



**CITY OF OMAHA, NEBRASKA**  
Comprehensive Annual Financial Report  
Fiscal Year Ended December 31, 2010

Prepared by: Finance Department





**City of Omaha**  
**Jim Suttle, Mayor**

**Office of the Mayor**  
1819 Farnam Street, Suite 300  
Omaha, Nebraska 68183-0300  
(402) 444-5000  
(402) 444-6059

Dear Citizens and Public Officials:

I am pleased to submit the City of Omaha's Comprehensive Annual Financial Report for the fiscal year ending December 31, 2010.

This report is an essential part of our effort to provide accurate financial reporting that ensures fiscal and operational accountability in our use of public resources. It provides a complete picture of the City's financial status and allows us to meet our continuing disclosure responsibilities in accordance with governmental reporting standards.

Our ability to manage the City's fiscal affairs and provide a full disclosure of the City's fiscal condition is exhibited by the opinion that follows. I am proud to convey that the 2009 report submitted to the Government Finance Officers Association was recognized with the prestigious Certificate of Achievement for Excellence in Financial Reporting. This recognition is a credit to the City and a compliment to the dedication of our Finance Department.

I would like to thank the Finance Department employees for their commitment in dealing with these complex accounting issues and to all city departments for their cooperation in the preparation of this document.

Sincerely,

Jim Suttle  
Mayor  
City of Omaha

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**CITY OF OMAHA, NEBRASKA**  
Comprehensive Annual Financial Report  
December 31, 2010



**Mayor**

*Jim Suttle*

**City Council**

*Pete Festersen*

*District #1*

*Ben Gray*

*District #2*

*Chris Jerram*

*District #3*

*Garry Gernandt*

*District #4*

*Jean Stothert*

*District #5*

*Franklin Thompson*

*District #6*

*Thomas Mulligan*

*District #7*

**City Officials**

*Buster Brown*

*City Clerk*

*Pam Spaccarotella*

*Finance Director*

*Michael McDonnell*

*Fire Chief*

*Richard O' Gara*

*Human Resources Director*

*Tom Marfisi*

*Human Rights and Relation Director*

*Paul Kratz*

*City Attorney*

*Gary Wasdin*

*Library Director*

*Melinda Pearson*

*Parks, Recreation & Public Property*

*Rick Cunningham*

*Planning Director*

*Alex Hayes*

*Police Chief*

*Robert Stubbe*

*Public Works Director*

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## **INTRODUCTORY SECTION**

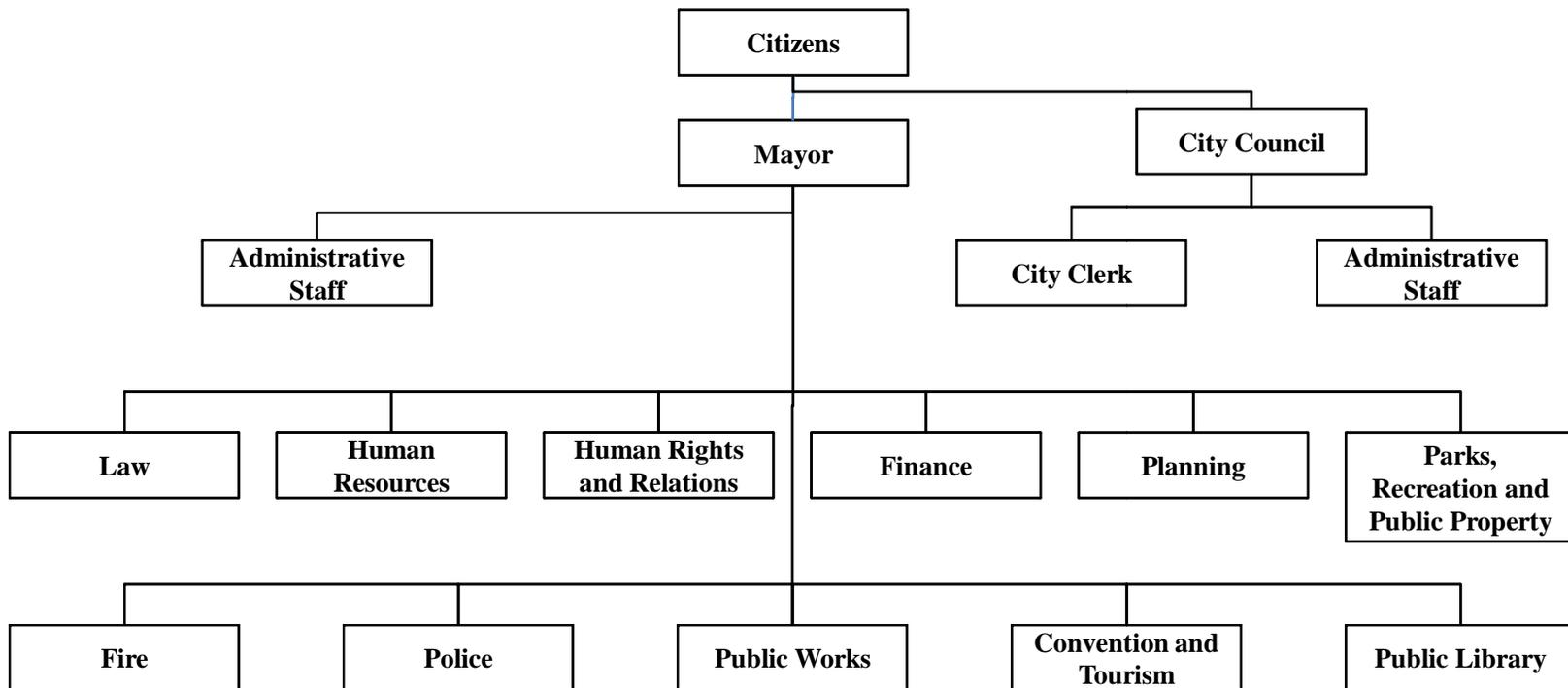
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# CITY OF OMAHA, NEBRASKA

## Organizational Chart



### Executive and Legislative



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City of Omaha  
Jim Suttle, Mayor

## Finance Department

Omaha/Douglas Civic Center  
1819 Farnam Street, Suite 1004  
Omaha, Nebraska 68183-1004  
(402) 444-5416  
Telefax (402) 546-1150

**Pam Spaccarotella**  
Director

**Allen R. Herink**  
City Comptroller

June 30, 2011

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

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the City of Omaha for the fiscal year ended December 31, 2010.

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

The City of Omaha's financial statements have been audited by KPMG, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Omaha for the fiscal year ended December 31, 2010, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City of Omaha's financial statements for the fiscal year ended December 31, 2010, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

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

### **Profile of the Government**

The City of Omaha, incorporated in 1857, is located in the eastern part of the state of Nebraska, and is the 40th largest city in the nation. The City of Omaha currently occupies a land area of 4,300 square miles and serves a population of 409,850. The Omaha metro area has seen steady upward growth over the past five decades and growth of 12.8% between 2000 and 2010. The City of Omaha is empowered to levy a property tax on both real and personal properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing council.

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

The City of Omaha provides a full range of services, including police and fire protection; the construction and maintenance of highways, streets, and other infrastructure; and recreational activities and cultural events. The City of Omaha is financially accountable for the Metropolitan Entertainment and Convention Authority (MECA). MECA is a separate nonprofit corporation that is responsible for the operation of the Omaha Convention Center /Arena, the Civic Auditorium and TD Ameritrade Stadium. Additional information regarding MECA can be found in Note I (a) in the notes to financial statements.

The annual budget serves as the foundation for the City of Omaha's financial planning and control. All agencies of the City of Omaha are required to submit requests for appropriation to the Finance Director during April of each year. The Finance Director uses these requests as the starting point for developing a proposed budget. The Finance Director then provides the Mayor with a proposed budget, who then reviews all estimates, expenditures and capital improvements, making revisions where necessary. Not later than 30 days before the tax levy certification date, the Mayor then submits the proposed budget to the City Council for consideration, at which time the budget becomes a public record and open to inspection. The City Council is required to hold public hearings on the proposed budget and to adopt a final budget no later than the day prior to the tax levy certification date. The appropriated budget is prepared by fund and department (e.g. police). The Mayor may at any time transfer an unencumbered appropriation balance or portion thereof between appropriations of the same division. Transfers of appropriations between divisions within the same department, however, require the special approval of the city council. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented on page 95 as part of the required supplemental information. For governmental funds, other than general fund, with appropriated annual budgets, this comparison is presented in the governmental fund subsection of this report, which starts on page 102. Also included in the governmental fund subsection are project-length budget-to-actual comparisons for each governmental fund for which a project-length budget has been adopted (i.e., the CDBG revitalization project special revenue fund and the capital projects funds).

### **Factors Affecting Financial Condition**

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

**Local Economy.** The City of Omaha currently enjoys a favorable economic environment and local indicators point to continued stability. Unemployment in the City of Omaha in 2010 was 4.7%, well below the national average. The City has a high concentration of its employment in trade, transportation and utilities, professional and business services, and education and healthcare services. The City has a relatively small amount of total employment in manufacturing and government. Over the past decade Omaha has experienced solid growth, despite two recessions at the national level. The City is the corporate headquarters for such Fortune 500 companies as Berkshire Hathaway, Union Pacific, ConAgra Foods, Peter Kiewit, and Mutual of Omaha,

The region (which includes the City of Omaha and the surrounding unincorporated area within the same county) has population of approximately 865,350, which is anticipated to grow at a similar percentage rate as the City of Omaha each year for the next several years. The government's central business district is expected to maintain its current occupancy rate with a variety of stores, specialty shops, and commercial businesses. Meanwhile, there continues to be a discernible trend toward steady residential growth.

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

#### ***Omaha Hilton Expansion***

In 2010, the City announced plans to expand its existing hotel, currently at 450 rooms, and adding an additional 150 rooms. Revenue bonds in the amount of \$37 million were issued in 2010 to fund this expansion. The expansion will include 150 new rooms, a 100 space parking structure, a junior ballroom and renovation of existing rooms. Construction is on schedule and will be completed in late 2011.

#### ***Ballpark***

Construction was completed in 2011 on a new 25,000 seat City of Omaha Baseball Stadium adjacent to the Omaha Convention Center / Arena. Construction began in 2009. The City of Omaha and the National Collegiate Athletic Association (NCAA) have entered into a 26 year agreement whereby the NCAA commits to continue to hold the NCAA Division I Men's College World Series in Omaha. The entire cost of the Project was \$130 million. Completion lease purchase bonds were issued in May of 2010.

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

Like hundred of communities across the nation, The City Omaha is addressing its CSO problem by implementing a CSO Long Term Control Plan. CSOs occur when untreated wastewater and stormwater commingle in a single pipe and spill untreated into Omaha's rivers and creeks. The total cost of the program, which the City anticipates will extend over approximately 15 years, is estimated \$1.66 billion in 2009 dollars. Annual borrowing needs for the foreseeable future will be in the \$75 million to \$150 million range. The City has increased and is increasing its rates and charges for the system on an annual basis for each of the fiscal years 2010 and 2014, inclusive, primarily for the purpose of paying for the cost of the program.

**Cash Management Policies and Practices.** Cash temporarily idle during the year was invested in certificates of deposit, obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements, and money market funds. The maturities of the investments range from 30 days to 5 years, with an average maturity of 32.46 months. The average yield on the government agencies was .9% and .59% for money markets and certificates of deposit. The rate of return for the City of Omaha Employees

Retirement System was 17.5%. The City of Omaha Police and Fire Retirement System had a rate of return of 16.6%. The higher rate of return for the pension trust is attributable to the long-term character of most of its investment holdings. Investments include appreciation in the fair value of investments. Increases in fair value during the current year, however, do not necessarily represent trends that will continue; nor is it always possible to realize such amounts, especially in the case of temporary changes in the fair value of investments that the government intends to hold to maturity.

**Pension and Other Postemployment Benefits.** The City of Omaha sponsors two single employer defined benefits pension plans: The City of Omaha Employees' Retirement System (the Civilian Plan) and the City of Omaha Police and Firefighters Retirement System (the Uniform Plan).

#### ***The Civilian Plan***

All City employees except the following are covered by the plan: firefighters; police; seasonal, temporary and part-time employees; and elected officials who do not make written application to the plan. Complete actuarial valuations are performed every year, the last being January 1, 2011. As of December 31, 2010 funding for the plan was 56% of the present value of the projected benefits earned by employees. As a result of labor negotiations with the various civilian bargaining groups and the City, contribution rates for both the employees and the City are scheduled to increase annually from a combined total of 17.85% in 2010 to 21.85% in 2012. The City and bargaining groups are having on going discussions to find solutions that properly fund the plan.

#### ***The Sworn Plan***

The Uniformed Plan covers all eligible probationary and regular sworn personnel of the Police and Fire Departments of the City. Complete actuarial valuations are performed every year, the last being January 1, 2011. As of December 31, 2010 funding for the plan was 41.4% of the present value of the projected benefits earned by employees. The City entered into a five year contract with the Omaha Police Union that increased the combined contribution rate from 34.72% in 2010 to 50.02% in 2013, and reduced benefits for the members. The City has reached a tentative agreement with the Firefighters Union, and that contract is currently pending approval by the Omaha Association of Firefighters Union Members and the Omaha City Council. The contract if adopted, will similarly increase the combined contribution rate from 36.42% in 2010 to 59.92% in 2013, and also reduce pension benefits for the members.

#### ***Other Post Retirement Benefits (OPEB)***

The City of Omaha also provides postretirement health benefits for retirees and their dependents. As of the end of the current fiscal year, there were 1,111 retired employees receiving these benefits, which are financed on a pay-as-you-go basis. The City self-insures this benefit. As of the end of the current fiscal year the Net OPEB Obligation was \$86.2 million. In 2010, the City entered into an agreement with various unions to consolidate 34 retiree health care plans into three.

Additional information on the City of Omaha's pension arrangements and postemployment benefits can be found in Notes 9 and 12 in the notes to the financial statements.

#### **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Omaha for its comprehensive annual financial report for the fiscal year ended December 31, 2009. In order to be

The Honorable Mayor, Members of the City Council  
June 30, 2011  
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awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

In addition, the City also received the GFOA's Distinguished Budget Presentation Award for its annual budget document dated December 31, 2010. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document must be judged as proficient in several categories, including as a policy document, a financial plan, an operations guide, and a communications device.

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

Respectfully submitted,

  
Pam Spaccarotella  
Finance Director

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# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Omaha  
Nebraska

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2009

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

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## **FINANCIAL SECTION**

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**KPMG LLP**  
Suite 1501  
222 South 15th Street  
Omaha, NE 68102-1610

Suite 1600  
233 South 13th Street  
Lincoln, NE 68508-2041

## **Independent Auditors' Report**

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Omaha, Nebraska (the City) as of and for the year ended December 31, 2010, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Metropolitan Entertainment and Convention Authority (MECA), which represent 100% of the total assets and revenues of the discretely presented component unit. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for MECA, is based solely on the report of the other auditor.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of MECA were not audited in accordance with *Government Auditing Standards*. An audit includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of other auditor, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Omaha, Nebraska as of December 31, 2010, and the respective changes in financial position and where applicable, cash flows thereof for the year then ended, in conformity with U.S. generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated June 30, 2011 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over

financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 10 – 22, the budgetary comparison schedules on pages 95, 98 – 99, notes to budgetary comparison schedule on pages 96 – 97, and schedules of funding progress and employer contributions on pages 100 – 101 are not a required part of the basic financial statements, but are supplementary information required by U.S. generally accepted accounting principles. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, supplementary information, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information has been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, in our opinion, based on our audit and the reports of the other auditors, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, accordingly, we express no opinion on them.

KPMG LLP

Omaha, Nebraska  
June 30, 2011

**CITY OF OMAHA, NEBRASKA**  
Management's Discussion and Analysis  
Year ended December 31, 2010  
(Unaudited)



The discussion and analysis of the City of Omaha's (the City) financial performance provides an overall review of the City's financial activities for the fiscal year ended December 31, 2010. The intent of this discussion and analysis is to look at the City's financial performance as a whole. Readers should also review the basic financial statements to enhance their understanding of the City's financial performance.

**Financial Highlights for Fiscal Year 2010**

- The assets of the City, on a governmentwide basis excluding component units, exceeded its liabilities at the close of fiscal year 2010 by \$511.1 million (net assets). Of this amount \$49.9 million is an unrestricted deficit, while \$523.4 million is invested in capital assets, net of related debt and \$37.6 million is restricted for specific purposes.
- The City's total net assets decreased by \$44.0 million from the prior year. Of this amount, \$46.2 million was a decrease in governmental activities and \$2.2 million was an increase in business-type activities. The decrease in net assets related to governmental activities is primarily attributable to current year increases for net pension obligations by \$37.2 million, postretirement benefits obligations by \$27.4 million, and a grant award of \$17.9 million to Zoological Society. These decreases were somewhat offset by private contributions for the Downtown Stadium construction in the amount of \$24.5 million. The increase in business-type activities is primarily attributable to the increase by the Sewer Revenue Fund in the amount of \$2.6 million. This was offset by decrease of net assets by the Convention Center Hotel Fund in the amount of \$0.6 million.
- As of December 31, 2010, the City's governmental funds reported combined ending fund balances of \$93.2 million, a decrease of \$20.0 million in comparison with the prior year. Issued but unspent bond proceeds primarily account for this increase. The primary reason for this decrease was the construction activity in the Downtown Stadium Fund. Fund balance for this fund decreased by \$19.5 million. General Fund and the Debt Service fund balances increased \$1.5 million and \$3.2 million, respectively. The fund balances of the Other Governmental Funds decreased \$5.1 million. Of the combined governmental funds ending fund balances, approximately 52%, or \$48.9 million, is unreserved.
- The general fund, on a current fiscal resources basis, reported a surplus of revenues over expenditures, lapsed encumbrances, and transfers of \$1.1 million. Revenues above budget in the amount of \$3.6 million and expenditures over budget, lapsed encumbrances, a shortfall in the initial credit and year-end transfers in the amount of \$0.6 million account for a 2011 year-end carryover reserve of \$3 million.
- At the end of the current fiscal year, the unreserved fund balance for the general fund was \$25.9 million, or 9.2% of general fund expenditures.
- As of December 31, 2010, the City's general obligation bond rating from Standard & Poor's was AAA and Moody's Investor Service rated the City's bonds Aaa.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: (1) governmentwide 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.

**CITY OF OMAHA, NEBRASKA**  
Management's Discussion and Analysis  
Year ended December 31, 2010  
(Unaudited)



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

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

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

### **Governmentwide Financial Statements**

The governmentwide financial statements are designed to provide readers with a broad overview of the City's finances, using accounting methods similar to those used by private sector companies. The statement of net assets and the statement of activities, which are the governmentwide statements, include the City's assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private sector companies. All changes in net assets are reported as soon as 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).

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

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

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

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

**Component Unit** – The City includes one separate legal entity in its report, the Metropolitan Entertainment and Convention Authority. Although legally separate, this "component unit" is important because the City is financially accountable for it and provides debt service funding for the arena and convention center (see note 1).

The governmentwide financial statements can be found on pages 23 and 24 of this report.

### **Fund Financial Statements**

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

The City has three kinds of funds:

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

The City maintains 92 governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, downtown stadium fund, and debt service fund, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation.

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

The governmental fund financial statements can be found on pages 25 through 27 of this report.

**Proprietary Funds** – Services for which the City charges customers a fee are generally reported in proprietary funds. Proprietary funds, such as the governmentwide statements, provide both short- and long-term financial information. The City maintains 13 enterprise funds, which are a type of proprietary fund. Enterprise funds are

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used to report the same functions presented as business-type activities in the governmentwide financial statements. The City uses enterprise funds to account for its sewer system, air quality control enforcement, compost operation, marina dredge operations, golf concessions, golf courses, tennis operation, river plaza facility, parking facilities, printing services, citywide sports, and hotel.

The proprietary fund financial statements can be found on pages 28 through 30 of this report.

**Fiduciary Funds** – The City is the trustee, or fiduciary, for certain donated funds. The City maintains 15 fiduciary funds. It is also responsible for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries. The City is responsible for ensuring that the assets reported in these funds are used for their intended purpose. These activities are reported in a separate statement of fiduciary net assets. The City excludes this activity from its governmentwide financial statements because the City cannot use these assets to finance its operations. The accounting used for fiduciary funds is much like that used for proprietary funds.

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

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

The notes provide additional information that is essential to a full understanding of the data provided in the governmentwide and fund financial statements. The notes to the basic financial statements can be found on pages 33 through 94 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 2010 budget information and the City's progress in funding its obligation in both pension and other postemployment benefits. Required supplementary information can be found on pages 95 through 101 of this report.

#### **City Governmentwide Financial Analysis**

As noted earlier, net assets (assets over liabilities) may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$511.1 million at the close of fiscal year 2010. All of the City's net assets reflect its investment in capital assets (e.g., land, building, equipment, and infrastructure), less accumulated depreciation, and less any related outstanding debt used to acquire those assets. The City uses these assets to provide services to its citizens, and consequently, these assets are not available for future spending. The resources needed to repay the debt related to these capital assets must be provided from other sources.

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

City of Omaha						
Summary of Net Assets						
	Governmental activities		Business-type activities		Total primary government	
	2010	2009	2010	2009	2010	2009
Current and other assets	\$ 311	307	126	69	437	376
Capital assets	1,092	1,044	525	501	1,617	1,545
Total assets	<u>\$ 1,403</u>	<u>1,351</u>	<u>651</u>	<u>570</u>	<u>2,054</u>	<u>1,921</u>
Current and other liabilities	\$ 35	35	11	10	46	45
Long-term liabilities	1,122	1,023	375	298	1,497	1,321
Total liabilities	<u>1,157</u>	<u>1,058</u>	<u>386</u>	<u>308</u>	<u>1,543</u>	<u>1,366</u>
Net assets:						
Invested in capital assets net of related debt	328	309	196	229	524	538
Restricted net assets	6	8	31	8	37	16
Unrestricted net assets	<u>(88)</u>	<u>(24)</u>	<u>38</u>	<u>25</u>	<u>(50)</u>	<u>1</u>
Total net assets	<u>246</u>	<u>293</u>	<u>265</u>	<u>262</u>	<u>511</u>	<u>555</u>
Total liabilities and net assets	<u>\$ 1,403</u>	<u>1,351</u>	<u>651</u>	<u>570</u>	<u>2,054</u>	<u>1,921</u>

**Governmental Activities**

Net assets of the City's governmental activities decreased \$46.2 million (15%) to \$246.4 million. However, a significant portion of those net assets are either restricted as to the purpose they can be used for or they are invested in capital assets (building, roads, bridges, etc.) net of related debt. Consequently, unrestricted net assets showed a \$88 million deficit at the end of this year. This deficit does not mean that the City does not have the resources available to pay its current liabilities. Rather, it is the result of having long-term commitments that are greater than current available resources. Specifically, the City did not include in past annual budgets the full amounts needed to finance future liabilities arising from worker's compensation and healthcare claims (\$30.1 million), Civilian employees, Policemen's and Firemen's net pension obligation (\$146.8 million) and postemployment benefits (\$81.7 million). The City will include these amounts in future years' budgets as they become due.

**Business-Type Activities**

The net assets of the City's business-type activities increased approximately \$2.2 million to \$264.8 million. The City generally can only use these net assets to finance the continuing operation of its enterprise operations. A key element of this increase is the \$2.6 million increase in net assets incurred by the Sewer Fund.

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The following table shows the revenue and expense of the governmental and business-type activities:

**City of Omaha's Changes in Net Assets**  
(In millions)

	<b>Governmental activities</b>		<b>Business-type activities</b>		<b>Total primary government</b>	
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 69.1	63.9	68.4	61.0	137.5	124.9
Operating grants and contributions	65.6	70.6	—	—	65.6	70.6
Capital grants and contributions	31.7	27.3	—	5.5	31.7	32.8
General revenues:						
Sales and use tax	126.9	120.7	—	—	126.9	120.7
Property tax	138.3	130.0	—	—	138.3	130.0
Other taxes	52.1	48.2	—	—	52.1	48.2
Unrestricted investment earnings	1.4	1.7	0.2	0.3	1.6	2.0
Other	(0.3)	1.3	—	—	(0.3)	1.3
<b>Total revenues</b>	<b>484.8</b>	<b>463.7</b>	<b>68.6</b>	<b>66.8</b>	<b>553.4</b>	<b>530.5</b>
<b>Expenses:</b>						
General government	116.7	100.4	—	—	116.7	100.4
Public safety	193.0	188.6	—	—	193.0	188.6
Transportation services	60.4	61.1	—	—	60.4	61.1
Other public services	21.0	17.6	—	—	21.0	17.6
Community development	32.0	27.4	—	—	32.0	27.4
Culture and parks	64.9	47.5	—	—	64.9	47.5
Interest on long-term debt	38.3	37.4	—	—	38.3	37.4
Convention Center Hotel	—	—	8.9	10.1	8.9	10.1
Sewage treatment	—	—	51.5	47.6	51.5	47.6
Other	—	—	10.7	12.1	10.7	12.1
<b>Total expenses</b>	<b>526.3</b>	<b>480.0</b>	<b>71.1</b>	<b>69.8</b>	<b>597.4</b>	<b>549.8</b>
Decrease in net assets before transfers	(41.5)	(16.3)	(2.5)	(3.0)	(44.0)	(19.3)
Transfers	(4.7)	(1.7)	4.7	1.7	—	—
Increase (decrease) in net assets	(46.2)	(18.0)	2.2	(1.3)	(44.0)	(19.3)
Net assets at beginning of year	292.5	310.5	262.6	263.9	555.1	574.4
Net assets at end of year	\$ 246.3	292.5	264.8	262.6	511.1	555.1

**Governmental Activities**

The City's total revenues from governmental activities were \$484.8 million for the fiscal year ended December 31, 2010. The largest source of revenue (\$138.3 million in 2010) for the City is property tax. Property tax increased \$8.3 million (6.4%) during 2010. The City has increased the real estate tax rate (4.2 cents per \$100

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of assessed value to 47.587 cents or 9.7%). Property tax valuations for 2010 decreased by 0.7% when compared with 2009 valuations.

The City's expenses for governmental activities cover a wide range of services, with 37%, or \$193.0 million, for fiscal year 2010 related to public safety and 11%, or \$60.4 million, for fiscal year 2010 for transportation services. Overall, the expenses for governmental activities increased by 9.6% or \$46.3 million in 2010, which can be largely, attributed to a \$16.3 million increase in general government expenses and a \$17.4 increase in culture and parks expenses.

**Business-Type Activities**

Net assets of the City's business-type activities increase by \$2.2 million. The change of net assets by the major enterprise funds and the other nonmajor enterprise funds is presented as follows:

<b>Fund</b>	<b>Amount</b>
	(In millions)
Convention Center Hotel	\$ (0.6)
Parking facilities	0.2
Sewer revenue	2.6
Other nonmajor enterprise funds	0.1

The Convention Center Hotel Fund began operations in April 2004. The City believes that future operations of the Hotel will eliminate this deficit. Annual appropriations from the City will subsidize any debt service shortfall. In September 2010, work began on a 150-room expansion project bringing the hotel's total inventory to 600 guestrooms. The expansion project is scheduled for completion in December 2011.

The Parking Facilities Fund was established as a tool to manage the City's eight parking structures and various surface lots throughout the City. Lease purchase debt has been issued to finance the construction of the parking structures.

In May 2009, the City Council enacted an ordinance increasing sewer use fees by 9% annually beginning in 2010 through 2014. The action provides funding for the sewer system's capital improvements.

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

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

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

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**Governmental Funds**

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balances may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year, except where prohibited by the City Charter. For the fiscal year ended December 31, 2010, the governmental funds reported combined ending fund balances of \$93.2 million, a decrease of \$19.9 million in comparison with the prior year. Construction costs for the stadium accounted for a decrease in fund balance in the Major Downtown Stadium Fund of \$19.5 million. The Street and Highway Allocation Fund and Interceptor Sewer Construction Fund also had a combined fund balance decrease of \$6.7 million. The fund balance in the General Fund and Major Debt Service Fund increased \$1.5 million and \$3.2 million, respectively.

Approximately 45% or \$42.3 million of the combined fund balance constitutes unreserved fund balance, which generally is available for spending at the City's discretion. The remainder of the fund balance is reserved to indicate that it is not available for new spending, because it has already been committed to:

- Liquidate contracts and purchase orders of the prior period (\$19.5 million)
- Pay debt service (\$21.3 million)
- Inventory stocks and supplies (\$.7 million)
- Provide income for the purpose of maintaining the City's coin collection and a variety of other restricted purposes (\$2.8 million).

The general fund's unreserved fund balance at December 31, 2010, not designated for a specific purpose, is \$25.9 million. The General Fund is the City's chief operating fund. As a measure of the general fund's liquidity, it may be useful to compare both the unreserved fund balance and the total fund balance to total fund expenditures. The unreserved fund balance represents 9% of the total fund balance to total fund expenditures, whereas the total fund balance represents 10% of that same amount. The total fund balance of the general fund increased by \$1.5 million for fiscal year 2010. For budgeting purposes only, the 2010 budget surplus of \$3 million is available for governmental use.

Another major governmental fund is the Debt Service Fund. The Debt Service Fund has a total fund balance of \$16.7 million, all of which will be used either for payment of debt service on the City's general obligation debt or for payment of debt issuance costs. The Debt Service Fund increased by \$3.2 million for fiscal year 2010.

The Downtown Stadium Fund is a major capital construction fund. The City is constructing a ballpark with approximately 25,000 seats. The cost of the project is budgeted at \$127.8 million. Lease purchase bonds will fund approximately \$94.8 million of the project and the remaining cost is funded by private donations. The ballpark was completed in April 2011. The City and NCAA entered into an agreement to hold the Men's College World Series in the new ballpark for 26 years. The fund balance at the December 31, 2010 is \$12.1 million.

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**Proprietary Funds**

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

Net assets of the Convention Center Hotel Fund, Parking Facilities Fund, Sewer Revenue Fund, and other enterprise funds amounted to \$(29.0) million \$(5.6) million, \$296.4 million, and \$3.0 million, respectively, at December 31, 2010. Additional discussion concerning the finances of these funds has already been addressed in the discussion of the City's business-type activities.

**General Fund Budgetary Highlights**

December 31, 2010

(In millions)

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>
Revenues:			
Taxes	\$ 239.3	239.3	248.4
Intergovernmental	9.3	9.3	3.4
Other	32.3	32.3	32.7
Total	<u>280.9</u>	<u>280.9</u>	<u>284.5</u>
Expenditures, lapsed encumbrances, and transfers	<u>283.3</u>	<u>283.3</u>	<u>283.4</u>
Changes in fund balance	<u>\$ (2.4)</u>	<u>(2.4)</u>	<u>1.1</u>

There are three types of budget transfers, each requiring a successive level of authority. First, the Mayor may, at any time, transfer an unencumbered appropriation balance or portion thereof between appropriations of the same division. Second, transfers between divisions in the same department may be authorized by resolution of the City Council. Third, transfers between departments/agencies may be authorized by ordinance of the City Council. In 2010, only one transfer took place. The mayor transferred \$950,000 from the Library's personnel account to the Library's capital account.

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

- Sales tax revenue was \$3.2 million above budget
- Utility Occupation Taxes were \$1.3 million below budget
- Business Taxes were \$1.6 million below budget
- Unbudgeted Restaurant Tax revenues were \$4.4 million

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- Interest earnings were \$2.2 million below budget
- Licenses and permits were \$1.2 million below budget
- Charges for services were \$2.1 million above budget
- The City Clerk, City Council, Law, Human Resources, Human Rights and Relations, Finance, Planning, Parks and Recreation, Library departments, Retiree Benefits, Outside Agencies and Contingency, and Other collectively were \$4.9 million below budget.
- The Fire Department ended the year \$0.3 million under budget. In March, 2011, an expenditure of \$3.6 million was record to the Fire Department as a result of the final order of the Commission of Industrial Relations regarding 2009 wages. As a result of this order, the Fire Department ended the year \$3.2 million over budget.
- The Police Department was \$2.5 million over budget.

**Capital Asset and Debt Administration**

***Capital Assets***

The City's investment in capital assets for its governmental and business-type activities as of December 31, 2010 is \$1.6 billion (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, streets, bridges, storm sewers, sanitary sewers, event facilities, and wastewater treatment plants. The total change in the City's investment in capital assets for the current year was a net increase of 4.6% (an increase of 4.6% for governmental activities and an increase of 4.7% for business-type activities).

**City of Omaha's Capital Assets**

(Net of accumulated depreciation)

(In millions)

	<b>Governmental activities</b>		<b>Business-type activities</b>		<b>Total</b>	
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
Land	\$ 138.1	138.1	5.2	5.2	143.3	143.3
Cultural assets	5.8	5.8	0.5	0.5	6.3	6.3
Construction in progress	102.3	59.0	106.7	76.9	209.0	135.9
Buildings	374.6	382.1	304.8	310.5	679.4	692.6
Machinery and equipment	20.7	21.3	3.9	3.7	24.6	25.0
Infrastructure	450.4	437.3	104.0	104.9	554.4	542.2
Total	<u>\$ 1,091.9</u>	<u>1,043.6</u>	<u>525.1</u>	<u>501.7</u>	<u>1,617.0</u>	<u>1,545.3</u>

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Major capital asset events during 2010 included the following:

- Construction continued on the 156th and West Center Road Project; current year expenditures were \$1.3 million.
- Construction continued on the Harrison Street – 47th to 71st streets project; current year expenditures were \$.3 million.
- Construction improvements continued at the W. Dale Clark Library; current year expenditures were \$1.8 million.
- Construction continued on the City's sewer system including the Combined Sewer Overflow Program with capital outlays of \$40.7 million.
- Purchases of fire fighting vehicles including pumpers and ladder vehicles continued; current year expenditures were \$1.1 million.
- Renovation continued at Florence Library; current year expenditures were \$.9 million.
- Construction continued on the Cunningham Lake Rehabilitation Project; current year expenditures were \$.4 million.
- Construction continued on the Zorinsky Lake Waterpark; current year expenditures were \$.7 million.
- Construction continued on the Downtown Ballpark Project; current year expenditures were \$54.9 million.
- Construction continued on the City's Public Safety Training Center; current year expenditures were \$.5 million.
- Construction in progress citywide totaled \$209.0 million.
- Annual citywide depreciation expense for governmental activities totaled \$34.0 million.

Additional information on the City's capital assets can be found in note 10 to the financial statements on pages 76 through 80 of this report.

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***Long-Term Debt***

At December 31, 2010, the City had total bonded debt outstanding of \$1,140.3 million (including notes payable). Of this amount, \$526.2 million is general obligation debt backed by the full faith and credit of the City; \$296.4 million of revenue bonds secured solely by specified revenue sources; \$80.0 million of special obligation bonds backed by a variety of revenue sources, including sales tax and property tax; \$45.5 million of special tax revenue bonds backed by a redevelopment property tax levy; \$183.1 million of lease purchase bonds backed by annual General Fund appropriations; and \$9.1 million of notes payable backed by a variety of revenue sources.

**City of Omaha's Outstanding Debt**

(In millions)

	Governmental activities		Business-type activities		Total	
	2010	2009	2010	2009	2010	2009
General obligation bonds	\$ 526.2	545.8	—	—	526.2	545.8
Revenue bonds	1.9	2.1	294.5	191.8	296.4	193.9
Special obligation bonds	61.8	63.1	18.2	18.8	80.0	81.9
Special tax revenue bonds	45.5	47.8	—	—	45.5	47.8
Lease purchase bonds	141.1	107.1	42.0	44.5	183.1	151.6
Notes payable	2.4	2.9	6.7	32.6	9.1	35.5
Total	\$ 778.9	768.8	361.4	287.7	1,140.3	1,056.5

During 2010, the City's total debt increased by \$83.8 million (7.9%). In 2010, the City issued \$36.0 million of completion lease purchase bonds to fund the remaining construction of a new baseball stadium, \$34.1 million for construction of the combined sewer separation project and \$37.0 million to fund the 150-room hotel expansion. These three issues account for the increase in outstanding debt.

At December 31, 2010, the City maintained a AAA rating from Standard & Poor's Corporation and a Aaa rating from Moody's Investors Service on general obligation bonds.

Under the City's Home Rule Charter, the total amount of general obligation indebtedness outstanding at any time shall not exceed 3.5% of the actual value of taxable real and personal property in the City. The debt margin as of December 31, 2010 is \$431.7 million.

Additional information on the City's long-term debt can be found in notes 6 and 7 to the financial statements on pages 51 through 66 of this report.

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**Economic Factors and Next Year's Budgets and Rates**

The City's property tax base for 2011 is \$26.9 billion. This is a slight decrease over 2010 of \$187.8 million or 0.7%. This includes revaluations of existing properties, annexations, and new growth within the City. The property tax rate for 2011 increased 2.335 cents or 4.9%.

- Sales tax collections for 2009 and 2010 have changed, respectively, by (0.2)% and 4.0% over each of the past two years with current net collections through June 2011 showing a decrease over the same period in 2010 of (2.4)%.
- In the fall of 2010, the City enacted a 2.5% restaurant occupation tax charge on food and beverages. In 2011, the City budgeted restaurant tax revenues at \$14.8 million. Collections for 2011 are now projected at \$18.6 million or \$3.8 million over budget.
- Overall general fund revenue collections for 2011 are projected to be \$.3 million over budget or 0.1% due primarily to Restaurant tax receipts.

All of these factors were considered in preparing the City's budget for the 2011 fiscal year.

During 2010, the unreserved fund balance in the general fund was \$25.9 million. This amount represents the 2010 budget balance carried forward in the amount of \$3.0 million. The 2010 budget balance carried forward will be budgeted to spend in 2012. In 2009, the General Fund produced no budget surplus, therefore, no budget balance was carried forwarded and budgeted to spend in 2011. The City Charter requires that the general fund budget 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.

**Requests for Information**

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

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## **BASIC FINANCIAL STATEMENTS**

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CITY OF OMAHA, NEBRASKA

Statement of Net Assets

December 31, 2010



Assets	Primary government			Component unit
	Governmental activities	Business-type activities	Total	MECA
Cash and pooled investments	\$ 36,226,663	47,144,812	83,371,475	10,044,468
Investments	16,975,473	5,452,752	22,428,225	21,197,136
Receivables (net of allowance for uncollectibles)	181,304,717	3,018,712	184,323,429	298,901
Due from other governments	45,480,712	3,673,072	49,153,784	—
Internal balances	2,127,553	(2,127,553)	—	—
Accrued interest	207,451	133,580	341,031	—
Inventories	682,867	799,342	1,482,209	—
Other assets	8,191,469	2,351,441	10,542,910	1,617,820
Deferred charges	—	2,719,798	2,719,798	—
Restricted assets:				
Cash	—	5,066,757	5,066,757	—
Investments	—	5,087,807	5,087,807	—
Deposits with trustee	15,850,046	52,241,027	68,091,073	—
Note receivable	4,157,730	—	4,157,730	—
Capital assets:				
Nondepreciable	246,204,367	112,354,920	358,559,287	—
Depreciable	845,658,697	412,775,973	1,258,434,670	15,351,755
Total assets	\$ 1,403,067,745	650,692,440	2,053,760,185	48,510,080
<b>Liabilities and Net Assets</b>				
Liabilities:				
Accounts payable and other	\$ 25,059,175	7,429,067	32,488,242	11,315,440
Accrued interest payable	7,152,769	3,835,209	10,987,978	—
Due to other governments	777,946	—	777,946	—
Unearned revenue	1,885,843	—	1,885,843	—
Long-term liabilities:				
Net pension obligation due in more than one year	146,766,334	5,746,651	152,512,985	—
Postretirement benefit obligation due in more than one year	81,657,307	4,512,487	86,169,794	—
Other liabilities	—	—	—	1,886,926
Compensated absences:				
Due within one year	2,882,107	99,375	2,981,482	—
Due in more than one year	54,760,029	1,888,102	56,648,131	—
Grants payable:				
Due within one year	2,287,000	—	2,287,000	—
Due in more than one year	18,063,750	—	18,063,750	—
Claims and judgments:				
Due within one year	5,349,000	—	5,349,000	—
Workers' compensation and healthcare claims:				
Due within one year	10,752,005	624,756	11,376,761	—
Due in more than one year	19,390,002	1,126,675	20,516,677	—
Bonds, notes, and leases payable:				
Due within one year	40,497,258	9,238,692	49,735,950	1,002,226
Due in more than one year	739,429,831	351,400,711	1,090,830,542	4,810,305
Total liabilities	1,156,710,356	385,901,725	1,542,612,081	19,014,897
Net assets:				
Invested in capital assets, net of related debt	327,786,022	195,594,307	523,380,329	9,539,224
Restricted for:				
Debt service	—	31,292,774	31,292,774	—
Other – Keno	3,146,295	—	3,146,295	—
Perpetual care:				
Expendable	428,925	—	428,925	—
Nonexpendable	2,775,389	—	2,775,389	—
Unrestricted	(87,779,242)	37,903,634	(49,875,608)	19,955,959
Total net assets	246,357,389	264,790,715	511,148,104	29,495,183
Total liabilities and net assets	\$ 1,403,067,745	650,692,440	2,053,760,185	48,510,080

See accompanying notes to basic financial statements.

CITY OF OMAHA, NEBRASKA

Statement of Activities

Year ended December 31, 2010



	Program revenues				Net revenue (expense) and changes in net assets			Component
	Expenses	Charges for services	Operating grants and contributions	Capital grants and contributions	Primary government		unit	
					Governmental activities	Business-type activities	Total	MECA
Functions/programs:								
Primary government:								
Governmental activities:								
General government	\$ 116,720,038	11,432,415	8,730,023	—	(96,557,600)	—	(96,557,600)	—
Public safety	193,001,551	18,373,482	5,537,577	—	(169,090,492)	—	(169,090,492)	—
Transportation services	60,380,233	22,167,354	28,071,800	5,885,330	(4,255,749)	—	(4,255,749)	—
Other public services	21,001,115	2,582,651	3,014,071	—	(15,404,393)	—	(15,404,393)	—
Community development	31,987,295	5,748,813	20,210,844	—	(6,027,638)	—	(6,027,638)	—
Culture and parks	64,931,722	8,772,389	60,316	25,785,887	(30,313,130)	—	(30,313,130)	—
Interest on long-term debt	38,360,978	—	—	—	(38,360,978)	—	(38,360,978)	—
Total governmental activities	<u>526,382,932</u>	<u>69,077,104</u>	<u>65,624,631</u>	<u>31,671,217</u>	<u>(360,009,980)</u>	<u>—</u>	<u>(360,009,980)</u>	<u>—</u>
Business-type activities:								
Convention Center Hotel	8,905,205	7,824,146	—	—	—	(1,081,059)	(1,081,059)	—
Parking	4,376,749	4,170,400	—	—	—	(206,349)	(206,349)	—
Sewer	51,529,157	49,944,627	—	—	—	(1,584,530)	(1,584,530)	—
Citywide Sports	149,529	193,202	—	—	—	43,673	43,673	—
Marinas	414,719	446,039	—	—	—	31,320	31,320	—
Tennis operations	362,148	263,691	—	—	—	(98,457)	(98,457)	—
Golf operations and Concessions	3,270,547	3,421,704	—	—	—	151,157	151,157	—
Air quality	809,331	802,199	—	—	—	(7,132)	(7,132)	—
Compost	942,074	835,696	—	—	—	(106,378)	(106,378)	—
Printing and graphics	404,622	474,093	—	—	—	69,471	69,471	—
River Front Plaza and Marina	15,250	48,532	—	—	—	33,282	33,282	—
Total business-type activities	<u>71,179,331</u>	<u>68,424,329</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(2,755,002)</u>	<u>(2,755,002)</u>	<u>—</u>
Total primary government	<u>\$ 597,562,263</u>	<u>137,501,433</u>	<u>65,624,631</u>	<u>31,671,217</u>	<u>(360,009,980)</u>	<u>(2,755,002)</u>	<u>(362,764,982)</u>	<u>—</u>
Component unit:								
MECA	\$ 26,355,147	28,717,594	—	—	—	—	—	2,362,447
General revenues:								
Property taxes					138,320,939	—	138,320,939	—
Motor vehicle taxes					9,309,995	—	9,309,995	—
Sales and use taxes					126,910,238	—	126,910,238	—
Business taxes					38,228,765	—	38,228,765	—
Payments in lieu of taxes					4,538,014	—	4,538,014	—
Unrestricted investment earnings					1,440,989	267,736	1,708,725	—
Loss on sale of capital assets					(252,225)	—	(252,225)	—
Transfers					(4,723,408)	4,723,408	—	—
Total general revenues and transfers					<u>313,773,307</u>	<u>4,991,144</u>	<u>318,764,451</u>	<u>—</u>
Change in net assets					<u>(46,236,673)</u>	<u>2,236,142</u>	<u>(44,000,531)</u>	<u>2,362,447</u>
Net assets – beginning of year					<u>292,594,062</u>	<u>262,554,573</u>	<u>555,148,635</u>	<u>27,132,736</u>
Net assets – end of year	\$				<u>246,357,389</u>	<u>264,790,715</u>	<u>511,148,104</u>	<u>29,495,183</u>

See accompanying notes to basic financial statements.

CITY OF OMAHA, NEBRASKA

Balance Sheet – Governmental Funds

December 31, 2010



Assets	General	Debt Service Fund	Downtown Stadium	Other governmental funds	Total governmental funds
Cash and pooled investments	\$ —	1,325,828	—	34,900,835	36,226,663
Investments	10,371,980	—	—	6,603,493	16,975,473
Receivables (net of allowance for uncollectibles)	91,684,909	54,370,995	21,500,000	13,748,813	181,304,717
Due from other governments	23,071,384	382,095	—	22,027,233	45,480,712
Due from other funds	128,007	15,055,210	—	1,896,269	17,079,486
Accrued interest	114,334	—	—	93,117	207,451
Inventories	682,867	—	—	—	682,867
Other assets	5,303	—	—	498,902	504,205
Restricted assets:					
Deposits with trustee	20,748	—	12,281,985	3,547,313	15,850,046
Total assets	<u>\$ 126,079,532</u>	<u>71,134,128</u>	<u>33,781,985</u>	<u>83,315,975</u>	<u>314,311,620</u>
<b>Liabilities and Fund Balances</b>					
Liabilities:					
Accounts payable and other	\$ 15,786,717	100,852	208,247	7,884,316	23,980,132
Due to other governments	709,284	—	—	68,662	777,946
Due to other funds	1,021,681	—	2,860	15,006,435	16,030,976
Unearned revenue	5,948	4,392	—	1,875,503	1,885,843
Deferred revenue	78,978,391	54,335,407	21,500,000	23,631,352	178,445,150
Total liabilities	<u>96,502,021</u>	<u>54,440,651</u>	<u>21,711,107</u>	<u>48,466,268</u>	<u>221,120,047</u>
Fund balances:					
Reserved for:					
Encumbrances	2,954,432	—	348,525	16,207,111	19,510,068
Inventories	682,867	—	—	—	682,867
Reserve for endowment	—	—	—	2,775,389	2,775,389
Debt service	—	16,693,477	—	4,634,559	21,328,036
Unreserved, designated for, reported in:					
Special revenue funds	—	—	—	6,552,487	6,552,487
Unreserved, undesignated reported in:					
General fund	25,940,212	—	—	—	25,940,212
Special revenue funds	—	—	—	(1,279,186)	(1,279,186)
Capital projects funds	—	—	11,722,353	5,530,422	17,252,775
Permanent funds	—	—	—	428,925	428,925
Total fund balances	<u>29,577,511</u>	<u>16,693,477</u>	<u>12,070,878</u>	<u>34,849,707</u>	<u>93,191,573</u>
Total liabilities and fund balances	<u>\$ 126,079,532</u>	<u>71,134,128</u>	<u>33,781,985</u>	<u>83,315,975</u>	
Amounts reported for governmental activities in the statement of net assets are different because:					
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds					1,091,863,064
Long-term note receivable is not due and payable in the current period and, therefore, is not reported in the funds					4,157,730
Revenues earned during the current period are not available as resources and, therefore, are recognized as deferred revenue in the funds					178,445,150
Bond costs of issuance are capitalized at the governmentwide level and amortized over the life of the related bonds					7,687,264
Long-term liabilities, including bonds and interest payable, are not due and payable in the current period and, therefore, are not reported in the funds					<u>(1,128,987,392)</u>
Net assets of governmental activities					<u>\$ 246,357,389</u>

See accompanying notes to basic financial statements.

**CITY OF OMAHA, NEBRASKA**

Statement of Revenues, Expenditures, and Changes in Fund Balances –  
Governmental Funds



Year ended December 31, 2010

	<u>General</u>	<u>Debt Service Fund</u>	<u>Downtown Stadium</u>	<u>Other governmental funds</u>	<u>Total governmental funds</u>
<b>Revenues:</b>					
Taxes:					
Property	\$ 70,912,514	52,067,868	—	7,644,898	130,625,280
Motor vehicle	9,309,995	—	—	—	9,309,995
City sales and use	126,910,238	—	—	—	126,910,238
Business	37,607,464	—	—	621,301	38,228,765
In lieu	4,474,712	56,028	—	7,274	4,538,014
Special assessments	—	—	—	346,326	346,326
Licenses and permits	7,935,989	—	—	—	7,935,989
Intergovernmental	3,421,652	2,737,173	—	32,784,649	38,943,474
Investment income	504,035	437,998	21,989	327,913	1,291,935
Revenue from Keno	535,996	—	—	6,423,049	6,959,045
Charges for services	22,003,940	2,663,559	—	25,252,596	49,920,095
Rents and royalties	1,076,158	—	—	999,504	2,075,662
Contributions and grants	469,175	391,028	3,000,000	41,104,394	44,964,597
<b>Total revenues</b>	<u>285,161,868</u>	<u>58,353,654</u>	<u>3,021,989</u>	<u>115,511,904</u>	<u>462,049,415</u>
<b>Expenditures:</b>					
Current:					
General government	35,941,173	700,804	—	8,838,181	45,480,158
Public safety	186,114,812	—	—	6,567,080	192,681,892
Transportation services	485,735	—	—	46,610,132	47,095,867
Other public services	16,128,578	—	—	3,884,152	20,012,730
Community development	6,622,732	—	—	21,367,304	27,990,036
Culture and parks	26,961,289	—	—	4,955,375	31,916,664
Debt service:					
Principal	2,525,145	29,344,194	—	4,064,911	35,934,250
Interest	7,281,912	25,072,592	11,973	5,994,501	38,360,978
Bond issuance costs	—	429,311	311,237	—	740,548
Capital outlay	665,510	—	54,879,877	23,733,392	79,278,779
<b>Total expenditures</b>	<u>282,726,886</u>	<u>55,546,901</u>	<u>55,203,087</u>	<u>126,015,028</u>	<u>519,491,902</u>
Excess (deficiency) of revenues over expenditures	<u>2,434,982</u>	<u>2,806,753</u>	<u>(52,181,098)</u>	<u>(10,503,124)</u>	<u>(57,442,487)</u>
<b>Other financing sources (uses):</b>					
Transfers in	413,373	—	—	6,029,402	6,442,775
Transfers out	(1,360,815)	—	(20,748)	(9,787,723)	(11,169,286)
Sale of capital assets	—	—	—	647,484	647,484
Proceeds from issuance of bonds	—	35,950,000	33,035,000	8,500,000	77,485,000
Proceeds from bond premium	—	2,435,125	—	—	2,435,125
Payment to refunded bond escrow agent	—	(37,988,113)	—	—	(37,988,113)
Discount on sale of bonds	—	—	(346,191)	—	(346,191)
<b>Total other financing sources</b>	<u>(947,442)</u>	<u>397,012</u>	<u>32,668,061</u>	<u>5,389,163</u>	<u>37,506,794</u>
<b>Net change in fund balances</b>	<u>1,487,540</u>	<u>3,203,765</u>	<u>(19,513,037)</u>	<u>(5,113,961)</u>	<u>(19,935,693)</u>
Fund balances – beginning of year	28,089,971	13,489,712	31,583,915	39,963,668	113,127,266
Fund balances – end of year	\$ <u>29,577,511</u>	<u>16,693,477</u>	<u>12,070,878</u>	<u>34,849,707</u>	<u>93,191,573</u>

See accompanying notes to basic financial statements.

**CITY OF OMAHA, NEBRASKA**

Reconciliation of the Change in Fund Balances of Governmental Funds  
to the Statement of Activities – Governmental Funds

Year ended December 31, 2010



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

Net change in fund balances – total governmental funds	\$ (19,935,693)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.	48,241,839
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	23,871,938
The issuance of long-term debt (e.g., bonds, leases, etc.) and long-term liabilities provides current financial resources to governmental funds, whereas the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(8,912,212)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	<u>(89,502,545)</u>
Change in net assets of governmental activities	<u><u>\$ (46,236,673)</u></u>

See accompanying notes to basic financial statements.

CITY OF OMAHA, NEBRASKA

Statement of Fund Net Assets –  
Proprietary Funds

December 31, 2010



Assets	Convention Center Hotel	Parking facilities	Sewer revenue fund	Other enterprise funds	Total proprietary funds
<b>Current assets:</b>					
Cash and cash equivalents	\$ —	249,104	45,654,884	1,240,824	47,144,812
Investments	—	—	5,452,752	—	5,452,752
Receivables (net of allowance for uncollectibles)	52,046	267,444	2,519,105	180,117	3,018,712
Due from other governments	—	—	3,648,159	24,913	3,673,072
Accrued interest receivable	102,738	—	30,842	—	133,580
Inventories	—	—	789,483	9,859	799,342
Other assets	1,916,806	—	431,761	2,874	2,351,441
Restricted assets:					
Deposits with trustee	21,138,210	—	—	—	21,138,210
<b>Total current assets</b>	<b>23,209,800</b>	<b>516,548</b>	<b>58,526,986</b>	<b>1,458,587</b>	<b>83,711,921</b>
<b>Noncurrent assets:</b>					
Restricted assets:					
Cash and cash equivalents	—	—	5,066,757	—	5,066,757
Investments	—	—	5,087,807	—	5,087,807
Deposits with trustee	31,102,817	—	—	—	31,102,817
Deferred charges	1,214,070	343,603	1,162,125	—	2,719,798
Capital assets:					
Land	—	2,473,344	2,705,920	—	5,179,264
Buildings and systems	72,123,541	61,344,255	597,246,008	9,933,926	740,647,730
Furniture and fixtures	5,616,471	—	—	—	5,616,471
Machinery and equipment	3,415,444	—	9,027,526	2,795,963	15,238,933
Cultural assets	498,366	—	—	—	498,366
Construction in progress	2,785,915	—	103,891,375	—	106,677,290
	84,439,737	63,817,599	712,870,829	12,729,889	873,858,054
Less accumulated depreciation	20,229,968	28,329,934	293,444,762	6,722,497	348,727,161
<b>Capital assets, net</b>	<b>64,209,769</b>	<b>35,487,665</b>	<b>419,426,067</b>	<b>6,007,392</b>	<b>525,130,893</b>
<b>Total noncurrent assets</b>	<b>96,526,656</b>	<b>35,831,268</b>	<b>430,742,756</b>	<b>6,007,392</b>	<b>569,108,072</b>
<b>Total assets</b>	<b>\$ 119,736,456</b>	<b>36,347,816</b>	<b>489,269,742</b>	<b>7,465,979</b>	<b>652,819,993</b>
<b>Liabilities and Net Assets</b>					
<b>Current liabilities:</b>					
Accounts payable and other current liabilities	\$ 1,384,203	160,198	5,740,188	106,978	7,391,567
Accrued interest payable	2,184,323	571,640	1,075,404	3,842	3,835,209
Current installments of long-term debt	470,000	2,560,000	6,183,692	25,000	9,238,692
Workers' compensation and healthcare claims	—	3,137	455,420	166,199	624,756
Due to other funds	100,000	135	1,131,613	933,305	2,165,053
Compensated absences	—	—	79,436	19,939	99,375
<b>Total current liabilities</b>	<b>4,138,526</b>	<b>3,295,110</b>	<b>14,665,753</b>	<b>1,255,263</b>	<b>23,354,652</b>
<b>Noncurrent liabilities:</b>					
Long-term debt, excluding current installments	144,580,281	38,647,534	167,800,884	372,012	351,400,711
Pension obligation	—	14,336	4,541,636	1,190,679	5,746,651
Postretirement benefit obligation	—	11,257	3,566,267	934,963	4,512,487
Workers' compensation and healthcare claims	—	5,658	821,298	299,719	1,126,675
Compensated absences	—	—	1,509,283	378,819	1,888,102
<b>Total noncurrent liabilities</b>	<b>144,580,281</b>	<b>38,678,785</b>	<b>178,239,368</b>	<b>3,176,192</b>	<b>364,674,626</b>
<b>Total liabilities</b>	<b>148,718,807</b>	<b>41,973,895</b>	<b>192,905,121</b>	<b>4,431,455</b>	<b>388,029,278</b>
<b>Net assets:</b>					
Invested in capital assets, net of related debt	(49,737,695)	(5,719,869)	245,441,491	5,610,380	195,594,307
Restricted for debt service	21,138,210	—	10,154,564	—	31,292,774
Unrestricted	(382,866)	93,790	40,768,566	(2,575,856)	37,903,634
<b>Total net assets</b>	<b>(28,982,351)</b>	<b>(5,626,079)</b>	<b>296,364,621</b>	<b>3,034,524</b>	<b>264,790,715</b>
<b>Total liabilities and net assets</b>	<b>\$ 119,736,456</b>	<b>36,347,816</b>	<b>489,269,742</b>	<b>7,465,979</b>	<b>652,819,993</b>

See accompanying notes to basic financial statements.

CITY OF OMAHA, NEBRASKA

Statement of Revenues, Expenses, and Changes in Fund Net Assets –  
Proprietary Funds

Year ended December 31, 2010



	Convention Center Hotel	Parking facilities	Sewer revenue fund	Other enterprise funds	Total proprietary funds
Operating revenues:					
Charges for services	\$ 7,824,146	4,170,400	49,944,627	6,485,156	68,424,329
Total operating revenues	<u>7,824,146</u>	<u>4,170,400</u>	<u>49,944,627</u>	<u>6,485,156</u>	<u>68,424,329</u>
Operating expenses:					
Personal services	100,000	(693)	14,793,840	3,251,966	18,145,113
Outside services	144,384	1,903,808	8,977,602	883,217	11,909,011
Operation and maintenance	1,324,659	33,985	8,858,511	1,544,905	11,762,060
Cost of sales and services	—	—	—	231,087	231,087
Depreciation and amortization	2,121,137	2,406,396	15,676,720	457,045	20,661,298
Total operating expenses	<u>3,690,180</u>	<u>4,343,496</u>	<u>48,306,673</u>	<u>6,368,220</u>	<u>62,708,569</u>
Operating income (loss)	<u>4,133,966</u>	<u>(173,096)</u>	<u>1,637,954</u>	<u>116,936</u>	<u>5,715,760</u>
Nonoperating revenues (expenses):					
Investment earnings	450,143	—	(161,584)	(20,823)	267,736
Interest expense	(5,215,025)	(33,253)	(3,222,484)	—	(8,470,762)
Total nonoperating revenues (expenses), net	<u>(4,764,882)</u>	<u>(33,253)</u>	<u>(3,384,068)</u>	<u>(20,823)</u>	<u>(8,203,026)</u>
Loss before contributions and transfers	<u>(630,916)</u>	<u>(206,349)</u>	<u>(1,746,114)</u>	<u>96,113</u>	<u>(2,487,266)</u>
Transfers in	—	428,788	9,395,098	—	9,823,886
Transfers out	—	—	(5,097,375)	(3,103)	(5,100,478)
Change in net assets	<u>(630,916)</u>	<u>222,439</u>	<u>2,551,609</u>	<u>93,010</u>	<u>2,236,142</u>
Net assets at beginning of year	<u>(28,351,435)</u>	<u>(5,848,518)</u>	<u>293,813,012</u>	<u>2,941,514</u>	<u>262,554,573</u>
Net assets at end of year	<u>\$ (28,982,351)</u>	<u>(5,626,079)</u>	<u>296,364,621</u>	<u>3,034,524</u>	<u>264,790,715</u>

See accompanying notes to basic financial statements.

**CITY OF OMAHA, NEBRASKA**  
Statement of Cash Flows – Proprietary Funds  
Year ended December 31, 2010



	<b>Convention Center Hotel</b>	<b>Parking facilities</b>	<b>Sewer revenue fund</b>	<b>Other enterprise funds</b>	<b>Total proprietary funds</b>
<b>Cash flows from operating activities:</b>					
Receipts from customers	\$ 7,772,100	4,181,547	52,062,651	6,426,478	70,442,776
Payments to suppliers	(1,439,136)	(1,991,807)	(17,964,713)	(2,696,324)	(24,091,980)
Payments to employees	(100,000)	(57,211)	(11,594,432)	(3,282,223)	(15,033,866)
Net cash provided by operating activities	<u>6,232,964</u>	<u>2,132,529</u>	<u>22,503,506</u>	<u>447,931</u>	<u>31,316,930</u>
<b>Cash flows from noncapital financing activities:</b>					
Transfers in/out	—	428,788	4,297,723	(3,103)	4,723,408
Advances from (to) other funds	(4,960)	105,095	(2,537,685)	903,477	(1,534,073)
Net cash provided by (used in) noncapital financing activities	<u>(4,960)</u>	<u>533,883</u>	<u>1,760,038</u>	<u>900,374</u>	<u>3,189,335</u>
<b>Cash flows from capital and related financing activities:</b>					
Capital expenditures	(3,132,133)	—	(40,692,816)	(226,983)	(44,051,932)
Prepaid expenses and deferred charges	59,590	92,648	(746,078)	(3,031)	(596,871)
Payments on long-term debt	(315,000)	(2,470,000)	(34,528,407)	(25,000)	(37,338,407)
Issuance of long-term debt	37,000,000	—	74,529,562	—	111,529,562
Premium received (discount paid) on issuance of long-term debt	(250,660)	—	102,857	—	(147,803)
Interest paid	(5,208,548)	(58,814)	(2,981,666)	(16,981)	(8,266,009)
Net cash provided by (used in) capital and related financing activities	<u>28,153,249</u>	<u>(2,436,166)</u>	<u>(4,316,548)</u>	<u>(271,995)</u>	<u>21,128,540</u>
<b>Cash flows from investing activities:</b>					
Sale of investment securities	(34,728,658)	—	(3,926,316)	—	(38,654,974)
Interest received	347,405	—	(192,426)	—	154,979
Net cash used in investing activities	<u>(34,381,253)</u>	<u>—</u>	<u>(4,118,742)</u>	<u>—</u>	<u>(38,499,995)</u>
Net increase in cash and cash equivalents	—	230,246	15,828,254	1,076,310	17,134,810
Cash and cash equivalents, beginning of year	—	18,858	29,826,630	164,514	30,010,002
Cash and cash equivalents, end of year	<u>\$ —</u>	<u>249,104</u>	<u>45,654,884</u>	<u>1,240,824</u>	<u>47,144,812</u>
<b>Reconciliation of operating loss to net cash provided by operating activities:</b>					
Operating income (loss)	\$ 4,133,966	(173,096)	1,637,954	116,936	5,715,760
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation and amortization	2,121,137	2,406,396	15,676,720	457,045	20,661,298
Cash flows impacted by changes in:					
Accounts receivable	(52,046)	11,147	2,118,024	(55,189)	2,021,936
Prepaid assets	(1,189,895)	—	—	3,096	(1,186,799)
Inventories	—	—	(330,560)	(3,489)	(334,049)
Accounts payable and other	1,219,802	(54,014)	201,960	(40,211)	1,327,537
Claims payable	—	(6,985)	204,147	(42,021)	155,141
Compensated absences	—	—	87,695	—	87,695
Pension obligation	—	(29,117)	1,588,233	(9,846)	1,549,270
Postretirement benefit obligation	—	(21,802)	1,319,333	21,610	1,319,141
Net cash provided by operating activities	<u>\$ 6,232,964</u>	<u>2,132,529</u>	<u>22,503,506</u>	<u>447,931</u>	<u>31,316,930</u>

See accompanying notes to basic financial statements.

**CITY OF OMAHA, NEBRASKA**

Statement of Fiduciary Net Assets –  
Fiduciary Funds

December 31, 2010



	<u>Pension Trust Funds</u>	<u>Agency</u>
Assets:		
Cash and cash equivalents	\$ 1,546,450	4,397,460
Receivables:		
Accounts receivable	92,361	65,872
Accrued interest	1,945,366	2,817
Due from other funds	1,116,543	—
Investments, at fair value:		
Government securities	53,226,263	1,158,509
Municipal issues	3,921,934	—
Corporate bonds	99,665,561	—
Domestic equities	248,845,850	—
International equities	98,175,613	—
Domestic real estate securities	106,381,144	—
Commodities	37,090,123	—
Private equity	3,866,754	—
Cash and cash equivalents	30,242,230	—
Total assets	<u>686,116,192</u>	<u>5,624,658</u>
Liabilities:		
Accounts payable and other liabilities	<u>1,129,305</u>	<u>5,624,658</u>
Total liabilities	<u>1,129,305</u>	<u>5,624,658</u>
Net assets held in trust for pension benefits	<u>\$ 684,986,887</u>	<u>—</u>

See accompanying notes to basic financial statements.

**CITY OF OMAHA, NEBRASKA**

Statement of Changes in Fiduciary Net Assets –  
Pension Trust Funds

Year ended December 31, 2010



Additions:	
Contributions:	
Employer	\$ 29,901,224
Employee	21,129,870
Total contributions	<u>51,031,094</u>
Investment earnings:	
Dividends and interest	9,813,568
Net increase in the fair value of investments	93,495,717
Total investment earnings	<u>103,309,285</u>
Less investment expenses	<u>(4,009,082)</u>
Net investment earnings	<u>99,300,203</u>
Total additions	150,331,297
Deductions:	
Benefit payments	<u>83,954,080</u>
Change in net assets	66,377,217
Net assets, beginning of year	<u>618,609,670</u>
Net assets, end of year	<u>\$ 684,986,887</u>

See accompanying notes to basic financial statements.

**CITY OF OMAHA, NEBRASKA**

Notes to Basic Financial Statements

December 31, 2010



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

**(a) Reporting Entity**

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

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

The basic financial statements include both blended component units and the City's discretely presented component unit. The blended component units, although legally separate entities, are, in substance, part of the City's operations, and data from these units are basic with data of the primary government. The City's basic financial statements blend the activity of the City of Omaha Parking Facilities Corporation, the City of Omaha Impound Facilities Corporation, the City of Omaha Stadium Facilities Corporation, City of Omaha Northwest Library Facilities Corporation, the City of Omaha Facilities Corporation, and City of Omaha Convention Hotel Corporation. The City is financially accountable for these organizations. The City reports its respective ownership percentage of the assets, liabilities, net assets, and operating activity of the Omaha-Douglas Public Building Commission (the Commission). Separate financial statements are available at 1819 Farnam Street, Omaha, Nebraska 68183.

The discretely presented component unit, on the other hand, is reported in a separate column in the governmentwide financial statements to emphasize that it is legally separate from the primary government. The City's basic financial statements discretely present the financial position and activities of the Metropolitan Entertainment and Convention Authority (MECA).

**MECA**

MECA is a separate nonprofit corporation that is responsible for the operation of the Omaha Convention Center/Arena and Downtown Stadium. Title to the facilities and all related infrastructure assets are vested with the City. Construction activities were principally funded by private donations and general obligation bonds of the City. Board members of MECA are appointed by the City. The financial statements for MECA included herein are for the year ended June 30, 2010. MECA's separate financial statements are available at 1819 Farnam Street, Omaha, Nebraska 68183.

# CITY OF OMAHA, NEBRASKA

## Notes to Basic Financial Statements

December 31, 2010



### **Related Organizations**

The City's officials are responsible for appointing members of the boards of other organizations, but the City's accountability for these organizations does not extend beyond making the appointments. The Mayor or City Council appoints board members of the Omaha Housing Authority, the Omaha Airport Authority, and the Metro Area Transit Authority. The City is not financially accountable for these organizations.

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

### **(b) Basis of Presentation**

#### **Governmentwide Financial Statements**

The statement of net assets and statement of activities display information about the primary government and its component unit. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize interfund activities. These statements distinguish between the governmental and business-type activities of the City and between the City and its discretely presented component unit. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

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

#### **Fund Financial Statements**

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

# CITY OF OMAHA, NEBRASKA

## Notes to Basic Financial Statements

December 31, 2010



Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as investment earnings, result from nonexchange transactions, or ancillary activities.

The City reports the following major governmental funds:

- The *general fund* is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the City that are not accounted for through other funds.
- The *debt service fund* is used to account for the resources for, and the payment of, general long-term debt principal, interest, and related costs.
- The downtown stadium fund is used to account for the construction of a new City baseball stadium to be built between 10th and 13th Streets between Cumming and Webster Streets.

The City reports the following major proprietary funds:

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

The City reports the following additional fund types:

- The *pension trust funds* accumulate contributions from the City and its employees and earnings from the funds' investments. Disbursements are made from the funds for retirement.
- The *agency funds* account for assets held by the City as an agent for various local governments.
- The *permanent funds* are used to report resources that are legally restricted to the extent that earnings, and not principal, may be used for purposes that support the City's programs for the benefit of the City or its citizenry.
- The *special revenue funds* account for the proceeds from specific revenue sources that are restricted to expenditures for specified purposes.
- The *capital projects funds* account for all resources received and used for the acquisition or development of major capital improvements (other than those financed by proprietary funds and trust funds).
- The *enterprise funds* account for operations that are financed and operated in a manner similar to private business enterprises: (a) where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis are financed or recovered primarily through user charges or (b) where the governing body has decided that

# CITY OF OMAHA, NEBRASKA

## Notes to Basic Financial Statements

December 31, 2010



periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

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

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

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

Private sector standards of accounting and financial reporting issued prior to December 1, 1989 generally are followed in both the governmentwide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board (GASB). Governments also have the option of following subsequent private sector guidance for their business-type activities and their enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private sector guidance.

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

(d) ***Encumbrances***

Encumbrance accounting is employed in the governmental funds. Under encumbrance accounting, purchase orders, contracts, and other commitments for the expenditures of funds are recorded in order to reserve that portion of the applicable appropriation. Encumbrances are reported as reservations of net assets since they do not constitute liability.

**CITY OF OMAHA, NEBRASKA**

Notes to Basic Financial Statements

December 31, 2010



**(e) Pooled Cash and Investments**

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

**(f) Cash and Cash Equivalents**

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

**(g) Investments**

Investments are stated at fair value. Securities traded on a national or international exchange are valued at the last reported sales prices at current exchange rates where marketable securities are not listed on an exchange, quotations are obtained from brokerage firms or national pricing services. Income from investments not included in pooled cash and investments that are held by the individual funds is recorded in the respective funds as it is earned.

**(h) Inventories**

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

**(i) Property Taxes**

Nebraska Legislative Bill (LB) 1114 imposes a tax ceiling for general revenue purposes. The tax levy certified in any year shall not exceed \$0.45 per \$100 of actual valuation. The 2010 general tax levy (\$0.26112 per \$100 of assessed valuation) was below the legal limit by \$.18888, or \$51,144,383.

The Home Rule Charter of the City imposes a tax ceiling for general revenue purposes. The tax levy certified in any year shall not exceed \$0.6125 per \$100 of actual valuation plus whatever tax levy is necessary to provide for principal and interest payments on the indebtedness of the City for administrative expenses incurred in issuing and maintaining bonds and for satisfaction of judgments and litigation expenses in connection therewith. The 2010 general tax levy (\$0.26112 per \$100 of assessed valuation) was below the legal limit by \$.35138, or \$95,145,665. The assessed value upon which the 2010 levy was based was \$27,077,712,200.

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

**CITY OF OMAHA, NEBRASKA**

Notes to Basic Financial Statements

December 31, 2010



becomes delinquent on August 1 following the levy date. Personal property taxes are due on December 31 and become delinquent on April 1 and August 1 following the levy date. Delinquent taxes bear 14% interest.

Motor vehicle taxes are due when an application is made for registration of a motor vehicle.

**(j) *Deferred Charges***

For governmentwide financial statements and proprietary fund financial statements, charges resulting from the issuance of revenue and general obligation bonds are deferred and amortized over the remaining life of the bonds on a straight-line basis.

**(k) *Capital Assets***

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

The estimated useful lives are as follows:

Infrastructure	15 – 50 years
Buildings and systems	15 – 40 years
Improvements	5 – 30 years
Machinery and equipment	5 – 20 years
Vehicles	5 – 15 years

**(l) *Compensated Absences***

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

# CITY OF OMAHA, NEBRASKA

## Notes to Basic Financial Statements

December 31, 2010



In the event of termination, police employees are reimbursed for accumulated vacation time up to a maximum of 320 hours, plus the current year leave balance. Upon retirement, death, or resignation after 20 years, police employees receive 1 for 1 for the first 1,200 hours of accumulated sick leave and 1 for 4 hours thereafter up to a maximum of 3,200 hours (1,700 hours). Police employees may accrue a maximum of 360 hours of compensatory time. In the event of termination, Fire Department 24-hour shift employees are reimbursed for accumulated vacation time up to a maximum of 360 hours, plus current year accumulation. Upon retirement or resignation, Fire Bargaining 24-hour shift employees are reimbursed for accumulated sick leave at 57% of actual hours. In the event of termination, Fire Management employees are reimbursed for accumulated vacation time up to a maximum of 280 hours, plus current year accumulation. Upon retirement, Fire Management employees are reimbursed for accumulated sick leave 1 for 1 for the first 1,200 hours and 1 for 4 for all hours greater than 1,201 to 3,200 for a maximum 1,700. In the event of termination, Fire Department 40-hour shift employees are reimbursed for accumulated vacation time up to a maximum of 240 hours, plus current year accumulation. Upon retirement or resignation, 40-hour shift employees are converted to 24-hour shift employees reimbursed for accumulated sick leave as above.

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

**(m) Self-Insurance**

The City self-insures all claims related to personal liability and property damage for City-owned vehicles, medical, dental, and workers' compensation and the first \$100,000 of buildings and contents coverage. The City has purchased separate commercial insurance to cover losses in excess of \$100,000 on buildings and contents. The City has purchased separate commercial liability insurance to cover helicopters used by the Police Department.

**(n) Long-Term Obligations**

In the governmentwide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

**CITY OF OMAHA, NEBRASKA**

Notes to Basic Financial Statements

December 31, 2010



**(o) Interfund Transactions**

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

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

**(p) Restricted Assets**

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

**(q) Recent Accounting Pronouncements**

*Adoption of New Accounting Pronouncements*

In June 2007, GASB issued GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*. This statement establishes accounting and financial reporting requirements for intangible assets, thereby enhancing the comparability of the accounting and financial reporting of such assets among state and local governments. The adoption of this accounting pronouncement had no impact on the financial statements.

In June 2008, GASB issued GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*. This statement is intended to improve how state and local governments report information about derivative instruments, financial arrangements used by governments to manage specific risks or make investments, in their financial statements. The statement specifically requires governments to measure most derivative instruments at fair value in their financial statements. The guidance in this statement also addresses hedge accounting requirements. The adoption of this accounting pronouncement had no impact on the financial statements.

In December 2009, GASB issued GASB Statement No. 58, *Accounting and Financial Reporting for Chapter 9 Bankruptcies*. The objective of this statement is to provide accounting and financial reporting guidance for governments that have petitioned for protection from creditors by filing for bankruptcy under Chapter 9 of the U.S. Bankruptcy Code. It requires governments to remeasure liabilities that are adjusted in bankruptcy when the bankruptcy court confirms (i.e., approves) a new payment plan. The adoption of this accounting pronouncement had no impact on the financial statements.

In June 2010, GASB issued GASB Statement No. 59, *Financial Instruments Omnibus*. The objective of this statement is to update and improve existing standards regarding financial reporting and disclosure requirements of certain financial instruments and external investment pools for which significant issues have been identified in practice. The guidance is effective for the City for the year ended December 31, 2010. The adoption of this accounting pronouncement had no impact on the financial statements.

# CITY OF OMAHA, NEBRASKA

## Notes to Basic Financial Statements

December 31, 2010



### *New Accounting Pronouncements Not Adopted*

In February 2009, GASB issued GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The objective of this statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The guidance is effective for the City for the year ending December 31, 2011.

In December 2010, GASB issued GASB Statement No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. The objective of this statement is to address issues related to the use of the alternative measurement method and the frequency and timing of measurements by employers that participate in agent multiple-employer other postemployment benefit (OPEB) plans (i.e., agent employers). The guidance is effective for the City for the year ending December 31, 2012.

In November 2010, GASB issued GASB Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements*. The objective of this Statement is to improve financial reporting by addressing issues related to service concession arrangements (SCAs), which are a type of public-private or public-public partnership. As used in this statement, an SCA is an arrangement between a transferor (a government) and an operator (governmental or nongovernmental entity) in which (1) the transferor conveys to an operator the right and related obligation to provide services through the use of infrastructure or another public asset (a "facility") in exchange for significant consideration and (2) the operator collects and is compensated by fees from third parties. This guidance is effective for the City for the year ending December 31, 2012.

In November 2010, GASB issued GASB Statement No. 61, *The Financial Reporting Entity: Omnibus, an amendment of GASB Statements No. 14 and No. 34*. The objective of this statement is to improve financial reporting for a governmental financial reporting entity. The requirements of GASB Statement No. 14, *The Financial Reporting Entity*, and the related financial reporting requirements of GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, were amended to better meet user needs and to address reporting entity issues that have arisen since the issuance of those statements. The guidance is effective for the City for the year ending December 31, 2012.

In December 2010, GASB issued GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 Financial Accounting Standards Board (FASB) and American Institute of Certified Public Accountants (AICPA) Pronouncements*. The objective of this Statement is to incorporate into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements: FASB Statements and Interpretations; Accounting Principles Board Opinions, or; Accounting Research Bulletins of the AICPA Committee on Accounting Procedure

**CITY OF OMAHA, NEBRASKA**

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(collectively referred to as the —FASB and AICPA pronouncements). The guidance is effective for the City for the year ending December 31, 2011.

The City has not completed its assessment of the impact of the adoption of these statements.

**(r) Use of Estimates**

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

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

Individual interfund receivables and payables at December 31, 2010 are as follows:

<u>Receivable fund</u>	<u>Amount</u>	<u>Payable fund</u>
Police/Fire Retirement Reserve Fund	\$ 883,877	General Fund
Civilian Retirement Reserve Fund	137,804	General Fund
Civilian Retirement Reserve Fund	57,362	Nonmajor Special Revenue Fund
Civilian Retirement Reserve Fund	31,452	Sewer Revenue Fund
Civilian Retirement Reserve Fund	6,049	Nonmajor Enterprise Funds
Debt Service Fund	100,000	Hotel Fund
Debt Service Fund	2,108,963	Nonmajor Capital Projects Fund
Debt Service Fund	2,860	Downtown Stadium Fund
Debt Service Fund	80,461	Nonmajor Enterprise Funds
Debt Service Fund	12,762,926	Nonmajor Special Revenue Fund
Nonmajor Debt Service Fund	838,527	Nonmajor Enterprise Funds
Nonmajor Special Revenue Fund	1,057,742	Sewer Revenue Fund
General Fund	8,269	Nonmajor Enterprise Funds
General Fund	135	Parking Facilities Fund
General Fund	42,419	Sewer Revenue Fund
General Fund	77,184	Nonmajor Special Revenue Fund

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

**CITY OF OMAHA, NEBRASKA**

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

<u>Transfers out</u>	<u>Transfer in</u>				<u>Total</u>
	<u>General fund</u>	<u>Nonmajor governmental</u>	<u>Sewer</u>	<u>Parking</u>	
Major governmental funds:					
General fund	\$ —	932,027	—	428,788	1,360,815
Downtown Stadium	20,748	—	—	—	20,748
Major enterprise funds:					
Sewer	—	5,097,375	—	—	5,097,375
Nonmajor governmental	<u>392,625</u>	<u>—</u>	<u>9,395,098</u>	<u>—</u>	<u>9,787,723</u>
Total	<u>\$ 413,373</u>	<u>6,029,402</u>	<u>9,395,098</u>	<u>428,788</u>	<u>16,266,661</u>

During 2010, the Golf Operations Fund transferred \$3,103 of capital assets to governmental activities.

**(3) Deposits and Investments**

The City has generally pooled the cash resources of the various funds, except the pension trust fund, for investment purposes. Interest earned on pooled funds is credited to the City’s general fund in accordance with Nebraska State Statute Section 77-2315, R.R.S. 1943.

**(a) Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the City will not be able to recover its deposits. As of December 31, 2010, all of the City’s deposits were collateralized with securities held by the City’s agent in the City’s name.

**(b) City Investments**

Investments are stated at fair value. City funds are invested in conformity with the public funds Security Act, Chapter 77, Article 23, specifically 77-2387, of the Nebraska Revised Statutes. Allowable investments include U.S. government bonds, U.S. Treasury bills and notes, U.S. agency bonds and notes, certain state and political subdivision bonds, repurchase agreements, warrants of the State of Nebraska and Nebraska political subdivisions, and certain instruments of the FHLM, federal farm credit system, FHLB, FNMA, and the Small Business Administration. The government money market mutual fund consists of only those securities that are allowed by N.R.S. 77-2387.

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

**CITY OF OMAHA, NEBRASKA**

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**Interest Rate Risk** – Interest rate risk is the risk that the fair value of the City’s investments will decrease as a result of an increase in interest rates. The City’s investment policy related to maturity is as follows: U.S. Treasury securities cannot exceed five years; Zero-coupon or stripped coupon U.S. Treasury notes or bonds cannot exceed two years; Certificates of deposit issued by commercial banks cannot exceed 30 months; all other investments not mentioned above cannot exceed a five-year maturity from the date of purchase.

The City had the following maturities for pooled investments:

<u>Investment type</u>	<u>Fair value</u>	<u>Investment term</u>	
		<u>Less than 1 year</u>	<u>1 – 5 years</u>
U.S. agencies	\$ 45,534,246	6,574,402	38,959,844
U.S. Treasuries	48,858	48,858	—

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

<u>Investment type</u>	<u>Fair value</u>	<u>Investment term</u>	
		<u>Less than 1 year</u>	<u>1 – 5 years</u>
U.S. agencies	\$ 28,483,161	10,846,316	17,636,845

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

The pooled investment’s quality rating is as follows:

<u>Investment type</u>	<u>Fair value</u>	<u>Quality rating AAA</u>
U.S. agencies	\$ 45,534,246	AAA
U.S. Treasuries	48,858	AAA

The deposits with trustees’ quality rating are as follows:

<u>Investment type</u>	<u>Fair value</u>	<u>Quality rating AAA</u>
U.S. agencies	\$ 28,483,161	AAA

**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. State statute does not restrict the concentration

**CITY OF OMAHA, NEBRASKA**

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of investment in any issuer. The City’s policy states that no more than 25% of the total portfolio will be invested in the issuance of any single institution other than securities of the U.S. government and its agencies.

Concentrations of investment by issuer for pooled investments are displayed in the following table:

<u>Investment type</u>	<u>Fair value</u>	<u>Percentage</u>
U.S. agencies	\$ 45,534,246	100%
U.S. Treasuries	48,858	100

Concentrations of investment by issuer for deposits held by trustees are displayed in the following table:

<u>Investment type</u>	<u>Fair value</u>	<u>Percentage</u>
U.S. agencies	\$ 28,483,161	100.0%

**Foreign Currency Risk** – Foreign Currency Risk is the risk that changes in exchange rates will adversely impact the fair value of an investment. The City does not have a policy related to foreign currency risk.

**Summary** – The following is a complete listing of deposits and investments of the City:

<u>Investment type</u>	<u>Fair value</u>
Deposits	\$ 75,858,062
Pooled investments	45,583,104
Trustee accounts	68,091,073
Imprest funds	69,067
	<u>\$ 189,601,306</u>

**CITY OF OMAHA, NEBRASKA**

Notes to Basic Financial Statements

December 31, 2010



The deposits and investments of the City, excluding the pension trust fund, at December 31, 2010, are reflected in the financial statements as follows:

<u>Investment type</u>	<u>Governmentwide statement of net assets</u>	<u>Fiduciary funds statement of net assets</u>	<u>Total</u>
Cash and pooled investments	\$ 83,371,475	4,397,460	87,768,935
Investments	22,428,225	1,158,509	23,586,734
Restricted deposits with trustee	68,091,073	—	68,091,073
Restricted investments	5,087,807	—	5,087,807
Restricted cash	5,066,757	—	5,066,757
	<u>\$ 184,045,337</u>	<u>5,555,969</u>	<u>189,601,306</u>

(c) ***Pension Trust Funds***

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

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**Interest Rate Risk** – The Pension Board of each plan with the recommendation from the respective Investment Committee approves fund manager agreements. These management agreements outline specific investment policies each manager must adhere to. The Retirement Committees do restrict the general asset allocation to fixed income. The uniformed plan fund’s target range for fixed income assets is between 16% and 28% of the portfolio value and the civilian plan fund’s range is between 12% and 28%. The City is not within guidelines due to an update of the asset allocation, and new guidelines are being established to take this into account. Fixed income investments are held in five accounts managed by four managers: \$134.6 million in managed accounts and \$22.2 million in two bond mutual funds. Maturities of the securities in these commingled funds are as follows:

<b>Managed accounts</b>				
<b>Investment type</b>	<b>Maturity range (years)</b>			
	<b>Less than 1 year</b>	<b>1 – 5</b>	<b>6 – 10</b>	<b>10 +</b>
U.S. treasuries	—%	5.5%	4.1%	3.5%
U.S. agencies	—	11.3	1.2	0.9
Municipal bonds	—	0.2	1.0	1.7
Corporate bonds	3.0	24.8	38.5	4.5

<b>Bond mutual funds</b>	
<b>Maturity</b>	<b>Percent of total</b>
0 – 1 years	9.3%
1 – 5 years	68.3
6 – 10 years	10.0
10 + years	12.4

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**Credit Risk** – Credit risk involves the potential of loss of fair value due to the quality of the fixed income investments. The Investment Committees of each plan monitor and select fixed fund managers based on an investment policy that diversifies the plan’s risks. Each manager employs a varying type of investment style. Fixed income investments are held in five accounts and are managed by four managers: \$134.6 million in managed accounts and \$22.2 million in two bond mutual funds. The quality ratings of the securities in these commingled funds are as follows:

<b>Managed accounts</b>		
<b>Investment type</b>	<b>Ratings</b>	<b>Percentage of total</b>
U.S. Treasuries	AAA	13.6%
U.S. agencies	AAA/AA+	12.6
U.S. agencies	N/R	0.8
Municipal bonds	AAA/A3	2.5
Corporate bonds	AAA/A3	26.5
Corporate bonds	BAA1/BBB	36.6
Corporate bonds	N/R	7.1
<b>Bond mutual funds</b>		
<b>Rating</b>		<b>Percentage of total</b>
TSY/AGY		58.8%
AAA/Aaa		24.6
AA+/A3		13.3
BBB/Ba2		2.5
N/R		0.8

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**Concentration of Credit Risk** – Fixed income securities guidelines are governed by each manager’s individual management contract. This allows a wide variety of management styles, thus diversifying each portfolio. Combined target allocation for fixed income securities shall be 12% to 28% of the portfolio. Equity investments shall be 39% to 87% of the portfolio with large cap domestics (20% to 35%), small cap domestics (10% to 20%), and international equities (9% to 32%). Domestic real estate securities shall be 9% to 21% of the portfolio. They may be held individually or commingled in mutual funds and investment pools. There are no individual investments greater than 5% with a single issuer.

<b>Investment type</b>	<b>Fair value</b>	<b>Percentage allocated</b>
Government securities	\$ 53,226,263	7.8%
Municipal issues	3,921,934	0.6
Corporate bonds	99,665,561	14.6
Domestic equities	248,845,850	36.6
International equities	98,175,613	14.4
Domestic real estate securities	106,381,144	15.6
Commodities	37,090,123	5.4
Private Equity	3,866,754	0.6
Cash and cash equivalents	30,242,230	4.4
Total	<u>\$ 681,415,472</u>	<u>100.0%</u>

**Foreign Currency Risk** – The City is exposed to foreign currency risk related to international equities. Foreign currency risk is the risk that changes in exchange rates will adversely impact the fair value of an investment. The City does not have policy related to foreign currency risk. All international equities are denominated in U.S. dollars.

**(4) Net Assets/Fund Balances**

The governmentwide and business-type activities fund financial statements utilize a net assets presentation. Net assets are categorized as invested in capital assets (net of related debt), restricted, and unrestricted.

- **Invested in Capital Assets, Net of Related Debt** – This category groups all capital assets, including infrastructure, into one component of net assets. Accumulated depreciation and outstanding balances of debt that are attributable to the acquisition, construction, or improvement of these assets reduce the balance in this category.
- **Restricted Net Assets** – This category presents external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted Net Assets** – This category represents net assets of the City not restricted for any project or other purpose.

In the fund financial statements, reservations segregate portions of fund balance that are either not available or have been earmarked for specific purposes. The various reserves are established by actions of

**CITY OF OMAHA, NEBRASKA**

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the Council and management and can be increased, reduced, or eliminated by similar actions. As of December 31, 2010, reservations of fund balance are described as follows:

- *Encumbrances* – to reflect the outstanding contractual obligations for which goods and services have not been received.
- *Inventories* – to reflect the portion of assets that do not represent available spendable resources.
- *Debt service* – to reflect the portion of assets that are held for payment of debt service.
- *Perpetual care* – to reflect the portion of assets that are held for perpetual care costs.

**(5) Special Assessment Note Payable**

The City did not obtain a note for 2010, as there were sufficient funds available to fund the current requirements in the special assessment fund for the purpose of meeting obligations to contractors for work in place that will ultimately be assessed to the benefited property owners.

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**(6) Bonds Payable and Other Long-Term Obligations**

The following is a summary of long-term liability transactions for the year ended December 31, 2010:

	<u>Balances at January 1, 2010</u>	<u>Issuances or other additions</u>	<u>Retirements or other reductions</u>	<u>Balances at December 31, 2010</u>	<u>Amount due within one year</u>
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 531,695,000	44,450,000	52,045,000	524,100,000	30,845,000
Annexed general obligation bonds	14,134,194	660,000	12,714,194	2,080,000	840,000
Special tax revenue bonds	47,825,000	—	2,315,000	45,510,000	2,390,000
Special obligation bonds	63,047,858	—	1,251,492	61,796,366	1,300,878
Revenue bonds	2,065,000	—	145,000	1,920,000	65,000
Deferred amounts:					
Unamortized premium	35,807,018	2,435,125	2,307,843	35,934,300	—
Unamortized discount	(103,153)	(346,191)	(12,717)	(436,627)	—
Loss on refunding	(34,325,256)	(2,573,113)	(2,395,182)	(34,503,187)	—
<b>Total bonds payable</b>	<b>660,145,661</b>	<b>44,625,821</b>	<b>68,370,630</b>	<b>636,400,852</b>	<b>35,440,878</b>
Special assessment notes payable	257,000	—	257,000	—	—
Lease-purchase contracts payable	107,131,168	36,035,000	2,068,248	141,097,920	4,818,875
Notes payable	2,658,233	—	229,916	2,428,317	237,505
Grants payable	3,200,000	19,975,750	2,825,000	20,350,750	2,287,000
Compensated absences	58,539,540	—	897,404	57,642,136	2,882,107
Workers' compensation and healthcare claims	25,923,371	4,218,636	—	30,142,007	10,752,005
Claims and judgments payable	941,435	4,407,565	—	5,349,000	5,349,000
Net pension obligation	109,583,654	37,182,680	—	146,766,334	—
Postretirement benefit obligation	54,216,989	27,440,318	—	81,657,307	—
<b>Total governmental long-term liabilities</b>	<b>1,022,597,051</b>	<b>173,885,770</b>	<b>74,648,198</b>	<b>1,121,834,623</b>	<b>61,767,370</b>
Business-type activities:					
Convention Center Hotel:					
Revenue bonds	109,750,000	37,000,000	315,000	146,435,000	470,000
Deferred amounts:					
Unamortized premium	2,886,406	—	118,417	2,767,989	—
Unamortized discount	—	(250,660)	(349)	(250,311)	—
Loss on refunding	(4,069,344)	—	(166,947)	(3,902,397)	—
	<b>108,567,062</b>	<b>36,749,340</b>	<b>266,121</b>	<b>145,050,281</b>	<b>470,000</b>

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Notes to Basic Financial Statements

December 31, 2010



	<b>Balances at January 1, 2010</b>	<b>Issuances or other additions</b>	<b>Retirements or other reductions</b>	<b>Balances at December 31, 2010</b>	<b>Amount due within one year</b>
<b>Parking Facilities Fund:</b>					
Lease-purchase contracts payable	\$ 44,085,000	—	2,470,000	41,615,000	2,560,000
Deferred amounts:					
Unamortized premium	53,005	—	7,027	45,978	—
Unamortized discount	(8,029)	—	(954)	(7,075)	—
Loss on refunding	(511,256)	—	(64,887)	(446,369)	—
Workers' compensation and healthcare claims	15,780	—	6,985	8,795	3,137
Pension obligation	43,453	—	29,117	14,336	—
Postretirement benefit obligation	33,059	—	21,802	11,257	—
	<u>43,711,012</u>	<u>—</u>	<u>2,469,090</u>	<u>41,241,922</u>	<u>2,563,137</u>
<b>Sewer Revenue Fund:</b>					
Revenue bonds	82,095,000	67,879,570	1,900,000	148,074,570	5,594,570
Plus unamortized premium	806,115	102,857	31,194	877,778	—
Notes payable	32,628,407	6,649,992	32,628,407	6,649,992	—
Special obligation bonds	18,792,142	—	563,508	18,228,634	589,122
Plus unamortized premium	160,917	—	7,315	153,602	—
Compensated absences	1,501,024	87,695	—	1,588,719	79,436
Workers' compensation and healthcare claims	1,072,571	204,147	—	1,276,718	455,420
Pension obligation	2,953,403	1,588,233	—	4,541,636	—
Postretirement benefit obligation	2,246,934	1,319,333	—	3,566,267	—
	<u>142,256,513</u>	<u>77,831,827</u>	<u>35,130,424</u>	<u>184,957,916</u>	<u>6,718,548</u>
<b>Nonmajor business-type activities:</b>					
Lease-purchase contracts payable	420,000	—	25,000	395,000	25,000
Deferred amounts:					
Unamortized premium	2,169	—	157	2,012	—
Compensated absences	470,708	20,204	92,154	398,758	19,939
Workers' compensation and healthcare claims	435,989	37,634	7,705	465,918	166,199
Pension obligation	1,200,525	138,872	148,718	1,190,679	—
Postretirement benefit obligation	913,353	148,987	127,377	934,963	—
	<u>3,442,744</u>	<u>345,697</u>	<u>401,111</u>	<u>3,387,330</u>	<u>211,138</u>
Total business-type activities	<u>297,977,331</u>	<u>114,926,864</u>	<u>38,266,746</u>	<u>374,637,449</u>	<u>9,962,823</u>
Total all funds	<u>\$ 1,320,574,382</u>	<u>288,812,634</u>	<u>112,914,944</u>	<u>1,496,472,072</u>	<u>71,730,193</u>

**CITY OF OMAHA, NEBRASKA**

Notes to Basic Financial Statements

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**Governmental Activities**

Long-term debt at December 31, 2010 comprises the following individual issues:

**General Obligation Bonds**

<b>Amount</b>	<b>Original issued</b>	<b>Issue</b>	<b>Effective interest rate payable semiannually</b>	<b>Series due</b>	<b>First date callable</b>	<b>December 31, 2010</b>
\$ 21,000,000	11/15/01	Various purpose	3.00 – 4.75	2002 – 2021	2011	\$ 1,050,000
16,000,000	03/01/03	Various purpose	2.75 – 5.00	2003 – 2022	2013	2,525,000
30,175,000	03/01/03	G.O. – defeasance bonds	1.50 – 4.30	2003 – 2021	2013	16,595,000
205,875,000	04/01/04	G.O. – defeasance bonds	5.25 – 5.25	2012 – 2027	2014	205,875,000
31,660,000	04/01/04	Various purpose – refund series	2.00 – 4.50	2005 – 2024	2014	18,975,000
42,800,000	11/15/05	Various purpose – refund series	4.00 – 4.75	2006 – 2025	2015	32,100,000
26,625,000	10/15/06	Various purpose – refund series	4.00 – 4.25	2007 – 2026	2016	18,915,000
46,785,000	10/15/07	Various purpose – refund series	4.00 – 4.75	2008 – 2027	2017	41,295,000
75,540,000	10/30/08	Various purpose – refund series	5.00 – 5.74	2009 – 2028	2018	69,800,000
17,880,000	07/24/08	G.O. – defeasance bonds	3.75 – 5.00	2009 – 2025	2018	16,095,000
37,050,000	04/06/09	G.O. – defeasance bonds	3.125 – 5.00	2010 – 2025	2019	30,315,000
7,440,000	10/15/09	Various purpose	2.00 – 3.00	2010 – 2017	none	6,510,000
11,160,000	10/15/09	Various purpose	4.229 – 5.721	2018 – 2029	2019	11,160,000
8,510,000	10/15/09	G.O. – defeasance bonds	2.00 – 5.00	2010 – 2026	2019	8,440,000
35,950,000	11/10/10	G.O. – defeasance bonds	2.00 – 4.50	2011 – 2030	2020	35,950,000
8,500,000	11/18/10	Various purpose	.70 – 5.00	2011 – 2030	2020	8,500,000
		Total general obligation bonds				<u>524,100,000</u>

**CITY OF OMAHA, NEBRASKA**

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**General Obligation Bonds**

<b>Amount</b>	<b>Original issued</b>	<b>Issue</b>	<b>Effective interest rate payable semiannually</b>	<b>Series due</b>	<b>First date callable</b>	<b>December 31, 2010</b>
<b>Annexed Area Bonds</b>						
\$ 2,500,000	05/02/06	S.I.D. #272	3.65 – 4.45	2007 – 2016	2011	\$ 245,000
1,245,000	05/01/08	S.I.D. #353	3.10 – 4.20	2009 – 2018	2013	1,120,000
780,000	12/01/07	S.I.D. #406	6.25	2008 - 2020	2012	120,000
1,500,000	06/15/06	S.I.D. #423	4.00 – 5.25	2006 – 2026	2011	50,000
2,950,000	02/15/07	S.I.D. #449	3.75 – 5.05	2007 – 2027	2011	85,000
2,750,000	06/15/06	S.I.D. #459	4.15 – 5.15	2007 – 2026	2011	60,000
3,750,000	10/01/07	S.I.D. #459	4.40 – 5.35	2008 – 2027	2013	265,000
1,000,000	11/01/06	S.I.D. #461	4.10 – 5.00	2007 – 2026	2011	20,000
4,150,000	10/01/06	S.I.D. #470	4.10 – 5.15	2007 – 2031	2011	20,000
2,500,000	11/15/06	S.I.D. #498	4.00 – 5.00	2007 – 2026	2011	95,000
Total annexed area bonds						<u>2,080,000</u>
Total general obligation and annexed area bonds						<u>\$ 526,180,000</u>

**CITY OF OMAHA, NEBRASKA**

Notes to Basic Financial Statements

December 31, 2010



**Special Tax Revenue Bonds**

<u>Amount</u>	<u>Original issued</u>	<u>Issue</u>	<u>Effective interest rate payable semiannually</u>	<u>Series due</u>	<u>First date callable</u>	<u>December 31, 2010</u>
\$ 6,195,000	11/02/99	Downtown Northeast Redevelopment Project	4.0% – 6.25%	2000 – 2019	2009	\$ 3,575,000
8,670,000	02/01/02	Riverfront Redevelopment Project Series 2002A	5.125 – 5.50	2002 – 2031	Various	8,670,000
20,325,000	09/01/04	Performing Arts Complex Redevelopment Bonds	2.50 – 5.00	2005 – 2024	2014	16,920,000
1,095,000	12/20/07	Homeland Redevelopment Project Series 2007A	4.00 – 4.25	2007 – 2016	None	1,095,000
665,000	12/20/07	Homeland Redevelopment Project Series 2007B	4.50 – 4.70	2007 – 2011	None	75,000
4,075,000	12/20/07	Various Projects Redevelopment Series 2007	3.60 – 5.13	2007 – 2027	2017	4,060,000
2,000,000	03/25/08	Special Tax Revenue Refunding Series 2008	3.03 – 4.32	2009 – 2013	None	1,230,000
4,865,000	11/13/08	Special Tax Revenue Redevelopment Series 2008	4.00 – 5.25	2009 – 2028	2018	4,530,000
385,000	10/29/09	Special Tax Revenue Redevelopment Series 2009A	3.00	2011 – 2012	None	385,000
5,170,000	10/29/09	Special Tax Revenue Redevelopment Taxable Series 2009A (BAB)	1.159 – 6.022	2010 – 2023	2019	<u>4,970,000</u>
						<u>\$ 45,510,000</u>

**Governmental Activities Revenue Bonds**

<u>Amount</u>	<u>Original issued</u>	<u>Issue</u>	<u>Effective interest rate payable semiannually</u>	<u>Series due</u>	<u>First date callable</u>	<u>December 31, 2010</u>
\$ 760,000	03/01/04	Highway Allocation	1.20 – 3.65	2004 – 2014	2009	\$ 500,000
1,420,000	09/30/06	Highway Allocation	3.85 – 4.45	2007 – 2026	2011	<u>1,420,000</u>
						<u>\$ 1,920,000</u>

**CITY OF OMAHA, NEBRASKA**

Notes to Basic Financial Statements

December 31, 2010



**Enterprise Funds Revenue Bonds**

<u>Amount</u>	<u>Original issued</u>	<u>Issue</u>	<u>Effective interest rate payable semiannually</u>	<u>Series due</u>	<u>First date callable</u>	<u>December 31, 2010</u>
\$ 2,010,000	05/20/03	Elkhorn Sewer Revenue	1.25% – 3.70%	2003 – 2013	2008	\$ 650,000
53,170,000	11/15/06	Sanitary Sewer System Revenue Bonds Series 2006	4.00 – 4.50	2006 – 2036	2016	50,250,000
109,750,000	05/15/07	Convention Center Hotel Revenue, Series 2007A	4.00 – 5.00	2010 – 2035	2017	109,435,000
37,000,000	12/15/10	Convention Center Hotel Revenue, Series 2010B (BAB)	3.905 – 7.125	2016 – 2040	2010	37,000,000
29,975,000	12/10/09	Sanitary Sewer System Revenue Series 2009B (BAB)	1.04 – 6.153	2010 – 2039	2019	29,295,000
33,800,000	11/18/10	Sanitary Sewer System Revenue, Series 2010A	2.00 – 3.625	2011 – 2026	2010	33,800,000
34,079,570	11/18/10	Sanitary Sewer System Revenue, Series 2010B (RZDB)	.993 – 5.076	2011 – 2040	2010	34,079,570
						<u>\$ 294,509,570</u>

**Special Obligation Bonds – Governmental Activities**

<u>Amount</u>	<u>Original issued</u>	<u>Issue</u>	<u>Effective interest rate payable semiannually</u>	<u>Series due</u>	<u>First date callable</u>	<u>December 31, 2010</u>
\$ 29,800,000	02/01/02	Riverfront Redevelopment Project Series 2002A	4.00% – 5.50%	2003 – 2032	2012	\$ 24,471,366
38,535,000	03/25/08	Riverfront Redevelopment Refund Series 2008	4.00 – 6.40	2009 – 2026	None	37,325,000
						<u>\$ 61,796,366</u>

***Business-Type Activities***

Long-term debt at December 31, 2010 comprises the following individual issues:

**Special Obligation Bonds – Business-Type Activities (Sewer Revenue Fund)**

<u>Amount</u>	<u>Original issued</u>	<u>Issue</u>	<u>Effective interest rate payable semiannually</u>	<u>Series due</u>	<u>First date callable</u>	<u>December 31, 2010</u>
\$ 22,200,000	02/01/02	Riverfront Redevelopment Project Series 2002A	4.00% – 5.50%	2003 – 2032	2012	\$ 18,228,634

**CITY OF OMAHA, NEBRASKA**

Notes to Basic Financial Statements

December 31, 2010



As of December 31, 2010, the debt service requirements of the City for principal and interest in future years are as follows:

	<b>Governmental activities</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
Year ending December 31:			
2011	\$ 35,440,878	29,907,225	65,348,103
2012	39,250,264	28,265,102	67,515,366
2013	40,362,515	26,647,366	67,009,881
2014	39,258,363	24,980,528	64,238,891
2015	38,834,942	23,297,296	62,132,238
2016 – 2020	187,000,352	89,803,779	276,804,131
2021 – 2025	170,080,000	45,201,550	215,281,550
2026 – 2030	76,257,760	9,166,268	85,424,028
2031 – 2035	8,921,292	463,157	9,384,449
	<u>\$ 635,406,366</u>	<u>277,732,271</u>	<u>913,138,637</u>

	<b>Business-type activities</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
Year ending December 31:			
2011	\$ 6,653,692	14,215,835	20,869,527
2012	7,009,736	14,860,185	21,869,921
2013	7,652,485	14,655,246	22,307,731
2014	6,576,637	14,421,065	20,997,702
2015	6,895,058	14,204,562	21,099,620
2016 – 2020	41,334,648	66,559,816	107,894,464
2021 – 2025	51,880,000	56,842,325	108,722,325
2026 – 2030	66,297,240	42,374,880	108,672,120
2031 – 2035	88,208,708	23,086,325	111,295,033
2036 – 2040	30,230,000	5,491,991	35,721,991
	<u>\$ 312,738,204</u>	<u>266,712,230</u>	<u>579,450,434</u>

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

**CITY OF OMAHA, NEBRASKA**

Notes to Basic Financial Statements

December 31, 2010



**Notes Payable**

Notes payable consists of a loan contract between the City and the U.S. Army Corps of Engineers and three loan contracts between the City and the Nebraska Department of Environmental Quality (NDEQ) with interest rates ranging from 0% to 3%. Maturities of the notes payable are as follows:

	<b>Governmental activities</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
Year ending December 31:			
2011	\$ 237,505	83,288	320,793
2012	245,346	75,447	320,793
2013	148,019	68,130	216,149
2014	153,203	62,947	216,150
2015	158,568	57,581	216,149
2016 – 2020	880,128	200,619	1,080,747
2021 – 2025	605,548	42,899	648,447
	<u>\$ 2,428,317</u>	<u>590,911</u>	<u>3,019,228</u>

	<b>Business-type activities</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
Year ending December 31:			
2011	\$ 295,418	93,429	388,847
2012	291,279	97,568	388,847
2013	295,550	93,296	388,846
2014	299,908	88,939	388,847
2015	304,352	84,495	388,847
2016 – 2020	1,591,596	352,636	1,944,232
2021 – 2025	1,716,818	227,414	1,944,232
2026 – 2030	1,855,071	89,158	1,944,229
	<u>\$ 6,649,992</u>	<u>1,126,935</u>	<u>7,776,927</u>

**Grants Payable**

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

2011	\$ 2,287,000
2012	2,300,000
2013	2,250,000
2014	1,635,250
2015	1,725,200
2016 – 2020	<u>10,153,300</u>
	<u>\$ 20,350,750</u>

**CITY OF OMAHA, NEBRASKA**

Notes to Basic Financial Statements

December 31, 2010



***Tax Increment Financing Notes and Bonds***

At December 31, 2010, \$265,925,126 of tax increment financing notes and bonds were outstanding. Tax increment financing allows cities to create special districts and to make public/private improvements within those districts that will generate public/private-sector development. For a period of 15 years, the tax base is frozen at the predevelopment level, and taxes generated from the incremental increases in assessed value are remitted as payment on the notes and bonds. The loan agreements between the City and developer expressly limit the City's commitment for debt repayment to the incremental tax collected during the 15-year period. At the end of the 15-year period, the tax jurisdiction collects on the increased property values. The related tax increment districts are not component units of the City; therefore, the City is not liable for the outstanding debt. The City's responsibility for this liability is limited only to remittance of paid taxes.

Tax increment notes and bonds outstanding at December 31, 2010 comprise the following individual issues listed as follows and on the following pages:

**Tax Increment Notes and Bonds**

<b>Original amount</b>	<b>Issue</b>	<b>Effective interest rate at issuance</b>	<b>December 31, 2010</b>
\$ 3,440,000	FNB Data Center – Series 1998	6.25%	\$ 1,054,000
600,000	FNB Data Center – Series 2004	5.90	126,500
14,515,000	FNB Tower Project – Series 1999A	6.965 – 7.675	6,490,000
3,500,000	FNB Tower Project – Series 1999B	6.965 – 7.675	1,560,000
620,000	Child Care Facility Project – Series 2003	5.00	270,800
4,649,620	Riverfront Redevelopment – Series 2A	6.50	555,350
1,420,380	Riverfront Redevelopment – Series 2B	6.50	169,650
11,585,000	Convention Center Hotel Redevelopment	2.5 – 4.85	8,050,000
1,464,000	Riverfront Place Redevelopment 2009A	4.05	1,354,000
594,000	Riverfront Place Redevelopment 2009B	7.90	560,000
1,224,000	Westin Aquila	7.00	76,855
1,135,000	Food Services of America	8.00	1,451,477
290,000	Orchard Manor	9.50	127,296
479,000	Lozier III	7.00	275,375
377,000	Drake Williams Steel	9.25	585,212
540,000	Rivergate Apartments	8.75	155,866
2,650,000	First Data Resources	8.00	2,180,928
94,140	Caldwell Limited Partnership	10.00	44,208
200,000	Upstream Brewing Co.	10.13	144,401
374,000	Securities Building Ltd. Partnership	8.00	201,448
88,830	Kellom Plaza (26th St. Limited Ptr.)	10.00	20,175
500,000	Premier Place Development	9.25	491,096

**CITY OF OMAHA, NEBRASKA**

Notes to Basic Financial Statements

December 31, 2010



**Tax Increment Notes and Bonds**

<b>Original amount</b>	<b>Issue</b>	<b>Effective interest rate at issuance</b>	<b>December 31, 2010</b>
\$ 42,885	Ames/Fontenelle LLC	9.00%	\$ 48,152
1,519,000	Downtown Northeast	8.00	758,367
424,000	Bull Durham	9.00	269,828
110,000	Grace Plaza/Twentieth Plaza	8.50	100,753
139,000	Riverview Meadows	9.00	291,585
195,000	Campus for Hope	2.71	72,231
400,000	American Laboratories	9.00	516,168
7,200,000	Aksarben Future Trust	7.42	1,880,710
419,000	Spagetti Building Development	9.00	122,061
202,000	Riley Building LLC	8.00	263,138
243,600	Village Development – Lake Street LLC	8.00	169,422
175,000	Immaculate Conception School	8.00	210,885
180,225	Robbins School LLP	9.00	161,160
76,000	L&R Holdings, LLC	8.50	25,425
790,000	Bemis Company, Inc.	8.50	1,651,498
378,000	Joslyn Lofts Limited Partnership	8.00	392,033
918,400	St. Joseph Terrace Apts. LLC	8.00	611,119
118,000	South Omaha Affordable Housing Corp	8.50	128,147
894,600	707 South 11th Street Limited Prtnr.	7.50	945,965
2,087,400	1023 Jones Street LLP	7.25	1,802,938
186,000	E.A. Pedersen Redevelopment	8.00	300,899
180,000	1234 South 13th Street LLC	8.78	360,218
5,972,725	Ames Center/Benson Plaza	8.00	9,463,399
2,098,000	Airlite Plastics Company	7.75	327,559
1,553,000	Hilton Garden Inn	9.00	831,752
77,950	Roman Marble Products, Inc.	8.00	83,438
495,000	Abbot Drive Plaza Redevelopment	8.00	915,189
100,000	Meredith Manor	10.00	87,421
285,000	1613 Farnam Street LLC	8.50	150,813
100,000	Cox/Suburban Electric Redevelopment	8.50	117,140
50,000	T&B Properties, LLC	9.50	47,681
71,000	Big Jim's Plus Gas & Convenience Store	9.375	111,850
4,100,000	Omaha World Herald	9.00	2,473,321
202,000	Chanell Construction	8.00	244,556
238,000	Cohen Squared LLC	8.75	189,119
150,000	Fullwood Square Apartments Ltd Ptnrshp	8.75	205,275
285,000	O'Keefe Elevator Company Inc. Redevelopment	8.50	147,939

**CITY OF OMAHA, NEBRASKA**

Notes to Basic Financial Statements

December 31, 2010



**Tax Increment Notes and Bonds**

<b>Original amount</b>	<b>Issue</b>	<b>Effective interest rate at issuance</b>	<b>December 31, 2010</b>
\$ 307,200	Ames Avenue LLC	8.00%	\$ 233,218
355,000	Village Development	8.00	327,476
438,000	Turner Park LLC Redevelopment	8.00	513,216
106,800	Bradford Investment Group (Benson)	9.00	231,189
553,000	Cintas Group (North Omaha Business Park)	8.50	857,866
1,600,000	Drake Court Apts. (710 S 20th LLC)	7.00	1,553,486
602,498	Signa Development Svcs (Omaha Club)	7.50	1,124,070
125,000	Kellom Villa Limited	7.25	101,524
120,000	Kellom Gardens Limited	7.25	120,276
86,600	Armored Knights	5.00	76,359
1,108,538	Phillips Realty LLC	5.00	803,023
243,000	King's Heritage Estates I	8.00	241,388
790,000	1000 Dodge Street LLC	6.50	678,463
1,800,000	Livestock Exchange Building LLC	7.00	1,460,584
580,000	Miami Heights Area Development	5.70	471,066
1,335,000	Greater Omaha Packing II	6.00	1,315,344
721,000	Airlite Plastics Company II	6.00	438,296
526,000	California Housing LLC	7.50	564,096
150,000	QRS (Quality Refrigerated Svcs) Redevelopment II	8.25	210,263
856,000	Hy-Vee, Inc. Redevelopment	7.00	973,810
600,000	Twenty Fourth & Hamilton LLC	7.00	862,664
125,000	701 South 15th LLC	8.00	67,665
2,750,000	Courtland Place No. I LLC	8.00	2,507,040
4,200,000	Riverfront Partners LLC	5.25	3,998,673
777,000	1111 Jones Street LLC (Museum Kaneko)	7.00	868,085
450,000	DTG LLC & Jobbers Canyon LLC	7.00	589,319
1,495,000	National Parks Service Redevelopment	5.50	1,086,526
1,840,000	Model 'T' Ford Building LLC	7.00	1,679,806
1,150,000	T.S. McShane LLC (P.E. Iler Bldg)	7.00	1,639,139
8,490,000	Sorenson Park Plaza Commercial	6.00	9,435,828
510,750	Sutherlands Plaza LLC	6.50	672,781
525,000	U.S. Food Service	8.00	520,831
232,000	The Village at Omaha LP	4.90	212,818
150,000	5217 South 28th Street LLC Redevelopment	7.00	170,079
108,000	Underwood Properties, Inc.	7.00	105,099

**CITY OF OMAHA, NEBRASKA**

Notes to Basic Financial Statements

December 31, 2010



**Tax Increment Notes and Bonds**

<b>Original amount</b>	<b>Issue</b>	<b>Effective interest rate at issuance</b>	<b>December 31, 2010</b>
\$ 389,000	Rycan, Inc. d/b/a West & Willy Redevelopment	6.70%	\$ 470,483
275,000	St Clair Condos LLC	6.00	251,015
983,000	Grover Street Acquisition LLC	7.00	1,390,325
3,440,000	BOCA Development	7.00	2,961,934
3,573,281	Brandeis Lofts LLC Condominiums	7.00	3,657,301
1,950,000	Jackson Lofts LLC Redevelopment	6.50	2,162,255
2,709,950	Benson Park Plaza Redev Phase II	8.00	3,756,262
1,349,000	Bushido University LLC	7.25	1,593,812
239,817	La Cuadra LLC	7.80	258,843
104,000	Nathan LP/Nathan Development LLC	7.50	120,118
1,800,000	River City Lodging LLC	6.00	2,153,629
440,000	The Hill Condo Conversions	7.50	515,248
1,949,000	North Central Group Redev Phase I	7.25	2,222,911
2,315,500	North Central Group Redev Phase II	7.25	2,773,516
160,000	DEEL Investments LLC	8.00	155,312
1,100,000	Kimball Lofts LLC	8.50	1,499,835
2,528,000	DMK Investments LLC	6.50	3,232,736
15,639,284	Townsend Investments (Wallstreet Towers)	8.50	22,676,608
86,000	CF Studio	6.25	104,146
4,750,000	jLofts Condominiums	7.39	5,973,296
300,000	James Tinsley Villas LLC	7.50	324,665
1,000,000	Downtown Dodge Developers LLC	8.25	1,034,645
415,535	P&A McGill LLC	6.00	469,068
576,000	Columbo LLC (Aksarben Place)	7.50	661,488
1,546,998	Zone 5 LLC (Aksarben Village)	7.50	2,004,747
602,625	Noddle AV2 LLC (Aksarben Project 1A)	7.62	735,840
844,805	Noddle AV3 LLC (Aksarben Project 1B)	7.62	1,019,630
1,502,460	Noddle AV4 LLC (Aksarben Project 1C)	7.62	1,851,328
406,410	Zone Three Commons LLC (Aksarben Project 1D)	7.62	452,083
250,000	S&S Properties LLC (Heartland Scenic Studios)	8.00	250,522
1,370,000	RHW Management Inc. (Aksarben Project 5)	7.50	1,688,978
416,000	Graham Ice Cream Building	8.00	447,462
5,000,000	Broadmoor Development (Aksarben Project 4)	7.50	6,388,671
2,196,000	Georgetown Properties (Aksarben Project 3)	7.25	2,658,722

**CITY OF OMAHA, NEBRASKA**

Notes to Basic Financial Statements

December 31, 2010



**Tax Increment Notes and Bonds**

<b>Original amount</b>	<b>Issue</b>	<b>Effective interest rate at issuance</b>	<b>December 31, 2010</b>
\$ 1,750,000	Ontrack Development LLC	8.50%	\$ 2,512,201
215,000	Salem Village	8.75	197,669
539,000	Giovanna Rows @6th & Pierce Redevelopment	8.00	502,699
2,845,646	Dial-Kinseth Development (Marriott Residence Inn)	7.50	3,731,561
100,000	Anzaldo Second Addition Redev	8.00	101,051
1,370,000	Caniglia Little Italy LLC Redev	8.00	1,430,675
487,500	S&R Development LLC (Metro OB-GYN)	5.25	526,176
320,000	Clarinda Condos	8.00	367,346
37,439,000	East Campus Realty (Midtown Crossing @ Turner Park)	5.13	43,286,122
180,000	DEEL Investments LLC (18th Street Row House)	8.00	210,964
539,000	Sheppard Heights (Incontro Enterprises LLC)	8.00	716,023
3,603,000	Skyline Retirement Community Development	8.00	4,551,638
1,642,118	Creighton University (Modern Equipment Company)	6.00	1,781,559
691,000	ALDI, Inc. (Sutherlands Plaza Redevelopment)	—	671,030
142,000	Sutherlands Plaza LLC	7.50	165,684
4,123,223	South 72nd Street Associates LLC	7.00	4,848,330
420,000	Storage Canada LLC (Dino's Storage)	8.00	479,320
210,000	Greenview Estates LLC Redevelopment	7.25	211,531
500,000	CCL&B Inc. (Johnstone Supply Co.)	7.50	506,581
1,000,000	DLR AK5 LLC (DLR Group Building)	6.75	1,189,923
245,000	NATA Board of Certification	5.85	255,619
126,200	Omaha Collision Company LLC	7.00	136,355
483,000	Blues Lofts, Inc. Redevelopment	8.00	566,297
1,357,191	Riverfront Compus Developers II LLC	6.50	1,583,769
171,299	2566 Leavenworth LLC	6.75	204,369
844,000	Building 500 LLC (500 South 18th St.)	7.50	978,354
293,500	No Man's Land LLC (24th & Paul St.)	6.75	335,821
715,000	ALDI, Inc.	—	715,000
643,000	901 Land LLC	8.00	769,909
387,540	Bakers Supply #2	6.50	426,035
1,200,000	Help the Homeless of the Metro LLC	7.00	1,300,006
1,240,000	Courtland Place No. 2 LLC	8.00	1,523,019

**CITY OF OMAHA, NEBRASKA**

Notes to Basic Financial Statements

December 31, 2010



**Tax Increment Notes and Bonds**

<u>Original amount</u>	<u>Issue</u>	<u>Effective interest rate at issuance</u>	<u>December 31, 2010</u>
\$ 12,000,200	Quad Tech LLC (Blue Cross Centre)	7.50%	\$ 13,948,461
456,187	Gahm's Block LLC	6.25	511,326
560,000	Forest Hill Properties LLC	7.00	628,715
1,857,000	Zone 5 LLC (Phase II)	8.00	2,163,715
661,000	Lot 9 LLC (Bluestone Development)	8.00	738,509
650,000	OMAR-5 LLC	6.50	698,537
402,000	Help the Homeless of the Metro LLC	7.50	425,955
1,000,000	Marcy Mason LLC	6.50	1,069,096
765,000	Capital Rows LLC	7.00	789,236
440,000	828 S 17th St LLC (Mi Mama's Tortilla)	—	440,000
425,000	1009 Capital Avenue LLC	6.50	448,538
225,000	Notre Dame Apartments LLC	8.00	227,811
			\$ 265,925,126

***Debt Margin/Covenants***

According to the City Charter, the total amount of general obligation indebtedness (including annexed area bonds) outstanding at any time, which shall include bonds issued, but shall not include bonds authorized until they are issued, shall not exceed 3.5% of the actual value of taxable real and personal property in the City. Debt margin as of December 31, 2010 is calculated as follows:

Debt limit	\$ <u>941,146,622</u>
General obligation debt	526,180,000
General debt service fund balance	<u>16,693,477</u>
	<u>509,486,523</u>
Debt margin	\$ <u><u>431,660,099</u></u>

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

***In Substance Defeasance***

On November 10, 2010, the City issued \$35,950,000 of general obligation refunding bonds to provide resources to purchase investment securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of \$35,415,000 of general obligation bonds. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the

**CITY OF OMAHA, NEBRASKA**

Notes to Basic Financial Statements

December 31, 2010



governmental activities column of the statement of net assets. The reacquisition priced exceeded the net carrying amount of the old debt by \$2,573,113. This amount is being netted against the new debt and amortized over the shorter life of the refunded debt or original debt. This refunding was undertaken to reduce total debt service payments over the next 22 years by \$3,486,516 and resulted in an economic gain of \$3,032,901.

In prior years, the City defeased certain general obligation and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. The amount of in substance defeased debt outstanding at December 31, 2010 is shown as follows:

**General Obligation Bonds**

2004 Convention Center Series A	\$	101,605,000
2001 Various Purpose		10,500,000
2003 Various Purpose		7,560,000
		<u>119,665,000</u>

**Annexed Area Bonds**

S.I.D. #272	1,390,000
S.I.D. #406	480,000
S.I.D. #423	1,200,000
S.I.D. #423	110,000
S.I.D. #449	2,610,000
S.I.D. #459	2,545,000
S.I.D. #459	3,075,000
S.I.D. #461	925,000
S.I.D. #470	4,080,000
S.I.D. #498	2,065,000
S.I.D. #534	2,825,000
	<u>21,305,000</u>

Total general obligation bonds 140,970,000

**Business-Type Revenue Bonds**

2001 Convention Center Hotel	<u>100,905,000</u>
Total	<u>\$ 241,875,000</u>

**CITY OF OMAHA, NEBRASKA**

Notes to Basic Financial Statements

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**(7) Leases**

The City is leasing libraries and other facilities under noncancelable lease-purchase agreements expiring at various times through 2036, at which time title will be conveyed to the City. The net book value of leased assets is approximately \$137 million. The rental payments are designed to equal the debt service requirements of certain nonprofit organizations that financed the construction of the facilities. The City has an option to purchase the facilities at any time by paying an amount equal to the total of all remaining unpaid lease obligations to the lessor at that time.

The following schedule reflects future minimum lease payments under the lease-purchase agreements together with the present value of the net minimum lease payments as of December 31, 2010:

	<u>Governmental activities</u>	<u>Business-type activities</u>
Fiscal year ending:		
2011	\$ 10,967,337	4,554,331
2012	11,011,688	4,544,198
2013	10,968,751	4,548,217
2014	10,987,525	4,381,035
2015	10,953,942	4,397,178
2016 – 2020	51,398,062	16,825,662
2021 – 2025	42,362,464	10,203,549
2026 – 2030	36,969,444	9,298,822
2031 – 2035	36,135,484	5,482,604
2036 – 2040	<u>7,435,015</u>	<u>—</u>
Total minimum lease payments	229,189,712	64,235,596
Less amount representing interest	<u>88,091,792</u>	<u>22,225,596</u>
Total principal obligation under capital leases with rates of interest from 1.10% to 6.19%	<u>\$ 141,097,920</u>	<u>42,010,000</u>

The City leases space in the Omaha Douglas Civic Center and the adjoining Hall of Justice under a lease that expires only upon payment of all outstanding bonds of the Commission. The annual rental payments are determined based upon actual space occupied by the City for operation and maintenance. Actual rental payments for 2010 were approximately \$1,400,000.

**CITY OF OMAHA, NEBRASKA**

Notes to Basic Financial Statements

December 31, 2010



**(8) Receivables**

Receivables at December 31, 2010 of the City's major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Debt service</u>	<u>Downtown Stadium</u>	<u>Nonmajor</u>	<u>Total governmental activities</u>	<u>Convention Center Hotel Fund</u>	<u>Parking facilities Fund</u>	<u>Sewer Fund</u>	<u>Nonmajor</u>	<u>Total business-type activities</u>	<u>Total</u>
Receivables:											
Property taxes	\$ 76,031,750	51,471,273	—	5,871,526	133,374,549	—	—	—	—	—	133,374,549
Telephone occupation tax	2,713,700	—	—	—	2,713,700	—	—	—	—	—	2,713,700
Hotel motel occupation tax	378,044	—	—	—	378,044	—	—	—	—	—	378,044
Vehicle rental occupation tax	193,024	—	—	—	193,024	—	—	—	—	—	193,024
Restaurant Tax	1,667,970	—	—	—	1,667,970	—	—	—	—	—	1,667,970
Cable TV and Gas franchise fee	1,346,692	—	—	—	1,346,692	—	—	—	—	—	1,346,692
MUD in lieu of tax	837,756	—	—	—	837,756	—	—	—	—	—	837,756
OPPD in lieu of tax	42,246	31,195	—	3,550	76,991	—	—	—	—	—	76,991
Motor vehicle tax	682,521	—	—	—	682,521	—	—	—	—	—	682,521
Special assessment	—	2,868,527	—	2,634,347	5,502,874	—	—	—	—	—	5,502,874
State aid distribution	1,427,261	—	—	—	1,427,261	—	—	—	—	—	1,427,261
Donor's Trust	—	—	21,500,000	—	21,500,000	—	—	—	—	—	21,500,000
Charges for services and other	6,363,945	—	—	5,239,390	11,603,335	52,046	267,444	2,519,105	180,117	3,018,712	14,622,047
Total receivables	<u>\$ 91,684,909</u>	<u>54,370,995</u>	<u>21,500,000</u>	<u>13,748,813</u>	<u>181,304,717</u>	<u>52,046</u>	<u>267,444</u>	<u>2,519,105</u>	<u>180,117</u>	<u>3,018,712</u>	<u>184,323,429</u>

Governmental funds report deferred revenues in connection with receivables for revenues not considered available to liquidate liabilities of the current period. At December 31, 2010, the various components of deferred revenue and unearned revenue are as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Property tax receivable (general fund)	\$ 76,031,750	5,949
Property tax receivable (debt service fund)	51,471,273	4,392
Special assessments (debt service fund)	2,868,527	—
Donors Trust (downtown stadium)	21,500,000	—
Property tax receivable (other governmental funds)	5,871,526	500
Special assessments (other governmental funds)	2,634,347	—
Grants (general fund)	2,952,590	—
Grants (other governmental funds)	15,115,137	1,875,002
	<u>\$ 178,445,150</u>	<u>1,885,843</u>

CITY OF OMAHA, NEBRASKA

Notes to Basic Financial Statements

December 31, 2010



(9) Employees' Retirement Plans

Substantially all City employees are covered by one of two single employer contributory defined-benefit retirement plans. The City of Omaha Employees' Retirement System (the Civilian Plan) and the City of Omaha Police and Firefighters Retirement System (the Uniformed Plan), as described as follows, are accounted for by the City as pension trust funds.

(a) Civilian Plan

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

Funding Policy – Effective May 16, 2010, Civilian Plan members are required to contribute, by payroll deduction, 8.575% of their annual covered salary and the City is required to contribute at a rate of 10.275% of annual covered salary. Administrative costs for management of the investment funds are financed through investment earnings. Other administrative costs of the Civilian Plan are paid by the City's general fund. Contributions to the Civilian Plan totaled \$4,858,097 for the employees and \$5,717,610 for the employer for the year ended December 31, 2010.

Participant Data

Membership of the Civilian Plan consists of the following at December 31, 2010:

Number of:	
Active members	1,131
Service retirements	951
Surviving spouses and children	244
Disabled	84
Deferred vested	82
Total participants	<u>2,492</u>

The Civilian Plan is not subject to either the minimum funding standards of the Employee Retirement Income Security Act of 1974 or the maximum funding standards of the Employee Retirement Income Security Act of 1974 or the maximum funding limitations. Funding standards are actuarially determined using the entry age-normal cost method.

**CITY OF OMAHA, NEBRASKA**

Notes to Basic Financial Statements

December 31, 2010



The information presented in the notes to financial statements and required supplementary information was determined as part of the actuarial valuation at the date indicated. Additional information as of the latest actuarial valuation follows:

Valuation date	January 1, 2010
Actuarial cost method	Entry age normal method
Amortization method	Level percent closed
Remaining amortization period	22 years
Asset valuation method	Adjusted value of plan assets 75% of expected value, plus 25% of market value
Actuarial assumptions:	
Investment rate of return	8% per year
Projected salary increases	Varying 4% to 10% per year
Cost of living adjustments	Lesser of 3% or \$50 per month
Amortization period	Open

*Annual Pension Cost and Net Pension Obligation* – The City’s annual pension cost and net pension obligation to the Civilian Plan for the fiscal year ended December 31, 2010 are as follows:

Annual required contribution	\$ 14,149,386
Interest on net pension obligation	2,004,239
Adjustment to annual required contribution	<u>(2,225,393)</u>
Annual pension cost	13,928,232
Contributions made	<u>(5,717,610)</u>
Increase in net pension obligation	8,210,622
Net pension obligation, beginning of year	<u>(25,052,987)</u>
Net pension obligation, end of year	<u><u>\$ (33,263,609)</u></u>

The annual pension costs, the percentage of annual pension cost contributed, and the net pension obligation for 2010, 2009, and 2008 are as follows:

	<b>Schedule of employer contributions</b>		
	<u>Annual pension cost (APC)</u>	<u>Percentage of APC contributed</u>	<u>Net pension obligation</u>
Fiscal year ended:			
2010	\$ 13,928,232	41%	\$ (33,263,609)
2009	12,737,738	42	(25,052,987)
2008	9,089,878	59	(17,626,003)

**CITY OF OMAHA, NEBRASKA**

Notes to Basic Financial Statements

December 31, 2010



*Basis of Accounting* – The Civilian Plan’s financial statements are prepared using the accrual basis of accounting and are presented as a pension trust fund in the accompanying basic financial statements of the City. Plan member and employer contributions are recognized in the period in which the contributions are due. Benefits are provided based on a percentage of the member’s final average compensation and are recognized when due and payable.

*Method Used to Value Investments* – Civilian Plan assets are invested in readily marketable securities and are carried at fair value. Investments in securities traded on a national securities exchange are valued at the latest quoted market prices. Unlisted investments are valued at latest quoted market prices.

*Funding Status and Funding Progress* – The funding status and funding progress is as follows: (dollars in millions)

<u>Actuarial valuation date</u>	<u>Actuarial value of assets (a)</u>	<u>Actuarial accrued liability (AAL) entry age (b)</u>	<u>Unfunded AAL (UAAL) (b-a)</u>	<u>Funded ratio (a/b)</u>	<u>Covered payroll (c)</u>	<u>UAAL as a percentage of covered payroll ((b-a)/c)</u>
2010	\$ 232.4	414.5	182.1	56.1	\$ 56.7	321.2
2009	213.2	402.8	189.6	52.9	55.7	340.4
2008	204.5	387.7	183.2	52.7	56.4	328.8

**Assets**

Cash and cash equivalents	\$ 765,729
Due from other funds	232,666
Receivables:	
Accounts receivable	3,990
Accrued interest	456,729
Investments	<u>231,224,640</u>
Total assets	<u>\$ 232,683,754</u>

**Liabilities**

Accounts payable and other current liabilities	<u>\$ 337,170</u>
Total liabilities	<u>337,170</u>

**Net Assets**

Net assets:	
Held in trust for pension benefits	<u>232,346,584</u>
Total liabilities and net assets	<u>\$ 232,683,754</u>

**CITY OF OMAHA, NEBRASKA**

Notes to Basic Financial Statements

December 31, 2010



Additions:	
Contributions:	
Employer	\$ 5,717,610
Employee	4,858,097
	<hr/>
Total contributions	10,575,707
	<hr/>
Investment income (loss):	
Dividends and interest	3,841,307
Net appreciation in fair value of investments	32,609,186
Investment expenses	(1,561,382)
	<hr/>
Net investment income	34,889,111
	<hr/>
Total additions	45,464,818
Deductions:	
Benefit payments	26,337,866
	<hr/>
Change in net assets	19,126,952
	<hr/>
Net assets held in trust for pension benefits, beginning of year	213,219,632
	<hr/>
Net assets held in trust for pension benefits, end of year	\$ 232,346,584
	<hr/> <hr/>

**(b) Uniformed Plan**

*Plan Description* – The Uniformed Plan is a single-employer contributory defined benefit pension plan. The Uniformed Plan covers all eligible probationary and regular sworn personnel of the Police and Fire departments of the City. The Uniformed Plan provides retirement, disability, and death benefits to plan members and beneficiaries. Cost-of-living adjustments are provided to members and beneficiaries at the discretion of the City in accordance with plan provisions. The City Council has the authority to negotiate, set, and amend contribution rates for the employer and employees. The Pension Board of the City administers the Uniformed Plan. The Pension Board is responsible for establishing or amending plan provisions. The Uniformed Plan does not issue separate financial statements.

*Funding Policy* – Uniformed Plan members are required to contribute, by payroll deduction, a percentage of their annual covered salary and the City is also required to contribute as follows:

<u>Bargaining group</u>	<u>Employee rate</u>	<u>City rate</u>
Fire Sworn	15.40%	21.02%
Fire Management	15.45	21.07
Police Sworn	15.35	32.67
Police Management	14.57	20.19

In addition, the City will make contributions of \$1,327,600 annually through 2028. Administrative costs for management of the investment funds are financed through investment earnings. Other

**CITY OF OMAHA, NEBRASKA**

Notes to Basic Financial Statements

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administrative costs of the Uniformed Plan are paid by the city's general fund. Contributions to the Uniformed Plan totaled \$16,271,773 for the employees and \$24,183,614 for the employer for the year ended December 31, 2010.

**Participant Data**

Membership of the Uniformed Plan consists of the following at January 1, 2010:

Number of:	
Active members	1,422
Service retirements	934
Surviving spouses and children	271
Disabled	240
Deferred vested	9
Total participants	<u>2,876</u>

The Uniformed Plan is not subject to either the minimum funding standards of the Employee Retirement Income Security Act of 1974 or the maximum funding standards of the Employee Retirement Income Security Act of 1974 or the maximum funding limitations. Funding standards are actuarially determined using the entry age-normal cost method.

The information presented in the notes to the basic financial statements and required supplementary information was determined as part of the actuarial valuation at the date indicated. Additional information as of the latest actuarial valuation follows:

Valuation date	January 1, 2010
Actuarial cost method	Entry age normal method
Amortization method	Level percent of pay
Remaining amortization period	23 years
Asset valuation method	Actuarial value of assets One-third of market value, plus two-thirds of expected asset value
Actuarial assumptions:	
Investment rate of return	8% per year
Projected annual salary increases	varying 4% through 6.5%
Final year wage adjustment	10.0%
Cost-of-living adjustments	Lesser of 3% or \$50 per month (\$65 for fire retirements after June 30, 2007)
Amortization period	Open

**CITY OF OMAHA, NEBRASKA**

Notes to Basic Financial Statements

December 31, 2010



*Annual Pension Cost and Net Pension Obligation* – The City’s annual pension cost and net pension obligation to the Uniformed Plan for the year ended December 31, 2010 are as follows:

Annual required contribution	\$ 55,488,062
Interest on net pension obligation	7,098,244
Adjustment to annual required contribution	<u>(7,881,485)</u>
Annual pension cost	54,704,821
Contributions made	<u>(24,183,493)</u>
Increase in net pension obligation	30,521,328
Net pension obligation, beginning of year	<u>(88,728,048)</u>
Net pension obligation, end of year	<u><u>\$ (119,249,376)</u></u>

The annual pension costs, the percentage of annual pension cost contributed, and the net pension obligation for 2010, 2009, and 2008 are as follows:

	<b>Schedule of employer contributions</b>		
	<u>Annual pension cost (APC)</u>	<u>Percentage of APC contributed</u>	<u>Net pension obligation</u>
Fiscal year ended:			
2010	\$ 54,704,821	44%	\$ (119,249,376)
2009	49,964,986	45	(88,728,048)
2008	37,671,425	58	(61,464,670)

*Basis of Accounting* – The Uniformed Plan’s financial statements are prepared using the accrual basis of accounting and are presented as a pension trust fund in the accompanying financial statements of the City. Plan member and employer contributions are recognized in the period in which the contributions are due. Benefits are provided based on a percentage of the member’s final average compensation and are recognized when due and payable.

*Method Used to Value Investments* – Uniformed Plan assets are invested in readily marketable securities and are carried at fair value. Investments in securities traded on a national securities exchange are valued at the latest quoted market prices. Unlisted investments are valued at latest quoted market prices.

**CITY OF OMAHA, NEBRASKA**

Notes to Basic Financial Statements

December 31, 2010



*Funding Status and Progress* – The funding status and funding progress is as follows:  
(dollars in millions)

<u>Actuarial valuation date</u>	<u>Actuarial value of assets (a)</u>	<u>Actuarial accrued liability (AAL) entry age (b)</u>	<u>Unfunded AAL (UAAL) (b-a)</u>	<u>Funded ratio (a/b)</u>	<u>Covered payroll (c)</u>	<u>UAAL as a percentage of covered payroll ((b-a)/c)</u>
2010	\$ 452.6	1,093.3	640.7	41.4%	\$ 111.2	576.2%
2009	405.4	1,026.2	620.8	39.5	103.9	597.5
2008	365.9	947.2	581.3	38.6	99.5	584.2

Summary financial information for the Uniformed Plan is as follows:

**Assets**

Cash and cash equivalents	\$ 780,721
Due from other funds	883,877
Receivables:	
Accounts receivable	88,371
Accrued interest	1,488,637
Investments	<u>450,190,832</u>
Total assets	<u>\$ 453,432,438</u>

**Liabilities**

Accounts payable and other current liabilities	<u>\$ 792,135</u>
Total liabilities	<u>792,135</u>

**Net Assets**

Net assets:	
Held in trust for pension benefits	<u>452,640,303</u>
Total liabilities and net assets	<u>\$ 453,432,438</u>

**CITY OF OMAHA, NEBRASKA**

Notes to Basic Financial Statements

December 31, 2010



Additions:	
Contributions:	
Employer	\$ 24,183,614
Employee	16,271,773
Total contributions	<u>40,455,387</u>
Investment income (loss):	
Dividends and interest	5,972,261
Net appreciation in fair value of investments	60,886,531
Investment expenses	<u>(2,447,700)</u>
Net investment income	<u>64,411,092</u>
Total additions	104,866,479
Deductions:	
Benefit payments	<u>57,616,214</u>
Change in net assets	47,250,265
Net assets held in trust for pension benefits, beginning of year	<u>405,390,038</u>
Net assets held in trust for pension benefits, end of year	<u>\$ 452,640,303</u>

**CITY OF OMAHA, NEBRASKA**

Notes to Basic Financial Statements

December 31, 2010



**(10) Capital Assets**

Capital asset activity for the year ended December 31, 2010 is as follows:

	<u>Beginning balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending balances</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 138,098,696	82,087	117,376	138,063,407
Cultural assets	5,833,600	—	—	5,833,600
Construction in progress	59,044,457	43,262,903	—	102,307,360
	<u>202,976,753</u>	<u>43,344,990</u>	<u>117,376</u>	<u>246,204,367</u>
Total capital assets, not being depreciated				
Capital assets, being depreciated:				
Buildings	579,554,687	8,592,377	198,180	587,948,884
Machinery and equipment	70,531,400	3,883,839	6,358,528	68,056,711
Infrastructure	586,233,498	26,666,012	—	612,899,510
	<u>1,236,319,585</u>	<u>39,142,228</u>	<u>6,556,708</u>	<u>1,268,905,105</u>
Total capital assets, being depreciated				
Less accumulated depreciation for:				
Buildings	197,493,481	16,072,021	190,222	213,375,280
Machinery and equipment	49,272,007	4,301,605	6,231,638	47,341,974
Infrastructure	148,909,625	13,619,529	—	162,529,154
	<u>395,675,113</u>	<u>33,993,155</u>	<u>6,421,860</u>	<u>423,246,408</u>
Total accumulated depreciation				
Total capital assets, being depreciated, net				
	<u>840,644,472</u>	<u>5,149,073</u>	<u>134,848</u>	<u>845,658,697</u>
Governmental activities capital assets, net				
	<u>\$ 1,043,621,225</u>	<u>48,494,063</u>	<u>252,224</u>	<u>1,091,863,064</u>

**CITY OF OMAHA, NEBRASKA**

Notes to Basic Financial Statements

December 31, 2010



Depreciation expense was charged to functions/programs as follows:

Governmental activities:		
General government	\$	992,600
Public safety		3,470,625
Community development		795,201
Other public services		983,953
Culture and parks		13,956,697
Transportation services		13,794,079
Total depreciation expense – governmental	\$	<u>33,993,155</u>

Capital asset activity of each major enterprise fund is as follows:

	<u>Beginning balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending balances</u>
Convention Center Hotel Fund:				
Capital assets, not being depreciated:				
Cultural assets	\$ 498,366	—	—	498,366
Construction in progress	—	2,785,915	—	2,785,915
Capital assets, being depreciated:				
Buildings	71,895,336	228,205	—	72,123,541
Machinery and equipment	3,764,436	50,960	399,952	3,415,444
Furniture and fixtures	7,250,807	67,053	1,701,389	5,616,471
Total capital assets, being depreciated	<u>82,910,579</u>	<u>346,218</u>	<u>2,101,341</u>	<u>81,155,456</u>
Less accumulated depreciation for:				
Buildings	9,845,750	1,938,698	—	11,784,448
Machinery and equipment	3,530,301	77,622	399,952	3,207,971
Furniture and fixtures	6,834,121	104,817	1,701,389	5,237,549
Total accumulated depreciation	<u>20,210,172</u>	<u>2,121,137</u>	<u>2,101,341</u>	<u>20,229,968</u>
Total capital assets, being depreciated, net	<u>62,700,407</u>	<u>(1,774,919)</u>	<u>—</u>	<u>60,925,488</u>
Convention Center Hotel Fund capital assets, net	\$ <u>63,198,773</u>	<u>1,010,996</u>	<u>—</u>	<u>64,209,769</u>

**CITY OF OMAHA, NEBRASKA**

Notes to Basic Financial Statements

December 31, 2010



	<u>Beginning balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending balances</u>
Parking Facilities Fund:				
Capital assets, not being depreciated:				
Land	\$ 2,473,344	—	—	2,473,344
Total capital assets, not being depreciated	<u>2,473,344</u>	<u>—</u>	<u>—</u>	<u>2,473,344</u>
Capital assets, being depreciated:				
Leased buildings & Buildings	61,344,255	—	—	61,344,255
Total capital assets, being depreciated	<u>61,344,255</u>	<u>—</u>	<u>—</u>	<u>61,344,255</u>
Less accumulated depreciation for:				
Leased buildings & Buildings	25,923,538	2,406,396	—	28,329,934
Total accumulated depreciation	<u>25,923,538</u>	<u>2,406,396</u>	<u>—</u>	<u>28,329,934</u>
Total capital assets, being depreciated, net	<u>35,420,717</u>	<u>(2,406,396)</u>	<u>—</u>	<u>33,014,321</u>
Parking Facilities Fund capital assets, net	<u>\$ 37,894,061</u>	<u>(2,406,396)</u>	<u>—</u>	<u>35,487,665</u>

**CITY OF OMAHA, NEBRASKA**

Notes to Basic Financial Statements

December 31, 2010



	<u>Beginning balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending balances</u>
Sewer Revenue Fund:				
Capital assets, not being depreciated:				
Land	\$ 2,682,270	23,650	—	2,705,920
Construction in progress	<u>76,827,280</u>	<u>37,948,116</u>	<u>10,884,021</u>	<u>103,891,375</u>
Total capital assets, not being depreciated	<u>79,509,550</u>	<u>37,971,766</u>	<u>10,884,021</u>	<u>106,597,295</u>
Capital assets, being depreciated:				
Buildings and systems	584,214,793	13,031,215	—	597,246,008
Machinery and equipment	<u>8,588,383</u>	<u>573,856</u>	<u>134,713</u>	<u>9,027,526</u>
Total capital assets, being depreciated	<u>592,803,176</u>	<u>13,605,071</u>	<u>134,713</u>	<u>606,273,534</u>
Less accumulated depreciation for:				
Infrastructure	237,082,787	14,049,221	—	251,132,008
Buildings and systems	34,871,300	1,110,750	—	35,982,050
Machinery and equipment	<u>5,948,668</u>	<u>516,749</u>	<u>134,713</u>	<u>6,330,704</u>
Total accumulated depreciation	<u>277,902,755</u>	<u>15,676,720</u>	<u>134,713</u>	<u>293,444,762</u>
Total capital assets, being depreciated, net	<u>314,900,421</u>	<u>(2,071,649)</u>	<u>—</u>	<u>312,828,772</u>
Sewer Revenue Fund capital assets, net	<u>\$ 394,409,971</u>	<u>35,900,117</u>	<u>10,884,021</u>	<u>419,426,067</u>

**CITY OF OMAHA, NEBRASKA**

Notes to Basic Financial Statements

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	<u>Beginning balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending balances</u>
Nonmajor Enterprise Funds:				
Capital assets, not being depreciated:				
Construction in progress	\$ 113,981	—	113,981	—
Capital assets, being depreciated:				
Buildings and systems	9,571,123	375,507	12,704	9,933,926
Machinery and equipment	<u>3,721,756</u>	<u>—</u>	<u>925,793</u>	<u>2,795,963</u>
Total capital assets, being depreciated	<u>13,292,879</u>	<u>375,507</u>	<u>938,497</u>	<u>12,729,889</u>
Less accumulated depreciation for:				
Building and systems	3,890,820	330,632	—	4,221,452
Machinery and equipment	<u>3,278,586</u>	<u>126,413</u>	<u>903,954</u>	<u>2,501,045</u>
Total accumulated depreciation	<u>7,169,406</u>	<u>457,045</u>	<u>903,954</u>	<u>6,722,497</u>
Nonmajor Enterprise capital assets, net	<u>\$ 6,237,454</u>	<u>(81,538)</u>	<u>(148,524)</u>	<u>6,007,392</u>

CITY OF OMAHA, NEBRASKA

Notes to Basic Financial Statements

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**(11) Fund Deficits**

Fund deficits exist in the following funds:

Major Enterprise Funds:

Convention Center Hotel	\$ 28,982,251
Parking Facilities	5,626,079

Nonmajor Special Revenue Funds:

Keno/Lottery Proceeds	152,686
Park Development	2,608,559
Grants	8,311,940
Household Chemical Disposal	8,046

Nonmajor Capital Projects Funds:

City Capital Improvement	33,941
2006 Environmental Bonds	481,055
1998 Public Safety Bond (Training Facility)	99,561
Missouri River Pedestrian Bridge	969,619
Back to the River Project	428,785
Downtown Development	26,163
Capital Special Assessment	301,529

Nonmajor Enterprise Funds:

Golf Operations	1,243,207
Air Quality	291,175
Compost	274,201
Printing and Graphics	28,404

**(a) Major Enterprise Funds**

The Convention Center Hotel began operations in April 2004. The City projects that future operations of the hotel will eliminate this deficit. The addition of 150 rooms and meeting space, to be completed in 2011, is expected to generate additional revenue to reduce the deficit. Annual appropriations from the City will subsidize any debt service shortfall.

The Parking Facilities Fund was established as a tool to manage the City's eight parking structures and various surface lots throughout the City. Lease purchase debt has been issued to finance the construction of the parking structures. Annual appropriations from the City's General Fund to subsidize the payment of this debt will eliminate this deficit.

**(b) Nonmajor Special Revenue Funds**

The Park Development Fund's deficit is a result of the acquisition of two large land purchases. These sites are outside of the City and have been selected as future regional parks. A park development fee has been established, which will be collected from neighboring Sanitary Improvement Districts to fund these acquisitions. The other Nonmajor Special Revenue Fund deficits will be eliminated upon collection of deferred revenues from the sponsoring grantor agency and reduction of expenses.

**CITY OF OMAHA, NEBRASKA**

Notes to Basic Financial Statements

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**(c) Nonmajor Capital Funds**

The elimination of fund deficits in the Nonmajor Capital Projects Funds will be accomplished by the receipt of deferred revenues, issuance of bonds, and the collection of special assessments.

**(d) Nonmajor Enterprise Funds**

The deficit in the Golf Operations, Air Quality Funds, Compost, and Printing and Graphics will be eliminated by fee increases and reduction of expenses.

**(12) Postretirement Healthcare Benefits**

***Plan Description***

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

***Funding Policy***

The contribution requirements of plan members and the City are established through labor negotiations, with the Omaha Police Union Local No. 101, the Professional Firefighters Association of Omaha Local No. 385, the Omaha City Employees Local No. 251, and other classified civilian and sworn employees. All agreements are approved and can be amended by the Omaha City Council. Contributions are made to the plan based on a pay-as-you-go basis and the City self-insures this benefit. For the year ended December 31, 2010, the City paid \$18,165,428 for 1,111 retirees. Retiree contribution rates vary from 0% to 5% of an annual estimated premium depending on the bargaining group. Retiree contributions for 2010 were \$545,576. In addition, the City of Omaha received a \$1,097,461 reimbursement for the Affordable Care Act.

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***Annual OPEB Cost and Net OPEB Obligation***

The City's annual other OPEB cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45 *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The remaining amortization period is 27 years. The following table shows the components of the City's annual OPEB costs for the year, the amount actually contributed to the plan, and the changes in the City's net OPEB obligation:

Normal cost	\$ 28,771,877
Amortization of unfunded actuarial accrued liability	18,417,478
Interest on net OPEB obligation	2,296,413
Adjustments to annual required obligation	<u>(2,126,309)</u>
Annual OPEB	47,359,459
Contributions made by employer	<u>(18,600,000)</u>
Change in net OPEB obligations	28,759,459
Net OPEB obligation, beginning of year	<u>57,410,335</u>
Net OPEB obligation, end of year	<u>\$ 86,169,794</u>

The net OPEB cost is allocated to governmental activities, sewer enterprise fund, and other nonmajor enterprise funds.

The annual OPEB costs, the percentage of annual OPEB cost contributed, and the net OPEB obligation for 2010, 2009, and 2008 are as follows:

	<u>Annual OPEB cost</u>	<u>Percentage of annual OPEB contributed</u>	<u>Net OPEB</u>
Fiscal year ended:			
2010	\$ 47,359,459	39%	\$ 86,169,794
2009	37,662,913	48	57,410,335
2008	37,600,000	41	38,012,952

**CITY OF OMAHA, NEBRASKA**

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The following table shows the components of the City’s annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City’s net OPEB obligation:

***Funded Status and Funding Progress***

The funded status of the plan as of March 1, 2010 is as follows:

	<u>2010</u>
Actuarial accrued liability (AAL)	\$ 478,146,061
Actuarial value of plan assets	—
Unfunded actuarial accrued liability (UAAL)	<u>\$ 478,146,061</u>
Funded ratio	—%
Covered payroll	\$ 167,900,000
UAAL as a percentage of covered payroll	285%

***Actuarial Methods and Assumptions***

Actuarial valuations on an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan member to that point. The actuarial methods used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. In the March 1, 2010 actuarial valuation, the unit credit actuarial cost method was used. The actuarial assumptions included a 4% projected investment rate of return and an annual healthcare cost trend of 9.30% initially, reduced by decrements to an ultimate rate of 4.70% after 72 years. Both rates include a 3.00% inflation assumption. The amortization of the unfunded actuarial accrued liability is calculated assuming 27 annual payments increasing at 4% per year.

**(13) Self-Insurance**

It is the policy of the City not to purchase commercial insurance for the risks of losses to which it is exposed except for general liability for helicopters. Instead, the City management believes it is more economical to manage its risks internally and set aside assets for claim settlement in the general fund. This fund services all claims for risk of loss to which the City is exposed, including general liability, property, and casualty up to \$100,000 per occurrence; workers’ compensation; employee health and accident;

**CITY OF OMAHA, NEBRASKA**

Notes to Basic Financial Statements

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environmental; and antitrust. Changes in the balance of claims liabilities during the fiscal years 2010 and 2009 are as follows:

	<b>Beginning of year liability</b>	<b>Current year claims</b>	<b>Claim payments</b>	<b>End of year liability</b>
2010	\$ 27,447,711	55,116,142	50,670,417	31,893,436
2009	22,171,406	57,161,937	51,885,632	27,447,711

**(14) Commitments**

The City is a defendant in a number of lawsuits in its normal course of operations. In addition to the \$5,349,000 recorded by the City as claims and judgments payable, the City Attorney is of the opinion that there is a possibility that the City will incur additional losses on these lawsuits of approximately \$9.6 million.

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

**CITY OF OMAHA, NEBRASKA**

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**(15) Pledged Revenues**

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

<u>Issue</u>	<u>Type revenue pledged</u>	<u>Amount of revenue pledged</u>	<u>General purpose for debt</u>	<u>Term of commitment</u>	<u>Percentage of revenue pledged</u>	<u>Principal and interest for the year ended December 31, 2010</u>	<u>Recognized for the year ended December 31, 2010</u>
Special tax revenue redevelopment (series 1999, 2002A, 2002B, 2004, 2007, 2007A, 2007B, 2008, 2008 refunding, 2009, 2009 taxable)	Community redevelopment property tax	\$ 69,319,530	To finance infrastructure and capital improvements in redevelopment areas throughout the City	Through 2029	100%	\$ 4,617,714	4,175,584
Special obligation (series riverfront 2002A, and 2008 refunding)	Cigarette tax, TIF revenues, Sewer revenue, land sales, and sales tax	136,663,360	To finance infrastructure and capital improvements in the Riverfront Business Park	Through 2032	Various	6,355,962	131,772,230
Highway allocation (series 1999, 2004, 2006)	Street and highway gasoline taxes	2,628,408	To finance street improvements	Through 2026	100%	229,503	27,674,536
Convention Center Hotel (series 2007A, 2010B)	Net operating revenue of the hotel	290,668,164	To finance the construction of the Convention Center Hotel	Through 2035	100%	5,500,917	8,274,289
Sanitary sewer system (series 2003, 2006, 2009) and NE Department of Environmental Quality (series C317079, C317319, C317375, C317432, C317476)	Operating revenue of the sanitary sewer system	264,484,984	To finance the construction and rehabilitation of the sanitary sewer system	Through 2039	100%	7,139,302	49,932,091

# CITY OF OMAHA, NEBRASKA

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### (16) Subsequent Events

Above average snowpack and record spring rains in the Missouri River watershed have caused extensive flooding along the Nebraska /Iowa section of the Missouri River. Water releases from upstream dams are expected to remain at record levels until this September. The City and its properties are protected by 13 miles of levees. Thus far, the levees are holding and are expected to withstand the increased river flow. The City has incurred about \$3 million of expenses to enhance the levee system and increase water pumping capacity. The City is covered by a \$75 million insurance policy and the State has submitted a disaster declaration to the Federal Emergency Management Agency (FEMA) on behalf of the City. We expect these proactive costs to be covered by our insurance coverage or the FEMA declaration.

On March 9, 2011, the City of Omaha sold a baseball stadium commonly known as Omaha's Johnny Rosenblatt Stadium to Donors' Trust, a Nebraska nonprofit corporation. The stadium was situated on approximately 36 acres of land and located at 1202 Bert Murphy Avenue, Omaha, Nebraska. The sales price was \$12,000,000. The City used these proceeds plus \$604,638 to advance refund and defease \$11,930,000 of outstanding lease purchase bonds issued for stadium improvements. No other stadium related debt remains outstanding.

### (17) MECA

#### (a) *Nature of Operations*

MECA was incorporated under the Nebraska Nonprofit Corporation Act, Neb. Stat §21-1901, et seq. in the State of Nebraska. Formal operations of MECA commenced on August 25, 2000, when the City approved an Agreement and Lease between the City and MECA to implement the Convention Center/Arena Redevelopment Plan, to provide bond funds to MECA, to allow MECA to supervise the design and construction of the Convention Center/Arena Facility, to allow MECA to operate the Convention Center/Arena and Parking Facility for 99 years, and to provide a multiyear operating subvention from the City. The agreement and lease required the City to make annual subvention payments to MECA, initially to fund start-up, preconstruction, planning, and other preoperational activities, and thereafter to help offset anticipated annual operating losses. In 2004, MECA amended its agreement and lease with the City to provide for the repayment of construction funds. In 2006, MECA further amended the agreement and lease. Under the amended agreement and lease, the City agreed to transfer to MECA the final subvention amount of \$1,815,000 in 2008. No further subvention payments are required under the agreement.

Title to the facility and all related infrastructure assets are vested with the City. Construction activities were principally funded by private donations and general obligation bonds of the City (the Project Funds). Construction costs, bond proceeds, and payments are not reflected in MECA's financial statements as these assets, liabilities, revenues, and expenditures are accounted for separately by the City. Construction was completed and operations commenced for the Qwest Center Omaha facility during 2004.

In June 2004, MECA Authority entered into a facility management services and lease agreement with the City, to manage and operate the Civic Auditorium, the Music Hall, and the Mancuso Center (collectively referred to as the Civic Auditorium) for a three-year period beginning July 1, 2004. The City and MECA are required under the agreement to make advances to fund Civic Auditorium

# CITY OF OMAHA, NEBRASKA

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operations if the facility operates at a loss. Any advances made by MECA during the term of this agreement will be repaid through operating profits of the Civic Auditorium or through a subvention payment by the City in 2013. In March 2006, MECA and the City extended the Civic Auditorium lease agreement through June 30, 2012.

In May 2008, MECA entered into the Sixth Amendment to the Agreement and Lease with the City to implement the Downtown Omaha Stadium Project Plan by expanding the property currently leased to MECA under the agreement to provide adequate parking, to provide bond and donation funds to MECA, to allow MECA to cause the design and construction of the Omaha Baseball Stadium, and to allow MECA to operate the Omaha Baseball Stadium and additional parking areas. Construction of the stadium is expected to be completed by 2011. MECA also concurrently entered into agreements with the City, the National Collegiate Athletic Association, and College World Series, Inc. to clarify the terms by which the Men's College World Series Baseball Championship will be held at the Omaha Baseball Stadium for a 25-year term.

### **(b) Summary of Significant Accounting Policies**

**Reporting Entity** – MECA is a component unit of the City, for financial reporting purposes. The GASB establishes the criteria used in determining which organizations should be included in financial statements. Accounting principles generally accepted in the United States of America require the inclusion of the transactions of government organizations for which an organization is financially accountable.

The extent of financial accountability is based upon several criteria including: appointment of a voting majority, imposition of will, financial benefit to or burden on a primary government, and financial accountability as a result of fiscal dependency.

MECA's financial statements are included in the City's financial statements as a discretely presented component unit.

**Measurement Focus Basis of Accounting** – MECA accounts for its operations on the flow of economic resources measurement focus and uses the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. MECA distinguishes operating revenues and expenses from nonoperating items. Operating revenues are those revenues that are generated from primary operations. Operating expenses are those that are essential to the primary operations of MECA. All other revenues and expenses are nonoperating.

**Accounting Standards** – In its accounting and financial reporting, MECA follows the pronouncements of the GASB. In addition, MECA follows the pronouncements of all applicable Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board (APB) Opinions and Accounting Research Bulletins (ARBs) of the Committee on Accounting Procedure issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements.

**Revenue Recognition** – MECA recognizes its suite license and club seat revenues over the life of the agreements. Amounts received in advance are recorded as deferred revenues based on the fair value of services to be provided to the licensee, as determined by management. Amounts received in

# CITY OF OMAHA, NEBRASKA

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excess of the fair value are recorded as donation revenue when received. Advance ticket sales, parking, facility rental deposits, and other event revenue received in advance are initially recorded as deferred revenues, which are recognized as revenues as the events take place or services are provided. Naming rights and advertising revenues will be recognized ratably over the life of the agreements.

***Use of Estimates*** – The preparation of MECA’s financial statements in conformity with accounting principles generally accepted in the United States of America requires MECA’s management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

***Cash and Cash Equivalents*** – MECA considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

***Accounts Receivable*** – Accounts receivable consist primarily of amounts receivable from various events. MECA provides an allowance for doubtful accounts equal to the estimated uncollectible amounts. Management regularly reviews the accounts receivable listing to determine uncollectible amounts, at which time, any uncollectible receivables will be written off. Recoveries of accounts receivable previously written off are recorded when received.

***Capital and Intangible Assets, Net*** – Capital assets are recorded at cost. Additions, renewals, and betterments are capitalized and recorded at cost. Expenses for maintenance and repairs are expensed as incurred. The cost and related accumulated depreciation of assets retired or sold is removed from the appropriate asset and contra asset accounts, with the resulting gain or loss recognized.

Depreciation is provided in amounts sufficient to relate the cost of the depreciable assets to operations over their estimated service lives on the straight-line method. Building rights are amortized over 15 years, leasehold improvements are depreciated over 2 to 25 years and furniture, fixtures, and equipment are depreciated over 5 to 10 years.

***Compensated Absences*** – Eligible employees are entitled to an all-purpose time-off policy to use for vacation, illness, or injury, and any personal business. The amount of paid time-off employees receive each year increases with the length of their employment, with a maximum accrual of 35 days. MECA accrues accumulated unpaid time-off pay when earned by the employee.

***Net Assets*** – Invested in Capital Assets, Net of Related Debt – This component of net assets consists of capital assets, net of accumulated depreciation and related debt.

***Unrestricted Net Assets*** – This component of net assets consists of net assets not meeting the definition of invested in capital assets, net of related debt.

***Capital Improvements and Repair and Civic Reserves*** – On June 14, 2007, the MECA Board established a Capital Improvement Reserve to be used to fund future upgrades and improvements to the facility in excess of \$100,000. The MECA Board also established a Repair and Replacement Reserve to be used for all other capitalized asset purchases that are under \$100,000. Amounts are

**CITY OF OMAHA, NEBRASKA**

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added to the reserve at the end of each fiscal year. Fifteen percent (15%) of MECA's net operating profit is allocated to the Capital Improvement Reserve and twenty percent (20%) of MECA's net operating profit is allocated to the Repair and Replacement Reserve, with a minimum funding requirement of \$600,000 per year broken out as follows: \$270,000 to the Capital Improvements Reserve and \$330,000 to the Repair and Replacement Reserve.

The Civic Auditorium also has a reserve established, which is calculated at 50% of the Civic's cash basis net profit.

MECA's reserves at June 30, 2010 are as follows:

Capital improvement reserve	\$	7,677,631
Repair and replacement reserve		4,632,374
Civic Auditorium reserve		<u>212,916</u>
Total deposits	\$	<u><u>12,522,921</u></u>

**Income Taxes** – MECA is a tax-exempt 501(c)(3) nonprofit corporation. In April 2006, MECA received a favorable ruling from the Internal Revenue Service (IRS) in response to a Private Letter Ruling request filed in July 2003. The ruling found that MECA is lessening the burdens of the City by managing the operations of Qwest Center Omaha. As a result of this finding, the IRS determined that the revenues derived from the facility's operations are not subject to unrelated business income tax (UBIT).

(c) **Deposits and Investments**

Bank Deposits – MECA's bank deposits are collateralized at June 30, 2010 as follows:

Deposits per bank	\$	1,127,911
Money market		<u>8,944,259</u>
Total deposits		10,072,170
FDIC coverage		<u>250,000</u>
Uninsured and uncollateralized	\$	<u><u>9,822,170</u></u>

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**Investments** – As of June 30, 2010, MECA’s investments consist of various government agency discount notes, commercial paper and brokered certificates of deposit. In addition, MECA has various mutual fund investments in a deferred compensation account. MECA management adheres to an investment policy approved by the Board of Directors that describes what types of investments MECA is able to purchase, minimum rating criteria, reporting, and oversight responsibilities.

<u>Investments</u>	<u>Maturities</u>	<u>Credit rating</u>	<u>Fair value</u>
Certificates of deposits	7/9/09 – 6/11/10	IDC >or = 200	\$ 5,570,000
Commercial paper	8/21/09	A&P-A1 and Moody’s-P1	5,523,297
Government discount notes	11/2/09 – 6/11/10	N/A	10,009,025
Mutual funds	None	N/A	94,814
Total investments			<u>\$ 21,197,136</u>

**(d) Property, Equipment, and Intangible Assets**

Activity for the year ended June 30, 2010 for property, equipment, and intangible assets and accumulated depreciation and amortization are as follows:

	<u>July 1, 2009</u>	<u>Additions</u>	<u>Dispositions</u>	<u>June 30, 2009</u>
Leasehold improvements	\$ 5,196,443	166,092	74,739	5,437,274
Furniture, fixtures, and equipment	9,173,776	377,177	(21,067)	9,529,886
Building rights	10,079,196	—	—	10,079,196
Construction in progress	74,739	—	(74,739)	—
	<u>24,524,154</u>	<u>543,269</u>	<u>(21,067)</u>	<u>25,046,356</u>
Accumulated depreciation and amortization	<u>(8,066,768)</u>	<u>(1,648,900)</u>	<u>21,067</u>	<u>(9,694,601)</u>
Total	<u>\$ 16,457,386</u>	<u>(1,105,631)</u>	<u>—</u>	<u>15,351,755</u>

**(e) Long-Term Debt**

MECA’s long-term debt activity for the year ended June 30, 2010 is as follows:

	<u>Balance July 1, 2009</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2010</u>
City	\$ 5,509,622	—	(675,946)	4,833,676
Food service contract	1,305,135	—	(326,280)	978,855
Total	<u>\$ 6,814,757</u>	<u>—</u>	<u>(1,002,226)</u>	<u>5,812,531</u>

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

Under a long-term contract for food service operations, MECA received a \$4 million interest-free loan from the contractor for the purchase of food service equipment and leasehold improvements. The loan is to be repaid over the 10-year period of the contract, which began in July 2003.

Debt service payments for the City and food service contract debt are as follows:

	<u>Principal</u>	<u>Interest</u>
Years:		
2011	\$ 1,002,226	149,054
2012	1,002,226	149,054
2013	1,002,241	149,054
2014	675,946	149,054
2015	675,946	149,054
2016 – 2018 – Contingencies Baseball Stadium	1,453,945	621,054
	<u>\$ 5,812,530</u>	<u>1,366,324</u>

*(f) Commitments and Contingencies*

**Baseball Stadium Construction – TD Ameritrade Park Omaha**

MECA, pursuant to the Sixth Amendment to the Agreement and Lease executed June 9, 2008 with the City, has entered into a number of agreements relating to the design, construction, and operation of TD Ameritrade Park Omaha. The commitments are estimated not to exceed \$51,331,894. MECA will authorize such costs to be paid from the project funds.

**CITY OF OMAHA, NEBRASKA**

Notes to Basic Financial Statements

December 31, 2010



**Food Service Contract**

MECA entered into a long-term contract for food service operations in November 2001. The terms of the contract commit MECA to a 10-year CPI indexed annual payment to the contractor of \$718,044 and \$691,500 for the year ended June 30, 2010 and 2009. There are incentive provisions in the contract that may result in additional payments to the contractor. Such incentives totaled \$179,512 for the year ended June 30, 2010. The remaining cost of such commitments as of June 30, 2010 is as follows:

Year ending June 30:	
2011	\$ 1,000,000
2012	1,000,000
2013	<u>1,000,000</u>
	<u>\$ 3,000,000</u>

**(g) Employee Benefits**

MECA has established a 401(k) profit sharing plan for all employees. Participants can contribute up to 15% of their pretax compensation, subject to IRS limitations. MECA, at its discretion, may make matching contributions equal to a discretionary percentage of the participant's elective deferrals to be determined by MECA. Total matching contributions for the year ended June 30, 2010 were \$114,491. MECA, at its discretion, may also make profit sharing contributions. No profit sharing contributions were made to the plan during the year ended June 30, 2010.

**(h) Deferred Compensation**

Effective November 18, 2004, certain MECA employees were able to participate in a nonqualified deferred compensation plan in the form of a Rabbi Trust. The plan is intended to qualify as a plan described in Section 201(2) of the Employee Retirement Security Act and is maintained primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employees. MECA contributes a specified amount to the employees' accounts on an annual basis. The value of debt and equity securities held in the Rabbi Trust at June 30, 2010 was \$4,814 and is included in short-term investments.

**CITY OF OMAHA, NEBRASKA**

Notes to Basic Financial Statements

December 31, 2010



(i) ***Project Oversight***

MECA has been delegated fiscal oversight responsibility for TD Ameritrade Park Omaha construction activities by the City of Omaha. MECA disburses project funds to contractors and vendors in accordance with its established procedures for accounts payable. A summary of construction expenditures paid under MECA's oversight responsibility for the year ended June 30, 2010 is as follows:

Construction costs	\$	46,577,687
Professional fees		726,141
Other expenditures		<u>953,014</u>
Total expenditures	\$	<u><u>48,256,842</u></u>



**REQUIRED SUPPLEMENTARY INFORMATION**  
(Unaudited)

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**CITY OF OMAHA, NEBRASKA**

Required Supplementary Information (Unaudited)  
Budgetary Comparison Schedule – General Fund

Year ended December 31, 2010



	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
<b>Revenues:</b>				
Property tax	\$ 70,315,904	70,315,904	70,912,516	596,612
Motor vehicle taxes	9,300,000	9,300,000	9,309,995	9,995
City sales and use tax	122,954,000	122,954,000	126,138,188	3,184,188
Business taxes	34,812,000	34,812,000	37,607,464	2,795,464
Taxes in lieu	—	—	4,474,712	4,474,712
Licenses and permits	8,664,362	8,664,362	7,935,989	(728,373)
Intergovernmental revenues	9,309,753	9,309,753	3,421,652	(5,888,101)
Charges for services	19,547,602	19,547,602	21,961,139	2,413,537
Revenue for KENO	—	—	535,996	535,996
Interest income	2,850,000	2,850,000	646,181	(2,203,819)
Rent and royalties	220,000	220,000	1,118,960	898,960
Miscellaneous	991,103	991,103	469,175	(521,928)
Revenue from Stadium	1,921,110	1,921,110	—	(1,921,110)
<b>Total revenues</b>	<b>280,885,834</b>	<b>280,885,834</b>	<b>284,531,967</b>	<b>3,646,133</b>
<b>Expenditures:</b>				
<b>General government:</b>				
Mayor's office	1,054,850	1,054,850	1,063,228	(8,378)
City clerks	624,851	624,851	567,692	57,159
City council	1,017,313	1,017,313	990,599	26,714
Law	3,638,730	3,638,730	3,322,110	316,620
Human resources	1,918,540	1,918,540	1,896,137	22,403
Human rights and relations	672,270	672,270	673,790	(1,520)
Finance	2,505,735	2,505,735	2,417,849	87,886
Planning	6,784,881	6,784,881	6,633,359	151,522
Employee benefits	23,252,805	23,252,805	20,289,850	2,962,955
Other agencies	29,899,855	29,899,855	29,172,082	727,773
<b>Total general government</b>	<b>71,369,830</b>	<b>71,369,830</b>	<b>67,026,696</b>	<b>4,343,134</b>
<b>Public safety:</b>				
Fire	68,782,298	68,782,298	71,977,607	(3,195,309)
Police	98,289,052	98,289,052	100,729,317	(2,440,265)
<b>Total public safety</b>	<b>167,071,350</b>	<b>167,071,350</b>	<b>172,706,924</b>	<b>(5,635,574)</b>
<b>Public works:</b>				
Environmental	15,010,700	15,010,700	15,495,904	(485,204)
Street and highway	1,261,910	1,261,910	1,235,748	26,162
<b>Total public works</b>	<b>16,272,610</b>	<b>16,272,610</b>	<b>16,731,652</b>	<b>(459,042)</b>
<b>Culture and recreation:</b>				
Parks and recreation	18,297,135	18,297,135	18,134,827	162,308
Libraries	10,294,689	10,294,689	9,874,149	420,540
<b>Total culture and recreation</b>	<b>28,591,824</b>	<b>28,591,824</b>	<b>28,008,976</b>	<b>582,848</b>
<b>Total expenditures</b>	<b>283,305,614</b>	<b>283,305,614</b>	<b>284,474,248</b>	<b>(1,168,634)</b>
(Deficiency) excess of revenues over expenditures	(2,419,780)	(2,419,780)	57,719	2,477,499
<b>Net changes in fund balances</b>	<b>(2,419,780)</b>	<b>(2,419,780)</b>	<b>57,719</b>	<b>2,477,499</b>
<b>Fund balances – beginning of year</b>	<b>2,769,442</b>	<b>2,769,442</b>	<b>1,873,465</b>	<b>(895,977)</b>
Lapsed encumbrances	—	—	1,603,249	1,603,249
Transfers out	—	—	(932,027)	(932,027)
Transfers in	—	—	413,373	413,373
<b>Fund balances – end of year</b>	<b>\$ 349,662</b>	<b>349,662</b>	<b>3,015,779</b>	<b>2,666,117</b>

See accompanying notes to budgetary comparison schedule – general fund.

**CITY OF OMAHA, NEBRASKA**

Notes to Budgetary Comparison  
Schedule – General Fund

Year ended December 31, 2010



**(1) Budget and Budgetary Accounting**

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

Budgetary control is maintained by department/division and by the following category of expenditures: personnel services, nonpersonnel services, capital outlay, and debt service. All budget amendments must be approved by the Mayor and/or City Council. Unencumbered appropriations lapse at the end of the fiscal year. Encumbered funds are carried over to the ensuing fiscal year until utilized or canceled.

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

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

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

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

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

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

**CITY OF OMAHA, NEBRASKA**

Notes to Budgetary Comparison  
Schedule – General Fund

Year ended December 31, 2010



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

	<b>General fund</b>
	<u>                    </u>
Budget basis:	
2009 carryover to 2011	\$ —
2010 carryover to 2012	3,015,779
	<u>                    </u>
Total budget basis	3,015,779
Basis differences:	
Taxes accrued	22,810,099
Accrued interest	114,334
Encumbrances	2,954,432
Inventories	682,867
	<u>                    </u>
GAAP basis	<u>\$ 29,577,511</u>

**(3) Expenditures in Excess of Budget**

Budgeted expenditures were exceeded in the following departments/divisions:

<u>Department/division</u>	<u>Amount</u>
General fund:	
Mayor's office	\$ (8,378)
Human rights and relations	(1,520)
Public safety:	
Fire	(3,195,309)
Police	(2,440,265)
Public works:	
Environmental	(485,204)

**CITY OF OMAHA, NEBRASKA**  
 Budgetary Comparison Schedule – Debt Service Fund  
 Year ended December 31, 2010



	<b>Budgeted amounts</b>		<b>Actual</b>	<b>Variance with final budget positive (negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues:</b>				
Taxes property	\$ 51,448,253	51,448,253	52,067,868	619,615
Taxes in lieu	—	—	56,028	
Intergovernmental	—	—	2,737,173	2,737,173
Investment income	150,000	150,000	437,998	287,998
Charges for services	2,473,898	2,473,898	2,663,559	189,661
Contributions and grants	2,451,470	2,451,470	391,028	(2,060,442)
Total revenues	<u>56,523,621</u>	<u>56,523,621</u>	<u>58,353,654</u>	<u>1,830,033</u>
<b>Expenditures:</b>				
General Government	475,071	475,071	700,804	(225,733)
Debt service principal	29,214,194	29,214,194	29,344,194	(130,000)
Debt service interest	25,702,425	25,702,425	25,072,592	629,833
Debt service bond issuance costs	250,000	250,000	429,311	(179,311)
Total expenditures	<u>55,641,690</u>	<u>55,641,690</u>	<u>55,546,901</u>	<u>94,789</u>
Excess of revenues over expenditures	<u>881,931</u>	<u>881,931</u>	<u>2,806,753</u>	<u>1,924,822</u>
<b>Other financing sources (uses):</b>				
Proceeds from issuance of bonds	—	—	35,950,000	35,950,000
Proceeds from bond premium	—	—	2,435,125	2,435,125
Payment to refunded bond escrow agent	—	—	(37,988,113)	(37,988,113)
Total other financing sources	<u>—</u>	<u>—</u>	<u>397,012</u>	<u>397,012</u>
Net change in fund balance	881,931	881,931	3,203,765	2,321,834
Fund balances – beginning	13,795,210	13,795,210	13,489,712	(305,498)
Fund balances – ending	<u>\$ 14,677,141</u>	<u>14,677,141</u>	<u>16,693,477</u>	<u>2,016,336</u>

See accompanying independent auditors' report.

CITY OF OMAHA, NEBRASKA

Budgetary Comparison Schedule – Downtown Stadium and Companion Projects Fund

Year ended December 31, 2010



	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues:				
Investment income	\$ —	—	21,989	21,989
Contributions and grants	3,000,000	3,000,000	3,000,000	—
Total revenues	<u>3,000,000</u>	<u>3,000,000</u>	<u>3,021,989</u>	<u>21,989</u>
Expenditures:				
Debt service interest	224,419	224,419	11,973	212,446
Debt service bond issuance costs	—	—	311,237	(311,237)
Capital outlay	42,739,690	42,739,690	55,228,403	(12,488,713)
Total expenditures	<u>42,964,109</u>	<u>42,964,109</u>	<u>55,551,613</u>	<u>(12,587,504)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(39,964,109)</u>	<u>(39,964,109)</u>	<u>(52,529,624)</u>	<u>(12,565,515)</u>
Other financing sources (uses):				
Transfers out	—	—	(20,748)	(20,748)
Proceeds from sale of bonds	29,371,265	29,371,265	33,035,000	3,663,735
Discount on sale of bonds	—	—	(346,191)	(346,191)
Total other financing sources (uses)	<u>29,371,265</u>	<u>29,371,265</u>	<u>32,668,061</u>	<u>3,296,796</u>
Net change in fund balance	<u>(10,592,844)</u>	<u>(10,592,844)</u>	<u>(19,861,563)</u>	<u>(9,268,719)</u>
Fund balances – beginning	<u>34,984,934</u>	<u>34,984,934</u>	<u>31,583,915</u>	<u>(3,401,019)</u>
Fund balances – ending	<u>\$ 24,392,090</u>	<u>24,392,090</u>	<u>11,722,352</u>	<u>(12,669,738)</u>

See accompanying independent auditors' report.

**CITY OF OMAHA, NEBRASKA**

Schedules of Funding Progress and Employer Contributions

Year ended December 31, 2010



**Civilian Plan Schedule of Funding Progress (Unaudited)**  
(Dollars in millions)

Actuarial valuation date	Actuarial value of assets (a)	Actuarial accrued liability (AAL) entry age (b)	Unfunded AAL (UAAL) (b-a)	Funded ratio (a/b)	Covered payroll (c)	UAAL as a percentage of covered payroll ((b-a)/c)
2010	\$ 232.4	414.5	182.1	56.1%	\$ 56.7	321.2%
2009	213.2	402.8	189.6	52.9	55.7	340.4
2008	204.5	387.7	183.2	52.7	56.4	324.8
2007	294.7	369.0	74.3	79.9	54.0	137.6
2006	292.0	361.7	69.7	80.7	48.2	144.6
2005	277.1	352.0	74.9	78.7	53.4	140.3

**Civilian Plan Schedule of Employer Contributions (Unaudited)**

Fiscal year ended	Annual pension cost (APC)	Percentage of APC contributed	Net pension obligation
2010	\$ 13,928,232	41%	\$ (33,263,609)
2009	12,737,738	42	(25,052,987)
2008	9,089,878	59	(17,626,003)
2007	8,794,542	57	(13,910,207)
2006	6,135,462	67	(10,090,703)
2005	6,822,028	65	(8,100,275)

**Uniformed Plan Schedule of Funding Progress (Unaudited)**  
(Dollars in millions)

Actuarial valuation date	Actuarial value of assets (a)	Actuarial accrued liability (AAL) entry age (b)	Unfunded AAL (UAAL) (b-a)	Funded ratio (a/b)	Covered payroll (c)	UAAL as a percentage of covered payroll ((b-a)/c)
2010	\$ 452.6	1,093.3	640.7	41.4%	\$ 111.2	576.2%
2009	405.4	1,026.0	620.6	39.5	104.0	596.7
2008	365.9	947.6	581.7	38.6	99.5	584.6
2007	530.8	882.7	351.9	60.1	99.6	353.3
2006	507.6	801.1	293.5	63.4	91.7	320.1
2005	453.3	703.8	250.5	64.4	86.8	288.6

**CITY OF OMAHA, NEBRASKA**

Schedules of Funding Progress and Employer Contributions

Year ended December 31, 2010



**Uniformed Plan Schedule of Employer Contributions (Unaudited)**

<b>Fiscal year ended</b>	<b>Annual pension cost (APC)</b>	<b>Percentage of APC contributed</b>	<b>Net pension obligation</b>
2010	\$ 54,704,821	44%	\$ (119,249,376)
2009	49,964,986	45	(88,728,048)
2008	37,671,425	58	(61,464,670)
2007	34,563,067	60	(45,494,051)
2006	30,917,700	65	(31,630,196)
2005	26,145,454	78	(20,884,106)

**Postretirement Obligation Schedule of Funding Progress**

(Dollars in millions)

Schedule of Funding Progress (Unaudited)

<b>Actuarial valuation date</b>	<b>Actuarial value of assets (a)</b>	<b>Actuarial accrued liability (AAL) (b)</b>	<b>Unfunded AAL (UAAL) (b-a)</b>	<b>Funded ratio (a/b)</b>	<b>Covered payroll (c)</b>	<b>UAAL as a percentage of covered payroll ((b-a)/c)</b>
March 1, 2010	\$ —	478.1	478.1	—%	\$ 167.9	285%
March 1, 2008	—	388.5	388.5	—	153.6	249
March 1, 2006	—	307.5	307.5	—	153.7	200

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## **NONMAJOR GOVERNMENTAL FUNDS**

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CITY OF OMAHA, NEBRASKA

Combining Balance Sheet

Nonmajor Governmental Funds

December 31, 2010



Assets	Special revenue	Debt service	Capital projects	Permanent funds	Total nonmajor governmental funds
Cash and pooled investments	\$ 22,692,703	209,631	11,872,234	126,267	34,900,835
Investments	2,012,899	—	1,532,972	3,057,622	6,603,493
Receivables (net of allowance for uncollectibles)	4,329,816	5,316,500	4,102,497	—	13,748,813
Due from other governments	17,899,677	387,837	3,739,719	—	22,027,233
Due from other funds	1,057,742	3,092,086	—	—	4,149,828
Accrued interest	45,821	—	5,152	42,144	93,117
Other assets	—	—	498,902	—	498,902
Restricted assets:					
Deposits with trustee	3,146,295	—	401,018	—	3,547,313
Total assets	<u>\$ 51,184,953</u>	<u>9,006,054</u>	<u>22,152,494</u>	<u>3,226,033</u>	<u>85,569,534</u>
<b>Liabilities and Fund Balances</b>					
Liabilities:					
Accounts payable and other current liabilities	\$ 5,822,044	9,756	2,030,797	21,719	7,884,316
Due to other governments	—	—	68,662	—	68,662
Due to other funds	15,151,031	—	2,108,963	—	17,259,994
Unearned revenue	1,875,140	363	—	—	1,875,503
Deferred revenue	11,673,513	4,361,376	7,596,463	—	23,631,352
Total liabilities	<u>34,521,728</u>	<u>4,371,495</u>	<u>11,804,885</u>	<u>21,719</u>	<u>50,719,827</u>
Fund balances (deficits):					
Reserved for:					
Encumbrances	11,389,924	—	4,817,187	—	16,207,111
Endowment	—	—	—	2,775,389	2,775,389
Debt service	—	4,634,559	—	—	4,634,559
Unreserved, designated for, reported in:					
Special revenue	6,552,487	—	—	—	6,552,487
Unreserved, undesignated reported in:					
Special revenue	(1,279,186)	—	—	—	(1,279,186)
Capital projects	—	—	5,530,422	—	5,530,422
Permanent	—	—	—	428,925	428,925
Total fund balance	<u>16,663,225</u>	<u>4,634,559</u>	<u>10,347,609</u>	<u>3,204,314</u>	<u>34,849,707</u>
Total liabilities and fund balance	<u>\$ 51,184,953</u>	<u>9,006,054</u>	<u>22,152,494</u>	<u>3,226,033</u>	<u>85,569,534</u>

See accompanying independent auditors' report.

**CITY OF OMAHA, NEBRASKA**

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Governmental Funds

December 31, 2010



	<b>Special revenue</b>	<b>Debt service</b>	<b>Capital projects</b>	<b>Permanent funds</b>	<b>Total nonmajor governmental funds</b>
Revenues:					
Taxes:					
Property	\$ 1,633,004	6,011,894	—	—	7,644,898
Business	621,301	—	—	—	621,301
In lieu	1,649	5,625	—	—	7,274
Special assessments	—	—	346,326	—	346,326
Intergovernmental	31,284,649	1,500,000	—	—	32,784,649
Investment income (loss)	256,570	—	94,652	(23,309)	327,913
Revenue from Keno	6,423,049	—	—	—	6,423,049
Charges for services	24,763,882	—	488,714	—	25,252,596
Rents and royalties	174,504	825,000	—	—	999,504
Contributions and grants	31,493,600	228,722	9,382,072	—	41,104,394
Total revenues	<u>96,652,208</u>	<u>8,571,241</u>	<u>10,311,764</u>	<u>(23,309)</u>	<u>115,511,904</u>
Expenditures:					
Governmental activities:					
General government	8,425,055	59,707	353,419	—	8,838,181
Public safety	6,567,080	—	—	—	6,567,080
Transportation services	46,610,132	—	—	—	46,610,132
Other public services	3,884,152	—	—	—	3,884,152
Community development	21,287,549	—	79,755	—	21,367,304
Culture and parks	4,641,035	—	227,366	86,974	4,955,375
Investment expense	—	—	—	—	—
Debt service:					
Principal	241,419	3,566,492	257,000	—	4,064,911
Interest	94,940	5,892,020	7,541	—	5,994,501
Capital outlay:					
Other public services	536,660	—	1,517,228	—	2,053,888
Public safety	1,160,811	—	2,704,082	—	3,864,893
Culture and parks	50,581	—	6,404,741	—	6,455,322
General government	—	—	1,448,640	—	1,448,640
Transportation	1,168,436	—	8,597,667	—	9,766,103
Community development	—	—	144,546	—	144,546
Total expenditures	<u>94,667,850</u>	<u>9,518,219</u>	<u>21,741,985</u>	<u>86,974</u>	<u>126,015,028</u>
Other financing sources (uses):					
Transfers in	7,815,581	—	3,541,320	—	11,356,901
Transfers out	(11,494,023)	—	(3,621,199)	—	(15,115,222)
Sale of capital assets	—	—	647,484	—	647,484
Proceeds from the sale of bonds	—	—	8,500,000	—	8,500,000
Premium on sale of bonds	—	—	—	—	—
Discount on sale of bonds	—	—	—	—	—
Total other financing sources (uses)	<u>(3,678,442)</u>	<u>—</u>	<u>9,067,605</u>	<u>—</u>	<u>5,389,163</u>
Net change in fund balance	<u>(1,694,084)</u>	<u>(946,978)</u>	<u>(2,362,616)</u>	<u>(110,283)</u>	<u>(5,113,961)</u>
Beginning fund balance	18,357,309	5,581,537	12,710,225	3,314,597	39,963,668
Ending fund balance	\$ <u>16,663,225</u>	<u>4,634,559</u>	<u>10,347,609</u>	<u>3,204,314</u>	<u>34,849,707</u>

See accompanying independent auditors' report.



## **SPECIAL REVENUE FUNDS**

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## CITY OF OMAHA, NEBRASKA

### Nonmajor Governmental Funds

#### Special Revenue Funds



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

**Judgment Fund** – To accumulate resources for the purpose of providing a means to satisfy judgments, damage claims, and related litigation expenses against the City. It is sustained by a Judgment Fund tax levy upon tangible property. The actual and projected revenues are derived from a levy of 0.6 cents per \$100 in 2007 – 2010.

**Contingent Liability Reserve Fund** – To accumulate resources that provide financial assistance in cases of uninsured or under-insured casualty losses and other liabilities. This fund provides monies for settlement of claims filed against the City if the City decides to settle the case prior to being issued court judgments.

**Cash Reserve Fund** – To reserve money for meeting various City financial emergencies that may arise. The Cash Reserve Fund is sustained by an appropriation of General Fund year-end surplus at the close of any fiscal year. The Cash Reserve Fund may have a balance of up to 4% of the General Fund appropriations.

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

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

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

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

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

**SID Administrative Fee Revenue Fund** – To collect a 1% fee on Sanitary and Improvement District final construction costs. The City ordinance #36247 passed April 29, 2003 authorized the City of Omaha to collect a 1% fee (1% of final construction costs) from subdivision applications using Sanitary and Improvement District (SID) financing.

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

**City Street Maintenance Fund** – To account for the usage of City motor vehicle registration fees and street cut fees. The City Motor Vehicle Registration Fee was increased to \$35.00 per passenger vehicle, with a graduated

**CITY OF OMAHA, NEBRASKA**

Nonmajor Governmental Funds

Special Revenue Funds



schedule for larger vehicles. The street cut fee, derived from local utilities and contractors, is based upon the size of the street cut. Use of funds is restricted to street maintenance and repair purposes and their related costs.

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

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

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

**Federal Emergency Management Fund** – To keep track of federal assistance received for the June 2008 storms, disaster numbers 1770 and 1779, and the 2009/2010 snow storms for the period including December 22, 2009 through January 8, 2010 (disaster number 1878). Federal assistance is received at 76% of total cost, State assistance of 12.5%, and a City match of 12.5%.

**Police/FBI Seized Assets Fund** – To account for Police/FBI Seized Asset monies received by the Omaha Police Department. All forfeited cash, property, and proceeds from the sale of forfeited property shall be used for law enforcement purposes only.

**Metro Area Seized Assets Fund** – To account for Metro Area Seized Asset monies received by the Omaha Police Department and used by the Omaha Metro Area Drug Task Force. All forfeited cash, property, and proceeds, from the sale of forfeited property shall be used for law enforcement purposes only.

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

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

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

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

**CITY OF OMAHA, NEBRASKA**

Nonmajor Governmental Funds

Special Revenue Funds



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

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

**CITY OF OMAHA, NEBRASKA**

Combining Balance Sheet

Nonmajor Special Revenue Funds

December 31, 2010



<b>Assets</b>	<b>Judgment</b>	<b>Contingent Liability Reserve</b>	<b>Cash Reserve</b>	<b>Public Library Contribution</b>	<b>Library Fines and Fees</b>	<b>Douglas County Library Supplement</b>
Cash and pooled investments	\$ 3,161,020	778,725	977,289	660,905	90,745	—
Investments	—	—	2,012,899	—	—	—
Receivables (net of allowance for uncollectibles)	1,601,882	—	—	—	—	—
Due from other governments	5,189	—	—	—	—	610,338
Due from other funds	—	—	—	—	—	—
Accrued interest	—	—	5,365	—	—	—
Restricted assets:						
Deposits with trustee	—	—	—	—	—	—
<b>Total assets</b>	<b>\$ 4,768,091</b>	<b>778,725</b>	<b>2,995,553</b>	<b>660,905</b>	<b>90,745</b>	<b>610,338</b>
<b>Liabilities and Fund Balances</b>						
Liabilities:						
Accounts payable and other current liabilities	\$ 1,433	—	—	43,744	—	—
Due to other funds	—	—	—	—	—	543,519
Unearned revenue	137	—	—	—	—	—
Deferred revenue	1,600,774	—	—	—	—	—
<b>Total liabilities</b>	<b>1,602,344</b>	<b>—</b>	<b>—</b>	<b>43,744</b>	<b>—</b>	<b>543,519</b>
Fund balances (deficits):						
Reserved for:						
Encumbrances	—	—	—	64,405	—	—
Unreserved, designated for, reported in:						
Special revenue	3,165,747	—	—	—	—	—
Unreserved, undesignated reported in:						
Special revenue	—	778,725	2,995,553	552,756	90,745	66,819
<b>Total fund balance (deficit)</b>	<b>3,165,747</b>	<b>778,725</b>	<b>2,995,553</b>	<b>617,161</b>	<b>90,745</b>	<b>66,819</b>
<b>Total liabilities and fund balance</b>	<b>\$ 4,768,091</b>	<b>778,725</b>	<b>2,995,553</b>	<b>660,905</b>	<b>90,745</b>	<b>610,338</b>

See accompanying independent auditors' report.

(Continued)

**CITY OF OMAHA, NEBRASKA**

Combining Balance Sheet

Nonmajor Special Revenue Funds

December 31, 2010



<b>Assets</b>	<b>Miscellaneous Contribution</b>	<b>Keno/Lottery Proceeds</b>	<b>SID Administrative Fee Revenue</b>	<b>Storm Water Fee Revenue</b>	<b>City Street Maintenance</b>	<b>Street and Highway Allocation</b>
Cash and pooled investments	\$ 1,515,802	1,758	—	714,836	923,656	4
Investments	—	—	—	—	—	—
Receivables (net of allowance for uncollectibles)	235,498	323,225	—	—	1,337,315	213,511
Due from other governments	—	—	—	—	1,638,218	3,027,525
Due from other funds	—	—	—	—	—	—
Accrued interest	—	—	—	—	—	—
Restricted assets:						
Deposits with trustee	—	—	—	—	—	—
<b>Total assets</b>	<b>\$ 1,751,300</b>	<b>324,983</b>	<b>—</b>	<b>714,836</b>	<b>3,899,189</b>	<b>3,241,040</b>
<b>Liabilities and Fund Balances</b>						
Liabilities:						
Accounts payable and other current liabilities	\$ 3,520	477,669	—	31,066	265,232	1,867,023
Due to other funds	—	—	—	—	—	126,021
Unearned revenue	—	—	—	—	—	—
Deferred revenue	186,058	—	—	—	520,021	482,906
<b>Total liabilities</b>	<b>189,578</b>	<b>477,669</b>	<b>—</b>	<b>31,066</b>	<b>785,253</b>	<b>2,475,950</b>
Fund balances (deficits):						
Reserved for:						
Encumbrances	25,732	—	—	1,574	518,311	1,579,841
Unreserved, designated for, reported in:						
Special revenue	—	—	—	—	—	—
Unreserved, undesignated reported in:						
Special revenue	1,535,990	(152,686)	—	682,196	2,595,625	(814,751)
<b>Total fund balance (deficit)</b>	<b>1,561,722</b>	<b>(152,686)</b>	<b>—</b>	<b>683,770</b>	<b>3,113,936</b>	<b>765,090</b>
<b>Total liabilities and fund balance</b>	<b>\$ 1,751,300</b>	<b>324,983</b>	<b>—</b>	<b>714,836</b>	<b>3,899,189</b>	<b>3,241,040</b>

(Continued)

**CITY OF OMAHA, NEBRASKA**

Combining Balance Sheet

Nonmajor Special Revenue Funds

December 31, 2010



<b>Assets</b>	<b>Interceptor Sewer Construction</b>	<b>Community Park Development</b>	<b>Federal Emergency Management Fund</b>	<b>Police/FBI Seized Assets</b>	<b>Metro Area Seized Assets</b>	<b>State Turn Back Revenue</b>
Cash and pooled investments	\$ 8,619,647	—	1,747,336	561,772	397,653	161,036
Investments	—	—	—	—	—	—
Receivables (net of allowance for uncollectibles)	—	127,544	—	—	—	—
Due from other governments	—	—	50,000	—	2,715	—
Due from other funds	—	—	—	—	—	—
Accrued interest	—	—	—	—	—	—
Restricted assets:						
Deposits with trustee	—	—	—	—	—	—
Total assets	<u>\$ 8,619,647</u>	<u>127,544</u>	<u>1,797,336</u>	<u>561,772</u>	<u>400,368</u>	<u>161,036</u>
<b>Liabilities and Fund Balances</b>						
Liabilities:						
Accounts payable and other current liabilities	\$ 667,646	—	14,871	8,592	3,316	142,500
Due to other funds	—	2,635,101	—	—	—	—
Unearned revenue	—	—	1,762,465	—	—	—
Deferred revenue	—	101,002	20,000	—	800	—
Total liabilities	<u>667,646</u>	<u>2,736,103</u>	<u>1,797,336</u>	<u>8,592</u>	<u>4,116</u>	<u>142,500</u>
Fund balances (deficits):						
Reserved for:						
Encumbrances	5,337,864	5,605	—	29,593	590	—
Unreserved, designated for, reported in:						
Special revenue	—	—	—	—	—	—
Unreserved, undesignated reported in:						
Special revenue	<u>2,614,137</u>	<u>(2,614,164)</u>	<u>—</u>	<u>523,587</u>	<u>395,662</u>	<u>18,536</u>
Total fund balance (deficit)	<u>7,952,001</u>	<u>(2,608,559)</u>	<u>—</u>	<u>553,180</u>	<u>396,252</u>	<u>18,536</u>
Total liabilities and fund balance	<u>\$ 8,619,647</u>	<u>127,544</u>	<u>1,797,336</u>	<u>561,772</u>	<u>400,368</u>	<u>161,036</u>

(Continued)

**CITY OF OMAHA, NEBRASKA**

Combining Balance Sheet

Nonmajor Special Revenue Funds

December 31, 2010



<b>Assets</b>	<b>Keno Lottery Reserve</b>	<b>Grants</b>	<b>Greater Omaha Convention and Visitors Bureau</b>	<b>Household Chemical Disposal</b>	<b>Development Revenue</b>	<b>Total Special Revenue Funds</b>
Cash and pooled investments	\$ 199,989	1,106,283	896,057	5,827	172,363	22,692,703
Investments	—	—	—	—	—	2,012,899
Receivables (net of allowance for uncollectibles)	—	468,216	3,965	—	18,660	4,329,816
Due from other governments	—	11,955,570	610,122	—	—	17,899,677
Due from other funds	—	1,057,742	—	—	—	1,057,742
Accrued interest	40,456	—	—	—	—	45,821
Restricted assets:						
Deposits with trustee	3,146,295	—	—	—	—	3,146,295
Total assets	<u>\$ 3,386,740</u>	<u>14,587,811</u>	<u>1,510,144</u>	<u>5,827</u>	<u>191,023</u>	<u>51,184,953</u>
<b>Liabilities and Fund Balances</b>						
Liabilities:						
Accounts payable and other current liabilities	\$ —	2,206,852	76,225	12,355	—	5,822,044
Due to other funds	—	11,837,865	7,007	1,518	—	15,151,031
Unearned revenue	—	112,538	—	—	—	1,875,140
Deferred revenue	—	8,742,496	796	—	18,660	11,673,513
Total liabilities	<u>—</u>	<u>22,899,751</u>	<u>84,028</u>	<u>13,873</u>	<u>18,660</u>	<u>34,521,728</u>
Fund balances (deficits):						
Reserved for:						
Encumbrances	—	3,693,934	132,061	—	414	11,389,924
Unreserved, designated for, reported in:						
Special revenue	3,386,740	—	—	—	—	6,552,487
Unreserved, undesignated reported in:						
Special revenue	—	(12,005,874)	1,294,055	(8,046)	171,949	(1,279,186)
Total fund balance (deficit)	<u>3,386,740</u>	<u>(8,311,940)</u>	<u>1,426,116</u>	<u>(8,046)</u>	<u>172,363</u>	<u>16,663,225</u>
Total liabilities and fund balance	<u>\$ 3,386,740</u>	<u>14,587,811</u>	<u>1,510,144</u>	<u>5,827</u>	<u>191,023</u>	<u>51,184,953</u>

CITY OF OMAHA, NEBRASKA

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Special Revenue Funds

December 31, 2010



	Judgment	Contingent Liability Reserve	Cash Reserve	Public Library Contribution	Library Fines and Fees	Douglas County Library Supplement
Revenues:						
Taxes:						
Property	\$ 1,633,004	—	—	—	—	—
Business	—	—	—	—	—	—
In lieu	1,649	—	—	—	—	—
Intergovernmental	—	—	—	—	—	1,234,716
Investment income	—	—	49,671	—	—	—
Revenue from Keno	—	—	—	—	—	—
Charges for services	—	—	—	—	428,583	—
Rents and royalties	—	—	—	—	—	—
Contributions and grants	—	—	—	558,166	—	—
Total revenues	1,634,653	—	49,671	558,166	428,583	1,234,716
Expenditures:						
Current:						
General government	1,073,274	291,677	—	—	—	—
Public safety	—	—	—	—	—	—
Transportation services	—	—	—	—	—	—
Other public services	—	—	—	—	—	—
Community development	—	—	—	—	—	—
Culture and parks	—	—	—	597,276	555,120	1,126,817
Debt service:						
Principal	—	—	—	—	—	—
Interest	—	—	—	—	—	—
Capital outlay:						
Other public services	—	—	—	—	—	—
Public safety	—	—	—	—	—	—
Culture and parks	—	—	—	14,445	—	—
Transportation	—	—	—	—	—	—
Total expenditures	1,073,274	291,677	—	611,721	555,120	1,126,817
Other financing sources (uses):						
Transfers in	—	750,000	—	—	—	—
Transfers out	—	—	—	—	—	—
Total other financing sources (uses)	—	750,000	—	—	—	—
Excess (deficiency) revenues over expenditures (net change in fund balance)	561,379	458,323	49,671	(53,555)	(126,537)	107,899
Beginning fund balance (deficit)	2,604,368	320,402	2,945,882	670,716	217,282	(41,080)
Ending fund balance (deficit)	\$ 3,165,747	778,725	2,995,553	617,161	90,745	66,819

See accompanying independent auditors' report.

(Continued)

CITY OF OMAHA, NEBRASKA

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Special Revenue Funds

December 31, 2010



	Miscellaneous Contribution	Keno/Lottery Proceeds	SID Administrative Fee Revenue	Storm Water Fee Revenue	City Street Maintenance	Street and Highway Allocation
Revenues:						
Taxes:						
Property	\$ —	—	—	—	—	—
Business	—	—	—	—	—	—
In lieu	—	—	—	—	—	—
Intergovernmental	—	—	—	—	—	27,674,538
Investment income	1,439	—	—	—	—	—
Revenue from Keno	—	6,423,049	—	—	—	—
Charges for services	381,084	—	4,700	1,307,879	21,152,706	679,230
Rents and royalties	21,830	—	—	—	29,359	103,227
Contributions and grants	497,594	—	—	—	300,000	48,918
Total revenues	<u>901,947</u>	<u>6,423,049</u>	<u>4,700</u>	<u>1,307,879</u>	<u>21,482,065</u>	<u>28,505,913</u>
Expenditures:						
Current:						
General government	5,673	3,092,251	—	—	388,453	3,206,789
Public safety	100,873	717,237	—	—	—	—
Transportation services	—	—	—	—	18,761,136	27,303,007
Other public services	—	120,000	—	924,943	—	—
Community development	219,179	429,500	11,761	—	—	—
Culture and parks	679,635	1,550,000	—	—	—	14,595
Debt service:						
Principal	—	—	—	—	—	145,000
Interest	—	—	—	—	—	84,503
Capital outlay:						
Other public services	—	—	—	—	—	—
Public safety	—	476,000	—	—	—	—
Culture and parks	36,136	—	—	—	—	—
Transportation	—	—	—	—	—	1,168,436
Total expenditures	<u>1,041,496</u>	<u>6,384,988</u>	<u>11,761</u>	<u>924,943</u>	<u>19,149,589</u>	<u>31,922,330</u>
Other financing sources (uses):						
Transfers in	25,094	—	—	—	—	1,554,464
Transfers out	(151,924)	(5,186)	—	—	(1,554,464)	(100,000)
Total other financing sources (uses)	<u>(126,830)</u>	<u>(5,186)</u>	<u>—</u>	<u>—</u>	<u>(1,554,464)</u>	<u>1,454,464</u>
Excess (deficiency) revenues over expenditures (net change in fund balance)	(266,379)	32,875	(7,061)	382,936	778,012	(1,961,953)
Beginning fund balance (deficit)	1,828,101	(185,561)	7,061	300,834	2,335,924	2,727,043
Ending fund balance (deficit)	\$ <u>1,561,722</u>	<u>(152,686)</u>	<u>—</u>	<u>683,770</u>	<u>3,113,936</u>	<u>765,090</u>

(Continued)

CITY OF OMAHA, NEBRASKA

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Special Revenue Funds

December 31, 2010



	Interceptor Sewer Construction	Community Park Development	Federal Emergency Management Fund	Police/FBI Seized Assets	Metro Area Seized Assets	State Turn Back Revenue
Revenues:						
Taxes:						
Property	\$ —	—	—	—	—	—
Business	—	—	—	—	—	—
In lieu	—	—	—	—	—	—
Intergovernmental	—	—	—	—	—	—
Investment income	—	—	—	1,278	594	—
Revenue from Keno	—	—	—	—	—	—
Charges for services	511,534	151,280	—	—	—	—
Rents and royalties	—	—	—	—	—	—
Contributions and grants	—	—	976,396	722,336	306,015	313,580
Total revenues	<u>511,534</u>	<u>151,280</u>	<u>976,396</u>	<u>723,614</u>	<u>306,609</u>	<u>313,580</u>
Expenditures:						
Current:						
General government	—	—	—	—	—	—
Public safety	—	—	—	244,446	238,153	—
Transportation services	—	—	—	—	—	—
Other public services	—	—	439,736	—	—	—
Community development	—	—	—	—	—	481,989
Culture and parks	—	11,534	—	—	—	—
Debt service:						
Principal	—	96,419	—	—	—	—
Interest	—	10,437	—	—	—	—
Capital outlay:						
Other public services	—	—	536,660	—	—	—
Public safety	—	—	—	215,796	40,396	—
Culture and parks	—	—	—	—	—	—
Transportation	—	—	—	—	—	—
Total expenditures	<u>—</u>	<u>118,390</u>	<u>976,396</u>	<u>460,242</u>	<u>278,549</u>	<u>481,989</u>
Other financing sources (uses):						
Transfers in	—	—	—	—	—	—
Transfers out	(2,170,843)	—	—	—	—	—
Total other financing sources (uses)	<u>(2,170,843)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Excess (deficiency) revenues over expenditures (net change in fund balance)	(1,659,309)	32,890	—	263,372	28,060	(168,409)
Beginning fund balance (deficit)	9,611,310	(2,641,449)	—	289,808	368,192	186,945
Ending fund balance (deficit)	<u>\$ 7,952,001</u>	<u>(2,608,559)</u>	<u>—</u>	<u>553,180</u>	<u>396,252</u>	<u>18,536</u>

(Continued)

CITY OF OMAHA, NEBRASKA

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Special Revenue Funds

December 31, 2010



	Keno lottery reserve	Grants	Greater Omaha Convention and Visitors Bureau	Household Chemical Disposal	Development Revenue	Total Special Revenue Funds
Revenues:						
Taxes:						
Property	\$ —	—	—	—	—	1,633,004
Business	—	—	621,301	—	—	621,301
In lieu	—	—	—	—	—	1,649
Intergovernmental	—	—	2,337,289	38,106	—	31,284,649
Investment income	203,588	—	—	—	—	256,570
Revenue from Keno	—	—	—	—	—	6,423,049
Charges for services	—	—	93,637	—	53,249	24,763,882
Rents and royalties	—	—	20,088	—	—	174,504
Contributions and grants	—	27,493,595	—	277,000	—	31,493,600
Total revenues	<u>203,588</u>	<u>27,493,595</u>	<u>3,072,315</u>	<u>315,106</u>	<u>53,249</u>	<u>96,652,208</u>
Expenditures:						
Current:						
General government	—	301,245	65,693	—	—	8,425,055
Public safety	—	5,266,371	—	—	—	6,567,080
Transportation services	—	545,989	—	—	—	46,610,132
Other public services	—	2,024,413	—	375,060	—	3,884,152
Community development	—	17,132,719	2,922,598	—	89,803	21,287,549
Culture and parks	26,176	79,882	—	—	—	4,641,035
Debt service:						
Principal	—	—	—	—	—	241,419
Interest	—	—	—	—	—	94,940
Capital outlay:						
Other public services	—	—	—	—	—	536,660
Public safety	—	428,619	—	—	—	1,160,811
Culture and parks	—	—	—	—	—	50,581
Transportation	—	—	—	—	—	1,168,436
Total expenditures	<u>26,176</u>	<u>25,779,238</u>	<u>2,988,291</u>	<u>375,060</u>	<u>89,803</u>	<u>94,667,850</u>
Other financing sources (uses):						
Transfers in	—	5,486,023	—	—	—	7,815,581
Transfers out	—	(7,511,606)	—	—	—	(11,494,023)
Total other financing sources (uses)	<u>—</u>	<u>(2,025,583)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(3,678,442)</u>
Excess revenues over expenditures (net change in fund balance)	177,412	(311,226)	84,024	(59,954)	(36,554)	(1,694,084)
Beginning fund balance (deficit)	3,209,328	(8,000,714)	1,342,092	51,908	208,917	18,357,309
Ending fund balance (deficit)	\$ <u>3,386,740</u>	<u>(8,311,940)</u>	<u>1,426,116</u>	<u>(8,046)</u>	<u>172,363</u>	<u>16,663,225</u>

**CITY OF OMAHA, NEBRASKA**  
 Budgetary Comparison Schedule – Judgment Fund  
 Year ended December 31, 2010



	<b>Budgeted amounts</b>		<b>Actual</b>	<b>Variance with final budget positive (negative)</b>
	<b>Original</b>	<b>Final</b>		
Revenues:				
Taxes property	\$ 1,601,004	1,601,004	1,633,004	32,000
Taxes in lieu	—	—	1,649	1,649
Total revenues	<u>1,601,004</u>	<u>1,601,004</u>	<u>1,634,653</u>	<u>33,649</u>
Expenditures:				
General government	2,110,607	2,110,607	1,073,274	1,037,333
Total expenditures	<u>2,110,607</u>	<u>2,110,607</u>	<u>1,073,274</u>	<u>1,037,333</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(509,603)</u>	<u>(509,603)</u>	<u>561,379</u>	<u>1,070,982</u>
Net change in fund balances	(509,603)	(509,603)	561,379	1,070,982
Fund balances – beginning	<u>2,026,044</u>	<u>2,026,044</u>	<u>2,604,368</u>	<u>578,324</u>
Fund balances – ending	<u><u>\$ 1,516,441</u></u>	<u><u>1,516,441</u></u>	<u><u>3,165,747</u></u>	<u><u>1,649,306</u></u>

See accompanying independent auditors' report.

CITY OF OMAHA, NEBRASKA

Budgetary Comparison Schedule – Contingent Liability Reserve Fund

Year ended December 31, 2010



	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues:				
Miscellaneous	\$ —	—	—	—
Total revenues	—	—	—	—
Expenditures:				
General government	450,000	450,000	291,677	158,323
Total expenditures	450,000	450,000	291,677	158,323
Deficiency of revenues under expenditures	(450,000)	(450,000)	(291,677)	158,323
Other financing sources:				
Transfers in	250,000	250,000	750,000	500,000
Total other financing sources	250,000	250,000	750,000	500,000
Net change in fund balance	(200,000)	(200,000)	458,323	658,323
Fund balances – beginning	361,925	361,925	320,402	(41,523)
Fund balances – ending	\$ 161,925	161,925	778,725	616,800

See accompanying independent auditors' report.

**CITY OF OMAHA, NEBRASKA**  
 Budgetary Comparison Schedule – Cash Reserve Fund  
 Year ended December 31, 2010



	<b>Budgeted amounts</b>		<b>Actual</b>	<b>Variance with final budget positive (negative)</b>
	<b>Original</b>	<b>Final</b>		
Revenues:				
Investment income	\$ 165,000	165,000	49,671	(115,329)
Total revenues	<u>165,000</u>	<u>165,000</u>	<u>49,671</u>	<u>(115,329)</u>
Expenditures:				
General government	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total expenditures	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Excess of revenues over expenditures	<u>165,000</u>	<u>165,000</u>	<u>49,671</u>	<u>(115,329)</u>
Other financing sources:				
Transfers out	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total other financing sources	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net change in fund balance	165,000	165,000	49,671	(115,329)
Fund balances – beginning	<u>5,751,001</u>	<u>5,751,001</u>	<u>2,945,882</u>	<u>(2,805,119)</u>
Fund balances – ending	<u>\$ 5,916,001</u>	<u>5,916,001</u>	<u>2,995,553</u>	<u>(2,920,448)</u>

See accompanying independent auditors' report.

**CITY OF OMAHA, NEBRASKA**

Budgetary Comparison Schedule – Library Fine and Fees Fund

Year ended December 31, 2010



	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues:				
Charges for services	\$ 415,000	415,000	428,583	13,583
Total revenues	415,000	415,000	428,583	13,583
Expenditures:				
Culture and parks	555,120	555,120	555,120	—
Total expenditures	555,120	555,120	555,120	—
Excess of revenues over expenditures	(140,120)	(140,120)	(126,537)	13,583
Net change in fund balance	(140,120)	(140,120)	(126,537)	13,583
Fund balances – beginning	220,148	220,148	217,282	(2,866)
Fund balances – ending	\$ 80,028	80,028	90,745	10,717

See accompanying independent auditors' report.

**CITY OF OMAHA, NEBRASKA**

Budgetary Comparison Schedule – Douglas County Library Supplement Fund

Year ended December 31, 2010



	<b>Budgeted amounts</b>		<b>Actual</b>	<b>Variance with final budget positive (negative)</b>
	<b>Original</b>	<b>Final</b>		
Revenues:				
Intergovernmental revenues	\$ 1,205,040	1,205,040	1,234,716	29,676
Total revenues	1,205,040	1,205,040	1,234,716	29,676
Expenditures:				
Culture and parks	1,119,986	1,119,986	1,126,817	(6,831)
Total expenditures	1,119,986	1,119,986	1,126,817	(6,831)
Excess of revenues over expenditures	85,054	85,054	107,899	22,845
Net change in fund balance	85,054	85,054	107,899	22,845
Fund balances – beginning	(34,054)	(34,054)	(41,080)	(7,026)
Fund balances – ending	\$ 51,000	51,000	66,819	15,819

See accompanying independent auditors' report.

**CITY OF OMAHA, NEBRASKA**

Budgetary Comparison Schedule – Keno/Lottery Proceeds Fund

Year ended December 31, 2010



	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues:				
Revenue from Keno	\$ 3,489,179	3,489,179	6,423,049	2,933,870
Total revenues	<u>3,489,179</u>	<u>3,489,179</u>	<u>6,423,049</u>	<u>2,933,870</u>
Expenditures:				
General government	—	—	3,092,251	(3,092,251)
Public safety	1,196,000	1,196,000	1,193,237	2,763
Other public services	—	—	120,000	(120,000)
Community development	700,000	700,000	429,500	270,500
Culture and parks	1,550,000	1,550,000	1,550,000	—
Total expenditures	<u>3,446,000</u>	<u>3,446,000</u>	<u>6,384,988</u>	<u>(2,938,988)</u>
Excess of revenues over expenditures	<u>43,179</u>	<u>43,179</u>	<u>38,061</u>	<u>(5,118)</u>
Other financing uses:				
Transfers out	—	—	(5,186)	(5,186)
Total other financing	<u>—</u>	<u>—</u>	<u>(5,186)</u>	<u>(5,186)</u>
Net change in fund balance	<u>43,179</u>	<u>43,179</u>	<u>32,875</u>	<u>(10,304)</u>
Fund balances – beginning	<u>(15,115)</u>	<u>(15,115)</u>	<u>(185,561)</u>	<u>(170,446)</u>
Fund balances – ending	<u>\$ 28,064</u>	<u>28,064</u>	<u>(152,686)</u>	<u>(180,750)</u>

See accompanying independent auditors' report.

**CITY OF OMAHA, NEBRASKA**

Budgetary Comparison Schedule – SID Administrative Fees Revenue Fund

Year ended December 31, 2010



	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues:				
Charges for services	\$ 110,000	110,000	4,700	(105,300)
Total revenues	110,000	110,000	4,700	(105,300)
Expenditures:				
Community development	72,813	72,813	11,761	61,052
Transportation services	83,542	83,542	—	83,542
Total expenditures	156,355	156,355	11,761	144,594
Deficiency of revenues under expenditures	(46,355)	(46,355)	(7,061)	39,294
Net change in fund balance	(46,355)	(46,355)	(7,061)	39,294
Fund balances – beginning	59,869	59,869	7,061	(52,808)
Fund balances – ending	\$ 13,514	13,514	—	(13,514)

See accompanying independent auditors' report.

**CITY OF OMAHA, NEBRASKA**

Budgetary Comparison Schedule – Storm Water Fee Revenue Fund

Year ended December 31, 2010



	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues:				
Charges for services	\$ 1,046,760	1,046,760	1,307,879	261,119
Total revenues	1,046,760	1,046,760	1,307,879	261,119
Expenditures:				
Other public services	1,046,301	1,046,301	926,517	119,784
Total expenditures	1,046,301	1,046,301	926,517	119,784
Excess of revenues over expenditures	459	459	381,362	380,903
Net change in fund balance	459	459	381,362	380,903
Fund balances – beginning	84,912	84,912	300,834	215,922
Fund balances – ending	\$ 85,371	85,371	682,196	596,825

See accompanying independent auditors' report.

**CITY OF OMAHA, NEBRASKA**

Budgetary Comparison Schedule – City Street Maintenance Fund

Year ended December 31, 2010



	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues:				
Charges for services	\$ 18,250,000	18,250,000	21,152,706	2,902,706
Rents and royalties	—	—	29,359	29,359
Contributions and grants	300,000	300,000	300,000	—
Total revenues	<u>18,550,000</u>	<u>18,550,000</u>	<u>21,482,065</u>	<u>2,932,065</u>
Expenditures:				
General government	311,000	311,000	388,453	(77,453)
Transportation services	19,190,195	19,190,195	19,279,447	(89,252)
Total expenditures	<u>19,501,195</u>	<u>19,501,195</u>	<u>19,667,900</u>	<u>(166,705)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(951,195)</u>	<u>(951,195)</u>	<u>1,814,165</u>	<u>2,765,360</u>
Other financing uses:				
Transfers out	—	—	(1,554,464)	(1,554,464)
Total other financing uses	<u>—</u>	<u>—</u>	<u>(1,554,464)</u>	<u>(1,554,464)</u>
Net change in fund balances	(951,195)	(951,195)	259,701	1,210,896
Fund balances – beginning	<u>1,289,833</u>	<u>1,289,833</u>	<u>2,335,924</u>	<u>1,046,091</u>
Fund balances – ending	<u>\$ 338,638</u>	<u>338,638</u>	<u>2,595,625</u>	<u>2,256,987</u>

See accompanying independent auditors' report.

CITY OF OMAHA, NEBRASKA

Budgetary Comparison Schedule – Street and Highway Allocation Fund

Year ended December 31, 2010



	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 28,215,000	28,215,000	27,674,538	(540,462)
Charges for services	—	—	679,230	679,230
Miscellaneous rents and royalties	75,000	75,000	103,227	28,227
Contributions and grants	619,017	619,017	48,918	(570,099)
<b>Total revenues</b>	<b>28,909,017</b>	<b>28,909,017</b>	<b>28,505,913</b>	<b>(403,104)</b>
<b>Expenditures:</b>				
General government	3,240,344	3,240,344	3,206,789	33,555
Transportation services	27,227,237	27,227,237	30,051,284	(2,824,047)
Culture and parks	14,595	14,595	14,595	—
Debt service Principal	145,000	145,000	145,000	—
Debt service Interest	84,503	84,503	84,503	—
<b>Total expenditures</b>	<b>30,711,679</b>	<b>30,711,679</b>	<b>33,502,171</b>	<b>(2,790,492)</b>
Deficiency of revenues under expenditures	(1,802,662)	(1,802,662)	(4,996,258)	(3,193,596)
<b>Other financing sources (uses):</b>				
Transfers in	—	—	1,554,464	(1,554,464)
Transfers out	—	—	(100,000)	100,000
<b>Total other financing sources (uses)</b>	<b>—</b>	<b>—</b>	<b>1,454,464</b>	<b>(1,454,464)</b>
<b>Net change in fund balance</b>	<b>(1,802,662)</b>	<b>(1,802,662)</b>	<b>(3,541,794)</b>	<b>(1,739,132)</b>
Fund balances – beginning	2,093,728	2,093,728	2,727,043	633,315
Fund balances – ending	\$ 291,066	291,066	(814,751)	(1,105,817)

See accompanying independent auditors' report.

**CITY OF OMAHA, NEBRASKA**

Budgetary Comparison Schedule – Community Park Development Fund

Year ended December 31, 2010



	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues:				
Charges for services	\$ 10,000	10,000	151,280	141,280
Total revenues	10,000	10,000	151,280	141,280
Expenditures:				
Culture and parks	—	—	11,534	(11,534)
Debt service principal	94,418	94,418	96,419	(2,001)
Debt service interest	10,966	10,966	10,437	529
Total expenditures	105,384	105,384	118,390	(13,006)
Excess (deficiency) of revenues over (under) expenditures	(95,384)	(95,384)	32,890	128,274
Net change in fund balance	(95,384)	(95,384)	32,890	128,274
Fund balances – beginning	(3,118,301)	(3,118,301)	(2,641,449)	476,852
Fund balances – ending	\$ (3,213,685)	(3,213,685)	(2,608,559)	605,126

See accompanying independent auditors' report.

**CITY OF OMAHA, NEBRASKA**

Budgetary Comparison Schedule – State Turn Back Revenue Fund

Year ended December 31, 2010



	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues:				
Contributions and grants	\$ 292,005	292,005	313,580	21,575
Total revenues	292,005	292,005	313,580	21,575
Expenditures:				
Community development	292,005	292,005	481,989	(189,984)
Total expenditures	292,005	292,005	481,989	(189,984)
Deficiency of revenues under expenditures	—	—	(168,409)	(168,409)
Net change in fund balance	—	—	(168,409)	(168,409)
Fund balances – beginning	—	—	186,945	186,945
Fund balances – ending	\$ —	—	18,536	18,536

See accompanying independent auditors' report.

**CITY OF OMAHA, NEBRASKA**

Budgetary Comparison Schedule – Keno/Lottery Reserve Fund

Year ended December 31, 2010



	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues:				
Investment income	\$ 78,856	78,856	203,588	124,732
Total revenues	78,856	78,856	203,588	124,732
Expenditures:				
Culture and parks	26,175	26,175	26,176	(1)
Total expenditures	26,175	26,175	26,176	(1)
Excess of revenues over expenditures	52,681	52,681	177,412	124,731
Net change in fund balance	52,681	52,681	177,412	124,731
Fund balances – beginning	3,151,723	3,151,723	3,209,328	(57,605)
Fund balances – ending	\$ 3,204,404	3,204,404	3,386,740	182,336

See accompanying independent auditors' report.

CITY OF OMAHA, NEBRASKA

Budgetary Comparison Schedule – Greater Omaha Convention and Visitors Bureau Fund

Year ended December 31, 2010



	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues:				
Taxes Business	\$ 675,000	675,000	621,301	(53,699)
Intergovernmental	2,378,485	2,378,485	2,337,289	(41,196)
Charges for services	50,000	50,000	93,637	43,637
Rents and royalties	19,950	19,950	20,088	138
Total revenues	<u>3,123,435</u>	<u>3,123,435</u>	<u>3,072,315</u>	<u>(51,120)</u>
Expenditures:				
General government	—	—	65,693	(65,693)
Community development	2,935,881	2,935,881	3,054,656	(118,775)
Total expenditures	<u>2,935,881</u>	<u>2,935,881</u>	<u>3,120,349</u>	<u>(184,468)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>187,554</u>	<u>187,554</u>	<u>(48,034)</u>	<u>(235,588)</u>
Net change in fund balance	187,554	187,554	(48,034)	(235,588)
Fund balances – beginning	<u>1,163,264</u>	<u>1,163,264</u>	<u>1,342,092</u>	<u>178,828</u>
Fund balances – ending	<u>\$ 1,350,818</u>	<u>1,350,818</u>	<u>1,294,058</u>	<u>(56,760)</u>

See accompanying independent auditors' report.

**CITY OF OMAHA, NEBRASKA**

Budgetary Comparison Schedule – Interceptor Sewer Construction Fund

Year ended December 31, 2010



	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues:				
Charges for services	\$ 1,900,000	1,900,000	511,534	(1,388,466)
Total revenues	1,900,000	1,900,000	511,534	(1,388,466)
Expenditures:				
Other public services	1,700,000	1,700,000	5,337,864	(3,637,864)
Total expenditures	1,700,000	1,700,000	5,337,864	(3,637,864)
Excess (deficiency) of revenues over (under) expenditures	200,000	200,000	(4,826,330)	(5,026,330)
Other financing uses:				
Transfers out	—	—	(2,170,843)	(2,170,843)
Total other financing uses	—	—	(2,170,843)	(2,170,843)
Net change in fund balance	200,000	200,000	(6,997,173)	(7,197,173)
Fund balances – beginning	12,333,809	12,333,809	9,611,310	(2,722,499)
Fund balances – ending	\$ 12,533,809	12,533,809	2,614,137	(9,919,672)

See accompanying independent auditors' report.

**CITY OF OMAHA, NEBRASKA**

Budgetary Comparison Schedule – Household Chemical Disposal Fund

Year ended December 31, 2010



	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 132,000	132,000	38,106	(93,894)
Contributions and grants	277,000	277,000	277,000	—
Total revenues	<u>409,000</u>	<u>409,000</u>	<u>315,106</u>	<u>(93,894)</u>
Expenditures:				
Other public services	400,057	400,057	375,060	24,997
Total expenditures	<u>400,057</u>	<u>400,057</u>	<u>375,060</u>	<u>24,997</u>
Excess (deficiency) of revenues over (under) expenditures	<u>8,943</u>	<u>8,943</u>	<u>(59,954)</u>	<u>(68,897)</u>
Net change in fund balance	8,943	8,943	(59,954)	(68,897)
Fund balances – beginning	144,131	144,131	51,908	92,223
Fund balances – ending	<u>\$ 153,074</u>	<u>153,074</u>	<u>(8,046)</u>	<u>(161,120)</u>

See accompanying independent auditors' report.

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## **NONMAJOR DEBT SERVICE FUNDS**

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**CITY OF OMAHA, NEBRASKA**

Nonmajor Governmental Funds

Debt Service Fund



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

**Riverfront Redevelopment Special Tax Fund** – To accumulate revenues and pay bond and interest obligations on Redevelopment Bonds. The property tax levy for 2006, 2007, 2008, and 2009 is 0.894 cents per \$100 of taxable valuation. In 2010, this was increased to 1.594 cents per \$100 of taxable valuation.

This Redevelopment Debt Service Fund services the following issuances:

<u>Name</u>	<u>Date of issue</u>	<u>Date retired</u>
Downtown Redevelopment	1999	2019
2002 Redevelopment (Stockyards & Downtown)	2002	2032
2002 Special Obligation (Riverfront)	2002	2032
2004 Performing Arts Redevelopment	2004	2024
Special Tax Revenue Redevelopment	2007	2027
Special Tax & Tax Allocation Revenue Redevelopment A	2007	2016
Special Tax & Tax Allocation Revenue Redevelopment B	2007	2011
2008 Special Obligation (Riverfront)	2008	2013
Riverfront Redevelopment Refunds Series 2008A	2008	2026
Special Tax Revenue Redevelopment	2008	2028
Special Tax Revenue Redevelopment	2009	2012
Special Tax Revenue Redevelopment	2009	2029

These bonds are serviced by a variety of revenues sources including Property Tax Revenue, Tax Allocation Revenue, State Cigarette Tax, NRD Miller Park Contribution, Douglas County Miller Park Contribution, Qwest naming rights, and land sales.

**CITY OF OMAHA, NEBRASKA**

Balance Sheet

Nonmajor Debt Service Fund

December 31, 2010



	<b>Riverfront Redevelopment Special Tax</b>
<b>Assets</b>	
Cash and pooled investments	\$ 209,631
Receivables (net of allowance for uncollectibles)	5,316,500
Due from other governments	387,837
Due from other funds	3,092,086
Total assets	<u>\$ 9,006,054</u>
<b>Liabilities and Fund Balances</b>	
Liabilities:	
Accounts payable and other current liabilities	\$ 9,756
Unearned revenue	363
Deferred revenue	4,361,376
Total liabilities	<u>4,371,495</u>
Fund balances:	
Reserved for:	
Debt service	<u>4,634,559</u>
Total fund balance	<u>4,634,559</u>
Total liabilities and fund balance	<u>\$ 9,006,054</u>

See accompanying independent auditors' report.

**CITY OF OMAHA, NEBRASKA**

Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Debt Service Fund

December 31, 2010



	<b>Riverfront Redevelopment Special Tax</b>
	<u>                    </u>
Revenues:	
Taxes:	\$
Property	6,011,894
In lieu	5,625
Intergovernmental	1,500,000
Miscellaneous	825,000
Contributions and grants	228,722
	<u>                    </u>
Total revenues	<u>8,571,241</u>
Expenditures:	
Current:	
General government	59,707
Debt service:	
Principal	3,566,492
Interest	5,892,020
	<u>                    </u>
Total expenditures	<u>9,518,219</u>
Other financing sources:	
Proceeds from the sale of bonds	—
Sale of capital assets	—
Proceeds from bond premium	—
	<u>                    </u>
Total other financing sources	<u>—</u>
Net change in fund balances	(946,978)
Beginning fund balance	<u>5,581,537</u>
Ending fund balance	\$ <u><u>4,634,559</u></u>

See accompanying independent auditors' report.

**CITY OF OMAHA, NEBRASKA**  
 Budgetary Comparison Schedule – Debt Service Fund  
 Year ended December 31, 2010



	<b>Budgeted amounts</b>		<b>Actual</b>	<b>Variance with final budget positive (negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues:</b>				
Taxes property	\$ 51,448,253	51,448,253	52,067,868	619,615
Taxes in lieu	—	—	56,028	56,028
Intergovernmental	—	—	2,737,173	2,737,173
Investment income	150,000	150,000	437,998	287,998
Charges for services	2,473,898	2,473,898	2,663,559	189,661
Contributions and grants	2,451,470	2,451,470	391,028	(2,060,442)
Total revenues	<u>56,523,621</u>	<u>56,523,621</u>	<u>58,353,654</u>	<u>1,830,033</u>
<b>Expenditures:</b>				
General government	475,071	475,071	700,804	(225,733)
Debt service principal	29,214,194	29,214,194	29,344,194	(130,000)
Debt service interest	25,702,425	25,702,425	25,072,592	629,833
Debt service bond issuance costs	250,000	250,000	429,311	(179,311)
Total expenditures	<u>55,641,690</u>	<u>55,641,690</u>	<u>55,546,901</u>	<u>94,789</u>
Excess of revenues over expenditures	<u>881,931</u>	<u>881,931</u>	<u>2,806,753</u>	<u>1,924,822</u>
<b>Other financing sources (uses):</b>				
Proceeds from issuance of bonds	—	—	35,950,000	35,950,000
Proceeds from bond premium	—	—	2,435,125	2,435,125
Payment to refunded bond escrow agent	—	—	(37,988,113)	(37,988,113)
Total other financing sources	<u>—</u>	<u>—</u>	<u>397,012</u>	<u>397,012</u>
Net change in fund balance	881,931	881,931	3,203,765	2,321,834
Fund balances – beginning	13,795,210	13,795,210	13,489,712	(305,498)
Fund balances – ending	<u>\$ 14,677,141</u>	<u>14,677,141</u>	<u>16,693,477</u>	<u>2,016,336</u>

See accompanying independent auditors' report.

CITY OF OMAHA, NEBRASKA

Budgetary Comparison Schedule – Riverfront Redevelopment Special Tax Fund

Year ended December 31, 2010



	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues:				
Taxes Property	\$ 6,274,297	6,274,297	6,011,894	(262,403)
Taxes In lieu	—	—	5,625	5,625
Intergovernmental	1,500,000	1,500,000	1,500,000	—
Miscellaneous Rents & Royalties	—	—	825,000	825,000
Contributions and grants	1,021,901	1,021,901	228,722	(793,179)
Total revenues	<u>8,796,198</u>	<u>8,796,198</u>	<u>8,571,241</u>	<u>(224,957)</u>
Expenditures:				
General Government	23,700	23,700	59,707	(36,007)
Debt service Principal	3,566,492	3,566,492	3,566,492	—
Debt service Interest	5,830,783	5,830,783	5,892,020	(61,237)
Debt service Bond issuance costs	25,000	25,000	—	25,000
Total expenditures	<u>9,445,975</u>	<u>9,445,975</u>	<u>9,518,219</u>	<u>(72,244)</u>
Deficiency of revenues under expenditures	<u>(649,777)</u>	<u>(649,777)</u>	<u>(946,978)</u>	<u>(297,201)</u>
Net change in fund balance	<u>(649,777)</u>	<u>(649,777)</u>	<u>(946,978)</u>	<u>(297,201)</u>
Fund balances – beginning	<u>5,026,118</u>	<u>5,026,118</u>	<u>5,581,537</u>	<u>(555,419)</u>
Fund balances – ending	<u>\$ 4,376,341</u>	<u>4,376,341</u>	<u>4,634,559</u>	<u>258,218</u>

See accompanying independent auditors' report.

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## **NONMAJOR CAPITAL PROJECTS FUNDS**

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## CITY OF OMAHA, NEBRASKA

### Nonmajor Governmental Funds

#### Capital Project Funds



The Capital Projects Funds account for all resources received and used for the acquisition or development of major capital improvements (other than those financed by proprietary funds and trust funds).

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

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

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

**2006 Environmental Bond Fund** – To account for money received through the issuance of a general obligation bond voted on in the May 2006 primary election. Proceeds from the sale of the bond are used towards the cost of construction and improvement of storm, sanitary and interceptor sewers throughout the City.

**2000 Street and Highway 2001 #1 Fund** – To account for money received through the issuance of general obligation bonds at the November 2000 general election. Proceeds from the sale of the bonds are used toward the cost of construction and improvements of streets, expressways, freeways, and various bridge improvements throughout the City.

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

**2006 Transportation Bond Fund** – To account for money received through the issuance of general obligation bonds in the May 2006 primary elections. Proceeds from the sale of these bonds are used towards the cost of construction and improvement of streets, expressways, freeways and various bridge improvements throughout the City.

**2006 Public Facilities Bond Fund** – To account for the construction of projects funded with proceeds from the 2006 Public Facility Bond Authorization. The Bond Authorization amount is \$16,410,000.

**1998 Training Facility Construction Bond Fund** – To account for money received through the issuance of general obligation bonds in the November 1998 primary election. The proceeds from the sale of bonds are used towards the construction of the Public Safety Training Facility.

**2006 Public Safety Bond Fund** – To account for money received through the issuance of general obligation bonds in the May 2006 primary election. Proceeds from the sale of these bonds will be used for various public

## CITY OF OMAHA, NEBRASKA

### Nonmajor Governmental Funds

#### Capital Project Funds



safety capital expenditures, including the purchase of aerials, pumpers and emergency vehicle preemption system equipment.

**2000 Park and Recreation Bond 2002 #1 Fund** – To account for this Capital Project fund which was created due to the November, 2000 Primary Election, the voters authorized the issuance of \$10,500,000 of General Obligation Bonds. Various smaller projects remain and should complete in 2009 to expend this fund fully.

**2006 Parks and Recreation Bond Fund** – To account for the City of Omaha 2006 Bond issue. The City of Omaha citizens voted and approved, in the spring of 2006, to issue \$16,930,000 in General Obligation bonds. This money will be used for development and rehabilitation of City of Omaha Parks, and Recreations Centers.

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

**Stadium Expansion/Improvement Fund** – To account for the capital expenditures at Rosenblatt Stadium. The City is operating under an agreement with the NCAA through the year 2010. The agreement requires the city to make substantial capital improvements to Rosenblatt Stadium. These improvements are financed by the issuance of bonds and repaid through the General Fund by the City's Hotel/Motel Tax.

**Missouri River Pedestrian Bridge Fund** – To account for the costs associated with the construction of the Missouri River Pedestrian Bridge.

**Gallup Campus Construction Fund** – The Gallup Campus Construction Capital Projects Fund was established to reflect the construction cost for the Gallup Corporate Campus, research and development, and support facilities. The fund's purpose in the last few years has been expanded to include a variety of companion, complementary projects in and around the campus area.

**Back to the River Project Fund** - To track expenditures associated with the Riverfront Trail - North/North Omaha Connector Grant. The City of Omaha received this grant from the Nebraska Department of Roads to construct two major trails; the riverfront trail from ASARCO north to NP Dodge Park and the North Omaha Connector which will connect this to the Keystone Trail.

**South Omaha Library Construction Fund** – To account for the library that was constructed in conjunction with Metropolitan Community College and the Library Board of Trustees at the South Omaha Campus on the "Q" Street side. Land acquisition and preliminary design began in 2003 and construction was estimated to be completed in 2005-2006.

**UNMC Infrastructure Improvements Fund** – To account for the redevelopment of 42nd Street within the University of Nebraska Medical Center campus. The fund will provide for fully reimbursable expenditures for street and other infrastructure development to the site. The project entails a reduction from 4 to 2 lanes of through traffic creating a pedestrian friendly streetscape. The project has been expanded to include the study of the relocation of Saddle Creek Road to the west permitting development of the previous roadbed into an urban campus.

**CITY OF OMAHA, NEBRASKA**

Nonmajor Governmental Funds

Capital Project Funds



**Downtown Development Fund** – To account for the redevelopment of the site known as Pinnacle Foods located across 10th Street from the Qwest Center. The fund represents the City’s exercise of its “right of first refusal” to acquire this prime development property.

**Library Facilities Capital Fund** – To pay off yearly bond obligations for capital projects to improve facilities of the Omaha Public Library. Phase II of this project would include purchase of land in west central, southwest and northwest Omaha areas. Other projects include the renovation of W. Dale Clark Library, Swanson Branch and Abrahams Branch.

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

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

CITY OF OMAHA, NEBRASKA

Combining Balance Sheet

Nonmajor Capital Projects Funds

December 31, 2010



Assets	ASARCO/ Lewis & Clark Remediation	Advanced Acquisition	City Capital Improvement	2006 Environmental Bond	2000 Street Highway 2001 #1	Airport Business Park Development	2006 Transportation Bond	2006 Public Facilities Bond	1998 Training Facility Construction Bond
Cash and pooled investments	\$ 378,391	3,193,657	—	—	—	694,717	1,306,799	2,446,597	—
Investments	1,532,972	—	—	—	—	—	—	—	—
Receivables (net of allowance for uncollectibles)	—	—	—	—	—	—	—	—	—
Due from other governments	—	—	963,231	30,588	—	—	643,589	—	—
Accrued interest	4,594	—	—	—	—	—	—	—	—
Other assets	—	—	498,902	—	—	—	—	—	—
Deposits with trustee	—	—	—	—	—	—	—	—	—
Total assets	\$ <u>1,915,957</u>	<u>3,193,657</u>	<u>1,462,133</u>	<u>30,588</u>	<u>—</u>	<u>694,717</u>	<u>1,950,388</u>	<u>2,446,597</u>	<u>—</u>
<b>Liabilities and Fund Balances</b>									
Liabilities:									
Accounts payable and other current liabilities	\$ —	—	307,984	347,093	—	—	530,829	179,426	—
Due to governments	—	—	—	—	—	—	—	—	—
Due to other funds	—	—	309,107	133,962	—	—	—	—	99,561
Deferred revenue	—	—	878,983	30,588	—	—	626,631	—	—
Total liabilities	<u>—</u>	<u>—</u>	<u>1,496,074</u>	<u>511,643</u>	<u>—</u>	<u>—</u>	<u>1,157,460</u>	<u>179,426</u>	<u>99,561</u>
Fund balance (deficits):									
Reserved for:									
Encumbrances	—	—	1,081,797	495,716	—	—	1,467,042	510,350	55,032
Unreserved, undesignated reported in:									
Capital projects	<u>1,915,957</u>	<u>3,193,657</u>	<u>(1,115,738)</u>	<u>(976,771)</u>	<u>—</u>	<u>694,717</u>	<u>(674,114)</u>	<u>1,756,821</u>	<u>(154,593)</u>
Total fund balance	<u>1,915,957</u>	<u>3,193,657</u>	<u>(33,941)</u>	<u>(481,055)</u>	<u>—</u>	<u>694,717</u>	<u>792,928</u>	<u>2,267,171</u>	<u>(99,561)</u>
Total liabilities and fund balance (deficits)	\$ <u>1,915,957</u>	<u>3,193,657</u>	<u>1,462,133</u>	<u>30,588</u>	<u>—</u>	<u>694,717</u>	<u>1,950,388</u>	<u>2,446,597</u>	<u>—</u>

See accompanying independent auditors' report.

(Continued)

CITY OF OMAHA, NEBRASKA

Combining Balance Sheet

Nonmajor Capital Projects Funds

December 31, 2010



Assets	2006 Public Safety Bond	2000 Park and Recreation Bond 2002 #1	2006 Parks and Recreation Bond	Pedestrian Trail Bridge Joint Use Omaha/Council Bluffs	Stadium Expansion/ Improvement	Missouri River Pedestrian Bridge	Gallup Campus Construction	Back to the River Project	South Omaha Library Construction
Cash and pooled investments	\$ 1,583,050	—	1,965,228	201,828	—	—	—	—	—
Investments	—	—	—	—	—	—	—	—	—
Receivables (net of allowance for uncollectibles)	—	—	70,562	—	—	321,249	—	—	—
Due from other governments	—	95,840	—	—	—	1,513,460	—	417,740	—
Accrued interest	—	—	—	—	—	—	—	—	—
Other assets	—	—	—	—	—	—	—	—	—
Deposits with trustee	—	—	—	—	—	—	—	—	—
Total assets	\$ 1,583,050	95,840	2,035,790	201,828	—	1,834,709	—	417,740	—
<b>Liabilities and Fund Balances</b>									
Liabilities:									
Accounts payable and other current liabilities	\$ 63,457	—	68,525	835	—	—	—	372	—
Due to governments	—	—	—	—	—	—	—	—	—
Due to other funds	—	—	—	—	—	969,619	—	428,413	—
Deferred revenue	—	95,840	70,565	—	—	1,834,709	—	417,740	—
Total liabilities	63,457	95,840	139,090	835	—	2,804,328	—	846,525	—
Fund balance (deficits):									
Reserved for:									
Encumbrances	37,541	—	580,732	—	—	1,026	—	85,753	—
Unreserved, undesignated reported in:									
Capital projects	1,482,052	—	1,315,968	200,993	—	(970,645)	—	(514,538)	—
Total fund balance	1,519,593	—	1,896,700	200,993	—	(969,619)	—	(428,785)	—
Total liabilities and fund balance (deficits)	\$ 1,583,050	95,840	2,035,790	201,828	—	1,834,709	—	417,740	—

(Continued)

CITY OF OMAHA, NEBRASKA

Combining Balance Sheet

Nonmajor Capital Projects Funds

December 31, 2010



Assets	UNMC Infrastructure Improvement	Downtown Development	Library Facilities Capital	Capital Special Assessment	Service Special Assessment	Total Capital Projects
Cash and pooled investments	\$ —	90,000	—	—	11,967	11,872,234
Investments	—	—	—	—	—	1,532,972
Receivables (net of allowance for uncollectibles)	—	1,452	67,825	1,565,726	2,075,683	4,102,497
Due from other governments	68,662	—	—	942	5,667	3,739,719
Accrued interest	—	—	—	34	524	5,152
Other assets	—	—	—	—	—	498,902
Deposits with trustee	—	—	401,018	—	—	401,018
Total assets	<u>\$ 68,662</u>	<u>91,452</u>	<u>468,843</u>	<u>1,566,702</u>	<u>2,093,841</u>	<u>22,152,494</u>
<b>Liabilities and Fund Balances</b>						
Liabilities:						
Accounts payable and other current liabilities	\$ —	31,050	275,702	224,101	1,423	2,030,797
Due to governments	68,662	—	—	—	—	68,662
Due to other funds	—	86,565	3,333	78,403	—	2,108,963
Deferred revenue	—	—	—	1,565,727	2,075,680	7,596,463
Total liabilities	<u>68,662</u>	<u>117,615</u>	<u>279,035</u>	<u>1,868,231</u>	<u>2,077,103</u>	<u>11,804,885</u>
Fund balance (deficits):						
Reserved for:						
Encumbrances	—	—	229,710	272,488	—	4,817,187
Unreserved, undesignated reported in:						
Capital projects	—	(26,163)	(39,902)	(574,017)	16,738	5,530,422
Total fund balance	<u>—</u>	<u>(26,163)</u>	<u>189,808</u>	<u>(301,529)</u>	<u>16,738</u>	<u>10,347,609</u>
Total liabilities and fund balance (deficits)	<u>\$ 68,662</u>	<u>91,452</u>	<u>468,843</u>	<u>1,566,702</u>	<u>2,093,841</u>	<u>22,152,494</u>

CITY OF OMAHA, NEBRASKA

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Capital Projects Funds

December 31, 2010



	ASARCO/ Lewis & Clark Remediation	Advanced Acquisition	City Capital Improvement	2006 Environmental Bond	2000 Street Highway 2001 #1	Airport Business Park Development	2006 Transportation Bond	2006 Public Facilities Bond	1998 Training Facility Construction Bond
Revenues:									
Special assessments	\$ —	—	—	—	—	—	—	—	—
Investment income	10,031	—	—	—	—	—	—	—	—
Charges for services	—	—	—	—	—	—	—	—	—
Contributions and grants	—	—	1,809,890	130,715	—	—	2,021,435	—	—
Total revenues	10,031	—	1,809,890	130,715	—	—	2,021,435	—	—
Expenditures:									
Current:									
General government	—	—	—	—	—	—	—	—	—
Public safety	—	—	—	—	—	—	—	—	—
Transportation services	—	—	—	—	—	—	—	—	—
Other public services	—	—	—	—	—	—	—	—	—
Community development	—	29,474	(1,088)	—	—	26,375	—	—	—
Culture and parks	—	—	—	—	—	—	—	2,684	—
Debt service:									
Principal	—	—	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—	—
Debt issuance costs	—	—	—	—	—	—	—	—	—
Capital outlay:									
Other public services	—	—	—	1,517,228	—	—	—	—	—
Public safety	—	—	—	—	—	—	—	1,016,661	477,729
Culture and parks	—	—	—	—	—	—	—	384,385	—
General government	—	—	1,418,817	—	—	—	—	29,823	—
Transportation	—	—	324,975	—	—	—	7,653,961	400,573	—
Community development	—	—	—	—	—	—	—	—	—
Total expenditures	—	29,474	1,742,704	1,517,228	—	26,375	7,653,961	1,834,126	477,729
Other financing sources (uses):									
Transfers in	—	—	1,258,936	—	—	—	—	—	—
Transfers out	—	—	—	—	—	—	(1,278,845)	—	—
Sale of capital assets	—	647,484	—	—	—	—	—	—	—
Proceeds from the sale of bonds	—	—	—	600,000	—	—	4,300,000	1,100,000	—
Total other financing sources (uses)	—	647,484	1,258,936	600,000	—	—	3,021,155	1,100,000	—
Excess revenues over expenditures (net change in fund balances)	10,031	618,010	1,326,122	(786,513)	—	(26,375)	(2,611,371)	(734,126)	(477,729)
Fund balances (deficits) – beginning	1,905,926	2,575,647	(1,360,063)	305,458	—	721,092	3,404,299	3,001,297	378,168
Fund balance (deficits) – ending	\$ 1,915,957	3,193,657	(33,941)	(481,055)	—	694,717	792,928	2,267,171	(99,561)

See accompanying independent auditors' report.

(Continued)

CITY OF OMAHA, NEBRASKA

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Capital Projects Funds

December 31, 2010



	2006 Public Safety Bond	2000 Park and Recreation Bond 2002 #1	2006 Parks and Recreation Bond	Pedestrian Trail Bridge Joint Use Omaha/Council Bluffs	Stadium Expansion/ Improvement	Missouri River Pedestrian Bridge	Gallup Campus Construction	Back to the River Project	South Omaha Library Construction
Revenues:									
Special assessments	\$ —	—	339,017	—	—	—	—	—	—
Investment income	—	—	4	—	—	—	—	—	—
Charges for services	—	—	—	—	—	—	—	—	—
Contributions and grants	—	—	1,205,190	100,000	—	3,089,492	—	994,456	—
Total revenues	—	—	1,544,211	100,000	—	3,089,492	—	994,456	—
Expenditures:									
Current:									
General government	—	—	—	—	—	—	—	—	—
Public safety	—	—	—	—	—	—	—	—	—
Transportation services	—	—	—	—	—	—	—	—	—
Other public services	—	—	—	—	—	—	—	—	—
Community development	—	—	—	—	—	—	18,100	—	—
Culture and parks	—	—	—	64,472	—	112,430	—	11,046	—
Debt service:									
Principal	—	—	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—	—
Debt issuance costs	—	—	—	—	—	—	—	—	—
Capital outlay:									
Other public services	—	—	—	—	—	—	—	—	—
Public safety	1,209,692	—	—	—	—	—	—	—	—
Culture and parks	—	—	4,052,601	—	—	99,455	—	—	6,734
General government	—	—	—	—	—	—	—	—	—
Transportation	—	—	—	—	—	—	—	—	—
Community development	—	—	—	—	—	—	—	—	—
Total expenditures	1,209,692	—	4,052,601	64,472	—	211,885	18,100	11,046	6,734
Other financing sources (uses):									
Transfers in	—	—	88,899	100,000	—	1,200,032	—	—	—
Transfers out	(169,270)	—	—	—	(79,599)	—	(1,200,032)	—	(143,453)
Sale of capital assets	—	—	—	—	—	—	—	—	—
Proceeds from the sale of bonds	—	—	2,500,000	—	—	—	—	—	—
Total other financing sources (uses)	(169,270)	—	2,588,899	100,000	(79,599)	1,200,032	(1,200,032)	—	(143,453)
Excess revenues over expenditures (net change in fund balances)	(1,378,962)	—	80,509	135,528	(79,599)	4,077,639	(1,218,132)	983,410	(150,187)
Fund balances (deficits) – beginning	2,898,555	—	1,816,191	65,465	79,599	(5,047,258)	1,218,132	(1,412,195)	150,187
Fund balance (deficits) – ending	\$ 1,519,593	—	1,896,700	200,993	—	(969,619)	—	(428,785)	—

(Continued)

CITY OF OMAHA, NEBRASKA

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Capital Projects Funds

December 31, 2010



	UNMC Infrastructure Improvement	Downtown Development	Library Facilities Capital	Capital Special Assessment	Service Special Assessment	Total Capital Projects
Revenues:						
Special assessments	\$ —	—	—	—	7,309	346,326
Investment income	—	—	1,484	51,016	32,117	94,652
Charges for services	—	17,424	—	197,534	273,756	488,714
Contributions and grants	6,894	—	24,000	—	—	9,382,072
Total revenues	6,894	17,424	25,484	248,550	313,182	10,311,764
Expenditures:						
Current:						
General government	—	223,000	—	125,206	5,213	353,419
Public safety	—	—	—	—	—	—
Transportation services	—	—	—	—	—	—
Other public services	—	—	—	—	—	—
Community development	6,894	—	—	—	—	79,755
Culture and parks	—	—	—	36,734	—	227,366
Debt service:						
Principal	—	—	—	257,000	—	257,000
Interest	—	—	—	7,541	—	7,541
Debt issuance costs	—	—	—	—	—	—
Capital outlay:						
Other public services	—	—	—	—	—	1,517,228
Public safety	—	—	—	—	—	2,704,082
Culture and parks	—	—	1,861,566	—	—	6,404,741
General government	—	—	—	—	—	1,448,640
Transportation	—	—	—	218,158	—	8,597,667
Community development	—	144,546	—	—	—	144,546
Total expenditures	6,894	367,546	1,861,566	644,639	5,213	21,741,985
Other financing sources (uses):						
Transfers in	—	—	143,453	750,000	—	3,541,320
Transfers out	—	—	—	—	(750,000)	(3,621,199)
Sale of capital assets	—	—	—	—	—	647,484
Proceeds from the sale of bonds	—	—	—	—	—	8,500,000
Total other financing sources (uses)	—	—	143,453	750,000	(750,000)	9,067,605
Excess revenues over expenditures (net change in fund balances)	—	(350,122)	(1,692,629)	353,911	(442,031)	(2,362,616)
Fund balances (deficits) – beginning	—	323,959	1,882,437	(655,440)	458,769	12,710,225
Fund balance (deficits) – ending	\$ —	(26,163)	189,808	(301,529)	16,738	10,347,609

**CITY OF OMAHA, NEBRASKA**

Budgetary Comparison Schedule – Advanced Acquisition Fund

Year ended December 31, 2010



	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues:				
	\$			
Total revenues	—	—	—	—
Expenditures:				
Community development	—	—	29,474	(29,474)
Total expenditures	—	—	29,474	(29,474)
Deficiency of revenues under expenditures	—	—	(29,474)	(29,474)
Other financing sources:				
Sale of capital assets	—	—	647,484	647,484
Total other financing sources	—	—	647,484	647,484
Net change in fund balance	—	—	618,010	618,010
Fund balances – beginning	279,441	279,441	2,575,647	2,296,206
Fund balances – ending	\$ 279,441	279,441	3,193,657	2,914,216

See accompanying independent auditors' report.

**CITY OF OMAHA, NEBRASKA**

Budgetary Comparison Schedule – City Capital Improvement Fund

Year ended December 31, 2010



	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues:				
Grants and contributions	\$	—	1,809,890	1,809,890
Total revenues	—	—	1,809,890	1,809,890
Expenditures:				
Community development		—	(1,088)	1,088
Capital outlay		—	1,743,792	(1,743,792)
Total expenditures	—	—	1,742,704	(1,742,704)
Excess of revenues over expenditures	—	—	67,186	67,186
Other financing sources:				
Transfers in		—	1,258,936	1,258,936
Total other financing sources	—	—	1,258,936	1,258,936
Net change in fund balance	—	—	1,326,122	1,326,122
Fund balances – beginning		—	(1,360,063)	(1,360,063)
Fund balances – ending	\$	—	(33,941)	(33,941)

See accompanying independent auditors' report.

**CITY OF OMAHA, NEBRASKA**

Budgetary Comparison Schedule – 2006 Environmental Bond Fund

Year ended December 31, 2010



	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues:				
Grants and contributions	\$ —	—	130,715	130,715
Total revenues	—	—	130,715	130,715
Expenditures:				
Capital outlay	806,000	806,000	2,012,941	(1,206,941)
Total expenditures	806,000	806,000	2,012,941	(1,206,941)
Deficiency of revenues under expenditures	(806,000)	(806,000)	(1,882,226)	(1,076,226)
Other financing sources:				
Proceeds from sale of bonds	1,785,000	1,785,000	600,000	(1,185,000)
Total other financing sources	1,785,000	1,785,000	600,000	(1,185,000)
Net change in fund balance	979,000	979,000	(1,282,226)	(2,261,226)
Fund balances – beginning	(275,535)	(275,535)	305,458	580,993
Fund balances – ending	\$ 703,465	703,465	(976,768)	(1,680,233)

See accompanying independent auditors' report.

CITY OF OMAHA, NEBRASKA

Budgetary Comparison Schedule – 2006 Transportation Bond Fund

Year ended December 31, 2010



	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues:				
Grants and contributions	\$ 9,699,000	9,699,000	2,021,435	(7,677,565)
Total revenues	9,699,000	9,699,000	2,021,435	(7,677,565)
Expenditures:				
Capital outlay	12,347,000	12,347,000	9,121,003	3,225,997
Total expenditures	12,347,000	12,347,000	9,121,003	3,225,997
Deficiency of revenues under expenditures	(2,648,000)	(2,648,000)	(7,099,568)	(4,451,568)
Other financing sources (uses):				
Transfers out	—	—	(1,278,845)	(1,278,845)
Proceeds from sale of bonds	7,285,000	7,285,000	4,300,000	(2,985,000)
Total other financing sources	7,285,000	7,285,000	3,021,155	(4,263,845)
Net change in fund balance	4,637,000	4,637,000	(4,078,413)	(8,715,413)
Fund balances – beginning	1,203,000	1,203,000	3,404,299	2,201,299
Fund balances – ending	\$ 5,840,000	5,840,000	(674,114)	(6,514,114)

See accompanying independent auditors' report.

**CITY OF OMAHA, NEBRASKA**

Budgetary Comparison Schedule – 2006 Public Safety Bond Fund

Year ended December 31, 2010



	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues:				
	\$ —	—	—	—
Total revenues	—	—	—	—
Expenditures:				
Capital outlay	215,000	215,000	1,247,233	(1,032,233)
Total expenditures	215,000	215,000	1,247,233	(1,032,233)
Deficiency of revenues under expenditures	(215,000)	(215,000)	(1,247,233)	(1,032,233)
Other financing sources (uses):				
Transfers out	365,000	365,000	(169,270)	(534,270)
Total other financing sources (uses)	365,000	365,000	(169,270)	(534,270)
Net change in fund balance	150,000	150,000	(1,416,503)	(1,566,503)
Fund balances – beginning	855,055	855,055	2,898,555	2,043,500
Fund balances – ending	\$ 1,005,055	1,005,055	1,482,052	476,997

See accompanying independent auditors' report.

**CITY OF OMAHA, NEBRASKA**

Budgetary Comparison Schedule – 2006 Public Facilities Bond Fund

Year ended December 31, 2010



	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues:				
	\$ —	—	—	—
Total revenues	—	—	—	—
Expenditures:				
Culture and parks	—	—	2,684	(2,684)
Capital outlay	1,827,000	1,827,000	2,322,261	(495,261)
Total expenditures	1,827,000	1,827,000	2,324,945	(497,945)
Deficiency of revenues under expenditures	(1,827,000)	(1,827,000)	(2,324,945)	(497,945)
Other financing sources:				
Proceeds from sale of bonds	2,600,000	2,600,000	1,100,000	(1,500,000)
Total other financing sources	2,600,000	2,600,000	1,100,000	(1,500,000)
Net change in fund balance	773,000	773,000	(1,224,945)	(1,997,945)
Fund balances – beginning	(773,420)	(773,420)	3,001,297	3,774,717
Fund balances – ending	\$ (420)	(420)	1,776,352	1,776,772

See accompanying independent auditors' report.

CITY OF OMAHA, NEBRASKA

Budgetary Comparison Schedule – 2006 Parks and Recreation Bond Fund

Year ended December 31, 2010



	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues:				
Special assessments	\$ —	—	339,017	339,017
Investment income	—	—	4	4
Contributions and grants	80,000	80,000	1,205,190	1,125,190
Total revenues	80,000	80,000	1,544,211	1,464,211
Expenditures:				
Capital outlay	2,800,000	2,800,000	4,633,333	(1,833,333)
Total expenditures	2,800,000	2,800,000	4,633,333	(1,833,333)
Deficiency of revenues under expenditures	(2,720,000)	(2,720,000)	(3,089,122)	(369,122)
Other financing sources:				
Transfers in	—	—	88,899	88,899
Proceeds from sale of bonds	4,365,000	4,365,000	2,500,000	(1,865,000)
Total other financing sources	4,365,000	4,365,000	2,588,899	(1,776,101)
Net change in fund balance	1,645,000	1,645,000	(500,223)	(2,145,223)
Fund balances – beginning	(1,629,416)	(1,629,416)	1,816,191	3,445,607
Fund balances – ending	\$ 15,584	15,584	1,315,968	1,300,384

See accompanying independent auditors' report.

CITY OF OMAHA, NEBRASKA

Budgetary Comparison Schedule – Stadium Expansion/Improvement Fund

Year ended December 31, 2010



	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues:				
Grants and contributions	33,167	33,167	—	(33,167)
Total revenues	33,167	33,167	—	(33,167)
Expenditures:				
Culture and parks	50,000	50,000	—	50,000
Total expenditures	50,000	50,000	—	50,000
Deficiency of revenues under expenditures	(16,833)	(16,833)	—	16,833
Other financing uses:				
Transfers out	—	—	(79,599)	(79,599)
Total other financing uses	—	—	(79,599)	(79,599)
Net change in fund balance	(16,833)	(16,833)	(79,599)	(62,766)
Fund balances – beginning	63,743	63,743	79,599	15,856
Fund balances – ending	\$ 46,910	46,910	—	(46,910)

See accompanying independent auditors' report.

CITY OF OMAHA, NEBRASKA

Budgetary Comparison Schedule – Library Facilities Capital Fund

Year ended December 31, 2010



	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues:				
Investment income	\$ —	—	1,484	1,484
Grants and contributions	—	—	24,000	24,000
Total revenues	—	—	25,484	25,484
Expenditures:				
Capital outlay	644,000	644,000	2,091,276	(1,447,276)
Total expenditures	644,000	644,000	2,091,276	(1,447,276)
Deficiency of revenues under expenditures	(644,000)	(644,000)	(2,065,792)	(1,421,792)
Other financing sources:				
Transfers in	—	—	143,453	143,453
Proceeds from sale of bonds	644,000	644,000	—	(644,000)
Total other financing sources	644,000	644,000	143,453	(500,547)
Net change in fund balance	—	—	(1,922,339)	(1,922,339)
Fund balances – beginning	—	—	1,882,437	1,882,437
Fund balances – ending	\$ —	—	(39,902)	(39,902)

See accompanying independent auditors' report.

**CITY OF OMAHA, NEBRASKA**

Budgetary Comparison Schedule – Special Assessment Funds

Year ended December 31, 2010



	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues:				
Special assessments	\$ —	—	7,309	7,309
Investment income	100,000	100,000	83,133	(16,867)
Charges for services	527,500	527,500	471,290	(56,210)
Total revenues	<u>627,500</u>	<u>627,500</u>	<u>561,732</u>	<u>(65,768)</u>
Expenditures:				
General government	35,000	35,000	130,419	(95,419)
Transportation services	75,000	75,000	—	75,000
Culture and parks	550,000	550,000	36,734	513,266
Debt service Principal	—	—	257,000	(257,000)
Debt service Interest	45,000	45,000	7,541	37,459
Capital outlay	—	—	490,647	(490,647)
Total expenditures	<u>705,000</u>	<u>705,000</u>	<u>922,341</u>	<u>(217,341)</u>
Deficiency of revenues under expenditures	<u>(77,500)</u>	<u>(77,500)</u>	<u>(360,609)</u>	<u>(283,109)</u>
Other financing sources (uses):				
Adjustment of bank loan	100,000	100,000	—	(100,000)
Transfers in	—	—	750,000	750,000
Transfers out	—	—	(750,000)	(750,000)
Total other financing sources	<u>100,000</u>	<u>100,000</u>	<u>—</u>	<u>(100,000)</u>
Net change in fund balance	22,500	22,500	(360,609)	(383,109)
Fund balances – beginning	8,082	8,082	(196,671)	(204,753)
Fund balances – ending	<u>\$ 30,582</u>	<u>30,582</u>	<u>(557,280)</u>	<u>(587,862)</u>

See accompanying independent auditors' report.

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## **NONMAJOR PERMANENT FUNDS**

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## CITY OF OMAHA, NEBRASKA

### Nonmajor Governmental Funds

#### Permanent Funds



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

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

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

**CITY OF OMAHA, NEBRASKA**

Combining Balance Sheet  
Nonmajor Permanent Funds

December 31, 2010



<b>Assets</b>	<b>Western Heritage</b>	<b>Endowment for library</b>	<b>Total Permanent Funds</b>
Cash and pooled investments	\$ 122,099	4,168	126,267
Investments	2,999,433	58,189	3,057,622
Accrued interest	42,104	40	42,144
Total assets	<u>\$ 3,163,636</u>	<u>62,397</u>	<u>3,226,033</u>
<b>Liabilities and Fund Balances</b>			
Liabilities:			
Accounts payable and other current liabilities	\$ 21,719	—	21,719
Total liabilities	<u>21,719</u>	<u>—</u>	<u>21,719</u>
Fund balances (deficits):			
Reserved for:			
Endowment	2,717,918	57,471	2,775,389
Unreserved, undesignated reported in:			
Permanent fund	<u>423,999</u>	<u>4,926</u>	<u>428,925</u>
Total fund balance	<u>3,141,917</u>	<u>62,397</u>	<u>3,204,314</u>
Total liabilities and fund balance	<u>\$ 3,163,636</u>	<u>62,397</u>	<u>3,226,033</u>

See accompanying independent auditors' report.

**CITY OF OMAHA, NEBRASKA**

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Permanent Funds

December 31, 2010



	<u>Western Heritage</u>	<u>Endowment for library</u>	<u>Total Permanent Funds</u>
Revenues:			
Investment income (loss)	\$ (23,603)	294	(23,309)
Total revenues	<u>(23,603)</u>	<u>294</u>	<u>(23,309)</u>
Expenditures:			
Current:			
Culture and parks	86,874	100	86,974
Total expenditures	<u>86,874</u>	<u>100</u>	<u>86,974</u>
Other financing sources (uses):			
Transfers in	—	—	—
Transfers out	<u>—</u>	<u>—</u>	<u>—</u>
Total other financing sources	<u>—</u>	<u>—</u>	<u>—</u>
Net change in fund balance	(110,477)	194	(110,283)
Beginning fund balance	<u>3,252,394</u>	<u>62,203</u>	<u>3,314,597</u>
Ending fund balance	<u>\$ 3,141,917</u>	<u>62,397</u>	<u>3,204,314</u>

See accompanying independent auditors' report.

**CITY OF OMAHA, NEBRASKA**

Budgetary Comparison Schedule – Western Heritage Permanent Fund

Year ended December 31, 2010



	<b>Budgeted amounts</b>		<b>Actual</b>	<b>Variance with final budget positive (negative)</b>
	<b>Original</b>	<b>Final</b>		
Revenues:				
Investment income (loss)	\$ 86,875	86,875	(23,603)	(110,478)
Total revenues	86,875	86,875	(23,603)	(110,478)
Expenditures:				
Culture and parks	100,000	100,000	86,874	13,126
Total expenditures	100,000	100,000	86,874	13,126
Deficiency of revenues under expenditures	(13,125)	(13,125)	(110,477)	(97,352)
Net change in fund balance	(13,125)	(13,125)	(110,477)	(97,352)
Fund balances – beginning	3,281,966	3,281,966	3,314,597	32,631
Fund balances – ending	\$ 3,268,841	3,268,841	3,204,120	(64,721)

See accompanying independent auditors' report.



## **ENTERPRISE FUNDS**

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## CITY OF OMAHA, NEBRASKA

### Enterprise Funds



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

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

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

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

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

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

**Golf Concessions Fund** – To account for the Golf Concessions operations at the City of Omaha Golf courses. The Golf Concessions Fund is an enterprise that was created to be self-supporting and account for the concessions at all Municipal Golf Courses in the City of Omaha.

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

**Compost Fund** – To account for the contract between the City of Omaha and the Quality Control Division of the City of Omaha to operate the compost facility located adjacent to the Papillion Creek Wastewater Treatment Plant.

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

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

CITY OF OMAHA, NEBRASKA

Combining Statement of Net Assets

Nonmajor Enterprise Funds

December 31, 2010



Assets	City Wide Sports Revenue	Marinas	Dodge Park Marina Dredge	Tennis Operations	Golf Operations	Golf Concessions	Air Quality	Compost	Printing Services and Graphics	Riverfront Plaza & Marina	Total Enterprise
<b>Current assets:</b>											
Cash and cash equivalents	\$ 81,357	686,165	36,587	68,347	—	12,816	172,423	—	75,654	107,475	1,240,824
Accounts receivable (net of allowance for uncollectibles)	—	—	—	—	34,636	—	107,643	15,614	15,931	6,293	180,117
Due from other funds	—	—	—	—	—	—	—	—	24,913	—	24,913
Other assets	—	—	—	—	—	—	—	2,874	—	—	2,874
Inventories	—	—	—	—	—	9,859	—	—	—	—	9,859
<b>Total current assets</b>	<b>81,357</b>	<b>686,165</b>	<b>36,587</b>	<b>68,347</b>	<b>34,636</b>	<b>22,675</b>	<b>280,066</b>	<b>18,488</b>	<b>116,498</b>	<b>113,768</b>	<b>1,458,587</b>
<b>Noncurrent assets:</b>											
<b>Capital assets:</b>											
Building and systems	—	3,388,192	—	3,648,929	2,632,090	264,715	—	—	—	—	9,933,926
Furniture and fixtures	—	—	—	—	—	—	—	—	—	—	—
Machinery and equipment	—	110,202	—	—	1,639,881	—	—	969,409	76,471	—	2,795,963
Construction in progress	—	—	—	—	—	—	—	—	—	—	—
Less accumulated depreciation	—	(1,611,464)	—	(1,418,127)	(3,008,424)	(238,965)	—	(369,046)	(76,471)	—	(6,722,497)
<b>Total capital assets (net of accumulated depreciation)</b>	<b>—</b>	<b>1,886,930</b>	<b>—</b>	<b>2,230,802</b>	<b>1,263,547</b>	<b>25,750</b>	<b>—</b>	<b>600,363</b>	<b>—</b>	<b>—</b>	<b>6,007,392</b>
<b>Total noncurrent assets</b>	<b>—</b>	<b>1,886,930</b>	<b>—</b>	<b>2,230,802</b>	<b>1,263,547</b>	<b>25,750</b>	<b>—</b>	<b>600,363</b>	<b>—</b>	<b>—</b>	<b>6,007,392</b>
<b>Total assets</b>	<b>\$ 81,357</b>	<b>2,573,095</b>	<b>36,587</b>	<b>2,299,149</b>	<b>1,298,183</b>	<b>48,425</b>	<b>280,066</b>	<b>618,851</b>	<b>116,498</b>	<b>113,768</b>	<b>7,465,979</b>
<b>Liabilities and Net Assets</b>											
<b>Current liabilities:</b>											
Accounts payable and other	\$ 1,275	6,128	—	9,163	37,475	1,450	16,670	6,277	28,523	17	106,978
Current installments of long-term debt	—	—	—	—	—	—	—	25,000	—	—	25,000
Workers' compensation and healthcare claims	—	7,857	—	8,781	106,949	—	21,136	15,525	5,951	—	166,199
Accrued interest payable	—	—	—	—	—	—	—	3,842	—	—	3,842
Due to other funds	—	471	—	777	845,952	—	3,061	82,582	462	—	933,305
Compensated absences	—	88	—	1,151	9,735	—	5,075	3,558	332	—	19,939
<b>Total current liabilities</b>	<b>1,275</b>	<b>14,544</b>	<b>—</b>	<b>19,872</b>	<b>1,000,111</b>	<b>1,450</b>	<b>45,942</b>	<b>136,784</b>	<b>35,268</b>	<b>17</b>	<b>1,255,263</b>
<b>Noncurrent liabilities:</b>											
Long-term debt excluding current installments	—	—	—	—	—	—	—	372,012	—	—	372,012
Pension obligation	—	61,466	—	45,052	651,698	—	218,873	161,717	51,873	—	1,190,679
Postretirement benefit obligation	—	48,265	—	35,376	511,738	—	171,868	126,986	40,730	—	934,963
Workers' compensation and healthcare claims	—	14,169	—	15,836	192,869	—	38,117	27,995	10,733	—	299,719
Compensated absences	—	1,670	—	21,878	184,974	—	96,441	67,558	6,298	—	378,819
<b>Total noncurrent liabilities</b>	<b>—</b>	<b>125,570</b>	<b>—</b>	<b>118,142</b>	<b>1,541,279</b>	<b>—</b>	<b>525,299</b>	<b>756,268</b>	<b>109,634</b>	<b>—</b>	<b>3,176,192</b>
<b>Total liabilities</b>	<b>1,275</b>	<b>140,114</b>	<b>—</b>	<b>138,014</b>	<b>2,541,390</b>	<b>1,450</b>	<b>571,241</b>	<b>893,052</b>	<b>144,902</b>	<b>17</b>	<b>4,431,455</b>
Invested in capital assets, net of related debt	—	1,886,930	—	2,230,802	1,263,547	25,750	—	203,351	—	—	5,610,380
Unrestricted	80,082	546,051	36,587	(69,667)	(2,506,754)	21,225	(291,175)	(477,552)	(28,404)	113,751	(2,575,856)
<b>Total net assets</b>	<b>80,082</b>	<b>2,432,981</b>	<b>36,587</b>	<b>2,161,135</b>	<b>(1,243,207)</b>	<b>46,975</b>	<b>(291,175)</b>	<b>(274,201)</b>	<b>(28,404)</b>	<b>113,751</b>	<b>3,034,524</b>
<b>Total liabilities and net assets</b>	<b>\$ 81,357</b>	<b>2,573,095</b>	<b>36,587</b>	<b>2,299,149</b>	<b>1,298,183</b>	<b>48,425</b>	<b>280,066</b>	<b>618,851</b>	<b>116,498</b>	<b>113,768</b>	<b>7,465,979</b>

See accompanying independent auditors' report.

**CITY OF OMAHA, NEBRASKA**

Combining Statement of Revenues, Expenses, and Changes in Net Assets

Nonmajor Enterprise Funds

December 31, 2010



	<u>City Wide Sports Revenue</u>	<u>Marinas</u>	<u>Dodge Park Marina Dredge</u>	<u>Tennis Operations</u>	<u>Golf Operations</u>	<u>Golf Concessions</u>	<u>Air Quality</u>	<u>Compost</u>	<u>Printing Services and Graphics</u>	<u>Riverfront Plaza &amp; Marina</u>	<u>Total Enterprise</u>
Operating revenues:											
Charges for services	\$ 193,202	446,039	—	263,691	2,888,814	532,890	802,199	835,696	474,093	48,532	6,485,156
Total operating revenues	<u>193,202</u>	<u>446,039</u>	<u>—</u>	<u>263,691</u>	<u>2,888,814</u>	<u>532,890</u>	<u>802,199</u>	<u>835,696</u>	<u>474,093</u>	<u>48,532</u>	<u>6,485,156</u>
Operating expenses:											
Personal services	47,563	158,618	—	141,438	1,581,597	147,060	608,789	444,317	122,584	—	3,251,966
Outside services	100,641	57,269	—	76,614	440,624	11,741	47,871	86,339	46,868	15,250	883,217
Operation and maintenance	1,325	18,161	—	27,772	761,811	8,142	152,671	339,853	235,170	—	1,544,905
Cost of sales and service	—	49,494	—	—	432	181,161	—	—	—	—	231,087
Depreciation and amortization	—	131,177	—	116,324	137,979	—	—	71,565	—	—	457,045
Total operating expenses	<u>149,529</u>	<u>414,719</u>	<u>—</u>	<u>362,148</u>	<u>2,922,443</u>	<u>348,104</u>	<u>809,331</u>	<u>942,074</u>	<u>404,622</u>	<u>15,250</u>	<u>6,368,220</u>
Operating income (loss)	<u>43,673</u>	<u>31,320</u>	<u>—</u>	<u>(98,457)</u>	<u>(33,629)</u>	<u>184,786</u>	<u>(7,132)</u>	<u>(106,378)</u>	<u>69,471</u>	<u>33,282</u>	<u>116,936</u>
Nonoperating revenues (expenses):											
Investment expense	—	—	—	—	—	—	—	(20,823)	—	—	(20,823)
Total nonoperating revenues (expenses)	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(20,823)</u>	<u>—</u>	<u>—</u>	<u>(20,823)</u>
Income (loss) before contributions and transfers	<u>43,673</u>	<u>31,320</u>	<u>—</u>	<u>(98,457)</u>	<u>(33,629)</u>	<u>184,786</u>	<u>(7,132)</u>	<u>(127,201)</u>	<u>69,471</u>	<u>33,282</u>	<u>96,113</u>
Transfers in	1,339	—	4,000	—	195,000	—	—	—	—	—	200,339
Transfers out	—	(4,000)	—	—	(3,103)	(196,339)	—	—	—	—	(203,442)
Change in net assets	<u>45,012</u>	<u>27,320</u>	<u>4,000</u>	<u>(98,457)</u>	<u>158,268</u>	<u>(11,553)</u>	<u>(7,132)</u>	<u>(127,201)</u>	<u>69,471</u>	<u>33,282</u>	<u>93,010</u>
Total net assets (deficit) – beginning	<u>35,070</u>	<u>2,405,661</u>	<u>32,587</u>	<u>2,259,592</u>	<u>(1,401,475)</u>	<u>58,528</u>	<u>(284,043)</u>	<u>(147,000)</u>	<u>(97,875)</u>	<u>80,469</u>	<u>2,941,514</u>
Total net assets (deficit) – ending	<u>\$ 80,082</u>	<u>2,432,981</u>	<u>36,587</u>	<u>2,161,135</u>	<u>(1,243,207)</u>	<u>46,975</u>	<u>(291,175)</u>	<u>(274,201)</u>	<u>(28,404)</u>	<u>113,751</u>	<u>3,034,524</u>

See accompanying independent auditors' report.

**CITY OF OMAHA, NEBRASKA**  
 Combining Statement of Cash Flows  
 Nonmajor Enterprise Funds  
 December 31, 2010



	City Wide Sports Revenue	Marinas	Dodge Park Marina Dredge	Tennis Operations	Golf Operations	Golf Concessions	Air Quality	Compost	Printing Services and Graphics	Riverfront Plaza & Marina	Total Enterprise
Cash flows from operating activities:											
Receipts from customers	\$ 193,202	446,039	—	263,691	2,891,981	529,401	717,627	827,587	510,170	46,780	6,426,478
Payments to suppliers	(107,852)	(146,341)	—	(106,831)	(1,224,329)	(199,909)	(200,410)	(424,478)	(270,941)	(15,233)	(2,696,324)
Payments to employees	(47,563)	(140,416)	—	(160,166)	(1,899,464)	(147,060)	(432,492)	(337,527)	(117,535)	—	(3,282,223)
Net cash provided by (used in) operating activities	37,787	159,282	—	(3,306)	(231,812)	182,432	84,725	65,582	121,694	31,547	447,931
Cash flows from noncapital financing activities:											
Transfers in/out	1,339	(4,000)	4,000	—	191,897	(196,339)	—	—	—	—	(3,103)
Advances from (to) other funds	—	760,377	—	46,696	36,810	17,555	87,228	(20,570)	(46,040)	21,421	903,477
Net cash provided by (used in) noncapital financing activities	1,339	756,377	4,000	46,696	228,707	(178,784)	87,228	(20,570)	(46,040)	21,421	900,374
Cash flows from capital and related financing activities:											
Capital expenditures	—	(230,088)	—	—	3,105	—	—	—	—	—	(226,983)
Prepaid expenses and deferred charges	—	—	—	—	—	—	—	(3,031)	—	—	(3,031)
Payments on long-term debt	—	—	—	—	—	—	—	(25,000)	—	—	(25,000)
Interest paid	—	—	—	—	—	—	—	(16,981)	—	—	(16,981)
Net cash provided by (used in) capital and related financing activities	—	(230,088)	—	—	3,105	—	—	(45,012)	—	—	(271,995)
Cash flows from investing activity:											
Interest received	—	—	—	—	—	—	—	—	—	—	—
Net cash provided by investing activity	—	—	—	—	—	—	—	—	—	—	—
Net increase (decrease) in cash and cash equivalents	39,126	685,571	4,000	43,390	—	3,648	171,953	—	75,654	52,968	1,076,310
Cash and cash equivalents, beginning of year	42,231	594	32,587	24,957	—	9,168	470	—	—	54,507	164,514
Cash and cash equivalents, end of year	\$ 81,357	686,165	36,587	68,347	—	12,816	172,423	—	75,654	107,475	1,240,824
Reconciliation of operating loss to net cash provided by (used in) operating activities:											
Operating income (loss)	\$ 43,673	31,320	—	(98,457)	(33,629)	184,786	(7,132)	(106,378)	69,471	33,282	116,936
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:											
Depreciation and amortization	—	131,177	—	116,324	137,979	—	—	71,565	—	—	457,045
Cash flows impacted by changes in:											
Accounts receivable	—	—	—	—	3,167	—	(84,572)	(8,109)	36,077	(1,752)	(55,189)
Prepaid assets	—	—	—	—	—	—	—	3,096	—	—	3,096
Inventories	—	—	—	—	—	(3,489)	—	—	—	—	(3,489)
Due from other governments	—	—	—	—	—	—	—	—	—	—	—
Accounts payable and other	(5,886)	(21,417)	—	(2,445)	(21,462)	1,135	132	(1,382)	11,097	17	(40,211)
Claims payable	—	21,904	—	3,242	(100,207)	—	22,453	11,703	(1,116)	—	(42,021)
Pension obligation	—	(2,955)	—	(13,102)	(132,661)	—	84,333	51,758	2,781	—	(9,846)
Postretirement benefit obligation	—	(747)	—	(8,868)	(84,999)	—	69,511	43,329	3,384	—	21,610
Net cash provided by (used in) operating activities	\$ 37,787	159,282	—	(3,306)	(231,812)	182,432	84,725	65,582	121,694	31,547	447,931

See accompanying independent auditors' report.



## **PENSION TRUST FUNDS**

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**CITY OF OMAHA, NEBRASKA**

Pension Trust Funds



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

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

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

**CITY OF OMAHA, NEBRASKA**

Combining Statement of Fiduciary Net Assets

Pension Trust Funds

December 31, 2010



<b>Assets</b>	<b>Civilian Retirement Fund</b>	<b>Police/Fire Retirement Reserve Fund</b>	<b>Total Pension Trust</b>
Cash and cash equivalents	\$ 765,729	780,721	1,546,450
Receivables:			
Accounts receivable	3,990	88,371	92,361
Accrued interest	456,729	1,488,637	1,945,366
Due from other funds	232,666	883,877	1,116,543
Investments, at fair value			—
Government securities	24,304,539	28,921,724	53,226,263
Municipal issues	1,837,801	2,084,133	3,921,934
Corporate bonds	24,733,021	74,932,540	99,665,561
Domestic equities	69,011,468	179,834,382	248,845,850
International equities	34,721,347	63,454,266	98,175,613
Domestic real estate securities	30,032,902	76,348,242	106,381,144
Commodities	24,975,356	12,114,767	37,090,123
Private equity	3,866,754	—	3,866,754
Cash and cash equivalents	17,741,452	12,500,778	30,242,230
Total assets	<u>\$ 232,683,754</u>	<u>453,432,438</u>	<u>686,116,192</u>
<b>Liabilities and Net Assets</b>			
Accounts payable and other current liabilities	\$ 337,170	792,135	1,129,305
Total liabilities	337,170	792,135	1,129,305
Held in trust for pension benefits	<u>232,346,584</u>	<u>452,640,303</u>	<u>684,986,887</u>
Total liabilities and net assets	<u>\$ 232,683,754</u>	<u>453,432,438</u>	<u>686,116,192</u>

See accompanying independent auditors' report.

**CITY OF OMAHA, NEBRASKA**

Combining Statement of Changes in Fiduciary Net Assets

Pension Trust Funds

December 31, 2010



	<b>Civilian Retirement Fund</b>	<b>Police/Fire Retirement Reserve Fund</b>	<b>Total Pension Trust</b>
	<hr/>	<hr/>	<hr/>
Additions:			
Contributions:			
Employer	\$ 5,717,610	24,183,614	29,901,224
Employee	4,858,097	16,271,773	21,129,870
Total contributions	<hr/> 10,575,707	<hr/> 40,455,387	<hr/> 51,031,094
Investment income:			
Dividends and interest	3,841,307	5,972,261	9,813,568
Net appreciation in fair value of investments	32,609,186	60,886,531	93,495,717
Total investment earnings	<hr/> 36,450,493	<hr/> 66,858,792	<hr/> 103,309,285
Investment expenses	<hr/> (1,561,382)	<hr/> (2,447,700)	<hr/> (4,009,082)
Net investment earnings	<hr/> 34,889,111	<hr/> 64,411,092	<hr/> 99,300,203
Total additions	<hr/> 45,464,818	<hr/> 104,866,479	<hr/> 150,331,297
Deductions:			
Benefit payments	<hr/> 26,337,866	<hr/> 57,616,214	<hr/> 83,954,080
Change in net assets	<hr/> 19,126,952	<hr/> 47,250,265	<hr/> 66,377,217
Net assets held in trust for pension benefits, beginning of year	<hr/> 213,219,632	<hr/> 405,390,038	<hr/> 618,609,670
Net assets held in trust for pension benefits, end of year	<hr/> <hr/> \$ 232,346,584	<hr/> <hr/> 452,640,303	<hr/> <hr/> 684,986,887

See accompanying independent auditors' report.

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## **AGENCY FUNDS**

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## CITY OF OMAHA, NEBRASKA

### Agency Funds



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

**Redevelopment 126 First National Bank Tower Fund** – To account for the tax increment financing revenues collected in regard to the First National Bank Tower TIF project.

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

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

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

**First National-Child Care Facility Fund** – To account for the tax increment financing revenues collected in regards to the First National Bank Day Care TIF project. These funds will be remitted to First National upon request.

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

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

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

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

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

## CITY OF OMAHA, NEBRASKA

### Agency Funds



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

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

**Omaha Transit Bus Ticket Fund** – To account for the purchase and sale of bus tickets used on the Metro Area Transit system.

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

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

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

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

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

**CITY OF OMAHA, NEBRASKA**  
 Combining Statement of Fiduciary Assets and Liabilities  
 Agency Funds  
 December 31, 2010



Assets	<u>Redevelopment 126 First National Bank Tower</u>	<u>ConAgra Campus and Parking</u>	<u>TIF Bond Debt Service</u>	<u>TIF Redevelopment Projects</u>	<u>First National Child Care Facility</u>	<u>R/D #77 Hammons/ Embassy Suites</u>	<u>Appeal Bond Deposit</u>	<u>Automobile Impounding Deposit</u>	<u>Bid Deposit</u>	<u>Board of Education Liquor Deposit</u>
Cash and pooled investments	\$ —	633,486	455,942	64,942	—	—	1,125	107,678	109,987	144,513
Accounts receivable (net of allowance for uncollectibles)	—	—	—	—	—	—	—	—	—	3,100
Accrued interest	—	—	2,817	—	—	—	—	—	—	—
Investments	—	—	1,158,509	—	—	—	—	—	—	—
Total assets	<u>\$ —</u>	<u>633,486</u>	<u>1,617,268</u>	<u>64,942</u>	<u>—</u>	<u>—</u>	<u>1,125</u>	<u>107,678</u>	<u>109,987</u>	<u>147,613</u>
<b>Liabilities and Fund Balances</b>										
Liabilities:										
Accounts payable and other liabilities	\$ —	633,486	1,617,268	64,942	—	—	1,125	107,678	109,987	147,613
Total liabilities	<u>—</u>	<u>633,486</u>	<u>1,617,268</u>	<u>64,942</u>	<u>—</u>	<u>—</u>	<u>1,125</u>	<u>107,678</u>	<u>109,987</u>	<u>147,613</u>
Total liabilities and fund balance	<u>\$ —</u>	<u>633,486</u>	<u>1,617,268</u>	<u>64,942</u>	<u>—</u>	<u>—</u>	<u>1,125</u>	<u>107,678</u>	<u>109,987</u>	<u>147,613</u>

See accompanying independent auditors' report.

(Continued)

**CITY OF OMAHA, NEBRASKA**  
 Combining Statement of Fiduciary Assets and Liabilities  
 Agency Funds  
 December 31, 2010



Assets	<u>Board of Education Tobacco Deposit</u>	<u>Humane Society Kennel Permits</u>	<u>Omaha Transit Bus Ticket</u>	<u>Sales Tax Deposit</u>	<u>After Hours Dance Deposit</u>	<u>Board of Education Parking Fines</u>	<u>Park Development Deposits</u>	<u>Arterial Street Improvement Program</u>	<u>Total Agency</u>
Cash and pooled investments	\$ 3,803	—	638	1,058	5,000	84,572	43	2,784,673	4,397,460
Accounts receivable (net of allowance for uncollectibles)	13,285	2,400	—	47,087	—	—	—	—	65,872
Accrued interest	—	—	—	—	—	—	—	—	2,817
Investments	—	—	—	—	—	—	—	—	1,158,509
Total assets	<u>\$ 17,088</u>	<u>2,400</u>	<u>638</u>	<u>48,145</u>	<u>5,000</u>	<u>84,572</u>	<u>43</u>	<u>2,784,673</u>	<u>5,624,658</u>
<b>Liabilities and Fund Balances</b>									
Liabilities:									
Accounts payable and other liabilities	\$ 17,088	2,400	638	48,145	5,000	84,572	43	2,784,673	5,624,658
Total liabilities	<u>17,088</u>	<u>2,400</u>	<u>638</u>	<u>48,145</u>	<u>5,000</u>	<u>84,572</u>	<u>43</u>	<u>2,784,673</u>	<u>5,624,658</u>
Total liabilities and fund balance	<u>\$ 17,088</u>	<u>2,400</u>	<u>638</u>	<u>48,145</u>	<u>5,000</u>	<u>84,572</u>	<u>43</u>	<u>2,784,673</u>	<u>5,624,658</u>

**CITY OF OMAHA, NEBRASKA**  
 Combining Statement of Changes in Assets and Liabilities  
 Agency Funds  
 Year ended December 31, 2010



	<b>Balance January 1, 2010</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31, 2010</b>
<b>Redevelopment 126 First National Bank Tower</b>				
Assets:				
Accounts receivable	\$ 450	2,949,883	2,950,333	—
Liabilities:				
Accounts payable and other liabilities	\$ 450	7,157,227	7,157,677	—
<b>ConAgra Campus and Parking</b>				
Assets:				
Cash and pooled investments	\$ 404,213	506,373	277,100	633,486
Liabilities:				
Accounts payable and other liabilities	\$ 404,213	506,373	277,100	633,486
<b>TIF Bond Debt Service</b>				
Assets:				
Cash and pooled investments	\$ 141,615	2,967,692	2,653,365	455,942
Accrued interest	—	2,817	—	2,817
Investments	1,345,647	1,200,000	1,387,138	1,158,509
	\$ 1,487,262	4,170,509	4,040,503	1,617,268
Liabilities:				
Accounts payable and other liabilities	\$ 1,487,262	288,332	158,326	1,617,268
<b>TIF Development Projects</b>				
Assets:				
Cash and pooled investments	\$ 46,851	31,199,413	31,181,322	64,942
Liabilities:				
Accounts payable and other liabilities	\$ 46,851	16,832,865	16,814,774	64,942
<b>First National Child Care Facility</b>				
Assets:				
Cash and pooled investments	\$ 1,594	142,509	144,103	—
Liabilities:				
Accounts payable and other liabilities	\$ 1,594	72,051	73,645	—
<b>R/D #77 Hammons/Embassy Suites</b>				
Assets:				
Cash and pooled investments	\$ 280,464	601,085	881,549	—
Liabilities:				
Accounts payable and other liabilities	\$ 280,464	78,315	358,779	—
<b>Appeal Bond Deposit</b>				
Assets:				
Cash and pooled investments	\$ 1,600	31,625	32,100	1,125
Liabilities:				
Accounts payable and other liabilities	\$ 1,600	31,625	32,100	1,125
<b>Automobile Impounding Deposit</b>				
Assets:				
Cash and pooled investments	\$ 118,323	55,197	65,842	107,678
Liabilities:				
Accounts payable and other liabilities	\$ 118,323	55,183	65,828	107,678

**CITY OF OMAHA, NEBRASKA**  
 Combining Statement of Changes in Assets and Liabilities  
 Agency Funds  
 Year ended December 31, 2010



<b>Bid Deposit</b>	<b>Balance January 1, 2010</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31, 2010</b>
<b>Assets:</b>				
Cash and pooled investments	\$ 230,161	1,571,419	1,691,593	109,987
<b>Liabilities:</b>				
Accounts payable and other liabilities	\$ 230,161	1,490,977	1,611,151	109,987
<b>Board of Education Liquor Deposit</b>				
<b>Assets:</b>				
Cash and pooled investments	\$ 139,613	528,925	524,025	144,513
Accounts receivable	28,131	481,482	506,513	3,100
	\$ 167,744	1,010,407	1,030,538	147,613
<b>Liabilities:</b>				
Accounts payable and other liabilities	\$ 167,744	577,526	597,657	147,613
<b>Board of Education Tobacco Deposit</b>				
<b>Assets:</b>				
Cash and pooled investments	\$ 10,418	36,321	42,936	3,803
Accounts receivable	7,061	20,232	14,008	13,285
	\$ 17,479	56,553	56,944	17,088
<b>Liabilities:</b>				
Accounts payable and other liabilities	\$ 17,479	26,376	26,767	17,088
<b>Humane Society Kennel Permits</b>				
<b>Assets:</b>				
Cash and pooled investments	\$ 60	4,860	4,920	—
Accounts receivable	2,440	2,240	2,280	2,400
	\$ 2,500	7,100	7,200	2,400
<b>Liabilities:</b>				
Accounts payable and other liabilities	\$ 2,500	4,700	4,600	2,600
<b>Omaha Transit Bus Ticket</b>				
<b>Assets:</b>				
Cash and pooled investments	\$ 853	22,115	22,330	638
<b>Liabilities:</b>				
Accounts payable and other liabilities	\$ 853	22,115	22,330	638
<b>Sales Tax Deposit</b>				
<b>Assets:</b>				
Cash and pooled investments	\$ 12,943	543,063	554,948	1,058
Accounts receivable	—	181,439	134,352	47,087
	\$ 12,943	724,502	689,300	48,145
<b>Liabilities:</b>				
Accounts payable and other liabilities	\$ 12,943	569,409	534,207	48,145
<b>After Hours Dance Deposit</b>				
<b>Assets:</b>				
Cash and pooled investments	\$ 5,000	—	—	5,000
<b>Liabilities:</b>				
Accounts payable and other liabilities	\$ 5,000	—	—	5,000

**CITY OF OMAHA, NEBRASKA**  
 Combining Statement of Changes in Assets and Liabilities  
 Agency Funds  
 Year ended December 31, 2010



	<b>Balance January 1, 2010</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31, 2010</b>
<b>Board of Education Parking Fines</b>				
Assets:				
Cash and pooled investments	\$ 59,773	527,049	502,250	84,572
Liabilities:				
Accounts payable and other liabilities	\$ 59,773	552,573	527,774	84,572
<b>Park Development Deposits</b>				
Assets:				
Cash and pooled investments	\$ 76,397	76,361	152,715	43
Liabilities:				
Accounts payable and other liabilities	\$ 76,397	76,361	152,715	43
<b>Arterial Street Improvement Program</b>				
Assets:				
Cash and pooled investments	\$ 5,758,750	6,081,477	9,055,554	2,784,673
Liabilities:				
Accounts payable and other liabilities	\$ 5,758,750	5,053,848	8,027,925	2,784,673
<b>Total Agency Funds</b>				
Assets:				
Cash and pooled investments	\$ 7,288,628	44,895,484	47,786,652	4,397,460
Accounts receivable	38,082	3,635,276	3,607,486	65,872
Accrued interest	—	2,817	—	2,817
Investments	1,345,647	1,200,000	1,387,138	1,158,509
Total assets	\$ 8,672,357	49,733,577	52,781,276	5,624,658
Liabilities:				
Accounts payable and other liabilities	\$ 8,672,357	33,395,856	36,443,355	5,624,858
Total liabilities	\$ 8,672,357	33,395,856	36,443,355	5,624,858

See accompanying independent auditors' report.

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## **STATISTICAL SECTION**

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**CITY OF OMAHA**  
Statistical Section (Unaudited)  
December 31, 2010



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

<b>Contents</b>	<b>Page</b>
<b>Financial Trends</b>	
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	174
<b>Revenue Capacity</b>	
These schedules control information to help the reader assess the City's most significant local revenue source, the property tax.	179
<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.	186
<b>Demographic and Economic Information</b>	
These schedules offer demographic and economic indicators to help the reader understand how the environment within which the City's financial activities take place.	192
<b>Operating Information</b>	
These schedules contain service and infrastructure data to help the readers understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	195

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

CITY OF OMAHA, NEBRASKA

Net Assets by Component  
Last Eight Fiscal Years  
(Accrual Basis of Accounting)  
2003 to 2010



	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Governmental activities:								
Invested in capital assets, net of related debt	\$ 235,711,911	201,522,874	213,958,527	237,357,059	261,308,456	295,937,697	309,036,583	327,786,022
Restricted	32,067,872	11,898,950	13,163,721	14,612,499	16,814,445	15,189,807	8,238,405	6,350,609
Unrestricted	17,111,405	65,166,250	80,623,315	60,396,134	49,343,457	(540,888)	(24,680,926)	(87,779,242)
Total governmental activities net assets	<u>\$ 284,891,188</u>	<u>278,588,074</u>	<u>307,745,563</u>	<u>312,365,692</u>	<u>327,466,358</u>	<u>310,586,616</u>	<u>292,594,062</u>	<u>246,357,389</u>
Business-type activities:								
Invested in capital assets, net of related debt	\$ 287,633,189	271,157,078	261,232,484	244,078,865	222,456,144	235,667,494	228,900,267	195,594,307
Restricted	—	—	10,135,739	12,362,000	6,898,070	4,248,375	8,253,046	31,292,774
Unrestricted	(1,656,667)	3,999,636	(2,984,272)	10,157,757	40,308,588	23,937,327	25,401,260	37,903,634
Total business-type activities net assets	<u>\$ 285,976,522</u>	<u>275,156,714</u>	<u>268,383,951</u>	<u>266,598,622</u>	<u>269,662,802</u>	<u>263,853,196</u>	<u>262,554,573</u>	<u>264,790,715</u>
Primary government:								
Invested in capital assets, net of related debt	\$ 523,345,100	472,679,952	475,191,011	481,435,924	483,764,600	531,605,191	537,936,850	523,380,329
Restricted	32,067,872	11,898,950	23,299,460	26,974,499	23,712,515	19,438,182	16,491,451	37,643,383
Unrestricted	15,454,738	69,165,886	77,639,043	70,553,891	89,652,045	23,396,439	720,334	(49,875,608)
Total primary government net assets	<u>\$ 570,867,710</u>	<u>553,744,788</u>	<u>576,129,514</u>	<u>578,964,314</u>	<u>597,129,160</u>	<u>574,439,812</u>	<u>555,148,635</u>	<u>511,148,104</u>

GASB 34 was adopted in 2002.  
Source: City of Omaha Financial Statements.

See accompanying independent auditors' report.

CITY OF OMAHA, NEBRASKA

Changes in Net Assets  
Last Eight Fiscal Years  
(Accrual Basis of Accounting)  
2003 to 2010



	2003	2004	2005	2006	2007	2008	2009	2010
<b>Expenses:</b>								
<b>Governmental activities:</b>								
General government	\$ 51,899,189	62,025,849	43,617,209	40,179,313	93,334,595	95,914,300	100,443,246	116,720,038
Public safety	152,915,729	161,458,004	172,241,162	193,303,487	182,854,883	205,824,014	188,694,996	193,001,551
Transportation services	44,481,809	47,492,991	44,550,196	47,021,969	53,248,665	60,683,765	61,124,356	60,380,233
Other public services	14,774,426	14,147,624	14,185,823	14,797,970	15,650,815	17,366,093	17,355,052	21,001,115
Community development	32,536,567	29,345,088	27,550,352	19,774,789	19,460,381	25,723,952	27,376,811	31,987,295
Culture and parks	38,376,920	62,713,346	33,992,416	37,818,310	44,894,282	40,980,138	47,480,688	64,931,722
Interest on long-term debt	30,310,243	24,203,951	32,326,682	32,437,752	34,696,594	36,519,588	37,443,658	38,360,978
<b>Total governmental activities expenses</b>	<b>365,294,883</b>	<b>401,386,853</b>	<b>368,463,840</b>	<b>385,333,590</b>	<b>444,140,215</b>	<b>483,011,850</b>	<b>479,918,807</b>	<b>526,382,932</b>
<b>Business-type activities:</b>								
Convention center hotel	285,153	11,352,991	12,008,197	11,591,414	11,290,566	11,114,593	10,172,478	8,905,205
Sewer	32,505,709	35,181,325	38,084,381	39,582,646	45,508,217	49,533,194	47,580,754	51,529,157
Other	10,491,445	10,912,170	11,807,899	11,680,369	11,377,633	12,155,403	12,122,555	10,744,969
<b>Total business-type activities expenses</b>	<b>43,282,307</b>	<b>57,446,486</b>	<b>61,900,477</b>	<b>62,854,429</b>	<b>68,176,416</b>	<b>72,803,190</b>	<b>69,875,787</b>	<b>71,179,331</b>
<b>Total primary government</b>	<b>\$ 408,577,190</b>	<b>458,833,339</b>	<b>430,364,317</b>	<b>448,188,019</b>	<b>512,316,631</b>	<b>555,815,040</b>	<b>549,794,594</b>	<b>597,562,263</b>
<b>Component unit:</b>								
MECA	\$ 2,466,771	20,025,873	20,532,090	22,647,661	25,035,984	27,211,194	27,425,166	26,355,147
<b>Program revenues:</b>								
<b>Governmental activities:</b>								
<b>Charges for services:</b>								
General government	\$ 27,286,779	7,606,199	8,430,849	8,098,358	5,854,592	5,729,600	8,560,906	11,432,415
Public safety	5,263,466	13,696,238	8,869,544	8,941,612	15,205,428	15,812,344	14,736,190	18,373,482
Transportation services	10,922,388	15,746,806	14,022,227	15,604,717	18,133,477	18,848,115	19,092,487	22,167,354
Other public services	5,921,059	5,996,874	5,367,287	3,286,082	9,620,112	6,205,471	3,877,405	2,582,651
Community development	6,215,809	13,247,956	11,118,776	10,757,992	8,343,329	6,397,642	7,465,072	5,748,813
Culture and parks	286,588	4,082,523	6,598,990	11,881,082	4,789,667	3,545,845	10,177,203	8,772,389
Operating grants and contributions	61,720,136	58,647,742	58,198,805	52,895,766	76,410,773	82,615,753	70,638,578	65,624,631
Capital grants and contributions	29,908,919	20,425,832	32,117,784	17,134,301	29,598,164	30,129,275	27,255,802	31,671,217
<b>Total governmental activities program revenues</b>	<b>147,525,144</b>	<b>139,450,170</b>	<b>144,724,262</b>	<b>128,599,910</b>	<b>167,955,542</b>	<b>169,284,045</b>	<b>161,803,643</b>	<b>166,372,952</b>
<b>Business-type activities:</b>								
<b>Charges for services:</b>								
Convention center hotel	—	2,250,535	4,623,041	6,447,117	7,732,472	8,918,038	6,819,371	7,824,146
Parking	3,821,967	3,299,347	3,749,533	3,790,010	4,151,923	4,115,811	4,144,920	4,170,400
Sewer revenue fund	34,266,350	32,150,414	33,328,738	34,892,510	38,474,534	41,194,630	43,633,767	49,944,627
Citywide sports	184,193	150,135	145,468	153,668	117,543	148,420	130,940	193,202
Marinas	415,690	406,643	395,825	786,525	737,166	550,236	486,878	446,039
Tennis operations	186,565	165,971	237,017	270,768	248,238	267,683	268,028	263,691
Golf operations and concessions	3,180,770	3,339,390	3,311,079	3,406,750	3,537,287	3,441,617	3,644,417	3,421,704
Air quality	537,439	591,923	512,456	536,475	532,192	509,037	537,111	802,199
Compost	599,139	542,702	756,279	798,411	756,900	561,151	769,070	835,696
Printing and graphics	418,110	490,540	478,632	515,262	528,309	543,339	551,847	474,093
Riverfront plaza and marina	—	34,665	20,661	31,011	85,482	38,350	40,179	48,532
Operating grants and contributions	—	—	—	—	—	—	—	—
Capital grants and contributions	1,609,802	3,004,158	5,795,266	9,011,366	4,486,724	4,565,282	5,491,917	—
<b>Total business-type activities program revenues</b>	<b>45,220,025</b>	<b>46,426,423</b>	<b>53,353,995</b>	<b>60,639,873</b>	<b>61,388,770</b>	<b>64,853,594</b>	<b>66,518,445</b>	<b>68,424,329</b>
<b>Total primary government</b>	<b>\$ 192,745,169</b>	<b>185,876,593</b>	<b>198,078,257</b>	<b>189,239,783</b>	<b>229,344,312</b>	<b>234,137,639</b>	<b>228,322,088</b>	<b>234,797,281</b>
<b>Component unit:</b>								
MECA:								
Charges for services	\$ 1,666,667	19,642,608	20,754,599	23,467,353	24,863,872	29,865,018	30,629,846	28,717,594
Operating grants and contributions	—	2,666,667	1,500,000	1,500,000	1,500,000	1,815,000	—	—
<b>Total</b>	<b>\$ 1,666,667</b>	<b>22,309,275</b>	<b>22,254,599</b>	<b>24,967,353</b>	<b>26,363,872</b>	<b>31,680,018</b>	<b>30,629,846</b>	<b>28,717,594</b>
<b>Net (expense) revenue:</b>								
Governmental activities	\$ (217,769,739)	(261,936,683)	(223,739,578)	(256,733,680)	(276,184,673)	(313,727,805)	(318,115,164)	(360,009,980)
Business-type activities	1,937,718	(11,020,063)	(8,546,482)	(2,214,556)	(6,787,646)	(7,949,596)	(3,357,342)	(2,755,002)
<b>Total</b>	<b>\$ (215,832,021)</b>	<b>(272,956,746)</b>	<b>(232,286,060)</b>	<b>(258,948,236)</b>	<b>(282,972,319)</b>	<b>(321,677,401)</b>	<b>(321,472,506)</b>	<b>(362,764,982)</b>
<b>Component unit:</b>								
MECA	\$ (800,104)	2,283,402	1,722,509	2,319,692	1,327,888	4,468,824	3,204,680	2,362,447

CITY OF OMAHA, NEBRASKA

Changes in Net Assets  
Last Eight Fiscal Years  
(Accrual Basis of Accounting)  
2003 to 2010



	2003	2004	2005	2006	2007	2008	2009	2010
General revenues and other changes in net assets:								
Governmental activities:								
Taxes:								
Property tax	\$ 79,254,616	101,370,004	94,292,799	99,432,780	114,935,220	118,979,538	130,016,943	138,320,939
Motor vehicle tax	8,637,101	8,814,977	9,030,957	8,818,011	8,825,629	9,374,405	9,299,184	9,309,995
Sales and use tax	102,413,934	111,007,911	114,184,544	113,625,998	116,051,364	124,470,354	120,735,362	126,910,238
Business taxes	27,423,096	27,000,112	26,845,997	28,781,008	30,884,535	33,963,566	34,251,049	38,228,765
Payments in lieu of taxes	4,315,438	4,132,805	5,575,592	5,259,341	5,543,008	5,898,722	4,595,289	4,538,014
Unrestricted investment earnings	1,618,924	2,325,730	2,298,930	5,446,225	6,722,915	4,720,079	1,663,491	1,440,989
Sale of capital assets	1,190,261	1,105,685	1,781,215	(63,554)	(143,254)	—	1,290,879	(252,225)
Transfers	471,805	(123,655)	(1,112,967)	54,000	(1,385,123)	(558,601)	(1,729,587)	(4,723,408)
Total governmental activities	225,325,175	255,633,569	252,897,067	261,353,809	281,434,294	296,848,063	300,122,610	313,773,307
Business-type activities:								
Unrestricted investment earnings	(66,022)	74,475	657,991	483,227	2,810,340	1,581,389	328,132	267,736
Sale of capital assets	1,280	2,125	2,761	—	(13,447)	—	—	—
Transfers	(471,805)	123,655	1,112,967	(54,000)	1,385,123	558,601	1,729,587	4,723,408
Total business-type activities	(536,547)	200,255	1,773,719	429,227	4,182,016	2,139,990	2,057,719	4,991,144
Total	\$ 224,788,628	255,833,824	254,670,786	261,783,036	285,616,310	298,988,053	302,180,329	318,764,451
Component unit:								
MECA:								
Donations not restricted to specific programs	\$ 901,556	1,074,365	1,848,013	2,129,239	2,562,289	—	—	—
Unrestricted investment earnings	15,708	60,361	229,544	615,691	821,148	984,508	506,343	—
Total	\$ 917,264	1,134,726	2,077,557	2,744,930	3,383,437	984,508	506,343	—
Change in net assets:								
Governmental activities	\$ 7,555,436	(6,303,114)	29,157,489	4,620,129	5,249,621	(16,879,742)	(17,992,554)	(46,236,673)
Business-type activities	1,401,171	(10,819,808)	(6,772,763)	(1,785,329)	(2,605,630)	(5,809,606)	(1,298,623)	2,236,142
Total	\$ 8,956,607	(17,122,922)	22,384,726	2,834,800	2,643,991	(22,689,348)	(19,291,177)	(44,000,531)
Component unit:								
MECA	\$ 117,160	3,418,128	3,800,066	5,064,622	4,711,325	5,453,332	3,711,023	2,362,447
Net assets – beginning of year:								
Governmental activities	\$ 277,335,752	284,891,188	278,588,074	307,745,563	322,216,737	327,466,358	310,586,616	292,594,062
Business-type activities	284,575,351	285,976,522	275,156,714	268,383,951	272,268,432	269,662,802	263,853,196	262,554,573
Total	\$ 561,911,103	570,867,710	553,744,788	576,129,514	594,485,169	597,129,160	574,439,812	555,148,635
Component unit:								
MECA	\$ 857,080	974,240	4,392,368	8,192,434	13,257,056	17,968,381	23,421,713	27,132,736
Net assets – end of year:								
Governmental activities	\$ 284,891,188	278,588,074	307,745,563	312,365,692	327,466,358	310,586,616	292,594,062	246,357,389
Business-type activities	285,976,522	275,156,714	268,383,951	266,598,622	269,662,802	263,853,196	262,554,573	264,790,715
Total	\$ 570,867,710	553,744,788	576,129,514	578,964,314	597,129,160	574,439,812	555,148,635	511,148,104
Component unit:								
MECA	\$ 974,240	4,392,368	8,192,434	13,257,056	17,968,381	23,421,713	27,132,736	29,495,183

Source: City of Omaha Financial Statements.

<sup>1</sup> The end balance in 2006 for the City does not match the 2007 beginning balance because it was restated to include the annexation of Elkhorn.

See accompanying independent auditors' report.



**CITY OF OMAHA, NEBRASKA**  
Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(Modified Accrual Basis of Accounting)  
2003 to 2010

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
General fund:										
Reserved	\$ 3,863,287	3,994,560	4,142,557	2,517,525	3,550,983	4,492,350	1,896,788	2,810,463	3,921,976	3,637,299
Unreserved	15,612,680	25,239,367	21,753,773	27,380,450	29,222,049	28,415,728	27,071,866	28,855,951	24,167,995	25,940,212
Total general fund	<u>\$ 19,475,967</u>	<u>29,233,927</u>	<u>25,896,330</u>	<u>29,897,975</u>	<u>32,773,032</u>	<u>32,908,078</u>	<u>28,968,654</u>	<u>31,666,414</u>	<u>28,089,971</u>	<u>29,577,511</u>
All other governmental funds:										
Reserved	\$ 66,193,967	147,241,952	59,826,935	53,614,256	48,781,150	65,570,634	55,180,529	42,178,023	44,190,404	40,659,061
Unreserved, reported in:										
Special revenue funds	22,192,957	6,630,044	10,618,697	26,393,945	21,200,398	24,558,745	27,285,911	19,190,703	4,876,004	5,273,301
Capital projects funds	94,869,191	754,714	(25,167,428)	(10,854,927)	16,307,510	(23,163,386)	(2,097,906)	(15,493,032)	35,431,679	17,252,775
Permanent funds	—	1,571,173	1,678,506	1,153	1,848	360	4,058	4,525	539,208	428,925
Total all other governmental funds	<u>\$ 183,256,115</u>	<u>156,197,883</u>	<u>46,956,710</u>	<u>69,154,427</u>	<u>86,290,906</u>	<u>66,966,353</u>	<u>80,372,592</u>	<u>45,880,219</u>	<u>85,037,295</u>	<u>63,614,062</u>

Source: City of Omaha Financial Statements.

See accompanying independent auditors' report.



**CITY OF OMAHA, NEBRASKA**  
 Changes in Fund Balances of Governmental Funds  
 Last Ten Fiscal Years  
 (Modified Accrual Basis of Accounting)  
 2003 to 2010

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>Revenues:</b>										
Taxes:										
Property	\$ 76,892,227	79,663,600	82,686,854	96,380,823	89,341,424	94,917,441	102,681,478	112,384,610	117,561,400	130,625,280
Motor vehicle	8,297,315	8,575,697	8,637,101	8,814,977	9,030,957	8,818,011	8,825,629	9,374,405	9,299,184	9,309,995
City sales and use	94,847,848	99,992,087	102,413,934	111,007,911	114,184,544	113,625,998	116,051,364	124,470,354	120,735,362	126,910,238
Business	27,000,552	28,069,612	27,423,096	27,000,112	26,845,997	28,781,008	30,884,535	34,249,571	34,251,051	38,228,765
In lieu	—	3,257,550	4,315,438	4,132,805	5,575,592	5,259,341	5,543,008	5,898,722	4,590,903	4,538,013
Licenses and permits	8,341,810	8,633,941	7,899,272	8,699,324	8,248,962	8,216,566	8,044,824	8,022,731	7,125,362	8,447,524
Intergovernmental	68,198,073	66,244,093	69,705,617	49,655,652	47,399,603	43,152,752	48,850,176	41,275,818	37,433,627	38,943,475
Investment income	15,682,425	12,903,968	1,618,924	2,004,225	2,298,930	5,446,225	6,722,915	4,720,079	1,663,490	1,291,935
Revenue from Keno	6,213,880	6,263,185	6,113,009	6,016,221	6,209,779	6,811,365	7,693,010	7,455,212	6,195,196	6,959,045
Charges for services	27,098,611	29,150,713	41,105,575	41,237,971	38,469,645	38,312,408	45,183,420	45,347,323	60,769,869	49,441,858
Special assessments	2,154,779	454,122	260,156	634,255	337,734	933,946	543,655	430,022	509,799	—
Rents and royalties	131,239	734,629	518,077	3,788,255	2,487,922	2,521,666	5,353,045	2,726,418	1,459,459	2,388,690
Contributions and grants	28,250,783	20,719,300	17,066,045	32,664,861	31,790,177	19,733,628	48,985,045	56,815,186	41,657,358	44,964,597
Miscellaneous and other	1,759,594	—	—	—	—	—	—	—	—	—
<b>Total revenues</b>	<b>364,869,136</b>	<b>364,662,497</b>	<b>369,763,098</b>	<b>392,037,962</b>	<b>382,221,266</b>	<b>376,530,355</b>	<b>435,362,104</b>	<b>453,170,451</b>	<b>443,252,060</b>	<b>462,049,415</b>
<b>Expenditures:</b>										
Current:										
General government	23,688,646	33,657,743	47,971,879	35,042,752	30,437,115	35,503,736	40,689,673	52,797,201	44,237,217	45,480,158
Public safety	122,304,491	141,973,745	142,681,554	154,177,140	164,988,313	174,588,175	183,747,875	197,108,649	195,327,042	192,681,892
Transportation services	—	34,909,756	37,621,204	39,987,448	37,312,546	39,232,879	43,421,768	48,623,732	48,208,708	47,095,867
Other public services	—	17,698,906	14,613,586	13,957,226	13,928,763	14,364,818	14,750,946	16,929,963	16,403,382	20,012,730
Community development	25,636,670	39,514,812	32,424,252	45,157,257	27,680,503	19,346,165	18,744,993	25,035,148	26,735,726	27,990,036
Culture and parks	—	32,911,152	35,399,038	33,900,044	31,431,397	28,351,405	31,551,223	30,321,658	29,906,063	31,916,664
Parks, recreation, and public property	19,702,865	—	—	—	—	—	—	—	—	—
Public works	55,310,343	—	—	—	—	—	—	—	—	—
Public library	9,989,436	—	—	—	—	—	—	—	—	—
Keno statutory and contractual	3,059,892	—	—	—	—	—	—	—	—	—
Judgments and related costs	2,197,736	—	—	—	—	—	—	—	—	—
County collection fees	366,368	—	—	—	—	—	—	—	—	—
Debt service:										
Principal	31,650,000	26,028,916	54,988,208	24,281,667	25,925,284	28,511,654	42,832,712	72,787,515	36,895,854	35,934,250
Interest	22,738,197	28,357,708	30,044,064	21,744,997	31,086,344	31,506,802	33,532,480	34,954,674	36,899,394	38,360,978
Bond issuance costs	—	—	—	2,090,217	302,799	161,026	303,209	1,346,460	1,271,689	740,548
Lease-purchase agreements	4,385,000	—	—	—	—	—	—	—	—	—
Fiscal charges	1,403,179	—	—	—	—	—	—	—	—	—
Capital outlay	128,416,415	140,207,856	136,739,116	39,033,370	47,748,502	42,654,753	58,734,797	76,692,920	64,895,974	79,278,779
Other	25,722,604	—	—	—	—	—	—	—	—	—
<b>Total expenditures</b>	<b>476,571,842</b>	<b>495,260,594</b>	<b>532,482,901</b>	<b>409,372,118</b>	<b>410,841,566</b>	<b>414,221,413</b>	<b>468,309,676</b>	<b>556,597,920</b>	<b>500,781,049</b>	<b>519,491,902</b>
Deficiency of revenues under expenditures	(111,702,706)	(130,598,097)	(162,719,803)	(17,334,156)	(28,620,300)	(37,691,058)	(32,947,572)	(103,427,469)	(57,528,989)	(57,442,487)
<b>Other financing sources (uses):</b>										
Transfers in	15,277,422	4,015,974	8,205,766	4,798,222	750,000	654,000	1,434,525	679,238	5,570,605	6,442,775
Transfers out	(17,770,326)	(5,649,786)	(7,733,961)	(4,921,877)	(1,862,967)	(600,000)	(2,819,648)	(1,237,839)	(7,300,192)	(11,169,286)
Sales of capital assets	—	1,921,870	1,243,595	1,759,448	1,877,271	—	—	421,700	1,334,919	647,484
Proceeds from bonds issued	28,520,380	73,734,398	47,210,633	36,964,036	47,369,296	18,521,516	57,565,000	146,483,605	91,592,000	77,485,000
Proceeds from special assessment debt	—	—	1,215,000	—	—	—	—	—	—	—
Proceeds of refunding bonds	—	—	—	256,730,785	6,890,000	11,425,000	—	—	45,560,000	—
Proceeds from issuance of notes	—	—	—	2,962,858	—	—	—	—	—	—
Proceeds/payment from bond premium/discount, net	—	—	—	—	543,236	168,836	671,698	4,350,806	4,649,445	2,435,125
Payment to refund bond escrow agent	—	—	—	(254,759,954)	(6,935,000)	(11,667,801)	(17,900,194)	(79,064,654)	(48,297,153)	(37,988,113)
Discount on sale of bonds	—	—	—	—	—	—	—	—	—	(346,191)
Transfer to component unit	(1,220,544)	—	—	—	—	—	—	—	—	—
<b>Total other financing sources (uses)</b>	<b>24,806,932</b>	<b>74,022,456</b>	<b>50,141,033</b>	<b>43,533,518</b>	<b>48,631,836</b>	<b>18,501,551</b>	<b>38,951,381</b>	<b>71,632,856</b>	<b>93,109,624</b>	<b>37,506,794</b>
<b>Net change in fund balances</b>	<b>\$ (86,895,774)</b>	<b>(56,575,641)</b>	<b>(112,578,770)</b>	<b>26,199,362</b>	<b>20,011,536</b>	<b>(19,189,507)</b>	<b>6,003,809</b>	<b>(31,794,613)</b>	<b>35,580,635</b>	<b>(19,935,693)</b>
Debt Service as a percentage of noncapital expenditures	33.06%	18.09%	27.37%	14.93%	18.74%	19.33%	33.03%	29.42%	16.93%	20.55%

Source: City of Omaha Financial Statements.

<sup>1</sup> Note: GASB 34 implemented.

See accompanying independent auditors' report.



## CITY OF OMAHA, NEBRASKA

## Tax Revenues by Source

2002 to 2010

<u>Year</u>	<u>Sales tax</u>	<u>General property tax</u>	<u>Street highway allocation</u>	<u>Telephone occupation tax</u>	<u>Wheel tax</u>	<u>Motor vehicle taxes</u>	<u>Hotel/vehicle occupation tax</u>	<u>MUD In lieu of tax</u>	<u>Cable franchise tax</u>
2001	\$ 105,846,630	76,357,274	24,123,810	14,978,891	7,157,464	8,297,315	3,871,632	4,798,204	3,367,270
2002	107,565,620	79,240,695	25,510,299	14,767,810	8,641,992	8,575,697	3,714,662	3,794,615	3,598,700
2003	110,910,102	82,018,063	25,203,929	14,034,329	9,167,644	8,637,101	3,775,915	4,131,352	3,352,617
2004	117,526,998	84,730,700	25,889,143	14,136,577	11,766,177	8,814,977	4,234,814	3,946,630	3,523,756
2005	120,873,521	88,660,364	25,503,946	13,725,215	11,896,323	8,808,677	4,475,250	6,360,672	3,589,703
2006	122,721,806	93,165,028	24,790,938	14,352,217	11,751,030	8,818,011	4,864,298	5,056,174	4,048,296
2007	128,625,275	98,142,156	28,638,167	14,965,695	14,934,190	8,825,629	5,480,361	5,229,233	4,312,349
2008	131,801,803	109,912,905	29,459,975	15,932,992	15,525,838	9,374,405	5,887,235	5,714,591	4,727,391
2009	127,301,965	115,586,354	27,572,563	15,746,026	15,638,431	9,299,184	4,556,261	4,411,087	4,952,987
2010	131,452,524	128,501,803	27,674,536	14,815,170	18,348,772	9,309,995	4,672,662	4,356,585	5,198,243

Source: City of Omaha Financial Statements.

See accompanying independent auditors' report.

## CITY OF OMAHA, NEBRASKA

## Assessed Value and Estimated Actual Value of Taxable Property

Last Ten Fiscal Years



	<u>Real property</u>	<u>Other property</u>		
	<u>Residential/ commercial property</u>	<u>Personal/ centrally assessed property</u>	<u>Total taxable assessed value</u>	<u>Total direct tax rate</u>
Year ended December 31:				
2001	\$ 16,386,298,200	2,175,320,911	18,561,619,111	43.387
2002	16,747,492,995	2,259,237,425	19,006,730,420	43.387
2003	17,209,603,450	2,193,041,999	19,402,645,449	43.387
2004	18,140,043,695	1,951,348,065	20,091,391,760	43.387
2005	19,561,022,580	1,934,101,080	21,495,123,660	43.387
2006	20,407,325,900	1,858,658,545	22,265,984,445	43.387
2007	23,466,618,660	1,835,621,110	25,302,239,770	43.387
2008	24,851,524,870	1,658,411,000	26,509,935,870	43.387
2009	25,148,357,122	1,929,355,078	27,077,712,200	43.387
2010	24,966,532,305	1,923,371,175	26,889,903,480	49.922

Note: Property is assessed at actual value; therefore, the assessed values are equal to actual value.

Source: Douglas County Assessor's Office.

See accompanying independent auditors' report.



## CITY OF OMAHA, NEBRASKA

## Property Tax Rates

## Direct and Overlapping Governments

2005 – 2010

	<u>2010 – 2011</u>	<u>2009 – 2010</u>	<u>2008 – 2009</u>	<u>2007 – 2008</u>	<u>2006 – 2007</u>
City of Omaha:					
General fund	\$ 0.28447	0.26112	0.24312	0.24312	0.24312
Judgment	0.00600	0.00600	0.00600	0.00600	0.00600
Debt service	0.19281	0.19281	0.17581	0.17581	0.17581
Redevelopment debt service	0.01594	0.01594	0.00894	0.00894	0.00894
Total City of Omaha	<u>0.49922</u>	<u>0.47587</u>	<u>0.43387</u>	<u>0.43387</u>	<u>0.43387</u>
Overlapping rates <sup>1</sup> :					
Douglas County	0.26459	0.24519	0.24519	0.24519	0.26144
Omaha Douglas Building Commission	0.01300	0.01300	0.01300	0.01096	0.01096
Papio NRD	0.03275	0.03275	0.03375	0.03485	0.03844
Omaha Public Schools	0.25863	0.25572	1.20064	1.20059	1.19930
Metro Community College	0.08500	0.08500	0.06740	0.06740	0.06740
Education service units	0.01500	0.01500	0.01500	0.01500	0.01500
Omaha Transit Authority	0.04872	0.04674	0.04613	0.04617	0.04871
Learning community	0.95000	0.96000	—	—	—
Learning community – capital projects	0.00125	0.00500	—	—	—
Total overlapping rates	<u>1.66894</u>	<u>1.65840</u>	<u>1.62111</u>	<u>1.62016</u>	<u>1.64125</u>
Total tax rate	<u>\$ 2.16816</u>	<u>2.13427</u>	<u>2.05498</u>	<u>2.05403</u>	<u>2.07512</u>

Note: <sup>1</sup> Overlapping rates are those of local and county governments that apply to property owners within the City of Omaha.

Sources: Douglas County Clerk's Office and City of Omaha Finance Department.

See accompanying independent auditors' report.

CITY OF OMAHA, NEBRASKA

Principal Property Taxpayers

2009 – 2010

Schedule 8



Taxpayer	Type of business	2009			2010		
		Taxable assessed value	Rank	Percentage of total City taxable assessed value	Taxable assessed value	Rank	Percentage of total City taxable assessed value
Oak View Mall LLC	Retail management	\$ 102,806,973	1	0.39%	\$ 103,070,800	1	0.38%
United of Omaha Life Insurance	Insurance	96,319,743	3	0.36	96,363,200	2	0.36
Westroads Mall LLC	Retail management	82,216,174	5	0.31	92,602,800	3	0.34
168th and Dodge LP	Real estate management	77,771,368	6	0.29	92,461,200	4	0.34
Nebraska Furniture Mart	Retail	—		—	74,414,700	5	0.27
Walmart Stores, Inc	Retail	—		—	65,401,900	6	0.24
Creighton St. Joseph Regional	Healthcare	—		—	62,978,500	7	0.23
Target	Retail	70,415,413	9	0.27	58,679,400	8	0.22
Commercial Federal Bank	Banking	—		—	56,303,800	9	0.21
First Data Corp	Payment processing	96,677,542	2	0.36	56,256,200	10	0.21
IRET Properties	Real estate investment	83,662,754	4	0.32	—		—
First National Bank of Omaha	Banking	77,008,639	7	0.29	—		—
Walmart Stores, Inc	Retail	72,204,178	8	0.27	—		—
Woodmen of the World Life Insurance	Insurance	59,504,648	10	0.22	—		—
<b>Total</b>		<b>\$ 818,587,432</b>		<b>3.08%</b>	<b>\$ 758,532,500</b>		<b>2.80%</b>

Source: Douglas County Assessor.

See accompanying independent auditors' report.

**CITY OF OMAHA, NEBRASKA**

Property Tax Levies and Collections

Last Ten Fiscal Years

Schedule 9



	Taxes levied for the fiscal year	Collected within the year of the levy			Collections of subsequent years' tax		Total collections by year		
		Amount	Interest	Percentage of levy	Amount	Interest	Amount	Percentage of levy	Tax and interest
Year ended December 31:									
2001	\$ 76,293,126	74,827,346		98.08	1,529,927		76,357,273	100.08	
2002	80,533,297	78,176,656		97.07	1,061,170		79,237,826	98.39	
2003	82,464,501	80,538,622		97.66	1,479,440		82,018,062	99.46	
2004	84,182,258	83,107,249		98.72	1,623,451		84,730,700	100.65	
2005	87,170,521	85,897,631		98.54	2,762,734		88,660,365	101.71	
2006	93,260,893	91,592,309		98.21	1,572,719		93,165,028	99.90	
2007	96,605,427	96,518,641		99.91	1,623,515		98,142,156	101.59	
2008	109,778,828	107,891,215		98.28	2,021,690		109,912,905	100.12	
2009	115,018,659	113,644,205		98.81	1,708,782		115,586,354	100.49	
2010	128,854,709	126,195,724	189,878	97.94	1,873,134	243,067	128,068,858	99.39	128,501,803

Note: Property taxes are certified in August of each year by the Douglas County Assessor. The taxes are based on cents per \$100 of taxable value. Taxes become due on January 1 of the following year and may be paid in two equal installments. Taxes become delinquent if not paid by April 1 and August 1. Delinquent taxes bear 14% interest. The figures above include interest in every year except 2010. The City includes total interest for late payments with taxes on the financial statements.

See accompanying independent auditors' report.

**CITY OF OMAHA, NEBRASKA**

Total City Taxable Sales

Last Ten Fiscal Years

**Schedule 10**



	<b>Total City taxable sales</b>	<b>Total direct tax rate</b>
	<hr/>	<hr/>
Year ended December 31:		
2001	\$ 7,251,510,800	0.0150
2002	7,368,729,867	0.0150
2003	7,605,363,133	0.0150
2004	8,058,991,867	0.0150
2005	8,292,560,467	0.0150
2006	8,347,206,667	0.0150
2007	8,819,720,867	0.0150
2008	9,037,370,000	0.0150
2009	8,989,044,733	0.0150
2010	9,023,780,333	0.0150

Source: City of Omaha Revenue Division.

See accompanying independent auditors' report.

**CITY OF OMAHA, NEBRASKA**  
 Sales Tax Rates  
 Direct and Overlapping Governments  
 Last Ten Fiscal Years



Fiscal year:	Direct	Overlapping <sup>1</sup>	
	City of Omaha	State of Nebraska	Total tax rate
2001	0.015	0.050	0.065
2002	0.015	0.055	0.070
2003	0.015	0.055	0.070
2004	0.015	0.055	0.070
2005	0.015	0.055	0.070
2006	0.015	0.055	0.070
2007	0.015	0.055	0.070
2008	0.015	0.055	0.070
2009	0.015	0.055	0.070
2010	0.015	0.055	0.070

Note: <sup>1</sup> Overlapping rates are those of other governments that apply to consumers within the City of Omaha.

See accompanying independent auditors' report.

CITY OF OMAHA, NEBRASKA

Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years

(Amounts in thousands, except per capita)

Schedule 12



Fiscal year:	Governmental activities						Business-type activities						Total primary government	Percentage of personal income <sup>1</sup>	Net debt per capita <sup>1</sup>
	General obligation bonds	Tax supported bonds	Special assessment notes payable	Revenue bonds	Notes payable	Capital leases	Hotel revenue bonds	Tax supported bonds	Sewer revenue bonds	Sewer notes payable	Revenue bonds	Capital leases			
2001	\$ 449,256	13,805	1,750	—	1,531	26,135	—	—	4,765	2,772	965	26,685	527,664	3.14	\$ 1,304
2002	435,801	83,895	1,260	—	2,288	35,750	108,973	22,200	945	4,741	845	25,725	722,423	4.16	1,770
2003	432,927	82,427	1,215	—	820	34,007	108,973	21,743	—	9,797	715	52,460	745,084	4.12	1,805
2004	463,106	101,271	1,396	—	3,702	31,756	108,973	21,299	—	11,264	585	51,255	794,607	4.13	1,902
2005	484,756	99,524	741	—	3,507	34,102	110,155	20,836	—	17,116	445	49,920	821,102	4.05	1,940
2006	476,256	97,520	1,025	—	3,305	34,730	110,155	20,355	53,170	33,031	305	49,765	879,617	4.11	2,054
2007	536,827	99,040	215	2,350	3,096	37,418	109,750	19,855	54,430	37,056	155	47,815	948,007	4.16	2,190
2008	558,062	108,491	706	2,210	2,881	41,312	109,750	19,335	53,295	34,879	—	46,200	977,121	4.17	2,228
2009	545,829	110,873	257	2,065	2,658	107,131	109,750	18,792	82,095	32,628	—	44,505	1,056,583	N/A	N/A
2010	526,180	107,306	—	1,920	2,428	141,098	146,435	18,229	148,074	6,650	—	42,010	1,140,330	N/A	N/A

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

<sup>1</sup> See Table 17, Demographic and Economic Statistics, for income and population data.

See accompanying independent auditors' report.

**CITY OF OMAHA, NEBRASKA**  
Ratios of General Obligation Debt Outstanding  
Last Ten Fiscal Years



Fiscal year:	<b>General obligation bonds</b>	<b>Less amounts available in debt service fund</b>	<b>Total</b>	<b>Net bonded debt per capita<sup>1</sup></b>	<b>Ratio of net debt to estimated valuation of taxable real property<sup>2</sup></b>
2001	\$ 449,256,472	25,917,537	423,338,935	1,047	2.28
2002	435,801,472	18,379,731	417,421,741	1,023	2.20
2003	432,926,472	11,057,002	421,869,470	1,022	2.17
2004	463,106,472	23,555,462	439,551,010	1,052	2.19
2005	484,756,472	18,892,007	465,864,465	1,101	2.17
2006	476,256,472	11,888,320	464,368,152	1,084	2.09
2007	536,826,472	16,491,540	520,334,932	1,202	2.06
2008	558,062,463	18,976,244	539,086,219	1,229	2.03
2009	545,829,194	13,489,712	532,339,482	1,171	1.97
2010	526,180,000	16,693,476	509,486,524	1,246	1.89

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

<sup>1</sup> Population data can be found in Table 17, Demographic and Economic Statistics.

<sup>2</sup> Property value information can be found in Table 9, Assessed Value and Actual Value of Taxable Property.

See accompanying independent auditors' report.

## CITY OF OMAHA, NEBRASKA

## Direct and Overlapping Governmental Activities Debt

December 31, 2010



<u>Governmental units</u>	<u>Debt outstanding</u>	<u>Estimated percentage applicable<sup>1</sup></u>	<u>Direct and overlapping debt to the City</u>
Direct:			
City	\$ 526,180,000	100.00%	\$ 526,180,000
Overlapping:			
Douglas County	71,770,000	74.79	53,676,783
Omaha-Douglas Public Bldg. Commission <sup>2</sup>	40,715,000	74.79	30,450,749
School District of Omaha <sup>3</sup>	263,122,918	85.13	223,996,540
School District of Ralston <sup>3</sup>	29,110,000	72.25	21,031,975
School District of Millard <sup>3</sup>	135,500,000	66.45	90,039,750
School District of Elkhorn <sup>3</sup>	139,090,000	51.25	71,283,625
School District No. 66 of Douglas County <sup>3</sup>	28,065,000	100.00	28,065,000
	<u>707,372,918</u>		<u>518,544,422</u>
Total	<u>\$ 1,233,552,918</u>		<u>\$ 1,044,724,422</u>

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and business of the City. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

<sup>1</sup> The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the City's taxable assessed value and dividing it by the corresponding overlapping government unit's taxable assessed value.

<sup>2</sup> Payable from certain property tax revenues and payments to be made to it by the City of Omaha and Douglas County under certain contractual agreements. Actual rental payments by the City for 2010 were \$1,400,558. The Act authorizing issuance of bonds by the Omaha-Douglas Public Building Commission permits them to levy a tax of \$0.17 per \$100 of actual valuation on all the taxable property in Douglas County. However, although the same Act authorizes the City to levy a tax on all the taxable property in the City, except intangible property, of \$0.17 per \$100 of actual valuation in excess of the Charter limitation described under "AUTHORITY TO LEVY TAXES," if and to the extent necessary to make the City's payments to the Commission, no such levy has ever been made by the City for such purpose.

<sup>3</sup> Residents of the City reside in one of the five school districts and pay taxes only to that school district. These numbers represent bonds outstanding as of December 30, 2010.

<sup>4</sup> The debt for the City of Omaha is based on the general obligation debt.

Source: The information regarding the bonds outstanding comes from the State of Nebraska Auditor of Public Accounts Web site, reported as of December 30, 2010.

See accompanying independent auditors' report.



CITY OF OMAHA, NEBRASKA

Legal Debt Margin Information

Last Ten Fiscal Years

(Amount in thousands)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Debt limit	\$ 627,956	649,656	665,235	679,093	752,329	779,309	885,578	927,848	947,720	941,147
Total net debt applicable to limit	423,338	417,421	421,869	439,551	465,864	464,368	520,335	539,086	532,339	509,487
Legal debt margin	\$ 204,618	232,235	243,366	239,542	286,465	314,941	365,243	388,762	415,381	431,660
Total net debt applicable to the limit as a percentage of debt limit	67.42%	64.25%	63.42%	64.73%	61.92%	59.59%	58.76%	58.10%	56.17%	54.13%

**Legal debt margin calculation for fiscal year 2010**

Taxable property values:	
Real estate	\$ 24,966,532
Personal property	1,923,371
Total assessed value	26,889,903
Debt limit (3.5% of total assessed value)	941,147
Debt applicable to limit:	
General obligation bonds	526,180
Less amount set aside for repayment of general obligation debt	16,693
Total net debt applicable to limit	509,487
Legal debt margin	\$ 431,660

Note: Under Article V, Section 5.27, Home Rule Charter of the City of Omaha, 1956 as amended, the City of Omaha's outstanding general obligation debt should not exceed 3.5% of the actual value of taxable real and personal property in the City. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

See accompanying independent auditors' report.

CITY OF OMAHA, NEBRASKA

Pledged Revenue Coverage

Last Ten Fiscal Years

Schedule 16



	Gross revenue <sup>1</sup>	Direct operating expenses <sup>2</sup>	Net available revenue	Debt service requirements			
				Principal	Interest	Total <sup>3</sup>	Coverage
<b>Sewer System</b>	<b>Utility service charges</b>						
2001	\$ 34,879,019	21,276,479	13,602,540	4,170,271	216,565	4,386,836	3.10
2002	34,518,700	23,155,281	11,363,419	4,385,710	90,900	4,476,610	2.54
2003	34,232,617	20,084,158	14,148,459	1,614,506	888,373	2,502,879	5.65
2004	32,182,282	22,072,931	10,109,351	1,487,511	1,745,792	3,233,303	3.13
2005	33,279,697	23,515,095	9,764,602	1,439,030	1,512,034	2,951,064	3.31
2006	34,759,942	24,434,713	10,325,229	2,475,854	2,558,781	5,034,635	2.05
2007	40,573,046	26,148,634	14,424,412	2,436,679	5,078,921	7,515,600	1.92
2008	41,969,126	29,381,293	12,587,833	3,832,682	5,080,556	8,913,238	1.41
2009	43,704,193	29,341,757	14,362,436	3,968,039	4,867,190	8,835,229	1.63
2010	49,783,043	32,629,953	17,153,090	4,790,945	6,246,860	11,037,805	1.55

- (1) Generally, gross revenues include sewer use fees and interest on investments.
- (2) Generally, direct operating expenses include sewage treatment and pumping, sewer maintenance, administrative and general, and industrial waste control. Excluded from direct operating expense are depreciation and amortization.
- (3) The numbers reflect the total annual fiscal year's debt service requirements on all the outstanding senior and junior revenue bonds and notes.

	Net revenues from Manager						
<b>Convention Center Hotel</b>							
2004 <sup>4</sup>	\$ 2,250,535	4,981,155	(2,730,620)	—	1,795,577	1,795,577	(1.52)
2005	5,197,148	1,111,614	4,085,534	—	4,280,527	4,280,527	0.95
2006	7,046,759	1,766,738	5,280,021	—	5,318,665	5,318,665	0.99
2007	8,414,989	1,835,394	6,579,595	—	5,299,307	5,299,307	1.24
2008	9,715,892	1,956,436	7,759,456	—	6,158,546	6,158,546	1.26
2009	7,065,949	1,863,396	5,202,553	—	5,192,217	5,192,217	1.00
2010	8,274,289	1,569,043	6,705,246	315,000	5,185,917	5,500,917	1.22

- (1) Generally, gross revenues include net revenues from manager and interest on investments.
- (2) Generally, direct operating expenses include administrative costs, taxes, and insurance. Excluded from direct operating expense are depreciation and amortization.
- (3) Debt service not covered by capitalized interest.
- (4) Hotel opened April 1, 2004.

	Dock rental fees						
<b>Dodge Park Marina Fund</b>							
2000	\$ 406,995	265,746	141,249	110,000	50,655	160,655	0.88
2001	413,882	189,002	224,880	120,000	46,155	166,155	1.35
2002	467,548	233,494	234,054	120,000	41,355	161,355	1.45
2003	407,690	240,315	167,375	130,000	36,309	166,309	1.01
2004	406,644	219,965	186,679	130,000	30,524	160,524	1.16
2005 <sup>7</sup>	424,648	277,860	146,788	140,000	24,628	164,628	0.89
2006	444,992	261,985	183,007	140,000	18,398	158,398	1.16
2007	517,829	300,929	216,900	150,000	12,038	162,038	1.34
2008	504,623	325,086	179,537	155,000	5,288	160,288	1.12
2009	498,450	450,812	47,638	—	—	—	N/A
2010	504,623	325,086	179,537	—	—	—	N/A

- (1) Generally, gross revenues include net slip rental fees, concessions, and interest on investments.
- (2) Generally, direct operating expenses include operating and maintenance costs. Excluded from direct operating expense are depreciation and amortization.

	Special tax revenue redevelopment bonds	Redevelopment levy					
2000	\$ 1,437,048	—	1,437,048	750,000	328,224	1,078,224	1.33
2001	1,608,451	—	1,608,451	780,000	750,921	1,530,921	1.05
2002	1,631,668	—	1,631,668	810,000	1,830,447	2,640,447	0.62
2003	1,698,219	—	1,698,219	855,000	1,721,344	2,576,344	0.66
2004	1,757,854	—	1,757,854	885,000	1,125,071	2,010,071	0.87
2005	1,815,671	—	1,815,671	1,125,000	2,082,762	3,207,762	0.57
2006	1,924,414	—	1,924,414	1,360,000	1,929,602	3,289,602	0.58
2007	1,987,825	—	1,987,825	1,095,000	1,768,361	2,863,361	0.69
2008	2,266,497	—	2,266,497	1,420,000	1,889,680	3,309,680	0.68
2009	2,386,049	—	2,386,049	1,730,000	2,105,945	3,835,945	0.62
2010	4,175,584	—	4,175,584	2,315,000	2,302,714	4,617,714	0.90

- (1) Gross revenue include the Special Tax Redevelopment Property Tax Levy.

CITY OF OMAHA, NEBRASKA

Pledged Revenue Coverage

Last Ten Fiscal Years

Schedule 16



	Gross revenue <sup>1</sup> Utility service charges	Direct operating expenses <sup>2</sup>	Net available revenue	Debt service requirements			
				Principal	Interest	Total <sup>3</sup>	Coverage
<b>Sewer System</b>							
<b>Special Obligation Bonds</b>							
2003	\$ 105,555,834	—	105,555,834	613,217	3,425,480	4,038,697	26.14
2004	114,508,723	—	114,508,723	596,024	3,401,295	3,997,319	28.65
2005	119,192,495	—	119,192,495	621,813	3,376,938	3,998,751	29.81
2006	116,878,412	—	116,878,412	643,542	3,352,007	3,995,549	29.25
2007	121,702,023	—	121,702,023	670,527	3,325,702	3,996,229	30.45
2008	128,318,818	—	128,318,818	699,182	2,455,815	3,154,997	40.67
2009	125,060,406	—	125,060,406	1,442,837	3,645,523	5,088,360	24.58
2010	130,252,172	—	130,252,172	1,251,492	3,589,306	4,840,798	26.91

(1) Gross revenues include state cigarette tax, TIF revenues, land sales, and sales tax.

(2) Generally, direct operating expenses include administrative costs, taxes and insurance.

(3) Sewer Revenue portion of debt service requirement reported under the Sewer Revenue Fund.

<b>Street &amp; Highway Tax Allocation Bonds</b>							
2008	\$ 29,459,975	—	29,459,975	97,018	140,000	237,018	124.29
2009	27,572,563	—	27,572,563	91,084	145,000	236,084	116.79
2010	27,674,538	—	27,674,538	145,000	84,503	229,503	120.58

(1) Gross revenues include state street and highway allocation taxes.

See accompanying independent auditors' report.

**CITY OF OMAHA, NEBRASKA**  
Demographic and Economic Statistics  
Last Ten Fiscal Years



Fiscal year:	<u>Population<sup>1</sup></u>	<u>Personal income<sup>2</sup></u>	<u>Per capita personal income<sup>2</sup></u>	<u>School enrollment<sup>3</sup></u>	<u>Unemployment rate<sup>4</sup></u>
2001	404,516	\$ 16,811,493	35,928	70,032	3.3
2002	408,202	17,373,867	36,852	70,695	3.9
2003	412,679	18,084,044	38,008	71,325	4.3
2004	417,702	19,221,889	39,970	72,407	4.3
2005	423,255	20,283,646	41,693	73,182	4.3
2006	428,263	21,424,933	43,599	74,288	3.4
2007	432,791	22,786,541	45,946	75,318	3.3
2008	438,646	N/A	N/A	75,764	3.7
2009	454,731	N/A	N/A	77,096	5.0
2010	409,850	N/A	N/A	77,560	4.7

Sources: <sup>1</sup> U.S. Census Bureau.

<sup>2</sup> U.S. Department of Commerce Bureau of Economic Analysis. Personal Income and Per Capita Income are based on Douglas County figures. The figures for the year 2000 Personal Income and Per Capita Personal Income are based on estimates.

<sup>3</sup> Omaha Public Schools, Millard Public Schools, District 66.

<sup>4</sup> United States Department of Labor – Bureau of Labor Statistics  
The unemployment rates are for the Omaha – Council Bluffs Metropolitan Statistical Area.

See accompanying independent auditors' report.

**CITY OF OMAHA, NEBRASKA**

Principal Employers

Schedule 18



Employer	2010		
	Employees	Rank	Percentage of total City employment
Alegent Health	7,500+	1	1.99%
Offutt Air Force Base	7,500+	2	1.99
Omaha Public Schools	7,500+	3	1.99
The Nebraska Medical Center	5,000+	4	1.65
Methodist Health System	5,000+	5	1.65
First Data	5,000+	6	1.65
Union Pacific Corporation	2,500+	7	0.99
University of Nebraska Medical Center	2,500+	8	0.99
West Corp.	2,500+	9	0.99
First National Bank of Omaha	2,500+	10	0.99
Mutual of Omaha	2,500+	11	0.99
Wal-Mart Stores	2,500+	12	0.99
City of Omaha	2,500+	13	0.99
ConAgra Foods	2,500+	14	0.99
Creighton University	2,500+	15	0.99
<b>Total</b>	<b>60,000+</b>		<b>19.83%</b>
Employer	2009		
	Employees	Rank	Percentage of total City employment
Offutt Air Force Base	7,500+	1	1.99%
Alegent Health	7,500+	2	1.99
Omaha Public Schools	7,500+	3	1.99
Methodist Health System	5,000+	4	1.32
The Nebraska Medical Center	5,000+	5	1.32
First Data	2,500+	6	1.32
Union Pacific Corp.	2,500+	7	0.66
University of Nebraska Medical Center	2,500+	8	0.66
West Corp.	2,500+	9	0.66
First National Bank of Nebraska	2,500+	10	0.66
Mutual of Omaha	2,500+	11	0.66
ConAgra Foods	2,500+	12	0.66
Creighton University	2,500+	13	0.66
City of Omaha	2,500+	14	0.66
University of Nebraska Omaha	2,500+	15	0.66
<b>Total</b>	<b>57,500+</b>		<b>15.87%</b>

Note: Data not available for employers eight years prior.

Sources: Greater Omaha Economic Development Partnership – Omaha Chamber of Commerce Web site.

See accompanying independent auditors' report.



**CITY OF OMAHA, NEBRASKA**  
Full-Time Equivalent City Government Employees by Function/Program  
Last Ten Fiscal Years

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Function:										
General government	269	255	194	178	182	165	161	170	170	176
Public safety:										
Police:										
Sworn	754	756	708	745	768	772	751	796	765	787
Civilians	183	190	182	173	180	170	161	147	143	149
Fire:										
Sworn	588	632	636	637	634	651	630	662	667	640
Civilians	10	10	10	9	8	8	9	9	5	—
Prosecutors	19	17	17	17	17	17	13	11	12	12
Transportation services	265	264	251	229	229	244	249	255	262	262
Community development	101	101	101	103	103	102	106	118	117	120
Culture and parks	288	270	251	228	210	208	211	221	208	221
Other public services	102	94	88	93	87	96	98	96	95	105
Golf	32	32	31	29	25	25	23	21	22	17
Tennis	1	1	1	1	1	1	1	1	1	1
Dodge Park Marina	1	1	1	1	1	1	1	1	1	1
Printing and graphics	8	7	4	4	—	7	5	5	3	3
Sewer	59	42	45	45	45	42	57	57	57	57
Air quality control	6	6	6	6	7	7	7	7	7	6
Compost	7	5	6	6	6	7	7	7	7	5
Parking facilities	—	1	1	1	1	1	1	—	—	—
Environmental engineering	—	17	16	15	—	—	—	—	—	—
Total	<u>2,693</u>	<u>2,701</u>	<u>2,549</u>	<u>2,520</u>	<u>2,504</u>	<u>2,524</u>	<u>2,491</u>	<u>2,584</u>	<u>2,542</u>	<u>2,562</u>

Source: City of Omaha Annual Budgets.

See accompanying independent auditors' report.

**CITY OF OMAHA, NEBRASKA**  
 Operating Indicators by Function/Program  
 Last Ten Fiscal Years



	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Function:										
General government:										
Law – civic:										
Civil active cases	480	400	452	416	416	350	389	161	241	245
Public safety:										
Police:										
Calls for service	295,664	273,437	236,038	231,104	234,149	235,065	232,586	226,616	236,670	229,933
Incidents of arrests	28,651	28,548	28,194	26,572	28,019	32,266	32,732	32,178	25,009	39,973
Traffic citations:	42,326	37,844	18,875	29,257	30,611	33,238	28,834	20,120	24,409	43,186
Moving										
Fire:										
Fire calls answered	2,130	2,185	1,911	1,784	1,825	1,834	1,905	1,620	1,549	1,585
Average response time	4 min 50 sec	4 min 50 sec	4 min 34 sec	4 min 21 sec	4 min 34 sec	4 min 36 sec	4 min 34 sec	4 min 31 sec	4 min 25 sec	4 min 28 sec
Transportation services:										
Street maintenance:										
Asphalt repair (lane miles)	1,570	1,570	1,570	1,570	1,600	1,600	1,682	1,682	1,682	1,682
Culture and recreation:										
Library:										
Number of items checked out by public	2,503,981	2,512,701	2,425,399	2,375,781	2,500,000	2,889,557	2,855,393	3,002,144	3,131,585	3,205,734
Recreation:										
Attendance: community centers	549,000	660,285	659,182	630,964	629,618	638,835	720,778	611,081	615,000	893,737
Community development:										
Planning:										
Planning board case reviews	370	268	418	422	561	390	452	233	277	218
Golf:										
Golf rounds played	230,050	214,912	207,850	214,000	206,000	195,911	189,346	182,157	181,000	157,500

Note: The figures shown above are based on actuals.

Source: City of Omaha Annual Budget.

See accompanying independent auditors' report.



**CITY OF OMAHA, NEBRASKA**  
 Capital Asset Statistics by Function/Program  
 Last Ten Fiscal Years

Function:	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Public safety:										
Police precincts (includes headquarters)	5	5	5	5	5	5	5	5	5	5
Police horse patrol facility	1	1	1	1	1	1	1	1	1	1
Emergency response and traffic facility	1	1	1	1	1	1	1	1	1	1
Police air support facility	1	1	1	1	1	1	1	1	1	1
Fire stations (includes headquarters)	23	23	23	23	23	23	23	24	24	24
Police/fire training facility	—	—	—	—	—	1	1	1	1	1
Medic units	11	13	13	13	13	13	15	15	15	15
Transportation services:										
Lane miles of streets, striped	790	790	825	825	830	840	870	870	940	1,200
Streetlights	49,829	50,634	50,672	51,100	51,528	52,834	53,696	54,852	56,277	57,074
Culture and recreation:										
Parks acreage	8,238	8,238	8,284	8,284	8,284	8,537	8,537	8,680	9,455	9,475
Parks	*	*	*	*	*	*	*	*	192	225
Swimming pools (outdoor)	17	16	17	16	16	16	16	16	14	16
Swimming pools (indoor)	2	2	2	2	2	2	3	3	3	3
Golf courses (public)	8	8	8	8	8	8	8	8	8	8
Community centers	15	15	15	15	15	15	15	15	16	15
Libraries	10	10	10	10	10	10	11	11	12	12
Sewer:										
Sewer line cleaned (linear feet)	2,345,135	2,602,317	2,527,691	2,182,938	3,171,496	3,405,072	3,383,994	3,150,344	3,383,994	3,711,211

Note: These figures are based on actuals from the City budget.

Sources: Various City departments.

See accompanying independent auditors' report.