Net Position be reported in three components in the financial statements: net investment in capital assets; restricted; and unrestricted. Net Position are considered restricted only when (1) an external party, such as the State of Nebraska or the federal government, places a restriction on how the resources may be used, or (2) enabling legislation is enacted by the City.

Table 1

Fiscal Year					
2020	**2021**	**2022**	**2023**	**2024**	**2025**
$ 55,373,600	$ 54,269,846	$ 53,115,278	$ 54,926,879	$ 57,380,411	$ 62,377,868
7,470,831	9,951,029	12,514,049	14,974,247	18,045,901	19,660,619
2,531,176	3,046,049	4,080,949	6,063,058	7,252,807	5,990,757
$ 65,375,607	$ 67,266,924	$ 69,710,276	$ 75,964,184	$ 82,679,119	$ 88,029,244
$ 37,979,852	$ 38,631,531	$ 45,183,371	$ 52,133,669	$ 56,442,895	$ 62,800,381
2,060,748	2,074,215	2,123,407	2,307,856	2,461,804	2,442,900
3,565,186	6,863,379	13,073,433	19,388,370	22,187,956	17,109,014
$ 43,605,786	$ 47,569,125	$ 60,380,211	$ 73,829,895	$ 81,092,655	$ 82,352,295
$ 93,353,452	$ 92,901,377	$ 98,298,649	$107,060,548	$ 113,823,306	$ 125,178,249
9,531,579	12,025,244	14,637,456	17,282,103	20,507,705	22,103,519
6,096,362	9,909,428	17,154,382	25,451,428	29,440,763	23,099,771
$108,981,393	$114,836,049	$130,090,487	$149,794,079	$ 163,771,774	$ 170,381,539

CITY OF SOUTH SIOUX CITY, NEBRASKA Table 2
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

Expenses	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Governmental Activities										
General Government	$ 1,024,702	$ 1,100,947	$ 1,149,602	$ 1,224,277	$ 1,322,550	$ 1,590,213	$ 1,412,360	$ 1,401,946	$ 1,340,703	$ 1,283,965
Public Safety	5,167,519	5,765,443	5,647,722	6,507,088	6,578,660	6,596,370	7,210,979	7,118,865	7,584,490	8,133,308
Public Works	3,595,873	4,112,309	4,412,844	5,179,406	4,401,794	4,563,067	4,691,052	4,296,221	3,641,937	3,767,167
Culture and Recreation	1,258,206	1,427,354	1,651,009	1,703,326	1,550,938	2,133,645	1,999,953	1,800,372	1,869,909	3,121,506
Community Development	170,215	160,344	614,846	289,749	1,110,441	468,422	142,299	422,630	1,905,467	1,783,959
Debt Service	289,436	275,100	267,467	277,188	231,610	199,861	156,105	107,109	109,558	215,055
Total Governmental Activities Expenses	11,505,951	12,841,497	13,743,490	15,181,034	15,195,993	15,551,578	15,612,748	15,147,143	16,452,064	18,304,960
Business-Type Activities										
Electric	17,493,457	18,105,992	18,620,409	17,900,987	16,465,709	20,779,126	16,668,538	14,978,046	15,974,921	16,336,760
Water	1,662,904	1,687,485	1,732,398	1,812,963	1,691,465	2,040,142	1,873,648	2,181,508	2,129,232	2,409,528
Sewer	2,881,066	7,152,518	6,259,884	5,020,922	3,551,776	4,794,396	4,615,351	3,945,130	4,839,613	5,454,883
Sanitation	795,302	768,304	827,350	846,588	802,592	961,351	869,221	873,450	876,840	866,478
Utility Administration	3,330,943	3,292,025	3,305,796	3,368,357	3,991,467	3,232,305	3,401,531	4,402,343	4,133,086	4,142,294
Total Business-Type Activities	26,163,672	31,006,324	30,745,837	28,949,817	26,503,009	31,807,320	27,428,289	26,380,477	27,953,692	29,209,943
Total Primary Government Expenses	$ 37,669,623	$ 43,847,821	$ 44,489,327	$ 44,130,851	$ 41,699,002	$ 47,358,898	$ 43,041,037	$ 41,527,620	$ 44,405,756	$ 47,514,903
Program Revenues (See Table 3)										
Governmental Activities:										
Charges for Services										
General Government	$ 183,379	$ 173,933	$ 189,247	$ 204,612	$ 216,212	$ 200,444	$ 160,022	$ 158,423	$ 164,000	$ 173,700
Public Safety	1,005,952	955,941	998,988	1,046,516	1,069,527	965,794	1,043,375	1,147,179	1,293,912	1,281,321
Public Works	-	-	-	-	-	-	215,610	-	-	-
Culture and Recreation	736,767	583,979	573,324	493,386	409,651	614,566	793,691	684,797	597,023	585,328
Community Development	380,274	210,834	4,300	41,838	90,090	83,758	71,994	79,502	64,487	64,487
Operating Grants & Contributions	2,858,256	3,411,947	3,099,588	2,662,208	4,540,230	3,449,870	2,501,933	4,337,717	5,163,396	2,974,422
Capital Grants & Contributions	580,212	3,841,514	1,084,666	3,636,312	62,037	786,641	992,464	791,580	1,493,007	3,362,988
Total Governmental Activities										
Program Revenues	5,744,840	9,178,148	5,950,113	8,084,872	6,387,747	6,101,073	5,779,089	7,199,198	8,775,825	8,442,246
Business-Type Activities:										
Charges for Services:										
Electric	20,993,253	21,324,945	22,556,346	22,839,612	20,504,112	22,511,036	22,224,777	22,613,668	21,781,567	23,845,938
Water	1,947,316	1,981,324	1,899,371	2,190,848	2,300,164	2,311,343	2,621,004	2,537,213	2,473,913	3,024,829
Sewer	3,372,507	5,724,221	4,707,443	3,873,747	4,174,951	4,606,046	5,409,913	6,023,437	7,510,531	8,324,640
Sanitation	739,438	747,857	754,661	821,171	864,651	874,492	889,042	894,934	917,252	921,189
Utility Administration	127,857	116,116	133,385	128,412	86,751	203,407	169,142	156,561	187,045	265,180
Operating Grants & Contributions	-	-	-	-	-	-	75,977	119,571	320,870	177,792
Capital Grants & Contributions	1,828,578	153,687	-	1,346,847	473,526	4,411,986	7,927,102	6,183,726	601,999	570,994
Total Business-Type Activities										
Program Revenues	29,008,949	30,048,150	30,051,206	31,200,637	28,404,155	34,918,310	39,316,957	38,529,110	33,793,177	37,130,562
Total Primary Government										
Program Revenues	$ 34,753,789	$ 39,226,298	$ 36,001,319	$ 39,285,509	$ 34,791,902	$ 41,019,383	$ 45,096,046	$ 45,728,308	$ 42,569,002	$ 45,572,808

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Net (Expense)/Revenue (1)										
Governmental Activities	$ (5,761,111)	$ (3,663,349)	$ (7,793,377)	$ (7,096,162)	$ (8,808,246)	$ (9,450,505)	$ (9,833,659)	$ (7,947,945)	$ (7,676,239)	$ (9,862,714)
Business-Type Activities	2,845,277	(958,174)	(694,631)	2,250,820	1,901,146	3,110,990	11,888,668	12,148,633	5,839,485	7,920,619
Total Primary Government										
Net Expense	$ (2,915,834)	$ (4,621,523)	$ (8,488,008)	$ (4,845,342)	$ (6,907,100)	$ (6,339,515)	$ 2,055,009	$ 4,200,688	$ (1,836,754)	$ (1,942,095)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes:										
Property Tax	$ 2,882,495	$ 3,336,985	$ 3,263,055	$ 4,389,811	$ 4,286,584	$ 4,752,624	$ 4,927,351	$ 5,890,363	$ 6,127,690	$ 6,683,255
Franchise Tax	1,337,332	1,196,589	1,516,158	1,481,668	1,361,745	1,405,179	1,509,144	1,496,164	1,499,525	1,608,185
Sales Tax	2,582,106	2,889,001	2,798,345	3,074,569	3,318,475	3,624,169	3,603,731	3,896,550	3,859,311	4,153,395
Occupation Tax	28,676	29,827	31,920	15,625	21,874	19,105	31,160	29,529	40,524	49,708
Interest	38,277	55,081	63,837	123,639	51,912	18,155	152,730	624,551	989,865	946,419
Unrestricted Intergovernmental	791,903	853,006	926,364	891,797	924,784	1,042,590	1,222,423	1,315,007	1,087,629	1,313,463
Unrestricted Lottery Revenue	96,682	68,872	75,842	97,936	99,109	130,613	123,418	153,453	108,962	151,713
Gain on Sale of Land Held for Resale	-	-	-	-	-	-	83,430	-	43,297	35,606
Gain on Sale of Assets	7,490	-	21,200	108,901	-	178,132	80,000	12,574	21,927	-
Miscellaneous	252,920	487,961	251,062	240,456	195,831	330,676	414,161	565,688	302,520	261,561
Transfers	138,815	68,508	144,807	(107,096)	234,488	148,357	129,463	217,974	421,087	(275,430)
Total Govermental Activities	$ 8,156,696	$ 8,985,830	$ 9,092,590	$ 10,317,306	$ 10,494,802	$ 11,649,600	$ 12,277,011	$ 14,201,853	$ 14,502,337	$ 14,927,875
Business Type of Activities:										
Taxes:										
Sales Tax	$ 447,382	$ 507,551	$ 489,537	$ 546,982	$ 593,536	$ 627,180	$ 622,693	$ 672,780	$ 678,106	$ 729,796
Interest	6,909	31,789	79,919	89,363	45,494	4,938	61,269	649,007	958,422	935,790
Finance Charges	53,496	60,146	67,885	94,095	152,062	88,658	62,325	64,138	-	-
Gain on Sale of Assets	-	-	1,800	-	22,436	-	-	75,000	-	-
Extraordinary Item - Settlement Expense	-	-	-	-	-	-	-	-	-	(9,750,000)
Miscellaneous	309,760	894,172	408,331	525,896	517,938	101,645	305,594	58,100	96,671	1,432,969
Transfers	(138,815)	(68,508)	(144,807)	107,096	(234,488)	(148,357)	(129,463)	(217,974)	(421,087)	275,430
Total Business-Type Activities	678,732	1,425,150	902,665	1,363,432	1,096,978	674,064	922,418	1,301,051	1,312,112	(6,376,015)
Total Primary Government	$ 8,835,428	$ 10,410,980	$ 9,995,255	$ 11,680,738	$ 11,591,780	$ 12,323,664	$ 13,199,429	$ 15,502,904	$ 15,814,449	$ 8,551,860
Change in Net Position										
Governmental Activities	$ 2,395,585	$ 5,322,481	$ 1,299,213	$ 3,221,144	$ 1,686,556	$ 2,199,095	$ 2,443,352	$ 6,253,908	$ 6,826,098	$ 5,065,161
Business-Type Activities	3,524,009	466,976	208,034	3,614,252	2,998,124	3,785,054	12,811,086	13,449,684	7,151,597	1,544,604
Total Primary Government	$ 5,919,594	$ 5,789,457	$ 1,507,247	$ 6,835,396	$ 4,684,680	$ 5,984,149	$ 15,254,438	$ 19,703,592	$ 13,977,695	$ 6,609,765

Notes:

(1) - Net (expense)/revenue is the difference between the expenses and program revenues of a function or program. It indicates the degree to which a function or program supports itself with its own fees and grants versus its reliance upon funding from taxes and other general revenues.

CITY OF SOUTH SIOUX CITY, NEBRASKA
Program Revenues by Function
Last Ten Fiscal Years
(accrual basis of accounting)

	Program Revenues				
	2016	**2017**	**2018**	**2019**	**2020**
Function					
Governmental Activities:					
General Government	$ 183,379	$ 185,357	$ 199,722	$ 305,074	$ 347,122
Public Safety	1,163,602	1,464,593	1,465,722	1,573,788	1,878,899
Public Works	3,003,934	6,137,976	2,463,786	5,302,913	1,710,341
Culture and Recreation	936,957	816,399	1,322,865	682,295	659,838
Community Development	456,968	573,823	498,018	220,802	1,791,547
Subtotal Governmental Activities	5,744,840	9,178,148	5,950,113	8,084,872	6,387,747
Business-type Activities					
Electric	20,993,253	21,324,945	22,556,346	22,839,612	20,504,112
Water	1,947,316	1,981,324	1,899,371	2,792,349	2,752,072
Sewer	5,201,085	5,877,908	4,707,443	4,619,093	4,174,951
Sanitation	739,438	747,857	754,661	821,171	886,269
Utility Administration	127,857	116,116	133,385	128,412	86,751
Subtotal Business-type Activities	29,008,949	30,048,150	30,051,206	31,200,637	28,404,155
Total Primary Government	$ 34,753,789	$ 39,226,298	$ 36,001,319	$ 39,285,509	$ 34,791,902

Table 3

Program Revenues				
2021	2022	2023	2024	2025
$ 1,138,630	$ 160,022	$ 158,423	$ 164,000	$ 173,700
1,237,640	1,419,491	1,504,265	2,180,804	1,618,599
1,894,885	2,592,547	2,224,995	3,692,603	5,461,632
1,427,381	1,342,920	2,043,080	1,029,707	739,705
402,537	264,109	1,268,435	1,708,711	448,610
6,101,073	5,779,089	7,199,198	8,775,825	8,442,246
22,616,644	22,224,777	22,613,668	21,826,674	23,916,932
3,833,233	2,854,885	2,540,533	2,473,913	3,024,829
7,374,527	13,103,134	12,203,843	8,067,423	8,824,640
890,499	889,042	894,934	917,252	921,189
203,407	245,119	276,132	507,915	442,972
34,918,310	39,316,957	38,529,110	33,793,177	37,130,562
$ 41,019,383	$ 45,096,046	$ 45,728,308	$ 42,569,002	$ 45,572,808

CITY OF SOUTH SIOUX CITY, NEBRASKA
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2016	**2017**	**2018**	**2019**
General Fund				
Nonspendable	$ 534,472	$ 442,894	$ 376,844	$ 324,671
Assigned	63,630	63,630	64,215	65,105
Unassigned	2,823,487	2,935,594	2,858,390	2,944,886
Total General Fund	$ 3,421,589	$ 3,442,118	$ 3,299,449	$ 3,334,662
All Other Governmental Funds				
Nonspendable	$ 980,826	$ -	$ -	$ -
Restricted	5,412,973	4,736,018	5,105,140	5,987,474
Committed	-	156,933	156,933	156,933
Assigned	139,040	33	2,228	-
Unassigned	(1,470,515)	(2,617,554)	(1,568,073)	(2,456,900)
Total All Other Governmental Funds	$ 5,062,324	$ 2,275,430	$ 3,696,228	$ 3,687,507

Table 4

Fiscal Year					
2020	2021	2022	2023	2024	2025
$ 324,671	$ -	$ -	$ -	$ -	$ -
65,249	65,453	65,773	67,453	69,546	-
3,924,702	5,201,653	5,941,513	6,932,469	7,707,779	8,761,255
$ 4,314,622	$ 5,267,106	$ 6,007,286	$ 6,999,922	$ 7,777,325	$ 8,761,255
$ -	$ -	$ -	$ -	$ -	$ -
7,404,886	9,824,780	12,405,162	14,996,596	18,067,412	19,680,594
-	-	-	-	-	-
-	1,702	-	-	-	-
(2,169,157)	(2,312,627)	(1,847,916)	(1,182,036)	(1,287,571)	(3,274,897)
$ 5,235,729	$ 7,513,855	$ 10,557,246	$ 13,814,560	$ 16,779,841	$ 16,405,697

CITY OF SOUTH SIOUX CITY, NEBRASKA
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
Revenues	**2016**	**2017**	**2018**	**2019**
Taxes	$ 2,825,443	$ 3,202,838	$ 3,196,983	$ 4,228,118
Franchise Taxes	1,325,574	1,184,187	1,502,166	1,466,392
Local Option Sales Taxes	2,582,106	2,889,001	2,798,345	3,074,567
Occupation Taxes	28,676	29,827	31,920	15,625
Special Assessments	2,301	1,747	2,101	6,353
Licenses & Permits	2,272	10,847	2,059	1,970
Intergovernmental Revenue	4,222,203	8,442,490	4,800,390	4,513,896
Charges for Services	1,184,093	975,941	998,240	937,692
Fines and Forfeits	9,232	9,359	6,791	7,370
Lottery Revenue	96,682	68,872	75,842	97,936
Gain on Sale of Land	-	-	-	-
Interest	38,291	49,434	61,404	116,461
Rental Income	622,550	414,971	234,687	272,178
Contributions	24,552	55,172	201,014	119,249
Reimbursements	-	-	-	-
Miscellaneous	225,923	497,620	264,717	258,406
Total Revenue	13,189,898	17,832,306	14,176,659	15,116,213
Expenditures				
General Government	1,076,254	1,029,251	1,074,834	1,686,903
Public Safety	5,705,376	5,811,302	5,703,396	5,959,565
Public Works	1,307,040	1,596,937	1,597,159	1,559,382
Culture and Recreation	1,453,970	1,580,104	1,657,353	1,418,146
Community Development	170,215	160,344	47,395	289,749
Capital Projects	2,953,868	9,670,115	3,643,250	2,659,732
Debt Service:				
Principal	1,350,000	2,325,000	1,465,000	1,478,351
Interest	309,104	277,175	250,427	283,751
Total Expenditure	14,325,827	22,450,228	15,438,814	15,335,579
Excess (Deficiency) of Revenues over expenditures	(1,135,929)	(4,617,922)	(1,262,155)	(219,366)
Other Financing Sources (Uses)				
Issuance of Long-Term Debt	-	2,485,000	2,435,817	151,183
Payment to Refunded Bond Escrow Agent	-	-	-	-
Issuance of Lease	-	-	-	-
Sale of Capital Assets	7,490	-	21,200	108,901
Sale of Uncapitalized Assets	-	-	-	-
Proceeds from Insurance Recoveries	-	-	-	-
Transfers In	979,155	3,717,962	4,900,271	3,348,342
Transfers Out	(840,340)	(3,649,454)	(4,817,004)	(3,362,568)
Total Other Financing Sources (Uses)	146,305	2,553,508	2,540,284	245,858
Net Change in Fund Balances	$ (989,624)	$ (2,064,414)	$ 1,278,129	$ 26,492
Debt Service as a Percentage of Noncapital Expenditures	16.53%	21.42%	14.46%	13.55%

Table 5

Fiscal Year					
2020	2021	2022	2023	2024	2025
$ 4,154,882	$ 4,618,872	$ 4,854,310	$ 5,899,401	$ 6,113,264	$ 6,664,553
1,340,833	1,394,005	1,496,929	1,492,261	1,499,525	1,608,185
3,318,476	3,624,169	3,603,731	3,896,550	3,859,311	4,153,395
21,874	19,105	31,160	29,529	40,524	49,708
2,806	3,517	576	95	-	-
2,250	7,280	5,232	6,690	3,950	9,325
6,055,875	5,026,334	5,145,192	6,520,114	8,145,433	7,022,891
918,273	980,637	1,190,033	1,162,647	1,197,318	1,110,453
2,937	3,298	18,452	13,120	10,923	13,503
99,109	130,613	123,418	153,453	108,962	151,713
-	19,647	90,430	-	-	-
43,280	11,269	140,442	614,768	1,014,102	943,888
317,971	318,459	273,592	259,099	265,706	253,432
124,654	65,118	65,098	40,760	36,614	38,970
-	25,000	17,668	10,000	75,691	53,384
216,058	320,572	415,308	549,010	226,829	283,177
16,619,278	16,567,895	17,471,571	20,647,497	22,598,152	22,356,577
1,084,613	1,182,994	1,109,026	1,342,960	1,551,692	1,293,259
6,235,327	6,190,805	6,859,502	7,043,972	8,015,495	8,470,617
1,379,775	1,587,412	1,892,595	2,701,443	1,599,843	1,875,470
1,546,870	2,119,565	1,833,028	1,618,524	2,079,763	3,145,088
1,114,132	477,043	268,462	543,480	1,963,467	1,789,109
1,137,555	578,000	887,134	2,563,345	3,180,619	4,328,784
1,584,126	1,132,065	872,510	723,442	794,402	892,172
243,186	208,532	175,206	112,892	99,400	138,139
14,325,584		13,897,463	16,650,058	19,284,681	21,932,638
2,293,694	16,567,895	3,574,108	3,997,439	3,313,471	423,939
-	-	3,200,000	-	-	-
-	-	(3,200,000)	-	-	-
-	-	-	-	54,065	140,707
-	298,552	80,000	50,815	43,297	35,606
-	-	-	-	21,927	-
-	-	-	19,567	-	-
2,224,955	2,235,287	2,213,746	1,701,570	2,359,583	4,365,715
(1,990,467)	(2,086,930)	(2,084,283)	(1,519,441)	(1,938,496)	(4,641,145)
234,488	446,909	209,463	252,511	540,376	(99,117)
$ 2,528,182	$ 17,014,804	$ 3,783,571	$ 4,249,950	$ 3,853,847	$ 324,822
14.09%	10.66%	8.41%	6.37%	6.11%	6.43%

CITY OF SOUTH SIOUX CITY Table 6
Tax Revenues by Source, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year	Property Tax	Local Option Sales Tax	Franchise Taxes	Total Taxes
2016	$ 2,825,443	$ 2,582,106	$ 1,325,574	$ 6,733,123
2017	3,202,838	2,889,001	1,184,187	7,276,026
2018	3,196,983	2,798,345	1,502,166	7,497,494
2019	4,228,118	3,074,567	1,466,392	8,769,077
2020	4,154,882	3,318,476	1,340,833	8,814,191
2021	4,618,872	3,624,169	1,394,005	9,637,046
2022	4,854,310	3,603,731	1,496,929	9,954,970
2023	5,899,401	3,896,550	1,492,261	11,288,212
2024	6,113,264	3,859,311	1,499,525	11,472,100
2025	$ 6,664,553	$ 4,153,395	$ 1,608,185	$ 12,426,133
Percentage Change In Dollars Over 10 Years	135.88%	60.85%	21.32%	84.55%

CITY OF SOUTH SIOUX CITY, NEBRASKA Table 7

Assessed Value and Estimated Actual Value of Taxable Property (1)

Last Ten Fiscal Years

FISCAL YEAR (2)	REAL PROPERTY RESIDENTIAL	REAL PROPERTY COMMERCIAL	PERSONAL PROPERTY	TOTAL ASSESSED VALUE	TOTAL DIRECT TAX RATE
2016	$ 311,662,095	$ 226,813,758	$ 57,596,006	$ 596,071,859	0.40427%
2017	305,469,210	226,158,699	56,861,003	588,488,912	0.39912%
2018	376,548,865	261,334,148	45,377,661	683,260,674	0.39912%
2019	390,843,110	281,542,283	54,408,940	726,794,333	0.39912%
2020	390,890,310	289,725,929	46,066,732	726,682,971	0.38500%
2021	392,625,075	300,376,857	46,813,368	739,815,300	0.42427%
2022	413,935,090	310,624,259	51,337,762	775,897,111	0.42427%
2023	451,858,170	319,529,762	173,156,507	944,544,439	0.40052%
2024	461,963,745	386,002,288	162,684,940	1,010,650,973	0.40940%
2025	$ 580,061,405	$ 378,242,147	$147,655,932	$ 1,105,959,484	0.39457%

(1) - Taxable property is assessed at 100% of its estimated actual value.

(2) - The assessed valuations are effective on January 1 of each year.

Source: Dakota County Assessor's Office

CITY OF SOUTH SIOUX CITY, NEBRASKA
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per $100 of assessed value)

	Fiscal Year			
	2016	**2017**	**2018**	**2019**
CITY OF SOUTH SIOUX CITY				
GENERAL FUND	$ 0.280850	$ 0.272180	$ 0.270040	$ 0.258490
POLICE RETIREMENT	0.024800	0.025330	0.024030	0.023170
FIRE	0.030000	0.030000	0.030000	0.030000
LIBRARY	0.063470	0.071610	0.075050	0.073340
TOTAL CITY OF SOUTH SIOUX CITY	0.399120	0.399120	0.399120	0.385000
OVERLAPPING RATES (2)				
DAKOTA COUNTY	0.331810	0.324960	0.361480	0.384550
SCHOOL DISTRICT NO 11	1.205600	1.194410	1.191040	1.181660
NORTHEAST TECH COMMUNITY COLLEGE	0.095350	0.091320	0.090930	0.095000
PAPIO MISSOURI NRD	0.038030	0.038030	0.037780	0.037590
AGRICULTURAL SOCIETY	0.006020	0.007920	0.007750	0.007750
EDUCATIONAL SERVICES UNIT #1	0.015000	0.015000	0.015000	0.015000
HISTORICAL SOCIETY	0.001640	0.001680	0.001850	0.001860
TOTAL OVERLAPPING RATES	1.693450	1.673320	1.705830	1.723410
TOTAL PROPERTY TAXES	$ 2.092570	$ 2.072440	$ 2.104950	$ 2.108410

(1) Tax rates are per $100 of assessed valuation, and effective on September 1 of each year.

(2) Overlapping rates are those of local and county governments that apply to property owners within the City of South Sioux City.

Table 8

Fiscal Year					
2020	**2021**	**2022**	**2023**	**2024**	**2025**
$ 0.292560	$ 0.292470	$ 0.301182	$ 0.283795	$ 0.286283	$ 0.276076
0.026140	0.026299	0.026345	0.022080	0.021455	0.020597
0.030000	0.030000	0.030000	0.030000	0.030000	0.030000
0.075570	0.075499	0.074923	0.064643	0.071662	0.067899
0.424270	0.424268	0.432450	0.400518	0.409400	0.394572
0.366380	0.366511	0.348739	0.329753	0.301082	0.303889
1.161530	1.154859	1.154859	1.137827	1.031444	0.910388
0.095000	0.095000	0.094000	0.092500	0.090000	0.020000
0.037380	0.036490	0.035669	0.034757	0.031324	0.029568
0.007730	0.007439	0.007059	0.006813	0.006630	0.006453
0.015000	0.015000	0.015000	0.015000	0.015000	0.015000
0.001890	0.001896	0.001839	0.001853	0.002113	0.001807
1.684910	1.677195	1.657165	1.618503	1.477593	1.287105
$ 2.109180	$ 2.101463	$ 2.089615	$ 2.019021	$ 1.886993	$ 1.681677

CITY OF SOUTH SIOUX CITY, NEBRASKA
Principal Property Taxpayers
Current Year and Nine Years Ago

Table 9

	2025			2016		
TAXPAYERS	**TAXABLE ASSESSED VALUE**	**RANK**	**% OF TOTAL CITY TAXABLE ASSESSED VALUE**	**TAXABLE ASSESSED VALUE**	**RANK**	**% OF TOTAL CITY TAXABLE ASSESSED VALUE**
EMPIRICAL (BEEF PRODUCTS INC)	$ 37,355,755	1	3.38%	$ 23,816,239	1	4.00%
CRIC/GREAT WEST CASUALTY CO/HILLCREST	25,089,475	2	2.27%	7,428,120	5	1.25%
RIVERPOINTE NE ICG	24,191,175	3	2.19%	5,441,785	10	0.91%
MIMG CLVII ARBORS SUB LLC	19,141,240	4	1.73%	-		-
RICHARDSON MILLING (AKA 21c)	16,919,095	5	1.53%	16,059,549	3	2.69%
INGREDION WAS CHS INC (WAS NORFOLK BUILDING)	14,896,285	6	1.35%	20,221,410	2	3.39%
HCI REAL ESTATE COMPANY	14,271,745	7	1.29%	-		-
RIVERVIEW ASC REALTY LLC	12,606,615	8	1.14%	-		-
MARINA INN	11,533,190	9	1.04%	-		-
WAL-MART REALTY CO STORE 1332	10,654,605	10	0.96%	9,074,775	4	1.52%
IRET PROPERTIES	-		-	6,690,535	6	1.12%
MONTEBELLO INCORPORATED	-		-	6,660,340	7	1.12%
VBC OF NEBRASKA, INC.	-		-	5,504,185	8	0.92%
LONG LINES OF SIOUXLAND	-		-	5,463,348	9	0.92%
Total	$ 186,659,180		16.88%	$ 106,360,286		17.84%

Source: Dakota County Assessor's Office.

CITY OF SOUTH SIOUX CITY, NEBRASKA Table 10
Property Tax Levies and Collections (1)
Last Ten Fiscal Years

Fiscal Year Ended Sep 30	Taxes Levied for Fiscal Year (2)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount (2)	Percentage of Levy		Amount	Percentage of Levy
2016	$ 2,403,744	$ 1,668,114	69.40%	$ 537,905	$ 2,206,019	91.77%
2017	2,353,467	2,136,519	90.78%	195,127	2,331,646	99.07%
2018	2,553,879	1,980,694	77.56%	377,740	2,358,434	92.35%
2019	2,631,321	2,457,715	93.40%	174,832	2,632,547	100.05%
2020	3,083,569	2,396,147	77.71%	567,438	2,963,585	96.11%
2021	3,141,806	2,562,352	81.56%	205,597	2,767,949	88.10%
2022	3,356,067	3,151,998	93.92%	162,897	3,314,895	98.77%
2023	3,782,720	3,427,784	90.62%	151,291	3,579,075	94.62%
2024	4,138,533	3,614,049	87.33%	61,420	3,675,469	88.81%
2025	$ 4,362,490	$ 4,191,264	96.08%	$ -	$ 4,191,264	96.08%

Source: Dakota County Treasurer, Dakota County, Nebraska

Notes:
(1) - GAAP Basis
(2) - Taxes levied & collected includes only real and personal property taxes received. Amounts exclude TIF and motor vehicle taxes received.

CITY OF SOUTH SIOUX CITY, NEBRASKA
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

	Governmental Activities				
Fiscal Year	General Obligation Bonds	Notes Payable	Tax Increment Revenue Bonds	Bond Anticipation Notes	Leases
2016	$ 8,030,000	$ -	$ 680,000	$ 985,000	$ -
2017	9,335,000	-	520,000	-	-
2018	8,035,000	2,435,817	355,000	-	-
2019	6,880,000	2,438,679	180,000	-	-
2020	5,630,000	2,284,523	-	-	-
2021	4,655,000	2,127,458	-	-	-
2022	3,945,000	1,964,948	-	-	-
2023	3,385,000	1,801,505	-	-	-
2024	2,775,000	1,627,597	-	-	42,090
2025	$ 2,140,000	$ 1,448,877	$ -	$ -	$ 50,808

Notes:

(1) - See Table 15 for personal income and population data.

(2) - Personal income information is not available for 2016 through 2024

Table 11

Business-Type Activities					
Revenue Bonds	State Revolving Loan	Total Primary Government	Net Bonded Debt per Capita (1)	Percentage of Personal Income (1)	
$ 22,870,000	$ 5,183,697	$ 37,748,697	$ 2,826.98	(2)	
21,630,000	6,292,896	37,777,896	2,827.69	(2)	
27,014,610	-	37,840,427	2,832.37	(2)	
25,285,377	-	34,784,056	2,651.22	(2)	
23,246,898	-	31,161,421	2,413.56	(2)	
35,111,157	-	41,893,615	3,151.79	(2)	
51,101,893	-	57,011,841	4,059.80	(2)	
54,184,147	-	59,370,652	4,227.78	(2)	
55,000,848	-	59,445,535	4,227.78	(2)	
$ 54,271,475	$ -	$ 57,911,160	$ 4,123.85	0.12%	

CITY OF SOUTH SIOUX CITY, NEBRASKA Table 12
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Net General Bonded Debt	Net Bonded Debt per Capita (1)	Ratio of Net Debt To Estimated Valuation of Taxable Property (2)
2016	$ 8,030,000	$ 8,030,000	$ 601.05	1.35%
2017	9,335,000	9,335,000	698.73	1.59%
2018	8,035,000	8,035,000	612.42	1.18%
2019	6,880,000	6,880,000	532.88	0.95%
2020	5,630,000	5,630,000	423.56	0.77%
2021	4,655,000	4,655,000	331.48	0.63%
2022	3,945,000	3,945,000	280.92	0.51%
2023	3,385,000	3,385,000	241.05	0.36%
2024	2,140,000	2,140,000	152.39	0.21%
2025	$ 2,140,000	$ 2,140,000	$ 152.39	0.19%

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) - Population data can be found in Table 15.

(2) - See Table 7 for property value data.

CITY OF SOUTH SIOUX CITY, NEBRASKA Table 13
Computation of Direct and Overlapping Debt
As of September 30, 2025

GOVERNMENTAL UNITS	Net Debt Outstanding	Estimated Percentage Applicable (4)	Direct and Overlapping Debt to the City
DIRECT:			
City of South Sioux City (3)	$ 3,588,877	100.00%	$ 3,588,877
OVERLAPPING:			
Dakota County (1)	2,570,000	37.26%	957,582
South Sioux City Community School (2)	-	63.85%	-
Total Overlapping	2,570,000		957,582
Total Direct and Overlapping Debt	$ 6,158,877		$ 4,546,459

Sources:
(1) - County Auditor, Dakota County
(2) - South Sioux City Community School District
(3) - Includes governmental General Obligation Bonds and Notes only.
(4) - For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using assessed property values. Applicable perventages were estimated by determining the portion of another government unit's assessed value that is within the City's boundaries and dividing it by each unit's total assessed value.

CITY OF SOUTH SIOUX CITY, NEBRASKA Table 14
Pledged Revenue Coverage
Last Ten Fiscal Years

Fiscal Year	Gross Revenue (1)	Direct Operating Expenses (2)	Net Available Revenue	Debt Service Requirements			
				Principal (3)	Interest	Total	Coverage
2016	$ 29,826,496	$ 22,931,399	$ 6,895,097	$ 881,286	$ 905,483	$ 1,786,769	3.86
2017	31,541,808	27,698,708	3,843,100	1,657,572	851,048	2,508,620	1.53
2018	31,096,878	27,252,536	3,844,342	1,633,655	842,323	2,475,978	1.55
2019	31,110,126	25,454,944	5,655,182	1,729,233	837,535	2,566,768	2.20
2020	29,249,212	22,898,558	6,350,654	2,038,480	750,620	2,789,100	2.28
2021	35,740,731	28,438,855	7,301,876	2,227,803	591,984	2,819,787	2.59
2022	40,368,838	24,004,476	16,364,362	1,917,315	586,040	2,503,355	6.54
2023	40,037,194	23,106,080	16,931,114	2,765,719	445,353	3,211,072	5.27
2024	35,526,376	24,219,841	11,306,535	3,100,106	445,860	3,545,966	3.19
2025	$ 39,787,259	$ 25,422,924	$ 14,364,335	$ 2,955,362	$ 420,024	$ 3,375,386	4.26

Notes:
(1) - Total revenue including non-operating revenues
(2) - Operating expenses exclusive of depreciation and amortization
(3) - Exclusive of bonds refunded

CITY OF SOUTH SIOUX CITY, NEBRASKA Table 15
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population (1)	Personal Income (3)	Per Capita Personal Income (2)	School Enrollment (4)	Unemployment Rate (5)
2016	13,360	n/a	n/a	3,704	3.70%
2017	13,120	n/a	n/a	3,925	2.80%
2018	12,911	n/a	n/a	4,006	2.50%
2019	13,292	n/a	n/a	3,865	3.10%
2020	14,043	n/a	n/a	3,838	3.50%
2021	14,043	n/a	n/a	3,818	1.30%
2022	14,043	n/a	n/a	3,783	3.00%
2023	14,043	n/a	n/a	3,783	2.50%
2024	14,043	n/a	n/a	3,871	3.20%
2025	14,043	$ 68,397	$ 45,388	3,910	2.60%

Sources: (1) 2015 and forward obtained from the U.S. Census Bureau
(2) The Nebraska Databook provided by the NE Department of Economic Development
Per capita personal income numbers are for Dakota County
Per capita personal income numbers for 2015 through 2024 were unavailable
(3) Computation of per capita personal income multiplied by population
(4) South Sioux City Community Schools
(5) The Nebraska Department of Labor

n/a Information is not available.

CITY OF SOUTH SIOUX CITY, NEBRASKA
Principal Employers
Current Year (1)

Table 16

	2025			2016		
EMPLOYER	**EMPLOYEES**	**RANK**	**PERCENTAGE OF TOTAL CITY EMPLOYMENT**	**EMPLOYEES**	**RANK**	**PERCENTAGE OF TOTAL CITY EMPLOYMENT**
Tyson	4,200	1	40.4%	4,500	1	40.7%
Great West Casualty	1,368	2	13.2%	580	2	5.2%
Empirical Formerly BPI	950	3	9.1%	446	4	4.0%
South Sioux City Community Schools	600	4	5.8%	543	3	4.9%
Walmart	326	5	3.1%	340	5	3.1%
Gerkin Windows & Doors	285	6	2.7%	210	6	1.9%
South Sioux City Marriott Riverfront	185	7	1.8%	170	7	1.5%
City of South Sioux City	168	8	1.6%	125	9	1.1%
Hy-Vee	142	9	1.4%	127	8	1.1%
F L Smidth	35	10	0.3%	110	10	1.0%
Total Principal Employers	8,259			7,151		

Source: South Sioux City Chamber of Commerce

CITY OF SOUTH SIOUX CITY, NEBRASKA Table 17
Full-time Equivalent City Government Employees by Function
Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Government										
General Administration	5	5	5	5	5	5	5	5	5	4
Buildings and Grounds	2	4	4	4	4	5	5	5	5	5
Public Safety										
Police	33	32	33	32	32	32	32	33	32	32
LEC	13	13	12	12	13	14	14	14	13	15
Emergency Medical Services	5	7	10	10	10	10	11	12	13	13
Public Works										
Streets	9	9	9	8	8	9	8	8	9	9
Auto Maintenance	1	1	1	1	1	1	1	1	1	1
Culture and Recreation										
Parks and Recreation	4	4	4	4	4	4	4	4	4	4
Campground	3	3	3	3	3	3	3	3	3	3
Library	8	8	8	8	8	8	8	8	8	8
Community Development	0	1	1	1	1	1	1	1	1	1
Business-Type Activities										
Combined Utilites	11	11	10	10	10	11	11	11	11	10
Building Inspections	6	4	3	4	4	4	4	4	4	4
Water	9	6	6	6	7	7	7	8	7	7
Sewer	4	5	5	4	5	5	6	5	5	3
Fiber Optics	3	3	4	4	4	3	3	3	3	3
Total	116	116	118	116	119	122	123	125	124	122

Source: City of South Sioux City Finance

Note: A full-time employee is scheduled to work 261 days per year (365 minus two days off per week). At eight hours per day, 2,088 hours are scheduled per year (including vacation and sick leave). Full-time equivalent employment is calculated by dividing total labor hours by 2,088. For fire 2,808 was used.

CITY OF SOUTH SIOUX CITY, NEBRASKA Table 18
Operating Indicators by Function
Last Ten Fiscal Years

FUNCTION	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Government										
Building Permits Issued	80	108	125	128	125	128	111	112	127	137
Public Safety										
Police:										
Criminal Arrests	674	509	422	354	270	511	376	336	419	430
Traffic Tickets	1,349	1,303	769	874	531	971	494	839	893	802
All Other Tickets	682	59	88	120	51	100	93	22	57	412
Drug/Alcohol Arrests	307	277	208	166	157	179	379	190	166	92
Fire:										
Rescue Calls	907	1,081	1,065	1,142	1,168	1,186	1,236	1,244	1,321	1,449
Fire Calls	132	284	569	192	317	871	274	239	207	224
Culture and Recreation										
Library										
Total Circulation	51,567	38,392	42,497	56,531	17,568	10,186	17,048	16,980	18,821	19,666
Library Patrons	110,984	98,370	104,250	101,489	5,971	6,123	6,500	6,747	6,808	55,359
Material Checked Out	51,567	38,392	42,497	5,651	17,568	10,186	17,355	16,980	18,821	10,660
Water:										
New connections	28	30	33	31	14	6	29	72	15	34
Average Daily Consumption (millions of gallons)	3.00	3.00	3.00	2.68	2.81	2.95	3.50	3.50	3.68	3.80
Peak Daily Consumption (millions of gallons)	4.70	4.60	4.70	4.70	3.34	3.95	4.80	3.60	4.27	4.60
Water Main Breaks	15	27	11	12	10	8	7	8	25	20
Sewer:										
Water Pollution Control										
Average Daily Sewage Treatment (millions of gallons)	2.4	2.6	2	2.3	2.3	2.8	2.5	3.2	3.5	2.7
Sewer Maintenance										
Sewer Inspections	57,000 LF per month	48,000 LF per month	51,000 LF per month	60,000 LF per month	70,000 LF per month	0 LF per month	7,600 LF per month	42,000 LF per month	41,000 LF per month	5,200 LF per month

Souces: Various City Departments

CITY OF SOUTH SIOUX CITY, NEBRASKA Table 19
Capital Asset Statistics by Function
Last Ten Fiscal Years

	Fiscal Year									
	2016	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
FUNCTION										
Public Safety										
Police										
Police Stations	1	1	1	1	1	1	1	1	1	1
Patrol Cars	20	20	20	20	20	20	20	23	25	25
Fire										
Fire Stations	2	2	2	2	2	2	2	2	2	2
Engines	8	8	8	8	8	12	12	0	9	12
Public Works										
Streets										
Streets (Miles)	71	71.5	74.9	74.9	75.3	75.3	75.3	75.56	75.56	75.56
Streetlights (City Owned)	1,488	1,515	1,607	1,607	1,611	1,611	1,488	1,494	1,523	1,523
Culture and Recreation										
Parks Acres	354	354	354	354	362	362	362	362	362	362
Parks	10	10	10	10	11	11	11	11	11	11
Swimming Pools	1	1	1	1	1	1	1	1	1	1
Tennis Courts	2	2	2	5	5	5	5	5	10	10
Pickleball Courts	-	-	-	-	-	-	-	-	4	16
Baseball/Softball Diamonds	7	7	7	7	7	7	7	7	7	7
Soccer Fields	17	17	17	17	18	18	18	18	18	18
Trails (Miles)	19	19	19	19	20.5	21	21	21	21.5	22
Libraries	1	1	1	1	1	1	1	1	1	1
Water										
Water mains (miles)	82.5	82.5	82.5	82.5	83	83	83	83.5	83.5	83.7
Fire Hydrants (City maintained)	655	655	655	702	708	708	708	712	714	716
Treatment plants	2	2	2	2	2	2	2	2	2	2
Sewer										
Sanitary sewer (miles)	58	58	58	58	58.5	58.5	58.5	59	60	60
Lift Stations	17	17	17	19	19	19	19	19	19	20
Treatment Plant								1	1	1

Sources: Various City Departments

SINGLE AUDIT SECTION

CITY OF SOUTH SIOUX CITY, NEBRASKA
Schedule of Expenditures of Federal Awards (Cash Basis)
For the Year Ended September 30, 2025

Grantor/Program	Assistance Listing Number	Agency or Pass-Through Number	Program Disbursements
U.S. Department of Agriculture:			
Passed through the Arbor Day Foundation:			
Inflation Reduction Act Urban & Community Forestry Program	10.727	FY25	$ 176,695
Passed through Board of Regents of the University of Nebraska:			
Inflation Reduction Act Urban & Community Forestry Program	10.727	FY25	13,266
Total			189,961
Community Facilities Loans and Grants	10.766	FY25	1,627,597
Executive Office of the President:			
High Intensity Drug Trafficking Areas Program	95.001	24HD08	9,247
High Intensity Drug Trafficking Areas Program	95.001	25HD08	110,252
High Intensity Drug Trafficking Areas Program	95.001	FY25	42,725
Total			162,224
U.S. Department of Justice:			
Body-Worn Camera Policy and Implementation Program	16.835	FY25	36,082
Passed through the Nebraska Crime Commission:			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	150-2024-DA-3001	4,647
Passed through the Nebraska Commission on Law Enforcement:			
Crime Victim Assistance	16.575	150-2024-VA1007	16,730
Crime Victim Assistance	16.575	150-2024-VA1007	53,251
Total			69,981
U.S Department of Homeland Security:			
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	EMW-2021-FF-00209	55,981
Passed through the Nebraska Emergency Management Agency:			
Hazard Mitigation Grant	97.039	DR-4641-NE	85,417
Hazard Mitigation Grant	97.039	DR-4641-NE	469
			85,886
Disaster Grants - Public Assistance	97.036	PA-07-NE-4420-PW-01748	15,257
Disaster Grants - Public Assistance	97.036	DR-4822	14,025
Disaster Grants - Public Assistance	97.036	DR-4822	6,297
Disaster Grants - Public Assistance	97.036	DR-4822	10,952
Disaster Grants - Public Assistance	97.036	DR-4822	233,520
Disaster Grants - Public Assistance	97.036	DR-4822	50,991
Total			331,042
U.S Housing and Urban Development:			
Passed through the Nebraska Department of Economic Development:			
Community Development Block Grant	14.228	22-ED-004	2,591
Community Development Block Grant	14.228	23-PW-008	46,708
Total			49,299
U.S Department of Energy:			
Energy Efficiency and Conservation Block Grant	81.128	FY25	75,750
Passed through the Nebraska Department of Environment and Energy:			
Energy Efficiency and Conservation Block Grant	81.128	FY25	100,000
Total			175,750
Federal Communications Commission			
Emergency Connectivity Fund	32.009	FY25	$ 5,910

Continued

CITY OF SOUTH SIOUX CITY, NEBRASKA
Schedule of Expenditures of Federal Awards (Cash Basis) - Continued
For the Year Ended September 30, 2025

Grantor/Program	Assistance Listing Number	Agency or Pass-Through Number	Program Disbursements
U.S. Department of Treasury:			
Passed through the Nebraska Department of Treasury:			
COVID-19 Coronavirus State and Local Fiscal Recovery Fund	21.027	NE-0435	$ 521,868
Passed through the Nebraska Department of Economic Development:			
COVID-19 Coronavirus State and Local Fiscal Recovery Fund	21.027	23-11-0291	558,840
Passed through the Nebraska Department of Health and Human Services:			
COVID-19 Coronavirus State and Local Fiscal Recovery Fund	21.027	FY25	75,000
Total			1,155,708
U.S. Department of Transportation:			
Passed through the Nebraska Office of Highway Safety:			
Highway Safety Cluster:			
State and Community Highway Safety	20.600	4021-25-33-30	7,049
State and Community Highway Safety	20.600	402-25-05-67	7,036
Incentive Grant Program To Prohibit Racial Profiling	20.616	405d-24-02-33	14,996
Total			29,081
U.S. Department of the Interior:			
Passed through the Nebraska Games and Parks:			
Land and Water Conservation Fund	15.916	31-01101	1,241
Total Expenditures of Federal Awards			$ 3,980,390

CITY OF SOUTH SIOUX CITY, NEBRASKA
Schedule of Expenditures of Federal Awards (Cash Basis) – (Continued)
For the Year Ended September 30, 2025

Notes to Schedule of Expenditures of Federal Awards

Note 1 - Basis of Presentation – The accompanying Schedule of Expenditures of Federal Awards includes the federal award activity of the primary government and its discretely presented component unit, the community development agency, and is presented for the same period as the basic financial statements. Expenditures are recognized following the cost principles contained in the Uniform Guidance. 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). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements. The City has not elected to use the de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 2 - The City of South Sioux City has the following loan balance outstanding from the Nebraska State Revolving Fund, Assistance Listing Number 66.468 at September 30, 2025.

	Total Amount of Loan Outstanding	Federal Portion of Loan Outstanding
Combined Utility SRF	$ 566,525	$ 239,129

The City of South Sioux City had the following balance outstanding from the Nebraska State Revolving Fund, Assistance Listing Number 66.458 at September 30, 2025.

	Total Amount of Loan Outstanding	Federal Portion of Loan Outstanding
Combined Utility SRF	$ 878,613	$ 210,866

The South Sioux City Community Foundation had the following balance outstanding from the United States Department of Agriculture (USDA) Rural Development, Assistance Listing Number 10.766 at September 30, 2025.

	Total Amount of Loan Outstanding	Federal Portion of Loan Outstanding
Notes Payable	$ 1,448,877	$ 1,448,877

Note 3 - No federal awards were passed through to subrecipients during the year ended September 30, 2025.

WILLIAMS & COMPANY P.C.
CERTIFIED PUBLIC ACCOUNTANTS

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

Honorable Mayor, Members of the City Council
City of South Sioux City, 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 discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of South Sioux City, Nebraska, as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated April 2, 2026.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs, item 2025-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

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

City of South Sioux City, Nebraska's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City of South Sioux City, Nebraska's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The City of South Sioux City, Nebraska's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

We would like to acknowledge the many courtesies and assistance extended to us by personnel of the City during the course of our audit.

If you have any questions concerning the above matters, we would be pleased to discuss them with you at your convenience.



Certified Public Accountants

Sheldon, Iowa
April 2, 2026

WILLIAMS & COMPANY P.C.
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Honorable Mayor, Members of the City Council
City of South Sioux City, Nebraska

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of South Sioux City, Nebraska's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2025. The City of South Sioux City's major federal programs are identified in the summary of the independent auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of South Sioux City, 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 September 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United State 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

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

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

Report on Internal Control over Compliance

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

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

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

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

Williams & Company P.C.

Certified Public Accountants

Sheldon, Iowa
April 2, 2026

CITY OF SOUTH SIOUX CITY, NEBRASKA
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2025

Part I: Summary of the Independent Auditors' Results

(a) An unmodified opinion was issued on the financial statements.
(b) A material weakness in internal control over financial reporting was disclosed by the audit of the financial statements. No significant deficiencies were reported.
(c) The audit did not disclose any non-compliance which is material to the financial statements.
(d) No significant deficiencies or material weaknesses in internal control over major programs were disclosed by the audit of the financial statements.
(e) An unmodified opinion was issued on compliance with requirements applicable to each major program.
(f) The audit disclosed no audit findings which were required to be reported in accordance with the Uniform Guidance.
(g) The major programs were as follows:
21.027 – COVID-19 Coronavirus State and Local Fiscal Recovery Funds
10.766 – Community Facilities Loans and Grants
(h) The dollar threshold used to distinguish between Type A and Type B programs was $1,000,000.
(i) The City of South Sioux City did not qualify as a low-risk auditee.

Part II: Findings Related to the Financial Statements:

Instances of Non-Compliance:
No matters were noted.

Material Weakness:

2025-001 - Financial Reporting

Criteria: Management is responsible for the preparation and fair presentation of financial statements in accordance with U.S. generally accepted accounting principles (GAAP).

Condition: During the audit, we identified material audit adjustments that were necessary for the financial statements to be presented in accordance with GAAP.

Cause: The entity’s existing year-end financial reporting and review procedures did not detect all material misstatements prior to the audit.

Effect: As a result, the financial statements initially provided by management were not entirely presented in accordance with GAAP and required auditor-proposed adjustments to achieve fair presentation.

Recommendation: The entity should evaluate and enhance its financial reporting processes to ensure that all necessary year-end adjustments are properly identified, recorded, and reviewed in a timely manner prior to the preparation of the financial statements.

Management Response: Management acknowledges the finding and will continue to review and strengthen financial reporting procedures to improve the accuracy and completeness of the financial statements.

CITY OF SOUTH SIOUX CITY, NEBRASKA
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2025

Part III: Findings Related to Federal Awards – Related to all Federal Programs

Instances of Non-Compliance:

No matters were noted.

Internal Control Deficiencies:

No matters were noted.

CITY OF SOUTH SIOUX CITY, NEBRASKA
Schedule of Prior Year Findings
For the Year Ended September 30, 2025

Financial Statement Audit:

Instances of Non-Compliance:
No matters were reported.

Material Weakness:

2024-001 - Financial Reporting

Condition and Criteria – The auditors were required to propose and have management post adjusting journal entries to the financial statements in order for the financial statements to conform with U.S. generally accepted accounting principles. Management is responsible for the preparation of financial statements in accordance with U.S. generally accepted accounting principles (GAAP).

Effect – The financial statements provided by management are not presented entirely in accordance with U.S. generally accepted accounting principles.

Cause – A limited number of personnel, current staff workload, and time constraints do not allow for all required year end U.S. GAAP adjusting journal entries to be posted.

Recommendation – We recommend that the City implements procedures to ensure all journal entries are recorded in the future.

Current Status – The recommendation is still in process, see finding 2025-001. The City continues to look at processes in order to ensure all amounts and adjustments are properly recorded.

Federal Award Program Audit:

Instances of Non-Compliance:
No matters were reported.

Internal Control Deficiencies:
No matters were reported.