



# City of Grand Island

Tuesday, February 18, 2014

Study Session

## Item -1

### **Presentation by Almquist, Maltzahn, Galloway, & Luth for Fiscal Year 2013 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 2013 City Single Audit and General Purpose Financial Statements and Electric and Water Audit Reports.*

Staff Contact: Jaye Monter, Finance Director

# City of Grand Island

Financial statements and  
supplementary information

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

# Independent Auditors' Report

- 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, 2013, 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, 2013			Year Ended September 30, 2012		
	<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	\$ 5,535,000	\$ -	\$ 5,535,000	\$ 6,585,000	\$ -	\$ 6,585,000
Revenue Bonds	-	54,870,000	54,870,000	-	24,585,000	24,585,000
Capital Lease	10,729,082	-	10,729,082	12,175,429	-	12,175,429
Total	<u>\$ 16,264,082</u>	<u>\$ 54,870,000</u>	<u>\$ 71,134,082</u>	<u>\$ 18,760,429</u>	<u>\$ 24,585,000</u>	<u>\$ 43,345,429</u>

The City of Grand Island's total debt increased by \$27,788,653 (64.1 percent) during the current fiscal year due primarily to the issuance of \$35,430,000 of Wastewater Revenue Bonds.

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# Statement of Net Position

## CITY OF GRAND ISLAND, NEBRASKA

### STATEMENT OF NET POSITION

September 30, 2013

	Primary Government		<u>Total</u>
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	
<b>NET POSITION</b>			
Net investment in capital assets	309,743,759	219,761,269	529,505,028
Restricted for:			
Debt service	257,298	6,245,086	6,502,384
Landfill closure/post-closure costs	-	2,466,140	2,466,140
Perpetual care - permanent	622,227	-	622,227
Street improvements	2,680,954	-	2,680,954
Capital projects	805,559	-	805,559
Economic development	914,832	-	914,832
Other purposes	3,011,480	-	3,011,480
Unrestricted	18,594,119	57,205,563	75,799,682
<b>Total net position</b>	<b>\$ 336,630,228</b>	<b>\$ 285,678,058</b>	<b>\$ 622,308,286</b>

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# Statement of Net Position - Fiduciary Funds

CITY OF GRAND ISLAND, NEBRASKA

## STATEMENT OF NET POSITION - FIDUCIARY FUNDS

September 30, 2013

	<u>Employee Reserve Funds</u>
<b>ASSETS</b>	
Cash	\$ 8,765
Investments	5,309,028
Accounts receivable	-
Special assessments receivable	-
Total assets	<u>5,317,793</u>
<b>LIABILITIES</b>	
Agency liabilities	-
Pension liability	<u>2,467,642</u>
Total liabilities	<u>2,467,642</u>
<b>NET POSITION</b>	
Held in trust for pension benefits	<u>\$ 2,850,151</u>

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# Net Position Restatement

GASB 65 was adopted effective October 1, 2012, at which time unamortized bond discounts/issuance costs were written off, as bond discounts/issuance costs are considered period costs rather than assets under GASB 65. As a result, the business-type activities net position was reduced \$423,850 (Electric Fund-\$252,225, Water Fund-\$50,839, and Sewer Fund-\$120,786) and the component units net position was decreased \$27,337 (all in the Grand Island Facilities Corporation).

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# Budgetary Comparison Schedule - General Fund

CITY OF GRAND ISLAND, NEBRASKA

## BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

Year ended September 30, 2013

	Budget (Original and <u>Final</u> )	<u>Actual</u>	Variances - Actual Over (Under) Final <u>Budget</u>
<b>RESOURCES (INFLOWS)</b>			
Total resources	\$ 35,419,336	\$ 35,783,039	\$ 363,703
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS)</b>			
Total general government	4,024,209	3,867,951	(156,258)
Total public safety	18,880,930	17,831,175	(1,049,755)

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# Budgetary Comparison Schedule - General Fund, Continued

## CITY OF GRAND ISLAND, NEBRASKA

### BUDGETARY COMPARISON SCHEDULE - GENERAL FUND, Continued

Year ended September 30, 2013

<b>CHARGES TO APPROPRIATIONS (OUTFLOWS), continued</b>	Budget (Original and <u>Final</u> )	<u>Actual</u>	Variances - Actual Over (Under) Final <u>Budget</u>
Total public works	6,357,842	6,050,426	(307,416)
Total environment and leisure	5,404,235	5,169,518	(234,717)
Non-departmental	2,433,403	2,468,567	35,164
Total charges to appropriations	37,100,619	35,387,637	(1,712,982)

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# Budgetary Comparison Schedule - General Fund, Continued

## CITY OF GRAND ISLAND, NEBRASKA

### BUDGETARY COMPARISON SCHEDULE - GENERAL FUND, Continued

Year ended September 30, 2013

<b>CHARGES TO APPROPRIATIONS (OUTFLOWS), continued</b>	Budget (Original and <u>Final</u> )	<u>Actual</u>	Variances - Actual Over (Under) Final <u>Budget</u>
<hr/>			
<b>OTHER FINANCING SOURCES (USES)</b>			
Net transfers	<u>1,724,174</u>	<u>2,472,906</u>	<u>748,732</u>
<b>RESOURCES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) CHARGES TO APPROPRIATIONS</b>	<u>\$ 42,891</u>	<u>\$ 2,868,308</u>	<u>\$ 2,825,417</u>

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# City of Grand Island

## September 30,

	Audit Report Page Reference	2013	2012	2011	2010	2009
1) Unrestricted Net Position/Total Net Position						
Government Wide	Page 17	12.18%	12.63%	12.77%	12.81%	11.93%
Governmental Activities	Page 17	5.52%	5.12%	5.37%	5.92%	6.01%
Business-Type Activities	Page 17	20.02%	21.59%	22.06%	21.56%	19.56%

# City of Grand Island

## September 30,

	Audit Report Page Reference	2013	2012	2011	2010	2009
2) Unassigned Fund Balance/General Fund Expenditures	Page 19	27.95%	30.69%	17.96%	17.47%	14.54%

# City of Grand Island September 30,

	Audit Report Page Reference	2013	2012	2011	2010	2009
3) Outstanding GO Debt/Valuation	Page 14	0.65%	0.76%	0.93%	1.06%	1.21%

# City of Grand Island

## September 30,

	Audit Report Page Reference	2013	2012	2011	2010	2009
4) Debt Service Coverage Ratio						
Electric	Pages 24-25	2.68	2.70	3.32	2.78	2.70
Water		16.53	14.05	4.58	4.57	4.76
Sewer		1.12	2.09	1.90	1.95	2.20

# City of Grand Island

## September 30,

	Audit Report Page Reference	2013*	2012*	2011*	2010	2009
5) Top 5 Sources of Revenues - Governmental Activities						
Sales Tax	Page 10	311	300	281	311	313
Property Taxes		168	161	137	149	134
Grants and Contributions		135	131	232	159	123
State Allocation		99	89	86	89	92
Charges for Services		191	181	173	188	190

\* Per Capita based on 48,520 population  
 Prior to 2011 – Per Capita based on population 42,961

# City of Grand Island

## September 30,

		Audit Report Page Reference	2013	2012	2011	2010	2009
6)	Cash, Investments & Treasurer Cash		<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>
	General Fund:	Page 19/21/55					
	Operating						
	Replacement						
	Total		11,878,627	9,197,089	7,070,724	5,609,657	4,171,679
	Business-type Activities	Page 23/24/57					
	Operating						
	Replacement						
	Restricted						
	Total		86,792,083	56,073,069	50,408,234	45,475,572	42,611,808



# City of Grand Island

## September 30,

	Audit Report Page Reference	2013	2012	2011	2010	2009
7) Net Depreciable Capital Assets/Original Cost						
Governmental Activities	Page 55	61.19%	62.33%	63.75%	64.82%	67.51%
Business-type Activities	Page 57	42.93%	43.47%	45.44%	47.33%	48.80%

# City of Grand Island

## September 30,

	Audit Report Page Reference	2013	2012	2011	2010	2009
8) Operating Income/Total Operating Revenue						
Electric Fund	Page 24	19.77%	21.58%	16.82%	10.80%	12.67%
Water Fund		47.72%	47.49%	26.76%	27.63%	30.10%
Sewer Fund		8.42%	10.75%	8.90%	8.67%	13.49%
Landfill Fund		3.25%	41.00%	-2.62%	6.53%	11.26%
Golf Fund		-3.00%	9.80%	5.37%	0.26%	7.05%

# City of Grand Island

## September 30,

	Audit Report Page Reference	2013	2012	2011	2010	2009
9) Months Expense in Street Cash Reserve	Pages 104 & 106	7.4	9.2	2.1	2.2	8.3

# City of Grand Island

## September 30,

	Audit Report Page Reference	2013*	2012*	2011*	2010	2009
10) Levy Rates						
General		0.275751	0.272074	0.205189	0.207553	0.186935
		\$ 143	\$ 138	\$ 101	\$ 114	\$ 100
Debt Service		0.048667	0.052351	0.067645	0.065287	0.063459
		\$ 25	\$ 27	\$ 33	\$ 36	\$ 34
Total Levy		0.324418	0.324425	0.272834	0.272840	0.250394

\* Per Capita based on 48,520 population  
 Prior to 2011 – Per Capita based on population 42,961

# City of Grand Island

## September 30,

	Audit Report Page Reference	2013*	2012*	2011*	2010	2009
11) State Allocations						
Highway Allocation		85	81	72	76	76
Municipal Equalization		7	1	-	-	-

\* Per Capita based on 48,520 population  
 Prior to 2011 – Per Capita based on population 42,961

# City of Grand Island

## September 30,

	Audit Report Page Reference	2013*	2012*	2011*	2010	2009
12) Governmental Expenses						
General Government	Page 97/98	80	75	79	87	87
Public Safety		368	347	367	434	410
Public Works		125	116	125	144	149
Environment and leisure		107	107	124	145	148

\* Per Capita based on 48,520 population  
 Prior to 2011 – Per Capita based on population 42,961



# QUESTIONS

# Best City in Nebraska