

# 2023

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# Annual Comprehensive Financial Report



Fiscal Year Ended  
June 30, 2023

Photo Credit To:  
Victoria Edwards

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CITY OF LINCOLN  
STATE OF CALIFORNIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023



PREPARED BY FINANCE DIVISION

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**CITY OF LINCOLN**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FOR THE YEAR ENDED JUNE 30, 2023**

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**INTRODUCTORY SECTION**





January 19, 2024

Honorable Mayor and Members of the City Council:

We are pleased to present the Annual Comprehensive Financial Report (ACFR) of the City of Lincoln (City) for the fiscal year ended June 30, 2023, in accordance with the Lincoln Municipal Code Section 2.20.030(C). The basic financial statements and supporting schedules have been prepared in accordance with Generally Accepted Accounting Principles (GAAP) for local governments as established by the Governmental Accounting Standards Board (GASB).

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

The City contracted with MUN CPAs, LLP to perform the annual independent audit. The independent auditor's report is included in the Financial Section of this report. The Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements.

### **Profile of the Government**

The City of Lincoln was incorporated in 1890 and is located 27 miles northeast of Sacramento in the northernmost region of south Placer County. The City occupies 22 square miles and serves a population of more than 52,000 people. Lincoln is a General Law City, formed under the State Legislative Process and structured under the provisions of the California Constitution. The Lincoln City Council is the governing body of the City and is comprised of five elected officials, who are elected by district,

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each for four-year terms. Each of the Councilmembers takes an annual turn as Mayor. City voters also elect a City Treasurer who serves a four-year term.

Lincoln is operated under the Council-Manager form of government. The City Council appoints the City Manager, who is then responsible for implementing the City Council's policy direction and overall management of the City. The City provides a full range of services, including public safety (police and fire), sanitation, water and sewer service, library, recreational and cultural activities, public improvements, planning, zoning, general administrative services, and a municipal airport.

Residents of the City may actively participate in the local government process by serving on a City commission, committee, or board. The commissions, committees, and boards act in an advisory capacity to the City Council in the development and implementation of government policy. Included are the Planning Commission, Economic Development Committee, Fiscal and Investment Oversight Committee, Airport Committee, Parks and Recreation Committee, and Library Board.

The City Council adopts a biennium budget which serves as the foundation for the City's financial planning and control. It also serves as the City's resource allocation plan and identifies estimated costs in relation to estimated revenues. Ultimate budgetary control resides at the fund level. However, the City has adopted several budgetary appropriation and transfer procedures to provide strong internal controls while encouraging improved accountability and administrative responsiveness. All transfers between funds require City Council review and approval.

The City Council and staff strive to achieve the City's ongoing Mission:

"To provide the highest level of service responsive to our community's expectation and to enhance the quality of life, and economic vitality." The Council's strategic priorities have been set within the 2023-2025 City Council Strategic Planning Report. The plan states 14 key goals to be achieved within the report timeline. The goals are wide ranging and are designed to ensure the ongoing quality of life and economic viability for the City of Lincoln organization, it's residents, staff and community partners.

### **Major Initiatives**

The City has continued to interact with the very active development and business environment within Lincoln over the last year. Even with changes in the national economy, including interest rate increases through the majority of the last year, economic and development activity has remained strong, which is an indicator that Lincoln remains a very desirable place to live and work.

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Within this period of time the City has continued to staff previously vacant positions at all levels. While the recruitment process has been challenging in terms of talent attraction, the City has been fortunate to attract a wide range of extremely talented and qualified staff to fill key roles. This includes virtually every department including Administration, Public Works, Public Safety, Recreation, Community Development and Engineering.

The City has continued to focus on evaluating city finances in all funds to ensure that adequate revenues are being collected and costs are being kept under control given the current inflationary environment. Perhaps the most recent financially important initiative was the study, review and adoption of a new utility rates structure. The new rates are intended to course correct all three enterprise utility funds (Water, Sewer and Solid Waste) to achieve a conservative level of funding sufficient to meet operational and capital needs. Additionally, staff and Council have been evaluating other strategies to increase revenues in the General Fund, with the intent to provide increased services to the community.

The City continues to incorporate new innovative technologies to ensure that quality municipal services are being delivered efficiently to the residents of Lincoln. This effort includes the multi-year process of implementation of a new enterprise resources planning (ERP) system, enhanced land management and permitting software and improved cyber security to respond to a rapidly changing cyber security environment worldwide. Additionally, the City has leveraged technology to make concerted efforts to increase financial transparency to the community. This includes a financial transparency portal which allows the public to review City finances on a macro and micro level. It also includes a recently launched Property Tax lookup tool which gives residents the ability to know very specifically how their property taxes are allocated to various taxing agencies.

Efforts continued this year to ensure that public safety staffing remained at desired levels. The Police Department has experienced some attrition and so recruitment has been active most of the year to ensure the Department remains fully staff to respond to service demands. Similarly, for the Fire Department, the prior year hiring strategy to add 9 new firefighters has proved to be transformative for the department both from an efficiency and a service perspective. The City has remained committed to surgically adding strategic positions to the public safety department to ensure continuity of service as well as establish opportunities for succession planning. To that end, the organization has recently approved Police Captain and Deputy Fire Chief positions. These positions will be senior level command positions responsible for day to day operations and will report to the Public Safety Chief.

The City of Lincoln has made significant progress on several key economic development initiatives. There are two key examples of these types of initiatives. The first is the

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initiation of a new downtown plan which seeks to rethink downtown development and plan for its future enhanced economic viability. This new plan is intended to create new residential and commercial opportunities within the downtown while continuing to preserve the culture and feel of downtown Lincoln. The second example relates to the ongoing work for the Lincoln Regional Airport and a variety of opportunities to increase revenue and drive economic growth in the immediate area. The newly reformed Airport Committee has released an RFP for new hanger builds at the Airport to meet significant demand for aircraft storage. Additionally, the City is working on finding an appropriate strategy for partnership on the 84 acres of shovel ready ground adjacent to the airport which could serve as a new job center and economic driver for the City of Lincoln. These efforts will assist in putting the Airport onto more steady financial ground.

Finally, the City has invested significant resources into the delivery of a variety of important capital infrastructure projects in virtually all departments. The upcoming year has yet another large slate of critical infrastructure projects planned for construction ranging from streets to water, sewer, parks, and community facilities.

### **Local Economy**

The City has seen a minor slowdown in development permitting activity compared to 2021-2022. However, overall permitting and development interest remains very strong and barring any significant economic downturn it is anticipated this will continue into 2024.

The City has chosen to take a conservative approach in revenue and expense forecasting, as it has done in past years. The City's property tax revenues remain stable with moderate growth predicted, similarly sales tax has remained generally stable although this is likely somewhat related to inflation versus increased spending.

The City is cognizant of the need to build its commercial tax base, which has lagged behind residential development, but is made increasingly more viable due to the remarkable number of "residential rooftops." Coupled with the City's favorable location along Highway 65, the City places high priority on recruiting retail and commercial tax base and good new jobs. The City continues to fully fund its General Fund Reserve, and continues to monitor its CalPERS unfunded liability.

### **Long-term Financial Planning**

Long-term financial planning continues to be a priority for the City, as we strive to marry our growth planning with responsible financial strategies. The Lincoln community benefits in many ways from the growth it is experiencing (i.e., parks, trails, new stores, a new high school, entertainment), but at the same time, Lincoln remains very committed to retaining

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its community values and heritage. Growth planning and long-term financial strategy must continue to be accompanied by genuine community engagement in the planning process. This effort is bolstered by the aforementioned financial transparency tools that give the community the opportunity to monitor and evaluate the City's long range and short-term financial activities.

The City continues to work toward resolution of the findings in the 2019 Joint Legislative Audit Committee (JLAC) report. As of the start of Fiscal Year 2022-2023 there were two findings that were partially complete, with all other findings resolved. One of these findings is related to interfund loans. At the time of the completion of the 2019 JLAC audit, it was noted that the City had several interfund loans that were not properly documented with repayment schedules and that repayment of these loans was uncertain. As of the end of Fiscal Year 2022-2023, all interfund loans have repayment schedules and all loans are in good standing with payments made at least annually. The City continues to work with the California State Auditors Department to resolve the remaining findings. We anticipate all findings to be resolved by October 2024.

### **Acknowledgements**

Preparation of this report was made possible by the efforts of the dedicated and talented staff in the City's Finance Department with special thanks to Finance Director Nita Wracker, Finance Manager Ruthann Codina, Principal Accountant Janelle Schneider, and to our dedicated Finance staff and those in other City departments who have assisted in the process.

Respectfully submitted,



Sean Scully  
City Manager

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Presented to

**City of Lincoln  
California**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2022

*Christopher P. Morill*

Executive Director/CEO

**CITY OF LINCOLN**

**CITY OFFICIALS**

**JUNE 30, 2023**

**ELECTED OFFICIALS**

Mayor	Paul Joiner
Mayor Pro Tem	Dan Karleskint
Council Member	Ben Brown
Council Member	William Lauritsen
Council Member	Holly Woods-Andreatta
City Treasurer	Richard Pearl

**APPOINTED OFFICIALS**

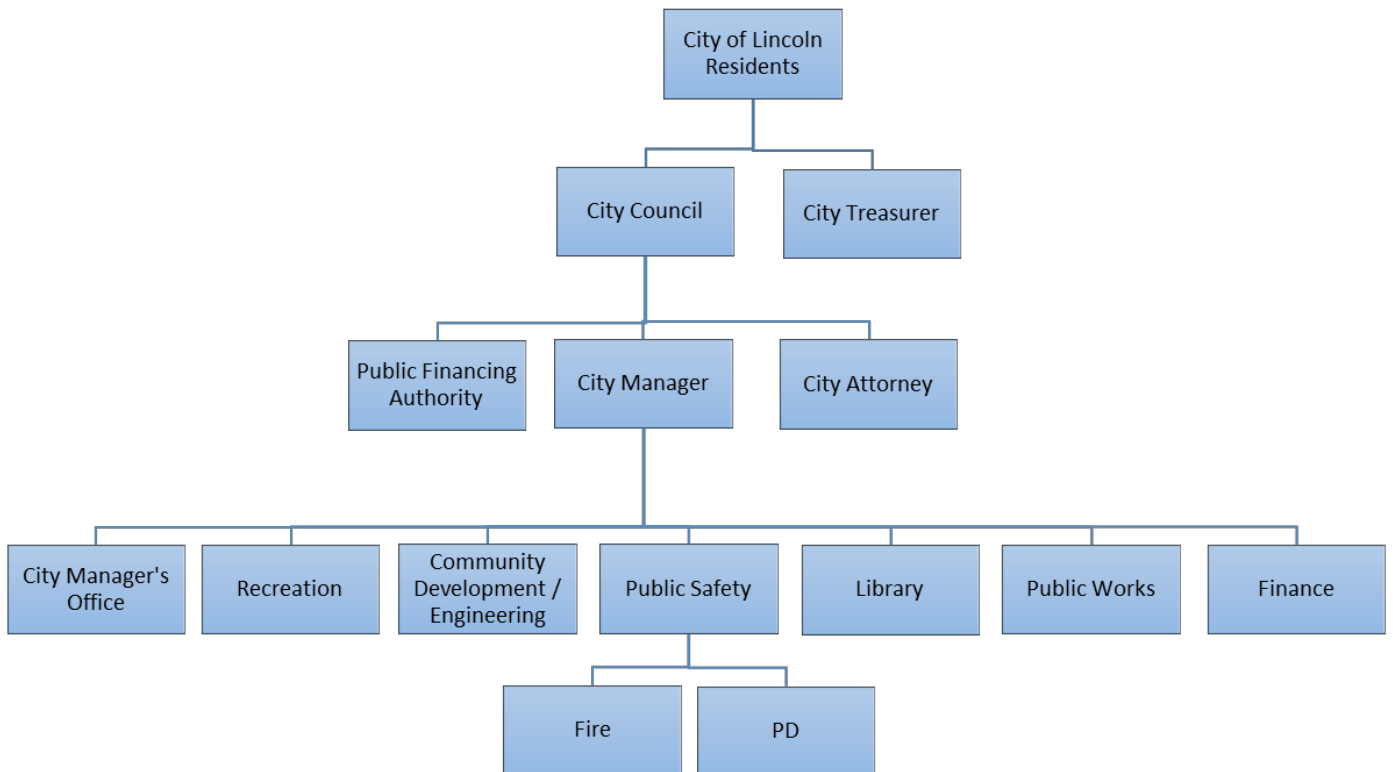
City Manager	Sean Scully
City Clerk	Gwen Scanlon

**DEPARTMENT HEADS**

Director of Finance	Nita Wracker
Director of Community Development	Christian Svensk
Director of Public Works/City Engineer	Matthew Medill
Public Safety Chief	Matt Alves
Library Director	Kathryn Hunt

This listing has been created for the purpose of this ACFR and as a reference of the structure at the time of production.

# City Organizational Chart



FINANCIAL SECTION





## INDEPENDENT AUDITOR'S REPORT

To the City Council of  
the City of Lincoln  
Lincoln, California

### Report on the Audit of the Financial Statements

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Lincoln (the City) as of and for the year ended June 30, 2023, 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, each major fund, and the aggregate remaining fund information of the City of Lincoln, as of June 30, 2023, 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Change in Accounting Principle***

As described in Note 1 to the financial statements, in 2023, the City adopted new accounting guidance, GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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



### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, pension related schedules, and OPEB related schedules as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the 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 accompanying combining and individual nonmajor fund financial statements and budgetary comparison schedules, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and budgetary comparison schedules 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 auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated January 19, 2024, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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'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's internal control over financial reporting and compliance.



Sacramento, California  
January 19, 2024

**CITY OF LINCOLN**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

As Management of the City of Lincoln (City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented here in conjunction with the City's basic financial statements following this section.

**FINANCIAL HIGHLIGHTS**

- At the end of the fiscal year, the General Fund reported total assets of \$42,590,912, total liabilities of \$9,454,407, and a total fund balance of \$30,257,467. Of the total fund balance, the unassigned fund balance of the General Fund totaled \$17,850,646 or 65% of total General Fund expenditures at year-end.
- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at June 30, 2023 by \$840,828,038 (net position). Of this amount, \$656,764,665 is invested in capital assets, net of related debt; \$92,863,763 is restricted for debt service, capital projects, insurance, grants, taxes, and fees; and \$91,199,610 is unrestricted.
- The City's total net position decreased by \$18,898,175, of which \$1,332,013 is an increase to governmental activities netted with a decrease of \$20,230,188 to business-type activities.
- As of June 30, 2023, the City's governmental funds reported combined ending fund balances of \$160,132,925, an increase of \$7,806,207 from the prior year's balance of \$152,326,718. Nonspendable, restricted, committed and assigned fund balances totaled \$142,674,840, whereas unassigned fund balance totaled \$17,458,085.

**OVERVIEW OF THE ANNUAL COMPREHENSIVE FINANCIAL REPORT**

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

***Government-Wide Financial Statements***

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

The Statement of Net Position presents information on all of the City's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is strengthening or weakening.

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, public works and facilities, culture and recreation, urban redevelopment and housing, as well as education. The business-type activities of the City of Lincoln include water, wastewater, solid waste, airport, and transit.

The Lincoln Public Financing Authority, although legally separate, functions for all practical purposes as a department of the City, and therefore, has been included as an integral part of the primary government. No separate financial statements were issued for the Authority.

The government-wide financial statements can be found on pages 18 of this report.

**CITY OF LINCOLN**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

***Fund Financial Statements***

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds used by the City are divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds

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

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

The City maintains numerous individual governmental funds. Financial data is presented individually for each of the City's major governmental funds in both the governmental fund balance sheet as well as the governmental fund statement of revenues, expenditures, and changes in fund balance. The City's major funds include the General Fund, Public Facility Element (PFE) fund, Water Connections fund, Development Services fund, and Low/Moderate Income Housing fund. Data for the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found on pages 19 - 24 of this report.

Proprietary funds

The City of Lincoln maintains two different types of proprietary funds; Enterprise funds, which are used to account for its water, wastewater, solid waste, airport, and transit activities, and Internal Service funds which are an accounting device used to accumulate and allocate shared costs internally among the City's various functions or departments.

Enterprise funds report the same functions presented as business-type activities in the government-wide statements. Whereas internal service funds, which predominantly benefit governmental rather than business-type functions, are included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for its water, wastewater, solid waste, airport, and transit, which are considered to be major funds.

The basic proprietary fund financial statements can be found on pages 25 - 30 of this report.

Fiduciary funds

Fiduciary funds are used to account for resources held for the benefit of parties outside of the reporting City government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs.

The basic fiduciary fund financial statements can be found on pages 31 - 32 of this report.

**CITY OF LINCOLN**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

**Notes to the Financial Statements**

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the City's financial statements. Each note is in sequence with the financial statements and can be found on pages 33 - 79 of this report.

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's pension liability and other post-employment benefits (OPEB) liability. The City adopts an annual appropriated budget for all of its funds. Budgetary information on the City's major governmental funds, which include the General Fund, Public Facility Element (PFE) fund, Water Connections fund, Development Services fund, and Low/Moderate Income Housing fund can be found on pages 88 - 94. These schedules demonstrate compliance with the adopted budget.

The combining statements referred to earlier in connection with non-major governmental funds, internal service funds, and fiduciary funds are presented immediately following the required supplementary information, which is found on pages 95 - 129.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

A comparative analysis of the government-wide data follows.

**Statement of Net Position**  
**As of June 30, 2023 and 2022**  
**(in thousands)**

	<u>Governmental Activities</u>			<u>Business-Type Activities</u>			<u>Total Government</u>		
	<u>2023</u>	<u>2022</u>	<u>Net Change</u>	<u>2023</u>	<u>2022</u>	<u>Net Change</u>	<u>2023</u>	<u>2022</u>	<u>Net Change</u>
<b>ASSETS</b>									
Current and other assets	\$ 190,318	\$ 176,508	\$ 13,810	\$ 63,523	\$ 67,064	\$ (3,541)	\$ 253,841	\$ 243,572	\$ 10,269
Capital assets	<u>339,653</u>	<u>347,522</u>	<u>(7,869)</u>	<u>331,622</u>	<u>346,447</u>	<u>(14,825)</u>	<u>671,275</u>	<u>693,969</u>	<u>(22,694)</u>
Total Assets	<u>529,971</u>	<u>524,030</u>	<u>5,941</u>	<u>395,145</u>	<u>413,511</u>	<u>(18,366)</u>	<u>925,116</u>	<u>937,541</u>	<u>(12,425)</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	<u>19,305</u>	<u>12,974</u>	<u>6,331</u>	<u>5,107</u>	<u>3,320</u>	<u>1,787</u>	<u>24,412</u>	<u>16,294</u>	<u>8,118</u>
<b>LIABILITIES</b>									
Long-term liabilities	54,546	41,259	13,287	11,113	7,247	3,866	65,659	48,506	17,153
Other liabilities	<u>21,967</u>	<u>17,207</u>	<u>4,760</u>	<u>10,709</u>	<u>7,684</u>	<u>3,025</u>	<u>32,676</u>	<u>24,891</u>	<u>7,785</u>
Total Liabilities	<u>76,513</u>	<u>58,466</u>	<u>18,047</u>	<u>21,822</u>	<u>14,931</u>	<u>6,891</u>	<u>98,335</u>	<u>73,397</u>	<u>24,938</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<u>8,037</u>	<u>15,034</u>	<u>(6,997)</u>	<u>2,329</u>	<u>5,561</u>	<u>(3,232)</u>	<u>10,366</u>	<u>20,595</u>	<u>(10,229)</u>
<b>NET POSITION</b>									
Net investment in capital assets	325,142	332,379	(7,237)	331,622	346,447	(14,825)	656,765	678,827	(22,062)
Restricted	74,322	110,940	(36,618)	18,541	18,843	(302)	92,863	129,783	(36,920)
Unrestricted	<u>65,262</u>	<u>20,185</u>	<u>45,077</u>	<u>25,938</u>	<u>31,050</u>	<u>(5,112)</u>	<u>91,200</u>	<u>51,235</u>	<u>39,965</u>
Total Net Position	<u>\$ 464,726</u>	<u>\$ 463,504</u>	<u>\$ 1,222</u>	<u>\$ 376,101</u>	<u>\$ 396,340</u>	<u>\$ (20,239)</u>	<u>\$ 840,828</u>	<u>\$ 859,845</u>	<u>\$ (19,017)</u>

By far, the largest portion of the City's net position is unspendable (\$656,764,665 or 78%) and reflects its investment in capital assets (e.g. infrastructure, land, buildings, equipment), less any related debt. The City's remaining net position consists of restricted funds of \$92,863,763 which are resources subject to external restrictions, and unrestricted net position totaling \$91,199,610.

**CITY OF LINCOLN**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

**Changes in Net Position**  
**As of June 30, 2023 and 2022**  
**(in thousands)**

	<u>Governmental Activities</u>			<u>Business-Type Activities</u>			<u>Total Government</u>		
	<u>2023</u>	<u>2022</u>	<u>Net Change</u>	<u>2023</u>	<u>2022</u>	<u>Net Change</u>	<u>2023</u>	<u>2022</u>	<u>Net Change</u>
<b>REVENUES:</b>									
Program Revenues									
Charges for services	\$ 27,380	\$ 42,122	\$ (14,742)	\$ 33,434	\$ 31,870	\$ 1,564	\$ 60,814	\$ 73,992	\$ (13,178)
Operating grants and contributions	9,533	8,298	1,235	326	519	(193)	9,859	8,817	1,042
Capital grants and contributions	2,329	5,125	(2,796)	3,036	9,994	(6,958)	5,365	15,119	(9,754)
General Revenues									
Property taxes	15,804	13,820	1,984	-	-	-	15,804	13,820	1,984
Sales taxes	5,924	5,733	191	71	381	(310)	5,995	6,114	(119)
Franchise taxes	973	928	45	-	-	-	973	928	45
Other taxes	298	408	(110)	-	-	-	298	408	(110)
Investment earnings	1,712	(4,625)	6,337	346	(2,380)	2,726	2,058	(7,005)	9,063
Other revenues	1,157	1,411	(254)	3,595	1,142	2,453	4,752	2,553	2,199
Gain (loss) on sale of asset	-	-	-	(161)	18	(179)	(161)	18	(179)
Total Revenues	<u>65,110</u>	<u>73,220</u>	<u>(8,110)</u>	<u>40,647</u>	<u>41,544</u>	<u>(897)</u>	<u>105,757</u>	<u>114,764</u>	<u>(9,007)</u>
<b>EXPENSES:</b>									
General government	6,705	7,979	(1,274)	-	-	-	6,705	7,979	(1,274)
Public safety	19,074	11,446	7,628	-	-	-	19,074	11,446	7,628
Public works and facilities	28,384	26,405	1,979	-	-	-	28,384	26,405	1,979
Culture & recreation	1,105	1,071	34	-	-	-	1,105	1,071	34
Urban redevelopment and housing	326	606	(280)	-	-	-	326	606	(280)
Education	1,377	1,326	51	-	-	-	1,377	1,326	51
Interest	646	515	131	-	-	-	646	515	131
Water	-	-	-	18,968	17,973	995	18,968	17,973	995
Wastewater	-	-	-	15,826	17,504	(1,678)	15,826	17,504	(1,678)
Solid waste	-	-	-	8,705	7,552	1,153	8,705	7,552	1,153
Airport	-	-	-	1,845	1,823	22	1,845	1,823	22
Transit	-	-	-	681	578	103	681	578	103
Total Expenses	<u>57,617</u>	<u>49,348</u>	<u>8,269</u>	<u>46,025</u>	<u>45,430</u>	<u>595</u>	<u>103,642</u>	<u>94,778</u>	<u>8,864</u>
Change in net position before transfers and special items	<u>7,493</u>	<u>23,872</u>	<u>(16,379)</u>	<u>(5,378)</u>	<u>(3,886)</u>	<u>(1,492)</u>	<u>2,115</u>	<u>19,986</u>	<u>(17,871)</u>
Transfers	(3,473)	(3,365)	(108)	3,473	3,365	108	-	-	-
Special items	<u>(2,687)</u>	<u>-</u>	<u>(2,687)</u>	<u>(18,326)</u>	<u>-</u>	<u>(18,326)</u>	<u>(21,013)</u>	<u>-</u>	<u>(21,013)</u>
Change in net position	1,333	20,507	(19,174)	(20,231)	(521)	(19,710)	(18,898)	19,986	(38,884)
Net Position Beginning, as restated	<u>463,394</u>	<u>442,998</u>	<u>20,396</u>	<u>396,332</u>	<u>396,859</u>	<u>(527)</u>	<u>859,726</u>	<u>839,857</u>	<u>19,869</u>
Net Position Ending	<u>\$ 464,727</u>	<u>\$ 463,505</u>	<u>\$ 1,222</u>	<u>\$ 376,101</u>	<u>\$ 396,338</u>	<u>\$ (20,237)</u>	<u>\$ 840,828</u>	<u>\$ 859,843</u>	<u>\$ (19,015)</u>

Governmental activities increased the City's net position by \$1,222,556 and business-type activities decreased the City's net position by \$20,221,952. Total net position decreased by \$18,999,396, or 3% over the prior year.

**CITY OF LINCOLN**  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2023

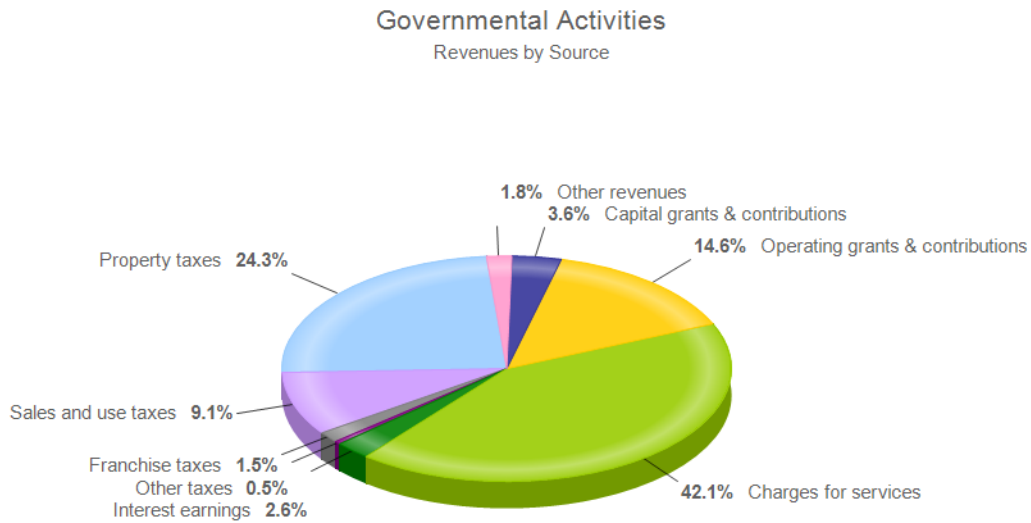
**Governmental Activities**

Governmental activities increased the City's net position by \$1,222,556 or 6% as of June 30, 2023.

Key elements for the changes in revenues and expenses for governmental activities are as follows:

- Charges for services decreased \$14.7 million primarily due to a decrease in the number of new residential construction permits issued along with a reduction in actual fees charged for connection fees and Oak Tree Mitigation.
- Interest and investment earnings increased \$6.3 million primarily as a result of changes in market values.

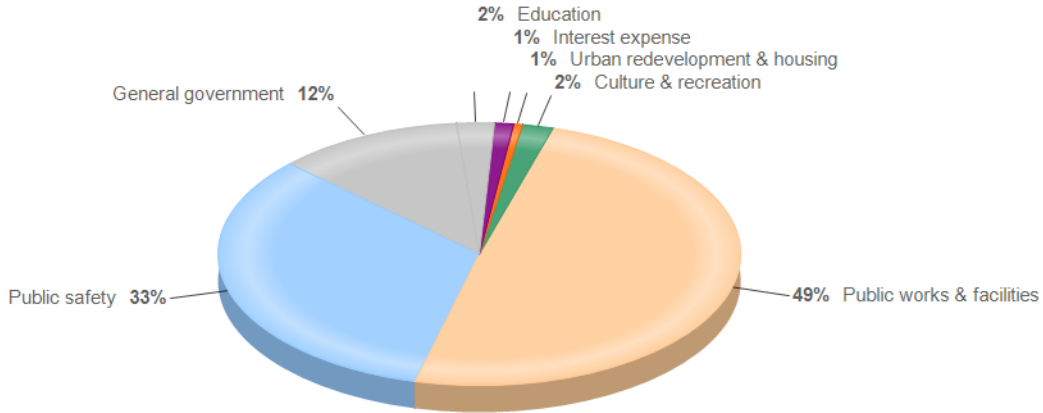
The following charts show governmental activities revenues by source and expenses by function.



**CITY OF LINCOLN**  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2023

**Governmental Activities**

Expenses by Function



**Business-Type Activities**

Business-type activities decreased the City's net position by \$20,230,188 or 107% as of June 30, 2023.

Key elements accounting for the changes in revenues and expenses for business-type activities are as follows:

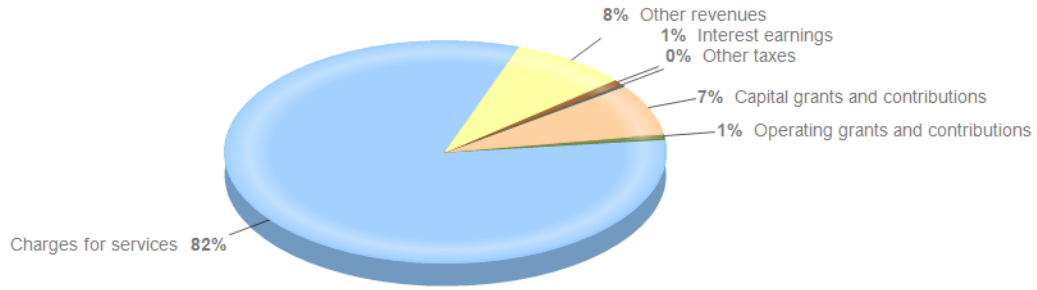
- The largest factor in the decrease was the disposal of wastewater treatment and reclamation facilities which caused a decreased net position by \$18 million.
- The remainder of the decrease was due to the rising cost of providing the services in the Business-Type Activities.



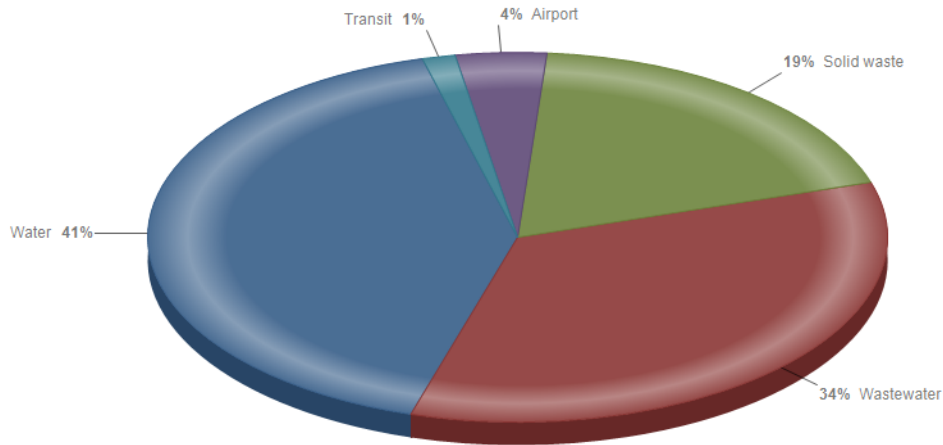
**CITY OF LINCOLN**  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2023

The following charts show business-type activities revenues by sources and expenses by enterprise:

**Business-Type Activities**  
Revenues by Source



**Business-Type Activities**  
Expenses by Enterprise



**CITY OF LINCOLN**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

**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. Each fund functions as its own entity with its own set of financial statements for analyses of revenues, expenses, assets, liabilities, and fund balance.

Under the Governmental Accounting Standards Board Statement No. 54, fund balances are classified as nonspendable, restricted, committed, assigned, and unassigned. Nonspendable fund balances are amounts that are inherently nonspendable, i.e. cannot be spent because of their form or because they must be maintained intact. Restricted fund balances are amounts with externally enforceable limitations on use, such as limitations imposed by creditors or grantors, and limitations imposed by other governments. Committed fund balances are amounts that can only be used for the specific purposes determined by formal action of the City's highest level of decision making authority (the City Council). Assigned fund balances are amounts constrained by the City's intent to be used for specific purposes. Unassigned fund balances, the residual net resources, are the amounts in excess of nonspendable, restricted, committed, and assigned amounts. Negative fund balances are included in the unassigned fund balance category.

***Governmental Funds***

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of resources. Such information is useful in assessing the City's current resources available for service delivery.

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$160,132,925, an increase of \$7,806,207, or 5% over the prior year balance. The increased fund balance is the result of revenues and contributions from property owners exceeding expenditures and net transfers out. When comparing total revenues and expenditures against the prior year, net revenues increased.

Nonspendable fund balances totaled \$45,663,861, restricted fund balances totaled \$73,965,669, committed fund balances totaled \$7,145,829, assigned fund balances totaled \$15,899,481, and unassigned fund balances totaled \$17,458,085. The General Fund has a positive unassigned fund balance of \$17,850,646. The Federal Grants fund has a negative unassigned fund balance of \$392,561 up from a negative \$288,181. The accumulated negative fund balance in the Federal Grants fund is the result of delayed grant reimbursements, which were subsequently received in the next fiscal year.

The following discussion touches on each of the five major governmental funds.

General Fund

The General Fund is the chief operating fund of the City of Lincoln. Fiscal year 2022-23 increased the City's General Fund balance by \$2,230,625 to an ending fund balance of \$30,257,467. The unassigned fund balance of the General Fund was \$17,850,646. The committed fund balance at year-end was \$7,145,829 which contains reserves of \$6,141,217 for operating and \$1,004,612 for capital replacement. The nonspendable fund balance at year-end of \$5,260,992 is invested in the City's insurance programs with a JPA - Northern California Cities Self-Insurance Fund and an interfund advance to the Airport enterprise fund of \$4,770,356.

General Fund revenues exceeded expenditures by \$3,246,825 while other financing sources (uses) resulted in a reduction of \$1,016,200 thus resulting in a year-end gain of \$2,230,625. This gain is due to a stable increase in all revenue sources and the year closing with expenses significantly less than what was budgeted.

As a measure of the General Fund's liquidity, it may be useful to compare the unassigned fund balance to total fund expenditures. Including sources and uses, the unassigned fund balance represents 65% of total General Fund expenditures, down from 66% in the prior year due to a steady increase in revenues and a reduction of expenses in comparison to what was budgeted for the year due to cost cutting and deferral of any unnecessary expenses.

**CITY OF LINCOLN**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

The following table provides a two-year comparison of revenues by source and expenditures by function. Accompanying the tables are brief explanations of significant changes.

**Revenues Classified by Source**  
**General Fund**  
**For the Years Ended June 30, 2023 and 2022**

	<u>2023</u>		<u>2022</u>		<u>Increase (Decrease)</u>	
	<u>Amount</u>	<u>% of Total</u>	<u>Amount</u>	<u>% of Total</u>	<u>Amount</u>	<u>Percent</u>
Taxes and assessments	\$ 22,998,616	75 %	\$ 20,887,944	74 %	\$ 2,110,672	10 %
Licenses and permits	1,984,768	6 %	2,034,864	7 %	(50,096)	(2)%
Intergovernmental	2,714,488	9 %	1,673,562	6 %	1,040,926	62 %
Fines and forfeitures	97,291	- %	50,196	- %	47,095	94 %
Use of money and property	302,096	1 %	(530,273)	(2)%	832,369	157 %
Charges for services	2,228,467	7 %	3,376,123	12 %	(1,147,656)	(34)%
Other revenues	374,663	1 %	678,046	2 %	(303,383)	(45)%
Issuance of lease proceeds	-	- %	220,000	1 %	1	1 %
	<u>\$ 30,700,389</u>	<u>99 %</u>	<u>\$ 28,390,462</u>	<u>100 %</u>	<u>\$ 2,529,928</u>	<u>9 %</u>

Total General Fund revenues increased by \$2,529,928 or 9% from the prior fiscal year and are driven by a combination of factors:

- Taxes and assessments increased by \$2,110,672 or 10%, primarily due to the new Limited Term Agreement with the County, annual property increases and increased home sales activity.
- Intergovernmental revenues increased by \$1,040,926 or 62% as a result of the COVID-19 pandemic and allocation of relief funds received.
- Use of money and property increased by \$832,369 or 157% because market value increases during the year.
- Charges for services decreased by \$1,147,656 or 34% resulting largely from increased building and related permitting activities.

**Expenditures by Function**  
**General Fund**  
**For the Years Ended June 30, 2023 and 2022**

	<u>2023</u>		<u>2022</u>		<u>Increase (Decrease)</u>	
	<u>Amount</u>	<u>% of Total</u>	<u>Amount</u>	<u>% of Total</u>	<u>Amount</u>	<u>Percent</u>
General government	\$ 6,129,606	22 %	\$ 5,784,900	25 %	\$ 344,706	6 %
Public safety	15,876,706	59 %	12,916,037	56 %	2,960,669	23 %
Public works & facilities	1,800,371	7 %	1,201,786	5 %	598,585	50 %
Culture & recreation	1,120,594	4 %	922,064	4 %	198,530	22 %
Urban development & housing	326,654	1 %	578,697	2 %	(252,043)	(44)%
Education	857,492	3 %	752,926	3 %	104,566	14 %
Capital outlay	1,047,058	4 %	903,238	4 %	143,820	100 %
Debt principal	252,165	1 %	247,867	1 %	4,298	2 %
Debt interest	42,918	- %	48,513	- %	(5,595)	(12)%
	<u>\$ 27,453,564</u>	<u>101 %</u>	<u>\$ 23,356,028</u>	<u>100 %</u>	<u>\$ 4,097,536</u>	<u>18 %</u>

The above General Fund expenditures remain categorically consistent and increased by \$4,097,536 or 18% from the prior fiscal year primarily due to rising salary, benefit, and retirement costs, as well as increased insurance costs.

**CITY OF LINCOLN**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

Public Facility Element (PFE) Fund

The PFE funds are collected with the issuance of building permits and are used by the City to fund infrastructure projects and public facilities. The City's PFE funds include: transportation, drainage, parks, and community services for police, fire, administration, and the library. Development activity in Lincoln has experienced a renewed development interest during the past 3 years which has led to increased revenue and fund balance.

The PFE fund has a total fund balance of \$24,535,510 at the end of the fiscal year. This is improvement from the fund balance of \$16,156,456 as of June 30, 2022 and is the result of revenue receipts in excess of expenses during the year for all PFE funds with the exception of the Library PFE along with a reimbursement from bond proceeds held in the custodial funds for expenditures incurred in prior years.

Water Connections Fund

This fund is used to account for water connection fees collected from developers and property owners that are required by the California Government Code to be expended for capacity expansion. The fund balance of the Water Connections fund at the end of the fiscal year was \$51,341,913, or an increase of 2% from prior fiscal year.

Development Services Fund

This fund is used to account for monies received in relation to property development and other projects within the City. Ending fund balance totaled \$16,003,969, or an increase of 17% from prior fiscal year.

Low/Moderate Income Housing Fund

This fund is used to account for the housing loans established as part of the former Redevelopment Agency of the City of Lincoln. Ending fund balance totaled \$1,648,651.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

Each year, the City develops the annual budget for revenues and expenditures using a realistic, but conservative methodology based upon the best information available at that time. During the course of the fiscal year, the City Council is presented with financial status reports and approves amendments to budgeted revenue and expenditure projections as needed, so as to ensure that the City's budget continuously provides an accurate measurement of available fiscal resources to achieve the City Council priorities.

The final General Fund budget for the fiscal year ending June 30, 2023 projected revenue of \$31,326,320 and expenditures of \$27,592,776, and an increase in fund balance of \$3,733,544. The General Fund's actual performance for the year however, ended with revenues totaling \$30,700,389 or \$625,931 less than projected and expenditures totaling \$27,453,564, or \$139,212 less than budgeted, resulting in an annual operating surplus of \$3,246,825.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

***Capital Assets***

The City's capital assets include construction in progress, land, buildings and facilities, machinery and equipment, park facilities, and roads. As of June 30, 2023, the City's total investment in capital assets for its governmental and business-type activities totaled \$671,275,436 (net of accumulated depreciation/amortization) which decreased from the prior fiscal year by \$22,694,195 or 3.3%, which is the result of current year annual depreciation exceeding asset investments.

**CITY OF LINCOLN**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

**CAPITAL ASSETS (NET OF DEPRECIATION)**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Land and easements	\$ 14,712,994	\$ 14,712,994	\$ 1,591,640	\$ 1,591,640	\$ 16,304,634	\$ 16,304,634
Construction in progress	20,755,039	17,750,034	5,673,000	7,695,090	26,428,039	25,445,124
Buildings & improvements	71,712,056	72,858,913	11,542,526	12,272,088	83,254,582	85,131,001
Furniture & equipment	3,343,700	3,261,897	6,544,766	6,834,566	9,888,466	10,096,463
Infrastructure	228,472,786	238,938,320	306,270,499	318,054,089	534,743,285	556,992,409
ROU subscription asset	656,430	-	-	-	656,430	-
<b>Total</b>	<b>\$ 339,653,005</b>	<b>\$ 347,522,158</b>	<b>\$ 331,622,431</b>	<b>\$ 346,447,473</b>	<b>\$ 671,275,436</b>	<b>\$ 693,969,631</b>

Governmental activities decreased by \$7,869,153 or 2.3% and business-type activities decreased by 14,825,042 or 4.3%. Additional information on the City's capital assets can be found in Note 6 of this report.

**Long-term Debt**

As of June 30, 2023, the City of Lincoln had total debt outstanding of \$17,837,725. This amount is comprised of \$12,918,790 in bond debt, 912,629 in financed purchases, \$679,352 in subscription liabilities, \$3,291,615 in compensated absences and \$35,339 in post-closure liability.

**CITY'S OUTSTANDING DEBT**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Bonds, net	\$ 12,918,790	\$ 13,978,796	\$ -	\$ -	\$ 12,918,790	\$ 13,978,796
Financed purchases	912,629	1,164,794	-	-	912,629	1,164,794
Subscription liability	679,352	-	-	-	679,352	-
Compensated absences	2,824,074	2,832,739	467,541	564,609	3,291,615	3,397,348
Post-closure	-	347,522	35,339	200,633	35,339	548,155
<b>Total</b>	<b>\$ 17,334,845</b>	<b>\$ 18,323,851</b>	<b>\$ 502,880</b>	<b>\$ 765,242</b>	<b>\$ 17,837,725</b>	<b>\$ 19,089,093</b>

The City's total debt decreased by \$1,251,368 or 7% during the fiscal year due to the continuance of scheduled debt service payments. Additional information about the City's long-term debt can be found in Note 8 to the financial statements.

**City's Pension and OPEB Liabilities**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Net pension liability	\$ 22,308,813	\$ 18,821,841	\$ 6,620,805	\$ 5,786,564	\$ 28,929,618	\$ 24,608,405
Net OPEB liability	18,681,182	21,498,711	4,398,570	5,422,115	23,079,752	26,920,826
<b>Total</b>	<b>\$ 40,989,995</b>	<b>\$ 40,320,552</b>	<b>\$ 11,019,375</b>	<b>\$ 11,208,679</b>	<b>\$ 52,009,370</b>	<b>\$ 51,529,231</b>

The City's net pension liability and net OPEB liability increased by \$480,139 or 1%. Additional information on the City's net pension liability and net OPEB obligation can be found in notes 12 and 13, respectively.

**CITY OF LINCOLN**  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2023

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

The City's economic health has seen a minor slowdown in development compared to FY 2021-2022. New residential and commercial construction within the City follows the conservative assumptions used in revenue forecasting, which has resulted in continued strength in the local economy.

**REQUESTS FOR INFORMATION**

This financial statement is designed to provide our citizens, taxpayers, customers, 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 any questions about this report or need additional financial information, please contact the Administrative Services Department, City of Lincoln, 600 Sixth Street, Lincoln, CA 95648.

**CITY OF LINCOLN**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2023**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b><u>ASSETS</u></b>			
Cash and investments (Note 2)	\$ 123,155,091	\$ 60,022,018	\$ 183,177,109
Accounts receivable, net	9,125,779	7,516,881	16,642,660
Interest receivable	88,657	60,393	149,050
Taxes receivable	694,766	329	695,095
Intergovernmental receivables	940,772	-	940,772
Leases receivable (Note 3)	2,768,571	552,841	3,321,412
Prepaid items	40,536,846	202,609	40,739,455
Inventory	-	43,444	43,444
Internal balances	4,875,140	(4,875,140)	-
Advances to Successor Agency (Note 19)	2,410,238	-	2,410,238
Restricted cash and cash equivalents (Note 2)	16,220	-	16,220
Loans receivable, net of allowance (Note 4)	5,705,944	-	5,705,944
Capital assets (Note 6)			
Land and construction in progress	35,468,033	7,264,640	42,732,673
Other capital assets, net of depreciation	<u>304,184,972</u>	<u>324,357,791</u>	<u>628,542,763</u>
Total capital assets	<u>339,653,005</u>	<u>331,622,431</u>	<u>671,275,436</u>
<b>Total Assets</b>	<u>529,971,029</u>	<u>395,145,806</u>	<u>925,116,835</u>
<b><u>Deferred Outflows of Resources</u></b>			
Changes in the net pension liability (Note 12)	11,684,340	3,093,036	14,777,376
Changes in net OPEB liability (Note 13)	<u>7,620,679</u>	<u>2,013,817</u>	<u>9,634,496</u>
<b>Total Deferred Outflows of Resources</b>	<u>19,305,019</u>	<u>5,106,853</u>	<u>24,411,872</u>
<b><u>LIABILITIES</u></b>			
Accounts payable	4,768,722	9,615,854	14,384,576
Accrued payroll and benefits	1,100,791	247,407	1,348,198
Accrued liabilities	248,061	-	248,061
Accrued interest payable	114,518	-	114,518
Retention payable	448,141	91,212	539,353
Deposits payable	2,650,077	310,898	2,960,975
Unearned revenue (Note 7)	8,857,746	34,308	8,892,054
Net pension liability (Note 12)			
Due in more than one year	22,308,813	6,620,805	28,929,618
Other postemployment benefits (Note 13)			
Due in more than one year	18,681,182	4,398,570	23,079,752
Accrued compensated absences (Note 8):			
Due within one year	2,259,259	374,033	2,633,292
Due in more than one year	564,815	93,508	658,323
Post-closure liability (Note 8)			
Due within one year	-	35,339	35,339
Long-term liabilities (Note 8):			
Due within one year	1,519,662	-	1,519,662
Due in more than one year	<u>12,991,109</u>	<u>-</u>	<u>12,991,109</u>
<b>Total Liabilities</b>	<u>76,512,896</u>	<u>21,821,934</u>	<u>98,334,830</u>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>			
Changes in the net pension liability (Note 12)	2,489,528	788,610	3,278,138
Changes in net OPEB liability (Note 13)	2,778,558	987,731	3,766,289
Leases (Note 3)	<u>2,768,571</u>	<u>552,841</u>	<u>3,321,412</u>
<b>Total Deferred Inflows of Resources</b>	<u>8,036,657</u>	<u>2,329,182</u>	<u>10,365,839</u>

See accompanying notes to the basic financial statements.

**CITY OF LINCOLN**  
**STATEMENT OF NET POSITION (CONTINUED)**  
**JUNE 30, 2023**

<b>NET POSITION</b>	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
Net investment in capital assets	325,142,234	331,622,431	656,764,665
Restricted for:			
Debt service	2,889,639	-	2,889,639
Capital projects	2,788,418	-	2,788,418
Grants	21,612	-	21,612
Loan programs and housing	4,458,221	-	4,458,221
Assessments and fees	39,093,124	-	39,093,124
Public facility element	24,531,955	18,541,435	43,073,390
Endowments			
Nonexpendable	356,659	-	356,659
Expendable	182,700	-	182,700
Unrestricted	<u>65,261,933</u>	<u>25,937,677</u>	<u>91,199,610</u>
<b>Total Net Position</b>	<b><u>\$ 464,726,495</u></b>	<b><u>\$ 376,101,543</u></b>	<b><u>\$ 840,828,038</u></b>

See accompanying notes to the basic financial statements.



**CITY OF LINCOLN**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2023**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total Primary Government
<b>PRIMARY GOVERNMENT</b>							
Governmental activities:							
General government	\$ 6,705,161	\$ 2,789,940	\$ 514,695	\$ -	\$ (3,400,526)	\$ -	\$ (3,400,526)
Public safety	19,074,136	1,126,325	2,279,732	-	(15,668,079)	-	(15,668,079)
Public works and facilities	28,384,075	20,264,863	6,597,628	2,329,059	807,475	-	807,475
Culture and recreation	1,105,148	3,144,602	-	-	2,039,454	-	2,039,454
Urban redevelopment and housing	326,200	-	42,518	-	(283,682)	-	(283,682)
Education	1,376,724	53,772	98,822	-	(1,224,130)	-	(1,224,130)
Interest and fiscal charges	<u>645,549</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(645,549)</u>	<u>-</u>	<u>(645,549)</u>
Total governmental activities	<u>57,616,993</u>	<u>27,379,502</u>	<u>9,533,395</u>	<u>2,329,059</u>	<u>(18,375,037)</u>	<u>-</u>	<u>(18,375,037)</u>
Business-type activities:							
Water	18,967,580	12,884,150	876	1,421,311	-	(4,661,243)	(4,661,243)
Wastewater	15,826,029	10,360,863	466	1,259,750	-	(4,204,950)	(4,204,950)
Solid waste	8,705,055	8,097,993	46,464	355,277	-	(205,321)	(205,321)
Airport	1,845,053	2,091,134	61,114	-	-	307,195	307,195
Transit	<u>680,646</u>	<u>-</u>	<u>216,871</u>	<u>-</u>	<u>-</u>	<u>(463,775)</u>	<u>(463,775)</u>
Total business-type activities	<u>46,024,363</u>	<u>33,434,140</u>	<u>325,791</u>	<u>3,036,338</u>	<u>-</u>	<u>(9,228,094)</u>	<u>(9,228,094)</u>
Total primary government	<u>\$ 103,641,356</u>	<u>\$ 60,813,642</u>	<u>\$ 9,859,186</u>	<u>\$ 5,365,397</u>	<u>\$ (18,375,037)</u>	<u>\$ (9,228,094)</u>	<u>\$ (27,603,131)</u>
General revenues:							
Taxes:							
Property taxes					\$ 15,804,351	\$ -	\$ 15,804,351
Sales and use taxes					5,923,572	71,209	5,994,781
Franchise taxes					973,152	-	973,152
Other taxes					297,541	-	297,541
Interest and investment earnings					1,711,995	346,329	2,058,324
Loss on disposal of capital assets					-	(161,092)	(161,092)
Other revenue					1,156,849	3,594,886	4,751,735
Transfers					(3,473,020)	3,473,020	-
Special item - custodial fund bond proceeds (Note 18)					5,057,387	-	5,057,387
Special item - return of unused bond funds (Note 18)					(7,744,777)	-	(7,744,777)
Special item - disposal of operations (Note 18)					<u>-</u>	<u>(18,326,446)</u>	<u>(18,326,446)</u>
Total general revenues, transfers, and special items					<u>19,707,050</u>	<u>(11,002,094)</u>	<u>8,704,956</u>
Change in net position					<u>1,332,013</u>	<u>(20,230,188)</u>	<u>(18,898,175)</u>
Net position - July 1, 2022					463,503,939	396,339,967	859,843,906
Prior period restatement (Note 20)					<u>(109,457)</u>	<u>(8,236)</u>	<u>(117,693)</u>
Net position - July 1, 2022, restated					<u>463,394,482</u>	<u>396,331,731</u>	<u>859,726,213</u>
Net position - June 30, 2023					<u>\$ 464,726,495</u>	<u>\$ 376,101,543</u>	<u>\$ 840,828,038</u>

See accompanying notes to the basic financial statements.

**CITY OF LINCOLN**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2023**

	<b>General Fund</b>	<b>Public Facility Element (PFE)</b>	<b>Water Connections</b>	<b>Development Services</b>
<b><u>ASSETS</u></b>				
Cash and investments	\$ 27,678,595	\$ 27,324,232	\$ 7,347,516	\$ 19,807,236
Accounts receivable, net	1,625,561	5,057,387	5,018	147,228
Interest receivable	2,529	29,484	2,695	19,988
Taxes receivable	498,368	-	-	-
Intergovernmental receivable	104,486	-	-	49,598
Leases receivable	2,768,571	-	-	-
Due from other funds	4,651,810	-	-	-
Prepaid items	490,636	3,555	40,000,000	14,218
Advances to other funds	4,770,356	696,383	1,589,533	-
Advances to Successor Agency	-	-	2,410,238	-
Restricted cash and investments	-	-	-	-
Loans receivable, net	-	-	-	-
	\$ 42,590,912	\$ 33,111,041	\$ 51,355,000	\$ 20,038,268
Total Assets				
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</u></b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 1,126,246	\$ 617,573	\$ 7,367	\$ 1,166,023
Accrued payroll and benefits	817,556	-	-	76,578
Accrued liabilities	169,405	-	5,720	64,005
Retention payable	10,625	330,744	-	-
Deposits and other payables	16,235	-	-	2,556,811
Due to other funds	-	4,651,810	-	-
Advances from other funds	-	2,975,404	-	-
Unearned revenue	7,314,340	-	-	-
	9,454,407	8,575,531	13,087	3,863,417
Total Liabilities				
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues	110,467	-	-	170,882
Leases	2,768,571	-	-	-
	2,879,038	-	-	170,882
Total Deferred Inflows of Resources				
<b>FUND BALANCES</b>				
Nonspendable	5,260,992	3,555	40,000,000	14,218
Restricted	-	24,531,955	11,341,913	90,270
Committed	7,145,829	-	-	-
Assigned	-	-	-	15,899,481
Unassigned	17,850,646	-	-	-
	30,257,467	24,535,510	51,341,913	16,003,969
Total Fund Balances				
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 42,590,912	\$ 33,111,041	\$ 51,355,000	\$ 20,038,268

See accompanying notes to the basic financial statements.

**CITY OF LINCOLN**  
BALANCE SHEET (continued)  
GOVERNMENTAL FUNDS  
JUNE 30, 2023

	<b>Low/Moderate Income Housing</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 1,646,989	\$ 35,722,094	\$ 119,526,662
Accounts receivable, net	-	2,277,095	9,112,289
Interest receivable	1,662	28,646	85,004
Taxes receivable	-	196,398	694,766
Intergovernmental receivable	-	786,688	940,772
Leases receivable	-	-	2,768,571
Due from other funds	-	565,940	5,217,750
Prepaid items	-	28,437	40,536,846
Advances to other funds	-	794,272	7,850,544
Advances to Successor Agency	-	-	2,410,238
Restricted cash and investments	-	16,220	16,220
Loans receivable, net	<u>3,799,329</u>	<u>1,906,615</u>	<u>5,705,944</u>
 Total Assets	 <u>\$ 5,447,980</u>	 <u>\$ 42,322,405</u>	 <u>\$ 194,865,606</u>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</u></b>			
<b>LIABILITIES</b>			
Accounts payable	\$ -	\$ 1,567,512	\$ 4,484,721
Accrued payroll and benefits	-	80,783	974,917
Accrued liabilities	-	8,931	248,061
Retention payable	-	106,772	448,141
Deposits and other payables	-	77,031	2,650,077
Due to other funds	-	565,940	5,217,750
Advances from other funds	-	-	2,975,404
Unearned revenue	<u>-</u>	<u>1,543,406</u>	<u>8,857,746</u>
 Total Liabilities	 <u>-</u>	 <u>3,950,375</u>	 <u>25,856,817</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenues	3,799,329	2,026,615	6,107,293
Leases	<u>-</u>	<u>-</u>	<u>2,768,571</u>
 Total Deferred Inflows of Resources	 <u>3,799,329</u>	 <u>2,026,615</u>	 <u>8,875,864</u>
<b>FUND BALANCES</b>			
Nonspendable	-	385,096	45,663,861
Restricted	1,648,651	36,352,880	73,965,669
Committed	-	-	7,145,829
Assigned	-	-	15,899,481
Unassigned	<u>-</u>	<u>(392,561)</u>	<u>17,458,085</u>
 Total Fund Balances	 <u>1,648,651</u>	 <u>36,345,415</u>	 <u>160,132,925</u>
 Total Liabilities, Deferred Inflows of Resources, and Fund Balances	 <u>\$ 5,447,980</u>	 <u>\$ 42,322,405</u>	 <u>\$ 194,865,606</u>

See accompanying notes to the basic financial statements.

**CITY OF LINCOLN**  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2023**

Total fund balances of governmental funds	\$ 160,132,925
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds, net of accumulated depreciation of \$286,825,158.	337,890,116
Certain notes, loans, and interest receivables are not available to pay for current period expenditures and therefore are offset by deferred inflow of resources in the governmental funds.	5,705,944
Other long-term assets are not available to pay for current period expenditures and therefore, are reported as unavailable revenues in the governmental funds.	401,349
Deferred outflows of resources related to changes in the net pension liability are not applicable to the current period.	11,684,340
Deferred outflows of resources related to changes in the net OPEB liability are not applicable to the current period.	7,620,679
Long-term liabilities are not due in the current period and, therefore are not reported in the governmental funds.	
Net pension liability	(22,308,813)
Net OPEB liability	(18,681,182)
Compensated absences	(2,292,810)
Long-term liabilities net of premiums and discounts	(13,931,571)
Deferred inflows related to changes in the net pension liability	(2,489,528)
Deferred inflows related to changes in the net OPEB liability	(2,778,558)
Accrued interest payable from the current portion of interest due on long-term liabilities has not been reported in the governmental funds.	(114,518)
Internal service funds are used by management to charge costs of certain activities such as equipment replacement, to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities of the Statement of Net Position.	<u>3,888,122</u>
Net position of governmental activities	<u>\$ 464,726,495</u>

See accompanying notes to the basic financial statements.

**CITY OF LINCOLN**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<u>General Fund</u>	<u>Public Facility Element (PFE)</u>	<u>Water Connections</u>	<u>Development Services</u>
<b><u>REVENUES</u></b>				
Taxes and assessments	\$ 22,998,616	\$ -	\$ -	\$ -
Special assessments	-	-	-	-
License and permits	1,984,768	-	-	4,013,580
Intergovernmental	2,714,488	-	-	165,507
Fines and forfeitures	97,291	-	-	-
Use of money and property	302,096	361,263	539,526	114,281
Charges for services	2,228,467	5,267,260	4,504,483	2,605,758
Other revenues	<u>374,663</u>	<u>163,932</u>	<u>2,453</u>	<u>119,147</u>
Total Revenues	<u>30,700,389</u>	<u>5,792,455</u>	<u>5,046,462</u>	<u>7,018,273</u>
<b><u>EXPENDITURES</u></b>				
Current:				
General government	6,129,606	35,227	-	206,717
Public safety	15,876,706	-	-	117,770
Public works and facilities	1,800,371	106,457	30,844	4,111,065
Cultural and recreation	1,120,594	-	-	-
Urban development and housing	326,654	-	-	-
Education	857,492	69,397	-	-
Capital outlay	1,047,058	2,065,907	-	322,479
Debt service:				
Principal	252,165	-	-	-
Interest and fiscal charges	<u>42,918</u>	<u>193,800</u>	-	<u>4,541</u>
Total Expenditures	<u>27,453,564</u>	<u>2,470,788</u>	<u>30,844</u>	<u>4,762,572</u>
Excess (Deficiency) of Revenues over Expenditures	<u>3,246,825</u>	<u>3,321,667</u>	<u>5,015,618</u>	<u>2,255,701</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Inception of SBITA	-	-	-	145,560
Transfers in	140,683	-	-	-
Transfers out	<u>(1,156,883)</u>	-	<u>(4,200,000)</u>	<u>(66,625)</u>
Total Other Financing Sources (Uses)	<u>(1,016,200)</u>	-	<u>(4,200,000)</u>	<u>78,935</u>
<b><u>SPECIAL ITEMS (NOTE 18)</u></b>				
Custodial fund bond proceeds	-	5,057,387	-	-
Return of unused bond funds	-	-	-	-
Net Change in Fund Balances	<u>2,230,625</u>	<u>8,379,054</u>	<u>815,618</u>	<u>2,334,636</u>
Fund Balances - July 1, 2022	28,026,842	16,156,456	50,526,295	13,669,333
Prior period adjustment (Note 20)	-	-	-	-
Fund Balances - July 1, 2022, restated	<u>28,026,842</u>	<u>16,156,456</u>	<u>50,526,295</u>	<u>13,669,333</u>
Fund Balances - June 30, 2023	<u>\$ 30,257,467</u>	<u>\$ 24,535,510</u>	<u>\$ 51,341,913</u>	<u>\$ 16,003,969</u>

See accompanying notes to the basic financial statements.

**CITY OF LINCOLN**  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (continued)  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Low/Moderate Income Housing</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b><u>REVENUES</u></b>			
Taxes and assessments	\$ -	\$ -	\$ 22,998,616
Special assessments	-	6,285,679	6,285,679
License and permits	-	-	5,998,348
Intergovernmental	-	9,047,645	11,927,640
Fines and forfeitures	-	-	97,291
Use of money and property	11,653	232,756	1,561,575
Charges for services	-	696,665	15,302,633
Other revenues	-	362,640	1,022,835
	<u>-</u>	<u>362,640</u>	<u>1,022,835</u>
Total Revenues	<u>11,653</u>	<u>16,625,385</u>	<u>65,194,617</u>
<b><u>EXPENDITURES</u></b>			
Current:			
General government	-	991,923	7,363,473
Public safety	-	195,585	16,190,061
Public works and facilities	1,254	9,171,026	15,221,017
Cultural and recreation	-	-	1,120,594
Urban development and housing	-	2,420	329,074
Education	-	-	926,889
Capital outlay	-	4,113,855	7,549,299
Debt service:			
Principal	-	1,000,000	1,252,165
Interest and fiscal charges	-	473,036	714,295
	<u>-</u>	<u>473,036</u>	<u>714,295</u>
Total Expenditures	<u>1,254</u>	<u>15,947,845</u>	<u>50,666,867</u>
Excess (Deficiency) of Revenues over Expenditures	<u>10,399</u>	<u>677,540</u>	<u>14,527,750</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>			
Inception of SBITA	-	-	145,560
Transfers in	-	1,332,494	1,473,177
Transfers out	-	(119,925)	(5,543,433)
	<u>-</u>	<u>(119,925)</u>	<u>(5,543,433)</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>1,212,569</u>	<u>(3,924,696)</u>
<b><u>SPECIAL ITEMS (NOTE 18)</u></b>			
Custodial fund bond proceeds	-	-	5,057,387
Return of unused bond funds	-	(7,744,777)	(7,744,777)
	<u>-</u>	<u>(7,744,777)</u>	<u>(7,744,777)</u>
Net Change in Fund Balances	<u>10,399</u>	<u>(5,854,668)</u>	<u>7,915,664</u>
Fund Balances - July 1, 2022	1,638,252	42,309,540	152,326,718
Prior period adjustment (Note 20)	-	(109,457)	(109,457)
	<u>-</u>	<u>(109,457)</u>	<u>(109,457)</u>
Fund Balances - July 1, 2022, restated	<u>1,638,252</u>	<u>42,200,083</u>	<u>152,217,261</u>
Fund Balances - June 30, 2023	<u>\$ 1,648,651</u>	<u>\$ 36,345,415</u>	<u>\$ 160,132,925</u>

See accompanying notes to the basic financial statements.

**CITY OF LINCOLN**  
**RECONCILIATION OF THE**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2023**

Reconciliation of the change in fund balances - total governmental funds to the change in net position of governmental activities:

Net change in fund balances - total governmental funds	\$ 7,915,664
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets are capitalized and allocated over their estimated useful lives and reported as depreciation expense.</p>	
Capital asset purchases	7,608,120
Depreciation expense	(16,222,914)
<p>Some revenues reported in the Statement of Activities will not be collected for several months after the City's year-end and do not provide current financial resources and therefore are not reported as revenues in the governmental funds. Some revenues reported in the prior year Statement of Activities were recognized in the governmental funds in the current year. This is the net change in revenues.</p>	
	(78,676)
<p>Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.</p>	
Debt principal payments	1,297,574
Proceeds from SBITA	(145,560)
Net accretion on bond premiums/discounts	60,006
<p>Compensated absences expenditures reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in a governmental fund. This is the net change in compensated absences for the current period.</p>	
	19,100
<p>Receipts of payments and disbursements of funds related to notes and loans receivable are reported as revenue and expenditures, respectively, in governmental funds, but an increase and decrease, respectively, in notes receivable in the Statement of Net Position.</p>	
Loan program receipts	(304,450)
Accrued interest on loans	130,126
<p>Accrued interest payable is interest due on long-term liabilities. This is the net change in accrued interest in the current period.</p>	
	8,741
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.</p>	
Pension expense related to deferred outflows and inflows of resources	101,970
OPEB expense related to deferred outflows and inflows of resources	(901,675)
<p>Internal service funds are used by management to charge the costs of certain activities, such as equipment replacement, to individual funds. The net revenue (expense) of the internal service funds is reported with the governmental funds.</p>	
	<u>1,843,987</u>
Change in net position of governmental activities	<u>\$ 1,332,013</u>

See accompanying notes to the basic financial statements.

**CITY OF LINCOLN**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2023**

	<b>Business-Type Activities</b>			
	<b>Major Funds</b>			
	<b>Water</b>	<b>Wastewater</b>	<b>Solid Waste</b>	<b>Airport</b>
<b>ASSETS</b>				
Current Assets				
Cash and investments	\$ 28,629,910	\$ 13,523,846	\$ 16,543,211	\$ 727,928
Accounts receivable, net	1,811,951	4,627,037	1,043,050	34,843
Interest receivable	28,887	13,647	16,522	734
Taxes receivable	-	-	-	329
Leases receivable - current	-	-	-	49,610
Prepaid items	92,418	56,873	42,654	7,109
Inventory	-	-	-	43,444
<b>Total Current Assets</b>	<b>30,563,166</b>	<b>18,221,403</b>	<b>17,645,437</b>	<b>863,997</b>
Non Current Assets				
Leases receivable - noncurrent	-	-	-	503,231
Advances to other funds	-	-	689,488	-
Capital assets, net of accumulated depreciation	163,522,935	156,201,437	5,886,809	5,500,129
<b>Total Non-Current Assets</b>	<b>163,522,935</b>	<b>156,201,437</b>	<b>6,576,297</b>	<b>6,003,360</b>
<b>Total Assets</b>	<b>194,086,101</b>	<b>174,422,840</b>	<b>24,221,734</b>	<b>6,867,357</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Changes in net pension liability	977,714	715,304	1,136,991	153,190
Changes in net OPEB liability	672,382	547,560	665,416	75,214
<b>Total Deferred Outflows of Resources</b>	<b>1,650,096</b>	<b>1,262,864</b>	<b>1,802,407</b>	<b>228,404</b>
<b>LIABILITIES</b>				
Current Liabilities				
Accounts payable	1,911,709	6,303,610	1,183,315	105,754
Accrued salaries and benefits	73,270	69,805	95,552	7,692
Retention payable	57,782	33,430	-	-
Deposits payable	99,000	155,196	-	56,702
Unearned revenue	-	-	34,308	-
Compensated absences - current	130,325	91,254	140,289	11,909
SBITA payable - current	-	-	-	-
Postclosure liability - current	-	-	35,339	-
<b>Total Current Liabilities</b>	<b>2,272,086</b>	<b>6,653,295</b>	<b>1,488,803</b>	<b>182,057</b>
Non-Current Liabilities				
Advances from other funds	-	-	-	5,564,628
Compensated absences - noncurrent	32,581	22,814	35,072	2,977
SBITA payable - noncurrent	-	-	-	-
Net pension liability	2,046,539	1,437,159	2,357,724	423,275
Net OPEB liability	1,338,954	1,196,553	1,472,233	205,897
<b>Total Non-Current Liabilities</b>	<b>3,418,074</b>	<b>2,656,526</b>	<b>3,865,029</b>	<b>6,196,777</b>
<b>Total Liabilities</b>	<b>5,690,160</b>	<b>9,309,821</b>	<b>5,353,832</b>	<b>6,378,834</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Changes in net pension liability	271,983	265,185	204,618	30,289
Changes in net OPEB liability	323,608	282,303	348,418	26,185
Leases	-	-	-	552,841
<b>Total Deferred Inflows of Resources</b>	<b>595,591</b>	<b>547,488</b>	<b>553,036</b>	<b>609,315</b>
<b>NET POSITION</b>				
Net investment in capital assets	163,522,935	156,201,437	5,886,809	5,500,129
Restricted for public facility element	11,544,486	2,167,783	4,829,166	-
Unrestricted	14,383,025	7,459,175	9,401,298	(5,392,517)
<b>Total Net Position</b>	<b>\$ 189,450,446</b>	<b>\$ 165,828,395</b>	<b>\$ 20,117,273</b>	<b>\$ 107,612</b>

See accompanying notes to the basic financial statements.



**CITY OF LINCOLN**  
**STATEMENT OF NET POSITION (continued)**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2023**

	<u>Business-Type Activities</u>		<u>Governmental Activities</u>
	<u>Major Funds</u>		<u>Internal Service Funds</u>
	<u>Transit</u>	<u>Total</u>	
<b>ASSETS</b>			
Current Assets			
Cash and investments	\$ 597,123	\$ 60,022,018	\$ 3,628,429
Accounts receivable, net	-	7,516,881	13,490
Interest receivable	603	60,393	3,653
Taxes receivable	-	329	-
Leases receivable - current	-	49,610	-
Prepaid items	3,555	202,609	-
Inventory	-	43,444	-
<b>Total Current Assets</b>	<u>601,281</u>	<u>67,895,284</u>	<u>3,645,572</u>
Non Current Assets			
Leases receivable - noncurrent	-	503,231	-
Advances to other funds	-	689,488	-
Capital assets, net of accumulated depreciation	511,121	331,622,431	1,762,889
<b>Total Non-Current Assets</b>	<u>511,121</u>	<u>332,815,150</u>	<u>1,762,889</u>
<b>Total Assets</b>	<u>1,112,402</u>	<u>400,710,434</u>	<u>5,408,461</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Changes in net pension liability	109,837	3,093,036	-
Changes in net OPEB liability	53,245	2,013,817	-
<b>Total Deferred Outflows of Resources</b>	<u>163,082</u>	<u>5,106,853</u>	<u>-</u>
<b>LIABILITIES</b>			
Current Liabilities			
Accounts payable	111,466	9,615,854	284,001
Accrued salaries and benefits	1,088	247,407	125,874
Retention payable	-	91,212	-
Deposits payable	-	310,898	-
Unearned revenue	-	34,308	-
Compensated absences - current	256	374,033	425,011
SBITA payable - current	-	-	124,393
Postclosure liability - current	-	35,339	-
<b>Total Current Liabilities</b>	<u>112,810</u>	<u>10,709,051</u>	<u>959,279</u>
Non-Current Liabilities			
Advances from other funds	-	5,564,628	-
Compensated absences - noncurrent	64	93,508	106,253
SBITA payable - noncurrent	-	-	454,807
Net pension liability	356,108	6,620,805	-
Net OPEB liability	184,933	4,398,570	-
<b>Total Non-Current Liabilities</b>	<u>541,105</u>	<u>16,677,511</u>	<u>561,060</u>
<b>Total Liabilities</b>	<u>653,915</u>	<u>27,386,562</u>	<u>1,520,339</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Changes in net pension liability	16,535	788,610	-
Changes in net OPEB liability	7,217	987,731	-
Leases	-	552,841	-
<b>Total Deferred Inflows of Resources</b>	<u>23,752</u>	<u>2,329,182</u>	<u>-</u>
<b>NET POSITION</b>			
Net investment in capital assets	511,121	331,622,431	1,183,689
Restricted for public facility element	-	18,541,435	-
Unrestricted	86,696	25,937,677	2,704,433
<b>Total Net Position</b>	<u>\$ 597,817</u>	<u>\$ 376,101,543</u>	<u>\$ 3,888,122</u>

See accompanying notes to the basic financial statements.

**CITY OF LINCOLN**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<b>Business-Type Activities</b>			
	<b>Major Funds</b>			
	<b>Water</b>	<b>Wastewater</b>	<b>Solid Waste</b>	<b>Airport</b>
<b><u>OPERATING REVENUES</u></b>				
Charges for services	\$ 12,822,106	\$ 10,360,863	\$ 8,097,993	\$ 2,091,134
Connection fees	62,044	-	-	-
Other revenue	<u>139,820</u>	<u>1,812,515</u>	<u>1,544,394</u>	<u>15,176</u>
<b>Total Operating Revenue</b>	<u>13,023,970</u>	<u>12,173,378</u>	<u>9,642,387</u>	<u>2,106,310</u>
<b><u>OPERATING EXPENSES</u></b>				
Salaries and benefits	1,976,734	2,276,838	2,439,733	230,719
Services and supplies	11,796,472	7,243,407	4,877,298	1,175,880
Support services	1,239,240	943,836	778,116	122,484
Depreciation	<u>3,955,134</u>	<u>5,361,948</u>	<u>609,908</u>	<u>212,239</u>
<b>Total Operating Expenses</b>	<u>18,967,580</u>	<u>15,826,029</u>	<u>8,705,055</u>	<u>1,741,322</u>
<b>Operating Income (Loss)</b>	<u>(5,943,610)</u>	<u>(3,652,651)</u>	<u>937,332</u>	<u>364,988</u>
<b><u>NON-OPERATING REVENUES (EXPENSES)</u></b>				
Taxes	-	-	-	71,209
Intergovernmental	876	466	46,464	61,114
Interest income	175,482	27,314	105,003	33,535
Other non-operating revenues	9,610	73,371	-	-
Gain (loss) on sale of capital assets	(7,047)	(81,602)	(72,443)	-
Interest expense	<u>-</u>	<u>-</u>	<u>-</u>	<u>(103,731)</u>
<b>Total Non-Operating Revenues (Expenses)</b>	<u>178,921</u>	<u>19,549</u>	<u>79,024</u>	<u>62,127</u>
<b>Income (Loss) Before Transfers and Contributions</b>	<u>(5,764,689)</u>	<u>(3,633,102)</u>	<u>1,016,356</u>	<u>427,115</u>
<b><u>TRANSFERS AND CONTRIBUTIONS</u></b>				
Capital connection fees	1,421,311	1,259,750	355,277	-
Transfers in	4,200,000	-	-	-
Transfers out	<u>(226,524)</u>	<u>(173,224)</u>	<u>(146,574)</u>	<u>(167,333)</u>
<b>Total Transfers and Contributions</b>	5,394,787	1,086,526	208,703	(167,333)
<b><u>SPECIAL ITEMS</u></b>				
Disposal of operations	<u>-</u>	<u>(18,326,446)</u>	<u>-</u>	<u>-</u>
Change in net position	<u>(369,902)</u>	<u>(20,873,022)</u>	<u>1,225,059</u>	<u>259,782</u>
Net Position - July 1, 2022	189,965,687	186,708,269	18,938,844	(364,940)
Prior period adjustment (Note 20)	<u>(145,339)</u>	<u>(6,852)</u>	<u>(46,630)</u>	<u>212,770</u>
Net Position - July 1, 2022, restated	<u>189,820,348</u>	<u>186,701,417</u>	<u>18,892,214</u>	<u>(152,170)</u>
Net Position - June 30, 2023	<u>\$ 189,450,446</u>	<u>\$ 165,828,395</u>	<u>\$ 20,117,273</u>	<u>\$ 107,612</u>

See accompanying notes to the basic financial statements.

**CITY OF LINCOLN**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION (continued)**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Business-Type Activities</u>		<u>Governmental</u>
	<u>Major Funds</u>		<u>Activities</u>
	<u>Transit</u>	<u>Total</u>	<u>Internal Service</u>
			<u>Funds</u>
<b><u>OPERATING REVENUES</u></b>			
Charges for services	\$ -	\$ 33,372,096	\$ 7,238,651
Connection fees	-	62,044	-
Other revenue	-	3,511,905	134,014
<b>Total Operating Revenue</b>	<b>-</b>	<b>36,946,045</b>	<b>7,372,665</b>
<b><u>OPERATING EXPENSES</u></b>			
Salaries and benefits	48,879	6,972,903	3,891,180
Services and supplies	540,865	25,633,922	1,969,560
Support services	43,224	3,126,900	-
Depreciation	47,678	10,186,907	278,595
<b>Total Operating Expenses</b>	<b>680,646</b>	<b>45,920,632</b>	<b>6,139,335</b>
<b>Operating Income (Loss)</b>	<b>(680,646)</b>	<b>(8,974,587)</b>	<b>1,233,330</b>
<b><u>NON-OPERATING REVENUES (EXPENSES)</u></b>			
Taxes	-	71,209	-
Intergovernmental	216,871	325,791	13,490
Interest income	4,995	346,329	20,294
Other non-operating revenues	-	82,981	-
Gain (loss) on sale of capital assets	-	(161,092)	-
Interest expense	-	(103,731)	(20,363)
<b>Total Non-Operating Revenues (Expenses)</b>	<b>221,866</b>	<b>561,487</b>	<b>13,421</b>
<b>Income (Loss) Before Transfers and Contributions</b>	<b>(458,780)</b>	<b>(8,413,100)</b>	<b>1,246,751</b>
<b><u>TRANSFERS AND CONTRIBUTIONS</u></b>			
Capital connection fees	-	3,036,338	-
Transfers in	-	4,200,000	597,236
Transfers out	(13,325)	(726,980)	-
<b>Total Transfers and Contributions</b>	<b>(13,325)</b>	<b>6,509,358</b>	<b>597,236</b>
<b><u>SPECIAL ITEMS</u></b>			
Disposal of operations	-	(18,326,446)	-
Change in net position	(472,105)	(20,230,188)	1,843,987
Net Position - July 1, 2022	1,092,107	396,339,967	2,044,135
Prior period adjustment (Note 20)	(22,185)	(8,236)	-
Net Position - July 1, 2022, restated	1,069,922	396,331,731	2,044,135
Net Position - June 30, 2023	\$ 597,817	\$ 376,101,543	\$ 3,888,122

See accompanying notes to the basic financial statements.

**CITY OF LINCOLN**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<b>Business-Type Activities</b>			
	<b>Major Funds</b>			
	<b>Water</b>	<b>Wastewater</b>	<b>Solid Waste</b>	<b>Airport</b>
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>				
Cash received from customers	\$ 12,928,946	\$ 10,569,695	\$ 9,655,546	\$ 2,128,984
Cash paid to suppliers	(12,479,871)	(5,912,436)	(4,876,701)	(1,289,034)
Cash paid to employees	<u>(2,380,662)</u>	<u>(2,508,827)</u>	<u>(2,753,969)</u>	<u>(248,819)</u>
Net Cash Provided by (Used For) Operating Activities	<u>(1,931,587)</u>	<u>2,148,432</u>	<u>2,024,876</u>	<u>591,131</u>
<b><u>CASH FLOWS FROM NON-CAPITAL</u></b>				
<b><u>FINANCING ACTIVITIES</u></b>				
Intergovernmental and other nonoperating	10,486	73,837	46,464	61,114
Taxes	-	-	-	71,025
Interfund repayments received	-	-	165,016	-
Interfund repayments paid	-	(209,616)	-	(177,497)
Transfers from other funds	4,200,000	-	-	-
Transfers to other funds	<u>(226,524)</u>	<u>(173,224)</u>	<u>(146,574)</u>	<u>(167,333)</u>
Net Cash Provided by (Used for) Non-Capital				
Financing Activities	<u>3,983,962</u>	<u>(309,003)</u>	<u>64,906</u>	<u>(212,691)</u>
<b><u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING</u></b>				
<b><u>ACTIVITIES</u></b>				
Capital contributions	-	(8,168,123)	-	-
Connection fees	1,421,311	1,259,750	355,277	-
Acquisition of capital assets	(2,200,825)	(3,325,271)	(110,395)	(53,025)
Principal paid on long-term debt	-	-	-	-
Interest paid on long-term debt	-	-	-	(103,731)
Net Cash Provided by (Used for) Capital and Related				
Financing Activities	<u>(779,514)</u>	<u>(10,233,644)</u>	<u>244,882</u>	<u>(156,756)</u>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>				
Interest and dividends	<u>153,014</u>	<u>18,832</u>	<u>91,774</u>	<u>32,913</u>
Net Cash Provided by Investing Activities	<u>153,014</u>	<u>18,832</u>	<u>91,774</u>	<u>32,913</u>
Net Increase (Decrease) in Cash and Cash Equivalents	1,425,875	(8,375,383)	2,426,438	254,597
Cash and Cash Equivalents - July 1, 2022	<u>27,204,035</u>	<u>21,899,229</u>	<u>14,116,773</u>	<u>473,331</u>
Cash and Cash Equivalents - June 30, 2023	<u>\$ 28,629,910</u>	<u>\$ 13,523,846</u>	<u>\$ 16,543,211</u>	<u>\$ 727,928</u>
<b><u>RECONCILIATION OF OPERATING INCOME (LOSS)</u></b>				
<b><u>TO NET CASH PROVIDED BY (USED FOR)</u></b>				
<b><u>OPERATING ACTIVITIES:</u></b>				
Operating Income (Loss)	\$ (5,943,610)	\$ (3,652,651)	\$ 937,332	\$ 364,988
Adjustments to reconcile operating income (loss) to net cash				
provided by (used for) operating activities:				
Depreciation expense	3,955,134	5,361,948	609,908	212,239
Pension (credit) expense	(633,970)	(308,280)	(450,319)	(27,976)
OPEB expense	326,993	72,664	105,357	7,176
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	(122,024)	(1,258,879)	(21,149)	5,297
Decrease in leases receivable	-	50,784	-	69,752
Decrease in prepaid expenses	105,696	65,044	48,784	8,131
Decrease in inventory	-	-	-	33,993
Increase (decrease) in accounts payable	392,866	2,344,509	895,223	(32,794)
Increase in accrued wages	1,254	12,353	19,116	696
Increase (decrease) in retention payable	57,279	(134,746)	-	-
Increase (decrease) in deposits	27,000	(344,804)	-	17,377
Increase (decrease) in compensated absences	(98,205)	(8,726)	11,610	2,004
Increase (decrease) in unearned revenue	-	-	34,308	-
Decrease in postclosure liability	-	-	(165,294)	-
Increase (decrease) in deferred inflows of resources leases	-	(50,784)	-	(69,752)
Net Cash Provided by (Used For) Operating Activities	<u>\$ (1,931,587)</u>	<u>\$ 2,148,432</u>	<u>\$ 2,024,876</u>	<u>\$ 591,131</u>

See accompanying notes to the basic financial statements.

**CITY OF LINCOLN**  
**STATEMENT OF CASH FLOWS (continued)**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<b>Business-Type Activities</b>		<b>Governmental</b>
	<b>Major Funds</b>		<b>Activities</b>
	<b>Transit</b>	<b>Total</b>	<b>Internal Service Funds</b>
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>			
Cash received from customers	\$ (85,582)	\$ 35,197,589	\$ 7,405,073
Cash paid to suppliers	(680,230)	(25,238,272)	(1,953,792)
Cash paid to employees	(53,621)	(7,945,898)	(3,871,340)
Net Cash Provided by (Used For) Operating Activities	(819,433)	2,013,419	1,579,941
<b><u>CASH FLOWS FROM NON-CAPITAL</u></b>			
<b><u>FINANCING ACTIVITIES</u></b>			
Intergovernmental and other nonoperating	216,871	408,772	-
Taxes	-	71,025	-
Interfund repayments received	-	165,016	-
Interfund repayments paid	-	(387,113)	-
Transfers from other funds	-	4,200,000	597,236
Transfers to other funds	(13,325)	(726,980)	-
Net Cash Provided by (Used for) Non-Capital Financing Activities	203,546	3,730,720	597,236
<b><u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING</u></b>			
<b><u>ACTIVITIES</u></b>			
Capital contributions	-	(8,168,123)	-
Connection fees	-	3,036,338	-
Acquisition of capital assets	-	(5,689,516)	(432,588)
Principal paid on long-term debt	-	-	(12,447)
Interest paid on long-term debt	-	(103,731)	(20,363)
Net Cash Provided by (Used for) Capital and Related Financing Activities	-	(10,925,032)	(465,398)
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>			
Interest and dividends	4,677	301,210	17,088
Net Cash Provided by Investing Activities	4,677	301,210	17,088
Net Increase (Decrease) in Cash and Cash Equivalents	(611,210)	(4,879,683)	1,728,867
Cash and Cash Equivalents - July 1, 2022	1,208,333	64,901,701	1,899,562
Cash and Cash Equivalents - June 30, 2023	\$ 597,123	\$ 60,022,018	\$ 3,628,429
<b><u>RECONCILIATION OF OPERATING INCOME (LOSS)</u></b>			
<b><u>TO NET CASH PROVIDED BY (USED FOR)</u></b>			
<b><u>OPERATING ACTIVITIES:</u></b>			
Operating Income (Loss)	\$ (680,646)	\$ (8,974,587)	\$ 1,233,330
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation expense	47,678	10,186,907	278,595
Pension (credit) expense	(4,538)	(1,425,083)	-
OPEB expense	2,459	514,649	-
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	-	(1,396,755)	32,408
Decrease in leases receivable	-	120,536	-
Decrease in prepaid expenses	4,065	231,720	-
Decrease in inventory	-	33,993	-
Increase (decrease) in accounts payable	(100,206)	3,499,598	15,768
Increase in accrued wages	1,088	34,507	9,405
Increase (decrease) in retention payable	-	(77,467)	-
Increase (decrease) in deposits	-	(300,427)	-
Increase (decrease) in compensated absences	(3,751)	(97,068)	10,435
Increase (decrease) in unearned revenue	(85,582)	(51,274)	-
Decrease in postclosure liability	-	(165,294)	-
Increase (decrease) in deferred inflows of resources leases	-	(120,536)	-
Net Cash Provided by (Used For) Operating Activities	\$ (819,433)	\$ 2,013,419	\$ 1,579,941

See accompanying notes to the basic financial statements.

**CITY OF LINCOLN**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**JUNE 30, 2023**

	<b>Redevelopment Obligation Retirement Fund</b>	<b>OPEB Trust Fund</b>	<b>Custodial Funds</b>
<b><u>ASSETS</u></b>			
Cash and investments (Note 2)	\$ 886,774	\$ -	\$ 7,592,141
Assessments receivable	-	-	113,881
Interest receivable	1,440	-	26,004
Deferred costs	29,035	-	-
Restricted cash and investments (Note 2)	68	-	58,911,255
Restricted investments held in trust (Note 2):			
Mutual funds	-	11,423,741	-
Loans receivable	160,210	-	-
Capital assets, net of accumulated depreciation (Note 19)	<u>2,544,731</u>	<u>-</u>	<u>-</u>
<b>Total Assets</b>	<b><u>3,622,258</u></b>	<b><u>11,423,741</u></b>	<b><u>66,643,281</u></b>
<b><u>LIABILITIES</u></b>			
Accounts payable and other liabilities	-	-	5,392,743
Interest payable	53,145	-	7,801
Advances from the City (Note 19)	2,410,238	-	-
Long-term liabilities (Note 19)	<u>4,348,622</u>	<u>-</u>	<u>-</u>
<b>Total Liabilities</b>	<b><u>6,812,005</u></b>	<b><u>-</u></b>	<b><u>5,400,544</u></b>
<b><u>NET POSITION</u></b>			
Held in trust	(3,189,747)	-	-
Restricted for:			
OPEB	-	11,423,741	-
Individuals, organizations and other governments	<u>-</u>	<u>-</u>	<u>61,242,737</u>
<b>Total Net Position</b>	<b><u>\$ (3,189,747)</u></b>	<b><u>\$ 11,423,741</u></b>	<b><u>\$ 61,242,737</u></b>

See accompanying notes to the basic financial statements.

**CITY OF LINCOLN**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<b>Redevelopment Obligation Retirement Fund</b>	<b>OPEB Trust Fund</b>	<b>Custodial Funds</b>
<b><u>ADDITIONS</u></b>			
Property taxes and assessments	\$ 1,683,998	\$ -	\$ 13,480,706
Administrative fees	-	-	13,227,529
Receipt of unused bond funds	-	-	7,744,777
Contributions from employer	-	1,481,433	-
Investment income:			
Interest income	29,882	-	895,651
Net increase (decrease) in fair value	<u>(3,105)</u>	<u>842,356</u>	<u>(263,737)</u>
Net investment income	<u>26,777</u>	<u>842,356</u>	<u>631,914</u>
<b>Total Additions</b>	<b><u>1,710,775</u></b>	<b><u>2,323,789</u></b>	<b><u>35,084,926</u></b>
<b><u>DEDUCTIONS</u></b>			
Professional services	64,499	-	1,352,937
Administrative expense	-	31,493	-
Distribution to City	-	-	5,057,387
Payments to developers	-	-	299,000
Debt service:			
Principal	-	-	6,580,000
Interest	<u>233,794</u>	<u>-</u>	<u>4,847,867</u>
<b>Total Deductions</b>	<b><u>298,293</u></b>	<b><u>31,493</u></b>	<b><u>18,137,191</u></b>
Change in Fiduciary Net Position	<u>1,412,482</u>	<u>2,292,296</u>	<u>16,947,735</u>
Fiduciary Net Position - July 1, 2022	(4,602,229)	9,131,445	44,305,463
Prior period adjustment (Note 20)	<u>-</u>	<u>-</u>	<u>(10,461)</u>
Fiduciary Net Position - July 1, 2022, Restated	<u>(4,602,229)</u>	<u>9,131,445</u>	<u>44,295,002</u>
Fiduciary Net Position - June 30, 2023	<u>\$ (3,189,747)</u>	<u>\$ 11,423,741</u>	<u>\$ 61,242,737</u>

See accompanying notes to the basic financial statements.

**CITY OF LINCOLN**  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Lincoln (the City) was incorporated in March 1878 under the laws and regulations of the State of California. The City operates under a City Manager - Council form of government and provides the following services: public safety (police and fire), highways and streets, water, sewer, sanitation, airport, culture, recreation, public improvements, planning and zoning, and general administrative services.

The accounting policies of the City of Lincoln conform to accounting principles generally accepted in the United States of America as applicable to governments. The following is a summary of the more significant policies:

**A. The Reporting Entity**

Generally accepted accounting principles require government financial statements to include the primary government and its component units. Component units of a governmental entity are legally separate entities for which the primary government is considered to be financially accountable and for which the nature and significance of their relationship with the primary government are such that exclusion would cause the combined financial statements to be misleading. The primary government is considered to be financially accountable if it appoints a majority of an organization's governing body and is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the primary government.

Reporting for component units on the City's financial statements can be blended or discretely presented. Blended component units are, although legally separate entities, in substance part of the City's operations and, therefore, data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, would be reported in a separate column in the government-wide financial statements to emphasize it is legally separate from the government.

For financial reporting purposes, the City's basic financial statements include all financial activities that are controlled by or are dependent upon actions taken by the City Council.

Blended Component Units

*Lincoln Public Financing Authority* - The Authority was formed by the execution of a Joint Powers Authority Agreement between the City of Lincoln and the former City of Lincoln Redevelopment Agency. The purpose of the Authority is to provide financing of public capital improvements through the acquisition, construction and improvement thereof by the Authority, or the loan of funds to the City to enable the City to provide for the acquisition construction and improvement of public capital improvements. The Authority is the lessor for the City's various bond issuances and makes debt service payments on behalf of the City and the Successor Agency to the City of Lincoln Redevelopment Agency. The City Council is the governing body of the Authority and because its financial and operational relationship with the City is closely integrated, the Authority debt is reported as bonds payable in the governmental activities, and long-term debt in the private purpose trust funds. Separate financial statements for the Lincoln Public Financing Authority are not issued.

Discretely Presented Component Units

There are no component units of the City which meet the criteria for discrete presentation.

Joint Agencies

The City is a participant in Northern California Cities Self-Insurance Fund (NCCSIF), the purpose of which is for member cities to share in the administrative costs of providing liability and workers' compensation insurance. The NCCSIF is governed by a board of directors appointed by the member cities. Complete financial information can be obtained from the Program Administrator, 2180 Harvard Street, Suite 460, Sacramento, CA 95815. The City is not financially accountable for this organization and therefore it is not considered a component unit.



**CITY OF LINCOLN**  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Basis of Presentation**

The City's basic financial statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States of America. These standards require that the financial statements described below be presented.

Government-wide Financial Statements:

The Statement of Net Position and Statement of Activities display information on all of the nonfiduciary activities of the City, and its blended component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the City. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for each different identifiable activity of the City's business-type activities and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and; therefore, are clearly identifiable to a particular function. Program revenues include 1) charges paid by the recipients of goods and services offered by the program, 2) operating grants and contributions, and 3) capital grants and contributions. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements:

The fund financial statements provide information about the City's funds, including fiduciary funds and blended component units. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories with each major fund displayed in a separate column. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

- a. Total assets and deferred outflows of resources, liabilities and deferred inflow of resources, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

All remaining governmental funds are aggregated and reported as nonmajor funds in a single column, regardless of their fund type.

The fund types of the financial reporting entity are described below:

**Governmental Funds**

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

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

**CITY OF LINCOLN**  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Debt Service Funds - Debt Service Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest.

Capital Project Funds - Capital Project Funds are used to account for financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

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

**Proprietary Funds**

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

Internal Service Funds - Internal service funds are used to account for, and finance, services and commodities furnished by a designated department of a governmental unit to other departments of the same governmental unit.

**Fiduciary Funds (not included in government-wide statements)**

The City reports the following additional fund types:

Private-Purpose Trust Funds - Private-Purpose Trust Funds are used to report all other trust arrangements under which principal and income benefit individuals, private organizations, or other governments.

Pension (and Other Employee Benefit) Trust Funds - Pension (and Other Employee Benefit) Trust Funds are used to report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans, other postemployment benefit plans, or other employee benefit plans.

Custodial Funds - Custodial Funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds.

**Major Funds**

The City reported the following major governmental funds in the accompanying financial statements:

General Fund - The General fund is the primary operating fund of the City. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. For the City, the general fund includes such activities as public safety, culture and recreation services, public works and facilities, education, and economic development services.

Public Facility Element - The Public Facility Element (PFE) fund is a special revenue fund used to account for the fees collected from developers and community services fees for public facilities improvements including, but not limited to, police, fire, and City administration facilities. Funding comes primarily from developer fees and facility fees.

Water Connections - The Water Connections fund is a special revenue fund used to account for water connection fees collected from developers and property owners that are required by the California Government Code to be expended for capacity expansion. Funding comes primarily from connection fees and investment earnings.

Development Services - Accounts for monies received in relation to all aspects of developing property and/or projects within the City. The activities are accounted for within the community development and public works departments. Monies are received from license and permit costs and additional fees for services within the City of Lincoln and the surrounding areas.

**CITY OF LINCOLN**  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Low/Moderate Income Housing - The Low/Moderate Income Housing fund is a special revenue fund used to account for the housing loans established as part of the former Redevelopment Agency of the City of Lincoln. The major source of revenue for the fund is from program revenue received from the repayment of housing loans.

The City reports the following major proprietary funds in the accompanying financial statements:

Water Fund - The Water fund is an enterprise fund used to account for the activities of the water operating and non-operating funds of the City of Lincoln's public services department. Activities include accounting for the Lincoln residents water use, water pipeline installation and repairs, and water meter installation and repairs.

Wastewater Fund - The Wastewater fund is an enterprise fund used to account for the activities of the wastewater operating and non-operating funds of the City of Lincoln's public services department. Activities include wastewater services and repair.

Solid Waste Fund - The Solid Waste fund is an enterprise fund used to account for the activities of the solid waste operating and non-operating funds of the City of Lincoln's public services department. Activities include accounting for the City of Lincoln's residents' solid waste (garbage) services.

Airport Fund - The Airport fund is an enterprise fund used to account for the activities of the publicly owned Lincoln Regional Airport. The airport was established in 1947 as a regional center for general and corporate aviation.

Transit Fund - The Transit fund is an enterprise fund used to account for transit activities. The transit activity is operated by Placer County.

The City also reports the following additional fund types:

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

Internal Service Funds - The internal service funds account for the City's fleet maintenance and insurance programs, facility maintenance, and technology programs.

Private Purpose Trust Fund - The Private Purpose Trust fund was created as a result of the State order to dissolve California Redevelopment Agencies. As the Successor Agency, this fund is used to track the activity by the Oversight Board and the Department of Finance to dissolve the Agency.

OPEB Trust Fund - The OPEB Trust fund is used to report resources that are held in trust for the members and beneficiaries of the City's other postemployment benefit plan.

Custodial Funds - The Custodial funds account for resources held by the City as an agent for individuals, private organizations, and other governmental entities. These resources include fees collected on behalf of bonded assessment districts, the Little League organization, and the preservation of the library.

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

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements regardless of the measurement focus applied.

**CITY OF LINCOLN**  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and proprietary activities are presented using the economic resources measurement focus as defined in item "b" below. In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

- a. All governmental funds are accounted for using a "current financial resources" measurement focus. With this measurement focus, only current assets and deferred outflows of resources, and current liabilities and deferred inflows of resources generally are included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. All proprietary funds utilize an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and deferred outflows of resources, and all liabilities and deferred inflows of resources (whether current or noncurrent) associated with the operation of these funds are reported. Proprietary fund equity is classified as net position.
- c. Fiduciary funds use the "economic resources" measurement focus and the accrual basis of accounting.

Basis of Accounting

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

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when "measurable and available." Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The City defines available to be within 60 days of year-end. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported when due. Governmental capital asset acquisitions, including entering into contracts giving the City the right to use leased assets, are reported as expenditures in governmental funds. Proceeds of governmental long-term liabilities and financing through leases are reported as other financing sources.

Those revenues susceptible to accrual include taxes, intergovernmental revenues, interest and charges for services. Certain indirect costs are included in program expenses reported for individual functions and activities.

Grant revenues are recognized in the fiscal year in which all eligibility requirements are met. Under the terms of grant agreements, the City may fund certain programs with a combination of cost-reimbursement grants, categorical block grants, and general revenues. Thus, both restricted and unrestricted net position are available to finance program expenditures. The City's policy is to first apply restricted grant resources to such programs, followed by general revenues if necessary.

**CITY OF LINCOLN**  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

All proprietary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset is used. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal operations. The principal operating revenues of the enterprise and internal service funds are charges for services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

**D. Cash and Cash Equivalents**

For purposes of the statement of cash flows, the City considers all highly liquid investments with a maturity of three months or less when purchased including amounts held in the City's investment pool, to be cash and cash equivalents.

**E. Investments**

The City pools cash and investments of all funds. Each fund's share in this pool is displayed in the accompanying financial statements as cash and investments.

Investment transactions are recorded on the trade date. The fair value of investments is determined annually. Investments in nonparticipating interest-earning investment contracts are reported at cost; short term investments are reported at amortized cost, investments in Local Agency Investment Fund, an external pool, are reported at amortized cost which approximates fair value, and the fair value of all other investments are obtained by using quotations obtained from independent published sources or by the safekeeping institution. The fair value represents the amount the City could reasonably expect to receive for an investment in a current sale between a willing buyer and seller.

Income from pooled investments is allocated to the individual funds based on the fund or participant's average daily cash and investment balance at quarter end in relation to the total pooled cash and investments. Income from non-pooled investments is recorded based on the specific investments held by the fund.

**F. Accounts and Interest Receivable**

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Receivables are recorded in the financial statements net of any allowance for doubtful accounts, if applicable, and estimated refunds due. Management records an allowance for doubtful accounts based on historical trends and the periodic aging of receivables. The allowance for doubtful accounts as of June 30, 2023 totaled \$36,612, for business-type activities. There was no allowance for doubtful accounts as of June 30, 2023 for governmental activities. Major receivable balances for the governmental activities include sales and use taxes, franchise taxes, grants, fines, interest, and other fees. Federal and state grants are considered receivable and accrued as revenue when reimbursable costs are incurred.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as sales tax, franchise tax, and grants and other similar intergovernmental revenues since they are usually both measurable and available. Nonexchange transactions collectible but not available are recorded as deferred inflows of resources in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis. Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available. Long-term loans in governmental funds are treated as expenditures in the year advanced and as revenues in the year repayment is measurable and available. Loans receivable are recorded in the fund financial statements, but are recorded as deferred inflows of resources to indicate they do not represent current financial resources. Proprietary fund material receivables consist of all revenues earned at year-end and not yet received. Utility accounts receivable and interest earnings compose the majority of proprietary fund receivables.

**CITY OF LINCOLN**  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**G. Inventory**

Governmental fund inventories are recorded as expenditures at the time the inventory is purchased rather than when consumed. Records are not maintained of inventory and supplies on hand, although these amounts are not considered material.

Inventories of proprietary funds are stated at average cost. Inventory recorded by proprietary funds includes supplies for the airport. Proprietary fund inventories are recorded as expenses when consumed.

**H. Prepaid Expenses**

Payments made for services that will benefit periods beyond June 30, 2023 are recorded as prepaid costs in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

**I. Capital Assets**

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

Government-wide Statements

In the government-wide financial statements, capital outlay with a cost of \$5,000 or more and a useful life of one year or longer, right-to-use lease assets with a net present value of greater than 1% of net assets for proprietary funds and the fund balance for governmental funds, and subscription assets with a net present value of greater than 1% of net assets for proprietary funds and the fund balance for governmental funds are capitalized. All capital assets except right-to use lease assets and subscription assets are valued at historical cost, or estimated historical cost if actual is unavailable. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset lives are not capitalized.

Depreciation/amortization is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation/amortization reflected in the Statement of Net Position. Depreciation/amortization is provided over the assets' estimated useful lives using the straight-line method. The range of estimated useful lives by type of asset is as follows:

Building and improvements	20 - 50 years
Machinery and equipment	5 - 15 years
Land improvements	20 years
Infrastructure	15 - 75 years
Subscription assets	2 - 5 years

Maintenance and repairs are charged to operations when incurred. Betterments and major improvements which significantly increase values, change capacities or extend useful lives are capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

Fund Financial Statements

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

**CITY OF LINCOLN**  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**J. Property Taxes**

Placer County assesses properties, bills, collects, and distributes property taxes to the City. The County remits the entire amount levied and handles all delinquencies, retaining interest and penalties.

Tax collections are the responsibility of the County Tax Collector. Taxes and assessments on secured and utility rolls which constitute a lien against the property, may be paid in two installments; the first is due November 1 of the fiscal year and is delinquent if not paid by December 10; and the second is due on March 1 of the fiscal year and is delinquent if not paid by April 10. Unsecured personal property taxes do not constitute a lien against real property unless the tax becomes delinquent. Payment must be made in one installment, which is delinquent if not paid by August 31 of the fiscal year. Significant penalties are imposed by the County for late payment.

Tax levy dates are attached annually on January 1 preceding the fiscal year for which the taxes are levied. The fiscal year begins July 1 and ends June 30 of the following year. Taxes are levied on both real and unsecured personal property, as it exists at that time. Liens against real estate, as well as the tax on personal property, are not relieved by subsequent renewal or change in ownership.

The City recognizes property taxes when the individual installments are due provided they are collected within 60 days after year-end.

**K. Interfund Transactions**

Interfund transactions are reflected as either loans, services provided or used, reimbursements or transfers.

Loans reported as receivables and payables are referred to as either "due to/from other funds" (i.e. the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans) as appropriate and are subject to elimination upon consolidation. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances." Advances between funds, as reported in the fund financial statements, are offset by a nonspendable fund balance account in applicable governmental funds to indicate that they are not in spendable form.

Services provided or used, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. These services provide information on the net cost of each government function and therefore are not eliminated in the process of preparing the government-wide statement of activities.

Reimbursements occur when the funds responsible for particular expenditures or expenses repay the funds that initially paid for them. Such reimbursements are reflected as expenditures or expenses in the reimbursing fund and reductions to expenditures or expenses in the reimbursed fund.

All other interfund transactions are treated as transfers. Transfers between funds are netted as part of the reconciliation to the government-wide presentation.

**L. Unearned Revenue**

Under the accrual and modified accrual basis of accounting, revenue may be recognized only when it is earned. When assets are recognized in connection with a transaction before the earnings process is complete, those assets are offset by a corresponding liability for unearned revenue.

**CITY OF LINCOLN**  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**M. Compensated Absences**

It is the City's policy to permit employees to accumulate earned but unused vacation and sick leave. Unused vacation and compensatory time off benefits are paid to employees upon termination. For employees with over five years continuous employment, unused sick leave benefits are paid ratably in accordance with the length of service upon termination. In the government-wide financial statements the accrued compensated absences are recorded as an expense and related liability, with the current portion estimated based on historical trends. In the governmental fund financial statements the expenditures and liabilities related to those obligations are recognized only when they mature. In the proprietary funds the accrued compensated absences are recorded as an expense and related liability in the year earned. The City includes its share of social security and Medicare taxes payable on behalf of the employees in the accrual for compensated absences.

**N. Pensions**

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

**O. Other Postemployment Benefits (OPEB)**

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

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Measurement Period	July 1, 2021 - June 30, 2022

**P. Long-Term Liabilities**

In the government-wide financial statements and the proprietary fund financial statements, long-term liabilities, and other long term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Initial issue bond premiums and discounts, are deferred and amortized over the life of the bonds using the straight-line method. The difference between the reacquisition price of refunding bonds and the net carrying amount of refunded debt (deferred amount on refunding) is amortized over the shorter of the lives of the refunding debt or remaining life of the refunded debt. Bond issuance costs, except for insurance, are expensed in the period incurred. Amortization of bond premiums or discounts, insurance costs, and deferred amounts on refunding are included in interest expense.

In the fund financial statements, governmental funds recognize bond premiums, discounts, and issuance costs during the period issued. The face amount of debt issued is reported as other financing sources. Premiums received are reported as other financing sources, while discounts are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.



**CITY OF LINCOLN**  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Q. Deferred Outflows/Inflows of Resources**

In addition to assets, the Statement of Net Position or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets or fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category. It is the deferred amounts related to pension and OPEB.

In addition to liabilities, the Statement of Net Position or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has three items that qualify for reporting in this category. Unavailable revenue is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from intergovernmental revenues and leases that have not been received within the modified accrual period. In the government-wide financial statements the City reports deferred inflows related to leases, pension and OPEB.

**R. Equity Classifications**

Government-wide Statements

Net position is the excess of all the City's assets and deferred outflows of resources over all its liabilities and deferred inflows of resources, regardless of fund. Net position is divided into three categories. These categories apply only to net position, which is determined at the Government-wide level, and are described below:

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

**CITY OF LINCOLN**  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Fund Statements

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- a. Nonspendable - Amounts that cannot be spent because they are either (1) not in spendable form or (2) legally or contractually required to be maintained intact.
- b. Restricted - Amounts that are restricted for specific purposes when constraints placed on the use of resources are either (1) externally imposed by creditors, grantors, contributors, laws, or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.
- c. Committed - Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (resolution) of the government's highest level of decision-making authority.
- d. Assigned - Amounts that are constrained by the City Council's intent to be used for specific purposes through a resolution, but are neither restricted or committed. The City Council assigns fund balances for specific purposes by resolution adopting the annual budget for the upcoming fiscal year, or by an amending budget resolution during the fiscal year.
- e. Unassigned - Amounts representing the residual classification for the general fund or any other fund with a negative fund balance.

Further detail about the City's fund balance classification is described in Note 10.

**S. Leases**

Lessor

The City is a lessor for noncancellable leases for land, buildings, equipment, cell tower sites, and airport property. The City recognizes a lease receivable and a deferred inflow 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 estimate and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The 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 are composed of fixed payments from the lessee.

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

**CITY OF LINCOLN**  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**T. Subscription-Based Information Technology Arrangements (SBITA)**

A SBITA is defined as a contractual agreement that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a minimum contractual period of greater than one year, in an exchange or exchange-like transaction.

The City uses various SBITA assets that it contracts through cloud computing arrangements, such as software as a service and platform as a service. The related obligations are presented in amounts equal to the present value of subscription payments, payable during the remaining SBITA term. SBITA assets are reported with other capital assets and SBITA liabilities are reported with long-term debt on the statement of net position.

**U. Use of Estimates**

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

**V. Reclassifications**

Certain accounts in prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

**W. Implementation of Governmental Accounting Standards Board Statements**

Effective July 1, 2022, the City implemented the following accounting and financial reporting standards:

Government Accounting Standards Board Statement No. 91

In May 2019, GASB issued Statement No. 91, *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The City adopted this accounting guidance for its June 30, 2023 year-end.

Government Accounting Standards Board Statement No. 94

In March 2020, GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). A PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). An APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The City adopted this accounting guidance for its June 30, 2023 year-end.

**CITY OF LINCOLN**  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Government Accounting Standards Board Statement No. 96

In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for governments, defines a SBITA, establishes that a SBITA results in a right-to-use subscription asset-an intangible asset-and a corresponding liability, provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA, and requires note disclosures regarding a SBITA. The City adopted this accounting guidance for its June 30, 2023 year-end. See Notes 8 and 20 for additional details.

**X. Future Governmental Accounting Standards Board Statements**

These statements are not effective until July 1, 2023 or later. The City has not determined the effects on the financial statements.

Government Accounting Standards Board Statement No. 99

In April 2022, GASB issued Statement No. 99, *Omnibus 2022*. The primary objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for guarantees. The City has not determined what impact, if any, this pronouncement will have on the financial statements. The requirements of this statement related to leases, PPPs and SBITAs are effective for the City's fiscal year ending June 30, 2023 and the requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for the City's fiscal year ending June 30, 2024.

Government Accounting Standards Board Statement No. 100

In June 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections - An Amendment of GASB Statement No. 62*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this statement are effective for the City's fiscal year ending June 30, 2024.

Government Accounting Standards Board Statement No. 101

In June 2022, GASB issued Statement No. 101, *Compensated Absences*. The primary objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences by aligning the recognition and measurement guidance under a unified model and amending certain previously required disclosures. The requirements of this statement are effective for the City's fiscal year ending June 30, 2025.

**CITY OF LINCOLN**  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 2: CASH AND INVESTMENTS**

Cash and investments as of June 30, 2023 are classified in the accompanying financial statements as follows:

	<u>Cash and Investments</u>	<u>Restricted Cash and Investments</u>	<u>Total</u>
Governmental activities	\$ 123,155,091	\$ 16,220	\$ 123,171,311
Business-type activities	<u>60,022,018</u>	<u>-</u>	<u>60,022,018</u>
<b>Total government-wide cash and investments</b>	<u>183,177,109</u>	<u>16,220</u>	<u>183,193,329</u>
Fiduciary activities	<u>8,478,915</u>	<u>70,335,064</u>	<u>78,813,979</u>
<b>Total cash and investments</b>	<u>\$ 191,656,024</u>	<u>\$ 70,351,284</u>	<u>\$ 262,007,308</u>

Cash and investments were carried at fair value as of June 30, 2023 and consisted of the following:

Cash on hand	\$ 1,800
Cash in banks	<u>37,905,058</u>
<b>Total cash</b>	<u>37,906,858</u>
Money market funds	43,857,731
U.S. treasury obligations	80,052,039
Government agency securities	14,609,687
Medium term corporate notes	50,828,135
Municipal issues	1,191,319
Local Agency Investment Fund (LAIF)	22,137,798
Held by OPEB trustee:	
Mutual funds	<u>11,423,741</u>
<b>Total investments</b>	<u>224,100,450</u>
<b>Total cash and investments</b>	<u>\$ 262,007,308</u>

Authorized Investments of the City

Pursuant to Section 53646 of the Government Code, the City prepares an investment policy annually and presents it to the City Council for review and approval. The investment policy provides the basis for the management of a prudent, conservative investment program. Funds are invested to provide the maximum security of principal with secondary emphasis on achieving the highest return, while meeting daily cash flow needs. All investments are made in accordance with the Government Code and, in general, the investment policy is more restrictive than state law.

**CITY OF LINCOLN**  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 2: CASH AND INVESTMENTS (CONTINUED)**

The table below identifies the investment types that are authorized for the City by the California Government Code (or the City's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the City's investment policy, where more restrictive) that addresses interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the City or the investments of the OPEB trust, rather than the general provisions of the California Government Code or the City's investment policy.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in one Issuer
United States Treasury bills, bonds and notes	5 years	100%	None
Federal Agency or U.S Government-sponsored obligations	5 years	100%	None
Local Agency Investment Fund (LAIF)	As permitted by law	As permitted by law	None
Local government investment pools	NA	100%	None
Money market funds	NA	20%	10%
Bankers' acceptances	180 days	40%	None
Commercial paper	270 days	25%	10%
Negotiable certificates of deposit	5 years	30%	None
Medium term corporate notes	5 years	30%	None
California local agency obligations	5 years	15%	None
Supranationals	5 years	30%	None
Asset-backed securities	5 years	20%	None

Investment Valuation

The City measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Quoted prices for identical investments in active markets;
- Level 2: Observable inputs other than quoted market prices; and,
- Level 3: Unobservable inputs

Investments are measured at fair value on a recurring basis. Recurring fair value measurements are those that Governmental Accounting Standards Board (GASB) Statements require or permit in the statement of net position at the end of each reporting period.

Following is a description of the valuation methodologies used:

*U.S. Treasuries, Government Agency Obligations, Medium Term Corporate Notes, Municipal Issues and Money Market Funds:* Fair values are based on quoted market prices for similar securities in markets that are not active, and model-based techniques for which all significant assumptions are observable in the market, resulting in a Level 2 valuation.

*Mutual funds:* Fair value is based on quoted market prices in an active market, resulting in a Level 1 valuation.

The City's position in external investment pools is in itself regarded as a type of investment and looking through to the underlying investments of the pool is not appropriate.

**CITY OF LINCOLN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 2: CASH AND INVESTMENTS (CONTINUED)**

At June 30, 2023, the City had the following recurring fair value measurements:

Investments	Fair Value Measurements Using			Fair Value
	Level 1 Inputs	Level 2 inputs	Level 3 inputs	
Money market funds	\$ -	\$ 43,857,731	\$ -	\$ 43,857,731
U.S. treasury obligations	-	80,052,039	-	80,052,039
Government agency securities	-	14,609,687	-	14,609,687
Medium term corporate notes	-	50,828,135	-	50,828,135
Municipal issues	-	1,191,319	-	1,191,319
Local Agency Investment Fund	-	-	-	22,137,798
Held by OPEB trustee:				
Mutual funds	<u>11,423,741</u>	<u>-</u>	<u>-</u>	<u>11,423,741</u>
<b>Total Investments</b>	<b>\$ <u>11,423,741</u></b>	<b>\$ <u>190,538,911</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>224,100,450</u></b>

Investment in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. This fund is not registered with the Securities and Exchange Commission as an investment company, but is required to invest according to California State Code. Participants in the pool include voluntary and involuntary participants, such as special districts and school districts for which there are legal provisions regarding their investments. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro rata share of the fair value provided by LAIF for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which is recorded on an amortized cost basis.

Disclosure Relating to Interest Rate Risk

Interest rate risk is the risk of loss due to the fair value of an investment falling due to interest rates rising. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. To limit exposure to fair value losses resulting from increases in interest rates, the City's investment policy limits investment maturities to a term appropriate to the need for funds so as to permit the City to meet all projected obligations. Any investments that mature more than five years from the date of purchase cannot occur without prior approval of the City Council.

Information about the sensitivity of the fair values of the City's investments (excluding investments held by bond trustees) to market rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity as of June 30, 2023:

Investments	Interest Rates	Remaining Maturity		Fair Value
		< 12 months	1-5 years	
Money market funds	0.010%	\$ 43,857,731	\$ -	\$ 43,857,731
U.S. treasury obligations	0.50% - 2.75%	8,972,425	71,079,614	80,052,039
Government agency securities	0.125% - 3.375%	-	14,609,687	14,609,687
Medium term corporate notes	0.125% - 3.875%	2,480,275	48,347,860	50,828,135
Municipal issues	0.56% - 2.05%	-	1,191,319	1,191,319
Local Agency Investment Fund	Variable	22,137,798	-	22,137,798
Held by OPEB trustee:				
Mutual funds	Variable	<u>11,423,741</u>	<u>-</u>	<u>11,423,741</u>
		<b>\$ <u>88,871,970</u></b>	<b>\$ <u>135,228,480</u></b>	<b>\$ <u>224,100,450</u></b>

**CITY OF LINCOLN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 2: CASH AND INVESTMENTS (CONTINUED)**

Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations

The City had no investments that were highly sensitive to interest rate fluctuations as of June 30, 2023.

Disclosures Relating to Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The City's investment policy sets specific parameters by type of investment to be met at the time of purchase. Presented below is the minimum rating required by (where applicable) the California Government Code or the City's investment policy, and the actual rating as of year end for each investment type.

	Total	Rating as of Fiscal Year End		
		Minimum Legal Rating	S&P	Moody's
Money market funds	\$ 43,857,731	N/A	Not rated	Not rated
U.S. Treasury obligations	77,013,744	N/A	N/A	AAA
U.S. Treasury obligations	3,038,295	N/A	N/R	N/R
Government agency securities	14,609,687	N/A	AA+	AAA
Medium term corporate notes	2,034,848	A	A	A1
Medium term corporate notes	8,708,598	A	A	A2
Medium term corporate notes	964,550	A	A	A3
Medium term corporate notes	6,529,571	A	A-	A1
Medium term corporate notes	2,944,080	A	A-	A2
Medium term corporate notes	5,260,845	A	A-	A3
Medium term corporate notes	1,280,034	A	A+	A1
Medium term corporate notes	3,057,688	A	A+	A2
Medium term corporate notes	1,388,898	A	A+	AA2
Medium term corporate notes	1,024,749	A	A+	AA3
Medium term corporate notes	2,457,243	A	AA	AA2
Medium term corporate notes	1,502,320	A	AA	A1
Medium term corporate notes	2,740,374	A	AA-	AA3
Medium term corporate notes	2,707,457	A	BBB+	A2
Medium term corporate notes	412,705	A	N/A	AAA
Medium term corporate notes	1,500	A	N/A	N/A
Medium term corporate notes	2,589,308	A	AAA	N/A
Medium term corporate notes	1,754,618	A	N/R	N/R
Medium term corporate notes	3,468,749	A	AAA	AAA
Municipal issues	1,191,319	A	AAA	AA1
Local Agency Investment Fund	22,137,798	N/A	Not rated	Not rated
Held by OPEB trustee:				
Mutual funds	<u>11,423,741</u>	N/A	Not rated	Not rated
	<u>\$ 224,100,450</u>			



**CITY OF LINCOLN**  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 2: CASH AND INVESTMENTS (CONTINUED)**

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer of securities. When investments are concentrated in one issuer, this concentration presents a heightened risk of potential loss. The City's investment policy contains limitations on the amount that can be invested in any one issuer. Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) at June 30, 2023, that represent 5 percent or more of total City investments are as follows:

<u>Issuers</u>	<u>Investment Type</u>	<u>Amount</u>
Federal Home Loan Banks	Government agency securities	\$ 4,682,708

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of a depository financial institution, the City will not be able to recover its deposits or collateral securities that are in the possession of an outside party. To mitigate the custodial credit risk the City's investment policy requires that all of its managed investments shall be held in the name of the City in safekeeping by a third party bank trust department.

The City's investment policy requires that deposits in banks must meet the requirements of the California Government Code. Under this code, deposits of more than \$250,000 must be collateralized at 105 percent to 150 percent of the value of the deposit to guarantee the safety of the public funds. The first \$250,000 of the City's deposits are insured by the Federal Deposit Insurance Corporation (FDIC). Deposits more than the \$250,000 insured amount are collateralized.

As of June 30, 2023, the carrying amount of the City's deposits was \$37,905,058 and bank balances were \$36,612,552. The difference between the bank balance and the carrying amount represents outstanding checks and deposits in transit.

Allocation of Interest Income Among Funds

Interest income from pooled investments is allocated to those funds which are required by law or administrative action to receive interest. Interest is allocated quarterly based on the ending cash balances of the previous quarter in each fund receiving interest.

**NOTE 3: LEASES RECEIVABLE**

The City is reporting leases receivable of \$3,321,412 at June 30, 2023. For the year ended June 30, 2023, the City reported lease revenue of \$137,217 and interest revenue of \$160,088 related to lease payments received.

*Buildings and Equipment -*

- On January 23, 2007, the City entered into an agreement with Flightline - Rockwell for the lease of a storage container. The lease has a term of 30 years and interest rate of 8.25%.

*Cell Tower Site -*

- On March 12, 2019, the City entered into a lease agreement with PCS Structures Towers, LLC for the lease of land for a cell tower site. The lease has a term of 25 years and an interest rate of 5%.

*Airport Property -*

- On July 15, 1987, the City entered into an agreement with Flightline - Lincoln Air for the lease of airport property. The lease has a term of 40 years and interest rate of 8.25%.
- On September 26, 2012, the City entered into an agreement with Flightline - Kracon for the lease of airport property. The lease has a term of 25 years and interest rate of 3.25%.
- On December 4, 2012, the City entered into an agreement with Flightline - ITAPOL for the lease of airport property. The lease has a term of 25 years and interest rate of 3.25%.

**CITY OF LINCOLN**  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 3: LEASES RECEIVABLE (CONTINUED)**

Future payments due to the City under the non-cancelable agreements are as follows:

**Governmental Activities**

<u>For the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 60,587	\$ 128,952	\$ 189,539
2025	66,757	125,773	192,530
2026	71,071	122,388	193,459
2027	75,621	118,787	194,408
2028	80,418	114,958	195,376
2029 - 2033	483,640	508,449	992,089
2034 - 2038	648,842	370,515	1,019,357
2039 - 2043	862,972	186,491	1,049,463
2044 - 2045	<u>418,663</u>	<u>10,244</u>	<u>428,907</u>
Total	<u>\$ 2,768,571</u>	<u>\$ 1,686,557</u>	<u>\$ 4,455,128</u>

**Business-type Activities**

<u>For the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 49,610	\$ 25,206	\$ 74,816
2025	57,516	21,736	79,252
2026	61,240	18,011	79,251
2027	65,238	14,013	79,251
2028	29,493	12,770	42,263
2029 - 2033	168,615	42,704	211,319
2034 - 2036	<u>121,129</u>	<u>5,662</u>	<u>126,791</u>
Total	<u>\$ 552,841</u>	<u>\$ 140,102</u>	<u>\$ 692,943</u>

The City has recorded a deferred inflow of resources associated with these leases that will be recognized as revenue over the lease terms. As of June 30, 2023, the balance of the deferred inflow of resources was \$3,321,412.

**NOTE 4: LOANS RECEIVABLE**

The City has made various business loans to qualifying businesses through programs designed to encourage construction or improvement in low-to-moderate income housing or other projects. In addition, the City has made various loans under the Community Development Block Grant (CDBG) revolving loan program, the Home Investment Partnerships (HOME) program, and the CalHome program. Under these programs, grants or loans are provided under favorable terms to homeowners or developers who agree to spend these funds in accordance with the City's terms.

The balance of the loans receivable, net of allowance, has been offset in the fund financial statements by deferred inflows of resources as they are not deemed measurable and available (within 60 days). In the government-wide Statement of Net Position, the City has provided a 100% allowance for all loans receivable subject to long-term deferral and/or payment from future refinancing except those accounts that have current payment activity and are not delinquent. Individual loans range from \$2,500 to \$2,000,000.

**CITY OF LINCOLN**  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 4: LOANS RECEIVABLE (CONTINUED)**

Total loans receivable, including accrued interest, net of allowance as of June 30, 2023 are as follows:

	Loans Receivable	Accrued Interest	Allowance	Total Loans Receivable, net
Community development block grants	\$ 228,408	\$ 122,803	\$ -	\$ 351,211
Home investment partnership	987,572	366,833	-	1,354,405
CalHOME	177,003	23,996	-	200,999
Housing Successor Agency	<u>2,358,000</u>	<u>1,441,329</u>	-	<u>3,799,329</u>
Totals	<u>\$ 3,750,983</u>	<u>\$ 1,954,961</u>	<u>\$ -</u>	<u>\$ 5,705,944</u>

**NOTE 5: INTERFUND AND INTRA-FUND TRANSACTIONS**

**Due to/from Other Funds**

During the course of operations, transactions occur between funds to account for goods received or services rendered. These receivables and payables are classified as due from or due to other funds. In addition, when funds overdraw their share of pooled cash, the receivables and payables are also classified as due from or due to other funds. The composition of due to/from other funds as of June 30, 2023 was as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Description</u>	<u>Amount</u>
<u>Governmental Funds</u>			
General Fund	Public Facility Element	Overdrawn cash	\$ 4,651,810
Gas Tax	Federal Grants	Overdrawn cash	523,422
Community Development Block Grant (CDBG)	CDBG-CV	Overdrawn cash	<u>42,518</u>
Total Governmental Funds			<u>\$ 5,217,750</u>

The overdrawn cash noted above was a result of expenditures incurred in advance of receipt of grant revenues.

**Advances to/from Other Funds**

Advances to/from other funds are non-current interfund loans and are offset by a nonspendable fund balance in applicable governmental funds to indicate they are not in spendable form. The composition of advances to/from other funds as of June 30, 2023 was as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Description</u>	<u>Maturity</u>	<u>Amount</u>
<u>Governmental Funds</u>				
General Fund	Airport	Fund deficit	June 2079	\$ 4,770,356
Water Connections	Public Facility Element	Capital project funding	June 2026	1,589,533
LPFA Series 2016	Airport	Capital lease refinance	October 2028	794,272
Public Facility Element	Public Facility Element	Capital project funding	June 2028	<u>696,383</u>
Total Governmental Funds				<u>\$ 7,850,544</u>
<u>Proprietary Funds</u>				
Solid Waste	Public Facility Element	Capital project funding	June 2028	<u>\$ 689,488</u>
Total Proprietary Funds				<u>\$ 689,488</u>

**CITY OF LINCOLN**  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 5: INTERFUND AND INTRA-FUND TRANSACTIONS (CONTINUED)**

**Interfund Transfers to/from Other Funds**

Transfers between funds during the fiscal year ended June 30, 2023 were as follows:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Description of Transfer</u>	<u>Amount</u>
<b><u>Governmental Funds</u></b>			
General Fund	LPFA Refunding Series 2016	Debt service	\$ 559,647
General Fund	Internal Service	Budget	300,000
General Fund	Technology	Citywide software	297,236
Water Connections	Water	Rate subsidy	4,200,000
Special Assessment Districts	LPFA Refunding Series 2016	Debt service	53,300
Gas Tax	LPFA Refunding Series 2016	Debt service	39,975
Street Fund	LPFA Refunding Series 2016	Debt service	26,650
Development Services	LPFA Refunding Series 2016	Debt service	<u>66,625</u>
<b>Total Governmental Interfund Transfers</b>			<b>\$ <u>5,543,433</u></b>
<b><u>Proprietary Funds</u></b>			
Water	LPFA Refunding Series 2016	Debt service	\$ 226,524
Wastewater	LPFA Refunding Series 2016	Debt service	173,224
Solid Waste	LPFA Refunding Series 2016	Debt service	146,574
Airport	General Fund	Debt service	140,683
Airport	LPFA Refunding Series 2016	Debt service	26,650
Transit	LPFA Refunding Series 2016	Debt service	<u>13,325</u>
<b>Total Proprietary Interfund Transfers</b>			<b>\$ <u>726,980</u></b>

**Intra-fund Transfers between Funds**

The following table represents intra-fund transfers made during the year ended June 30, 2023:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Description</u>	<u>Amount</u>
Supplemental Fees	General Fund	Annual budget transfer	\$ 316,273
General Fund	Public Safety Tax	Public safety tax share	<u>125,499</u>
<b>Total Intra-fund Transfers</b>			<b>\$ <u>441,772</u></b>

**CITY OF LINCOLN**  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 6: CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2023, was as follows:

**Governmental Activities:**

	<u>Balance at July 1, 2022</u>	<u>Prior Period Adjustment</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	<u>Balance at June 30, 2023</u>
Capital assets not being depreciated/amortized						
Land	\$ 14,470,390	\$ -	\$ -	\$ -	\$ -	\$ 14,470,390
Easements	242,604	-	-	-	-	242,604
Construction-in-progress	<u>17,750,034</u>	<u>-</u>	<u>5,083,338</u>	<u>-</u>	<u>(2,078,333)</u>	<u>20,755,039</u>
Total capital assets not being depreciated/amortized	<u>32,463,028</u>	<u>-</u>	<u>5,083,338</u>	<u>-</u>	<u>(2,078,333)</u>	<u>35,468,033</u>
Capital assets being depreciated/amortized						
Buildings and improvements	80,778,800	-	476,503	-	1,726,760	82,982,063
Machinery and equipment	10,035,895	-	971,494	(74,082)	-	10,933,307
Infrastructure	462,803,830	-	1,156,409	-	260,087	464,220,326
Land improvements	30,622,532	-	78,297	-	91,486	30,792,315
ROU subscription asset	<u>-</u>	<u>591,648</u>	<u>274,667</u>	<u>-</u>	<u>-</u>	<u>866,315</u>
Total capital assets being depreciated/amortized	<u>584,241,057</u>	<u>591,648</u>	<u>2,957,370</u>	<u>(74,082)</u>	<u>2,078,333</u>	<u>589,794,326</u>
Less accumulated depreciation/amortization						
Buildings and improvements	(26,077,918)	-	(2,152,503)	-	-	(28,230,421)
Machinery and equipment	(6,773,998)	-	(889,691)	74,082	-	(7,589,607)
Infrastructure	(223,865,510)	-	(11,882,030)	-	-	(235,747,540)
Land improvements	(12,464,501)	-	(1,367,400)	-	-	(13,831,901)
ROU subscription asset	<u>-</u>	<u>-</u>	<u>(209,885)</u>	<u>-</u>	<u>-</u>	<u>(209,885)</u>
Total accumulated depreciation/amortization	<u>(269,181,927)</u>	<u>-</u>	<u>(16,501,509)</u>	<u>74,082</u>	<u>-</u>	<u>(285,609,354)</u>
Total capital assets being depreciated/amortized, net	<u>315,059,130</u>	<u>591,648</u>	<u>(13,544,139)</u>	<u>-</u>	<u>2,078,333</u>	<u>304,184,972</u>
<b>Total Capital Assets, net</b>	<u>\$ 347,522,158</u>	<u>\$ 591,648</u>	<u>\$ (8,460,801)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 339,653,005</u>

Depreciation/amortization expense was charged to governmental functions as follows:

**Governmental Activities:**

General government	\$ 703,193
Public safety	796,393
Public works and facilities	14,193,640
Culture and recreation	55,859
Education	473,829
Internal service funds	<u>278,595</u>

Total governmental activities depreciation/amortization expense \$ 16,501,509

**CITY OF LINCOLN**  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 6: CAPITAL ASSETS (CONTINUED)**

**Business-type Activities:**

	<u>Balance at July 1, 2022</u>	<u>Prior Period Adjustment</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	<u>Balance at June 30, 2023</u>
Capital assets not being depreciated						
Land	\$ 1,549,390	\$ -	\$ -	\$ -	\$ -	\$ 1,549,390
Easements	42,250	-	-	-	-	42,250
Construction-in-progress	<u>7,695,090</u>	<u>-</u>	<u>4,516,050</u>	<u>(6,475,841)</u>	<u>(62,299)</u>	<u>5,673,000</u>
Total capital assets not being depreciated	<u>9,286,730</u>	<u>-</u>	<u>4,516,050</u>	<u>(6,475,841)</u>	<u>(62,299)</u>	<u>7,264,640</u>
Capital assets being depreciated						
Buildings and improvements	26,565,533	-	-	(271,217)	62,299	26,356,615
Machinery and equipment	14,244,485	(26,782)	1,158,354	(1,199,445)	-	14,176,612
Infrastructure	461,233,433	-	15,112	(4,174,920)	-	457,073,625
Land improvements	<u>1,154,850</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,154,850</u>
Total capital assets being depreciated	<u>503,198,301</u>	<u>(26,782)</u>	<u>1,173,466</u>	<u>(5,645,582)</u>	<u>62,299</u>	<u>498,761,702</u>
Less accumulated depreciation						
Buildings and improvements	(14,825,670)	-	(496,690)	34,655	-	(15,287,705)
Machinery and equipment	(7,409,919)	18,546	(1,164,350)	923,877	-	(7,631,846)
Infrastructure	(143,179,344)	-	(8,467,258)	843,476	-	(150,803,126)
Land improvements	<u>(622,625)</u>	<u>-</u>	<u>(58,609)</u>	<u>-</u>	<u>-</u>	<u>(681,234)</u>
Total accumulated depreciation	<u>(166,037,558)</u>	<u>18,546</u>	<u>(10,186,907)</u>	<u>1,802,008</u>	<u>-</u>	<u>(174,403,911)</u>
Total capital assets being depreciated, net	<u>337,160,743</u>	<u>(8,236)</u>	<u>(9,013,441)</u>	<u>(3,843,574)</u>	<u>62,299</u>	<u>324,357,791</u>
<b>Total Capital Assets, net</b>	<u>\$ 346,447,473</u>	<u>\$ (8,236)</u>	<u>\$ (4,497,391)</u>	<u>\$ (10,319,415)</u>	<u>\$ -</u>	<u>\$ 331,622,431</u>

Depreciation expense was charged to the business-type functions as follows:

**Business-type Activities:**

Water	\$ 3,955,134
Wastewater	5,361,948
Solid Waste	609,908
Airport	212,239
Transit	<u>47,678</u>

Total business-type activities depreciation expense \$ 10,186,907

See Note 20 for prior period adjustment detail.

**CITY OF LINCOLN**  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 7: UNEARNED REVENUE**

At June 30, 2023, components of unearned revenue were as follows:

	Amount
<u>Governmental Funds</u>	
General Fund	
ARPA advance	\$ 7,022,824
Zip Books project advance	899
California high speed broadband grant advance	3,410
Walmart drone grant advance	2,814
Officer wellness and mental health grant advance	23,540
Limited term property tax sharing advance	260,853
Non Major Governmental Funds	
ARPA advance	1,543,406
Total Governmental Funds	\$ 8,857,746
<u>Proprietary Funds</u>	
Solid Waste	
Beverage Container Recycling Program advance	\$ 34,308
Total Proprietary Funds	\$ 34,308

**NOTE 8: LONG-TERM LIABILITIES**

**A. Governmental Activities**

Governmental activities long-term debt issued and outstanding at June 30, 2023 was comprised of the following:

Type of Indebtedness	Maturity	Interest Rates	Authorized and Issued	Outstanding June 30, 2023
LPFA Refunding Bonds Series 2016A	2037	5.69-6.12%	\$ 18,296,066	\$ 12,110,000
Bond issuance premiums (discounts) Series 2016A net premium				808,790
Financed purchases			1,946,900	912,629
Subscription (SBITA) liability			866,315	679,352
Compensated absences				2,824,074
Total Governmental Activities				\$ 17,334,845

**CITY OF LINCOLN**  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 8: LONG-TERM LIABILITES (CONTINUED)**

The following is a summary of changes in the City's governmental long-term liabilities for the fiscal year ended June 30, 2023:

	<u>Balance at July 1, 2022</u>	<u>Prior Period Adjustment</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2023</u>	<u>Current Portion</u>
<b>Governmental Activities:</b>						
Bonds and leases payable:						
LPFA Refunding Bonds						
Series 2016A	\$ 13,110,000	\$ -	\$ -	\$ (1,000,000)	\$ 12,110,000	\$ 1,045,000
Premium (discount) on bonds, net	868,796	-	-	(60,006)	808,790	60,006
Financed purchases	1,164,794	-	-	(252,165)	912,629	242,628
Subscription (SBITA) liability	<u>-</u>	<u>591,648</u>	<u>274,667</u>	<u>(186,963)</u>	<u>679,352</u>	<u>172,028</u>
 Total bonds, financed purchases, and SBITAs payable	 <u>15,143,590</u>	 <u>591,648</u>	 <u>274,667</u>	 <u>(1,499,134)</u>	 <u>14,510,771</u>	 <u>1,519,662</u>
Other liabilities:						
Compensated absences	<u>2,832,739</u>	<u>-</u>	<u>1,819,430</u>	<u>(1,828,095)</u>	<u>2,824,074</u>	<u>2,259,259</u>
 <b>Total Governmental Activities</b>	 <u>\$ 17,976,329</u>	 <u>\$ 591,648</u>	 <u>\$ 2,094,097</u>	 <u>\$ (3,327,229)</u>	 <u>\$ 17,334,845</u>	 <u>\$ 3,778,921</u>

Long-term liabilities including compensated absences, net pension liability and net OPEB liability are generally liquidated by the fund incurring the liability.

A description of the long-term liabilities related to governmental activities at June 30, 2023 follows:

LPFA Refunding Bonds Series 2016 A&B

In October 2016, the City approved the issuance of the Lincoln Public Financing Authority Revenue Refunding Bonds, Series 2016A in the aggregate principal amount of \$13,355,000, and Series 2016B in the aggregate principal amount of \$4,205,000 to provide funds to refinance (i) the Authority's Lease Revenue Refunding Bonds, Series 2003; (ii) the Authority's Lease Revenue Refunding Bonds, Series 2006; (iii) Airport capital improvements financed through a lease dated July 8, 2008 between CaLease Public Funding Corporation and the City, and to pay costs of issuance incurred in connection with the issuance, sale and delivery of the bonds. The net proceeds of the bonds were deposited into an irrevocable trust with an escrow agent to provide for future debt service payments on the refunded bonds. As a result, the refundable bonds are considered to be defeased, and the related liabilities for the bonds have been removed from the City's liabilities. The advance refunding was done in order to reduce debt payments in the short-term. The net present savings on the debt payments was approximately \$3,147,000.



**CITY OF LINCOLN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 8: LONG-TERM LIABILITES (CONTINUED)**

Interest on the bonds is payable on April 1 and October 1 of each year, commencing on April 1, 2017 with interest rates ranging from 1.35% to 4.00%. The bonds are payable solely from and secured by a pledge of revenues and certain other monies pledged as listed in the trust agreement. The Series 2016 A bonds mature in October 2036 and the Series 2016 B bonds matured in October 2021. Future debt service payments on the bonds are as follows:

For the Year Ending June 30,	2016A	
	Principal	Interest
2024	\$ 1,045,000	\$ 432,138
2025	1,085,000	389,538
2026	1,125,000	345,338
2027	1,175,000	299,338
2028	1,220,000	251,438
2029 - 2033	3,620,000	741,290
2034 - 2037	<u>2,840,000</u>	<u>183,931</u>
Total	<u>\$ 12,110,000</u>	<u>\$ 2,643,011</u>

Premium/Discount on Bonds

Net capitalized premiums (discount) on bonds related to the above issuances have been recorded in the amount of \$808,790 and netted with the balance of the bonds as presented on the government-wide financial statements. The balance is amortized using the straight line method over the bond term. Net accretion for the year ended June 30, 2023 totaled \$60,006.

Financed Purchases

In September 2019, the City entered into a financed purchase agreement with KS State Bank in the initial amount of \$132,208 for the purchase of police vehicles. Principal and interest payments of \$28,831 are due annually until October 2023. Interest on the financed purchase agreement is 4.348%. At June 30, 2023, equipment, net of accumulated depreciation under the financed purchase agreement totaled \$52,883.

In February 2019, the City entered into a financed purchase agreement with CSI Leasing in the initial amount of \$152,699 for the purchase of audio visual equipment. Principal and interest payments of \$2,993 are due monthly until January 2024. Interest on the financed purchase agreement is 6.57%. At June 30, 2023, equipment, net of accumulated depreciation under the financed purchase agreement totaled \$30,539.

In January 2019, the City entered into a financed purchase agreement with Lease Servicing Center, Inc. dba National Cooperative Leasing in the initial amount of \$104,599 for the purchase of three police vehicles. Principal and interest payments of \$2,000 are due monthly until January 2024. Interest on the financed purchase agreement is 5.54%. At June 30, 2023, equipment, net of accumulated depreciation under the financed purchase agreement totaled \$20,813.

In July 2018, the City entered into a financed purchase agreement with US Bancorp Government Leasing and Finance, Inc. in the initial amount of \$1,337,394 for the purchase of fire trucks. Principal and interest payments of \$157,586 are due annually until February 2028. Interest on the financed purchase agreement is 3.43%. At June 30, 2023, equipment, net of accumulated depreciation under the financed purchase agreement totaled \$802,436.

In September 2021, the City entered into a financed purchase agreement with KS State Bank. in the initial amount of \$220,000 for the purchase of police vehicles. Principal and interest payments of \$47,242 are due annually until January 2026. Interest on the financed purchase agreement is 3.28%. At June 30, 2023, equipment, net of accumulated depreciation under the financed purchase agreement totaled \$176,000.

**CITY OF LINCOLN**  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 8: LONG-TERM LIABILITES (CONTINUED)**

Future debt service payments on the agreements are as follows:

<u>For the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 242,628	\$ 30,824
2025	182,018	22,809
2026	188,206	16,622
2027	147,362	10,225
2028	<u>152,415</u>	<u>5,170</u>
Total	<u>\$ 912,629</u>	<u>\$ 85,650</u>

Subscriptions (SBITAs)

The City has entered into SBITAs involving various software subscriptions. The total of the City's SBITA assets are recorded at a cost of \$866,315 less accumulated amortization of \$209,885.

Future debt service payments on the SBITAs are as follows:

<u>For the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 172,028	\$ 18,111
2025	210,136	9,986
2026	146,055	5,078
2027	<u>151,133</u>	<u>-</u>
Total	<u>\$ 679,352</u>	<u>\$ 33,175</u>

Compensated Absences

Compensated absences for governmental activities are generally liquidated by the fund where the accrued liability occurred.

**Total Governmental Activities Long-Term Liabilities Future Debt Service**

<u>For the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 1,459,656	\$ 481,073
2025	1,477,154	422,333
2026	1,459,261	367,038
2027	1,473,495	309,563
2028	1,372,415	256,608
2029 - 2033	3,620,000	741,290
2034 - 2037	<u>2,840,000</u>	<u>183,931</u>
Total	<u>\$ 13,701,981</u>	<u>\$ 2,761,836</u>

**CITY OF LINCOLN**  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 8: LONG-TERM LIABILITES (CONTINUED)**

**B. Business-type Activities**

Business-type activities long-term debt issued and outstanding at June 30, 2023 was comprised of the following:

<u>Type of Indebtedness</u>	<u>Outstanding June 30, 2023</u>
Compensated absences	\$ 467,541
Postclosure	35,339
Total Business-type Activities	\$ 502,880

The following is a summary of changes in the City's business-type long-term liabilities for the fiscal year ended June 30, 2023:

	<u>Balance at July 1, 2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2023</u>	<u>Current Portion</u>
<b>Business-Type Activities:</b>					
Other liabilities:					
Compensated absences	\$ 564,609	\$ 445,748	\$ (542,816)	\$ 467,541	\$ 374,033
Postclosure	200,633	-	(165,294)	35,339	35,339
<b>Total Business-Type Activities</b>	\$ 765,242	\$ 445,748	\$ (708,110)	\$ 502,880	\$ 409,372

Postclosure

The City of Lincoln has postclosure responsibility for one closed landfill site. State and federal laws and regulations require the City to place a final cover over its closed landfill and perform certain maintenance and monitoring functions at the landfill site for thirty years following its closure. Closure procedures have been performed and postclosure activity is recorded in the Solid Waste enterprise fund. The estimated liability for postclosure care costs is estimated to be \$35,339 as of June 30, 2023, of which \$35,339 is reported as a current liability. The estimate of post-closure care costs is based on the amount that would be paid if all equipment, facilities, and services required to monitor and maintain the landfill were acquired as of June 30, 2023. However, the actual costs may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

The City is required by state and federal laws and regulations to make annual contributions to finance postclosure care costs. The costs of these procedures is funded on a pay as you go basis. The City has not adopted a pledge of revenue to fund these costs. The estimated postclosure maintenance costs and any additional costs that might arise from changes in postclosure requirements (due to changes in technology or more rigorous environmental regulations) may need to be covered by an increase in the rate of the franchise surcharge assessed against refuse collection fees.

**CITY OF LINCOLN**  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 9: SPECIAL ASSESSMENT DEBT WITH NO CITY COMMITMENT**

The City reports the debt service transactions of various special assessment issues for which the City is not obligated in any manner, in Custodial funds. The debt will be paid from and is secured solely by the revenues of these special assessment districts and does not constitute an indebtedness of the City. At June 30, 2023, the principal amount of special assessment debt outstanding for which the City is not obligated was as follows:

Assessment Debt	Project Description	Original Amount	Outstanding June 30, 2023
Refunding Bond, Series 2011A Twelve Bridges Series 2004	Twelve Bridges	\$ 28,305,000	\$ 7,475,000
Refunding Bond, Series 2011B Twelve Bridges Series 2004	Twelve Bridges	13,495,000	3,817,000
Special Tax Refunding Bonds 2018 CFD Lincoln Crossing Project Series 2018	Lincoln Crossing	64,470,000	54,440,000
Special Tax Refunding Bonds, Series 2021 Lakeside Series 2021 Refunding	Lakeside	4,510,000	4,230,000
Special Tax Revenue Bonds, Series 2013 CFD Sorrento Series 2013	Sorrento Project	5,165,000	1,225,000
Special Tax Revenue Bonds, Series 2014 CFD Sorrento Series 2014	Sorrento Project	5,680,000	5,565,000
Special Tax Revenue Bonds, Series 2017 CFD Lakeside Series 2006-1	Lakeside	6,235,000	5,215,000
Special Tax Revenue Bonds, Series 2016 CFD Sorrento Series 2005-1	Sorrento Project	8,860,000	8,285,000
Special Tax Revenue Bonds, Series 2017 CFD Foskett Ranch 2017-1	Foskett Ranch Independence at Lincoln	2,975,000	2,255,000
Special Tax Bonds, Series 2022 CFD 2019-1	Lincoln	13,225,000	<u>13,225,000</u>
			<u>\$ 105,732,000</u>

**CITY OF LINCOLN**  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 10: FUND BALANCE**

As prescribed by GASB Statement No. 54, "*Fund Balance Reporting and Governmental Fund Type Definitions*" governmental funds report fund balance in classifications based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. This statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The City established the following fund balance policies:

Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The City has classified prepaids and long-term advances as being nonspendable as these items are not expected to be converted to cash or are not expected to be converted to cash within the next year.

Restricted: Amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.

Committed: Amounts that can only be used for the specific purposes determined by formal action of the City's highest level of decision-making authority. The City Council is the City's highest level of decision-making authority, and the formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a resolution approved by the City Council. Once adopted, the limitation imposed remains in place until a similar action is taken to remove or revise the limitation. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.

Assigned: This classification includes amounts that are constrained by the City's intent to be used for a specific purpose but are neither restricted or committed. The City Council has authorized the City Manager and Finance Manager as officials authorized to assign fund balance to a specific purpose.

Unassigned: This classification includes the residual balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

It is the goal of the City to achieve and maintain an unassigned fund balance in the general fund at fiscal year end of not less than \$500,000. If the unassigned fund balance at fiscal year end falls below the goal, the City shall develop a restoration plan to achieve and maintain the minimum fund balance. In the event that at the end of the prior fiscal year there is an increase in the General Fund Unassigned Fund Balance, based on the annual audited financial statements, 50% of the increase will be used as identified in the General Fund Reserve Policy. The transfer of funds will occur during the budget process following each year in which an increase occurs.

The accounting policies of the City consider restricted fund balance to have been spent first when an expenditure is incurred for the purposes for which both restricted and unrestricted fund balance is available. Similarly, when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used, the City considers committed amounts to be reduced first, followed by assigned amounts, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

**CITY OF LINCOLN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 10: FUND BALANCE (CONTINUED)**

The fund balances for all major and nonmajor governmental funds as of June 30, 2023, were distributed as follows:

	General Fund	Public Facility Element (PFE)	Water Connections	Develop- ment Services	Low/ Moderate Income Housing	Non-Major Govern- mental Funds	Total Governmental Funds
<b>Nonspendable</b>							
Prepaid items	\$ 490,636	\$ 3,555	\$ 40,000,000	\$ 14,218	\$ -	\$ 28,437	\$ 40,536,846
Advances to other funds	4,770,356	-	-	-	-	-	4,770,356
Endowments - principal	-	-	-	-	-	356,659	356,659
<b>Total Nonspendable</b>	<u>5,260,992</u>	<u>3,555</u>	<u>40,000,000</u>	<u>14,218</u>	<u>-</u>	<u>385,096</u>	<u>45,663,861</u>
<b>Restricted</b>							
Public facility improvements	-	24,531,955	-	-	-	-	24,531,955
Water capacity expansion	-	-	11,341,913	-	-	-	11,341,913
Public improvements and maintenance	-	-	-	-	-	13,200,251	13,200,251
Parks and recreation	-	-	-	-	-	1,851,958	1,851,958
Streets and roads	-	-	-	-	-	8,829,663	8,829,663
Grants	-	-	-	-	-	21,612	21,612
Debt service	-	-	-	-	-	2,889,639	2,889,639
Loan programs	-	-	-	-	-	2,809,570	2,809,570
Capital projects	-	-	-	-	-	2,788,418	2,788,418
Housing	-	-	-	-	1,648,651	-	1,648,651
Oak tree replacement	-	-	-	-	-	3,779,069	3,779,069
Mandated training fee	-	-	-	90,270	-	-	90,270
Endowments - open space preservation	-	-	-	-	-	182,700	182,700
<b>Total Restricted</b>	<u>-</u>	<u>24,531,955</u>	<u>11,341,913</u>	<u>90,270</u>	<u>1,648,651</u>	<u>36,352,880</u>	<u>73,965,669</u>
<b>Committed</b>							
Operating reserve	6,141,217	-	-	-	-	-	6,141,217
Capital replacement	1,004,612	-	-	-	-	-	1,004,612
<b>Total Committed</b>	<u>7,145,829</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,145,829</u>
<b>Assigned</b>							
Fees for future improvements	-	-	-	15,899,481	-	-	15,899,481
<b>Total Assigned</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,899,481</u>	<u>-</u>	<u>-</u>	<u>15,899,481</u>
<b>Unassigned</b>							
	17,850,646	-	-	-	-	(392,561)	17,458,085
<b>Total Fund Balance</b>	<u>\$ 30,257,467</u>	<u>\$ 24,535,510</u>	<u>\$ 51,341,913</u>	<u>\$16,003,969</u>	<u>\$ 1,648,651</u>	<u>\$36,345,415</u>	<u>\$160,132,925</u>

**CITY OF LINCOLN**  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 11: DEFICIT FUND BALANCE / UNRESTRICTED NET POSITION**

**Governmental Funds**

As of June 30, 2023, the following governmental fund had a fund balance deficit:

Governmental Fund	Amount
Federal Grants	\$ 392,561

The deficit in the Federal Grants fund of \$392,561 was a result of expenditures incurred in advance of receipt of revenue and will be eliminated through future revenues.

**Proprietary Funds**

As of June 30, 2023, the following proprietary fund had a negative unrestricted net position:

Proprietary Fund	Amount
Airport	\$ 5,392,517

The Airport fund had a negative unrestricted net position of \$5,392,517. This fund does not have an immediate revenue source to cover this negative amount. The unrestricted net position deficit is due to airport revenue generating activities such as fuel sales, tie downs, and hanger rentals which have not kept up with operating expenses and capital improvement costs.

**NOTE 12: DEFINED BENEFIT PENSION PLAN**

**A. General Information about the Pensions Plan**

Plan Description

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan) administered by the California Public Employees' Retirement System (CalPERS). The Plan consists of individual rate plans (benefit tiers) within a safety risk pool (police and fire) and a miscellaneous risk pool (all other). Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The City sponsors five plans (three miscellaneous and two safety). Benefit provisions under the Plan are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 (age 62 for Miscellaneous Plan members if membership date is on or after January 1, 2013) with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

**CITY OF LINCOLN**  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 12: DEFINED BENEFIT PENSION PLAN (CONTINUED)**

The rate plan's provisions and benefits in effect at June 30, 2023, are summarized as follows:

	<b>Miscellaneous</b>		
	Prior to February 13, 2011	Between February 13, 2011 and January 1, 2013	On or After January 1, 2013
Hire Date	Tier I	Tier II	PEPRA
Benefit Formula	2.7% @ 55	2.0% @ 60	2.0% @ 62
Benefit Vesting Schedule	5 years service	5 years service	5 years service
Benefit Payments	monthly for life	monthly for life	monthly for life
Retirement Age	50 - 55	50 - 60	52 - 62
Monthly Benefits, as a % of Eligible Compensation	2.000 - 2.700%	1.092 - 2.418%	1.000 - 2.500%
Required Employee Contribution Rate	8.00%	7.00%	6.75%
Required Employer Contribution Rate	14.03%	8.63%	7.47%
Required UAL Contribution	\$1,550,291	\$9,574	\$16,911

	<b>Safety</b>		
	Prior to January 1, 2013	On or After January 1, 2013	On or After January 1, 2013
Hire Date	Tier I	PEPRA Fire	PEPRA Police
Benefit Formula	3.0% @ 50	2.7% @ 57	2.7% @ 57
Final compensation	Three-year average	Three-year average	Three-year average
Benefit Vesting Schedule	5 years service	5 years service	5 years service
Benefit Payments	monthly for life	monthly for life	monthly for life
Retirement Age	50	50 - 57	50 - 57
Monthly Benefits, as a % of Eligible Compensation	3.0%	2.0% - 2.7%	2.0% - 2.7%
Required Employee Contribution Rate	9.00%	13.00%	13.00%
Required Employer Contribution Rate	22.47%	12.78%	12.78%
Required UAL Contribution	\$799,626	\$2,216	\$4,164

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The City's contributions to the Plan for the year ending June 30, 2023 were \$4,115,514.

**B. Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions**

As of June 30, 2023, the City reported a net pension liability for its proportionate share of the net pension liability of the Plan of \$28,929,618. \$22,308,813 of the liability is reported in governmental activities and \$6,620,805 of the liability is reported in business-type activities.



**CITY OF LINCOLN**  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 12: DEFINED BENEFIT PENSION PLAN (CONTINUED)**

The City's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2022, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021 rolled forward to June 30, 2022 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability for the Plan as of June 30, 2021 and 2022 was as follows:

Proportion - June 30, 2021	0.24620%
Proportion - June 30, 2022	0.25046%
Change - Increase	0.00426%

For the year ended June 30, 2023, the City recognized pension expense of \$2,854,961. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to the measurement date	\$ 4,115,514	\$ -
Changes of assumptions	2,945,785	-
Differences between actual and expected experience	823,258	359,639
Differences between projected and actual investment earnings	5,011,862	-
Differences between employer's contributions and proportionate share of contributions	-	1,682,374
Change in employer's proportion	<u>1,880,957</u>	<u>1,236,125</u>
Total	<u>\$ 14,777,376</u>	<u>\$ 3,278,138</u>

\$4,115,514 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>For the Fiscal Year Ending June 30,</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2024	\$ 1,927,312
2025	1,567,331
2026	826,560
2027	3,062,521

**CITY OF LINCOLN**  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 12: DEFINED BENEFIT PENSION PLAN (CONTINUED)**

Actuarial Assumptions

The total pension liabilities in the June 30, 2021 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Salary Increases	Varies by Entry Age and Service
Investment Rate of Return	6.90% net of pension plan investment expenses; includes inflation
Mortality (1)	Derived using CalPERS membership data for all funds
Post Retirement Benefit Increase	Contract COLA up to 2.30% until purchasing power protection allowance floor on purchasing power applies

(1) The mortality table used was developed based on CalPERS' specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries. For more details, please refer to the 2021 experience study report available on CalPERS website.

Changes in Assumptions

Effective with the June 30, 2021 valuation date (2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90%.

Discount Rate

The discount rate used to measure the total pension liability was 6.90 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations. Using historical returns of all the Public Employees Retirement Funds' asset classes (which includes the agent plan and two cost-sharing plans or PERF A, B, and C funds), expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 Basis points.

**CITY OF LINCOLN**  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 JUNE 30, 2023

**NOTE 12: DEFINED BENEFIT PENSION PLAN (CONTINUED)**

The table below reflects real rates of return by asset class.

<u>Asset Class</u>	<u>Assumed Asset Allocation</u>	<u>Real Return Years 1-10 (a,b)</u>
Global Equity - Cap-weighted	30.0%	4.45%
Global Equity - Non Cap-weighted	12.0%	3.84%
Private Equity	13.0%	7.28%
Treasury	5.0%	0.27%
Mortgage-backed Securities	5.0%	0.50%
Investment Grade Corporates	10.0%	1.56%
High Yield	5.0%	2.27%
Emerging Market Debt	5.0%	2.48%
Private Debt	5.0%	3.57%
Real Assets	15.0%	3.21%
Leverage	(5.0%)	(0.59%)

(a) An expected inflation of 2.3% used for this period

(b) Figures are based on the 2021-22 Asset Liability Management study.

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

The following presents the City's proportionate share of the net pension liability for the Plan as of the measurement date, calculated using the discount rate for the Plan, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage point lower or one-percentage point higher than the current rate:

	<u>Discount Rate -1% (5.90%)</u>	<u>Current Discount Rate (6.90%)</u>	<u>Discount Rate +1% (7.90%)</u>
Net Pension Liability (Asset)	\$ 44,915,857	\$ 28,929,618	\$ 15,816,051

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

**NOTE 13: OTHER POST EMPLOYMENT BENEFITS**

Plan Description

*Plan administration:* The City administers a single employer defined benefit other postemployment healthcare (OPEB) plan providing health plan coverage to eligible retired employees and their eligible dependents. The City maintains the same medical plans for its retirees as for its active employees.

**CITY OF LINCOLN**  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 13: OTHER POST EMPLOYMENT BENEFITS (CONTINUED)**

*Benefits provided:* Employees become eligible to retire and receive City-paid healthcare benefits upon attainment of age 50 and 5 years of service. For retirees hired prior to January 1, 1998, the City pays the full premium of the retiree, spouse, and eligible dependents. Supplemental contributions are paid from a City-funded Retirement Medical Account to the extent necessary to achieve compliance with PEMHCA's equal contribution method with respect to these retirees. For all others, the City pays 50% of the applicable "State Formula" dollar amount for retirees with 10 years of service, plus an additional 5% per year of service, to a maximum of 100% after 20 years. Benefits are paid for the lifetime of the retiree, spouse or surviving spouse, and dependents up to the age of 26. The 2023 State Formula monthly dollar amounts are \$816 single, \$1,548 two-party, and \$1,986 family. In addition, the City pays a 0.33%-of-premium administrative fee to PEMHCA for each retiree.

The City reports the financial activity of the other post-employment benefits (OPEB) in the fiduciary OPEB Trust Fund, and no separate financial report is prepared.

Employees Covered

As of the June 30, 2022 measurement period, membership consisted of the following:

Active plan members	160
Inactive plan members or beneficiaries currently receiving benefit payments	71
Inactive plan members entitled to, but not yet receiving benefits	16
Total	247

Contributions

The contribution requirements of plan members and the City are established and may be amended by the City Council. The required contribution is based on projected pay-as-you-go financing requirements. Total contributions for the year ended June 30, 2023 were \$2,588,311

Net OPEB Liability

The City's net OPEB liability ("NOL") was measured as of June 30, 2022 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2021. The total OPEB liability was determined using the following actuarial assumptions applied to all periods included in the measurement, unless otherwise specified:

Funding Method	Entry Age Normal Cost, level percent of pay
Long Term Return on Assets	6.15%, net of plan investment expenses and including inflation
Discount Rate	5.85%
Participants Valued	Only current active employees and retired participants and covered dependents are valued. No future entrants are considered in this valuation.
Assumed Wage Inflation	3.00% per annum
Salary Increases	3.00% per annum
General Inflation Rate	2.50% per annum
Investment Rate of Return	5.80%, net of OPEB plan investment expense
Healthcare Cost Trend Rate	5.4% in 2021, grading down to 4% by 2076

Mortality rates were the published CalPERS rates, adjusted to back out 15 years of Scale MP 2016 to central year 2015 and then projected based on MacLeod Watts Scale 2022 applied generationally from 2015.

Demographic actuarial assumptions used in the June 30, 2021 valuation were based on the 2017 experience study of CalPERS using data from 1997 to 2015.

**CITY OF LINCOLN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 13: OTHER POST EMPLOYMENT BENEFITS (CONTINUED)**

Changes in Assumptions

In the June 30, 2021 valuation, the long-term return on assets was adjusted to 6.15% and the discount rate was adjusted to 5.85%.

Expected Long-term Return on Trust Assets

The expected long-term return on trust assets was derived from information provided by the City's Trust Asset Manager summarized in the following table:

Asset Class/Investment	Geometric Return	Volatility	Correlation Matrix			
			Domestic Equity	Fixed Income	International Equity	Real Assets
Domestic Equity	7.90 %	14.20 %	1.00	0.21	0.60	0.67
Fixed Income	3.40 %	4.60 %	0.21	1.00	0.13	0.20
International Equity	6.80 %	14.80 %	0.60	0.13	1.00	0.55
Real Assets	5.40 %	10.10 %	0.67	0.27	0.55	1.00

The given geometric returns were increased upward 75 bps to adjust the inflation assumption used to develop the projected returns from 1.75% to the 2.5% inflation assumption. 50 bps was then subtracted to account for assumed trust investment fees. The target allocation and estimates of geometric returns for each major asset class and the portfolio are summarized in the table below:

Asset Class/Investment	Target Allocation	Net Geometric Return
Domestic Equity	31.6%	8.15%
Fixed Income	39.0%	3.65%
International Equity	21.5%	7.05%
Real Assets	7.9%	5.65%

Discount Rate

GASB 75 requires a discount rate that reflects the following:

- a. The long-term expected rate of return on OPEB plan investments - to the extent that the OPEB plan's fiduciary net position (if any) is projected to be sufficient to make projected benefit payments and assets are expected to be invested using a strategy to achieve that return;
- b. A yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher - to the extent that the conditions in (a) are not met.

To determine a resulting single (blended) rate, the amount of the plan's projected fiduciary net position (if any) and the amount of projected benefit payments is compared in each period of projected benefit payments. The discount rate used to measure the City's total OPEB liability is based on these requirements and the following information:

Reporting Date	Measurement Date	Long-Term Expected Return of Plan Investments (if any)	Discount Rate
June 30, 2022	June 30, 2021	6.15%	5.85%

**CITY OF LINCOLN**  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 13: OTHER POST EMPLOYMENT BENEFITS (CONTINUED)**

<u>Changes in the Net OPEB Liability</u>	<u>Total OPEB Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net OPEB Liability/(Asset) (c) = (a) - (b)</u>
Balance June 30, 2021 (measurement date)	\$ 30,192,489	\$ 9,614,017	\$ 20,578,472
Service cost	1,249,562	-	1,249,562
Interest cost	1,898,945	-	1,898,945
Employer contributions	-	2,829,392	(2,829,392)
Net investment income	-	(2,151,414)	2,151,414
Benefit payments	(1,129,799)	(1,129,799)	-
Administrative expense	<u>-</u>	<u>(30,751)</u>	<u>30,751</u>
Net change during 2021-22	<u>2,018,708</u>	<u>(482,572)</u>	<u>2,501,280</u>
Balance at June 30, 2022 (measurement date)	<u>\$ 32,211,197</u>	<u>\$ 9,131,445</u>	<u>\$ 23,079,752</u>
Plan fiduciary net position as a percentage of the total OPEB liability			28.35 %

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

The following presents the net OPEB liability of the City, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	<u>1% Decrease (5.15%)</u>	<u>Current Discount Rate (6.15%)</u>	<u>1% Increase (7.15%)</u>
Net OPEB Liability (Asset)	<u>\$ 27,457,647</u>	<u>\$ 23,079,752</u>	<u>\$ 19,467,527</u>

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

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

	<u>1% Decrease (4.40%)</u>	<u>Current Healthcare Cost Trend Rate (5.40%)</u>	<u>1% Increase (6.40%)</u>
Net OPEB Liability (Asset)	<u>\$ 18,947,964</u>	<u>\$ 23,079,752</u>	<u>\$ 28,187,770</u>

**CITY OF LINCOLN**  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 JUNE 30, 2023

**NOTE 13: OTHER POST EMPLOYMENT BENEFITS (CONTINUED)**

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

For the fiscal year ended June 30, 2022, the City recognized OPEB expense of \$3,613,948. As of fiscal year ended June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 2,588,311	\$ -
Changes of assumptions	4,018,002	1,677,121
Differences between expected and actual experience	1,504,910	2,089,168
Net difference between projected and actual return on investments	1,523,273	-
 Total	 \$ 9,634,496	 \$ 3,766,289

\$2,588,311 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the subsequent fiscal period. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as follows:

For the Fiscal Year Ending June 30,	Recognized Net Deferred Outflows (Inflows) of Resources
2024	\$ 1,223,629
2025	1,216,402
2026	1,186,801
2027	675,245
2028	(686,027)
Thereafter	(336,154)

**NOTE 14: ENDOWMENTS**

The City's permanent funds account for the financial activities and balances of donor-restricted endowments for open space and wetland preservation and maintenance. Interest earned on the funds may be used pursuant to California Government Code for purposes that meet the criteria of the endowments. It is the City's policy for the City Council to authorize all approved expenditures according to the trust. At June 30, 2023, the nonspendable amount was \$356,659 and the spendable amount was \$182,700.

**NOTE 15: RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

There is no claims liability to be reported based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

There were no significant reductions in insurance coverage from prior years and there have been no settlements exceeding the insurance coverage for each of the past three fiscal years.

**CITY OF LINCOLN**  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 15: RISK MANAGEMENT (CONTINUED)**

The City is a member of Northern California Cities Self-Insurance Fund (NCCSIF), a joint powers agency which provides the City with a shared risk layer of coverage above the self-insured retention amount for liability and workers' compensation. The City pays an annual premium to NCCSIF for its insurance coverage.

General Liability Coverage: Annual deposits are paid by member cities and are adjusted retrospectively to cover costs. Each member city, including Lincoln, self-insures for the first \$50,000 of each loss. Participating cities share in loss occurrences in excess of \$50,000 up to a maximum of \$500,000. Premiums accrue based on the ultimate cost of the experience of the group of Cities. Coverage in excess of \$500,000 is provided through the California Joint Powers Insurance Risk Management Authority, a joint powers authority organized to provide excess coverage for its members.

Workers' Compensation Coverage: Annual deposits are paid by member cities and are adjusted retrospectively to cover costs. The City self-insured for the first \$100,000 of each loss and has purchased excess coverage with limits of \$5,000,000 per occurrence.

NCCSIF is a joint powers agency organized in accordance with Article 1, Chapter 5, Division 7, Title 1 of the California Government Fund Programs. The purpose is to create a common pool of funds to be used to meet obligations of the parties to provide workers' compensation benefits for their employees and to provide excess liability insurance. The Authority provides claims processing administrative services, risk management services, and actuarial studies. It is governed by a member from each city. The City of Lincoln council members do not have significant oversight responsibility, since they evenly share all factors of responsibility with the other cities. However, ultimate liability for payment of claims and insurance premiums resides with member cities. The Authority is empowered to make supplemental assessments as needed to eliminate deficit positions of member cities. If the JPA becomes insolvent, the City is responsible only to the extent of any deficiency in its equity balance.

Upon termination of the JPA agreement, all property of the Authority will vest in the respective parties which theretofore transferred, conveyed or leased said property to the Authority. Any surplus of funds will be returned to the parties in proportion to actual balances of each equity.

The Authority establishes claims liabilities based on estimates of the ultimate cost of claims (including future claims settlement expenses) that have been reported but not settled, plus estimates of claims that have been incurred but not reported. Because actual claims costs depend on various factors, the claims liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency, and other economic and social factors. A provision of inflation is implicit in the calculation of estimated future claims costs. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made.

The City's investment in the NCCSIF of \$355,455 is recorded in the funds as prepaid insurance. The net change is shown as an income or expenditure/expense item in the funds.



**CITY OF LINCOLN**  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 JUNE 30, 2023

**NOTE 16: EXCESS EXPENDITURES AND TRANSFERS OVER APPROPRIATIONS**

The following funds incurred expenditures and transfers in excess of appropriations in the following amounts for the year ended June 30, 2023:

Fund	Excess Expenditures and Transfers
Public Facility Element (PFE)	\$ 274,192
Water Connections	10,844
Low/Moderate Income Housing	254
Park In-Lieu	162
Gas Tax	183,330
Police Grants	5,496
Revitalization and Rehabilitation Loans	169
Oak Tree Mitigation	336,422

The excess expenditures were covered by available fund balance in the funds.

**NOTE 17: CONTINGENCIES AND COMMITMENTS**

Grant Awards

The City participates in certain federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Any disallowed claims, including amounts already collected, may constitute a liability of the appreciable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

Litigation

The City is involved in several pending lawsuits of a nature common to many similar jurisdictions that are being covered by insurance or third party indemnity obligations. City management estimates that potential claims against the City for any lawsuits not covered by insurance will not have a material adverse effect on the financial statements of the City.

Contracts

At June 30, 2023, the City had construction contracts outstanding of approximately \$4,255,875 related to various capital projects.

Contingent Developer Liabilities

**JMC Pay-As-You-Go CFD No. 2006-1 Lakeside Improvement Area 1**

In 2006, the City of Lincoln City Council approved the formation of Community Facilities District (CFD) No. 2006-1 Lakeside pursuant to the Mello Roos Improvement District Act of 1982, for the purpose of incurring bonded indebtedness to fund public improvements on land contained there within. An improvement area within the CFD was established as "Area 1".

In 2008 the City entered into an Acquisition, Funding, and Disclosure Agreement with John Muir Construction, Inc. (JMC) to construct residential development, including infrastructure and improvements on property located within Area 1 of the CFD. The infrastructure and public improvements to be constructed by JMC were anticipated to exceed the funding generated by the sale of Bonds, net formation fees and costs, and to provide additional financing thereof, the City agreed to a "Pay-As-You-Go" clause which details the agreement between the parties for the City to annually reimburse the developer for any unfunded and approved costs with any excess Special Taxes on hand within the district. The City further agreed to continue annual tax levies within the district until all such unfunded costs of JMC were fully reimbursed.

**CITY OF LINCOLN**  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 17: CONTINGENCIES AND COMMITMENTS (CONTINUED)**

Within the Area 1 Improvement District, a total of \$3,261,095.09 in costs were approved by the City for reimbursement to JMC for the construction of critical improvements and fees paid. As of June 30, 2023, the remaining balance due to JMC was \$2,725,516. City management considers the amount owed to be contingent on certain future events and therefore has not recorded a liability on the statement of fiduciary net position.

**JMC Pay-As-You-Go CFD No. 2006-1 Lakeside Improvement Area 2**

In 2006 the City of Lincoln City Council approved the formation of Community Facilities District (CFD) No. 2006-1 Lakeside pursuant to the Mello Roos Improvement District Act of 1982, for the purpose of incurring bonded indebtedness to fund public improvements on land contained there within. An improvement area within the CFD was established as "Area 2".

In 2008 the City entered into an Acquisition, Funding, and Disclosure Agreement with John Muir Construction, Inc. (JMC) to construct residential development, including infrastructure and improvements on property located within Area 2 of the CFD. The infrastructure and public improvements to be constructed by JMC were anticipated to exceed the funding generated by the sale of Bonds, net formation fees and costs, and to provide additional financing thereof, the City agreed to a "Pay-As-You-Go" clause which details the agreement between the parties for the City to annually reimburse the developer for any unfunded and approved costs with any excess Special Taxes on hand within the district. The City further agreed to continue annual tax levies within the district until all such unfunded costs of JMC were fully reimbursed.

Within the Area 2 Improvement District, a total of \$2,293,028.30 in costs were approved by the City for reimbursement to JMC for the construction of critical improvements and fees paid. As of June 30, 2023, the remaining balance due to JMC was \$1,451,364. City management considers the amount owed to be contingent on certain future events and therefore has not recorded a liability on the statement of fiduciary net position.

**Del Webb/Pulte Critical Facilities Fees**

In 1998 the City entered into a developer agreement with Del Webb to clarify the terms of development between the developer and the City for the Sun City Lincoln Hills, active adult development project. Within the agreement, the City identified certain critical public facilities to be constructed as part of the development project that would also benefit users outside of the identified project area. Due to the extended benefit, if constructed by Del Webb these critical facilities would, as agreed by both parties, entitle the developer to Public Facility Element (PFE) fee credits, equal to the cost of construction of the improvements, which was later determined to be \$8,092,551.

The City's agreement with Del Webb allowed the developer to apply fee credits to building permits and also to receive semi-annual reimbursements based on a formulaic calculation of permit revenue received periodically by the City.

In 2012, the Del Webb developer agreement was terminated and replaced by an agreement with Pulte Home Corporation. At that time, the balance due to Pulte for the remaining PFE credits was \$2,692,290 and an additional \$270,457.50 was due for wastewater interceptor oversizing. As of June 30, 2023, the balance due to the developer was \$1,304,689 for PFE fees and \$0 for wastewater oversizing. City management considers the amount owed to be contingent on certain future events and therefore has not recorded a liability on the government-wide statement of net position.

**NOTE 18: SPECIAL ITEMS**

**Special Assessment Bond Proceeds**

*Agency Fund Bond Proceeds*

During the fiscal year ended June 30, 2023, the City identified project costs incurred in a prior year that were eligible project expenditures under the bond issuance. The City reported the receipt of bond funds of \$5,057,387 in the Public Facility Element (PFE) special revenue fund and a distribution to the City in the Twelve Bridges Series 2011 custodial fund.

**CITY OF LINCOLN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 18: SPECIAL ITEMS (CONTINUED)**

*Return of Unused Bond Funds*

During the fiscal year ended June 30, 2023, the City reported a return of unused bond funds as noted below:

<u>Returning Capital Project Fund</u>	<u>Receiving Agency Fund</u>	<u>Amount</u>
Twelve Bridges Capital Project	Twelve Bridges Series 2011	\$ 4,686,934
Lincoln Crossing	Lincoln Crossing CFD	<u>3,057,843</u>
	Total	<u>\$ 7,744,777</u>

As of January 19, 2024, the date the financial statements were available to be issued, reconciliations of the special assessment custodial bond funds along with related City capital project funds were in various degrees of completion. Due to the City's exponential growth over the years, coupled with management turnover, there has been a lack of consistency and proper tracking of the use of the special assessment bond proceeds and capital projects. It is management's opinion that there is the potential for future adjustments related to these transactions. However, the amount of future adjustments, if any, have not been determined at this time.

**Disposal of Operations**

On November 30, 2022, the City transferred the assets and liabilities comprising its wastewater treatment and reclamation facility (WWTRF) to the Lincoln-SMD1 Wastewater Authority (LiSWA) for the purpose of establishing a new public agency that will jointly and continuously provide the essential public service of wastewater conveyance, treatment, and disposal for properties located within the City and SMD-1. As a result of the transfer, the City recognized a loss of \$18,326,446 on the disposal of its WWTRF as a special item. The City's June 30, 2023 expense related to its WWTRF operations totaled approximately \$4.3 million, non-operating expenses related to its WWTRF operations totaled approximately \$83 thousand, and revenues associated with the WWTRF operations totaled approximately \$3 million.

**NOTE 19: SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY**

In accordance with Assembly Bill 1X26 and Assembly Bill 1434, all redevelopment agencies in the State of California were dissolved and ceased to operate as legal entities as of February 1, 2012. The activity of the Successor Agency Trust for assets of the Former Redevelopment Agency (Successor Agency) is recorded in a private purpose trust fund.

Management believes, in consultation with legal counsel, that the obligations of the former redevelopment agency due to the City are valid enforceable obligations payable by the Successor Agency Trust under the requirements of the Bill. The City's position on this issue is not a position of settled law and there is considerable legal uncertainty regarding this issue. It is reasonably possible that a legal determination may be made at a later date by an appropriate judicial authority that would resolve this issue unfavorably to the City. Amounts owed to the City are included in Advances to Successor Agency and consisted of \$2,410,238 due to the Water Connections fund.

Capital assets activity for the year ended June 30, 2023, was as follows:

	<u>Balance July 1, 2022</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2023</u>
Capital assets, not being depreciated				
Land	\$ 2,544,731	\$ -	\$ -	\$ 2,544,731
Total capital assets, not being depreciated	<u>2,544,731</u>	<u>-</u>	<u>-</u>	<u>2,544,731</u>
Capital assets, net	<u>\$ 2,544,731</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,544,731</u>

**CITY OF LINCOLN**  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 19: SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY  
(CONTINUED)**

The following is a summary of changes in long-term liabilities for the year ended June 30, 2023:

	<u>Balance at July 1, 2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2023</u>	<u>Current Portion</u>
Tax Allocation Refunding					
Series 2016A	\$ 4,880,000	\$ -	\$ (775,000)	\$ 4,105,000	\$ 805,000
Premium (discount) on bonds, net	<u>266,825</u>	<u>-</u>	<u>(23,203)</u>	<u>243,622</u>	<u>23,202</u>
<b>Total Long-Term Liabilities</b>	<b><u>\$ 5,146,825</u></b>	<b><u>\$ -</u></b>	<b><u>\$ (798,203)</u></b>	<b><u>\$ 4,348,622</u></b>	<b><u>\$ 828,202</u></b>

A description of the long-term liabilities related to the Successor Agency at June 30, 2023 follows:

Tax Allocation Refunding Bonds Series 2016 A&B

In September 2016, the Oversight Board of the Successor Agency approved the issuance of the Tax Allocation Refunding Bonds, Series 2016A in the aggregate principal amount of \$6,100,000, and Series 2016B in the aggregate principal amount of \$2,105,000 to provide funds to (i) refund certain obligations of the dissolved redevelopment agency of the City that were incurred in connection with certain redevelopment activities of the dissolved redevelopment agency; (ii) to pay the premiums for a policy of bond issuance and a municipal bond debt service insurance policy; and (iii) to pay the cost of issuing the Series 2016 bonds.

The net proceeds of the bonds were deposited into an irrevocable trust with an escrow agent to provide for future debt service payments on the refunded bonds. As a result, the refunded bonds are considered to be defeased, and the related liabilities for the bonds have been removed from the Successor Agency's liabilities. The refunding was done in order to reduce debt payments in the short-term. The net present savings on the debt payments was approximately \$589,000.

Interest on the bonds is payable on March 15 and September 15 of each year, commencing on March 15, 2017 with interest rates ranging from 1.60% - 5.00%. The Series 2016 bonds are payable from and secured by the tax revenues deposited in the redevelopment property tax trust fund. The Series 2016A bonds mature in September 2033 while the Series 2016B bonds matured in September 2020. Future debt service payments on the bonds are as follows:

<u>For the Year Ending June 30,</u>	<u>2016A</u>	
	<u>Principal</u>	<u>Interest</u>
2024	\$ 805,000	\$ 158,681
2025	845,000	117,431
2026	885,000	74,181
2027	715,000	41,331
2028	110,000	28,888
2029 - 2033	610,000	83,591
2034	<u>135,000</u>	<u>2,616</u>
Total	<u>\$ 4,105,000</u>	<u>\$ 506,719</u>

**NOTE 20: CHANGE IN ACCOUNTING PRINCIPLE AND PRIOR PERIOD ADJUSTMENT**

Change in Accounting Principle

For June 30, 2023, the City implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. These changes were incorporated in the financial statements, but had no effect on the beginning net position of the governmental activities, business-type activities, or fund financial statements.

**CITY OF LINCOLN**  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 20: CHANGE IN ACCOUNTING PRINCIPLE AND PRIOR PERIOD ADJUSTMENT (CONTINUED)**

Prior Period Adjustments

In 2023, the City determined the following items had been incorrectly recorded in a prior year:

1. Governmental activities and governmental fund expenditures were recorded in an incorrect fund;
2. Business-type activities and enterprise fund depreciation was incorrectly recorded.
3. Fiduciary fund expenditures were incorrectly capitalized.

Governmental activities and business-type activities prior period adjustment was recorded by the City, effectively decreasing net position as of July 1, 2022 due to the following:

	Governmental Activities	Business-type Activities
Correction of expenditures	\$ (109,457)	\$ -
Correction of capital assets - depreciation	-	(8,236)
Total prior period restatement	\$ (109,457)	\$ (8,236)

Governmental funds prior period adjustment was recorded by the City, effectively decreasing fund balance in the Other Governmental Funds as of July 1, 2022 due to the following:

Street Fund	\$ (82,604)
CDBG-CV	(26,853)
Total governmental funds prior period restatement	\$ (109,457)

Enterprise funds prior period adjustment was recorded by the City, effectively decreasing net position in the Water, Wastewater, Solid Waste, and Transit funds and increasing net position in the Airport fund as of July 1, 2022 by a total of \$8,236. The net decrease resulted from the following:

Water	\$ (145,339)
Wastewater	(6,852)
Solid Waste	(46,630)
Airport	212,770
Transit	(22,185)
Total enterprise funds prior period restatement	\$ (8,236)

Fiduciary funds prior period adjustment was recorded by the City, effectively decreasing net position as of June 30, 2022 by \$10,461.

**CITY OF LINCOLN**  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 21: SUBSEQUENT EVENTS**

New Water Rates

In October 2023, new rates were implemented for the water, wastewater, and solid waste funds. These funds have been in a structural deficit for a number of years and the new rates have been designed to cure those deficits.

Independence Development CFD Disbursement

A disbursement request for \$12.1 million has been submitted to the fiscal agent for the Independence Development CFD custodial fund. These bond proceeds have been requested to reimburse the developer for infrastructure and facilities constructed within the boundaries of City of Lincoln Community Facilities District 2019-1.

LiSWA Deposit Disbursement

The sale of the easement on LiSWA property has completed and the City transferred the \$500,000 being held on deposit to LiSWA.

Management has evaluated subsequent events through January 19, 2024 the date on which the financial statements were available for issuance. Management has determined no other subsequent events requiring disclosure have occurred.

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**REQUIRED SUPPLEMENTARY INFORMATION**

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**CITY OF LINCOLN**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**Prepared for the City's Miscellaneous and Safety Plan, a Cost Sharing Defined Benefit Pension Plan**  
**As of June 30, 2023**  
**Last 10 Years \***

	Measurement Period				
	2022	2021	2020	2019	2018
Proportion of the net pension liability	0.25046 %	0.24620 %	0.22617 %	0.22051 %	0.21781 %
Proportionate share of the net pension liability	\$28,929,618	\$13,315,051	\$24,608,405	\$22,596,016	\$20,988,366
Covered payroll	\$14,436,812	\$13,343,483	\$13,246,028	\$12,523,804	\$12,408,728
Proportionate share of the net pension liability as a percentage of covered payroll	200.39 %	99.79 %	185.78 %	180.42 %	169.14 %
Plan fiduciary net position as a percentage of the total pension liability	76.68 %	88.30 %	75.10 %	75.30 %	73.69 %

**Notes to Schedule:**

Changes in assumptions. In 2022, the accounting discount rate was reduced from 7.15% to 6.90%. In 2021, 2020 and 2019, there were no changes in assumptions. In 2018, assumptions for individual salary increases and overall payroll growth are reduced from 3.00 percent to 2.75 percent. In 2017, the discount rate was lowered from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense). In 2014, amounts reported were based on the 7.5 percent discount rate.

\* Schedule is intended to show information for ten years. Fiscal year 2015 was the first year of implementation, therefore only nine years are shown. Additional years' information will be displayed as it becomes available.



**CITY OF LINCOLN**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (CONTINUED)**  
**Prepared for the City's Miscellaneous and Safety Plan, a Cost Sharing Defined Benefit Pension Plan**  
**As of June 30, 2023**  
**Last 10 Years \***

	Measurement Period			
	2017	2016	2015	2014
Proportion of the net pension liability	0.21651 %	0.21666 %	0.22580 %	0.22100 %
Proportionate share of the net pension liability	\$21,472,079	\$18,748,220	\$15,498,852	\$13,410,759
Covered payroll	\$11,448,542	\$11,091,872	\$ 9,853,264	\$ 9,416,587
Proportionate share of the net pension liability as a percentage of covered payroll	187.55 %	169.03 %	157.30 %	142.42 %
Plan fiduciary net position as a percentage of the total pension liability	73.29 %	74.06 %	78.40 %	79.82 %

**CITY OF LINCOLN**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF PENSION CONTRIBUTIONS**  
**Prepared for the City's Miscellaneous and Safety Plan, a Cost Sharing Defined Benefit Pension Plan**  
**As of June 30, 2023**  
**Last 10 Years \***

	Fiscal Year-End				
	2023	2022	2021	2020	2019
Contractually required contribution (actuarially determined)	\$ 4,115,514	\$ 3,597,502	\$ 3,286,549	\$ 2,951,400	\$ 2,357,589
Contributions in relation to the actuarially determined contributions	<u>4,115,514</u>	<u>3,597,502</u>	<u>3,286,549</u>	<u>2,951,400</u>	<u>2,357,589</u>
Contribution deficiency (excess)	\$ <u>          -</u>	\$ <u>          -</u>	\$ <u>          -</u>	\$ <u>          -</u>	\$ <u>          -</u>
Covered payroll	\$16,856,371	\$14,436,812	\$13,343,483	\$13,246,028	\$12,523,804
Contributions as a percentage of covered payroll	24.42 %	24.92 %	24.63 %	22.28 %	18.82 %

\* Schedule is intended to show information for ten years. Fiscal year 2015 was the first year of implementation, therefore only nine years are shown. Additional years' information will be displayed as it becomes available.

**CITY OF LINCOLN**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF PENSION CONTRIBUTIONS (CONTINUED)**  
**Prepared for the City's Miscellaneous and Safety Plan, a Cost Sharing Defined Benefit Pension Plan**  
**As of June 30, 2023**  
**Last 10 Years \***

	Fiscal Year-End			
	2018	2017	2016	2015
Contractually required contribution (actuarially determined)	\$ 2,387,695	\$ 2,413,504	\$ 2,325,521	\$ 2,175,731
Contributions in relation to the actuarially determined contributions	<u>2,387,695</u>	<u>2,413,504</u>	<u>2,325,521</u>	<u>2,175,731</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$12,408,728	\$11,448,542	\$11,091,872	\$ 9,853,264
Contributions as a percentage of covered payroll	19.24 %	21.08 %	20.97 %	22.08 %

**CITY OF LINCOLN**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN THE CITY'S NET OPEB LIABILITY AND RELATED RATIOS**  
**For the Measurement Periods Ended June 30**  
**Last 10 Years\***

	<u>2022</u>	<u>2021</u>	<u>2020</u>
<b>Total OPEB liability</b>			
Service cost	\$ 1,249,562	\$ 1,351,867	\$ 1,312,491
Interest	1,898,945	1,965,766	1,838,522
Actual vs. expected experience	-	(2,850,248)	-
Changes in assumptions	-	(2,288,095)	-
Benefit payments	<u>(1,129,799)</u>	<u>(1,054,899)</u>	<u>(938,156)</u>
Net change in total OPEB liability	2,018,708	(2,875,609)	2,212,857
Total OPEB liability, beginning	<u>30,192,489</u>	<u>33,068,098</u>	<u>30,855,241</u>
Total OPEB liability, ending (a)	<u>\$ 32,211,197</u>	<u>\$ 30,192,489</u>	<u>\$ 33,068,098</u>
<b>Plan fiduciary net position</b>			
Contributions - employer	\$ 2,829,392	\$ 2,838,692	\$ 1,918,161
Net investment income	(2,151,414)	1,704,885	170,678
Benefit payments	(1,129,799)	(1,054,899)	(938,156)
Administrative expenses	<u>(30,751)</u>	<u>(21,933)</u>	<u>(15,990)</u>
Net change in plan fiduciary net position	(482,572)	3,466,745	1,134,693
Plan fiduciary net position, beginning	<u>9,614,017</u>	<u>6,147,272</u>	<u>5,012,579</u>
Plan fiduciary net position, ending (b)	<u>\$ 9,131,445</u>	<u>\$ 9,614,017</u>	<u>\$ 6,147,272</u>
Net OPEB liability, ending (a) - (b)	<u>\$ 23,079,752</u>	<u>\$ 20,578,472</u>	<u>\$ 26,920,826</u>
Plan fiduciary net position as a percentage of the total OPEB liability	28.35 %	31.84 %	18.59 %
Covered-employee payroll	\$ 17,459,086	\$ 15,553,955	\$ 15,063,799
Net OPEB liability as a percentage of covered-employee payroll	132.19 %	132.30 %	178.71 %

**Notes to Schedule:**

**Changes of assumptions:** In the June 30, 2021 valuation, the long-term return on assets was adjusted to 6.15% and the discount rate was adjusted to 5.85%. The discount rate was changed from 7.00 percent to 5.80 percent for the measurement period ended June 30, 2019.

\* Schedule is intended to show information for ten years. Fiscal year 2018 was the first year of implementation, therefore only six years are shown. Additional years' information will be displayed as it becomes available.

**CITY OF LINCOLN**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN THE CITY'S NET OPEB LIABILITY AND RELATED RATIOS (CONTINUED)**  
**For the Measurement Periods Ended June 30**  
**Last 10 Years\***

	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>Total OPEB liability</b>			
Service cost	\$ 458,435	\$ 458,434	\$ 428,445
Interest	1,268,915	1,170,689	1,108,069
Actual vs. expected experience	3,219,910	-	-
Changes in assumptions	8,596,918	-	-
Benefit payments	<u>(715,734)</u>	<u>(642,049)</u>	<u>(641,837)</u>
Net change in total OPEB liability	12,828,444	987,074	894,677
Total OPEB liability, beginning	<u>18,026,797</u>	<u>17,039,723</u>	<u>16,145,046</u>
Total OPEB liability, ending (a)	<u>\$ 30,855,241</u>	<u>\$ 18,026,797</u>	<u>\$ 17,039,723</u>
<b>Plan fiduciary net position</b>			
Contributions - employer	\$ 1,680,769	\$ 1,387,317	\$ 641,837
Net investment income	263,013	232,736	265,305
Benefit payments	(715,734)	(642,049)	(641,837)
Administrative expenses	<u>(13,083)</u>	<u>(32,510)</u>	<u>(31,048)</u>
Net change in plan fiduciary net position	1,214,965	945,494	234,257
Plan fiduciary net position, beginning	<u>3,797,614</u>	<u>2,852,120</u>	<u>2,617,863</u>
Plan fiduciary net position, ending (b)	<u>\$ 5,012,579</u>	<u>\$ 3,797,614</u>	<u>\$ 2,852,120</u>
Net OPEB liability, ending (a) - (b)	<u>\$ 25,842,662</u>	<u>\$ 14,229,183</u>	<u>\$ 14,187,603</u>
Plan fiduciary net position as a percentage of the total OPEB liability	16.25 %	21.07 %	16.74 %
Covered-employee payroll	\$ 14,551,020	\$ 14,446,929	\$ 13,889,533
Net OPEB liability as a percentage of covered-employee payroll	177.60 %	98.49 %	102.15 %

**CITY OF LINCOLN  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF OPEB CONTRIBUTIONS  
For the Fiscal Year Ended June 30  
Last 10 Years\***

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Actuarially Determined Contribution (ADC)	\$ 2,693,586	\$ 2,973,969	\$ 2,887,227
Contributions in relation to the ADC	<u>(2,588,311)</u>	<u>(2,829,392)</u>	<u>(2,838,692)</u>
Contribution deficiency (excess)	\$ <u>105,275</u>	\$ <u>144,577</u>	\$ <u>48,535</u>
Covered-employee payroll	\$ 19,926,982	\$ 17,459,086	\$ 15,553,955
Contributions as a percentage of covered-employee payroll	12.99%	16.21%	18.25%

\* Schedule is intended to show information for ten years. Fiscal year 2018 was the first year of implementation, therefore only six years are shown. Additional years' information will be displayed as it becomes available.

**CITY OF LINCOLN  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF OPEB CONTRIBUTIONS (CONTINUED)  
For the Fiscal Year Ended June 30  
Last 10 Years\***

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Actuarially Determined Contribution (ADC)	\$ 1,918,161	\$ 1,291,605	\$ 1,222,832
Contributions in relation to the ADC	<u>(1,918,161)</u>	<u>(1,680,769)</u>	<u>(1,461,479)</u>
Contribution deficiency (excess)	\$ <u>          -</u>	\$ <u>(389,164)</u>	\$ <u>(238,647)</u>
Covered-employee payroll	\$ 15,063,799	\$ 14,551,020	\$ 14,446,929
Contributions as a percentage of covered-employee payroll	12.73%	11.55%	10.12%

**CITY OF LINCOLN**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<b>2022 - 2023</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Budgeted Amounts</b>			
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>	
<b>REVENUES</b>				
Taxes and assessments	\$ 20,062,774	\$ 21,607,774	\$ 22,998,616	\$ 1,390,842
Licenses and permits	1,499,300	1,499,300	1,984,768	485,468
Intergovernmental	6,292,203	5,172,509	2,714,488	(2,458,021)
Fines and forfeitures	51,000	92,000	97,291	5,291
Use of money and property	9,000	23,000	302,096	279,096
Charges for services	3,054,837	2,638,337	2,228,467	(409,870)
Other revenues	<u>260,900</u>	<u>293,400</u>	<u>374,663</u>	<u>81,263</u>
Total Revenues	<u>31,230,014</u>	<u>31,326,320</u>	<u>30,700,389</u>	<u>(625,931)</u>
<b>EXPENDITURES</b>				
Current:				
General Government				
Administration allocation	3,767,573	3,895,562	4,148,159	(252,597)
City council	174,698	829,698	879,108	(49,410)
City treasurer	8,697	8,697	8,476	221
City attorney	301,127	310,127	234,521	75,606
City manager administration	24,000	76,000	41,655	34,345
Human resources	107,660	120,660	67,312	53,348
Economic development	278,522	151,521	57,512	94,009
Administrative services	-	57,300	56,387	913
IT	61,314	141,302	63,268	78,034
Finance	<u>587,876</u>	<u>587,876</u>	<u>573,208</u>	<u>14,668</u>
<b>Total General Government</b>	<u>5,311,467</u>	<u>6,178,743</u>	<u>6,129,606</u>	<u>49,137</u>
Public Safety				
Fire operations	7,053,878	7,367,785	7,212,211	155,574
Police operations	<u>8,348,549</u>	<u>8,450,549</u>	<u>8,664,495</u>	<u>(213,946)</u>
<b>Total Public Safety</b>	<u>15,402,427</u>	<u>15,818,334</u>	<u>15,876,706</u>	<u>(58,372)</u>
Public Works and Facilities				
Streets	-	-	443,934	(443,934)
Parks	259,764	259,764	260,167	(403)
Facilities Maintenance	925,797	925,797	709,948	215,849
Fleet Maintenance	<u>481,693</u>	<u>466,412</u>	<u>386,322</u>	<u>80,090</u>
<b>Total Public Works</b>	<u>1,667,254</u>	<u>1,651,973</u>	<u>1,800,371</u>	<u>(148,398)</u>
Culture and Recreation				
Recreation and administration	372,322	372,322	357,399	14,923
Adult sports	123,292	123,292	89,850	33,442
Youth sports	237,648	237,648	175,999	61,649
Community classes/facility rental	194,258	206,858	177,876	28,982
Special events	100,791	100,791	93,182	7,609
Contract classes	115,012	115,012	77,112	37,900
Aquatic programs	<u>168,653</u>	<u>170,469</u>	<u>149,176</u>	<u>21,293</u>
<b>Total Culture and Recreation</b>	<u>1,311,976</u>	<u>1,326,392</u>	<u>1,120,594</u>	<u>205,798</u>



**CITY OF LINCOLN**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (CONTINUED)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<b>2022 - 2023</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b><u>Budgeted Amounts</u></b>			
	<b><u>Original</u></b>	<b><u>Final</u></b>	<b><u>Actual Amounts</u></b>	
Urban Development and Housing				
Development services administration	116,596	128,097	88,393	39,704
Planning	62,742	62,742	57,775	4,967
Engineering	70,181	70,181	80,174	(9,993)
Building	<u>120,422</u>	<u>120,422</u>	<u>100,312</u>	<u>20,110</u>
<b>Total Urban Development and Housing</b>	<b><u>369,941</u></b>	<b><u>381,442</u></b>	<b><u>326,654</u></b>	<b><u>54,788</u></b>
Education				
Twelve Bridges library	<u>818,933</u>	<u>922,023</u>	<u>857,492</u>	<u>64,531</u>
<b>Total Education</b>	<b><u>818,933</u></b>	<b><u>922,023</u></b>	<b><u>857,492</u></b>	<b><u>64,531</u></b>
Capital Outlay				
Police operations	896,800	536,760	536,357	403
Fire operations	-	12,650	12,649	1
Facilities maintenance	274,500	112,324	139,375	(27,051)
Parks	<u>120,000</u>	<u>358,677</u>	<u>358,677</u>	<u>-</u>
<b>Total Capital Outlay</b>	<b><u>1,291,300</u></b>	<b><u>1,020,411</u></b>	<b><u>1,047,058</u></b>	<b><u>(26,647)</u></b>
Debt Service:				
Principal	258,022	258,022	252,165	5,857
Interest	<u>35,436</u>	<u>35,436</u>	<u>42,918</u>	<u>(7,482)</u>
<b>Total Debt Service</b>	<b><u>293,458</u></b>	<b><u>293,458</u></b>	<b><u>295,083</u></b>	<b><u>(1,625)</u></b>
Total Expenditures	<u>26,466,756</u>	<u>27,592,776</u>	<u>27,453,564</u>	<u>139,212</u>
Excess (deficiency) of revenues over expenditures	<u>4,763,258</u>	<u>3,733,544</u>	<u>3,246,825</u>	<u>(486,719)</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Transfers in	140,690	140,690	140,683	(7)
Transfers out	<u>(1,959,724)</u>	<u>(1,959,724)</u>	<u>(1,156,883)</u>	<u>802,841</u>
Total Other Financing Sources (Uses)	<u>(1,819,034)</u>	<u>(1,819,034)</u>	<u>(1,016,200)</u>	<u>802,834</u>
Net change in fund balance	<u>\$ 2,944,224</u>	<u>\$ 1,914,510</u>	2,230,625	<u>\$ 316,115</u>
Fund balance - July 1, 2022			<u>28,026,842</u>	
Fund balance - June 30, 2023			<u>\$ 30,257,467</u>	

**CITY OF LINCOLN**  
**PUBLIC FACILITY ELEMENT (PFE) - MAJOR SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<b>2022 - 2023</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Budgeted Amounts</b>			
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>	
<b><u>REVENUES</u></b>				
Use of money and property	\$ 6,000	\$ 6,000	\$ 361,263	\$ 355,263
Charges for services	9,878,100	7,178,100	5,267,260	(1,910,840)
Other revenues	<u>495,060</u>	<u>495,060</u>	<u>163,932</u>	<u>(331,128)</u>
Total Revenues	<u>10,379,160</u>	<u>7,679,160</u>	<u>5,792,455</u>	<u>(1,886,705)</u>
<b><u>EXPENDITURES</u></b>				
Current:				
General government	-	-	35,227	(35,227)
Public works and facilities	10,640	10,640	106,457	(95,817)
Education	77,500	77,500	69,397	8,103
Capital outlay	2,323,708	2,082,616	2,065,907	16,709
Debt service:				
Interest and fiscal charges	<u>25,840</u>	<u>25,840</u>	<u>193,800</u>	<u>(167,960)</u>
Total Expenditures	<u>2,437,688</u>	<u>2,196,596</u>	<u>2,470,788</u>	<u>(274,192)</u>
Excess (deficiency) of revenues over expenditures	<u>7,941,472</u>	<u>5,482,564</u>	<u>3,321,667</u>	<u>(2,160,897)</u>
<b><u>SPECIAL ITEMS (NOTE 18)</u></b>				
Custodial fund bond proceeds	<u>-</u>	<u>-</u>	<u>5,057,387</u>	<u>5,057,387</u>
Net change in fund balance	<u>\$ 7,941,472</u>	<u>\$ 5,482,564</u>	8,379,054	<u>\$ 2,896,490</u>
Fund balance - July 1, 2022			<u>16,156,456</u>	
Fund balance - June 30, 2023			<u>\$ 24,535,510</u>	

**CITY OF LINCOLN**  
**WATER CONNECTIONS - MAJOR SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<b>2022 - 2023</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Budgeted Amounts</b>			
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>	
<b><u>REVENUES</u></b>				
Use of money and property	\$ -	\$ -	\$ 539,526	\$ 539,526
Charges for services	9,420,000	4,420,000	4,504,483	84,483
Other revenues	<u>-</u>	<u>-</u>	<u>2,453</u>	<u>2,453</u>
Total Revenues	<u>9,420,000</u>	<u>4,420,000</u>	<u>5,046,462</u>	<u>626,462</u>
<b><u>EXPENDITURES</u></b>				
Current:				
Public works and facilities	<u>20,000</u>	<u>20,000</u>	<u>30,844</u>	<u>(10,844)</u>
Total Expenditures	<u>20,000</u>	<u>20,000</u>	<u>30,844</u>	<u>(10,844)</u>
Excess of revenues over expenditures	<u>9,400,000</u>	<u>4,400,000</u>	<u>5,015,618</u>	<u>615,618</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Transfers out	<u>(4,200,000)</u>	<u>(4,200,000)</u>	<u>(4,200,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(4,200,000)</u>	<u>(4,200,000)</u>	<u>(4,200,000)</u>	<u>-</u>
Net change in fund balance	<u>\$ 5,200,000</u>	<u>\$ 200,000</u>	815,618	<u>\$ 615,618</u>
Fund balance - July 1, 2022			<u>50,526,295</u>	
Fund balance - June 30, 2023			<u>\$ 51,341,913</u>	

**CITY OF LINCOLN**  
**DEVELOPMENT SERVICES - MAJOR SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<b>2022 - 2023</b>		<b>Actual</b>	<b>Variance</b>
	<b>Budgeted Amounts</b>			
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>with Final</b>
				<b>Positive</b>
				<b>(Negative)</b>
<b>REVENUES</b>				
License and permits	\$ 3,923,000	\$ 4,063,000	\$ 4,013,580	\$ (49,420)
Intergovernmental	-	78,000	165,507	87,507
Use of money and property	-	-	114,281	114,281
Charges for services	1,908,000	1,905,000	2,605,758	700,758
Other revenues	<u>24,500</u>	<u>121,100</u>	<u>119,147</u>	<u>(1,953)</u>
Total Revenues	<u>5,855,500</u>	<u>6,167,100</u>	<u>7,018,273</u>	<u>851,173</u>
<b>EXPENDITURES</b>				
Current:				
General government	58,548	209,980	206,717	3,263
Public safety	100,000	100,000	117,770	(17,770)
Public works and facilities	4,663,787	5,369,265	4,111,065	1,258,200
Capital outlay	-	176,908	322,479	(145,571)
Interest and fiscal charges	<u>-</u>	<u>-</u>	<u>4,541</u>	<u>(4,541)</u>
Total Expenditures	<u>4,822,335</u>	<u>5,856,153</u>	<u>4,762,572</u>	<u>1,093,581</u>
Excess (deficiency) of revenues over expenditures	<u>1,033,165</u>	<u>310,947</u>	<u>2,255,701</u>	<u>1,944,754</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Inception of SBITA	-	-	145,560	145,560
Transfers out	<u>(69,290)</u>	<u>(69,290)</u>	<u>(66,625)</u>	<u>2,665</u>
Total Other Financing Sources (Uses)	<u>(69,290)</u>	<u>(69,290)</u>	<u>78,935</u>	<u>148,225</u>
Net change in fund balance	<u>\$ 963,875</u>	<u>\$ 241,657</u>	2,334,636	<u>\$ 2,092,979</u>
Fund balance - July 1, 2022			<u>13,669,333</u>	
Fund balance - June 30, 2023			<u>\$ 16,003,969</u>	

**CITY OF LINCOLN**  
 LOW/MODERATE INCOME HOUSING - NONMAJOR SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<b>2022 - 2023 Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b><u>REVENUES</u></b>				
Use of money and property	\$ <u>          -</u>	\$ <u>          -</u>	\$ <u>  11,653</u>	\$ <u>  11,653</u>
Total Revenues	<u>          -</u>	<u>          -</u>	<u>  11,653</u>	<u>  11,653</u>
<b><u>EXPENDITURES</u></b>				
Current:				
Public works and facilities	<u>      1,000</u>	<u>      1,000</u>	<u>      1,254</u>	<u>      (254)</u>
Total Expenditures	<u>      1,000</u>	<u>      1,000</u>	<u>      1,254</u>	<u>      (254)</u>
Net change in fund balance	\$ <u>  (1,000)</u>	\$ <u>  (1,000)</u>	10,399	\$ <u>  11,399</u>
Fund balance - July 1, 2022			<u>  1,638,252</u>	
Fund balance - June 30, 2023			<u>\$  1,648,651</u>	

**CITY OF LINCOLN  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY ACCOUNTING AND CONTROL  
FOR THE YEAR ENDED JUNE 30, 2023**

**NOTE 1: BUDGETARY BASIS OF ACCOUNTING**

Formal budgetary integration is employed as a management control device during the year for the general fund and special revenue funds, and is controlled at the department level for the City. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). The City has not formally adopted a budget for revenues and expenditures in the CDBG-CV nonmajor special revenue fund, or the debt service and capital project funds. The following procedures are performed by the City in establishing the budgetary data reflected in the financial statements:

- (1) In May of each year the Finance Department is to submit to the City Council a recommended operating budget for the fiscal year commencing the following July 1. The operating budget includes recommended expenditures and the means of financing them.

Public hearings are to be conducted at City Hall to obtain taxpayer comments. Generally by the first of July, after adjustment as appropriate by the City Council, the budget is to be legally enacted through council motion.

- (2) Council approval is required for transfers between funds, or for an increase in total appropriations. Therefore, the level of budgetary responsibility is by total appropriations; however, for report purposes, this level has been expanded to a functional basis (General Government, Public Safety, etc.).
- (3) Formal budgetary integration is employed as a management control device during the year for the General fund and special revenue funds. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). Accordingly, actual revenues and expenditures can be compared with related budgeted amounts without any significant adjustments.
- (4) All unused appropriations for budgeted amounts lapse at the end of the year.
- (5) Individual fund budgetary comparisons are not presented at the detail budget unit level due to their excessive length. A separate document presenting this information is available. The City does not use encumbrance accounting under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation.

**NOTE 2: EXPENDITURES IN EXCESS OF APPROPRIATIONS**

The following General Fund departments had an excess of expenditures over appropriations at the legal level of budgetary control as follows:

	<u>Appropriations</u>	<u>Expenditures</u>	<u>Excess of Expenditures Over Appropriations</u>
Administration allocation	\$ 3,895,562	\$ 4,148,159	\$ 252,597
City council	829,698	879,108	49,410
Police operations	8,450,549	8,664,495	213,946
Streets	-	443,934	443,934
Parks	259,764	260,167	403
Engineering	70,181	80,174	9,993
Capital outlay - facilities maintenance	112,324	139,375	27,051
Debt service - interest	35,436	42,918	7,482

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**COMBINING FINANCIAL STATEMENTS AND SCHEDULES**

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## NON-MAJOR GOVERNMENTAL FUNDS

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The following funds are reported in total on the Governmental Fund Financial Statements under the column Other Governmental Funds.

### **SPECIAL REVENUE FUNDS**

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted or assigned to expenditure for specific purposes other than debt service or capital projects. Nonmajor special revenue funds used by the City are listed below:

#### Park In-Lieu

Accounts for fees collected from developers in lieu of dedicating land for park or recreational purposes. Fees are used for the development of public parks and recreational facilities and the acquisition of land for parks and recreational facilities.

#### Gas Tax

Accounts for receipts and expenditures of monies apportioned for street improvements under the Street and Highway Code Section 2105, 2106, 2107 and 2107.5 of the State of California.

#### Street Fund

Accounts for monies received from Placer County Transportation Planning Agency (PCTPA) and used for streets and roads as well as bikes and pedestrian expenditures.

#### Parks and Recreation Tax

Accounts for revenues collected pursuant to Municipal Code 3.12.030 to be used solely for the development of public park and recreational facilities, the improvement of existing parks and recreational facilities, and the acquisition of land for parks and recreational facilities.

#### Special Assessment Districts

Accounts for resources received to provide improvements and maintenance to public property within a district.

#### CDBG-CV

Accounts for funds received under the Community Development Block Grant program which requires that each federal grantee (the City) certify to HUD's satisfaction that federal entitlement funds are administered according to the Fair Housing Act.

#### Police Grants

Accounts for revenues and expenditures of the State of California Funded Supplemental Law Enforcement Services grant.

#### ARPA

Accounts for revenues and expenditures of the American Rescue Plan Act (ARPA) grant.

#### Revitalization and Rehabilitation Loans

Accounts for revitalization and rehabilitation monies lent to local businesses and residents for revitalizing and rehabilitating homes and buildings.



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## NON-MAJOR GOVERNMENTAL FUNDS

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### **SPECIAL REVENUE FUNDS (CONTINUED)**

#### Community Development Block Grant (CDBG)

Accounts for the City's participation in the Community Development Block Grant programs, which provides loans to businesses to generate jobs for new employees in the targeted income group (generally low income).

#### HOME Investment Partnership Program

Accounts for HOME Investment Partnership grants received for community services.

#### Cal Home Grants

Accounts for Cal Home grants received and used to provide loans to local residents.

#### Oak Tree Mitigation

Accounts for monies received from developers to replace oak trees that have been removed for development of land.

#### Federal Grants

Accounts for Federal grant revenues and project expenditures.

### **CAPITAL PROJECT FUNDS**

The Capital Projects Funds are used to account for financial resources that are restricted, committed or assigned to expenditure for capital outlay. Nonmajor capital project funds used by the City are listed below:

#### Capital Projects

Accounts for the monies provided and used for City capital improvements.

#### Twelve Bridges Capital Project

Accounts for monies provided and used for the Twelve Bridges capital project.

#### Lincoln Crossing

Accounts for monies provided and used for Lincoln Crossing improvements.

### **DEBT SERVICE FUNDS**

Debt Service Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Nonmajor debt service funds used by the City are listed below:

#### Lincoln Public Financing Authority Series 2016

Accounts for the 2016 LPFA Revenue Refunding Bonds which were issued to refund the 2003 and 2006 refunding bonds as well as the Airport capital lease.

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## NON-MAJOR GOVERNMENTAL FUNDS

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### PERMANENT FUNDS

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the City's programs. Nonmajor permanent funds of the City are listed below:

#### Stormwater Retention Maintenance

Accounts for resources received for the purpose of protecting open space easements surrounding the stormwater retention area.

#### Suncal Open Space Endowment

Accounts for the resources received for the purpose of preserving the open space endowment at the Suncal-Lincoln Crossing.

#### Brookview Open Space Maintenance Trust

Accounts for the resources received for the purpose of preserving the open space within the Brookview 4 subdivision.

#### Sterling Point Endowment

Accounts for the resources received for the purpose of protecting the open space and wetland habitat at Sterling Point.

#### WWTRF Tertiary Storage Basin Maintenance

Accounts for the resources received for the purpose of providing erosion protection and vegetation control for the WWTRF storage basins.

#### Lincoln Aircenter

Accounts for resources received for the purpose of providing open space maintenance and management of the Lincoln Aircenter Open Space.

**CITY OF LINCOLN**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEETS**  
**JUNE 30, 2023**

<b>Special Revenue Funds</b>
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	Park In-Lieu	Gas Tax	Street Fund	Parks and Recreation Tax	Special Assessment Districts
<b><u>ASSETS</u></b>					
Cash and investments	\$ 1,019,132	\$ 2,819,525	\$ 3,766,032	\$ 836,738	\$ 13,742,048
Accounts receivable	-	246,574	1,986,067	-	1
Interest receivable	1,029	3,504	3,800	844	13,413
Taxes receivable	-	-	-	-	196,398
Intergovernmental receivable	-	-	-	-	-
Due from other funds	-	523,422	-	-	-
Prepaid items	-	-	10,664	-	17,773
Advances to other funds	-	-	-	-	-
Restricted cash and investments	-	-	-	-	-
Loans receivable, net	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 1,020,161</b>	<b>\$ 3,593,025</b>	<b>\$ 5,766,563</b>	<b>\$ 837,582</b>	<b>\$ 13,969,633</b>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICITS)</u></b>					
<b>LIABILITIES:</b>					
Accounts payable	\$ -	\$ 59,250	\$ 405,456	\$ 5,209	\$ 647,994
Accrued payroll and benefits	-	32,848	17,086	-	24,827
Accrued liabilities	576	-	2,228	-	1,757
Retention payable	-	2,393	-	-	-
Deposits and other payables	-	-	-	-	77,031
Due to other funds	-	-	-	-	-
Unearned revenue	-	-	-	-	-
<b>Total Liabilities</b>	<b>576</b>	<b>94,491</b>	<b>424,770</b>	<b>5,209</b>	<b>751,609</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>					
Unavailable revenues	-	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	-	-	-	-	-
<b>FUND BALANCES (DEFICITS):</b>					
Nonspendable	-	-	10,664	-	17,773
Restricted	1,019,585	3,498,534	5,331,129	832,373	13,200,251
Unassigned	-	-	-	-	-
<b>Total Fund Balances (Deficits)</b>	<b>1,019,585</b>	<b>3,498,534</b>	<b>5,341,793</b>	<b>832,373</b>	<b>13,218,024</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)</b>	<b>\$ 1,020,161</b>	<b>\$ 3,593,025</b>	<b>\$ 5,766,563</b>	<b>\$ 837,582</b>	<b>\$ 13,969,633</b>

**CITY OF LINCOLN**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEETS (continued)**  
**JUNE 30, 2023**

<b>Special Revenue Funds</b>					
	<u>CDBG-CV</u>	<u>Police Grants</u>	<u>ARPA</u>	<u>Revitalization and Rehabilitation Loans</u>	<u>Community Development Block Grant (CDBG)</u>
<b>ASSETS</b>					
Cash and investments	\$ -	\$ 27,606	\$ 1,543,406	\$ 877,906	\$ 124,481
Accounts receivable	42,518	-	-	-	-
Interest receivable	-	28	-	886	-
Taxes receivable	-	-	-	-	-
Intergovernmental receivable	-	-	-	-	-
Due from other funds	-	-	-	-	42,518
Prepaid items	-	-	-	-	-
Advances to other funds	-	-	-	-	-
Restricted cash and investments	-	-	-	-	-
Loans receivable, net	-	-	-	-	351,211
<b>Total Assets</b>	<b>\$ 42,518</b>	<b>\$ 27,634</b>	<b>\$ 1,543,406</b>	<b>\$ 878,792</b>	<b>\$ 518,210</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICITS)</b>					
<b>LIABILITIES:</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 3,750
Accrued payroll and benefits	-	6,022	-	-	-
Accrued liabilities	-	-	-	-	-
Retention payable	-	-	-	-	-
Deposits and other payables	-	-	-	-	-
Due to other funds	42,518	-	-	-	-
Unearned revenue	-	-	1,543,406	-	-
<b>Total Liabilities</b>	<b>42,518</b>	<b>6,022</b>	<b>1,543,406</b>	<b>-</b>	<b>3,750</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>					
Unavailable revenues	-	-	-	-	351,211
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>351,211</b>
<b>FUND BALANCES (DEFICITS):</b>					
Nonspendable	-	-	-	-	-
Restricted	-	21,612	-	878,792	163,249
Unassigned	-	-	-	-	-
<b>Total Fund Balances (Deficits)</b>	<b>-</b>	<b>21,612</b>	<b>-</b>	<b>878,792</b>	<b>163,249</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)</b>	<b>\$ 42,518</b>	<b>\$ 27,634</b>	<b>\$ 1,543,406</b>	<b>\$ 878,792</b>	<b>\$ 518,210</b>

**CITY OF LINCOLN**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEETS (continued)**  
**JUNE 30, 2023**

	<b>Special Revenue Funds</b>				<b>Capital Project Funds</b>
	HOME Investment Partnership Program	Cal Home Grants	Oak Tree Mitigation	Federal Grants	Capital Projects
<b>ASSETS</b>					
Cash and investments	\$ 669,676	\$ 1,097,078	\$ 3,777,631	\$ -	\$ 1,054,713
Accounts receivable	1,935	-	-	-	-
Interest receivable	-	-	1,438	-	1,064
Taxes receivable	-	-	-	-	-
Intergovernmental receivable	-	-	-	786,688	-
Due from other funds	-	-	-	-	-
Prepaid items	-	-	-	-	-
Advances to other funds	-	-	-	-	-
Restricted cash and investments	-	-	-	-	-
Loans receivable, net	1,354,405	200,999	-	-	-
<b>Total Assets</b>	<b>\$ 2,026,016</b>	<b>\$ 1,298,077</b>	<b>\$ 3,779,069</b>	<b>\$ 786,688</b>	<b>\$ 1,055,777</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICITS)</b>					
<b>LIABILITIES:</b>					
Accounts payable	\$ 742	\$ 418	\$ -	\$ 431,448	\$ 2,803
Accrued payroll and benefits	-	-	-	-	-
Accrued liabilities	-	-	-	-	4,370
Retention payable	-	-	-	104,379	-
Deposits and other payables	-	-	-	-	-
Due to other funds	-	-	-	523,422	-
Unearned revenue	-	-	-	-	-
<b>Total Liabilities</b>	<b>742</b>	<b>418</b>	<b>-</b>	<b>1,059,249</b>	<b>7,173</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>					
Unavailable revenues	1,354,405	200,999	-	120,000	-
<b>Total Deferred Inflows of Resources</b>	<b>1,354,405</b>	<b>200,999</b>	<b>-</b>	<b>120,000</b>	<b>-</b>
<b>FUND BALANCES (DEFICITS):</b>					
Nonspendable	-	-	-	-	-
Restricted	670,869	1,096,660	3,779,069	-	1,048,604
Unassigned	-	-	-	(392,561)	-
<b>Total Fund Balances (Deficits)</b>	<b>670,869</b>	<b>1,096,660</b>	<b>3,779,069</b>	<b>(392,561)</b>	<b>1,048,604</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)</b>	<b>\$ 2,026,016</b>	<b>\$ 1,298,077</b>	<b>\$ 3,779,069</b>	<b>\$ 786,688</b>	<b>\$ 1,055,777</b>

**CITY OF LINCOLN**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEETS (continued)**  
**JUNE 30, 2023**

	<b>Capital Project Funds</b>		<b>Debt Service Funds</b>	<b>Permanent Funds</b>	
	Twelve Bridges Capital Project	Lincoln Crossing	Lincoln Public Financing Authority Series 2016	Stormwater Retention Maintenance	Suncal Open Space Endowment
<b>ASSETS</b>					
Cash and investments	\$ -	\$ 1,750,256	\$ 2,093,253	\$ 35,494	\$ 266,014
Accounts receivable	-	-	-	-	-
Interest receivable	-	-	2,112	36	268
Taxes receivable	-	-	-	-	-
Intergovernmental receivable	-	-	-	-	-
Due from other funds	-	-	-	-	-
Prepaid items	-	-	-	-	-
Advances to other funds	-	-	794,272	-	-
Restricted cash and investments	-	-	2	-	-
Loans receivable, net	-	-	-	-	-
<b>Total Assets</b>	<b>\$ -</b>	<b>\$ 1,750,256</b>	<b>\$ 2,889,639</b>	<b>\$ 35,530</b>	<b>\$ 266,282</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICITS)</b>					
<b>LIABILITIES:</b>					
Accounts payable	\$ -	\$ 10,442	\$ -	\$ -	\$ -
Accrued payroll and benefits	-	-	-	-	-
Accrued liabilities	-	-	-	-	-
Retention payable	-	-	-	-	-
Deposits and other payables	-	-	-	-	-
Due to other funds	-	-	-	-	-
Unearned revenue	-	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>10,442</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>					
Unavailable revenues	-	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES (DEFICITS):</b>					
Nonspendable	-	-	-	25,439	221,220
Restricted	-	1,739,814	2,889,639	10,091	45,062
Unassigned	-	-	-	-	-
<b>Total Fund Balances (Deficits)</b>	<b>-</b>	<b>1,739,814</b>	<b>2,889,639</b>	<b>35,530</b>	<b>266,282</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)</b>	<b>\$ -</b>	<b>\$ 1,750,256</b>	<b>\$ 2,889,639</b>	<b>\$ 35,530</b>	<b>\$ 266,282</b>

**CITY OF LINCOLN**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEETS (continued)**  
**JUNE 30, 2023**

	<b>Permanent Funds</b>				<b>Total Non-major Governmental Funds</b>
	Brookview Open Space Maintenance Trust	Sterling Point Endowment	WWTRF Tertiary Storage Basin Maintenance	Lincoln Aircenter	
<b>ASSETS</b>					
Cash and investments	\$ 5	\$ 65,354	\$ 66,057	\$ 89,689	\$ 35,722,094
Accounts receivable	-	-	-	-	2,277,095
Interest receivable	-	66	67	91	28,646
Taxes receivable	-	-	-	-	196,398
Intergovernmental receivable	-	-	-	-	786,688
Due from other funds	-	-	-	-	565,940
Prepaid items	-	-	-	-	28,437
Advances to other funds	-	-	-	-	794,272
Restricted cash and investments	16,218	-	-	-	16,220
Loans receivable, net	-	-	-	-	1,906,615
<b>Total Assets</b>	<u>\$ 16,223</u>	<u>\$ 65,420</u>	<u>\$ 66,124</u>	<u>\$ 89,780</u>	<u>\$ 42,322,405</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICITS)</b>					
<b>LIABILITIES:</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 1,567,512
Accrued payroll and benefits	-	-	-	-	80,783
Accrued liabilities	-	-	-	-	8,931
Retention payable	-	-	-	-	106,772
Deposits and other payables	-	-	-	-	77,031
Due to other funds	-	-	-	-	565,940
Unearned revenue	-	-	-	-	1,543,406
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,950,375</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>					
Unavailable revenues	-	-	-	-	2,026,615
<b>Total Deferred Inflows of Resources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,026,615</u>
<b>FUND BALANCES (DEFICITS):</b>					
Nonspendable	5,000	50,000	50,000	5,000	385,096
Restricted	11,223	15,420	16,124	84,780	36,352,880
Unassigned	-	-	-	-	(392,561)
<b>Total Fund Balances (Deficits)</b>	<u>16,223</u>	<u>65,420</u>	<u>66,124</u>	<u>89,780</u>	<u>36,345,415</u>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)</b>	<u>\$ 16,223</u>	<u>\$ 65,420</u>	<u>\$ 66,124</u>	<u>\$ 89,780</u>	<u>\$ 42,322,405</u>

**CITY OF LINCOLN**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED JUNE 30, 2023**

**Special Revenue Funds**

	<u>Park In-Lieu</u>	<u>Gas Tax</u>	<u>Street Fund</u>	<u>Parks and Recreation Tax</u>	<u>Special Assessment Districts</u>
<b>REVENUES</b>					
Special assessments	\$ -	\$ -	\$ -	\$ -	\$ 6,285,679
Intergovernmental	-	2,437,981	4,072,816	-	-
Use of money and property	7,346	29,445	44,374	7,047	60,510
Charges for services	29,376	35,853	-	150,170	-
Other revenue	-	-	-	-	362,521
Total Revenues	<u>36,722</u>	<u>2,503,279</u>	<u>4,117,190</u>	<u>157,217</u>	<u>6,708,710</u>
<b>EXPENDITURES</b>					
Current:					
General government	-	-	-	-	133,709
Public safety	-	-	-	-	36,817
Public works and facilities	762	1,224,768	2,248,238	702	4,502,984
Urban redevelopment and housing	-	-	-	-	-
Capital outlay	-	643,217	513,674	230,654	31,696
Debt service:					
Principal	-	-	-	-	-
Interest (accretion) and other charges	-	-	-	-	-
Total Expenditures	<u>762</u>	<u>1,867,985</u>	<u>2,761,912</u>	<u>231,356</u>	<u>4,705,206</u>
Excess (Deficiency) of Revenues over Expenditures	<u>35,960</u>	<u>635,294</u>	<u>1,355,278</u>	<u>(74,139)</u>	<u>2,003,504</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	-	-	-
Transfers out	-	(39,975)	(26,650)	-	(53,300)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(39,975)</u>	<u>(26,650)</u>	<u>-</u>	<u>(53,300)</u>
<b>SPECIAL ITEM</b>					
Return of unused bond funds	-	-	-	-	-
Net change in fund balances	<u>35,960</u>	<u>595,319</u>	<u>1,328,628</u>	<u>(74,139)</u>	<u>1,950,204</u>
Fund balances (deficits) - July 1, 2022	983,625	2,903,215	4,095,769	906,512	11,267,820
Prior period adjustment (Note 20)	-	-	(82,604)	-	-
Fund balances (deficits) - July 1, 2022, restated	<u>983,625</u>	<u>2,903,215</u>	<u>4,013,165</u>	<u>906,512</u>	<u>11,267,820</u>
Fund balances (deficits) - June 30, 2023	<u>\$ 1,019,585</u>	<u>\$ 3,498,534</u>	<u>\$ 5,341,793</u>	<u>\$ 832,373</u>	<u>\$ 13,218,024</u>



**CITY OF LINCOLN**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (continued)**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<b>Special Revenue Funds</b>				
	<u>CDBG-CV</u>	<u>Police Grants</u>	<u>ARPA</u>	<u>Revitalization and Rehabilitation Loans</u>	<u>Community Development Block Grant (CDBG)</u>
<b>REVENUES</b>					
Special assessments	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	42,518	165,271	-	-	-
Use of money and property	-	1,599	-	6,212	16,935
Charges for services	-	-	-	-	71,598
Other revenue	-	-	-	-	-
Total Revenues	<u>42,518</u>	<u>166,870</u>	<u>-</u>	<u>6,212</u>	<u>88,533</u>
<b>EXPENDITURES</b>					
Current:					
General government	15,665	-	-	-	(13,926)
Public safety	-	158,768	-	-	-
Public works and facilities	-	-	-	669	-
Urban redevelopment and housing	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest (accretion) and other charges	-	-	-	-	-
Total Expenditures	<u>15,665</u>	<u>158,768</u>	<u>-</u>	<u>669</u>	<u>(13,926)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>26,853</u>	<u>8,102</u>	<u>-</u>	<u>5,543</u>	<u>102,459</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>SPECIAL ITEM</b>					
Return of unused bond funds	-	-	-	-	-
Net change in fund balances	<u>26,853</u>	<u>8,102</u>	<u>-</u>	<u>5,543</u>	<u>102,459</u>
Fund balances (deficits) - July 1, 2022	-	13,510	-	873,249	60,790
Prior period adjustment (Note 20)	<u>(26,853)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances (deficits) - July 1, 2022, restated	<u>(26,853)</u>	<u>13,510</u>	<u>-</u>	<u>873,249</u>	<u>60,790</u>
Fund balances (deficits) - June 30, 2023	<u>\$ -</u>	<u>\$ 21,612</u>	<u>\$ -</u>	<u>\$ 878,792</u>	<u>\$ 163,249</u>

**CITY OF LINCOLN**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (continued)**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<b>Special Revenue Funds</b>				<b>Capital Project Funds</b>
	HOME Investment Partnership Program	Cal Home Grants	Oak Tree Mitigation	Federal Grants	Capital Projects
<b>REVENUES</b>					
Special assessments	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	2,329,059	-
Use of money and property	39,487	-	(36,315)	-	7,256
Charges for services	169,052	60,799	179,817	-	-
Other revenue	63	21	35	-	-
Total Revenues	<u>208,602</u>	<u>60,820</u>	<u>143,537</u>	<u>2,329,059</u>	<u>7,256</u>
<b>EXPENDITURES</b>					
Current:					
General government	4,291	-	851,783	-	-
Public safety	-	-	-	-	-
Public works and facilities	-	-	1,175,839	-	962
Urban redevelopment and housing	-	2,420	-	-	-
Capital outlay	-	-	-	2,433,439	182,565
Debt service:					
Principal	-	-	-	-	-
Interest (accretion) and other charges	-	-	-	-	-
Total Expenditures	<u>4,291</u>	<u>2,420</u>	<u>2,027,622</u>	<u>2,433,439</u>	<u>183,527</u>
Excess (Deficiency) of Revenues over Expenditures	<u>204,311</u>	<u>58,400</u>	<u>(1,884,085)</u>	<u>(104,380)</u>	<u>(176,271)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>SPECIAL ITEM</b>					
Return of unused bond funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>204,311</u>	<u>58,400</u>	<u>(1,884,085)</u>	<u>(104,380)</u>	<u>(176,271)</u>
Fund balances (deficits) - July 1, 2022	466,558	1,038,260	5,663,154	(288,181)	1,224,875
Prior period adjustment (Note 20)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances (deficits) - July 1, 2022, restated	<u>466,558</u>	<u>1,038,260</u>	<u>5,663,154</u>	<u>(288,181)</u>	<u>1,224,875</u>
Fund balances (deficits) - June 30, 2023	<u>\$ 670,869</u>	<u>\$ 1,096,660</u>	<u>\$ 3,779,069</u>	<u>\$ (392,561)</u>	<u>\$ 1,048,604</u>

**CITY OF LINCOLN**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (continued)**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<b>Capital Project Funds</b>		<b>Debt Service Funds</b>	<b>Permanent Funds</b>	
	Twelve Bridges Capital Project	Lincoln Crossing	Lincoln Public Financing Authority Series 2016	Stormwater Retention Maintenance	Suncal Open Space Endowment
<b>REVENUES</b>					
Special assessments	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-
Use of money and property	28,434	28,747	(12,025)	253	1,883
Charges for services	-	-	-	-	-
Other revenue	-	-	-	-	-
Total Revenues	<u>28,434</u>	<u>28,747</u>	<u>(12,025)</u>	<u>253</u>	<u>1,883</u>
<b>EXPENDITURES</b>					
Current:					
General government	-	-	-	28	204
Public safety	-	-	-	-	-
Public works and facilities	3,141	3,682	9,279	-	-
Urban redevelopment and housing	-	-	-	-	-
Capital outlay	-	78,610	-	-	-
Debt service:					
Principal	-	-	1,000,000	-	-
Interest (accretion) and other charges	-	-	473,036	-	-
Total Expenditures	<u>3,141</u>	<u>82,292</u>	<u>1,482,315</u>	<u>28</u>	<u>204</u>
Excess (Deficiency) of Revenues over Expenditures	<u>25,293</u>	<u>(53,545)</u>	<u>(1,494,340)</u>	<u>225</u>	<u>1,679</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	1,332,494	-	-
Transfers out	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>1,332,494</u>	<u>-</u>	<u>-</u>
<b>SPECIAL ITEM</b>					
Return of unused bond funds	<u>(4,686,934)</u>	<u>(3,057,843)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(4,661,641)</u>	<u>(3,111,388)</u>	<u>(161,846)</u>	<u>225</u>	<u>1,679</u>
Fund balances (deficits) - July 1, 2022	4,661,641	4,851,202	3,051,485	35,305	264,603
Prior period adjustment (Note 20)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances (deficits) - July 1, 2022, restated	<u>4,661,641</u>	<u>4,851,202</u>	<u>3,051,485</u>	<u>35,305</u>	<u>264,603</u>
Fund balances (deficits) - June 30, 2023	<u>\$ -</u>	<u>\$ 1,739,814</u>	<u>\$ 2,889,639</u>	<u>\$ 35,530</u>	<u>\$ 266,282</u>

**CITY OF LINCOLN**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (continued)**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<b>Permanent Funds</b>				<b>Total Non-major Governmental Funds</b>
	Brookview Open Space Maintenance Trust	Sterling Point Endowment	WWTRF Tertiary Storage Basin Maintenance	Lincoln Aircenter	
<b>REVENUES</b>					
Special assessments	\$ -	\$ -	\$ -	\$ -	\$ 6,285,679
Intergovernmental	-	-	-	-	9,047,645
Use of money and property	2	463	468	635	232,756
Charges for services	-	-	-	-	696,665
Other revenue	-	-	-	-	362,640
Total Revenues	<u>2</u>	<u>463</u>	<u>468</u>	<u>635</u>	<u>16,625,385</u>
<b>EXPENDITURES</b>					
Current:					
General government	-	50	51	68	991,923
Public safety	-	-	-	-	195,585
Public works and facilities	-	-	-	-	9,171,026
Urban redevelopment and housing	-	-	-	-	2,420
Capital outlay	-	-	-	-	4,113,855
Debt service:					
Principal	-	-	-	-	1,000,000
Interest (accretion) and other charges	-	-	-	-	473,036
Total Expenditures	<u>-</u>	<u>50</u>	<u>51</u>	<u>68</u>	<u>15,947,845</u>
Excess (Deficiency) of Revenues over Expenditures	<u>2</u>	<u>413</u>	<u>417</u>	<u>567</u>	<u>677,540</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	-	-	1,332,494
Transfers out	-	-	-	-	(119,925)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,212,569</u>
<b>SPECIAL ITEM</b>					
Return of unused bond funds	-	-	-	-	(7,744,777)
Net change in fund balances	<u>2</u>	<u>413</u>	<u>417</u>	<u>567</u>	<u>(5,854,668)</u>
Fund balances (deficits) - July 1, 2022	16,221	65,007	65,707	89,213	42,309,540
Prior period adjustment (Note 20)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(109,457)</u>
Fund balances (deficits) - July 1, 2022, restated	<u>16,221</u>	<u>65,007</u>	<u>65,707</u>	<u>89,213</u>	<u>42,200,083</u>
Fund balances (deficits) - June 30, 2023	<u>\$ 16,223</u>	<u>\$ 65,420</u>	<u>\$ 66,124</u>	<u>\$ 89,780</u>	<u>\$ 36,345,415</u>

**CITY OF LINCOLN**  
**PARK IN-LIEU - NONMAJOR SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<b>2022 - 2023</b>		<b>Actual</b>	<b>Variance</b>
	<b>Budgeted Amounts</b>			
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>with Final</b>
				<b>Positive</b>
				<b>(Negative)</b>
<b><u>REVENUES</u></b>				
Use of money and property	\$ -	\$ -	\$ 7,346	\$ 7,346
Charges for services	<u>15,360</u>	<u>30,360</u>	<u>29,376</u>	<u>(984)</u>
Total Revenues	<u>15,360</u>	<u>30,360</u>	<u>36,722</u>	<u>6,362</u>
<b><u>EXPENDITURES</u></b>				
Current:				
Public works and facilities	<u>600</u>	<u>600</u>	<u>762</u>	<u>(162)</u>
Total Expenditures	<u>600</u>	<u>600</u>	<u>762</u>	<u>(162)</u>
Net change in fund balance	<u>\$ 14,760</u>	<u>\$ 29,760</u>	35,960	<u>\$ 6,200</u>
Fund balance - July 1, 2022			<u>983,625</u>	
Fund balance - June 30, 2023			<u>\$ 1,019,585</u>	

**CITY OF LINCOLN**  
**GAS TAX - NONMAJOR SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<b>2022 - 2023</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b><u>Budgeted Amounts</u></b>			
	<b><u>Original</u></b>	<b><u>Final</u></b>	<b><u>Actual Amounts</u></b>	
<b><u>REVENUES</u></b>				
Intergovernmental	\$ 2,586,162	\$ 2,432,162	\$ 2,437,981	\$ 5,819
Use of money and property	-	-	29,445	29,445
Charges for services	<u>100,000</u>	<u>-</u>	<u>35,853</u>	<u>35,853</u>
Total Revenues	<u>2,686,162</u>	<u>2,432,162</u>	<u>2,503,279</u>	<u>71,117</u>
<b><u>EXPENDITURES</u></b>				
Current:				
Public works and facilities	1,275,014	1,297,593	1,224,768	72,825
Capital outlay	<u>850,000</u>	<u>393,725</u>	<u>643,217</u>	<u>(249,492)</u>
Total Expenditures	<u>2,125,014</u>	<u>1,691,318</u>	<u>1,867,985</u>	<u>(176,667)</u>
Excess (deficiency) of revenues over expenditures	<u>561,148</u>	<u>740,844</u>	<u>635,294</u>	<u>(105,550)</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Transfers out	<u>(33,312)</u>	<u>(33,312)</u>	<u>(39,975)</u>	<u>(6,663)</u>
Total Other Financing Sources (Uses)	<u>(33,312)</u>	<u>(33,312)</u>	<u>(39,975)</u>	<u>(6,663)</u>
Net change in fund balance	<u>\$ 527,836</u>	<u>\$ 707,532</u>	595,319	<u>\$ (112,213)</u>
Fund balance - July 1, 2022			<u>2,903,215</u>	
Fund balance - June 30, 2023			<u>\$ 3,498,534</u>	

**CITY OF LINCOLN**  
**STREET FUND - NONMAJOR SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<b>2022 - 2023</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Budgeted Amounts</b>			
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>	
<b><u>REVENUES</u></b>				
Intergovernmental	\$ 3,426,206	\$ 4,006,206	\$ 4,072,816	\$ 66,610
Use of money and property	<u>-</u>	<u>-</u>	<u>44,374</u>	<u>44,374</u>
Total Revenues	<u>3,426,206</u>	<u>4,006,206</u>	<u>4,117,190</u>	<u>110,984</u>
<b><u>EXPENDITURES</u></b>				
Current:				
Public works and facilities	2,360,913	2,415,633	2,248,238	167,395
Capital outlay	<u>322,810</u>	<u>678,345</u>	<u>513,674</u>	<u>164,671</u>
Total Expenditures	<u>2,683,723</u>	<u>3,093,978</u>	<u>2,761,912</u>	<u>332,066</u>
Excess (deficiency) of revenues over expenditures	<u>742,483</u>	<u>912,228</u>	<u>1,355,278</u>	<u>443,050</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Transfers out	<u>(30,648)</u>	<u>(30,648)</u>	<u>(26,650)</u>	<u>3,998</u>
Total Other Financing Sources (Uses)	<u>(30,648)</u>	<u>(30,648)</u>	<u>(26,650)</u>	<u>3,998</u>
Net change in fund balance	<u>\$ 711,835</u>	<u>\$ 881,580</u>	1,328,628	<u>\$ 447,048</u>
Fund balance - July 1, 2022			<u>4,095,769</u>	
Fund balance - June 30, 2023			<u>\$ 5,341,793</u>	

**CITY OF LINCOLN**  
**PARKS AND RECREATION TAX - NONMAJOR SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<b>2022 - 2023</b>		<b>Actual</b>	<b>Variance</b>
	<b>Budgeted Amounts</b>			
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>with Final</b>
				<b>Positive</b>
				<b>(Negative)</b>
<b><u>REVENUES</u></b>				
Use of money and property	\$ -	\$ -	\$ 7,047	\$ 7,047
Charges for services	<u>267,000</u>	<u>167,000</u>	<u>150,170</u>	<u>(16,830)</u>
Total Revenues	<u>267,000</u>	<u>167,000</u>	<u>157,217</u>	<u>(9,783)</u>
<b><u>EXPENDITURES</u></b>				
Current:				
Public works and facilities	389	389	702	(313)
Capital outlay	<u>355,931</u>	<u>231,164</u>	<u>230,654</u>	<u>510</u>
Total Expenditures	<u>356,320</u>	<u>231,553</u>	<u>231,356</u>	<u>197</u>
Net change in fund balance	<u>\$ (89,320)</u>	<u>\$ (64,553)</u>	(74,139)	<u>\$ (9,586)</u>
Fund balance - July 1, 2022			<u>906,512</u>	
Fund balance - June 30, 2023			<u>\$ 832,373</u>	



**CITY OF LINCOLN**  
**SPECIAL ASSESSMENT DISTRICTS - NONMAJOR SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<b>2022 - 2023</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b><u>Budgeted Amounts</u></b>			
	<b><u>Original</u></b>	<b><u>Final</u></b>	<b><u>Actual Amounts</u></b>	
<b><u>REVENUES</u></b>				
Special assessments	\$ 6,129,193	\$ 6,129,193	\$ 6,285,679	\$ 156,486
Use of money and property	-	-	60,510	60,510
Charges for services	8,818	8,818	-	(8,818)
Other revenues	<u>9,000</u>	<u>9,000</u>	<u>362,521</u>	<u>353,521</u>
Total Revenues	<u>6,147,011</u>	<u>6,147,011</u>	<u>6,708,710</u>	<u>561,699</u>
<b><u>EXPENDITURES</u></b>				
Current:				
General government	96,368	107,083	133,709	(26,626)
Public safety	27,563	27,563	36,817	(9,254)
Public works and facilities	5,088,775	5,378,835	4,502,984	875,851
Capital outlay	<u>20,000</u>	<u>32,086</u>	<u>31,696</u>	<u>390</u>
Total Expenditures	<u>5,232,706</u>	<u>5,545,567</u>	<u>4,705,206</u>	<u>840,361</u>
Excess (deficiency) of revenues over expenditures	<u>914,305</u>	<u>601,444</u>	<u>2,003,504</u>	<u>1,402,060</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Transfers in	1,112,443	1,112,443	-	(1,112,443)
Transfers out	<u>(397,969)</u>	<u>(397,969)</u>	<u>(53,300)</u>	<u>344,669</u>
Total Other Financing Sources (Uses)	<u>714,474</u>	<u>714,474</u>	<u>(53,300)</u>	<u>(767,774)</u>
Net change in fund balance	<u>\$ 1,628,779</u>	<u>\$ 1,315,918</u>	1,950,204	<u>\$ 634,286</u>
Fund balance - July 1, 2022			<u>11,267,820</u>	
Fund balance - June 30, 2023			<u>\$ 13,218,024</u>	

**CITY OF LINCOLN**  
**POLICE GRANTS - NONMAJOR SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<b>2022 - 2023</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Budgeted Amounts</b>			
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>	
<b><u>REVENUES</u></b>				
Intergovernmental	\$ 156,000	\$ 156,000	\$ 165,271	\$ 9,271
Use of money and property	<u>-</u>	<u>-</u>	<u>1,599</u>	<u>1,599</u>
Total Revenues	<u>156,000</u>	<u>156,000</u>	<u>166,870</u>	<u>10,870</u>
<b><u>EXPENDITURES</u></b>				
Current:				
Public safety	<u>153,272</u>	<u>153,272</u>	<u>158,768</u>	<u>(5,496)</u>
Total Expenditures	<u>153,272</u>	<u>153,272</u>	<u>158,768</u>	<u>(5,496)</u>
Net change in fund balance	<u>\$ 2,728</u>	<u>\$ 2,728</u>	8,102	<u>\$ 5,374</u>
Fund balance - July 1, 2022			<u>13,510</u>	
Fund balance - June 30, 2023			<u>\$ 21,612</u>	

**CITY OF LINCOLN**  
**ARPA - NONMAJOR SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<b>2022 - 2023</b>		<b>Actual</b>	<b>Variance</b>
	<b>Budgeted Amounts</b>			
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	<b>Positive</b>
			<b>Amounts</b>	<b>(Negative)</b>
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ 1,543,400	\$ -	\$ (1,543,400)
Total Revenues	-	1,543,400	-	(1,543,400)
<b>EXPENDITURES</b>				
Current:				
General government	2,000	2,000	-	2,000
Total Expenditures	2,000	2,000	-	2,000
Net change in fund balance	\$ (2,000)	\$ 1,541,400	-	\$ (1,541,400)
Fund balance - July 1, 2022			-	
Fund balance - June 30, 2023			\$ -	

**CITY OF LINCOLN**  
**REVITALIZATION AND REHABILITATION LOANS - NONMAJOR SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<b>2022 - 2023 Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b><u>REVENUES</u></b>				
Use of money and property	\$ -	\$ -	\$ 6,212	\$ 6,212
Total Revenues	-	-	6,212	6,212
<b><u>EXPENDITURES</u></b>				
Current:				
Public works and facilities	500	500	669	(169)
Total Expenditures	500	500	669	(169)
Net change in fund balance	\$ (500)	\$ (500)	5,543	\$ 6,043
Fund balance - July 1, 2022			873,249	
Fund balance - June 30, 2023			\$ 878,792	

**CITY OF LINCOLN**  
COMMUNITY DEVELOPMENT BLOCK GRANT - NONMAJOR SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<b>2022 - 2023</b>		<b>Actual</b>	<b>Variance</b>
	<b>Budgeted Amounts</b>			
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>with Final</b>
				<b>Positive</b>
				<b>(Negative)</b>
<b><u>REVENUES</u></b>				
Use of money and property	\$ -	\$ -	\$ 16,935	\$ 16,935
Charges for services	<u>-</u>	<u>-</u>	<u>71,598</u>	<u>71,598</u>
Total Revenues	<u>-</u>	<u>-</u>	<u>88,533</u>	<u>88,533</u>
<b><u>EXPENDITURES</u></b>				
Current:				
General government	30,000	30,000	(13,926)	43,926
Public works and facilities	<u>100</u>	<u>100</u>	<u>-</u>	<u>100</u>
Total Expenditures	<u>30,100</u>	<u>30,100</u>	<u>(13,926)</u>	<u>44,026</u>
Net change in fund balance	<u>\$ (30,100)</u>	<u>\$ (30,100)</u>	102,459	<u>\$ 132,559</u>
Fund balance - July 1, 2022			<u>60,790</u>	
Fund balance - June 30, 2023			<u>\$ 163,249</u>	

**CITY OF LINCOLN**  
**HOME INVESTMENT PARTNERSHIP PROGRAM - NONMAJOR SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<b>2022 - 2023</b>		<b>Actual</b>	<b>Variance</b>
	<b>Budgeted Amounts</b>			
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	<b>Positive</b>
				<b>(Negative)</b>
<b><u>REVENUES</u></b>				
Use of money and property	\$ -	\$ -	\$ 39,487	\$ 39,487
Charges for services	-	-	169,052	169,052
Other revenues	-	-	63	63
	<u>-</u>	<u>-</u>	<u>208,602</u>	<u>208,602</u>
Total Revenues	-	-	208,602	208,602
<b><u>EXPENDITURES</u></b>				
Current:				
General government	4,800	4,800	4,291	509
Public works and facilities	250	250	-	250
	<u>5,050</u>	<u>5,050</u>	<u>4,291</u>	<u>759</u>
Total Expenditures	5,050	5,050	4,291	759
Net change in fund balance	<u>\$ (5,050)</u>	<u>\$ (5,050)</u>	204,311	<u>\$ 209,361</u>
Fund balance - July 1, 2022			<u>466,558</u>	
Fund balance - June 30, 2023			<u>\$ 670,869</u>	

**CITY OF LINCOLN**  
**CAL HOME GRANTS - NONMAJOR SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<b>2022 - 2023</b>		<b>Actual</b>	<b>Variance</b>
	<b>Budgeted Amounts</b>			
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	<b>Positive</b>
				<b>(Negative)</b>
<b><u>REVENUES</u></b>				
Charges for services	\$ -	\$ -	\$ 60,799	\$ 60,799
Other revenues	<u>-</u>	<u>-</u>	<u>21</u>	<u>21</u>
Total Revenues	<u>-</u>	<u>-</u>	<u>60,820</u>	<u>60,820</u>
<b><u>EXPENDITURES</u></b>				
Current:				
Urban development and housing	<u>5,100</u>	<u>5,100</u>	<u>2,420</u>	<u>2,680</u>
Total Expenditures	<u>5,100</u>	<u>5,100</u>	<u>2,420</u>	<u>2,680</u>
Net change in fund balance	<u>\$ (5,100)</u>	<u>\$ (5,100)</u>	58,400	<u>\$ 63,500</u>
Fund balance - July 1, 2022			<u>1,038,260</u>	
Fund balance - June 30, 2023			<u>\$ 1,096,660</u>	

**CITY OF LINCOLN**  
**OAK TREE MITIGATION - NONMAJOR SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<b>2022 - 2023</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Budgeted Amounts</b>			
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>	
<b><u>REVENUES</u></b>				
Use of money and property	\$ -	\$ -	\$ (36,315)	\$ (36,315)
Charges for services	85,000	85,000	179,817	94,817
Other revenues	<u>-</u>	<u>-</u>	<u>35</u>	<u>35</u>
Total Revenues	<u>85,000</u>	<u>85,000</u>	<u>143,537</u>	<u>58,537</u>
<b><u>EXPENDITURES</u></b>				
Current:				
General government	-	500,000	851,783	(351,783)
Parks works and facilities	<u>191,200</u>	<u>1,191,200</u>	<u>1,175,839</u>	<u>15,361</u>
Total Expenditures	<u>191,200</u>	<u>1,691,200</u>	<u>2,027,622</u>	<u>(336,422)</u>
Net change in fund balance	<u>\$ (106,200)</u>	<u>\$ (1,606,200)</u>	(1,884,085)	<u>\$ (277,885)</u>
Fund balance - July 1, 2022			<u>5,663,154</u>	
Fund balance - June 30, 2023			<u>\$ 3,779,069</u>	



**CITY OF LINCOLN**  
**FEDERAL GRANTS - NONMAJOR SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<b>2022 - 2023</b>		<b>Actual</b>	<b>Variance</b>
	<b>Budgeted Amounts</b>			
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>with Final</b>
				<b>Positive</b>
				<b>(Negative)</b>
<b><u>REVENUES</u></b>				
Intergovernmental	\$ -	\$ 8,205,336	\$ 2,329,059	\$ (5,876,277)
Total Revenues	-	8,205,336	2,329,059	(5,876,277)
<b><u>EXPENDITURES</u></b>				
Current:				
Capital outlay	1,670,464	2,682,932	2,433,439	249,493
Total Expenditures	1,670,464	2,682,932	2,433,439	249,493
Net change in fund balance	\$ (1,670,464)	\$ 5,522,404	(104,380)	\$ (5,626,784)
Fund balance (deficit) - July 1, 2022			(288,181)	
Fund balance (deficit) - June 30, 2023			\$ (392,561)	

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## INTERNAL SERVICE FUNDS

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Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments on a cost-reimbursement basis. Internal Service Funds used at the City are listed below:

### Internal Services

Accounts for the City's insurance programs which provide services to other departments on a cost reimbursement basis.

### Facility Maintenance

Accounts for the City's facility maintenance program which provides services to other departments on a cost reimbursement basis.

### Technology Fund

Accounts for the City's technology programs which provide services to other departments on a cost reimbursement basis.

**CITY OF LINCOLN**  
**COMBINING STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2023**

	<b>Governmental Activities - Internal Service Funds</b>			<b>Total Internal Service Funds</b>
	<b>Internal Services</b>	<b>Facility Maintenance</b>	<b>Technology Fund</b>	
<b><u>ASSETS</u></b>				
Current Assets				
Cash and investments	\$ 1,364,361	\$ 642,964	\$ 1,621,104	\$ 3,628,429
Accounts receivable, net	-	13,490	-	13,490
Interest receivable	<u>1,370</u>	<u>647</u>	<u>1,636</u>	<u>3,653</u>
Total Current Assets	<u>1,365,731</u>	<u>657,101</u>	<u>1,622,740</u>	<u>3,645,572</u>
Non Current Assets				
Non-depreciable capital assets	-	35,410	307,841	343,251
Depreciable capital assets, net	<u>933,537</u>	<u>462,195</u>	<u>23,906</u>	<u>1,419,638</u>
Total Non-Current Assets	<u>933,537</u>	<u>497,605</u>	<u>331,747</u>	<u>1,762,889</u>
<b>Total Assets</b>	<u>2,299,268</u>	<u>1,154,706</u>	<u>1,954,487</u>	<u>5,408,461</u>
<b><u>LIABILITIES</u></b>				
Current Liabilities				
Accounts payable	230,069	30,905	23,027	284,001
Accrued salaries and benefits	125,874	-	-	125,874
Compensated absences	425,011	-	-	425,011
SBITA payable	<u>124,393</u>	<u>-</u>	<u>-</u>	<u>124,393</u>
Total Current Liabilities	<u>905,347</u>	<u>30,905</u>	<u>23,027</u>	<u>959,279</u>
Non-Current Liabilities				
Compensated absences - noncurrent	106,253	-	-	106,253
SBITA payable - noncurrent	<u>454,807</u>	<u>-</u>	<u>-</u>	<u>454,807</u>
Total Non-Current Liabilities	<u>561,060</u>	<u>-</u>	<u>-</u>	<u>561,060</u>
<b>Total Liabilities</b>	<u>1,466,407</u>	<u>30,905</u>	<u>23,027</u>	<u>1,520,339</u>
<b><u>NET POSITION:</u></b>				
Net investment in capital assets	354,337	497,605	331,747	1,183,689
Unrestricted	<u>478,524</u>	<u>626,196</u>	<u>1,599,713</u>	<u>2,704,433</u>
<b>Total Net Position</b>	<u>\$ 832,861</u>	<u>\$ 1,123,801</u>	<u>\$ 1,931,460</u>	<u>\$ 3,888,122</u>

**CITY OF LINCOLN**  
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
 PROPRIETARY FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2023

	<b>Governmental Activities - Internal Service Funds</b>			<b>Total Internal Service Funds</b>
	<b>Internal Services</b>	<b>Facility Maintenance</b>	<b>Technology Fund</b>	
<b><u>OPERATING REVENUES</u></b>				
Charges for services	\$ 7,238,651	\$ -	\$ -	\$ 7,238,651
Other revenue	<u>6,075</u>	<u>-</u>	<u>127,939</u>	<u>134,014</u>
<b>Total Operating Revenue</b>	<u>7,244,726</u>	<u>-</u>	<u>127,939</u>	<u>7,372,665</u>
<b><u>OPERATING EXPENSES</u></b>				
Salaries and benefits	3,891,180	-	-	3,891,180
Services and supplies	1,967,938	437	1,185	1,969,560
Depreciation	<u>233,500</u>	<u>29,176</u>	<u>15,919</u>	<u>278,595</u>
<b>Total Operating Expenses</b>	<u>6,092,618</u>	<u>29,613</u>	<u>17,104</u>	<u>6,139,335</u>
<b>Operating Income (Loss)</b>	<u>1,152,108</u>	<u>(29,613)</u>	<u>110,835</u>	<u>1,233,330</u>
<b><u>NON-OPERATING REVENUES (EXPENSES)</u></b>				
Intergovernmental	-	13,490	-	13,490
Interest income (loss)	5,784	2,652	11,858	20,294
Interest expense	<u>(20,363)</u>	<u>-</u>	<u>-</u>	<u>(20,363)</u>
<b>Total Non-Operating Revenues (Expenses)</b>	<u>(14,579)</u>	<u>16,142</u>	<u>11,858</u>	<u>13,421</u>
<b>Income (Loss) Before Transfers</b>	<u>1,137,529</u>	<u>(13,471)</u>	<u>122,693</u>	<u>1,246,751</u>
<b><u>TRANSFERS</u></b>				
Transfers in	<u>-</u>	<u>300,000</u>	<u>297,236</u>	<u>597,236</u>
<b>Total Transfers</b>	<u>-</u>	<u>300,000</u>	<u>297,236</u>	<u>597,236</u>
Change in net position	1,137,529	286,529	419,929	1,843,987
Net Position - July 1, 2022	<u>(304,668)</u>	<u>837,272</u>	<u>1,511,531</u>	<u>2,044,135</u>
Net Position - June 30, 2023	<u>\$ 832,861</u>	<u>\$ 1,123,801</u>	<u>\$ 1,931,460</u>	<u>\$ 3,888,122</u>

**CITY OF LINCOLN**  
**COMBINING STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<b>Governmental Activities - Internal Service Funds</b>			<b>Total Internal Service Funds</b>
	<b>Internal Services</b>	<b>Facility Maintenance</b>	<b>Technology Fund</b>	
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>				
Cash received from customers	\$ 7,277,134	\$ -	\$ 127,939	\$ 7,405,073
Cash paid to suppliers	(2,003,302)	30,468	19,042	(1,953,792)
Cash paid to employees	(3,871,340)	-	-	(3,871,340)
Net Cash Provided by Provided by Operating Activities	<u>1,402,492</u>	<u>30,468</u>	<u>146,981</u>	<u>1,579,941</u>
<b><u>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</u></b>				
Transfers from other funds	-	300,000	297,236	597,236
Net Cash Provided by Non-Capital Financing Activities	<u>-</u>	<u>300,000</u>	<u>297,236</u>	<u>597,236</u>
<b><u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u></b>				
Acquisition of capital assets	(129,107)	(42,190)	(261,291)	(432,588)
Principal paid on long-term debt	(12,447)	-	-	(12,447)
Interest paid on long-term debt	(20,363)	-	-	(20,363)
Net Cash Used for Capital and Related Financing Activities	<u>(161,917)</u>	<u>(42,190)</u>	<u>(261,291)</u>	<u>(465,398)</u>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>				
Interest and dividends	4,442	2,088	10,558	17,088
Net Cash Provided by Investing Activities	<u>4,442</u>	<u>2,088</u>	<u>10,558</u>	<u>17,088</u>
Net Increase in Cash and Cash Equivalents	1,245,017	290,366	193,484	1,728,867
Cash and Cash Equivalents - July 1, 2022	<u>119,344</u>	<u>352,598</u>	<u>1,427,620</u>	<u>1,899,562</u>
Cash and Cash Equivalents - June 30, 2023	<u>\$ 1,364,361</u>	<u>\$ 642,964</u>	<u>\$ 1,621,104</u>	<u>\$ 3,628,429</u>
<b><u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:</u></b>				
Operating Income (Loss)	1,152,108	(29,613)	110,835	1,233,330
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation expense	233,500	29,176	15,919	278,595
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	32,408	-	-	32,408
Increase (decrease) in:				
Accounts payable	(35,364)	30,905	20,227	15,768
Accrued wages	9,405	-	-	9,405
Compensated absences	10,435	-	-	10,435
Net Cash Provided by Operating Activities	<u>\$ 1,402,492</u>	<u>\$ 30,468</u>	<u>\$ 146,981</u>	<u>\$ 1,579,941</u>

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## FIDUCIARY FUNDS

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The Fiduciary Funds are used to report assets held in a trustee or agency capacity for others and therefore cannot be used to support the government's own programs.

### **Custodial Funds**

These funds are used to report resources held by the City in a purely custodial capacity. The custodial funds maintained by the City include the following:

#### Little League Fund

Accounts for monies held as agent for Little League activities.

#### Lincoln Airpark 98-1

Accounts for monies held from the Community Facilities District No. 1998-1 Special Tax Bonds to finance the acquisition of public improvements to property within the community facilities district and finance wetland mitigation measures. Revenue received from property tax assessment. These bonds are not a liability of the City.

#### Twelve Bridges Series 2011

Accounts for the monies held from the Twelve Bridges Refunding Bonds Series 2011 for improvements within the assessment district. Monies are received from special tax assessments. These bonds are not a liability of the City.

#### Foskett Ranch CFD

Accounts for the monies held from the Limited Obligation Revenue Bonds Series 2004-3 and the Special Tax Revenues Bonds Series 2017-1 issued to finance the construction/acquisition of public improvements within the assessment district. Monies are received from special tax assessments. These bonds are not a liability of the City.

#### Lakeside CFD

Accounts for the monies held from the Special Tax Revenue Refunding Bonds Series 2021 and Special Tax Revenue Bonds Series 2017 for the acquisition of improvements within the Lakeside Area 1 and 2 assessment districts. Monies are received from special tax assessments. These bonds are not a liability of the City.

#### Lincoln Crossing CFD

Accounts for the monies held from the purchase of the Local Obligations to acquire, construct and improve the Lincoln Crossing assessment district. These bonds are not a liability of the City.

#### Sorrento CFD

Accounts for the monies held from Special Tax Revenue Bonds Series 2009, 2013, 2014 and 2016 for improvements within the Sorrento Project assessment district. Monies are received from special tax assessments. These bonds are not a liability of the City.

#### Independence Development CFD

Accounts for the monies held from the developer for the formation of the Independence at Lincoln Project Community Facilities District and bond issuance disclosure. Monies are received from special tax assessments. These bonds are not a liability of the City.

**CITY OF LINCOLN**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**CUSOTIAL FUNDS**  
**JUNE 30, 2023**

	<u>Little League</u>	<u>Lincoln Airpark 98-1</u>	<u>Twelve Bridges Series 2011</u>	<u>Foskett Ranch CFD</u>
<b><u>ASSETS</u></b>				
Cash and investments	\$ 32,157	\$ 44,344	\$ 1,030,560	\$ 234,942
Assessments receivable	-	-	56,011	2,133
Interest receivable	32	45	5,770	237
Restricted cash and investments	-	-	<u>24,375,336</u>	<u>117,838</u>
<b>Total Assets</b>	<u>32,189</u>	<u>44,389</u>	<u>25,467,677</u>	<u>355,150</u>
<b><u>LIABILITIES</u></b>				
Accounts payable	-	-	5,057,387	2,250
Retention payable	-	-	-	-
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>5,057,387</u>	<u>2,250</u>
<b><u>NET POSITION</u></b>				
Net position restricted for individuals, organizations, and other governments	<u>32,189</u>	<u>44,389</u>	<u>20,410,290</u>	<u>352,900</u>
<b>Total Net Position</b>	<u>\$ 32,189</u>	<u>\$ 44,389</u>	<u>\$ 20,410,290</u>	<u>\$ 352,900</u>

**CITY OF LINCOLN**  
 COMBINING STATEMENT OF FIDUCIARY NET POSITION (continued)  
 CUSTODIAL FUNDS  
 JUNE 30, 2023

	<b>Lakeside CFD</b>	<b>Lincoln Crossing CFD</b>	<b>Sorrento CFD</b>	<b>Independence Development CFD</b>	<b>Total</b>
<b><u>ASSETS</u></b>					
Cash and investments	\$ 741,619	\$ 4,195,476	\$ 632,399	\$ 680,644	\$ 7,592,141
Assessments receivable	-	48,700	4,433	2,604	113,881
Interest receivable	749	17,846	638	687	26,004
Restricted cash and investments	<u>518,606</u>	<u>18,377,834</u>	<u>2,505,016</u>	<u>13,016,625</u>	<u>58,911,255</u>
<b>Total Assets</b>	<u>1,260,974</u>	<u>22,639,856</u>	<u>3,142,486</u>	<u>13,700,560</u>	<u>66,643,281</u>
<b><u>LIABILITIES</u></b>					
Accounts payable	301,250	-	31,856	-	5,392,743
Retention payable	<u>-</u>	<u>-</u>	<u>7,801</u>	<u>-</u>	<u>7,801</u>
<b>Total Liabilities</b>	<u>301,250</u>	<u>-</u>	<u>39,657</u>	<u>-</u>	<u>5,400,544</u>
<b><u>NET POSITION</u></b>					
Net position restricted for individuals, organizations, and other governments	<u>959,724</u>	<u>22,639,856</u>	<u>3,102,829</u>	<u>13,700,560</u>	<u>61,242,737</u>
<b>Total Net Position</b>	<u>\$ 959,724</u>	<u>\$ 22,639,856</u>	<u>\$ 3,102,829</u>	<u>\$ 13,700,560</u>	<u>\$ 61,242,737</u>



**CITY OF LINCOLN**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**CUSTODIAL FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Little League</u>	<u>Lincoln Airpark 98-1</u>	<u>Twelve Bridges Series 2011</u>	<u>Foskett Ranch CFD</u>
<b><u>ADDITIONS</u></b>				
Property taxes and assessments	\$ -	\$ 676	\$ 4,227,644	\$ 252,718
Administrative fees	-	-	-	-
Receipt of unused bond funds	-	-	4,686,934	-
Investment income (loss):				
Interest income	597	(485,301)	957,581	5,440
Net increase (decrease) in fair value	<u>(369)</u>	<u>(7,299)</u>	<u>(24,965)</u>	<u>(6,182)</u>
Net investment income (loss)	<u>228</u>	<u>(492,600)</u>	<u>932,616</u>	<u>(742)</u>
Total Additions	<u>228</u>	<u>(491,924)</u>	<u>9,847,194</u>	<u>251,976</u>
<b><u>DEDUCTIONS</u></b>				
Professional services	26	18,134	132,514	26,822
Distribution to City	-	-	5,057,387	-
Payments to developers	-	-	-	-
Debt service:				
Principal	-	-	3,105,000	165,000
Interest	<u>-</u>	<u>-</u>	<u>830,997</u>	<u>71,725</u>
Total Deductions	<u>26</u>	<u>18,134</u>	<u>9,125,898</u>	<u>263,547</u>
Net increase (decrease) in fiduciary net position	<u>202</u>	<u>(510,058)</u>	<u>721,296</u>	<u>(11,571)</u>
Fiduciary Net Position - Beginning	31,987	554,447	19,688,994	364,471
Prior period adjustment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fiduciary Net Position - Beginning, Restated	<u>31,987</u>	<u>554,447</u>	<u>19,688,994</u>	<u>364,471</u>
Fiduciary Net Position - Ending	<u>\$ 32,189</u>	<u>\$ 44,389</u>	<u>\$ 20,410,290</u>	<u>\$ 352,900</u>

**CITY OF LINCOLN**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**CUSTODIAL FUNDS (CONTINUED)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Lakeside CFD</u>	<u>Lincoln Crossing CFD</u>	<u>Sorrento CFD</u>	<u>Independence Development CFD</u>	<u>Total</u>
<b><u>ADDITIONS</u></b>					
Property taxes and assessments	\$ 883,524	\$ 6,476,005	\$ 971,720	\$ 668,419	\$ 13,480,706
Administrative fees	-	-	-	13,227,529	13,227,529
Receipt of unused bond funds	-	3,057,843	-	-	7,744,777
Investment income (loss):					
Interest income	11,757	212,548	85,268	107,761	895,651
Net increase (decrease) in fair value	<u>(14,651)</u>	<u>(205,938)</u>	<u>(1,693)</u>	<u>(2,640)</u>	<u>(263,737)</u>
Net investment income (loss)	<u>(2,894)</u>	<u>6,610</u>	<u>83,575</u>	<u>105,121</u>	<u>631,914</u>
Total Additions	<u>880,630</u>	<u>9,540,458</u>	<u>1,055,295</u>	<u>14,001,069</u>	<u>35,084,926</u>
<b><u>DEDUCTIONS</u></b>					
Professional services	48,097	142,276	972,710	12,358	1,352,937
Distribution to City	-	-	-	-	5,057,387
Payments to developers	299,000	-	-	-	299,000
Debt service:					
Principal	315,000	2,780,000	215,000	-	6,580,000
Interest	<u>340,538</u>	<u>2,616,684</u>	<u>677,065</u>	<u>310,858</u>	<u>4,847,867</u>
Total Deductions	<u>1,002,635</u>	<u>5,538,960</u>	<u>1,864,775</u>	<u>323,216</u>	<u>18,137,191</u>
Net increase (decrease) in fiduciary net position	<u>(122,005)</u>	<u>4,001,498</u>	<u>(809,480)</u>	<u>13,677,853</u>	<u>16,947,735</u>
Fiduciary Net Position - Beginning	1,081,729	18,638,358	3,922,770	22,707	44,305,463
Prior period adjustment	<u>-</u>	<u>-</u>	<u>(10,461)</u>	<u>-</u>	<u>(10,461)</u>
Fiduciary Net Position - Beginning, Restated	<u>1,081,729</u>	<u>18,638,358</u>	<u>3,912,309</u>	<u>22,707</u>	<u>44,295,002</u>
Fiduciary Net Position - Ending	<u>\$ 959,724</u>	<u>\$ 22,639,856</u>	<u>\$ 3,102,829</u>	<u>\$ 13,700,560</u>	<u>\$ 61,242,737</u>

**STATISTICAL SECTION**



## STATISTICAL SECTION

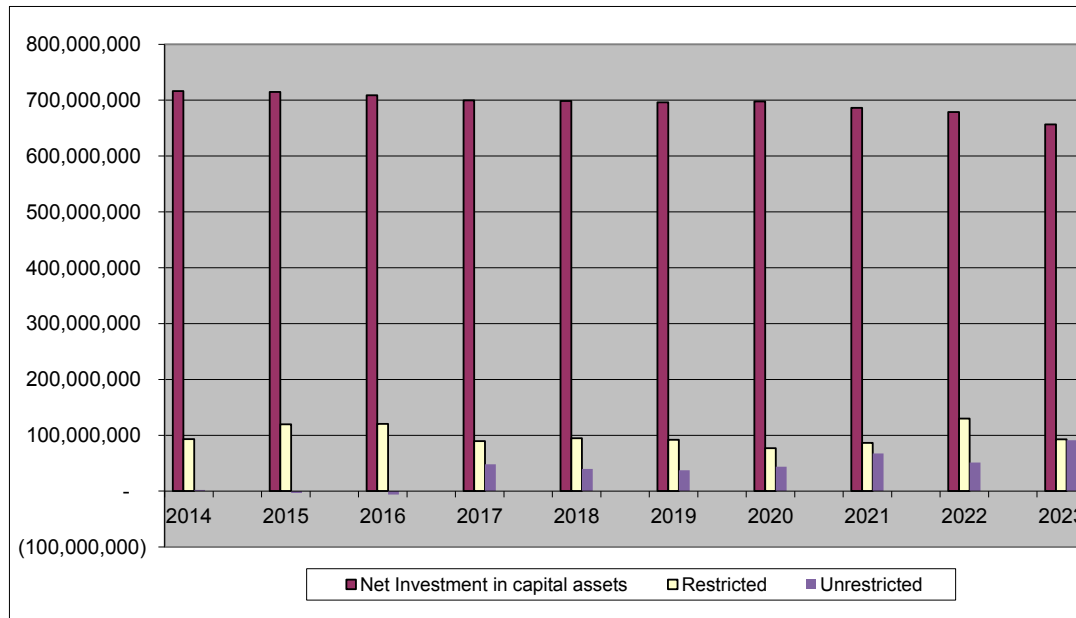
This part of the City's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	131 - 135
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.	136 - 139
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	140 - 142
<b>Economic and Demographic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time with other governments.	143 - 145
<b>Operating Information</b> These schedules contain contextual information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	146 - 147

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

**City of Lincoln**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**(Full Accrual Basis of Accounting)**

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Governmental activities</b>										
Net Investment in capital assets	367,327,505	367,624,105	359,758,260	354,718,311	350,361,056	348,742,386	344,847,105	336,402,231	332,378,568	325,142,234
Restricted	78,880,674	105,113,762	106,251,051	76,398,564	86,266,260	82,496,431	69,876,345	71,650,008	110,940,416	74,322,328
Unrestricted	(16,019,760)	(22,118,189)	(21,706,971)	19,409,294	5,020,121	8,392,145	14,138,806	34,834,119	20,184,955	65,261,933
Total governmental activities net position	430,188,419	450,619,678	444,302,340	450,526,169	441,647,437	439,630,962	428,862,256	442,886,358	463,503,939	464,726,495
<b>Business-type activities</b>										
Net Investment in capital assets	349,214,909	347,013,821	349,180,869	345,150,139	348,208,139	347,503,553	353,011,194	349,818,023	346,447,473	331,622,431
Restricted	14,406,184	14,504,672	14,312,412	12,990,446	8,639,096	9,304,148	7,205,080	14,644,566	18,842,976	18,541,435
Unrestricted	18,376,045	18,881,017	15,639,418	28,760,478	34,614,888	29,053,080	29,512,061	32,396,407	31,049,519	25,937,677
Total business-type activities net position	381,997,138	380,399,510	379,132,699	386,901,063	391,462,123	385,860,781	389,728,335	396,858,996	396,339,968	376,101,543
<b>Primary government</b>										
Net Investment in capital assets	716,542,414	714,637,926	708,939,129	699,868,450	698,569,195	696,245,939	697,858,299	686,220,254	678,826,041	656,764,665
Restricted	93,286,858	119,618,434	120,563,463	89,389,010	94,905,356	91,800,579	77,081,425	86,294,574	129,783,392	92,863,763
Unrestricted	2,356,285	(3,237,172)	(6,067,553)	48,169,772	39,635,009	37,445,225	43,650,867	67,230,526	51,234,474	91,199,610
Total primary government net position	812,185,557	831,019,188	823,435,039	837,427,232	833,109,560	825,491,743	818,590,591	839,745,354	859,843,907	840,828,038
<i>% change from prior year</i>	66.0%	2.3%	-0.9%	1.7%	-0.5%	-0.9%	-0.8%	2.5%	2.3%	-2.3%



Source: City of Lincoln Audited Financial Reports

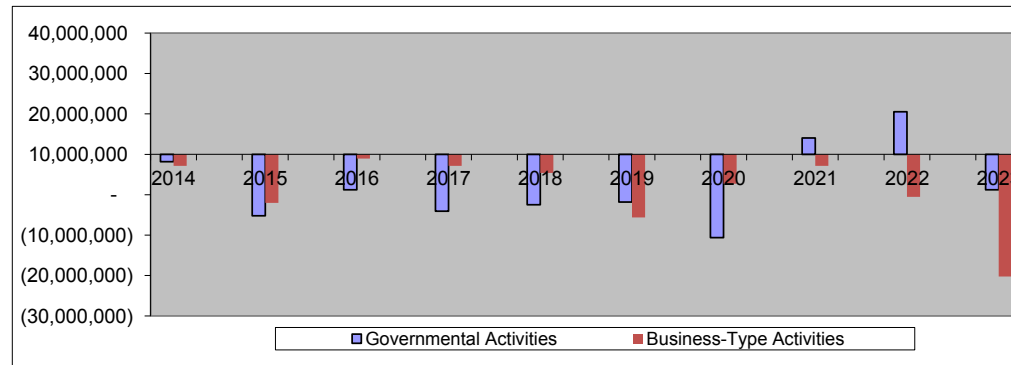
**City of Lincoln**  
**Change in Net Position**  
**Last Ten Fiscal Years**  
**(Full Accrual Basis of Accounting)**

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Expenses</b>										
Governmental Activities										
General government	2,534,252	2,465,172	3,936,661	3,135,241	3,697,194	1,517,206	5,110,616	7,237,227	7,978,828	6,705,161
Public safety	8,676,336	9,111,739	11,437,055	9,222,033	11,443,750	12,567,871	13,880,906	14,493,876	11,446,089	19,074,136
Public works and facilities	7,502,426	19,030,793	21,087,881	21,065,618	24,230,516	28,442,592	24,585,754	23,764,510	26,405,413	28,384,075
Culture and recreation	714,789	745,314	839,156	735,780	939,858	1,043,517	1,017,823	642,096	1,071,344	1,105,148
Education	512,756	568,277	786,381	1,139,387	1,006,407	810,164	768,182	1,172,252	1,326,178	1,376,724
Urban redevelopment and housing	559,449	490,309	545,475	522,402	646,213	489,557	1,164,293	683,418	605,557	326,200
Interest on long-term debt	1,073,464	1,012,610	988,938	1,143,290	576,397	587,288	586,324	556,611	514,762	645,549
Total Governmental Activities	<u>21,573,472</u>	<u>33,424,214</u>	<u>39,621,547</u>	<u>36,963,751</u>	<u>42,540,335</u>	<u>45,458,195</u>	<u>47,113,898</u>	<u>48,549,990</u>	<u>49,348,171</u>	<u>57,616,993</u>
Business-Type Activities										
Water	9,626,761	12,418,348	12,618,263	16,370,415	14,598,974	18,975,438	15,416,723	16,976,467	17,972,553	18,967,580
Sewer	7,567,116	10,760,685	12,813,685	13,176,196	14,613,442	15,997,571	15,160,709	14,621,387	17,503,845	15,826,029
Solid Waste	4,576,457	5,087,810	7,355,610	4,448,941	4,983,983	5,713,323	6,291,563	6,139,631	7,551,871	8,705,055
Airport	2,122,836	1,632,005	1,563,378	1,414,739	1,546,662	1,570,314	1,385,498	1,270,254	1,822,575	1,845,053
Transit	855,631	980,587	796,960	1,208,851	1,019,402	831,545	763,389	445,062	577,606	680,646
Total Business-Type Activities	<u>24,748,801</u>	<u>30,879,435</u>	<u>35,147,896</u>	<u>36,619,142</u>	<u>36,762,463</u>	<u>43,088,191</u>	<u>39,017,882</u>	<u>39,452,801</u>	<u>45,428,450</u>	<u>46,024,363</u>
Total Expenses	<u>46,322,273</u>	<u>64,303,649</u>	<u>74,769,443</u>	<u>73,582,893</u>	<u>79,302,798</u>	<u>88,546,386</u>	<u>86,131,780</u>	<u>88,002,791</u>	<u>94,776,621</u>	<u>103,641,356</u>
<b>Program Revenues</b>										
Governmental Activities										
Charges for Services										
General government	1,970,636	1,054,510	1,384,406	1,314,126	1,072,515	1,644,853	1,950,391	2,718,096	3,599,525	2,789,940
Public Safety	634,161	569,572	746,075	836,963	511,568	698,400	1,053,814	1,797,174	2,333,797	1,126,325
Culture and recreation	971,265	909,070	1,252,263	1,317,891	1,459,252	1,405,219	2,415,811	3,448,733	4,556,115	3,144,602
Education	159,415	7,480	32,185	14,933	18,506	17,420	12,715	-	15,495	53,772
Public works and facilities	10,979,608	9,447,200	9,179,640	11,226,143	8,943,756	8,832,175	13,912,931	21,628,437	31,616,856	20,264,863
Operating Grants and Contributions	3,248,047	1,673,308	651,321	3,977,143	5,587,725	5,264,119	5,184,744	5,355,866	8,298,306	9,533,395
Capital Grants and Contributions	7,957,869	14,184,897	3,255,890	2,685,758	3,806,413	1,354,228	1,119,210	1,559,687	5,124,528	2,329,059
Total Governmental Activities	<u>25,921,001</u>	<u>27,846,037</u>	<u>16,501,780</u>	<u>21,372,957</u>	<u>21,399,735</u>	<u>19,216,414</u>	<u>25,649,616</u>	<u>36,509,365</u>	<u>55,544,622</u>	<u>39,241,956</u>
Business-Type Activities										
Charges for Services										
Water	11,018,047	12,615,858	13,400,117	16,383,662	17,982,749	15,661,241	14,132,515	15,322,625	12,998,938	12,884,150
Wastewater	7,297,551	7,517,029	7,692,439	17,547,426	10,905,805	10,914,957	11,715,959	14,256,920	9,311,644	10,360,863
Solid Waste	5,272,082	5,825,523	6,219,021	6,686,470	7,234,003	7,230,150	7,172,944	7,462,223	7,845,387	8,097,993
Airport	1,785,214	1,261,533	1,253,203	1,259,101	1,426,040	1,578,138	1,454,717	1,473,336	1,714,159	2,091,134
Transit	47,195	39,289	2,589	1,926	2,842	1,344	553	63	-	-
Operating Grants and Contributions	1,549,590	1,188,545	2,058,693	478,160	4,901,085	398,364	458,708	233,448	518,658	325,791
Capital Grants and Contributions	5,590,940	4,254,405	2,125,839	2,174,326	1,401,690	1,288,121	1,636,972	4,578,125	9,994,350	3,036,338
Total Business-Type Activities	<u>32,560,619</u>	<u>32,702,182</u>	<u>32,751,901</u>	<u>44,531,071</u>	<u>43,854,214</u>	<u>37,072,315</u>	<u>36,572,368</u>	<u>43,326,740</u>	<u>42,383,136</u>	<u>36,796,269</u>
Total Program Revenues	<u>58,481,620</u>	<u>60,548,219</u>	<u>49,253,681</u>	<u>65,904,028</u>	<u>65,253,949</u>	<u>56,288,729</u>	<u>62,221,984</u>	<u>79,836,105</u>	<u>97,927,758</u>	<u>76,038,225</u>

\*The City restated historical data for Airport and Transit

**City of Lincoln**  
**Change in Net Position (continued)**  
**Last Ten Fiscal Years**  
**(Full Accrual Basis of Accounting)**

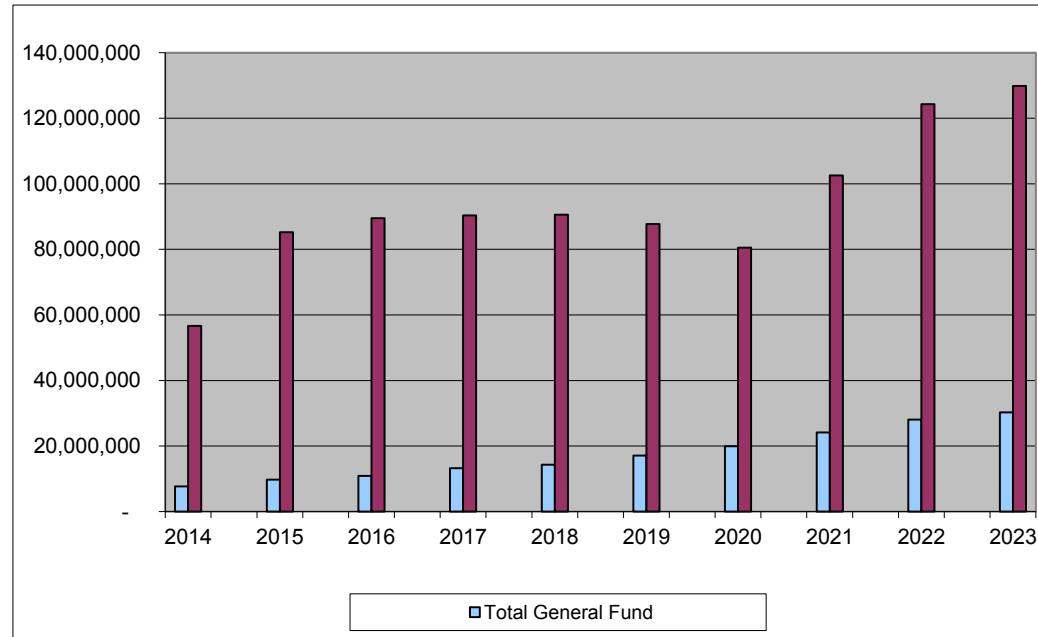
	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Net (Expense)/Revenue</b>										
Governmental Activities	(5,578,177)	(23,119,767)	(15,590,794)	(21,140,600)	(21,140,600)	(26,241,781)	(21,464,282)	(12,040,625)	6,196,451	(18,375,037)
Business-Type Activities	1,822,747	(2,395,995)	7,911,929	7,091,751	7,091,751	(6,015,876)	(2,445,514)	3,873,939	(3,045,314)	(9,228,094)
<b>Total Net Expense</b>	<b>(3,755,430)</b>	<b>(25,515,762)</b>	<b>(7,678,865)</b>	<b>(14,048,849)</b>	<b>(14,048,849)</b>	<b>(32,257,657)</b>	<b>(23,909,796)</b>	<b>(8,166,686)</b>	<b>3,151,137</b>	<b>(27,603,131)</b>
<b>General Revenues</b>										
Governmental Activities										
Taxes:										
Property taxes	7,668,875	9,020,576	8,983,948	9,705,899	10,066,655	10,527,123	11,103,454	12,605,783	13,819,529	15,804,351
Sales and use taxes	2,419,729	2,598,143	2,844,841	3,686,126	3,660,917	4,158,035	4,210,076	4,900,418	5,732,715	5,923,572
Franchise taxes	-	837,267	852,458	807,201	802,573	906,237	923,555	941,096	928,079	973,152
Other local taxes	191,278	259,982	222,229	283,663	303,022	346,865	260,495	202,521	407,621	297,541
Interest income	1,208,941	764,002	1,661,188	584,516	338,114	3,987,398	4,910,140	569,054	(4,624,516)	1,711,995
Miscellaneous	401,427	2,105,907	1,714,705	621,727	602,739	2,485,938	1,123,086	1,054,574	1,410,794	1,156,849
Special Item - agency fund bond proceeds	-	-	-	-	-	-	1,500,000	-	-	-
Special Item - custodial fund bond proceeds	-	-	-	-	-	-	-	-	-	5,057,387
Special Item - return of unused bond proceeds	-	-	-	-	-	-	(14,048,856)	-	-	(7,744,777)
Capital Contribution from property owners	-	-	-	-	-	-	-	6,889,963	-	-
Transfers	717,066	1,858,685	-	1,375,484	2,868,785	2,022,620	840,575	(1,098,682)	(3,364,704)	(3,473,020)
Extraordinary gain	1,159,153	489,374	523,060	-	-	-	-	-	-	-
Prior period adjustments	-	-	-	-	-	-	-	-	-	(109,457)
<b>Total Governmental Activities</b>	<b>13,766,469</b>	<b>17,933,936</b>	<b>16,802,429</b>	<b>17,064,616</b>	<b>18,642,805</b>	<b>24,434,216</b>	<b>10,822,525</b>	<b>26,064,727</b>	<b>14,309,518</b>	<b>19,597,593</b>
Business-Type Activities										
Taxes:										
Sales and use taxes	850,659	412,877	492,068	417,342	997,032	127,713	1,296,925	306,900	381,307	71,209
Interest income	550,349	372,555	735,107	75,455	(19,206)	2,191,471	2,329,372	129,650	(2,379,793)	346,329
Miscellaneous	168,876	125,745	239,418	984,836	200,260	99,153	2,322,591	1,704,393	1,142,019	3,594,886
Special Item - disposal of operations	-	-	-	-	-	-	-	-	-	(18,326,446)
Gain on sale of capital assets	4,935,797	(39,829)	83,688	(40,665)	1,100	18,817	34,133	17,097	18,049	-
Loss on disposal of capital assets	-	-	-	-	-	-	-	-	-	(161,092)
Transfers	(1,159,153)	(489,374)	(523,060)	(1,375,484)	(2,868,785)	(2,022,620)	(840,575)	1,098,682	3,364,704	3,473,020
Prior period adjustments	-	-	-	-	-	-	-	-	-	(8,236)
<b>Total Business-Type Activities</b>	<b>5,346,528</b>	<b>381,974</b>	<b>1,027,221</b>	<b>61,484</b>	<b>(1,689,599)</b>	<b>414,534</b>	<b>5,142,446</b>	<b>3,256,722</b>	<b>2,526,286</b>	<b>(11,010,330)</b>
<b>Change in Net Position</b>										
Governmental Activities	8,188,292	(5,185,831)	1,211,635	(4,075,984)	(2,497,795)	(1,807,565)	(10,641,757)	14,024,102	20,505,969	1,222,556
Business-Type Activities	7,169,275	(2,014,021)	8,939,150	7,153,235	5,402,152	(5,601,342)	2,696,932	7,130,661	(519,028)	(20,238,424)
<b>Total Change in Net Position</b>	<b>15,357,567</b>	<b>(7,199,852)</b>	<b>10,150,785</b>	<b>3,077,251</b>	<b>2,904,357</b>	<b>(7,408,907)</b>	<b>(7,944,825)</b>	<b>21,154,763</b>	<b>19,986,941</b>	<b>(19,015,868)</b>



Source: City of Lincoln Audited Financial Reports

**City of Lincoln**  
**Fund Balances of Government Funds**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)**

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>General Fund</b>										
Nonspendable	136,582	361,627	387,438	492,748	330,040	5,371,094	5,306,135	5,059,976	5,045,194	5,260,992
Restricted	-	43	96	-	-	-	-	-	-	-
Committed	3,703,541	3,803,726	3,929,856	4,063,745	11,695,956	7,204,704	7,096,007	6,280,471	6,905,274	7,145,829
Assigned	-	-	-	-	678,711	678,711	678,711	678,711	678,711	-
Unassigned	3,819,021	5,580,155	6,530,612	8,685,506	1,566,065	3,860,869	6,836,827	12,147,645	15,397,663	17,850,646
Total General Fund	<u>7,659,144</u>	<u>9,745,551</u>	<u>10,848,002</u>	<u>13,241,999</u>	<u>14,270,772</u>	<u>17,115,378</u>	<u>19,917,680</u>	<u>24,166,803</u>	<u>28,026,842</u>	<u>30,257,467</u>
<b>All Other Governmental Funds</b>										
Nonspendable	31,238,435	33,945,141	437,032	12,667,904	424,560	441,577	436,791	10,884,663	455,716	40,402,869
Restricted	41,992,206	65,041,906	99,829,860	76,041,673	86,304,574	84,105,879	75,718,003	82,956,757	110,583,757	73,965,669
Assigned	5,650,033	6,126,672	5,984,063	5,878,548	5,076,709	4,757,518	4,834,251	8,945,789	13,548,584	15,899,481
Unassigned	(22,256,636)	(19,846,487)	(16,713,886)	(4,251,315)	(1,196,249)	(1,572,478)	(441,536)	(252,394)	(288,181)	(392,561)
Total All Other Governmental Funds	<u>56,624,038</u>	<u>85,267,232</u>	<u>89,537,069</u>	<u>90,336,810</u>	<u>90,609,594</u>	<u>87,732,496</u>	<u>80,547,509</u>	<u>102,534,815</u>	<u>124,299,876</u>	<u>129,875,458</u>



Source : City of Lincoln Audited Financial Reports

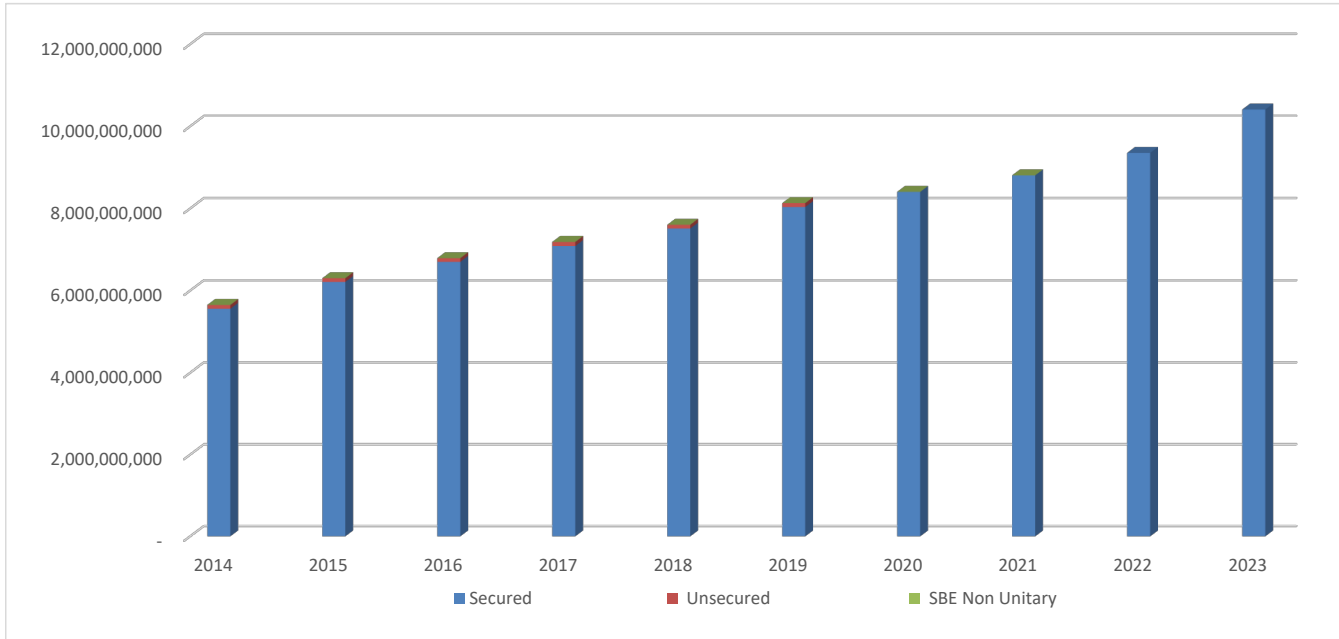


**City of Lincoln**  
**Changes in Fund Balances of Government Funds**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)**

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>										
Taxes and assessments	13,492,395	16,082,063	16,357,235	20,106,114	18,567,904	19,516,493	20,601,909	23,113,462	26,155,258	29,284,295
Licenses and permits	1,565,818	1,604,400	1,562,852	2,039,503	1,610,635	1,642,440	2,991,491	5,633,116	7,520,490	5,998,348
Fines and penalties	48,509	74,132	94,962	68,350	64,909	68,102	56,661	52,932	50,196	97,291
Interest and investment income	1,197,057	747,630	1,620,941	350,746	334,845	3,778,750	4,556,485	424,125	(4,675,930)	1,561,575
Intergovernmental revenue	3,526,877	10,012,367	4,641,768	4,704,926	6,847,168	6,574,382	7,143,718	6,336,978	9,012,115	11,927,640
Charges for services	10,787,334	6,943,205	7,482,996	9,067,969	6,732,616	7,309,292	12,245,106	19,760,802	29,832,762	15,302,633
Other revenue	401,427	2,105,694	1,714,705	459,607	379,952	2,527,056	1,140,383	1,034,850	6,157,591	1,022,835
<b>Total Revenues</b>	<b>31,019,417</b>	<b>37,569,491</b>	<b>33,475,459</b>	<b>36,797,215</b>	<b>34,538,029</b>	<b>41,416,515</b>	<b>48,735,753</b>	<b>56,356,265</b>	<b>74,052,482</b>	<b>65,194,617</b>
<b>Expenditures</b>										
Current										
General government	2,321,201	2,846,091	3,197,417	3,319,937	3,202,404	3,112,059	3,837,505	4,774,854	6,008,466	7,363,473
Public safety	8,116,557	8,881,517	9,356,075	9,740,100	10,640,805	10,982,420	11,928,284	12,117,860	13,137,552	16,190,061
Public works and facilities	4,819,786	5,265,925	7,146,117	7,692,480	9,204,907	9,283,230	11,339,025	9,103,758	11,450,300	15,221,017
Culture and recreation	646,189	657,331	712,594	762,026	891,065	971,921	954,402	560,143	922,837	1,120,594
Education	512,755	558,746	710,838	542,818	610,054	674,174	700,966	651,526	820,449	926,889
Urban redevelopment and housing	558,740	487,553	510,589	933,166	840,001	646,904	725,067	666,323	582,316	329,074
Debt Service										
Principal retirement	771,784	880,524	911,116	19,386,939	1,008,510	918,697	952,261	1,138,810	1,217,867	1,252,165
Interest and bond issuance costs	1,082,887	1,024,729	1,003,612	(51,400)	632,227	621,105	599,557	619,843	582,144	714,295
Capital Outlay	4,049,046	7,850,556	5,224,887	8,512,198	9,982,312	11,154,911	10,291,590	6,547,605	10,554,897	7,549,299
<b>Total Expenditures</b>	<b>22,878,945</b>	<b>28,452,972</b>	<b>28,773,245</b>	<b>50,838,264</b>	<b>37,012,285</b>	<b>38,365,421</b>	<b>41,328,657</b>	<b>36,180,722</b>	<b>45,276,828</b>	<b>50,666,867</b>
Excess(Deficiency) of Revenue over Expenditures	<u>8,140,472</u>	<u>9,116,519</u>	<u>4,702,214</u>	<u>(14,041,049)</u>	<u>(2,474,256)</u>	<u>3,051,094</u>	<u>7,407,096</u>	<u>20,175,543</u>	<u>28,775,654</u>	<u>14,527,750</u>
<b>Other Financing Sources (Uses)</b>										
Proceeds from Bond Issuance	-	-	-	17,760,000	-	-	1,500,000	-	-	-
Return of Bond Funds	-	-	-	-	(123,168)	(4,410,054)	(14,048,856)	-	-	-
Inception of SBITA	-	-	-	-	-	-	-	-	-	145,560
Contribution from property owners	-	-	-	-	-	-	-	6,889,963	-	-
Operating transfers in	7,833,725	8,416,800	2,637,544	20,616,774	5,256,776	6,496,221	2,274,238	2,241,142	2,164,260	1,473,177
Operating transfers out	(3,601,414)	(7,601,327)	(1,967,470)	(19,241,290)	(2,596,991)	(5,322,452)	(1,457,663)	(3,070,219)	(5,528,964)	(5,543,433)
Proceeds from sale of capital assets	726,942	1,899,900	-	-	-	152,699	-	-	-	-
Proceeds from capital leases	-	-	-	-	-	-	-	-	220,000	-
Debt proceeds	568,873	-	-	(213,523)	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>5,528,126</b>	<b>2,715,373</b>	<b>670,074</b>	<b>18,921,961</b>	<b>2,536,617</b>	<b>(3,083,586)</b>	<b>(11,732,281)</b>	<b>6,060,886</b>	<b>(3,144,704)</b>	<b>(3,924,696)</b>
<b>Special Items (Note 18)</b>										
Custodial fund bond proceeds	-	-	-	-	-	-	-	-	-	5,057,387
Return of unused bond funds	-	-	-	-	-	-	-	-	-	(7,744,777)
Net Change in fund balances before prior period adjustments and extraordinary items	11,831,892	5,372,288	5,372,288	62,361	62,361	(4,325,185)	26,236,429	-	25,630,950	7,915,664
Prior period adjustment	(361,101)	18,897,709	-	(6,544,385)	1,239,196	-	(57,500)	-	-	(109,457)
<b>Net Change in fund balances</b>	<b>11,470,791</b>	<b>24,269,997</b>	<b>5,372,288</b>	<b>(6,482,024)</b>	<b>1,301,557</b>	<b>(4,325,185)</b>	<b>26,178,929</b>	<b>-</b>	<b>25,630,950</b>	<b>7,806,207</b>
Debt service as a percentage of noncapital expenditures	9.8%	9.2%	8.1%	45.7%	6.1%	5.7%	5.0%	5.9%	5.2%	4.6%

Source : City of Lincoln Audited Financial Reports

**CITY OF LINCOLN**  
**Assessed Value and Estimated Actual Value of Taxable Property**  
**Last Ten Fiscal Years**



Fiscal Year Ending June 30	Secured	Unsecured	SBE Non Unitary	Taxable Assessed Value	% Change	Direct Rate
2014	5,558,822,669	91,995,204	197,100	5,651,014,973	9.044%	1.025%
2015	6,210,620,359	91,857,194	197,100	6,302,674,653	11.532%	1.032%
2016	6,700,348,821	89,368,958	197,100	6,789,914,879	7.731%	1.039%
2017	7,086,425,439	98,779,370	197,100	7,185,401,909	5.825%	1.043%
2018	7,511,498,201	91,269,260	-	7,602,767,461	5.809%	1.056%
2019	8,035,437,566	95,245,723	-	8,130,683,289	6.944%	1.062%
2020	8,404,444,524	114,687,131	-	8,519,131,655	4.778%	1.056%
2021	8,806,503,581	130,354,289	-	8,936,857,870	4.903%	1.061%
2022	9,352,403,919	124,469,858	-	9,476,873,777	6.043%	1.068%
2023	10,409,810,083	149,889,921	-	10,559,700,004	11.426%	1.063%

**Notes:**

*In 1978, the votes of the State of California passed Proposition 13 which limited property taxes to a maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value of property tax may be increased by an "inflation factor" (limited to a maximum increase of 2%). With few exceptions, property is only reassessed at the time that it is sold to a new owner. At that point, the new assessed value is reassessed at the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of the taxable property and is subject to the limitations described above.*

**Source:** California Municipal Statistics and Placer County Auditor-Controller

**CITY OF LINCOLN**  
**Property Tax Rates - All Overlapping Governments**  
**Last Ten Fiscal Years**

	Fiscal Year Ended June 30, 2023									
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
City of Lincoln										
General purpose	<u>1.00%</u>	<u>1.00%</u>	<u>1.00%</u>	<u>1.00%</u>	<u>1.00%</u>	<u>1.00%</u>	<u>1.00%</u>	<u>1.00%</u>	<u>1.00%</u>	<u>1.00%</u>
	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Western Placer Unified School District	0.03%	0.03%	0.03%	0.04%	0.04%	0.06%	0.05%	0.05%	0.05%	0.04%
Sierra Joint Community College District	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.02%</u>	<u>0.01%</u>	<u>0.01%</u>	<u>0.02%</u>
	<u>1.03%</u>	<u>1.03%</u>	<u>1.03%</u>	<u>1.04%</u>	<u>1.04%</u>	<u>1.06%</u>	<u>1.06%</u>	<u>1.07%</u>	<u>1.06%</u>	<u>1.06%</u>

**CITY OF LINCOLN**  
**Principal Property Tax Payers**  
**Current Year and Nine Years Ago**

		<b>2022-2023</b>		
<u>Property Owner</u>	<u>Primary Land Use</u>	<u>Rank</u>	<u>Taxable Assessed Value</u>	<u>% of Total City Taxable Assessed Value</u>
PW Fund B LP	Warehouse	1	\$ 98,560,996	0.95%
Sierra Pacific Industries	Heavy Industrial	2	66,948,808	0.64%
Taylor Morrison of California LLC	Residential- Development	3	55,481,607	0.53%
Arroyo CAP III-1 LLC	Residential- Development	4	47,894,884	0.46%
JPS Development LLC	Commercial	5	27,140,359	0.26%
KB Home Sacramento Inc.	Residential- Development	6	26,470,408	0.25%
Kaiser Foundation Health Plan Inc.	Medical Buildings	7	25,808,823	0.25%
Mehrizi Properties LLC	Residential - Properties	8	21,964,732	0.21%
D R Horton CA2 Inc.	Residential- Development	9	21,283,927	0.20%
Meritage Homes of California Inc.	Residential- Development	10	20,676,040	0.20%
			<u>412,230,584</u>	<u>3.96%</u>
2022-2023 Local Secured Assessed Valuation			<u><u>\$ 10,409,810,083</u></u>	

		<b>2013-14</b>		
<u>Property Owner</u>	<u>Primary Land Use</u>	<u>Rank</u>	<u>Taxable Assessed Value</u>	<u>% of Total City Taxable Assessed Value</u>
Sierra Pacific Industires	Heavy Industrial	1	\$ 50,522,644	0.91%
OK&B	Warehouse	2	27,390,435	0.49%
Elliot Homes Inc.	Residential Development	3	20,503,760	0.37%
Target Corporation	Commercial	4	17,575,663	0.32%
Auburn Creek Investors	Apartments	5	16,513,584	0.30%
Shadowbriar Investments Inc	Undeveloped	6	15,817,893	0.28%
Safeway Inc.	Commercial	7	15,681,291	0.28%
JPS Development LLC	Commercial	8	15,598,131	0.28%
Lawford #12 Partners Ltd.	Residential Development	9	14,439,425	0.26%
Meritage Homes of California Inc.	Residential Development	10	13,826,539	0.25%
			<u>207,869,365</u>	<u>3.74%</u>
2013-2014 Local Secured Assessed Valuation:			<u><u>\$ 5,558,822,669</u></u>	

Source: HDL, Coren \$ Cone

**CITY OF LINCOLN**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Taxes Levied for the Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy</u>	
		<u>Amount</u>	<u>Percent of Levy</u>
2013 / 2014	4,132,295	4,093,648	99.06%
2014 / 2015	4,689,175	4,648,015	99.12%
2015 / 2016	5,046,671	5,004,975	99.17%
2016 / 2017	5,366,078	5,324,911	99.23%
2017 / 2018	5,681,659	5,641,895	99.30%
2018 / 2019	6,101,116	6,060,436	99.33%
2019 / 2020	6,378,293	6,290,019	98.62%
2020 / 2021	6,664,607	6,612,758	99.22%
2021 / 2022	7,072,253	7,015,940	99.20%
2022 / 2023	7,755,930	7,690,780	99.16%

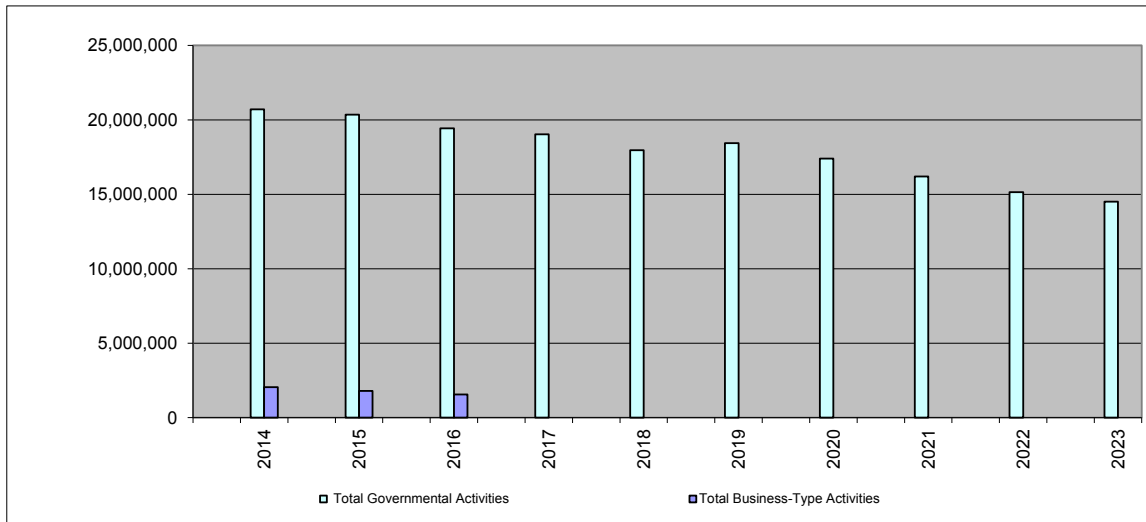
**Notes:**

Current tax collections beginning in 1993 have been reduced by mandatory tax reallocation imposed by the State of California. Placer County uses an estimate for the delinquency rate and compiles delinquency as a lump sum. Subsequent collections are not out by fiscal year from the County; thus this information is not available.

**Source :** *Placer County Auditor-Controller*

**CITY OF LINCOLN**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

Fiscal Year Ending June 30	Governmental Activities				Business-Type Activities				Legal Bonded Debt Margin			
	Bonds	Subscription SBITA	Capital Lease	Total Governmental Activities	Loans	Bonds	Capital Lease	Total Business- Type Activities	Total Primary Government	Percentage of Personal Income (1)	Percentage of Assessed Value (2)	Per Capita (1)
2014	20,710,903	-	512,089	20,710,903	62,591	260,000	1,715,670	2,038,261	22,749,164	5873.95%	0.40%	519
2015	19,968,511	-	376,565	20,345,076	38,861	125,000	1,627,033	1,790,894	22,135,970	6163.15%	0.35%	490
2016	19,201,120	-	235,448	19,436,568	13,410	-	1,534,122	1,547,532	20,984,100	6610.02%	0.31%	464
2017	18,935,573	-	88,510	19,024,083	-	-	-	-	19,024,083	7510.49%	0.26%	402
2018	17,959,447	-	-	17,959,447	-	-	-	-	17,959,447	8177.79%	0.24%	373
2019	16,993,319	-	1,443,636	18,436,955	-	-	-	-	18,436,955	8532.55%	0.23%	379
2020	16,012,191	-	1,386,471	17,398,662	-	-	-	-	17,398,662	9699.49%	0.20%	360
2021	15,008,802	-	1,192,660	16,201,462	-	-	-	-	16,201,462	10920.22%	0.18%	329
2022	13,978,796	-	1,164,794	15,143,590	-	-	-	-	15,143,590	12971.02%	0.16%	305
2023	12,918,790	679,352	912,629	14,510,771	-	-	-	-	14,510,771	14152.90%	0.14%	283



(1) See Demographic and Economic Statistics schedule for personal income and population data.  
(2) See Assessed Value and Estimated Actual Value of Taxable Property schedule for property value data.  
n/a - information is not available

Source: City of Lincoln Audited Financial Reports

**CITY OF LINCOLN**  
**Direct and Overlapping Bonded Debt**  
**As of June 30, 2023**

2022-23 Assessed Valuation:

\$10,559,700,004

	<u>Total Debt</u>	<u>% Applicable (1)</u>	<u>City's Share of</u>
	<u>6/30/2023</u>		<u>Debt 6/30/23</u>
<b><u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u></b>			
Sierra Joint Community College District School Facilities Improvement District No. 4	\$ 211,025,000	12.426%	\$ 26,221,967
Western Placer Unified School District	106,315,000	85.643%	\$ 91,051,355
Western Placer Unified School District Community Facilities District No. 1	26,672,352	100.00%	\$ 26,672,352
Western Placer Unified School District Community Facilities District No. 2	34,980,000	100.00%	\$ 34,980,000
City of Lincoln Community Facilities Districts	92,430,000	100.00%	\$ 92,430,000
California Municipal Finance Authority Community Facilities Districts	35,685,000	100.00%	\$ 35,685,000
City of Lincoln 1915 Act Bonds	13,557,000	100.00%	\$ 13,557,000
California Statewide Communities Development Authority			
California Facilities Districts	8,860,000	100.00%	\$ 8,860,000
California Statewide Communities Development Authority Assessment Districts	10,599,751	100.00%	\$ 10,599,751
<b>Total Overlapping Tax and Assessment Debt</b>			<b>\$ 340,057,425</b>
 <b><u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u></b>			
Placer County General Fund Obligations	\$ 81,385,000	10.761%	\$ 8,757,840
Sierra Joint Community College District Certificates of Participation	802,000	8.238%	66,069
Western Placer Unified School District Certificates of Participation	138,242,598	85.643%	118,395,108
<b>City of Lincoln General Fund Obligations</b>	<b>12,110,000</b>	<b>100.000%</b>	<b>12,110,000</b>
Placer Mosquito and Vector Control District Certificates of Participation	1,854,000	10.761%	199,509
Total Direct and Overlapping General Fund Debt			<b>\$ 139,528,526</b>
 <b><u>OVERLAPPING TAX INCREMENT DEBT (Successor Agency)</u></b>			
	\$ 4,105,000	100.00%	\$ 4,105,000
<b>TOTAL DIRECT DEBT</b>			<b>\$ 12,110,000</b>
TOTAL OVERLAPPING DEBT			<u>471,580,951</u>
 <b>COMBINED TOTAL DEBT</b>			 <b><u>\$ 483,690,951</u></b> (2)

Ratios to 2022-23 Assessed Valuation:

Total Overlapping Tax and Assessment Debt	3.22%
<b>Total Direct Debt (\$12,110,000)</b>	<b>0.11%</b>
Combined Total Debt	4.58%

Ratios to Redevelopment Successor Agency Incremental Valuation (\$488,326,601):

Total Overlapping Tax Increment Debt	0.84%
--------------------------------------	-------

AB:(\$550)

(1) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.

(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Source: California Municipal Statistics

**CITY OF LINCOLN**  
**Computation of Legal Bonded Debt Margin**  
**June 30, 2023**

Secured Property Assessed Value, Net of Exempt Real Property	<u>\$ 10,409,810,083</u>	
Bonded debt limit (3.75% of assessed value) (a)		\$ 390,367,878
Amount of Debt Subject to Limit:		
Total Bonded Debt	14,510,771	
Less Total Bonds not subject to limit (b)	<u>-</u>	
Amount of debt not subject to limit		<u>14,510,771</u>
Legal debt margin		<u>\$ 375,857,107</u>

Fiscal Year Ending June 30	Debt Limit	Total net debt applicable to Limit	Legal Debt Margin	Total net debt applicable to the limit as a % of debt limit
2014	208,455,850	20,710,903	187,744,947	9.94%
2015	232,898,263	19,968,511	212,929,752	8.57%
2016	251,263,081	19,201,120	232,061,961	7.64%
2017	265,740,954	17,868,510	247,872,444	6.72%
2018	281,681,183	17,959,447	263,721,736	6.38%
2019	301,328,909	18,436,955	282,891,954	6.12%
2020	315,166,670	17,398,662	297,768,008	5.52%
2021	330,243,884	16,201,462	314,042,422	4.91%
2022	350,715,147	15,143,590	335,571,557	4.32%
2023	390,367,878	14,510,771	375,857,107	3.72%

(a) California Government Code Section 43605 sets the debt limit at 15%. The Code section was enacted to the change in basing assessed value at full market value when it was previously 25% of market value. Thus, the limit shown as 3.75% is one-fourth the limit to account for the adjustment of showing assessed valuation at full cash value.

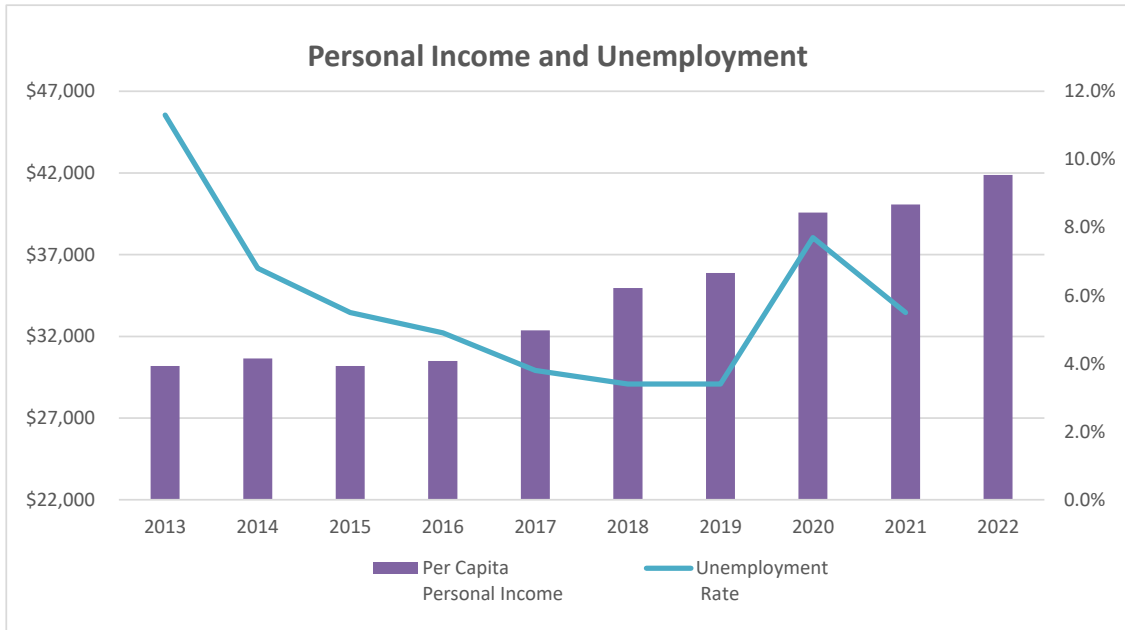
(b) Self-supporting debt such as lease revenue bonds and bonds payable from fees and charges of Enterprise Funds are not subject to limit.

**Source:** California Municipal Statistics, City of Lincoln Audited Financial Reports



**CITY OF LINCOLN**  
**Demographic and Economic Statistics**  
**Last Ten Calendar Years**

Calendar Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate	Median Age	% fo Pop25+ with High Scholl Degree	% fo Pop25+ with Bachelor's Degree
2013	45,206	1,364,272,000	\$ 30,179	11.3%	40.4	93.4%	32.1%
2014	45,256	1,387,053,000	\$ 30,649	6.8%	41.2	93.7%	32.1%
2015	47,339	1,428,801,000	\$ 30,182	5.5%	42.3	93.5%	32.6%
2016	48,165	1,468,686,000	\$ 30,493	4.9%	42.3	93.0%	33.3%
2017	48,591	1,573,143,000	\$ 32,375	3.8%	42.7	93.0%	34.4%
2018	48,277	1,687,581,000	\$ 34,956	3.4%	43.1	92.4%	33.2%
2019	49,317	1,769,236,000	\$ 35,874	3.4%	43.3	92.4%	33.5%
2020	49,624	1,964,278,000	\$ 39,583	7.7%	43.3	92.8%	34.2%
2021	51,252	2,053,695,000	\$ 40,070	5.5%	43.7	94.6%	35.3%
2022	52,313	2,190,762,000	\$ 41,877	3.5%	43.9	94.0%	35.2%



**CITY OF LINCOLN  
Principal Employers  
2023**

<u>Company</u>	<u>Business Description</u>	<u>Size (employees)</u>
LINCOLN HIGH SCHOOL	ELEMENTARY & SECONDARY SCHOOLS	130
LINCOLN MEADOWS CARE CTR	VOCATIONAL REHABILITATION SERVICES	140
LOWE'S HOME IMPROVEMENT	HOME CENTERS	140
HORIZON CHARTER SCHOOLS	ELEMENTARY & SECONDARY SCHOOLS	200
SIERRA PACIFIC LINCOLN	OTHER ELECTRIC POWER GENERATION	300
THUNDER VALLEY CASINO RESORT	CASINOS (EXCEPT CASINO HOTELS)	120
CITY OF LINCOLN	LEGISLATIVE BODIES	140
SAFEWAY	SUPERMARKETS/OTHER GROCERY (EXC CONVENIEN	120
THUNDER VALLEY CASINO	CASINOS (EXCEPT CASINO HOTELS)	2500
HOME DEPOT	HOME CENTERS	110

*Source: EDD, Labor Market Information Division*

**CITY OF LINCOLN**  
**Sales Tax Producers - Top 25**  
**FY 2022-2023**

7 Eleven	Service Stations
Aisle 1	Service Stations
Apex Underground Supply	Heavy Industrial
Arco AM PM	Service Stations
Catta Verdera Country Club	Leisure/Entertainment
Chevron	Service Stations
Chevron	Service Stations
Chevron	Service Stations
Gladding McBean	Building Materials
Home Depot	Building Materials
In n Out Burger	Quick-Service Restaurants
Lowes	Building Materials
McDonald's	Quick-Service Restaurants
National Building Systems	Building Materials
Petsmart	Specialty Stores
Plunge	Electronics/Appliance Stores
Raley's	Grocery Stores
Ramos Oil	Petroleum Prod/Equipment
Ross	Family Apparel
Safeway	Grocery Stores
Safeway Fuel	Service Stations
Sun City Lincoln Hills Community Association	Leisure/Entertainment
Target	Discount Dept Stores
TJ Maxx	Family Apparel
Walmart Neighborhood Market	Grocery Stores

**Sources:** HDL, Coren & Cone

**CITY OF LINCOLN**  
**Full Time Equivalent City Government Employees**  
**Last Ten Fiscal Years**

Fiscal Year Ending June 30

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
City Manager										
Administration	2.8	2.8	2.0	3.0	2.0	2.0	2.0	2.0	2.0	2.0
Human Resources	1.5	2.5	2.0	2.0	5.0	3.8	2.5	2.8	3.5	3.0
Information Technology / GIS	-	-	-	-	-	-	2.0	4.5	5.0	7.0
Economic Development	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.5	1.0	1.0
Records Management	2.0	2.0	2.0	2.0	1.0	2.0	2.0	2.0	2.0	2.0
City Attorney										
City Attorney	-	-	-	-	1.0	1.0	1.0	1.0	1.0	1.0
Code Enforcement	-	-	-	-	-	2.0	1.0	1.0	1.0	2.0
Finance										
Administration	3.0	3.0	3.0	3.0	3.0	2.0	2.0	2.0	2.0	2.0
Finance	10.0	9.0	9.0	9.0	9.0	9.3	11.0	11.0	11.0	11.0
Information Technology	1.0	1.0	-	-	-	-	-	-	-	-
Central Services	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Community Development										
Administration	0.3	1.0	5.0	5.0	5.0	4.0	4.0	4.0	4.0	5.0
Planning	4.5	3.5	3.5	4.0	4.0	3.0	3.0	3.0	3.0	4.0
Building	4.0	4.0	2.0	2.0	2.0	2.0	2.0	2.0	3.0	5.0
Development & Engineering	1.0	3.0	1.0	1.0	1.0	2.0	2.0	3.0	3.0	4.0
Financial Analysis	-	-	-	-	-	-	-	-	-	-
Public Works										
Administration	8.5	8.5	1.0	1.0	1.0	7.0	6.5	6.5	6.5	8.0
Engineering	-	-	-	-	7.0	8.5	5.0	5.0	7.0	7.0
Water	10.0	6.5	10.9	10.9	10.9	8.4	9.1	9.1	8.0	9.0
Wastewater	6.5	6.5	7.8	7.8	7.8	6.5	7.0	7.0	7.0	8.0
Solid Waste	13.9	13.4	13.5	13.5	13.5	15.0	15.0	15.0	16.0	18.0
Streets	6.2	6.2	6.3	6.3	6.3	7.9	7.9	8.9	10.0	10.0
Transit	7.5	7.0	2.0	2.0	2.0	1.0	-	-	-	-
Airport	2.0	2.0	2.0	2.0	2.0	2.0	1.0	1.5	1.5	1.5
Parks & Facilities	5.6	6.5	5.0	5.0	5.0	7.0	7.0	7.0	7.0	8.0
Fleet Maintenance	5.5	5.5	5.0	5.0	5.0	5.5	5.5	5.5	6.0	5.5
Police										
Administration	2.5	2.5	2.5	3.5	3.5	4.0	4.0	2.5	3.5	3.5
Communications	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	8.0	10.0
Operations	19.5	19.5	19.5	22.5	22.5	22.5	22.5	25.5	28.0	29.0
Fire										
Administration	3.0	2.0	2.0	2.0	2.0	2.0	2.0	2.5	3.5	3.5
Operations	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	27.0
Library	3.5	3.9	3.9	5.6	3.4	5.7	5.9	5.9	6.6	6.6
Recreation (a)	4.0	4.0	4.0	4.0	5.0	5.0	5.0	5.0	5.0	5.0
<b>Total Full-Time Equivalents</b>	<b>155.1</b>	<b>152.8</b>	<b>142.0</b>	<b>149.2</b>	<b>157.0</b>	<b>168.0</b>	<b>164.9</b>	<b>172.7</b>	<b>185.1</b>	<b>210.6</b>

(a) Includes regular employees only, does not include part-time seasonal.

Source: City of Lincoln Original Budget Documents

**CITY OF LINCOLN**  
**Operating Indicators**  
**Last Ten Fiscal Years**

	Fiscal Year Ending June 30									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Business Licenses</b>										
Annual business license	1,182	1,938	1,988	1,979	2,330	2,442	2,239	2,251	2,309	2,229
<b>Environment and Utilities</b>										
Gallons of wastewater treated per year (in millions)	1,095	1,062	1,178	1,935	1,709	1,880	1,669	1,602	1,850	2,046
Gallons of wastewater discharged per year (in millions)	1,063	813	969	1,748	1,572	1,765	1,626	877	1,730	1,949
<b>Fire</b>										
Fires per year	121	142	149	152	158	145	154	153	152	135
Emergency medical calls per year	2,667	2,637	2,637	3,153	3,280	3,306	3,529	3,791	4,105	4,356
Hazardous materials incidents per year	49	40	41	58	52	49	65	52	57	65
Non-emergency service calls per year	969	749	1,250	1,442	1,261	1,176	1,428	1,571	1,813	1,777
<b>Police</b>										
911 calls per year	8,710	8,852	10,577	11,082	13,095	13,442	14,027	16,341	15,100	13,919
Cases investigated per year	1,142	1,866	1,872	2,288	2,226	2,310	2,209	2,693	2,627	2,428
Arrests per year	314	479	403	517	786	812	755	1,118	882	1,038
<b>Building Permits</b>										
New Single Family Dwellings	280	233	188	252	70	115	404	757	1,624	1,289
Commercial (New and Tenant Improvements)	125	135	146	132	26	119	94	84	104	91
All Other	1,505	2,313	2,820	2,314	1,100	1,847	1,945	2,606	3,390	3,594

n/a = information not available

\*\* new licenses applied for

Source: City of Lincoln