

SECTION A

Financial Policies, Statements and Statistics

This section of the budget presents general financial policies and selected financial statements and statistics which indicate the general financial condition of the City of Omaha. The statistical data is shown in tabular form and includes various factors such as property valuation and population growth, per capita debt, tax levies, property taxes levied and collected and bonded debt analysis. The financial statements include the balance sheets and comparative operating statements of the Debt Service Fund and for the City's two principal operating funds: the General Fund and the Street and Highway Allocation Fund.

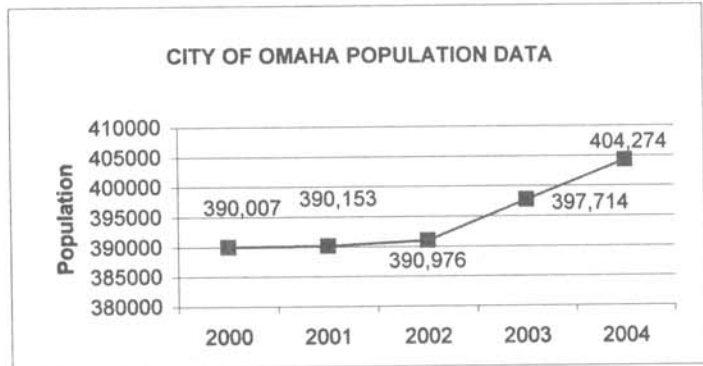
The financial statements and schedules contained in this section have been compiled and prepared by the City Finance Department, Budget and Accounting Division. The representations made herein are for informational purposes only and should not be construed as an audit of City funds nor to supplant or be considered as a substitute in any respect for the comprehensive annual audit which is performed by Independent Certified Public Accountants. These statements and schedules are prepared on an accrual basis.

CITY OF OMAHA PROFILE

General Information

Omaha operates with a Mayor-Council form of government. The Mayor and City Council, consisting of seven members, are elected to four-year terms. The executive and administrative powers of the City are vested in the Mayor, who is popularly elected on a non-partisan basis.

Omaha, founded in 1854, is the largest city in the State of Nebraska. The eight-county Metropolitan Statistical Area ("MSA") with a population of 792,144 and covering 4,363 square miles is the 60th largest MSA in the country. The metro Omaha area has seen steady upward growth over the past five decades and a 15.5 percent population increase since 1990. Omaha is the 42nd largest city with a population of 397,714 and ranks 60th largest metro area in the nation.



Omaha is an important educational center and is the location of Creighton University, the University of Nebraska at Omaha and the University of Nebraska Medical Center.

With an outstanding public education system, Omaha was selected as a model of business education partnership which kicked off America 2000. Public elementary and secondary education are provided by four local school districts. The City is also served by a number of private and parochial schools at both the elementary and secondary levels. Over 132,350 children are enrolled in public school districts in the Omaha Metro area (86% of total enrollment).

Nebraska ranks fifth among the 50 states for hospital care. The City's resources include 16 hospitals within the metropolitan area, six of them classified as acute-care community hospitals. Omaha, home to the nation's first Wellness Council, has two teaching hospitals, five nursing schools, two pharmacological centers and a dental college.

The United States Strategic Command ("StratCom") is headquartered at Offutt Air Force Base just south of Omaha. Recently the United States Space Command was relocated to Offutt Air Force Base.

Omaha is the home of the internationally known Henry Doorly Zoo and hosts the NCAA College World Series at Rosenblatt Stadium. Omaha will be host to the College World Series until 2010.

The Qwest Convention Center opened in 2003 and is the Midwest's premier venue with a 17,000 seat arena attached to the facility. The Qwest Center has 194,000 square feet of exhibition space, 16 meeting rooms and a 30,000 square foot Grand Ballroom capable of accommodating over 2,100 banquet guests. It is home court for Creighton's Bluejays basketball and University of Nebraska at Omaha Mavericks hockey teams.

Also new in Omaha is the 50-acre world-renowned Gallup University Campus. The university is the main center of operations (the largest in the Nation) with a separate facility for research and development. This facility replaced the Gallup offices and leadership training facility in Lincoln. Seven hundred of the 2,000 full-time associates worldwide are based in Nebraska.

The Omaha Performing Arts Center is a state-of-the-art performance facility that opened in the fall of 2005. The facility contains a 2,000 seat concert hall, a 450-seat recital hall and an open courtyard.

FINANCIAL POLICIES, STATEMENTS AND STATISTICS

Transportation

Omaha is the hub of a vast transportation network offering significant advantages to business and industry. Approximately 90 motor common carriers haul freight to and from Omaha making Omaha a major midwestern trucking center. Greyhound Bus Lines and 13 smaller charter bus lines operate charter services between Omaha and points throughout the United States.

Omaha's Eppley Airfield is served by eight major and twelve regional air carriers providing more than 180 flights daily. In 2003, 3.7 million passengers used Eppley Airfield.

Omaha is general headquarters for three mainline railroads and a terminal railway. Nebraska's eastern side borders the Missouri River and houses two barge lines and six main dam controls.

Two interstate highways (Interstate 80 and Interstate 29), five federal highways and seven state highways provide fast all-weather routes within Nebraska.

The Economy

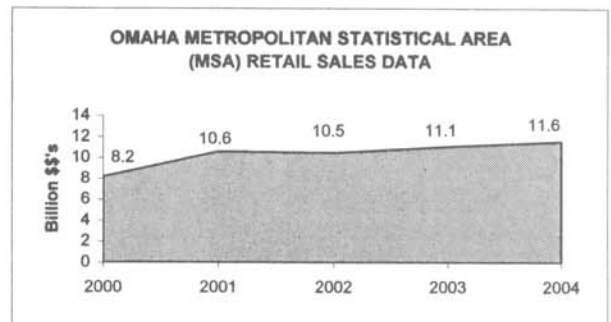
From an economy founded on the livestock industry, Omaha has become a major grain market in the United States. Food processing is also an important part of the economy.

The City has an increasingly well-diversified economy, although it still remains agriculturally oriented. The Omaha MSA contains more than 730 manufacturing plants. Currently, there are over 27 such firms located within the City. With 20,500 businesses, Omaha averaged 431,276 jobs during 2003; 100,000 jobs have been added to the metro since 1990.

Omaha is the home of 30 insurance companies. The district offices of the Farm Credit System are headquartered in Omaha. A branch Federal Reserve Bank and 34 commercial banks are located within the city.

Four Fortune 500 corporations; Union Pacific Railroad, ConAgra, Mutual of Omaha and Berkshire Hathaway maintain their headquarters in Omaha.

The annual average unemployment rate for the Omaha MSA was recently shown at 4.1%, compared with 5.8% for the United States. As of April 2004, Omaha's non-agricultural employment was 419,039, representing an effective buying income of \$40,430 per household. MSA retail sales in 2003 totaled about \$11.1 billion. Currently, the value of building permits total more than \$630 million. With all of this, Omaha enjoys a cost of living ranging up to 5.1 percent below the national level. The median cost of housing in Omaha is \$130,000 compared to the U. S. median of \$170,800. (*Source: Omaha Chamber of Commerce)



GENERAL FINANCIAL POLICIES

The following general financial policies provide the framework within which the City conducts its financial management affairs. More specific policies are presented in the "Revenue" and "Appropriations" sections of the budget.

FINANCIAL POLICIES, STATEMENTS AND STATISTICS

Cash Management and Investment Policies

The Cash Management and Investment Policies are divided into four major components of cash management systems. They are: Cash Flow Forecasting; Cash Mobilization; Bank Relations; and Investment of Idle Surplus Funds.

1. The cash flow forecast shall, with reasonable accuracies, identify the funds available to pay the costs of government and investable funds remaining thereafter.
2. The cash mobilization shall identify and accelerate deposit flows into the bank coupled with maximizing the disbursement float and minimizing the average daily bank cash balance.
3. The banking relationships shall be maintained in an environment such that the lowest cost for banking services is provided to the taxpayers.
4. The investment of idle surplus funds shall be in accordance with the Investment Policy adopted by the City Council and with authorized state statutes and provide reasonable liquidity in connection with the least default risk and highest rate of return on investments.
5. The investment and management of the City's idle surplus funds shall be monitored and reviewed by the City of Omaha Investment Advisory Committee. The Committee is formed by Executive Order of the Mayor for the City of Omaha.
6. The City will continue to work with and encourage the Douglas County Treasurer to develop methods to accelerate cash flow transfers from the County Treasurer to the City and to simplify cash flow from the City to the Banks.

Reserves and Contingencies

1. The City will include in each annual budget a Contingency Reserve Account for expenditures due to unforeseen circumstances. This Account will be funded by the City's primary operating funds: the General Fund, Sewer Revenue Fund and the Street and Highway Allocation Fund.
2. Beginning in 1984, the City established and maintains a Cash Reserve Fund which shall not exceed 4% of General Appropriations for the purpose of meeting emergencies arising from: (a) the loss or partial loss of a revenue source; (b) unanticipated expenditures due to a natural disaster or casualty loss; (c) expenditures for the satisfaction of judgments and litigation when the Judgment Levy Fund balance is inadequate; and (d) conditions wherein serious loss of life, health or property is threatened or has occurred. The City's current goal of a Cash Reserve Fund balance of 2% has been met.
3. The City's objective for the year-end General Fund budget balance will be a minimum of 1% of annual General Fund revenues carried forward two years.
4. The City maintains a Contingent Liability Fund. The purpose of this fund is to accumulate resources to provide financial assistance in cases of uninsured or under insured casualty losses and settlement of City lawsuits prior to a court judgment. The Contingent Liability Fund is funded by yearly appropriations from the General and Sewer Revenue Funds and transfers from year-end General Fund funds when available.
5. In 1995, the City established the Keno/Lottery Reserve Fund. As amended in 1998, the Keno/Lottery Reserve Fund will accumulate 25% of net Keno revenue until the fund reaches \$2.37 million, and interest earnings thereafter until the fund reaches \$3 million before appropriations will be made. The \$3 million plus 25% of interest earnings annually will be maintained as an appropriation reserve for utilization if the Convention Center Hotel revenues are inadequate to support corresponding debt service. The Keno/Lottery Reserve Fund reached its stated goal balance of \$3 million in 2003.

FINANCIAL POLICIES, STATEMENTS AND STATISTICS

Accounting, Auditing and Financial Reporting

1. An independent audit of all City funds and accounts will be performed annually by a nationally recognized public accounting firm.
2. Budgets are prepared using the accrual basis of accounting. Revenues are recognized in the accounting period in which they become available and measurable. Expenditures are recognized in the accounting period in which the fund liability is incurred. The City will maintain a budgetary control system and produce quarterly financial reports. For budgetary purposes, the City employs encumbrance accounting which reserves a portion of the applicable appropriation for purchase orders, contracts and other commitments.
3. The City will continue to implement accounting procedures which will produce annual financial reports in accordance with Generally Accepted Accounting Principles (GAAP) as outlined in Governmental Accounting, Auditing and Financial Reporting (GAAFR) guidelines.
4. The City has fully implemented Governmental Accounting Standards Board (GASB) issuance #34 as of December 31, 2002.

Debt Management and Policies

Policies

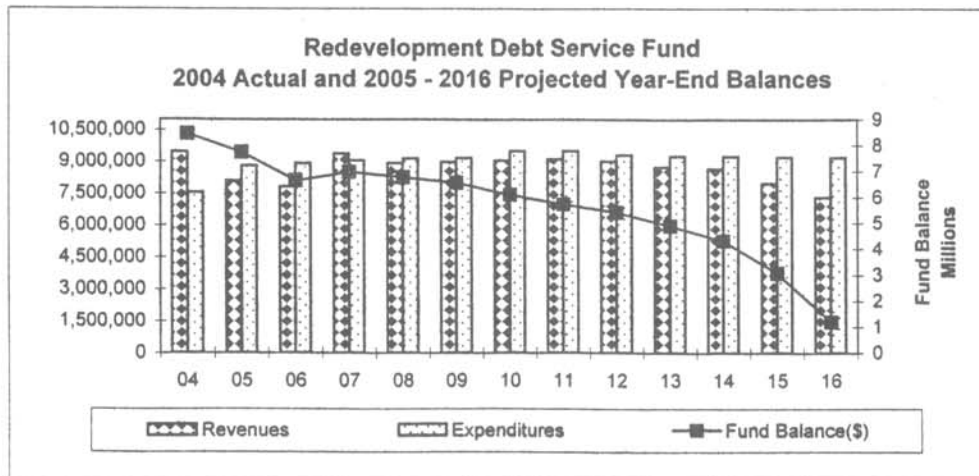
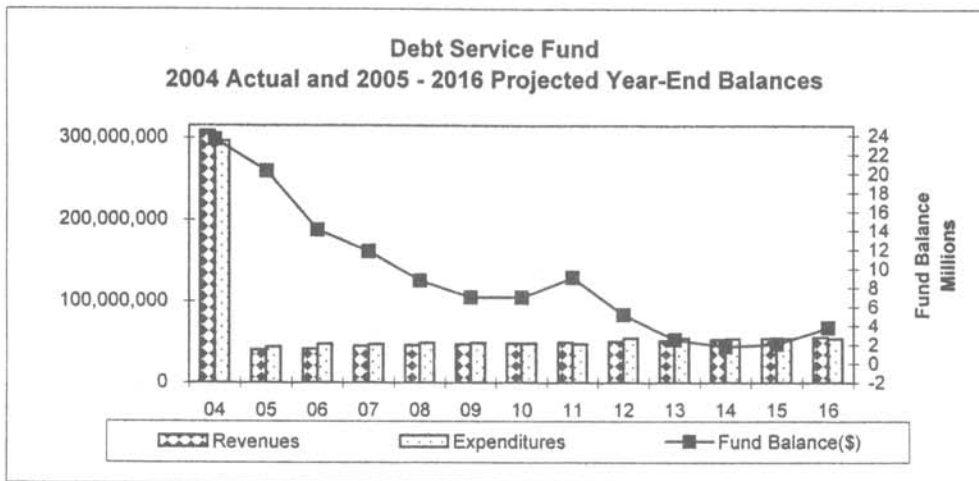
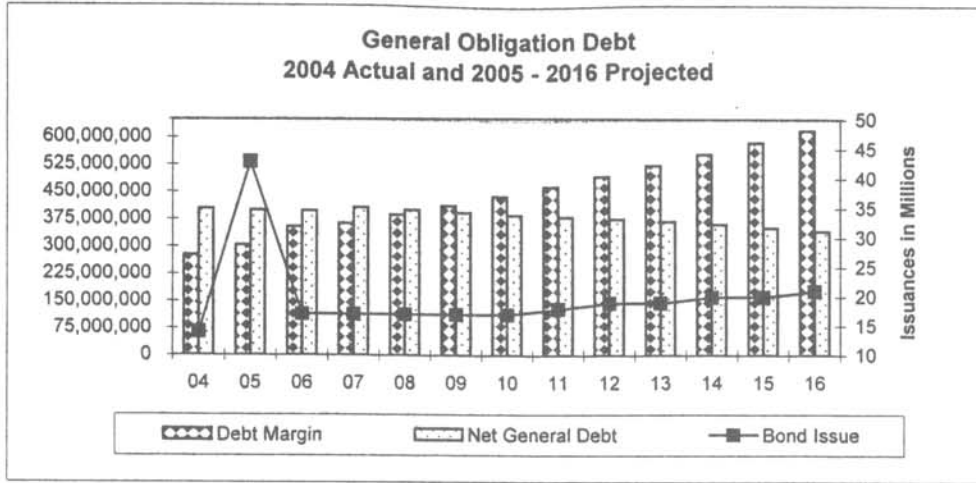
1. The City will confine long-term borrowing to capital improvements with a useful life of 15 years or greater.
2. The City will issue bonds as proposed in the Capital Improvement Program (CIP) only.
3. The City will maintain cash reserves for general obligation debt and annexation debt of 2% of the outstanding debt or \$2 million, whichever is less. All revenue bonds shall maintain reserves in accordance with the respective bond resolution.
4. The total amount of general obligation bonds outstanding at any time shall not exceed 3.5% of the total actual value of taxable property in the City.
5. Revenue bonds and interest are payable solely from the revenues of the facility or enterprise for which the bonds were issued and are not general obligation debt of the City.
6. Tax Increment debt will be paid solely from Community Development Improvement project tax receipts. The debt repayment schedule shall not exceed 15 years from the date of the initial City Council approval. The debt shall be the obligation and responsibility of the developer and not the City.
7. The City will limit the Redevelopment Debt Service Levy to a maximum of \$.026 per \$100 of valuation as required by State law. The proposed levy is approximately one-third of the limit.

Management

1. The City will forecast annually the cash balance of the Debt Service Fund for a period of 20 years.
2. The current forecast includes the following parameters.
 - a. Assumes a tax rate increase in future years.
 - b. Annual valuation growth of 2.5%.
 - c. A tax collection factor of 100% including prior years collections.
 - d. The 2006 issuance interest rate at 5.5% and 2007 through 2018 at 6% and beyond at 6.50%.

FINANCIAL POLICIES, STATEMENTS AND STATISTICS

- e. Principal amounts issued are projected to be \$17 million in 2006 through 2010, \$18 million in 2011, \$19 million in 2012 and 2013, \$20 million in 2014 and 2015 and \$21 million in 2016.



FINANCIAL POLICIES, STATEMENTS AND STATISTICS

CITY OF OMAHA – FINANCIAL STATISTICS
 PROPERTY VALUATIONS AND DEBT RATIOS
 AS OF DECEMBER 31

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Actual Valuation (1)	\$15,822,153,191	\$ 17,941,614,239	\$ 18,561,619,111	\$ 19,006,730,420	\$19,402,645,449
Net Direct General Obligation Bonded Debt (2)	408,103,671	423,338,935	434,711,741	421,869,470	439,551,010
% of Net Direct General Obligation Bonded Debt to Actual Valuation	2.58%	2.23%	2.34%	2.22%	2.27%

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

(2) Amounts shown above as Direct General Obligation Bonded Debt are net of the fund balance in the Debt Service Fund.

POPULATION, NET GENERAL BONDED DEBT, AND PER CAPITA DEBT

<u>Year</u>	<u>Population</u>	<u>Net Direct General Obligation Bonded Debt</u>	<u>Per Capita Net Direct General Obligation Bonded Debt</u>
2000(3)	390,007	408,103,671	1,046.40
2001(2)	390,153	423,338,935	1,085.06
2002(2)	390,976	434,711,741	1,111.86
2003(2)	397,714	421,869,470	1,060.74
2004(2)	404,267	439,551,010	1,087.28

(2) Source: 1999 - 2004 City of Omaha Planning Department

(3) Source: U.S. Census 2000

FINANCIAL POLICIES, STATEMENTS AND STATISTICS

AUTHORITY TO LEVY TAXES

Under the Home Rule Charter of the City of Omaha, 1956 as amended, the tax levy of the City in any year for all purposes shall not exceed the total of (i) 61.25 cents per \$100 of actual value plus (ii) whatever number of cents per \$100 is necessary to provide for principal and interest payments on the indebtedness of the City and for the satisfaction of judgments and litigation expenses in connection therewith, and plus (iii) whatever number of cents per \$100 is required to finance certain overtime and holiday pay for members of the police force. In addition, the Act pursuant to which the Omaha-Douglas Public Building Commission issues bonds empowers the City to levy a tax on all the taxable property in the City, except intangible property, of 1.75 cents per \$100 in excess of the charter limitation if and to the extent necessary to make the City's payments to the Commission.

The City's tax levy during its current fiscal year ending December 31, 2005 is 24.312 cents per \$100, plus 17.581 cents per \$100 for payment of the City indebtedness plus .600 cents per \$100 for satisfaction of judgments and .894 cents per \$100 for payment of the City's obligations in the Riverfront Development; a total levy of 43.387 cents per \$100. Set forth in the table below is a detailed summary of the property tax levied on real and personal property for City of Omaha purposes for the past five fiscal years.

PROPERTY TAX LEVIES FOR RESIDENTS OF THE CITY OF OMAHA
(LEVIED ON REAL AND TANGIBLE PERSONAL PROPERTY)
CALENDAR YEAR

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
	(Cents per \$100 Actual Value)				
General Fund	28.053¢	23.765¢	24.312¢	24.312¢	24.312¢
Debt Service Fund	18.871¢	17.050¢	17.367¢	17.581¢	17.581¢
Judgment Fund	0.907¢	0.814¢	0.814¢	0.600¢	0.600¢
Redevelopment Fund	0.904¢	0.894¢	0.894¢	0.894¢	0.894¢
Total	48.735¢	42.523¢	43.387¢	43.387¢	43.387¢

PROPERTY TAX COLLECTIONS

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

<u>Year Ended December 31</u>	<u>Current Year Taxes</u>			<u>Prior Years Taxes Collected</u>	<u>Total Collections</u>	<u>% of Total Collections to Current Year Taxes</u>
	<u>Certified</u>	<u>Amount Collected</u>	<u>% Collected</u>			
2000	77,109,264	75,432,998	97.83%	1,771,124	77,204,122	100.12%
2001	76,293,126	74,827,346	98.08%	1,529,927	76,357,273	100.08%
2002	80,533,297	78,176,656	97.10%	1,061,170	79,237,826	98.40%
2003	82,464,501	80,538,622	97.66%	1,479,440	82,018,062	99.46%
2004	85,165,599	83,107,249	97.58%	1,623,451	84,730,700	99.49%

FINANCIAL POLICIES, STATEMENTS AND STATISTICS

GENERAL FUND
BALANCE SHEETS
DECEMBER 31, 2004 AND 2003

<u>Assets</u>	<u>2004</u>	<u>2003</u>
Cash, time deposits and investments at cost which approximates market	\$ 13,345,470	(1,304,816)
Taxes and other accounts receivable	81,081,389	76,903,443
Due from other funds	32,328	9,200,000
Accrued Interest	---	216,612
Inventories	<u>628,718</u>	<u>1,047,436</u>
	<u>\$ 95,087,905</u>	<u>86,062,675</u>
 <u>Liabilities, Reserves and Fund Balance</u>		
Liabilities:		
Accounts payable	\$ 15,750,276	12,252,577
Other accrued liabilities	1,216,923	512,603
Deferred revenue	<u>47,722,729</u>	<u>46,075,337</u>
Total liabilities	<u>64,689,928</u>	<u>58,840,517</u>
Fund balance:		
Reserve for encumbrances	1,888,807	3,510,262
Reserve for inventories	628,718	1,047,436
Undesignated	23,627,005	22,174,016
2002 balance for 2004 appropriation	---	1,333
2003 balance for 2005 appropriation	489,111	489,111
2004 balance for 2006 appropriation	<u>3,764,336</u>	<u>---</u>
	<u>\$ 95,087,905</u>	<u>86,062,675</u>

FINANCIAL POLICIES, STATEMENTS AND STATISTICS

GENERAL FUND
 STATEMENTS OF REVENUE, EXPENDITURES
 AND CHANGES IN FUND BALANCE
 YEARS ENDED DECEMBER 31, 2004 AND 2003

	2004 Actual	2003 Actual
Revenue:		
Property Tax	\$ 47,701,029	46,530,705
Motor Vehicle Tax	8,814,977	8,637,101
City Sales and Use Tax	111,007,911	102,413,934
Business Taxes	27,000,112	26,842,091
In Lieu	4,051,872	4,234,507
Licenses and Permits	8,645,623	7,859,272
Intergovernmental	3,472,077	3,989,565
Investment Income	966,109	(365,002)
Charges for Services	15,323,915	17,788,254
Rents and Royalties	1,034,078	94,876
Total revenues	<u>228,017,703</u>	<u>218,025,303</u>
Expenditures:		
Current:		
General Government	27,347,206	38,506,360
Public Safety	147,016,163	135,224,162
Transportation Services	567,517	1,119,551
Other Public Services	12,668,284	13,398,172
Community Development	5,380,516	5,194,841
Culture and Parks	27,074,557	23,073,816
Other	---	1,033,743
Debt Service:		
Lease-Purchase agreements	3,445,425	3,662,255
Total expenditures	<u>223,499,668</u>	<u>221,212,900</u>
Excess (deficit) of revenues over expenditures	<u>4,518,035</u>	<u>(3,187,597)</u>
Other financing sources (uses):		
Operating transfers in	83,610	---
Operating transfers out	(600,000)	(150,000)
Net other financing sources (uses)	<u>(516,390)</u>	<u>(150,000)</u>
Excess of revenues over expenditures and other sources	4,001,645	(3,337,597)
Fund balances, beginning of year as restated	<u>25,896,330</u>	<u>29,233,927</u>
Fund balances, end of year	<u>\$ 29,897,975</u>	<u>25,896,330</u>

FINANCIAL POLICIES, STATEMENTS AND STATISTICS

GENERAL FUND
STATEMENTS OF REVENUE AND INITIAL CREDIT, AND
EXPENDITURES – BUDGET BASIS – ESTIMATED AND ACTUAL
YEARS ENDED DECEMBER 31, 2004 AND 2003

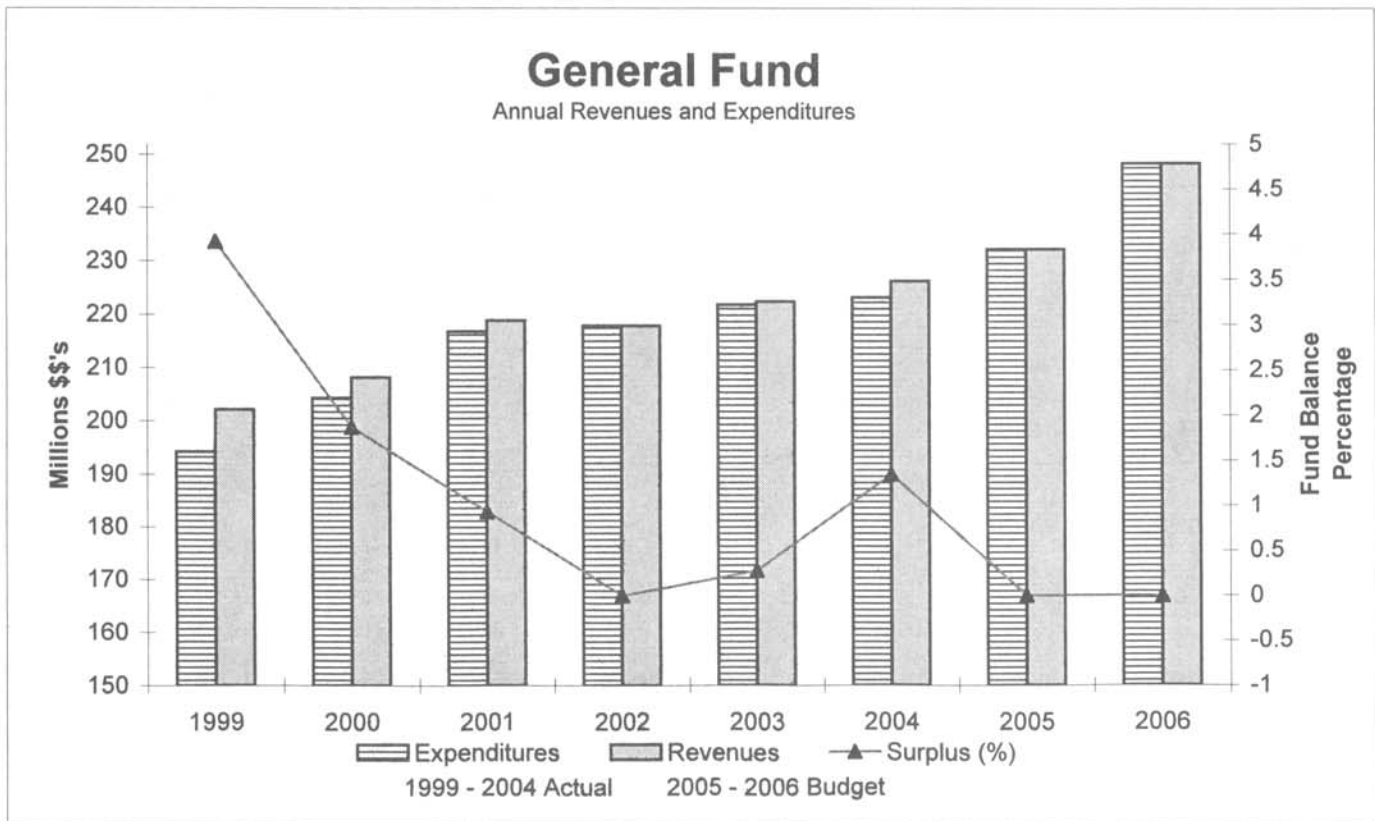
	2004		Actual Over (Under) Estimate	2003
	Budgeted	Actual		Actual
Revenue:				
Property tax	\$ 46,535,600	47,304,855	769,255	45,861,914
Motor vehicle taxes	8,834,900	8,814,977	(19,923)	8,637,101
City sales and use tax	105,875,000	109,662,232	3,787,232	102,413,923
Business taxes	27,986,800	26,910,866	(1,075,934)	26,842,091
Licenses and permits	7,050,369	8,645,623	1,595,254	7,859,272
Intergovernmental revenues	7,283,600	7,521,860	238,260	8,224,072
Charges for services	16,291,106	15,323,915	(967,191)	16,507,207
Interest income	1,500,000	846,374	(653,626)	2,040,245
Rent and royalties	119,000	113,534	(5,466)	94,816
Reserve for Variance in Revenue				
Estimates	1,500,000	---	(1,500,000)	---
Miscellaneous	726,700	1,099,789	283,089	1,281,047
Total revenue	<u>223,703,075</u>	<u>226,154,025</u>	<u>2,450,950</u>	<u>219,761,699</u>
Expenditures:				
General Government	19,012,110	19,536,471	524,361	17,769,933
Parks, Recreation and Public Property	15,930,891	15,846,921	(83,970)	15,485,023
Public Safety	133,290,599	133,803,769	513,170	133,013,170
Public Works	12,539,825	12,264,237	(275,588)	13,216,251
Planning	4,980,769	5,255,516	274,747	5,093,024
Employee Benefits	16,943,241	15,994,880	(948,361)	13,759,092
Agency and Other	19,932,639	18,877,442	(1,055,197)	20,018,094
Administrative Services	1,074,334	1,518,104	443,769	2,912,082
Total expenditures	<u>223,704,408</u>	<u>223,097,340</u>	<u>(607,069)</u>	<u>221,266,669</u>
Other financing sources (uses);				
Operating Transfers Out	---	(500,000)	(500,000)	---
Excess (deficiency) of revenue over expenditures and other financing sources (uses)	<u>(1,333)</u>	<u>2,556,685</u>	<u>2,558,018</u>	<u>(1,504,970)</u>
Fund balances, beginning of year				
Reserve for encumbrances	---	3,095,121	3,095,121	2,865,661
Fund balance designated for 2003	---	---	---	2,223,541
Fund balance designated for 2004	1,333	1,333	---	1,333
Fund balance designated for 2005	---	489,111	489,111	---
Fund balance, end of year	<u>1,333</u>	<u>3,585,565</u>	<u>3,584,232</u>	<u>5,090,535</u>
Fund balances, end of year				
Reserve for encumbrances	---	1,888,807	1,888,807	3,095,121
Fund balance designated for 2004	---	---	---	1,333
Fund balance designated for 2005	---	489,111	489,111	489,111
Fund balance designated for 2006	---	3,764,334	3,764,334	---
Fund balance, end of year	<u>\$ ---</u>	<u>6,142,252</u>	<u>6,142,252</u>	<u>3,585,565</u>

FINANCIAL POLICIES, STATEMENTS AND STATISTICS

GENERAL FUND TRANSACTIONS
FOR THE YEARS ENDED DECEMBER 31

Year	Initial Credit	Current Revenue	Total Available	Total Expended	Net Encumbrance Adjustment	Balance Carried Forward
2000	\$ 2,213,827	205,697,132	207,910,959	204,446,402	266,294	3,730,851
2001	7,917,332	210,967,143	218,884,475	216,614,381	(46,553)	2,223,541
2002	3,730,851	213,054,098	216,784,949	217,467,319	683,703	1,333
2003	2,223,541	219,661,030	221,884,573	221,845,462	450,000	489,111
2004	1,333	226,154,027	226,155,360	224,195,929	1,804,905	3,764,336

The General Fund balance as of the close of any particular fiscal year shall be applied as General Fund revenue in the budget for the fiscal year two years subsequent to that fiscal year.



FINANCIAL POLICIES, STATEMENTS AND STATISTICS

DEBT SERVICE FUND
BALANCE SHEETS
DECEMBER 31, 2004 AND 2003

<u>Assets</u>	<u>2004</u>	<u>2003</u>
Cash and investments	\$ 21,664,628	12,041,176
Accrued Interest (net)	369	---
Due from special assessments fund (net)	2,832,370	1,499,979
Due from other government units	---	50,962
Taxes receivable	<u>36,474,395</u>	<u>34,065,990</u>
	<u>\$ 60,971,762</u>	<u>47,658,107</u>
<u>Liabilities, Reserves and Fund Balance</u>		
Liabilities:		
Accounts payable	\$ 73,676	5,034
Other accrued liabilities	---	1,269,739
Other Accrued Liabilities		
Deferred revenue	<u>37,342,624</u>	<u>35,326,332</u>
Total liabilities	37,416,300	36,601,105
Fund balance	<u>23,555,462</u>	<u>11,057,002</u>
	<u>\$ 60,971,762</u>	<u>47,658,107</u>

FINANCIAL POLICIES, STATEMENTS AND STATISTICS

DEBT SERVICE FUND
STATEMENTS OF REVENUE AND CONTRIBUTIONS
EXPENDITURES AND CHANGES IN FUND BALANCE
FIVE YEARS ENDED DECEMBER 31, 2004

	Year Ended December 31				
	2004	2003	2002	2001	2000
Revenue:					
Property taxes	\$ 34,569,156	33,325,596	31,619,777	30,612,229	29,900,936
Other income	9,417,129	1,946,356	73,686	73,812	71,754
Interest income	596,500	1,194,441	6,150,480	9,931,029	1,073,999
Total revenue	44,582,785	36,466,393	37,843,943	40,617,070	31,046,689
Contributions from annexed areas-net	7,134,221	11,340	2,274,320	800,597	995,394
Total revenue and contributions	51,717,006	36,477,733	40,118,263	41,417,667	32,042,083
Expenditures:					
Outside services:					
Professional fees & Liabilities	44,471,664	508,499	1,930,519	1,064,823	828,603
Collection fees	349,257	339,323	337,435	321,807	323,922
Total outside services	44,820,921	847,822	2,267,954	1,386,630	1,152,525
General obligation bonds:					
Interest expense	16,513,784	25,113,274	23,753,114	21,376,301	12,482,937
Bonds retired	234,975,000	49,050,000	21,635,000	31,025,000	40,995,000
Total general obligation bonds	251,488,784	74,163,274	45,388,114	52,401,301	53,477,937
Total expenditures	296,309,705	75,011,096	47,656,068	53,787,931	54,630,462
Excess of revenue and contributions over (under) expenditures	(244,592,699)	(38,533,363)	(7,537,805)	(12,370,264)	(22,588,379)
Other financing sources (uses):					
Refunding bonds	257,091,159	31,210,633	---	---	11,247,880
Excess of revenue and contributions over (under) expenditures and other financing sources	12,498,460	(7,322,730)	(7,537,805)	(12,370,264)	(11,340,499)
Fund balance at beginning of year	11,057,002	18,379,732	25,917,537	38,287,801	49,628,300
Fund balance at end of year	\$ 23,555,462	11,057,002	18,379,732	25,917,537	38,287,801

FINANCIAL POLICIES, STATEMENTS AND STATISTICS

GENERAL OBLIGATION DEBT MARGIN
DECEMBER 31, 2004

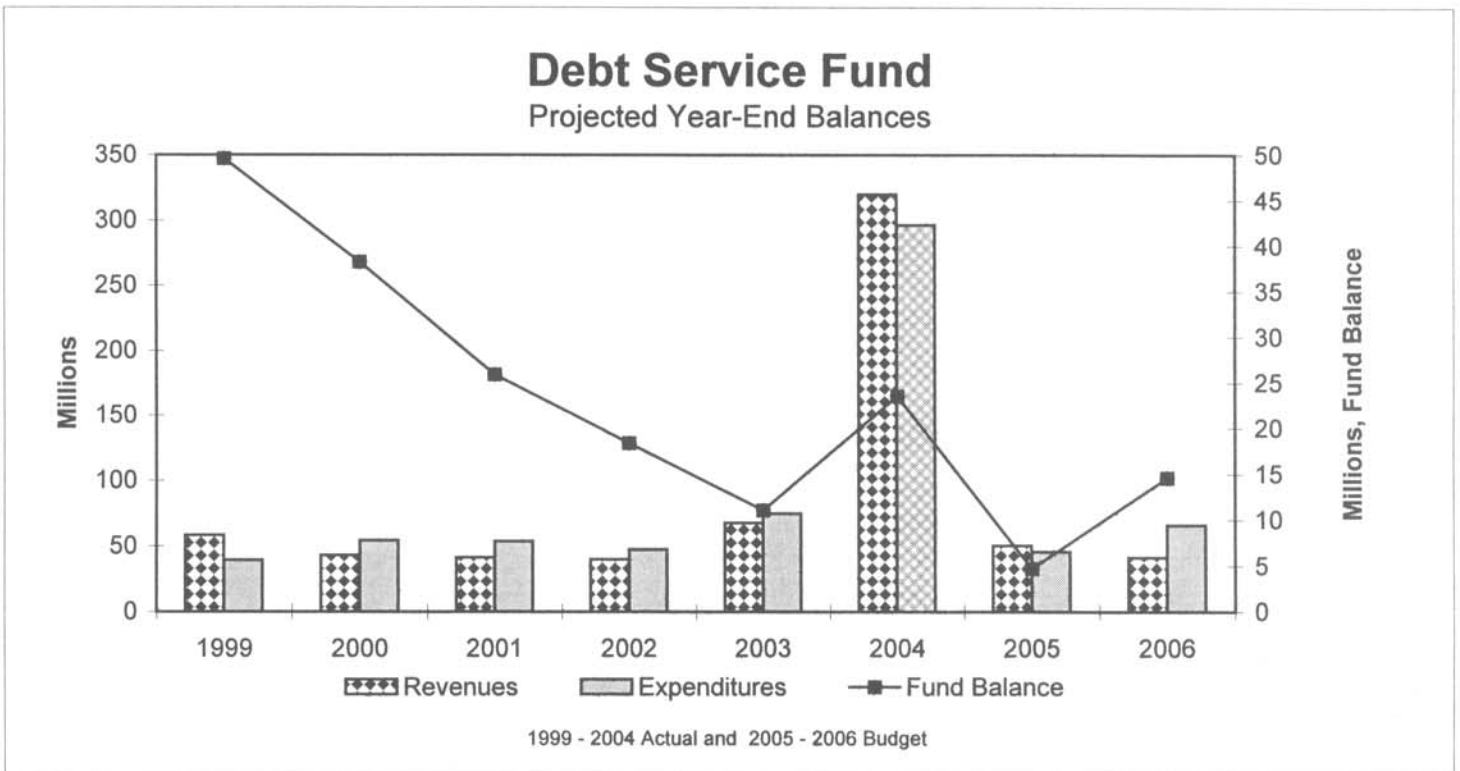
Article V. Section 5.27, City Charter of Omaha, as amended, provides:

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

Computation of the general obligation debt as defined in the City Charter, based upon 2004 valuations, is as follows:

Maximum debt limit (3.5% of total actual valuation)		\$ 679,092,591
General obligation bonds outstanding	\$ 463,106,472	
Less Balance in General Obligation Debt Service Fund, December 31, 2004	<u>23,555,462</u>	<u>439,551,010</u>
General obligation debt margin ⁽¹⁾		<u>\$ 239,541,581</u>

⁽¹⁾Revenue bond indebtedness, general obligation notes and lease-purchase agreements are not chargeable against the general obligation debt margin. The City of Omaha has no general obligation notes outstanding. Revenue bond indebtedness is set forth on page 13 and lease-purchase agreements are set forth in the “Other Budgetary Accounts” of Section F.



FINANCIAL POLICIES, STATEMENTS AND STATISTICS

STATEMENT OF BONDED INDEBTEDNESS BY MATURITIES
DECEMBER 31, 2004 AND 2003

	Year	2004			2003
		Principal Maturing By Years	Interest Requirements By Years	Total	Principal Maturing By Years
General Obligation bonds:	2004	\$ ---	---	---	21,180,000
	2005	21,150,000	22,242,868	43,392,868	21,210,000
	2006	21,720,000	21,184,297	42,904,297	22,025,000
	2007	20,645,000	20,223,380	40,868,380	21,940,000
	2008	21,559,009	19,406,357	40,965,366	22,384,009
	2009	20,743,269	18,544,693	39,287,962	21,913,269
	2010	19,014,194	17,974,592	36,988,786	21,074,194
	2011	17,630,000	16,881,038	34,511,038	20,120,000
	2012	24,150,000	15,880,959	40,030,959	18,670,000
	2013	23,595,000	14,706,658	38,301,658	18,145,000
	2014	22,400,000	13,560,510	35,960,510	16,980,000
	2015	22,140,000	12,438,885	34,578,885	16,780,000
	2016	21,460,000	11,319,514	32,779,514	16,195,000
	2017	21,495,000	10,230,145	31,725,145	16,410,000
	2018	20,045,000	9,133,564	29,178,564	14,955,000
	2019	19,935,000	8,116,323	28,051,323	14,310,000
	2020	19,790,000	7,090,874	26,880,874	14,165,000
	2021	19,230,000	6,067,173	25,297,173	13,595,000
	2022	18,820,000	5,074,971	23,894,971	12,570,000
	2023	17,380,000	4,129,736	21,509,736	12,090,000
	2024	17,415,000	3,222,752	20,637,752	11,650,000
	2025	16,680,000	2,333,625	19,013,625	8,865,000
	2026	17,580,000	1,434,300	19,014,300	9,480,000
	2027	18,530,000	486,412	19,016,412	10,260,000
	2028	---	---	---	11,075,000
	2029	---	---	---	11,970,000
	2030	---	---	---	12,915,000
Total general obligation bonds ⁽¹⁾		463,106,472	<u>261,683,626</u>	<u>724,790,098</u>	432,926,472
Revenue Bonds: ⁽²⁾					
Dodge Park Marina revenue bonds		585,000			715,000
Special Tax Revenue Bonds ⁽³⁾		40,680,000			20,465,000
Special Obligation Bonds ⁽⁴⁾		81,890,000			82,930,000
Convention Center and Arena Hotel Bonds		108,973,211			108,973,211
Total bonded indebtedness		<u>\$695,234,683</u>			<u>646,009,683</u>

(1) As of December 31, 2004 general obligation bonds authorized-unissued totaled \$42,800,000.

(2) Revenue bonds, together with the interest thereon, are payable solely from the revenues of the facility or municipal enterprise for which the bonds were issued and are neither general obligations nor general debt of the City.

(3) These bonds are supported from a Special Redevelopment Property Tax Levy.

(4) These bonds are supported by a variety of revenue sources including Property Tax Revenue, Tax Allocation Revenue, State Cigarette Tax, NRD Miller Park Construction, Douglas County Miller Park Contribution, Sewer Use Fees and Land Sales.

FINANCIAL POLICIES, STATEMENTS AND STATISTICS

STREET AND HIGHWAY ALLOCATION FUND
BALANCE SHEETS
DECEMBER 31, 2004 AND 2003

<u>Assets</u>	<u>2004</u>	<u>2003</u>
Cash and equity in pooled investment account	\$ 3,600,301	974,122
Accounts receivable	<u>2,662,620</u>	<u>2,948,736</u>
	<u>\$ 6,262,921</u>	<u>3,922,858</u>
<u>Liabilities, Reserves and Fund Balance</u>		
Liabilities:		
Warrants payable	\$ 118	353,210
Construction deposit/advance	353,466	353,466
Accounts payable	<u>1,657,110</u>	<u>677,662</u>
Total liabilities	2,010,694	1,384,338
Reserve for encumbrances	1,182,142	1,070,949
Undesignated fund balance	<u>3,070,085</u>	<u>1,467,571</u>
	<u>\$ 6,262,921</u>	<u>3,922,858</u>

FINANCIAL POLICIES, STATEMENTS AND STATISTICS

STREET AND HIGHWAY ALLOCATION FUND
 STATEMENTS OF REVENUE APPROPRIATIONS, EXPENDITURES AND
 CHANGE IN FUND BALANCE – ESTIMATED AND ACTUAL
 YEARS ENDED DECEMBER 31, 2004 AND 2003

	2004		Actual Over (Under) Estimate	2003
	Estimated	Actual		Actual
Revenue:				
State shared vehicle use tax	\$ 24,600,000	25,889,143	1,289,143	25,203,929
Incentive Payment	4,250	---	(4,250)	---
Maintenance of Connecting Links	300,000	257,912	(42,088)	501,849
Miscellaneous Revenue	50,000	16,882	(33,118)	77,582
Total Revenue	<u>24,954,250</u>	<u>26,163,937</u>	<u>1,209,687</u>	<u>25,783,360</u>
Expenditures:				
Executive & Legislative	2,006	2,006	---	---
Finance	49,647	49,647	---	---
Administrative Services	160,728	160,728	---	146,353
Park, Recreation & Public Property	307,163	307,163	---	307,163
Public Works:				
Operations	22,202,909	21,703,349	(499,560)	24,556,952
Capital	---	726,891	726,891	836,452
Employee Benefits	1,517,912	1,248,784	(269,128)	1,079,766
Data Processing	---	---	---	335,356
Total expenditures	<u>24,240,365</u>	<u>24,198,568</u>	<u>(41,797)</u>	<u>27,262,042</u>
Excess (deficit) of revenues over expenditures	<u>713,885</u>	<u>1,965,369</u>	<u>1,251,484</u>	<u>(1,478,682)</u>
Fund balance at beginning of year				
Designated for Reserve for encumbrances	---	920,949	920,949	862,428
Fund Balance	<u>(599,583)</u>	<u>1,365,909</u>	<u>1,965,492</u>	<u>2,903,112</u>
	<u>(599,583)</u>	<u>2,286,858</u>	<u>2,886,441</u>	<u>3,765,540</u>
Fund balance at end of year:				
Designated for Reserve for encumbrances	---	1,182,142	1,182,142	920,949
Fund Balance - Unreserved	<u>114,302</u>	<u>3,070,085</u>	<u>2,955,783</u>	<u>1,365,909</u>
Total	<u>\$ 114,302</u>	<u>4,252,227</u>	<u>4,137,925</u>	<u>2,286,858</u>