



City of Grand Island

Tuesday, February 23, 2016

Council Session

Item C-2

Presentation by Almquist, Maltzahn, Galloway, & Luth for Fiscal Year 2015 City Single Audit and General Purpose Financial Statements and Electric and Water Audit Reports

Terry Galloway from Almquist, Maltzahn, Galloway & Luth will present the Fiscal Year 2015 City Single Audit and General Purpose Financial Statements and Electric and Water Audit Reports.

Staff Contact: Renae Griffiths

City of Grand Island

Financial statements and supplementary information

Almquist, Maltzahn,
Galloway & Luth, P.C.

Independent Auditors' Report

Opinions:

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, the aggregate remaining fund information, and the fiduciary funds of the City of Grand Island, Nebraska, as of September 30, 2015, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Outstanding Debt

City of Grand Island's Outstanding Debt

	Year Ended September 30, 2015			Year Ended September 30, 2014		
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
General Obligation						
Bonds	\$ 4,570,000	\$ -	\$ 4,570,000	\$ 6,700,000	\$ -	\$ 6,700,000
Revenue Bonds	-	94,220,138	94,220,138	-	86,875,000	86,875,000
Capital Lease	6,923,380	-	6,923,380	8,846,745	-	8,846,745
Total	<u>\$ 11,493,380</u>	<u>\$ 94,220,138</u>	<u>\$ 105,713,518</u>	<u>\$ 15,546,745</u>	<u>\$ 86,875,000</u>	<u>\$ 102,421,745</u>

The City of Grand Island's total debt increased by \$3,291,773 (3.2 percent) during the current fiscal year due primarily to the issuance of \$10,955,138 of Sewer DEQ notes

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Statement of Net Position

**CITY OF GRAND ISLAND, NEBRASKA
STATEMENT OF NET POSITION
September 30, 2015**

	Primary Government		<u>Total</u>
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	
NET POSITION			
Net investment in capital assets	325,005,454	221,134,178	546,139,632
Restricted for:			
Debt service	315,684	13,628,920	13,944,604
Landfill closure/post-closure costs	-	4,483,363	4,483,363
Perpetual care - permanent	684,039	-	684,039
Street improvements	1,298,789	-	1,298,789
Capital projects	1,662,433	-	1,662,433
Economic development	1,069,944	-	1,069,944
Other purposes	1,996,553	-	1,996,553
Unrestricted	22,466,246	67,689,862	90,156,108
Total net position	\$ 354,499,142	\$ 306,936,323	\$ 661,435,465

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Statement of Net Position - Fiduciary Funds

CITY OF GRAND ISLAND, NEBRASKA
STATEMENT OF NET POSITION - FIDUCIARY FUNDS
September 30, 2015

	<u>Employee Reserve Funds</u>
ASSETS	
Cash	\$ -
Investments	4,601,126
Accounts receivable	-
Special assessments receivable	-
Total assets	<u>4,601,126</u>
LIABILITIES	
Agency liabilities	-
Due to other funds	162,873
Pension liability	<u>1,804,380</u>
Total liabilities	<u>1,967,253</u>
NET POSITION	
Held in trust for pension benefits	<u>\$ 2,633,873</u>

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Budgetary Comparison Schedule - General Fund

**CITY OF GRAND ISLAND, NEBRASKA
BUDGETARY COMPARISON SCHEDULE -
GENERAL FUND
Year ended September 30, 2015**

	Budget (Original and <u>Final</u>)	<u>Actual</u>	Variances - Actual Over (Under) Final <u>Budget</u>
RESOURCES (INFLOWS)			
Total resources	38,256,814	39,326,416	1,069,602
CHARGES TO APPROPRIATIONS (OUTFLOWS)			
Total general government	4,643,329	4,412,610	(230,719)
Total public safety	21,024,239	19,995,553	(1,028,686)

Budgetary Comparison Schedule - General Fund, Continued

**CITY OF GRAND ISLAND, NEBRASKA
BUDGETARY COMPARISON SCHEDULE -
GENERAL FUND
Year ended September 30, 2015**

	Budget (Original and <u>Final</u>)	<u>Actual</u>	Variances - Actual Over (Under) Final <u>Budget</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS), continued			
Total public works	7,215,414	5,961,379	(1,254,035)
Total environment and leisure	6,033,377	5,856,664	(176,713)
Non-departmental	<u>2,141,596</u>	<u>2,353,790</u>	<u>212,194</u>
Total charges to appropriations	<u>41,057,955</u>	<u>38,579,996</u>	<u>(2,477,959)</u>

Budgetary Comparison Schedule - General Fund, Continued

**CITY OF GRAND ISLAND, NEBRASKA
BUDGETARY COMPARISON SCHEDULE -**

GENERAL FUND

Year ended September 30, 2015

	Budget (Original and <u>Final</u>)	<u>Actual</u>	Variances - Actual Over (Under) Final <u>Budget</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS), continued			
<hr/> OTHER FINANCING SOURCES (USES) <hr/>			
Net transfers	<u>1,530,000</u>	<u>384,417</u>	<u>(1,145,583)</u>
RESOURCES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) CHARGES TO APPROPRIATIONS	<u>\$ (1,271,141)</u>	<u>\$ 1,130,837</u>	<u>\$ 2,401,978</u>

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Budgetary Comparison Schedule - Capital Projects Fund

**CITY OF GRAND ISLAND, NEBRASKA
BUDGETARY COMPARISON SCHEDULE -
CAPITAL PROJECTS FUND
Year ended September 30, 2015**

	Budget (Original and <u>Final</u>)	<u>Actual</u>	Variances - Actual Over (Under) Final <u>Budget</u>
RESOURCES (INFLOWS)			
Intergovernmental	\$ 1,300,311	\$ 340,644	\$ (959,667)
CHARGES TO APPROPRIATIONS (OUTFLOWS)			
Total charges to appropriations	<u>9,590,592</u>	<u>6,820,406</u>	<u>(2,770,186)</u>
Resources over (under) charges to appropriations	(8,290,281)	(6,479,762)	1,810,519
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>5,879,670</u>	<u>5,775,928</u>	<u>(103,742)</u>
RESOURCES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) CHARGES TO APPROPRIATIONS	<u>\$ (2,410,611)</u>	<u>\$ (703,834)</u>	<u>\$ 1,706,777</u>

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Budgetary Comparison Schedule - Debt Service Fund

**CITY OF GRAND ISLAND, NEBRASKA
BUDGETARY COMPARISON SCHEDULE -
DEBT SERVICE FUND
Year ended September 30, 2015**

	Budget (Original and <u>Final</u>)	<u>Actual</u>	Variances - Actual Over (Under) Final <u>Budget</u>
RESOURCES (INFLOWS)			
Total resources	3,238,671	802,595	(2,436,076)
CHARGES TO APPROPRIATIONS (OUTFLOWS)			
Total charges to appropriations	2,269,790	2,242,465	(27,325)
Resources over (under) charges to appropriations	968,881	(1,439,870)	(2,408,751)
OTHER FINANCING SOURCES (USES)			
Net transfers	(700,000)	(540,668)	1,240,668
RESOURCES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) CHARGES TO APPROPRIATIONS	\$ 268,881	\$ (899,202)	\$ (1,168,083)

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City of Grand Island

September 30, 2015

	Audit Report Reference	Best Practice	2015	2014	2013	2012	2011
1) Unrestricted Net Position/Total Net Position							
Government Wide	Page 19	20%	13.63%	13.55%	12.18%	12.63%	12.77%
Governmental Activities	Page 19	20%	6.34%	6.02%	5.52%	5.12%	5.37%
Business-Type Activities	Page 19	25%	22.05%	22.27%	20.02%	21.59%	22.06%

City of Grand Island

September 30, 2015

	Audit Report Reference	Best Practice	2015	2014	2013	2012	2011
2) Top 5 Sources of Revenues - Governmental Activities							
Sales Tax	Page 10	\$275 per Capita	\$ 334	\$ 325	\$ 311	\$ 300	\$ 281
Property Taxes		\$210 per Capita	178	172	168	161	137
Grants and Contributions		\$65 per Capita	134	190	135	131	232
State Allocation		\$100 per Capita	112	112	99	89	86
Charges for Services		\$150 per Capita	211	196	191	181	173

City of Grand Island

September 30, 2015

	Best Practice	2015	2014	2013	2012	2011
3) State Allocations						
Highway Allocation	\$90 Per Capita	\$ 95	\$ 93	\$ 85	\$ 81	\$ 72
Municipal Equalization	\$10 Per Capita	9	12	7	1	-

City of Grand Island

September 30, 2015

	Audit Report Reference	Best Practice	2015	2014	2013	2012	2011
4) Governmental Expenses							
General Government	Page 102/103	\$115 Per Capita	\$ 91	\$ 87	\$ 80	\$ 75	\$ 79
Public Safety		\$400 Per Capita	411	401	368	347	367
Public Works		\$145 Per Capita	123	132	125	116	125
Environment and leisure		\$125 Per Capita	120	119	107	107	124

City of Grand Island

September 30, 2015

	Audit Report Reference	Best Practice	2015	2014	2013	2012	2011
5) Outstanding GA Debt/Valuation	Page 15	< 3%-Excellent	0.43%	0.60%	0.65%	0.76%	0.93%

City of Grand Island

September 30, 2015

	Audit Report Reference	Best Practice	2015	2014	2013	2012	2011
6) Unassigned Fund Balance/General Fund Expenditures	Page 21/23	25%	27.81%	32.22%	27.95%	30.69%	17.96%

City of Grand Island September 30, 2015

	Audit Report Reference	Best Practice	2015	2014	2013	2012	2011
7) Months Expense in Street Cash Reserve	Pages 107 & 109	12.0	1.5	6.1	7.4	9.2	2.1

City of Grand Island

September 30, 2015

	Best Practice	2015	2014	2013	2012	2011
8) Levy Rates						
General	.30	0.296370	0.276233	0.275433	0.271749	0.204855
	\$165/Capita	\$ 162	\$ 147	\$ 143	\$ 138	\$ 101
Debt Service	0.09	0.027525	0.047867	0.048667	0.052351	0.067645
	\$50/Capita	\$ 15	\$ 25	\$ 25	\$ 27	\$ 33
Total Levy	0.39	0.324100	0.324100	0.324100	0.324100	0.272500

City of Grand Island

Summary of Property Tax Levy

	<u>FY2016</u>	<u>FY2015</u>	<u>FY2014</u>	<u>FY2013</u>	<u>FY2012</u>	<u>FY2011</u>
Total Valuation	2,831,663,760	2,658,635,505	2,574,553,789	2,517,067,460	2,459,250,522	2,395,497,486
City of Grand Island Levy						
General Fund	0.253456	0.256297	0.231089	0.232663	0.228009	0.174102
Debt Service	0.028817	0.027525	0.047867	0.048667	0.052351	0.067645
Interlocal Agreements	0.041827	0.040278	0.045144	0.042770	0.043740	0.030753
Total City of Grand Island Levy	0.324100	0.324100	0.324100	0.324100	0.324100	0.272500
Community Redevelopment Authority Levy						
Requested Levy	0.019006	0.018495	0.018426	0.017742	0.017742	0.017742
Lincoln Pool Levy	0.006994	0.007505	0.007574	0.008258	0.008258	
	0.026000	0.026000	0.026000	0.026000	0.026000	0.017742
	0	0	0	0	0	2

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City of Grand Island

September 30, 2015

	Audit Report Reference	Best Practice	2015	2014	2013	2012	2011
9) Net Depreciable Capital Assets/Original Cost							
Governmental Activities	Page 57	> 50%	56.21%	58.72%	61.19%	62.33%	63.75%
Business-type Activities	Page 59	> 50%	40.95%	41.47%	42.93%	43.47%	45.44%

City of Grand Island

September 30, 2015

	Audit Report Reference	Best Practice	2015	2014	2013	2012	2011
10) Operating Income/Total Operating Revenue							
Electric Fund	Page 26	15.00%	16.76%	19.08%	19.77%	21.58%	16.82%
Water Fund		15.00%	8.16%	12.89%	47.72%	47.49%	26.76%
Sewer Fund		15.00%	28.05%	20.00%	8.42%	10.75%	8.90%
Landfill Fund		15.00%	10.99%	11.84%	3.25%	41.00%	-2.62%
Golf Fund		5.00%	-18.81%	-4.75%	-3.00%	9.80%	5.37%

City of Grand Island

September 30, 2015

	Audit Report Reference	Best Practice	2015	2014	2013	2012	2011
11) Debt Service Coverage Ratio							
Electric	Pages 26-27	1.50	3.29	2.21	2.68	2.70	3.32
Water		1.50	4.80	5.46	16.53	14.05	4.58
Sewer		1.50	2.94	3.47	1.12	2.09	1.90

City of Grand Island

September 30, 2015

	Audit Report Reference	Best Practice	2015	2014	2013	2012	2011
			<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>
12) Cash, Investments & Treasurer Cash							
General Fund:	Page 21/23/57						
Operating (3 months)		10,235,000					
Replacement		-					
		10,235,000	14,061,443	13,098,400	11,878,627	9,197,089	7,070,724
Business-type Activities (Excluding Depreciation/Amortization)	Page 25/26/59						
Operating (3 months)		13,840,000					
Replacement		40,000,000					
Restricted		21,845,000					
		75,685,000	78,322,363	89,895,987	86,792,083	56,073,069	50,408,234

QUESTIONS