

# Agenda Packet

## NORFOLK CITY COUNCIL MEETING

Monday, April 17, 2023  
5:30 p.m.

Created 4/13/2023 12:14 PM

**NOTICE OF MEETING  
CITY OF NORFOLK, NEBRASKA**

NOTICE IS HEREBY GIVEN that a meeting of the City Council of the City of Norfolk, Nebraska, will be held at 5:30 p.m. on Monday, April 17, 2023, in the Council Chambers, 309 N. 5th St., Norfolk, Nebraska, which meeting will be open to the public.

The Mayor and City Council reserve the right to adjourn into closed session as per Section 84-1410 of the Nebraska Revised Statutes.

An agenda for such meeting, kept continually current, is available at the office of the City Clerk, 309 N 5th St, Norfolk Nebraska, during normal business hours.

Individuals requiring physical or sensory accommodations, who desire to attend or participate, please contact the City Clerk's office at (402) 844-2000 no later than 4:30 p.m. on the Friday preceding the meeting.



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Brianna Duerst  
City Clerk

Publish (April 12, 2023)  
1 P.O.P.



AGENDA  
NORFOLK CITY COUNCIL MEETING

April 17, 2023

In accordance with Section 84-1412 sub-section eight (8) of the Reissue Revised Statutes of the State of Nebraska 1943, as amended, one copy of all reproducible written material to be discussed is available to the public at this meeting for examination and copying. The Mayor and City Council reserve the right to adjourn into closed session as per Section 84-1410 of the Nebraska Revised Statutes.

CALL TO ORDER

1. 5:30 p.m. - call meeting to order
2. Inform the public about the location of the Open Meetings Act posted in the Council Chambers and accessible to members of the public
3. Moment of silence/Pledge of Allegiance to the flag of the United States of America
4. Roll call

RECOMMENDED ACTIONS

5. Approval of consent agenda. **Motion**  
All items in the consent agenda are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council member or a citizen so requests, in which event the item will be removed from the consent agenda and considered separately.
6. Approval of full agenda. **Motion**

CONSENT AGENDA

7. Consideration of approval of the minutes of the April 3, 2023 City Council meeting. **Motion**
8. Consideration of approval of a consent to assignment between Norfolk Crush, LLC, the City of Norfolk, Farm Credit Services of America, FLCA, and Farm Credit Services of America, PCA. **Motion**
9. Consideration of approval of an agreement with Norfolk Lions Club, Inc., a Nebraska Nonprofit Corporation, allowing the use of Skyview Park and Lake to hold a fishing derby on Saturday, June 10, 2023. **Motion**
10. Consideration of approval of an agreement with Michelle R. Madson to serve as a campground host, in a voluntary capacity, at Ta-Ha-Zouka campground. **Motion**

- 11. Consideration of approval of a Special Designated Liquor License for Midtown Event Center, to serve beer, wine and distilled spirits at the Midtown Event Center Cove, 1102, 1102 B, 1104 1/2 Riverside Blvd., on June 17, 2023, from 2:00 p.m. to 2:00 a.m. for an outdoor concert. **Motion**
- 12. Consideration of approval of all bills on file. **Motion**

SPECIAL PRESENTATIONS

- 13. Proclamation for April 28, 2023, as Arbor Day.

PUBLIC HEARINGS AND RELATED ACTION

- 14. Public Hearing to Consider the Redevelopment Plan for the Kensington Building Redevelopment Project.
- 15. Consideration of Resolution No. 2023-18 approving the Redevelopment Plan for the Kensington Building Redevelopment Project. **Resolution 2023-18**

REGULAR AGENDA

- 16. Consideration of Ordinance No. 5831 amending Section 8-28 of the official City Code to add R-R to the list of zoning districts where above-ground storage (L.P.G.) tanks of 500 gallons or less can be located and to allow L.P.G. tanks of 1000 gallons or less to be located in zoning districts A and R-R on parcels of 10 acres or more. **Ordinance No. 5831**
- 17. Consideration of Ordinance No. 5832 amending Section 2-5 of the Code to include an annual registration plate and/or decal fee for golf car vehicles. **Ordinance No. 5832**

ADMINISTRATIVE REPORTS

- 18. Public Safety Annual Report
- 19. Presentation of the Annual Comprehensive Financial Report for the fiscal year ended September 30, 2022 along with the related auditor's letter.

STAFF MEMORANDUM  
NORFOLK CITY COUNCIL MEETING  
April 17, 2023

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RECOMMENDED ACTIONS

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| All items in the consent agenda are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council member or a citizen so requests, in which event the item will be removed from the consent agenda and considered separately. |               |
| 6. Approval of full agenda.  | <b>Motion</b> |

CONSENT AGENDA

- |   |               |
|---|---------------|
| 7. Consideration of approval of the minutes of the April 3, 2023 City Council meeting.  | <b>Motion</b> |
| See Enclosure 7.  |               |
| 8. Consideration of approval of a consent to assignment between Norfolk Crush, LLC, the City of Norfolk, Farm Credit Services of America, FLCA, and Farm Credit Services of America, PCA. | <b>Motion</b> |

This Consent to Assignment agreement follows a Credit Agreement, dated 10/17/2022, between Norfolk Crush (Crush) and Farm Credit Services (Lender). As part of that agreement, Lender has provided to Crush certain credit extensions for purposes of project furtherance/continuity. As security for the obligations of Crush under such Credit Agreement, Crush has assigned all of its interest in the Assigned Agreement (with City of Norfolk) to Lender. The Assigned Agreement is attached as Exhibit A and is the agreement from July 18, 2022, between the City of Norfolk and Crush whereby the City agreed to

run water and sewer to the Norfolk Crush plant, in exchange for Norfolk Crush funding the extension project. The Consent to Assignment Agreement does not change the right of the City of Norfolk to be reimbursed for the extension project but is, instead, a document whereby Crush is assigning its rights to the July 18, 2022 contract so that, in the event of a default, the City of Norfolk will deal with the bank as opposed to Norfolk Crush.

See Enclosure 8.

9. Consideration of approval of an agreement with Norfolk Lions Club, Inc., a Nebraska Nonprofit Corporation, allowing the use of Skyview Park and Lake to hold a fishing derby on Saturday, June 10, 2023. **Motion**

See Enclosure 9.

10. Consideration of approval of an agreement with Michelle R. Madson to serve as a campground host, in a voluntary capacity, at Ta-Ha-Zouka campground. **Motion**

See Enclosure 10.

11. Consideration of approval of a Special Designated Liquor License for Midtown Event Center, to serve beer, wine and distilled spirits at the Midtown Event Center Cove, 1102, 1102 B, 1104 1/2 Riverside Blvd., on June 17, 2023, from 2:00 p.m. to 2:00 a.m. for an outdoor concert. **Motion**

See Enclosure 11.

12. Consideration of approval of all bills on file. **Motion**

#### SPECIAL PRESENTATIONS

13. Proclamation for April 28, 2023, as Arbor Day.

See Enclosure 13.

#### PUBLIC HEARINGS AND RELATED ACTION

14. Public Hearing to Consider the Redevelopment Plan for the Kensington Building Redevelopment Project.

On January 30, HCI Real Estate submitted a TIF application for the Kensington building. On February 21, the Economic Development Subcommittee reviewed the application and voted unanimously to move forward with acceptance of a Redevelopment Plan for this project. At the March 6 Community Development Agency meeting, the Agency accepted the Redevelopment Plan for this project and forwarded to the Planning Commission for review and recommendation.

The Planning Commission held a hearing on this Plan at their March 21 meeting, and recommended approval of the plan on a 8-0 vote. The Agency approved Resolution No. 2023-6 on April 3 recommending approval of the Redevelopment Plan to the City Council.

Enclosed in the agenda packet is the Redevelopment Plan for the Kensington Building Redevelopment Project. The Project Site is approximately 1 acre located at the NE corner of Norfolk Avenue and 4th Street in Downtown Norfolk. The Redevelopment Project will consist of the restoration and redevelopment of the Kensington into a boutique hotel with approximately 62 rooms, restaurant, meeting space, a fitness room, and a business center.

Redeveloper intends to purchase the property from the Norfolk Housing Agency and renovate for use as a hotel with work done to preserve the historic façade. North 4th Street, in front of the building, will be reconfigured to include a drop-off lane. Additionally, there will be changes to traffic controls, landscaping and streetscape improvements, improvements to sidewalks, curb and gutter. Total TIF-eligible costs are expected to be over \$2.6 million with total project costs is expected to be over \$14 million.

The Redeveloper is requesting TIF of \$1,950,000. The Project is not economically feasible without TIF. Without TIF, projected return on the project ranges from -.7% to 6.4%, over the first five years. With TIF, the projected return on the project ranges from -1.2% to 10.3%, over the first five years.

See Enclosure 14.

15. Consideration of Resolution No. 2023-18 approving the Redevelopment Plan for the Kensington Building Redevelopment Project. **Resolution 2023-18**

See Enclosure 15.

#### REGULAR AGENDA

16. Consideration of Ordinance No. 5831 amending Section 8-28 of the official City Code to add R-R to the list of zoning districts where above-ground storage (L.P.G.) tanks of 500 gallons or less can be located and to allow L.P.G. tanks of 1000 gallons or less to be located in zoning districts A and R-R on parcels of 10 acres or more. **Ordinance No. 5831**

The recent large annexation of property into the city limits has highlighted the above-ground LPG (Liquified Petroleum Gas or propane) tank city code amendments and how they impact properties currently and may impact properties in the future. In reviewing the current ordinances regarding properties inside the city limits, staff feels adding the R-R (Rural-Residential) zoning district in the 500 gallon or less category and adding a provision to

allow 1000 gallon tanks on properties of A (Agricultural) and R-R of 10 acres or more, is a balance between safety and limitations.

Currently, LPG tanks of 500 or less are allowed in A, C-1, C-3, I-1, I-2, and I-3 zoning districts within the city limits. The proposed amendment would add R-R.

Currently, LPG tanks of more than 500 gallons are not allowed within city limits. The proposed amendment would allow above ground LPG tanks of 1000 gallon or less in properties zoned R-R or A that are 10 acres or more.

The information was presented to the Council Public Safety Sub-Committee on March 14, 2023. After discussion and questions the Sub-Committee was in favor of the proposed amendments and advancement for full council for discussion and consideration.

See Enclosure 16.

17. Consideration of Ordinance No. 5832 amending Section 2-5 of the Code to include an annual registration plate and/or decal fee for golf car vehicles. **Ordinance No. 5832**

On March 20, 2023, the Council passed Ordinance No. 5821 allowing the operation of golf car vehicles on city streets. That Ordinance requires payment of a fee to obtain a golf car vehicle registration. This Ordinance amends the City's fee schedule to include the golf car vehicle registration fee.

Staff recommends passage of this Ordinance on all three readings to allow the Police Division to begin issuing registrations for golf car vehicles.

See Enclosure 17.

#### ADMINISTRATIVE REPORTS

18. Public Safety Annual Report

See Enclosure 18.

19. Presentation of the Annual Comprehensive Financial Report for the fiscal year ended September 30, 2022 along with the related auditor's letter.

See Enclosure 19.



**CITY OF NORFOLK, NEBRASKA**

The Mayor and City Council of the City of Norfolk, Nebraska met in regular session in the Council Chambers, 309 North 5th Street, Norfolk, Nebraska on the 3rd day of April, 2023, beginning at 5:30 p.m.

Following a moment of silence and the Pledge of Allegiance to the flag of the United States of America, Mayor Josh Moenning called the meeting to order. Roll call found the following Councilmembers present: Corey Granquist, Frank Arens, Justin Webb, Andrew McCarthy, Thad Murren, Justin Snorton, Shane Clausen and Kory Hildebrand. Nays: None. Absent: None.

Staff members present were: City Administrator Andy Colvin, City Attorney Danielle Myers-Noelle, City Clerk Brianna Duerst, Finance Officer Randy Gates, Administrative Secretary Bethene Hoff, Public Works Director Steve Rames, Assistant City Engineer Anna Allen, Director of Administrative Services Lyle Lutt, City Planner Val Grimes, Water and Sewer Director Chad Roberts, Economic Development Director Candice Alder, Communications Manager Nick Stevenson, Information Systems Manager Brad Andersen, Street Shop Supervisor Matt Ernesti, Parks and Recreation Director Nathan Powell, Parks and Recreation Assistant Director PJ Evans and Police Chief Don Miller.

The Mayor presided and the City Clerk recorded the proceedings.

The Mayor informed the public about the location of the current copy of the Open Meetings Act posted in the City Council Chambers and accessible to members of the public.

Notice of the meeting was given in advance thereof by publication in the Norfolk Daily News, Norfolk, Nebraska, the designated method of giving notice, as shown by affidavit of publication.

Notice was given to the Mayor and all members of the Council and a copy of their acknowledgement of receipt of notice and agenda is attached to the minutes. Availability of the agenda was communicated in the advance notice and in the notice to the Mayor and Council of this meeting. All proceedings hereafter shown were taken while the convened meeting was open to the public.

**Agenda Motions**

Councilmember Arens moved, seconded by Councilmember Hildebrand to approve the consent agenda with the removal of Item #20, approval to participate in five new opioid settlements, from the consent agenda and added to the regular agenda.

Councilmember McCarthy declared a conflict of interest and abstained from the vote.

Roll call: Ayes: Granquist, Arens, Webb, Murren, Snorton, Clausen and Hildebrand. Nays: None. Absent: None. Abstaining: McCarthy

Councilmember Snorton moved, seconded by Councilmember Murren to adopt the full agenda as amended. Roll call: Ayes: Granquist, Arens, Webb, McCarthy, Murren, Snorton, Clausen and Hildebrand. Nays: None. Absent: None.

### **Consent Agenda Items Approved**

Minutes of the March 20, 2023 City Council meeting

March sales tax report (January sales)

Authorize an application for Site and Building Development Funds to be submitted to the Nebraska Department of Economic Development requesting \$300,000 on behalf of Milk Specialties, and authorizing the Mayor and City staff to execute any documents necessary to effectuate the grant

Norfolk Golden Girls, Inc., a Nebraska Nonprofit Corporation, agreement utilizing City's softball fields to hold a softball tournament Friday through Sunday, June 2-4, 2023

Young Men's Christian Association of Norfolk, Nebraska, a Nebraska Nonprofit Corporation, agreement allowing the 8-lane swimming pool located in AquaVenture Water Park be used for swim team practices from May 27, 2023 through August 4, 2023

Downtown Norfolk Association, Inc., a Nebraska Nonprofit Corporation, agreement allowing them to utilize Riverpoint Square and closed portions of the adjacent alley, South 3rd Street, and Vehicle Parking District Lot F to host a farmers market in downtown Norfolk on Tuesdays and Thursdays, from June 6, 2023 to September 28, 2023, and on Saturdays from May 27, 2023 to October 28, 2023

Downtown Norfolk Association, Inc., a Nebraska Nonprofit Corporation, agreement to utilize Riverpoint Square for a Cinco de Mayo celebration which may include, but not be limited to, a music performance concert, pageants, beer garden, and food vendors on Friday, May 5, 2023

Special Designated Liquor License for Downtown Norfolk Association, to serve beer, wine and distilled spirits at Riverpoint Square, 307 W Norfolk Ave, on May 5, 2023, from 4:00 p.m. to 11:00 p.m. for a Cinco de Mayo celebration

RAR Enterprises, LLC, a Nebraska Limited Liability Company, agreement to close a portion of 4th Street between Norfolk Avenue and Madison Avenue, to host an outdoor concert event which may include live music performances, the sale of alcohol and food vendors, on Saturday, June 3, 2023

Special Designated Liquor License for RAR Enterprises, LLC, dba The Office Bar, to serve beer, wine and distilled spirits outside of 120 S 4th Street, from 12:00 p.m. to 12:00 a.m. for an outdoor live music event on June 3, 2023

Resolution No. 2023-17 approving the final plat of Northeast Nebraska Federal Credit Union's Addition

Purchase 33 Hewlett Packard replacement desktop computers, 2 Hewlett Packard replacement laptop computers, associated maintenance agreements, and peripherals from OneNeck IT Solutions with the lowest bid of \$37,625.00

Purchase 26 Microsoft Surface Pro replacement tablets, associated maintenance agreements, and peripherals off the Omnia Partners Public Sector purchasing contract from Insight Public Sector for a total of \$61,104.06

Bills in the amount of \$3,972,360.05

### **Special Presentations**

The Mayor proclaimed April 2023 as “Fair Housing Month”.

### **Regular Agenda Items**

#### Participation in Opioid Settlements

Councilmember Arens moved, seconded by Councilmember Granquist to approve participation in the five new national opioid settlements reached with Teva, Allergan, CVS, Walgreens, and Walmart related to prescription opiates and authorize the Mayor to sign the Settlement Participation Forms for each of the five settlements.

Finance Officer Randy Gates provided information to elected officials. In 2021, the city entered into settlement participation agreements for the manufacturer (Janssen Pharmaceuticals, Inc.) and the three largest pharmaceutical opioid distributors (McKesson, Cardinal Health and AmerisourceBergen). Under the manufacturer’s settlement agreement Norfolk expects to receive maximum payments of \$20,527.97 through 2031. The city has received \$4,266.26 so far under this agreement. Under the distributor’s agreement Norfolk expects to receive maximum payments of \$83,999.94 through 2038. The city has received \$8,499.28 so far under this agreement.

Under the new national opioid settlement agreements, the City can expect to receive the following maximum total amounts in annual payments: \$15,541.51 under the Teva agreement through 2035; \$9251.93 under the Allergan agreement through 2029; \$20,471.90 under the CVS agreement through 2032; \$22,265.91 under the Walgreens agreement through 2037; and \$11,593.89 under the Walmart agreement in 2023.

Gates said it is up to the city to decide how the funds are used, but there is a schedule of approved uses that must be followed.

Soshia Bohn, no address provided, asked where the funds that have been received thus far have been allocated. Gates said the money received has not been allocated and is just in the general fund. Bohn suggested the city utilize the funds and work with local non-profit organizations that treat people with opioid addictions.

Roll call: Ayes: Granquist, Arens, Webb, McCarthy, Murren, Snorton, Clausen and Hildebrand.  
Nays: None. Absent: None. Motion carried.

Ordinance No. 5825

(City Code amendment, keeping of hens, bantam hens or ducks)

Councilmember McCarthy introduced, seconded by Councilmember Snorton, Ordinance No. 5825 entitled: AN ORDINANCE OF THE CITY OF NORFOLK, NEBRASKA TO AMEND SECTION 4-4 OF THE OFFICIAL CITY CODE TO INCLUDE AN EXCEPTION FOR THE KEEPING OF HENS, BANTAM HENS, OR DUCKS WITH A VALID PERMIT AND TO MORE CLEARLY DEFINE LIVESTOCK AS IT RELATES TO THE KEEPING OF LIVESTOCK WITHIN THE CITY; TO AMEND SECTION 4-6 OF THE CODE TO ADDRESS AT-LARGE CHICKENS OR DUCKS; TO ENACT SECTION 27-295 OF THE CITY CODE TO ALLOW THE KEEPING OF HENS, BANTAM HENS, OR DUCKS IN RESIDENTIAL DISTRICTS WITH A VALID PERMIT and moved that the ordinance be passed on third reading. Said ordinance was then read into the record by title by the City Clerk.

Roll call: Ayes: Webb, McCarthy, Murren, Snorton, and Clausen. Nays: Granquist, Arens and Hildebrand. Absent: None. Ordinance No. 5825 passed on third reading. The passage and adoption of said ordinance having been concurred in by a majority of all members of the Council, the Mayor signed and approved the ordinance and the City Clerk attested the passage and adoption of the same and affixed her signature thereto. The Mayor then instructed the City Clerk to publish said Ordinance No. 5825 as required by law.

Ordinance No. 5826

(amend fee schedule, permit fee for keeping of hens, bantam hens or ducks)

Councilmember McCarthy introduced, seconded by Councilmember Snorton, Ordinance No. 5826 entitled: AN ORDINANCE OF THE CITY OF NORFOLK, NEBRASKA TO AMEND SECTION 2-5 OF THE OFFICIAL CITY CODE TO INCLUDE A PERMIT FEE FOR KEEPING HENS, BANTAM HENS AND/OR DUCKS IN THE CITY and moved that the ordinance be passed on third reading. Said ordinance was then read into the record by title by the City Clerk.

Roll call: Ayes: Arens, Webb, McCarthy, Murren, Snorton and Clausen. Nays: Granquist and Hildebrand. Absent: None. Ordinance No. 5826 passed on third reading. The passage and adoption of said ordinance having been concurred in by a majority of all members of the Council, the Mayor signed and approved the ordinance and the City Clerk attested the passage and adoption of the same and affixed her signature thereto. The Mayor then instructed the City Clerk to publish said Ordinance No. 5826 as required by law.

Spohn Ranch agreement

(Norfolk Skate Park pump track)

Councilmember Granquist moved, seconded by Councilmember Murren, for approval of an agreement with Spohn Ranch, through a Sourcewell Contract, to design, develop, and integrate a pump track at the Norfolk Skate Park for a total amount not to exceed \$101,592.

Parks and Recreation Director Nathan Powell provided information to elected officials. This project is a donation from the Lee W. DeKarske Estate in the amount of \$114,201.82. The current agreement amount is \$101,592 with contingency funds available. All remaining funds will be used for site improvements including irrigation and shade structures. Powell noted Spohn Ranch was the original builder of the skate park.

Councilmembers expressed their gratitude for the donation to the DeKarske family.

Roll call: Ayes: Granquist, Arens, Webb, McCarthy, Murren, Snorton, Clausen and Hildebrand. Nays: None. Absent: None. Motion carried.

Madison County Interlocal agreement  
(Asphaltic Concrete Paving Project M-451(222B), Omaha Avenue Overlay)

Councilmember Granquist moved, seconded by Councilmember Snorton, for approval of an Interlocal Agreement between Madison County and the City of Norfolk for completion of Asphaltic Concrete Paving Project M-451(222B) described as Omaha Avenue Overlay.

Public Works Director Steven Rames provided information to elected officials. This agreement provides for roadway improvements on Omaha Avenue from 25th Street to 37th Street, and Omaha Avenue from 800 feet east of 45th Street to 45th Street and south on 45th Street one quarter mile to the City Limits with asphalt concrete overlay. This agreement outlines the shared construction costs of the roadway improvements, which are estimated at \$575,000.00. This project was not identified in the street maintenance program this year, but there is significant deterioration to the asphalt due to high oil and fine contents that have resulted in wash boarding. The agreement has been structured with the County's annual mill and overlay project to allow the city to "piggyback" onto the County's contract. Rames said the agreement does not bind the City to any construction, but allows us to move forward if bids are favorable. This project is not in the 1 & 6 Year Street Improvements Plan so no funding has been identified. The plan would be to divert funding from other maintenance projects to this project.

City Attorney Danielle Myers-Noelle said the way the contract is written, it appears to be binding, and by signing, the City would be agreeing to the completion of the project.

Councilmembers asked about traffic counts in the area and noted there are a lot of streets in town with heavy traffic that are in desperate need of repair, and questioned if funds should be taken away from those projects to fund this one.

Rames emphasized the importance of keeping the good, good, and said delaying the project will not salvage anything, the dollars will still need to be spent as the repairs are necessary. Rames also noted that the County typically sees bids anywhere from 10-15% lower than the city, so there is a cost benefit to tag onto a county project.

Jim McKenzie, 1412 Longhorn Drive, noted the \$575,000 expense of this project is all due to the City's annexation and discussed other costs associated with the annexation as well.

Soshia Bohn, no address provided, asked about the cost difference between a mill and overlay project verses a full repair. Rames said the cost of a full repair would be at least 50% more, if not double, than the cost of a mill and overlay. Bohn emphasized keeping the good, good. If we do not, the costs of repairs will continue to rise.

Councilmember Murren moved, seconded by Councilmember McCarthy to table consideration of the Interlocal Agreement between Madison County and the City of Norfolk for completion of Asphaltic Concrete Paving Project M-451(222B) described as Omaha Avenue Overlay.

Roll call: Ayes: McCarthy, Murren, Snorton, and Clausen. Nays: Granquist, Arens, Webb, and Hildebrand. Absent: None. There being a tie vote, Mayor Moenning voted Aye and broke the tie; therefor, the motion to table carried on a 5-4 vote.

Ordinance No. 5830  
(create Parks and Recreation Board)

Councilmember Granquist introduced, seconded by Councilmember Murren, Ordinance No. 5830 entitled: AN ORDINANCE OF THE CITY OF NORFOLK, NEBRASKA TO ENACT CHAPTER 18, ARTICLE IV, OF THE OFFICIAL CITY CODE TO CREATE A PARKS AND RECREATION BOARD; TO PROVIDE WHEN THIS ORDINANCE SHALL BE IN FULL FORCE AND EFFECT; AND TO PROVIDE FOR THE PUBLICATION OF THIS ORDINANCE IN PAMPHLET FORM and moved that the ordinance be passed on first reading.

Parks and Recreation Director Nathan Powell provided information to elected officials. A draft ordinance was discussed at the March 20, 2023 City Council meeting. From that discussion, changes were made to the ordinance presented to be more in line with the Council's desire for the board. The board will consist of nine members, with not more than three representatives from private sports organizations, at least one board member from each ward, and will serve strictly in an advisory capacity to the City Council. The goal of the board is to provide direction to the Parks and Recreation Department.

Jim McKenzie, 1412 Longhorn Drive, asked about appointments of the board members and the power of the board to establish rules for the management, care and use of the parks. Myers-Noelle said the overarching goal of the board is to serve in an advisory capacity to the City Council. Powell noted any decision to be made will come to the City Council for consideration.

Said ordinance was then read into the record by title by the City Clerk.

Roll call: Ayes: Granquist, Arens, Webb, McCarthy, Murren, Snorton, Clausen and Hildebrand. Nays: None. Absent: None. Ordinance No. 5830 passed on first reading.

Councilmember Granquist moved, seconded by Councilmember Murren, that the statutory rule requiring reading on three different days be suspended.

Roll call: Ayes: Granquist, Arens, Webb, McCarthy, Murren, Snorton, Clausen and Hildebrand. Nays: None. Absent: None. The motion to suspend the rules was adopted by three-fourths of the Council and the statutory rule requiring reading on three different days was suspended for consideration of said ordinance.

Thereafter Councilmember Granquist moved, seconded by Councilmember Murren, that the statutory rules requiring reading on three different days be suspended and for final passage of the ordinance. The Mayor then stated the question "Shall Ordinance No. 5830 be passed and adopted?"

Roll call: Ayes: Granquist, Arens, Webb, McCarthy, Murren, Snorton, Clausen and Hildebrand. Nays: None. Absent: None. The passage and adoption of said ordinance having been concurred in by a majority of all members of the Council, the Mayor signed and approved the ordinance and the City Clerk attested the passage and adoption of the same and affixed her signature thereto. The Mayor then instructed the City Clerk to publish said Ordinance No. 5830 as required by law.

There being no further business, the Mayor declared the meeting adjourned at 10:06 p.m.

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Josh Moenning  
Mayor

ATTEST:

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Brianna Duerst  
City Clerk

( S E A L )

I, the undersigned Clerk, hereby certify that the foregoing is the full, true and correct original document of proceedings of Monday, April 3, 2023, had and done by the Mayor and City Council; that all of the subjects included in the proceedings were contained in the agenda for the meeting, kept continually current and available for public inspection at the office of the Clerk; that such subjects were contained in said agenda for at least twenty-four hours prior to the meeting; that at least one copy of all reproducible material discussed at the meeting was available at the meeting for examination and copying by members of the public; that the said minutes were in written form and available for public inspection within ten working days and prior to the next convened meeting of said body; that all news media requesting notification concerning meetings of said body were provided advance notification of the time and place of said meeting and the subjects to be discussed at said meeting.

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Brianna Duerst  
City Clerk

( S E A L )

## CONSENT TO ASSIGNMENT

This CONSENT TO ASSIGNMENT (this "Consent"), dated as of March 6, 2023 (the "Effective Date"), is entered into by and among NORFOLK CRUSH, LLC, a Delaware limited liability company ("Grantor"), CITY OF NORFOLK, NEBRASKA, a Municipal Corporation ("Contracting Party"), and FARM CREDIT SERVICES OF AMERICA, FLCA, a federally-chartered instrumentality of the United States, and FARM CREDIT SERVICES OF AMERICA, PCA, a federally-chartered instrumentality of the United States, as a lender (together with their successors and assigns, collectively, the "Lenders").

### RECITALS

**WHEREAS**, Grantor is developing, financing and constructing a soy bean processing facility located near Norfolk, Nebraska (the "Project");

**WHEREAS**, Grantor and Contracting Party are party to Agreement dated as of July 18, 2022 (together with any and all modifications, amendments, renewals and extensions thereof, the "Assigned Agreement"), a copy of which is attached hereto as Exhibit A, pursuant to which Contracting Party has agreed to extend the water and sewer utilities of the Contracting Party to Grantor's Facility (as described in the Assigned Agreement) and certain services related thereto with respect to the Project;

**WHEREAS**, Grantor, as Borrower, and Lenders are party to that certain Credit Agreement, dated as of October 17, 2022 (as the same may be amended, restated or supplemented from time to time, the "Credit Agreement"), and together with all other agreements, documents, certificates, opinions, applications, authorizations and instruments now or hereafter entered into in connection therewith, the "Loan Documents"), pursuant to which Lenders have provided to Grantor certain extensions of credit, all as more particularly described therein;

**WHEREAS**, as security for the obligations of Grantor under the Loan Documents, Grantor has assigned all of its right, title, and interest in, to, and under, and granted a security interest in, the Assigned Agreement (the "Security Interest") to Lenders, for themselves and for the benefit of the Secured Parties under the Credit Agreement, pursuant to a collateral assignment and one or more associated security documents (collectively, the "Collateral Assignment"); and

**WHEREAS**, it is a condition under the Credit Agreement that Contracting Party execute and deliver this Consent.

**NOW, THEREFORE**, in consideration of the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the parties hereto hereby agree as follows:

1. **Recitals Incorporated.** Grantor acknowledges and agrees that the above Recitals are true and accurate as of the date hereof, and are hereby incorporated as if fully set forth herein.

2. **Consent to Collateral Security.** Contracting Party consents to the granting of the Security Interest and the assignment of the Assigned Agreement to Lenders under and pursuant to the terms of the Collateral Assignment. Contracting Party acknowledges and agrees that none of the following shall constitute, in and of itself, a default or breach by Grantor under the Assigned Agreement or require any further consent or acknowledgement by Contracting Party: (i) the creation of the Security Interest in the Assigned Agreement as described herein; (ii) the foreclosure or other enforcement by Lenders of the rights and remedies accorded to them pursuant to the Collateral Assignment or any of the Loan Documents or otherwise available to Lenders as a matter of law; (iii) the acquisition of the Assigned Agreement by Lenders, as a result of foreclosure (or acceptance of an absolute assignment of the



Assigned Agreement in lieu of foreclosure) or any other exercise of remedies by Lenders; (iv) the assignment of this Consent or the Assigned Agreement by Lenders; or (v) the sale or lease of the Project to one of more Persons. Contracting Party further agrees that, as provided for in this Consent, Lenders may take steps to cure a default under the Assigned Agreement without thereby assuming any of the obligations or liabilities of the Assigned Agreement.

3. **Lenders' Right to Assign and Right to Foreclose.** Lenders shall have the absolute right:

(a) to assign all of their rights under the Collateral Assignment, the Assigned Agreement and the Loan Documents to third parties (including without limitation after an event of default by Grantor under any of the foregoing), and any assignee or designee of Lenders shall have all rights and remedies of Lenders set forth herein and therein; and

(b) in accordance with the terms of the Collateral Assignment and the other Loan Documents, to foreclose on the Security Interest and Contracting Party shall, at Lenders' request, continue performance on Lenders' behalf under the Assigned Agreement in accordance with the terms thereof, provided that Contracting Party is compensated in accordance with the Assigned Agreement for (i) all monetary amounts owing to Contracting Party under the Assigned Agreement as of the date of such written request by Lenders and (ii) all work and services rendered on Lenders' behalf from and after the date of the Lenders' written request to Contracting Party.

4. **Notice of Default: Opportunity to Cure.** Promptly after becoming aware of any default by Grantor under the Assigned Agreement and in any event concurrently with the delivery of any notice of such default to Grantor, Contracting Party shall give written notice of such default to Lenders and:

(a) Lenders shall have an additional thirty (30) days from the later to occur of (i) expiration of the cure period applicable to such default and (ii) Lenders' receipt of such written notice, to cure any default of Grantor; provided that such thirty-day period shall be extended for the time reasonably required to complete such cure, provided Lenders act with reasonable and continuous diligence in pursuing such cure. As long as such defaults are in the process of being cured, Contracting Party may not cancel, terminate, or suspend performance under the Assigned Agreement or initiate proceedings against Grantor in connection with, or exercise any other rights or remedies it may have under, the Assigned Agreement arising out of any such defaults. Lenders or their assignee or designee shall not be required to cure those defaults which are not reasonably susceptible of being cured or performed by such party; provided, however, that any default consisting of Grantor's failure to pay money to Contracting Party shall be deemed to be curable. Non-curable defaults shall be deemed waived by Contracting Party as to Lenders upon enforcement of the Collateral Assignment by Lenders.

(b) Neither bankruptcy nor insolvency shall be grounds for terminating the Assigned Agreement as long as the amounts or obligations owing to Contracting Party under the Assigned Agreement are paid or performed by Lenders or their assignee or designee in accordance with the terms of this Consent and the Assigned Agreement.

5. **Representations and Warranties.** Contracting Party makes the following representations and warranties, which shall survive the execution and delivery of this Consent: (i) each of this Consent and the Assigned Agreement constitutes the legal, valid and binding obligation of Contracting Party, enforceable against Contracting Party in accordance with its terms; (ii) the Assigned Agreement has not been amended or otherwise modified from the form attached or otherwise assigned by any party thereto, and is in full force and effect; (iii) neither Contracting Party nor, to its knowledge, any

other party to the Assigned Agreement is in default of any of its obligations under the Assigned Agreement; and (iv) no event or condition exists that would either immediately, or with the passage of any applicable grace period or giving of notice or both, enable either Contracting Party to terminate or suspend its obligations under the Assigned Agreement or excuse Contracting Party or Grantor from liability for non-performance thereunder.

6. **Notices.** All notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail at its address set forth below such party's signature block. Notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received. Any party hereto may change its address, facsimile number or e-mail address, if applicable, for notices and other communications hereunder by notice to the other parties hereto.

7. **Governing Law.** This Agreement and any claims, controversy, dispute or cause of action (whether in contract or tort or otherwise) based upon, arising out of or relating to this Agreement and the transactions contemplated hereby shall be governed by, and construed in accordance with, the law of the State of Nebraska without regard to conflicts of law principles that require or permit application of the laws of any other state or jurisdiction.

8. **WAIVER OF JURY TRIAL.** EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

9. **Counterparts; Integration.** This Consent may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Consent constitutes the entire contract among the parties relating to the subject matter hereof and supersedes any and all previous agreements and understandings, oral or written, relating to the subject matter hereof.

10. **Severability.** The provisions of this Consent are intended to be severable. If any provision of this Consent shall be held invalid or unenforceable in whole or in part in any jurisdiction, such provision shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without in any manner affecting the validity or enforceability thereof in any other jurisdiction or the remaining provisions hereof in any jurisdiction.

11. **Amendments.** No amendment or modification of any of the provisions of this Consent shall be effective unless it has been agreed to and signed by Grantor, Lenders and Contracting Party in a writing.

12. **Remedies Cumulative.** The rights and remedies of Lenders under this Consent are cumulative and not exclusive of any rights or remedies that it would otherwise have.

13. **No Waiver; No Assumption.** No course of dealing and no delay or failure of Lenders in exercising any right, power, remedy or privilege under this Consent or any other Loan Document shall affect any other or future exercise thereof or operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any further exercise thereof or of any other right, power, remedy or privilege. It is understood and agreed that Lenders do not, by the execution of this Consent, or by their acceptance hereof, or by the making of any payments due pursuant to the Assigned Agreement, assume any liability or become liable in any manner whatsoever for the performance of the terms and conditions of the Assigned Agreement unless and until Lenders shall expressly assume any such obligations in writing.

14. **Assignment.**

(a) This Consent may be assigned by Lenders without the consent of the other parties. Upon an assignment of this Consent by Lenders, Lenders will be released from their obligations hereunder.

(b) This Consent may not be assigned by Grantor without the prior written consent of Lenders in accordance with the Collateral Assignment.

(c) This Consent may be assigned by Contracting Party only in connection with an assignment of the Assigned Agreement (without limiting any rights of Lenders hereunder or any rights of Grantor under the Assigned Agreement relating to assignment by Contracting Party). Contracting Party agrees that any permitted assignment of the Assigned Agreement will not be effected without concurrently assigning this Consent to the assignee of the Assigned Agreement and such assignee agreeing to be bound by the terms hereof.

15. **Conflict of Documents.** In the event of any ambiguity, conflict, or inconsistency between the provisions of this Consent and the Assigned Agreement, the provisions of this Consent shall prevail and govern to the extent of such ambiguity, conflict, or inconsistency.

*[signature page follows]*

IN WITNESS WHEREOF, this Consent has been executed by the parties hereto on the day and year first above written.

GRANTOR:

**NORFOLK CRUSH, LLC**, a Delaware limited liability company

DocuSigned by:  
*Nicholas Bowdish*  
By: \_\_\_\_\_  
Name: Nicholas Bowdish  
Title: Manager

Address for Notices:

Norfolk Crush, LLC  
c/o N Bowdish Company  
P.O. Box 1203  
Carroll, IA 51401  
Attn: Nick Bowdish  
Email: [nick@nbowdishcompany.com](mailto:nick@nbowdishcompany.com)

CONTRACTING PARTY:

**CITY OF NORFOLK, NEBRASKA**

By: \_\_\_\_\_

Name:

Title:

Address for Notices:

City of Norfolk

309 N. 5th St.

Norfolk, NE 68701

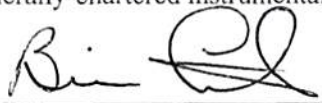
Attn: City Clerk

Email: [bduerst@norfolkne.gov](mailto:bduerst@norfolkne.gov)

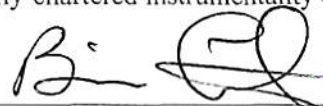
[SIGNATURE PAGE TO CONSENT TO ASSIGNMENT OF AGREEMENT]

LENDERS:

FARM CREDIT SERVICES OF AMERICA, FLCA,  
a federally-chartered instrumentality of the United States

By:   
Name: Brian Frevert  
Title: VP

FARM CREDIT SERVICES OF AMERICA, PCA, a  
federally-chartered instrumentality of the United States

By:   
Name: Brian Frevert  
Title: VP

Address for Notices:

Farm Credit Services of America, ACA  
5015 S. 118th Street  
Omaha, NE 68137  
Attn: Brian Frevert  
Email: Brian.Frevert@fcsamerica.com

with a copy to:

Farm Credit Services of America, ACA  
5015 S. 118th Street  
Omaha, NE 68137  
Attn: Jay Bemis  
Email: Jay.Bemis@fcsamerica.com

[SIGNATURE PAGE TO CONSENT TO ASSIGNMENT OF AGREEMENT]

EXHIBIT A  
ASSIGNED AGREEMENT

*[see attached]*

## AGREEMENT

This Agreement is made and entered into the 18<sup>th</sup> day of July, 2022, by and between the City of Norfolk, Nebraska, a Municipal Corporation, hereinafter referred to as "CITY", and Norfolk Crush, LLC, a Delaware Limited Liability Company, hereinafter referred to as "NORFOLK CRUSH" WITNESSETH:

WHEREAS, NORFOLK CRUSH desires to construct a modern soybean crushing facility on property generally located northeast of the intersection of Nucor Road and 1<sup>st</sup> Street for the purpose of purchasing and receiving soybeans from area farmers and elevators and converting them into soybean products; and

WHEREAS, it would be beneficial for NORFOLK CRUSH's facility to be connected to CITY water and sewer utilities; and

WHEREAS, NORFOLK CRUSH's proposed soybean crushing facility will be located outside of Norfolk city limits in a location that is subject to outside-city water billing rates; and

WHEREAS, sewer rates are billed by CITY at the same rate for both in-city and outside-city usage; and

WHEREAS, NORFOLK CRUSH is willing to pay for the cost of having CITY extend its water and sewer utilities to NORFOLK CRUSH's facility in exchange for CITY billing NORFOLK CRUSH's water usage at a modified rate for a period of ten (10) years.

NOW THEREFORE, in consideration of the foregoing recitals, and the terms and conditions hereinafter set forth, the parties hereto agree as follows:

1. EXTENSION OF UTILITIES. CITY agrees to extend CITY water and CITY sewer north approximately 3200 feet to Nucor Road along North Victory Road from their current points of termination approximately 500 feet south of Industrial Road.

2. COST. NORFOLK CRUSH agrees to pay all costs of the extension projects including but not limited to engineering, construction, materials testing, and permitting. Invoices payable to CITY will be provided to NORFOLK CRUSH throughout the design, construction, and commissioning of the utility systems. Invoices shall be payable within sixty (60) days of receipt.

3. ENGINEERING SERVICES. CITY will contract for engineering services to complete the design, construction administration, and inspection and materials testing.

4. PROJECT BIDDING. CITY will advertise the project for bids, and award a bid to the lowest responsible and responsive bidder.



5. REVIEW AND SUBMITTAL. CITY will review the project plans and specifications for compliance with City Standards and will ensure the plans and specifications are submitted to the Nebraska Department of Environment and Energy (DEE) and/or Nebraska Department of Health and Human Services (DHHS) for approval.

6. REQUIRED TESTING. CITY Staff and/or CITY's retained engineering contractors shall be allowed on site at any and all times to observe/conduct the required testing needed for such water and sewer extensions.

7. UTILITY BILLING. CITY is not bearing any of the costs of the water and sewer extensions, including but not limited to system oversize costs. Thus, CITY agrees to bill NORFOLK CRUSH, and NORFOLK CRUSH agrees to pay, for CITY utilities at the following rates:

A. Water shall be billed at a modified water rate as follows:

- 1) In-City rates for the first 748,000 Gallons (100,000 cf ) (1000 ccf) monthly; subject to annual water rate increases.
- 2) The next 7,252,000 gallons per month shall be billed at \$0.70 per 100 cf (748 Gallons) up to a maximum of 969,520 cf, (9,695.2 ccf); subject to annual water rate increases.
- 3) Usage exceeding 8,000,000 gallons per month shall be billed at the rate of \$1.10 per 100 cf (748 Gallons); subject to annual water rate increases.
- 4) If monthly usage exceeds 15,000,000 gallons, CITY reserves the unilateral right to renegotiate for the remainder of the agreement term.
- 5) The water rates reflected above are exclusive of state and city sales tax.

This modified rate schedule shall terminate at the end of the tenth (10<sup>th</sup>) year. The beginning date for the water rate shall be the beginning of the first billing cycle following the installation of the meter or the date the plant is operational whichever occurs later.

B. Sewer shall be billed at regular CITY sewer rates.

8. CONNECTION TO UTILITIES. Once the water main and sewer main have been installed, inspected, tested, and accepted by the City of Norfolk, DEE, and DHHS, CITY shall take ownership of the utilities. In the event that a property adjacent to the utility extension connects to a CITY utility, CITY shall collect and retain connection fees according to city code.

9. BENEFICIARY. NORFOLK CRUSH and its successors are the sole beneficiary of this agreement. Any further subdivision and/or development on the NORFOLK CRUSH site, and all

adjacent and surrounding subdivisions or developments, shall be subject to water and sewer rates according to city code.

10. AUTHORITY TO SIGN AGREEMENT. The individuals signing this Agreement represent that they are authorized to sign on behalf of the respective parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed the foregoing Agreement in duplicate the day and year first above written. This Agreement may be executed in counterparts. Each such counterpart, executed in duplicate, shall be deemed an original hereof and all such executed counterparts shall together be one and the same instrument.

ATTEST:

Brianna Duerst  
Brianna Duerst, City Clerk

CITY OF NORFOLK, NEBRASKA,  
A Municipal Corporation

By Josh Moenning  
Josh Moenning, Mayor

Approved as to Form: D. Myers-Noelle  
Danielle Myers-Noelle, City Attorney

NORFOLK CRUSH, LLC, a Delaware Limited  
Liability Company

By Nick Bowdish  
Nick Bowdish, Manager & President

AGREEMENT

This Agreement is made and entered into the \_\_\_\_\_ day of \_\_\_\_\_, 2023, by and between the City of Norfolk, Nebraska, a Municipal Corporation, hereinafter referred to as "CITY", and Norfolk Lions Club, Inc., a Nebraska Nonprofit Corporation, hereinafter referred to as "LIONS", WITNESSETH:

In consideration of the mutual covenants contained herein, and for other good and valuable consideration, CITY agrees to allow LIONS to use CITY's Skyview Park facility for a fishing derby subject to the following:

1. FACILITY. CITY, being the owner of the park facility commonly known as Skyview Park and Lake, is willing to allow LIONS to utilize the park in conjunction with LIONS' purpose of holding a fishing derby.

2. TERM. The term of this Agreement shall be from 7:30 a.m. to 12:00 p.m. on Saturday, June 10, 2023.

3. NONEXCLUSIVE USE. The parties understand that LIONS' use of Skyview Park and Lake for its event shall be nonexclusive as the park will not be closed to the public during this event.

4. OTHER EVENT IN THE PARK. LIONS acknowledges that the Christian Cross Festival is scheduled to take place in the park at the same time as LIONS' fishing derby. It shall be LIONS' responsibility to coordinate with the organizer of the Christian Cross Festival to be using the park at the same time.

5. INSURANCE. LIONS shall provide CITY with a certificate of general liability insurance in the following minimum amounts:

General Aggregate	\$1,000,000
a. Bodily Injury/Property Damage	\$1,000,000 each occurrence
b. Personal Injury Damage	\$1,000,000 each occurrence
c. Contractual Liability	\$1,000,000 each occurrence
d. Products Liability & Completed Operations	\$1,000,000 each occurrence
e. Fire Damage	\$ 100,000 any one fire
f. Medical Expense	\$ 5,000 any one person

The policy issued shall cover all activities sponsored by LIONS for this event with no exclusions. In addition, LIONS shall name CITY as an additional insured. Said insurance shall be the primary insurance coverage for LIONS' event. If possible and financially feasible, LIONS shall endeavor to have LIONS' insurance policy provide coverage for issues related to COVID-19, novel coronavirus, or similar issues. LIONS agrees to be responsible for any damages or claim of loss not covered by LIONS' insurance. A certificate of insurance shall be filed with the Norfolk City Clerk upon execution of this Agreement. In the event the certificate of insurance is not filed by May 31, 2023, then (1) LIONS shall pay a late fee to CITY in the amount of \$75.00, and (2) this Agreement shall be voidable at the option of CITY's risk manager.

6. RELEASES. In the event that LIONS obtains Releases for participation in LIONS' event while utilizing CITY's facilities under the terms of this Agreement, said Releases shall include a provision releasing CITY from the same liability and in the same manner that is afforded to other entities being released.

7. HOLD HARMLESS/INDEMNIFICATION. LIONS agrees to save, hold harmless, indemnify and defend CITY, its representatives, agents and employees from any loss or damage or claim of loss by LIONS or any third party from damage or claim of damage that arises from any of the activities authorized or undertaken as provided in this Agreement and for any loss to CITY that results from LIONS failing to perform its obligations under this Agreement or engaging in any activity not authorized by this Agreement. The parties acknowledge and agree that these indemnification and hold harmless provisions specifically include, but are not limited to, any claims, damages, or causes of action and all liability, cost or expense specifically including court costs and all reasonable attorney fees for any COVID-19, novel coronavirus, or related issues.

8. TENT. CITY shall allow LIONS to erect a tent in the park at a location approved by CITY's parks and recreation director. At least forty-eight (48) hours prior to Saturday, June 10, 2023, LIONS shall contact Nebraska 811 (formerly Diggers Hotline of Nebraska) to ascertain the location of underground utility lines in the areas where the tent is to be placed. After utility lines have been determined by Nebraska 811 and prior to setting any tent stakes, LIONS shall coordinate with CITY's parks and recreation director as to the contemplated location of the tent. CITY will attempt to locate any private underground lines it owns. LIONS shall not set any stakes until receiving approval from CITY's parks and recreation director as to the exact location where the tent is to be placed. LIONS shall be responsible for any damage to any underground utility lines or to any unlocated lines.

9. NO SIGNS ALONG STATE HIGHWAY. Pursuant to Nebraska Administrative Code Title 410, Chapter 3, LIONS shall not place signs advertising LIONS' event on property adjacent to any state highway.

10. DIRECTED HEALTH MEASURES. LIONS agree to comply with any and all Directed Health Measures issued by the Governor of the State of Nebraska and to comply with the most current and updated Directed Health Measures of all local, state, and federal health agencies as they relate to activities authorized in this Agreement.

11. MANAGEMENT. The parties acknowledge and agree that LIONS shall be solely responsible for the operation and management of the park during the term of this Agreement when the park is being utilized by LIONS for LIONS' event(s) and related activities. LIONS shall be responsible for operating and managing the park in accordance with all applicable rules and regulations of any governmental entity with jurisdiction over the park including, but not limited to, the most current and updated directed health measures of all local, state, and federal health agencies, and all resolutions and ordinances of CITY (collectively the "Rules"). LIONS represents and covenants to CITY that LIONS is familiar with the Rules and that LIONS shall operate and manage the park in accordance with the Rules. LIONS shall ensure that all individuals utilizing the park for LIONS' event shall conduct themselves in accordance with the Rules.

12. MAINTENANCE. LIONS shall be responsible for maintaining the park in accordance with the Rules so that the park may be utilized for permitted activities hereunder. Such obligation shall include, but not be limited to, all sanitation guidelines and maintenance obligations that are set forth in the Rules. LIONS shall ensure that any guests, invitees, or visitors are those permitted to be in attendance at the park in accordance with the Rules.

13. NO USAGE FEE. LIONS shall pay no fee to CITY for the use of Skyview Park and Lake for its event.

14. POSTPONEMENT. In the event it is necessary to postpone this event, LIONS may coordinate with CITY's parks and recreation director to reschedule the date of the event.

15. CANCELLATION. Notwithstanding any other provision of this Agreement, CITY retains the right at any time to cancel any activities scheduled on CITY property due to inclement weather or for any other reason. CITY shall not be responsible for any loss to LIONS resulting from CITY's cancellation of LION's activities.

16. AUTHORITY TO SIGN AGREEMENT. The individuals signing this Agreement represent that they are authorized to sign on behalf of the respective parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed the foregoing Agreement in duplicate the day and year first above written. This Agreement may be executed in counterparts. Each such counterpart, executed in duplicate, shall be deemed an original hereof and all such executed counterparts shall together be one and the same instrument.

CITY OF NORFOLK, NEBRASKA,  
A Municipal Corporation

ATTEST:

\_\_\_\_\_  
Brianna Duerst, City Clerk

By \_\_\_\_\_  
Josh Moenning, Mayor

Approved as to Form: \_\_\_\_\_  
Danielle Myers-Noelle, City Attorney

NORFOLK LIONS CLUB, INC.,  
A Nebraska Nonprofit Corporation

By \_\_\_\_\_  
Title: \_\_\_\_\_  
Printed Name: \_\_\_\_\_

By \_\_\_\_\_  
Title: \_\_\_\_\_  
Printed Name: \_\_\_\_\_

## CAMPGROUND HOST VOLUNTEER AGREEMENT

This Volunteer Agreement is made and entered into on this \_\_\_\_ day of \_\_\_\_\_, 2023, by and between the City of Norfolk, Nebraska, a Municipal Corporation, hereinafter referred to as "CITY", and Michelle R. Madson, hereinafter referred to as "VOLUNTEER", WITNESSETH:

WHEREAS, VOLUNTEER has a personal desire to serve the CITY and any of its divisions, including Ta-Ha-Zouka Campground, in a voluntary capacity; and

WHEREAS, VOLUNTEER offers such Volunteer Services freely and without pressure or coercion direct or implied, from the CITY; and

WHEREAS, VOLUNTEER is not otherwise employed by the CITY to perform Volunteer Services, and VOLUNTEER does not displace any employee of the CITY nor is it a condition of employment with the CITY should the VOLUNTEER be otherwise employed by the CITY; and

WHEREAS, the CITY desires to accept VOLUNTEER's Volunteer Services with the understanding and conditioned upon VOLUNTEER's status as a bona fide volunteer for purpose of applicable law.

NOW THEREFORE, in consideration of the promises and covenants herein contained, the parties hereto agree as follows:

1. ASSENT. The CITY accepts the Volunteer Services of the VOLUNTEER until such services are terminated as provided herein. VOLUNTEER agrees to render Volunteer Services to and on behalf of the CITY strictly on a volunteer basis, without the promise, expectation, or receipt of compensation, insurance coverage, indemnification, or benefits of any kind from the CITY.

2. TERM. The term of this Volunteer Agreement shall be from the date of signing hereof through the end of the 2023 camping season. During this established time, and as consideration, VOLUNTEER will be provided a campsite free of charge within Ta-Ha-Zouka Campground.

3. VOLUNTEER SERVICES. The Volunteer Services (collectively the "Volunteer Services") to be contributed by VOLUNTEER hereunder shall include the following:

- a. Greet campers, answer their questions, and orient them to the park;
- b. Assist in campground registrations and reservations;
- c. Be accessible to campers for comments and complaints;
- d. Help maintain campground and park areas through activities such as picking up litter, cleaning up campsites after guests check out, replenishing restrooms and assist in keeping bathhouses clean;

- e. Contact City staff and law enforcement personnel about emergencies;
- f. Other projects and assignments based on park needs and host's skills and interests; and
- g. Comply with all applicable rules, regulations and policies of the CITY.

4. NO COMPENSATION. VOLUNTEER shall not receive any compensation or wages for rendering the Volunteer Services.

5. NO WORKER'S COMPENSATION OR OTHER BENEFITS. VOLUNTEER shall not be entitled to receive any employee or fringe benefits from the CITY by virtue of this Agreement or performing Volunteer Services. VOLUNTEER shall not be covered by the CITY's workers' compensation insurance and shall not be entitled to receive any workers' compensation benefits for any injury or illness caused by an accident arising out of VOLUNTEER's Services or in the course of VOLUNTEER performing Volunteer Services as described herein.

6. TERMINATION. The relationship between the CITY and VOLUNTEER is at-will. Both the CITY and VOLUNTEER are entitled to terminate this Agreement at any time for any or no reason upon written notice to the other party.

7. MISCELLANEOUS.

- a. Entire Agreement. This Agreement contains the entire agreement of the parties relating to the subject matter hereof, and the parties hereto have made no agreements, representations or warranties relating to the subject matter of this Agreement which are not set forth herein. No modification of this Agreement shall be valid unless made in writing and signed by the parties hereto.
- b. Assignment. The rights and obligations of the CITY under this Agreement shall inure to the benefit of and be binding upon the successors and assigns of the CITY. Since this Agreement contemplates personal Volunteer Services to be rendered by VOLUNTEER, this Agreement is not assignable by VOLUNTEER.
- c. Waiver. The waiver of the breach of any term or condition of this Agreement shall not be deemed to constitute the waiver of any other or subsequent breach of the same or any other term or condition.
- d. Severability. The invalidity or unenforceability of any provision hereof shall in no way affect the validity or enforceability of any other provision.
- e. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Nebraska.

f. Counterparts. This Agreement may be executed in one or more counterparts at different times and places, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

8. RELEASE AND WAIVER BY VOLUNTEER. In consideration of the opportunity to volunteer and the promises and covenants contained herein, the undersigned VOLUNTEER, on behalf of VOLUNTEER and VOLUNTEER's successors, assigns, and heirs, irrevocably and unconditionally waives, releases, acquits, and forever discharges the CITY and its officials, agents, representatives, officers, employees, attorneys, successors, assigns, heirs, subsidiaries, and related entities, from any and all claims, demands, actions, causes of action, suits, damages, charges, liability, and any action of whatever nature, whether known or unknown, liquidated or unliquidated, regardless of when incurred, and regardless of whether or not now existing, that VOLUNTEER may have at any time that are based on, arise out of, or relate in any way either directly or indirectly to VOLUNTEER's Volunteer Services and related activities with the CITY.

CITY OF NORFOLK, NEBRASKA,  
A Municipal Corporation

By \_\_\_\_\_  
Josh Moening, Mayor

ATTEST:

\_\_\_\_\_  
Brianna Duerst, City Clerk

Approved as to form: \_\_\_\_\_  
Danielle Myers-Noelle, City Attorney

\_\_\_\_\_  
Michelle R. Madson, Volunteer



**Special Designated License  
Local Recommendation (Form 200)**  
Applications must be entered on the portal after local approval – no exceptions  
Late applications are non-refundable and will be rejected

Midtown Event Center

Retail Liquor License Name or \*Non-Profit Organization (\*Must include Form #201 as Page 2)

1102 Riverside Blvd Norfolk, NE 68701

Retail Liquor License Address or Non-Profit Business Address

125307

Retail License Number or Non-Profit Federal ID #

<u>Consecutive Dates only</u>	6-17-23	6-18-23				
Event Date(s):						
Event Start Time(s):	2PM	12AM				
Event End Time(s):	12AM	2AM				

Alternate Date: \_\_\_\_\_

Alternate Location Building & Address: \_\_\_\_\_

Event Building Name: Midtown Event Center Cove

Event Street Address/City: 1102, 1102 B, 1104 1/2 Riverside Blvd Norfolk

Indoor area to be licensed in length & width: Cove 50' X 75' and 50' X 125' - Back Building Courtyard/Exte Suite

Outdoor area to be licensed in length & width: 200' X 400' (Diagram Form #109 must be attached)

Type of Event: Outdoor Concert Estimate # of attendees: 1,000

Type of alcohol to be served: Beer XX Wine XX Distilled Spirits XX  
(If not marked, you will not be able to serve this type of alcohol)

Event Contact Name: Scott Stevens Event Contact Phone Number: 402-649-2357

Event Contact Email: scott@midtowneventcenter.com

\*Signature Authorized Representative:  Printed Name Scott Stevens

*I declare that I am the authorized representative of the above named license applicant and that the statements made on this application are true to the best of my knowledge and belief. I also consent to an investigation of my background including all records of every kind including police records. I agree to waive any rights or causes of action against the Nebraska Liquor Control Commission, the Nebraska State Patrol or any other individual releasing said information to the Liquor Control Commission or the Nebraska State Patrol. I further declare that the license applied for will not be used by any other person, group, organization or corporation for profit or not for profit and that the event will be supervised by persons directly responsible to the holder of this Special Designated License.*

\*Retail licensee – Must be signed by a member listed on permanent license  
\*Non-Profit Organization – Must be signed by a Corporate Officer

Local Governing Body completes below:

The local governing body for the City/Village of \_\_\_\_\_ OR County of \_\_\_\_\_ approves the issuance of a Special Designated License as requested above. (Only one should be written above)

\_\_\_\_\_  
Local Governing Body Authorized Signature Date

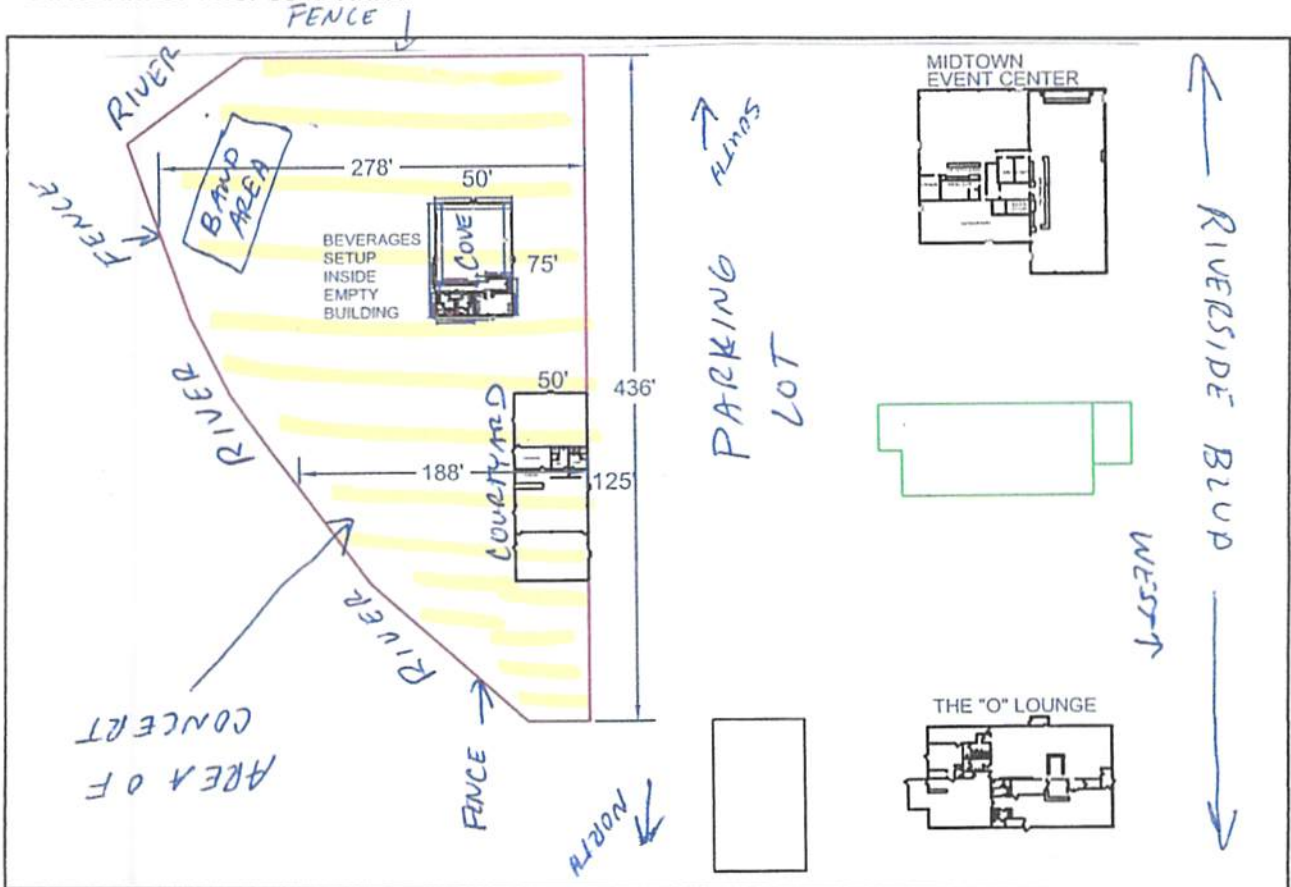
# OUTDOOR AREA DIAGRAM

*STAFF ALL AROUND THE AREA*

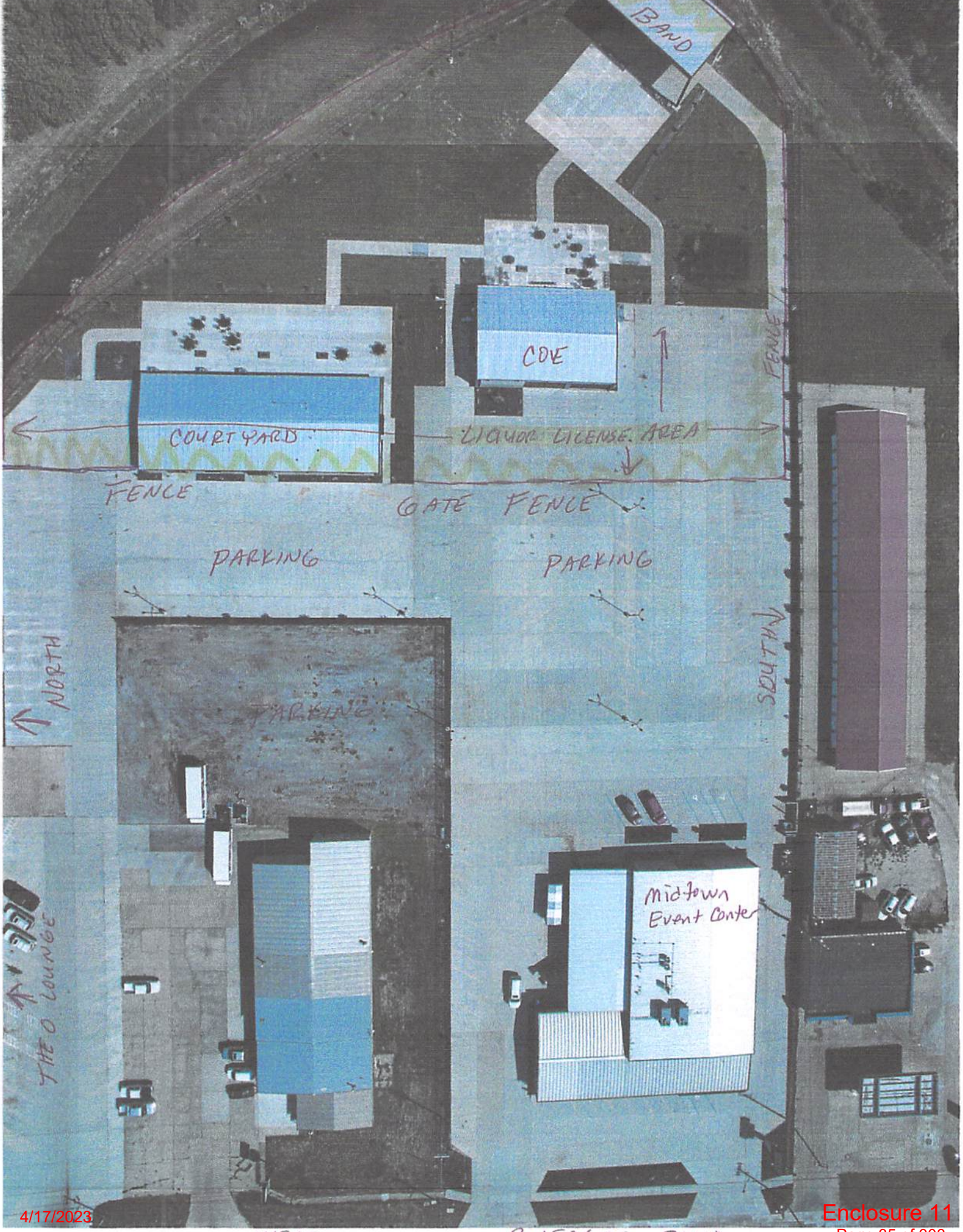
HOW AREA WILL BE PATROLLED *FENCE AROUND AREA - WRISTBANDS -*

- IF APPLICABLE, OUTDOOR AREA MUST BE CONNECTED TO INDOOR AREA IF INDOOR AREA IS TO LICENSED
- MEASUREMENT OF OUTER WALLS OF AREA TO BE LICENSED MUST INCLUDED LENGTH & WIDTH IN FEET
- DOUBLE FENCING IS REQUIRED FOR ALL NON-PROFIT ORGANIZATIONS UNLESS FORM #140 IS FILED WITH THIS FORM AND IS APPROVED BY THE COMMISSION
- RETAILER LIQUOR LICENSE HOLDERS ARE NOT REQUIRED TO DOUBLE FENCE, ALTHOUGH MEASURES NEED TO BE TAKEN TO SECURE THE AREA

DIAGRAM OF PROPOSED AREA:



*SEE AERIAL PHOTO ALSO*



4/17/2023

- WEST -

RIVERSIDE BLVD

# ARBOR DAY

## PROCLAMATION

- Whereas,* in 1872, J. Sterling Morton proposed to the Nebraska Board of Agriculture that a special day be set aside for the planting of trees; and
- Whereas,* this holiday, called Arbor Day, was first observed with the planting of more than a million trees in Nebraska; and
- Whereas,* Arbor Day is now observed throughout the nation and the world; and
- Whereas,* trees can reduce the erosion of our precious topsoil by wind and water, lower our heating and cooling costs, moderate the temperature, clean the air, produce oxygen and provide habitat for wildlife; and
- Whereas,* trees are a renewable resource giving us paper, wood for our homes, fuel for our fires and countless other wood products; and
- Whereas,* trees in our city increase property values, enhance the economic vitality of business areas, and beautify our community; and
- Whereas,* trees, wherever they are planted, are a source of joy and spiritual renewal.

NOW, THEREFORE, I, Josh Moenning, Mayor of the City of Norfolk, Nebraska, by the power vested in me, do hereby proclaim April 28, 2023, as:

## *Arbor Day*

in the City of Norfolk and urge all citizens to celebrate Arbor Day by supporting efforts to protect trees and woodlands; planting and caring for trees to gladden the heart and promote the well-being of this and future generations; and participating in a tree planting opportunity on their property or in their neighborhood.

---

Mayor

April 17, 2023

SEAL

## Public Hearing

The Mayor and City Council of the City of Norfolk, Nebraska will hold a public hearing on Monday, April 17, 2023 at 5:30 p.m. in the City Council Chambers, 309 N 5th Street, Norfolk, Nebraska to hear comments regarding the “Redevelopment Plan for the Kensington Building Redevelopment Project” legally described as:

Lot 9 and the West 1/2 of Lot 10, Block 4, Original Town of Norfolk, Madison County, Nebraska

And

The West 22 Feet of Lot 5 & All Lots 6, 7, & 8, Block 4, Original Town of Norfolk, Madison County, Nebraska

The Redevelopment Plan for the Kensington Building Redevelopment Project map and cost-benefit analysis can be found at:

<https://norfolkne.gov/government/departments/planning-and-development/blight-studies-and-redevelopment-projects/kensington-redevelopment-project.html>

Publish (March 31 and April 7, 2023)  
2 P.O.P.’s

**REDEVELOPMENT PLAN FOR  
THE KENSINGTON BUILDING REDEVELOPMENT PROJECT**

**PREPARED FEBRUARY, 2023**

**BY THE COMMUNITY DEVELOPMENT AGENCY  
OF THE CITY OF NORFOLK, NEBRASKA**

**A. Introduction**

This Redevelopment Plan for the Kensington Building Redevelopment Project (this “Redevelopment Plan”), prepared by the Community Development Agency of the City of Norfolk, Nebraska (the “Agency”), is a guide for redevelopment activities to remove or eliminate blight and substandard conditions within the City of Norfolk, Nebraska (“City”). The Mayor and City Council of the City (the "Council"), recognizing that blighted and substandard conditions are a threat to the continued stability and vitality of the City, designated certain areas of the City to be blighted and substandard and in need of redevelopment pursuant to the requirements of the Nebraska Community Development Law, sections 18-2101 et. seq., as amended (the "Act").

Prior to the preparation of this Redevelopment Plan, and in compliance with the Act, the Mayor and Council designated a portion of the City as a blighted and substandard community redevelopment area, such area being commonly referred to as the “Downtown District Redevelopment Area” (referred to herein as the “Redevelopment Area”). This Redevelopment Plan sets forth a proposed redevelopment project located within the Redevelopment Area to optimize the tax increment financing ("TIF") resources available to offset certain costs deemed eligible for reimbursement by TIF under the Act, and to remove existing and avoid future blighted and substandard conditions, all as further described herein. This Redevelopment Plan contemplates the rehabilitation and refurbishment of the Kensington Building, for use as a boutique hotel and mixed-use space, together with such public improvements associated therewith, within the Redevelopment Area (such public and private improvements are collectively referred to herein as the "Redevelopment Project").

**B. Redevelopment Area; Project Site; Existing Conditions**

Exhibit "A", attached hereto and incorporated herein, sets forth the boundaries of the Redevelopment Area. The Redevelopment Area is identical to the "Downtown District Redevelopment Area," which the Mayor and Council previously declared blighted and substandard and in need of redevelopment. Exhibit "A-1", attached hereto and incorporated herein, sets forth the boundaries and existing conditions of the area to be developed as part of the Redevelopment Project (the "Project Site"). The Project Site is located to the northeast of the intersection of N 4th Street and W Norfolk Ave, in the City. The Project Site is completely engrossed within the blighted and substandard Redevelopment Area and is in need of redevelopment.

**C. Conformance with the Comprehensive Plan**

It is essential to the City’s comprehensive plan for development (the “Comprehensive Plan”) that dilapidated, inadequate, or deteriorating portions of the City conform to the current

and future needs of the City as it continues to grow and expand. Exhibit "B", attached hereto and incorporated herein, shows a portion of the future use map (showing the Redevelopment Area and surrounding areas) included within the City's Comprehensive Plan. The map sets forth a "Mixed Use" designation for future use of the Project Site. Mixed Use allows for myriad of uses, including all such uses associated with the Redevelopment Project contemplated hereunder. Accordingly, the anticipated uses associated with the Redevelopment Project conform to the desired use of the Project Site set forth in the Comprehensive Plan's future use map.

In addition to the foregoing, the Comprehensive Plan further sets forth the following objectives with respect to the downtown area:

- The downtown district should serve as a central, commerce, governance, and gathering place; allowing for people to network and exchange ideas, goods, and services.
- The city should adopt a proactive stance in regenerating downtown buildings/blocks by establishing necessary financial and organizational structures. This may include the city partnering in key redevelopment sites or catalyst projects.
- Encourage the reuse and, when possible, the re-habitation of existing downtown buildings with special attention paid to encourage the maintenance of the building setbacks, on-street parking, and sidewalk access similar in appearance to the Norfolk Avenue Corridor. Re-use of existing buildings that fit the "main street" character should be a priority.
- Retail and/or entertainment based development types should be encouraged to locate within downtown. These development types should be programmed to provide increased night-time activity to the downtown area attracting college students, young adults, and families who desire such amenities and cultural attractions in their community.

The Redevelopment Project will assist in carrying out the above objectives. Accordingly, the Redevelopment Project is in conformance with and furthers the objectives under the City's Comprehensive Plan.

#### **D. Redevelopment Project Overview**

The Redevelopment Project consists of the restoration and redevelopment of the Kensington Building to convert the same into a boutique hotel with approximately 62 rooms, restaurant, approximately 2,700 square feet of meeting space, a fitness room, and a business



center. Both parties understand that final plans are subject to some modifications in size or offering based on commercial reasonableness, final design practicality and franchise requirements from Marriot. Most recently, the Kensington Building was utilized as an apartment building owned by the City's housing authority. However, the building became too costly to maintain and was falling into disrepair, necessitating a new use involving private investment. The Redevelopment Project will revitalize an important location and landmark within the City's downtown area.

No public acquisition of the Project Site is anticipated. As stated above, the City's housing authority currently owns the building site and intends to sell the same to Redeveloper pending approval of this Redevelopment Plan. The proceeds from such sale are anticipated to be approximately \$1,500,000. Additionally, the City owns the parking lot that serves the building site, located to the north of the building. The City intends to convey the same in correlation with the above-described purchase and sale of the building site. The building's prior use as an apartment complex was discontinued prior to the consideration of this Redevelopment Plan. Accordingly, no families will be displaced as a result of the Redevelopment Project. The Developer shall not be responsible for any costs or liability associated with prior or current building tenants.

Exhibit "C", attached hereto and incorporated herein, sets forth the proposed preliminary site plan for the Redevelopment Project (the "Site Plan").

**E. Existing Conditions**

**1. Existing Land Use**

The Project Site currently consists of a vacant building previously used for residential apartments.

**2. Existing Zoning**

The Project Site is currently zoned as C-2 (Central Business District).

**3. Existing Public Improvements**

Public access to the Project Site currently exists from N 4th Street and W Norfolk Ave. The Project Site is served by existing paving, sewer, water, storm sewer, electrical service, public walks, and related infrastructure; provided, however, much of the services and/or infrastructure are in need of rehabilitation.

**F. Proposed Redevelopment**

**1. Public Improvements**

The Redevelopment Project will require significant infrastructure improvements and other public improvements. The anticipated public improvements (and costs related to the public improvements) for the Redevelopment Project are listed in Exhibit "E", attached hereto and incorporated herein. These improvements will include, but are not limited to:

a. Public Access; Traffic Flow, Street Layouts and Street Grades

Public access to the Project Site currently exists via N 4th Street and W Norfolk Ave. The Redevelopment Project contemplates a number of street and other right-of-way improvements, including, without limitation, reconfiguration of the right-of-way in front of the entrance to the building to incorporate a drop-off lane, conversion of the traffic signals at the intersection of N 4th Street and W Norfolk Ave to traffic signs, curb and gutter improvements, sidewalk improvements, and other landscaping and streetscape improvements within the right-of-way. The Redeveloper will pay for cost related to the drop-off lane, sidewalks, and related items. The City will pay for other street improvements such as traffic signal conversion to traffic signs and any changes in surrounding traffic signs, curb and gutter associated with the traffic signal area, as necessary in the discretion of the City. The foregoing and other public improvements for the Redevelopment Project will address any traffic and street infrastructure concerns that would otherwise be created by the Redevelopment Project. All streets and other public infrastructure constructed by Redeveloper will be subject to review and approval by the City's engineer or other designee of the City.

b. Construction of Water and Sewer Improvements.

It is anticipated that the water infrastructure currently serving the building is adequate, and no changes or additions thereto will be necessary as a result of the Redevelopment Project.

c. Other incidental improvements

Due to the age of the utility infrastructure serving the building and the building itself, it is anticipated that some additional work will be required in relation to the same – the exact nature

of which is unknown at this time and will be determined as over the course of the construction process.

d. Additional public facilities or utilities

Other than the items detailed above, Redeveloper and the City anticipate that the existing public facilities and utilities can adequately meet the demands of the Redevelopment Project.

e. Property Acquisition, Demolition and Disposal

No public acquisition of private property or relocation of families or businesses is necessary to accomplish the Redevelopment Project. The Redevelopment Project does not involve the demolition of existing structures.

f. Population Density

The Project Site currently consists of a vacant building previously used for residential apartments. The Redevelopment Project is commercial in nature and will not increase population density in the area.

g. Land Coverage

The Project Site consists of 0.3 acre lot occupied by a five-story, approximately 67,000 square foot building along with the parking lot to the north and the adjacent alley. The total project site is approximately 1 acre. Because the Redevelopment Project consists of rehabilitation of the existing building, land coverage is not expected to change.

h. Parking

As shown on the Site Plan, the parking lot serving the building consists of approximately 72 stalls, which is consistent with the parking requirements under the City's zoning code.

i. Zoning, Building Code and Ordinance

The Project Site is currently zoned as C-2 (Central Business District). C-2 allows for the various hospitality and mixed-use commercial uses which are contemplated as part of the Redevelopment Project. Accordingly, no zoning change will be required as part of the

Redevelopment Project. Notwithstanding, Redeveloper will be responsible for all zoning, building code, or ordinance changes that are necessary for the Redevelopment Project.

## **2. Private Improvements**

Private improvements for the Redevelopment Project Area consist of the conversion of the Kensington Building into a boutique hotel with approximately 62 rooms, restaurant, approximately 2,700 square feet of meeting space, a fitness room, and a business center, in addition to the related facilities and improvements ancillary thereto. Redeveloper or other builders taking conveyance from Redeveloper will construct the private improvements. Paragraph H of this Redevelopment Plan details the anticipated construction schedule for the private improvements.

### **G. Project Costs**

The total estimated cost of the Redevelopment Project is \$14,350,000. The estimated costs of the Redevelopment Project are attached and incorporated herein as Exhibit "D". Such figures are only estimates based upon 2023 pricing, and are subject to change without further amendment of this Redevelopment Plan.

### **H. Implementation**

Redeveloper anticipates that construction of the Redevelopment Project will commence in late 2023, and will be substantially completed by approximately January 1, 2025. Notwithstanding the foregoing, Redeveloper's timely completion of the Redevelopment Project is subject to extraneous factors, which may necessitate that Redeveloper completes the Redevelopment Project later than the projected date. As such, the anticipated start and completion dates are preliminary and subject to change based upon market conditions, availability of materials, workforce availability and other extraneous factors.

### **I. Financing**

The City and the Agency contemplate the use of TIF for the Redevelopment Project. Section 18-2147 of the Act authorizes the use of TIF. It provides that any ad valorem tax levied upon real property, or any portion thereof, in a redevelopment project shall be divided, for a period not to exceed fifteen years after the effective date as identified in the Redevelopment Contract, or amendment thereof, or in the resolution(s) of the authority authorizing the issuance of bonds pursuant to the Act, as follows:

- (a) That portion of the ad valorem tax the levy produces at the rate fixed each year by or for each public body upon the redevelopment project valuation shall be paid into the funds of each such public body in the same proportion as are all other taxes collected by or for the body (“Base Tax Amount”); and
- (b) That portion of the ad valorem tax on real property, as provided in the Redevelopment Contract or bond/note resolution, in the redevelopment project in excess of the Base Tax Amount, if any, (referred to herein as “TIF Revenues”) shall be allocated to and, when collected, paid into a special fund of the authority to be used solely to pay the principal of, the interest on, and any premiums due in connection with the bonds of, loans, notes, or advances of money to, or indebtedness incurred by, whether funded, refunded, assumed, or otherwise, such authority for financing or refinancing, in whole or in part, the redevelopment project.

With respect to the Redevelopment Project, the actual base tax year and Base Tax Amount for the Redevelopment Project will be set forth in the Redevelopment Contract and/or the resolution authorizing the TIF Indebtedness (defined below).

### **1. Necessity of TIF**

Redeveloper has represented and warranted to the City that it would not be economically feasible to develop the Redevelopment Project without TIF. In support thereof, Redeveloper represented and warranted in its TIF application that:

“The cost of renovating and rehabilitating an historic building significantly increases the development costs. Construction costs continue to increase and the cost of all construction labor and materials make the project not financially feasible without assistance from TIF. Site acquisition is contingent upon TIF approval, and redeveloper is not willing to move forward with this redevelopment project without TIF.”

Additionally, Redeveloper provided in its application a projected return on investment (“ROI”) for the Redevelopment Project, both with and without TIF. Without TIF, the projected ROI ranged from -.7% to 6.4% over the first five years following stabilization. With TIF, the projected ROI ranged from -1.2% to 10.3% over the first five years following stabilization. Redeveloper asserts that prudent lenders and investors are not willing to invest in a project of this type with a ROI below 7%. And even with the assistance of TIF, a ROI of 10.3% after five years is a modest, but acceptable return.

The City and Agency accepts and agrees with Redeveloper's above representations. Accordingly, the Redevelopment Project, as proposed herein, is not economically viable without the assistance of TIF and Redeveloper would not construct the same without TIF.

## **2. Sources and Uses of Financing**

Based upon the projections provided in Exhibit "E", attached hereto and incorporated herein, the Agency and Redeveloper contemplate issuance of one TIF bond or note (the "TIF Indebtedness") in the principal amount of \$1,950,000. The TIF Indebtedness shall bear interest at a rate not to exceed 0% per annum. The final principal and interest amount comprising the TIF Indebtedness shall be determined by the Agency and set forth in the Redevelopment Contract or resolution authorizing the issuance of the TIF Indebtedness. All TIF Revenues generated by the Redevelopment Project shall only be divided and allocated over the applicable 15-year increment period or until full payment of the TIF Indebtedness, whichever occurs first.

The total estimated cost of the Redevelopment Project is \$14,350,000. Redeveloper anticipates that the balance of the public and private costs exceeding the TIF Indebtedness will be financed by a mix of equity, new market tax credits, and traditional bank financing. The above figures are only projections and are subject to change as a result of market conditions and other extraneous factors.

### **J. Cost-Benefit Analysis**

A cost-benefit analysis for the Redevelopment Project is attached as Exhibit "F" and incorporated herein.

#### Exhibits:

- Exhibit A: Redevelopment Area
- Exhibit A-1: Project Site and Existing Land Use
- Exhibit B: Future Land Use Map
- Exhibit C: Site Plan and Future Land Use
- Exhibit D: Estimated Construction Cost of the Redevelopment Project
- Exhibit E: Sources and Uses of TIF
- Exhibit F: Cost-Benefit Analysis

**EXHIBIT "A"**

**Redevelopment Area and Existing Land Use**

Depiction of Boundaries and Existing Condition of Redevelopment Area:



Exhibit "A"

**EXHIBIT "A-1"**

**Project Site and Existing Land Use**

Legal Description:

Lot 9 and the West 1/2 of Lot 10, Block 4, Original Town of Norfolk, Madison County, Nebraska; AND

The West 22 feet of Lot 5 and all of Lots 6, 7 & 8, Block 4, Original Town of Norfolk, Madison County, Nebraska.

\* In the event Redeveloper subdivides or replats the Project Site, the legal description(s) of such subdivided or replatted parcel(s) comprising the Project Site, upon final approval of the City with respect thereto, shall replace and supersede the above legal description.



Depiction and Current Condition (outlined in red):

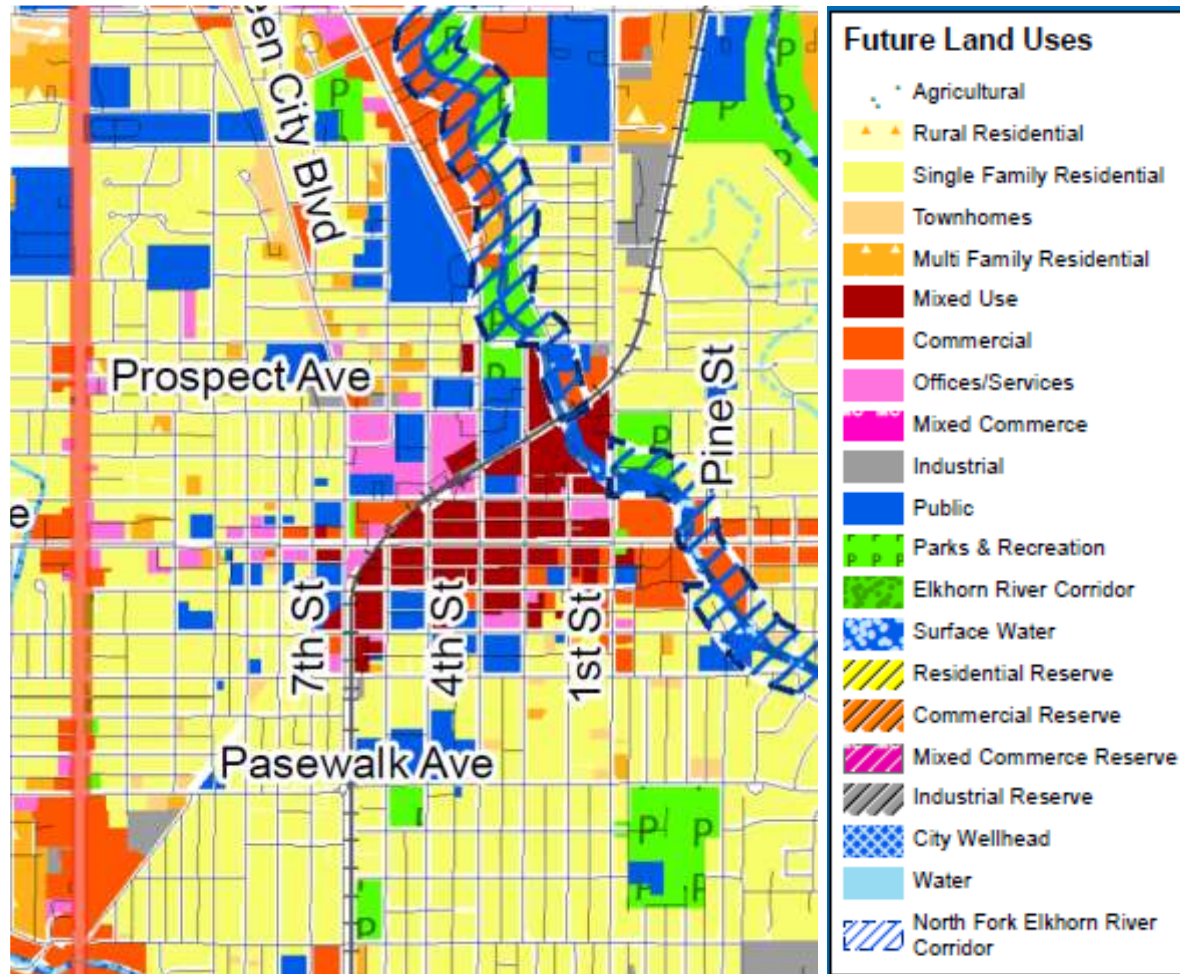


\* Project Site located to the northeast of the intersection of N 4th Street and W Norfolk Ave.

Exhibit "A-1"

**EXHIBIT "B"**

**Future Land Use Map**

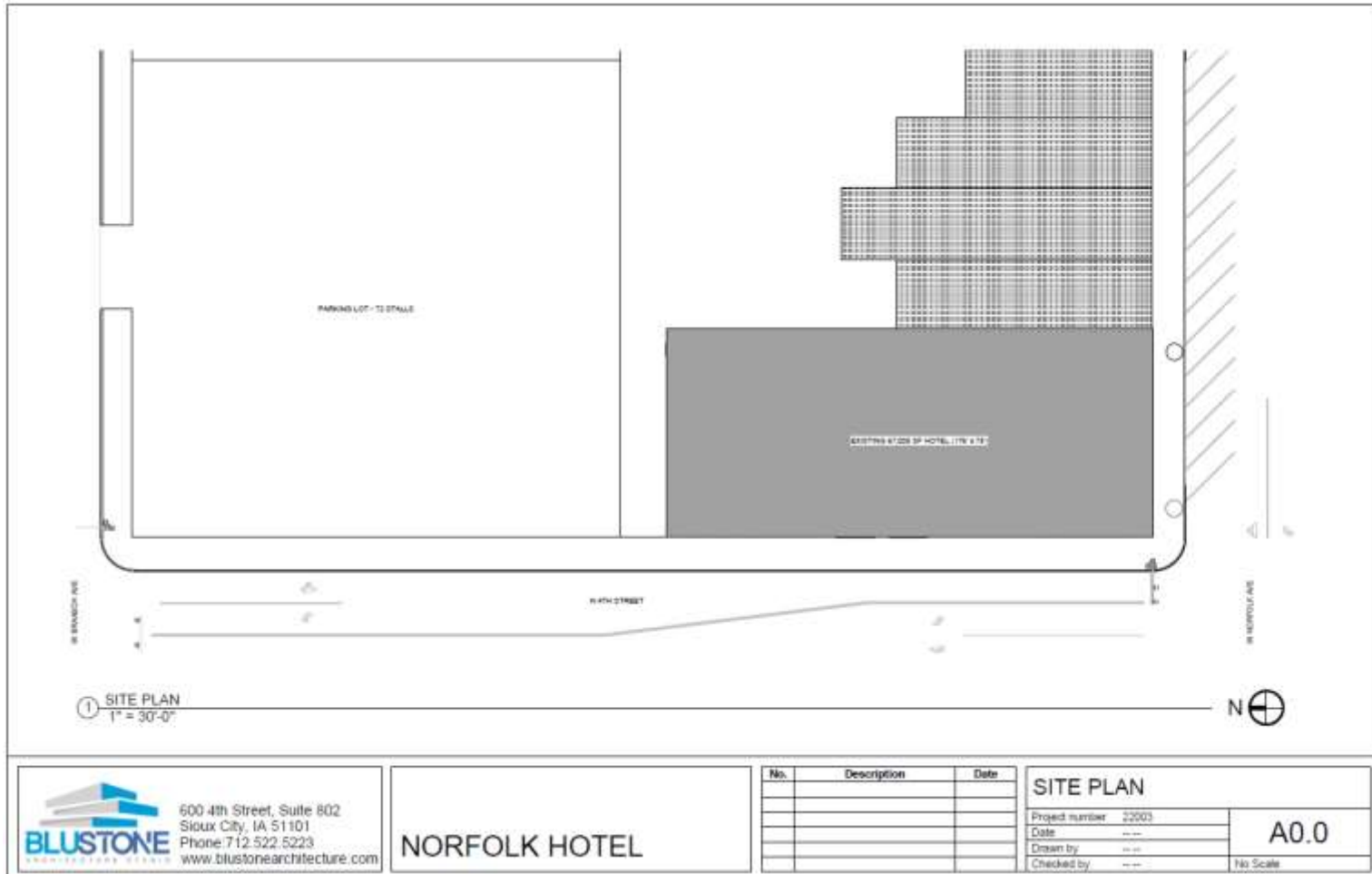


\* Project Site designated as Mixed Use.

Exhibit "B"

## EXHIBIT "C"

### Site Plan and Future Land Use



\* The above is a preliminary site plan and is subject to change.

Exhibit "C"

**EXHIBIT "D"**

**Estimate of Construction Costs**

<b>ACQUISITION COST</b>	
KENSINGTON BUILDING	\$1,500,000
<b>HARD COSTS</b>	
GENERAL CONSTRUCTION (incl. site work)	\$8,383,008
DEMO	\$460,000
PARKING LOT	\$0
CONSTRUCTION MGMT	\$32,500
FF&E	\$1,550,000
4% PROCUREMENT FEE	\$62,000
OS&E	\$218,631
<b>TOTAL</b>	<b>\$12,206,139</b>
<b>SOFT COSTS</b>	
FRANCHISE UPFRONT	\$10,000
BRANDING	\$125,000
INTERIOR DESIGN	\$390,000
DEVELOPMENT FEES	\$450,000
<b>TOTAL</b>	<b>\$975,000</b>
<b>PRE-OPENING COSTS</b>	
OPERATING EXPENSE	\$205,050
PAYROLL & TRAINING	\$79,100
BUSINESS LICENSE/PERMITS	\$6,354
WORKING CAPITAL	\$100,000
INSURANCE	\$62,500
PROJECT CONTINGENCY	\$377,707
MANAGEMENT START-UP FEE	\$55,000
<b>TOTAL</b>	<b>\$885,711</b>
<b>CLOSING COSTS</b>	
LENDER ORIGATION FEE	\$58,150
LEGAL/ACCOUNTING	\$14,500
CONSTRUCTION PERIOD INTEREST	\$210,500
<b>TOTAL</b>	<b>\$283,150</b>
<b>PROJECT TOTALS</b>	
<b>TOTAL</b>	<b>\$14,350,000</b>

\* The above figures are estimated values based on current pricing. These preliminary estimates are subject to change, as Redeveloper has no control over the change in cost of materials and services between the time of the approval of this Redevelopment Plan and commencement of construction.

**EXHIBIT "E"**

**Sources and Uses of TIF**

**USES:**

Land Acquisition	\$1,500,000
Building Rehabilitation Costs	\$450,000+
Paving & Street Improvements	\$100,000
Landscape & Streetscape Improvements	\$10,000
Curb & Gutter Improvements	\$67,000
Sidewalk Improvements	TBD
Architecture, Engineering & Legal Costs	\$100,000
City Fees	\$15,000
<b>TOTAL</b>	<b>\$2,242,000+</b>

\* The above "Uses" are preliminary estimates based on current pricing and are subject to change.

**SOURCES:**

General Assumptions:

Base Value:	\$500,000
Final Value:	\$6,200,000
Tax Levy (2021):	2.307619%
TIF Indebtedness:	\$1,950,000
Interest Rate:	0%

Amortization:

DATE	Total Taxable Valuation	Less Pre-Development Base	TIF Taxable Valuation	Tax Levy	Tax Revenues	Treasurer's 1% Collection Fee	Revenues Available For TIF Loan	Debt Service Payments			Loan Balance	Capitalized Interest	Interest at 0.00%
								Principal	Interest at 0.00%	Total			
0											\$1,950,000		
0.5	\$ 5,700,000	0	\$ 5,700,000	2.307619	\$ 65,767	\$ 658	\$ 65,109	\$65,109	\$0	\$65,109	\$1,884,891	0	0
1	\$ 5,700,000	0	\$ 5,700,000	2.307619	\$ 65,767	\$ 658	\$ 65,109	\$65,109	\$0	\$65,109	\$1,819,782	0	0
1.5	\$ 5,700,000	0	\$ 5,700,000	2.307619	\$ 65,767	\$ 658	\$ 65,109	\$65,109	\$0	\$65,109	\$1,754,673	0	0
2	\$ 5,700,000	0	\$ 5,700,000	2.307619	\$ 65,767	\$ 658	\$ 65,109	\$65,109	\$0	\$65,109	\$1,689,564	0	0
2.5	\$ 5,700,000	0	\$ 5,700,000	2.307619	\$ 65,767	\$ 658	\$ 65,109	\$65,109	\$0	\$65,109	\$1,624,455	0	0
3	\$ 5,700,000	0	\$ 5,700,000	2.307619	\$ 65,767	\$ 658	\$ 65,109	\$65,109	\$0	\$65,109	\$1,559,346	0	0
3.5	\$ 5,700,000	0	\$ 5,700,000	2.307619	\$ 65,767	\$ 658	\$ 65,109	\$65,109	\$0	\$65,109	\$1,494,237	0	0
4	\$ 5,700,000	0	\$ 5,700,000	2.307619	\$ 65,767	\$ 658	\$ 65,109	\$65,109	\$0	\$65,109	\$1,429,128	0	0
4.5	\$ 5,700,000	0	\$ 5,700,000	2.307619	\$ 65,767	\$ 658	\$ 65,109	\$65,109	\$0	\$65,109	\$1,364,019	0	0
5	\$ 5,700,000	0	\$ 5,700,000	2.307619	\$ 65,767	\$ 658	\$ 65,109	\$65,109	\$0	\$65,109	\$1,298,910	0	0
5.5	\$ 5,700,000	0	\$ 5,700,000	2.307619	\$ 65,767	\$ 658	\$ 65,109	\$65,109	\$0	\$65,109	\$1,233,801	0	0
6	\$ 5,700,000	0	\$ 5,700,000	2.307619	\$ 65,767	\$ 658	\$ 65,109	\$65,109	\$0	\$65,109	\$1,168,692	0	0
6.5	\$ 5,700,000	0	\$ 5,700,000	2.307619	\$ 65,767	\$ 658	\$ 65,109	\$65,109	\$0	\$65,109	\$1,103,583	0	0
7	\$ 5,700,000	0	\$ 5,700,000	2.307619	\$ 65,767	\$ 658	\$ 65,109	\$65,109	\$0	\$65,109	\$1,038,474	0	0
7.5	\$ 5,700,000	0	\$ 5,700,000	2.307619	\$ 65,767	\$ 658	\$ 65,109	\$65,109	\$0	\$65,109	\$973,365	0	0
8	\$ 5,700,000	0	\$ 5,700,000	2.307619	\$ 65,767	\$ 658	\$ 65,109	\$65,109	\$0	\$65,109	\$908,256	0	0
8.5	\$ 5,700,000	0	\$ 5,700,000	2.307619	\$ 65,767	\$ 658	\$ 65,109	\$65,109	\$0	\$65,109	\$843,147	0	0
9	\$ 5,700,000	0	\$ 5,700,000	2.307619	\$ 65,767	\$ 658	\$ 65,109	\$65,109	\$0	\$65,109	\$778,038	0	0
9.5	\$ 5,700,000	0	\$ 5,700,000	2.307619	\$ 65,767	\$ 658	\$ 65,109	\$65,109	\$0	\$65,109	\$712,929	0	0
10	\$ 5,700,000	0	\$ 5,700,000	2.307619	\$ 65,767	\$ 658	\$ 65,109	\$65,109	\$0	\$65,109	\$647,820	0	0
10.5	\$ 5,700,000	0	\$ 5,700,000	2.307619	\$ 65,767	\$ 658	\$ 65,109	\$65,109	\$0	\$65,109	\$582,711	0	0
11	\$ 5,700,000	0	\$ 5,700,000	2.307619	\$ 65,767	\$ 658	\$ 65,109	\$65,109	\$0	\$65,109	\$517,602	0	0
11.5	\$ 5,700,000	0	\$ 5,700,000	2.307619	\$ 65,767	\$ 658	\$ 65,109	\$65,109	\$0	\$65,109	\$452,493	0	0
12	\$ 5,700,000	0	\$ 5,700,000	2.307619	\$ 65,767	\$ 658	\$ 65,109	\$65,109	\$0	\$65,109	\$387,384	0	0
12.5	\$ 5,700,000	0	\$ 5,700,000	2.307619	\$ 65,767	\$ 658	\$ 65,109	\$65,109	\$0	\$65,109	\$322,275	0	0
13	\$ 5,700,000	0	\$ 5,700,000	2.307619	\$ 65,767	\$ 658	\$ 65,109	\$65,109	\$0	\$65,109	\$257,166	0	0
13.5	\$ 5,700,000	0	\$ 5,700,000	2.307619	\$ 65,767	\$ 658	\$ 65,109	\$65,109	\$0	\$65,109	\$192,057	0	0
14	\$ 5,700,000	0	\$ 5,700,000	2.307619	\$ 65,767	\$ 658	\$ 65,109	\$65,109	\$0	\$65,109	\$126,948	0	0
14.5	\$ 5,700,000	0	\$ 5,700,000	2.307619	\$ 65,767	\$ 658	\$ 65,109	\$65,109	\$0	\$65,109	\$61,839	0	0
15	\$ 5,700,000	0	\$ 5,700,000	2.307619	\$ 65,767	\$ 658	\$ 65,109	\$65,109	\$0	\$65,109	\$0	0	0
	=====	=====	=====								=====		
					\$1,973,010	\$19,740	\$1,953,270	\$1,953,270	\$0	\$1,953,270			\$0
					=====	=====	=====	=====	=====	=====			
													( F9 = calculate )
								Original Loan Amount		\$1,950,000			
								Capitalized Interest		\$0			ASSUMPTIONS:
								Loan Balance Remaining		\$0			1. Loan Amount:
													\$1,950,000
													2. Interest Rate:
													*
													3. Increment Base:
													\$5,700,000**

\* The above figures are estimates based upon the assumptions in this Exhibit "E" and are subject to change.

## **EXHIBIT "F"**

### **Cost-Benefit Analysis (Pursuant to Neb. Rev. Stat. § 18-2113)**

The cost-benefit analysis for the Redevelopment Project, as described in the attached Redevelopment Plan, which will utilize funds authorized by section 18-2147 of the Act, is provided below:

#### **1. Tax shifts resulting from the approval of the use of funds pursuant to Section 18-2147:**

The taxes generated by the base value of the Project Site will continue to be allocated between the relevant taxing jurisdictions pursuant to the Act. Only the incremental taxes created by the Redevelopment Project will be captured to pay for the project's eligible public expenditures. Since the incremental taxes would not exist without the use of TIF to support the Redevelopment Project, the true tax shift of the Redevelopment Project is a positive shift in taxes after 15 years. However, for the purposes of illustrating the incremental taxes used for TIF, the estimated 15 year tax shift for the Redevelopment Project is set forth in Exhibit "E" of the Redevelopment Plan, and is adopted hereby.

#### *Notes:*

- 1. The Projected Tax Increment is based on assumed values and levy rates; actual amounts and rates will vary from those assumptions, and it is understood that the actual tax shift may vary materially from the projected amount. The levy rate is assumed to be the 2021 levy rate. There has been no accounting for incremental growth over the 15 year TIF period.*

#### **2. Public infrastructure and community public service needs impacts and local tax impacts arising from the approval of the Redevelopment Project:**

##### **a. Public infrastructure improvements and impacts:**

The Redevelopment Project requires considerable street and other right-of-way improvements, including, without limitation, reconfiguration of the right-of-way in front of the entrance to the building to incorporate a drop-off lane, conversion of the traffic signals at the intersection of N 4th Street and W Norfolk Ave to traffic signs, curb and gutter improvements, sidewalk improvements, and other landscaping and streetscape improvements within the right-of-way. The public improvements for the Redevelopment Project will address any traffic and

street infrastructure concerns that would otherwise be created by the Redevelopment Project. The Agency and Redeveloper do not anticipate that the Redevelopment Project will have a negative impact on now-existing City infrastructure.

b. Local Tax impacts (in addition to impacts of Tax Shifts described above):

The Redevelopment Project should create material tax and other public revenue for the City and other local taxing jurisdictions. While the use of TIF will defer receipt of a majority of new ad valorem real property taxes generated by the Redevelopment Project, the Redevelopment Project should generate immediate tax growth for the City. The City will collect sales tax on a portion of the materials used for the Redevelopment Project during construction. Following construction, the hotel and other commercial facilities will require and pay for City services, and will also attract visitors to the area, resulting in a boost to sales tax. It is not anticipated that the Redevelopment Project will have any material adverse impact on such City services, but will generate revenue providing support for those services.

**3. Impacts on employers and employees of firms locating or expanding within the boundaries of the Project Site:**

The Redevelopment Project will result in new and expanded business within the Project Site via the operation of the hotel and other commercial facilities included therewith. Redeveloper anticipates such businesses will generate approximately 55 new jobs (both full time and part time) within the Project Site. Accordingly, it is anticipated that the Redevelopment Project will have a positive impact on employers and employees locating or expanding within the boundaries of the Project Site.

**4. Impacts on other employers and employees within the City and the immediate area that is located outside of the boundaries of the Project Site:**

The Redevelopment Project will have a substantial positive impact on surrounding employers and employees. The hotel and other facilities will result in an increase of visitors to the downtown area, which will be a considerable benefit to surrounding employers. As detailed above, such facilities are estimated to result in the creation of approximately 55 new jobs, which will benefit surrounding employees and the City's workforce in general.

**5. Impacts on student populations of school districts within the City:**

The Redevelopment Project is commercial in nature and will not impact student populations in the City.



**6. Other impacts determined by the Agency to be relevant to the consideration of costs and benefits arising from the redevelopment project:**

The Project Site is blighted and contains substandard conditions that are a detriment to the City as a whole. The Redevelopment Project will revitalize and occupy a deteriorating space without negatively impacting the surrounding businesses, residents or straining the public infrastructure. There are no other material impacts determined by the Agency relevant to the consideration of the costs or benefits arising from the Redevelopment Project. As such, the costs of the Redevelopment Project are outweighed by its benefits.

DOCS/2927303.2  
4869-0125-0644, v. 1

RESOLUTION NO. 2023- 18

BE IT RESOLVED, by the Mayor and Council of the City of Norfolk, Nebraska, as follows:

Section 1. The Mayor and Council hereby find and determine that there has been recommended for their approval by the Community Development Agency of the City of Norfolk (the "Agency") the "Redevelopment Plan for the Kensington Building Redevelopment Project" (the "Redevelopment Plan"); that the Redevelopment Plan has been reviewed and approved by the Planning Commission of the City of Norfolk, Nebraska; that the Redevelopment Plan relates to the redevelopment of an area which has been previously determined by the Mayor and Council to be a blighted and substandard area; that notice has been given as required by law for a public hearing on the Redevelopment Plan and at the time and place set for such hearing all persons desiring to be heard concerning the Redevelopment Plan have been heard; and that the Redevelopment Plan is feasible and in conformity with the general plan for the development of the City of Norfolk, as a whole, and is in conformity with the legislative declarations and determinations set forth in the Community Development Law (Sections 18-2101 to 18-2144, R.R.S. Neb. 2012, as amended).

Section 2. The Mayor and Council hereby determine that the Redevelopment Plan uses funds authorized in Section 18-2147, R.R.S. Neb. 2012, as amended, and in such connection hereby makes the following additional findings and determinations: (a) that the redevelopment project described in the Redevelopment Plan would not be economically feasible without the use of tax-increment financing, (b) that such redevelopment project would not occur in the community redevelopment area as described in the Redevelopment Plan without the use of tax-increment financing and (c) that the costs and benefits of such redevelopment project, including costs and benefits to other affected political subdivisions, the economy of the City of Norfolk and surrounding area and the demand for public and private services have been analyzed by the Mayor and Council (including the cost benefit analysis prepared by the Agency) and have been and hereby are found to be in the long term best interest of the City of Norfolk and surrounding area as the community impacted by such redevelopment project.

Section 3. Based upon the foregoing determinations, the Mayor and Council of the City of Norfolk, Nebraska, hereby approve the Redevelopment Plan.

PASSED AND APPROVED this 17<sup>th</sup> day of April, 2023.

\_\_\_\_\_  
Josh Moenning, Mayor

\_\_\_\_\_  
Brianna Duerst, City Clerk

Approved as to form: \_\_\_\_\_  
Danielle Myers-Noelle, City Attorney

**ORDINANCE NO. 5831**

AN ORDINANCE OF THE CITY OF NORFOLK, NEBRASKA TO AMEND SECTION 8-28 OF THE OFFICIAL CITY CODE TO UPDATE ADDITIONS, INSERTIONS AND CHANGES TO THE 2018 INTERNATIONAL FIRE CODE ADOPTED BY THE CITY TO ADD R-R TO THE LIST OF ZONING DISTRICTS WHERE ABOVE-GROUND STORAGE (L.P.G.) TANKS OF 500 GALLONS OR LESS CAN BE LOCATED; TO ALLOW (L.P.G.) TANKS OF 1000 GALLONS OR LESS TO BE LOCATED IN ZONING DISTRICTS A AND R-R ON PARCELS OF 10 ACRES OR MORE; TO PROVIDE WHEN THIS ORDINANCE SHALL BE IN FULL FORCE AND EFFECT; AND TO PROVIDE FOR THE PUBLICATION OF THIS ORDINANCE IN PAMPHLET FORM.

BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF NORFOLK, NEBRASKA:

Section 1. That Section 8-28 of the Official City Code be and the same is hereby amended to read as follows:

**Sec. 8-28. Additions, insertions and changes.**

The following sections of the fire prevention code adopted in Section 8-26 are hereby revised as follows:

*Section 101.1* Insert: the City of Norfolk.

*Section 105* Insert the following after Section 105.1.1:

Section 105.1.1.1 Permit Fees: A permit and payment of the specified Fire Code Permit Fee set forth in [Section 2-5](#) of the Norfolk City Code shall be required.

**EXCEPTION:**

No permit shall be required for the use of L.P.G. cylinders used temporarily for a period not to exceed ninety (90) days.

*Section 109* Board of Appeals. Delete this section in its entirety.

*Section 110.4* Amend to read as follows:

**Violation Penalties.** Persons who shall violate a provision of this code or shall fail to comply with any of the requirements thereof or who shall erect, install, alter, repair or do work in violation of the approved construction documents or directive of the code official, or of a permit or certificate used under provisions of this code, shall be guilty of an offense punishable by a fine of not more than \$500. Each day that a violation continues after due notice has been served shall be deemed a separate offense.

*Section 112.4* Amend to read as follows:

**Failure to Comply:** Any person who shall continue any work after having been served with a stop work order, except such work as that person is directed to perform to remove a violation or unsafe condition, shall be liable for a fine of not more than \$500.

*Section 307.2* Amend to read as follows:

**Permit Required.** A permit shall be obtained from the Norfolk Fire Division for open burning within the City limits and within the unincorporated area where the City has been granted zoning jurisdiction and is exercising such jurisdiction as set forth in Section 1-11 of the official City Code.

*Section 308.1.4* Open-flame cooking devices (grills on balconies of apartment houses). Delete this section in its entirety.

*Section 509* Insert the following after Section 509.2:

*Section 509.3* Minimum Size: All fire department connections shall be a minimum 2 1/2 inch connection with threads compatible with local fire department.

*Section 603.3.2.1* Amend to read as follows:

**Quantity limits.** One or more fuel oil tanks containing Class II or III *combustible liquid* shall be permitted in a building. The aggregate capacity of all tanks shall not exceed the following:

1. 660 gallons (2498 L) in unsprinklered buildings, where stored in a tank complying with UL 80, UL 142 or UL 2085.
2. 660 gallons (2498 L) in buildings equipped with an *automatic sprinkler* system in accordance with Section 903.3.1.1, where stored in a tank complying with UL142.
3. 660 gallons (2498 L) where stored in protected above-ground tanks complying with UL 2085 and Section 5704.2.9.7 and the room is protected by an *automatic sprinkler* system in accordance with section 903.3.1.1.

*Section 603.3.2.6* Amend to read as follows:

**Spill containment.** Tanks exceeding 55-gallon (208L) capacity or an aggregate capacity of 660 gallons (2498L) that are not provided with integral secondary containment shall be provided with spill containment sized to contain a release from the largest tank.

*Section 603.3.3* Amend to read as follows:

**Underground storage of fuel oil.** The storage of fuel oil in underground storage tanks shall comply with NFPA 31 and Nebraska State Fire Marshal Office Publication, Title 159, if quantity is 1100 gallons or more.

*Section 5504.3* Outdoor storage. Insert second paragraph of this section to read as follows:

Storage of flammable cryogenic fluids in stationary containers outside of buildings is prohibited within the following zoning districts: A, R-R, S-R, R-1, R-2, R-3, R-M, R-O, O-D, C-1, C-2, C-2A, C-3, and B-P.

*Section 5601.2.4* Financial responsibility. Amend to read as follows:

Before a permit is issued, as required by Section 5601.2, the applicant shall file with the jurisdiction a public liability insurance policy in the principal sum of \$1,000,000 for the purpose of the payment of all damages to persons or property which arise from, or are caused by, the conduct of any act authorized by the permit upon which any judicial judgment results. The code official is authorized to specify a greater or lesser amount when, in his or her opinion, conditions at the location of use indicate a greater or lesser amount is required. Government entities shall be exempt from this insurance requirement.

Insert the following after Section 5704.2.10.5:

**Section 5704.2.10.6 Above-Ground Storage Tanks Located Inside the City Limits.** Above-ground storage of flammable and combustible liquid shall be prohibited within the City limits except as specifically provided for in this code.

**Section 5704.2.10.6.1** Above-ground storage tanks for the storage of combustible or flammable liquid shall be allowed on airport property in accordance with NFPA 30.

**Section 5704.2.10.7 Above-Ground Storage Tanks Located Outside the City Limits.** Above-ground storage tanks for the storage of combustible or flammable liquid shall be allowed outside the corporate limits of the City and within the zoning jurisdiction of the City. All such allowable tanks shall comply with the City building and zoning codes and shall conform to NFPA 30.

Section 5704.2.10.8 Existing Above-Ground Storage Tanks. Existing above-ground tanks or tank installations previously approved which do not constitute a hazard may be continued; however, existing tanks may not be replaced or expanded. Existing above-ground tanks or tank installations previously approved which constitute a fire hazard, in accordance with NFPA 30 shall not be continued. The code official shall periodically inspect the existing installation for safety, and if he/she determines the installation or operation is no longer conducted or maintained in a safe manner, he/she shall have the authority to require unsafe tanks or operations to be removed from service.

Section 5704.2.10.10 Above-Ground Tanks Used for Heating Purposes. Fuel oil tanks for supplying oil-burning heating equipment and located above ground, inside or outside the building, shall not have a tank capacity greater than 660 gallons for each building served. Tanks located inside the building shall be installed at an approved location in accordance with NFPA 31.

Section 5704.2.10.11 Above-Ground Tanks Used to Serve Stand-by Generators. Above-ground storage tanks supplying a stand-by generator, inside or outside the building, shall not have a tank capacity greater than 660 gallons for each building served. Tanks located inside the building shall be installed at an approved location in accordance with NFPA 37.

Section 5704.2.10.12. Above-Ground Tanks Used to Store Waste Oil. Above-ground tanks used for the storage of waste oil, inside or outside the building shall not have a tank capacity greater than 660 gallons for each building served. Tanks located inside the building shall be installed at an approved location in accordance with NFPA 30.

*Section 5706.2.4.4:* Refer to inserted Section 5704.2.10.6.

*Section 6101 General.* Amend and insert sections as follows:

Insert the following section:

Section 6101.4 Above-Ground (L.P.G.) Tanks. The installation of above-ground storage tanks containing liquefied petroleum gases (L.P.G.) shall be prohibited within the City limits except as specifically provided in this code, the International Fire Code 2018, and NFPA 58.

Amend the following section to read as follows:

Section 6104.2: Maximum capacity within established limits. Refer to inserted Sections 6104.2.1 and 6104.2.2.

Insert the following after Section 6104.2:

Section 6104.2.1 Above-Ground (L.P.G.) Tanks 125 Gallon or Less. Above-ground L.P.G. tanks 125 gallon or less water capacity shall be permitted in all zoning districts.

Section 6104.2.2 Above-Ground (L.P.G.) Tanks 500 Gallon or Less. Above-ground L.P.G. tanks 500 gallon or less water capacity shall be permitted in A, C-1, C-3, I-1, I-2, ~~and~~ I-3, ~~and R-R~~ zoning districts.

Section 6104.2.3 Above-Ground (L.P.G.) Tanks 1000 Gallons or Less. Above-ground L.P.G. tanks 1000 gallon or less water capacity shall be permitted in A and R-R zoning districts on parcels of ten (10) acres or more.

Section 2. That this Ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form as required by law.

PASSED AND APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

ATTEST:

\_\_\_\_\_  
Brianna Duerst, City Clerk

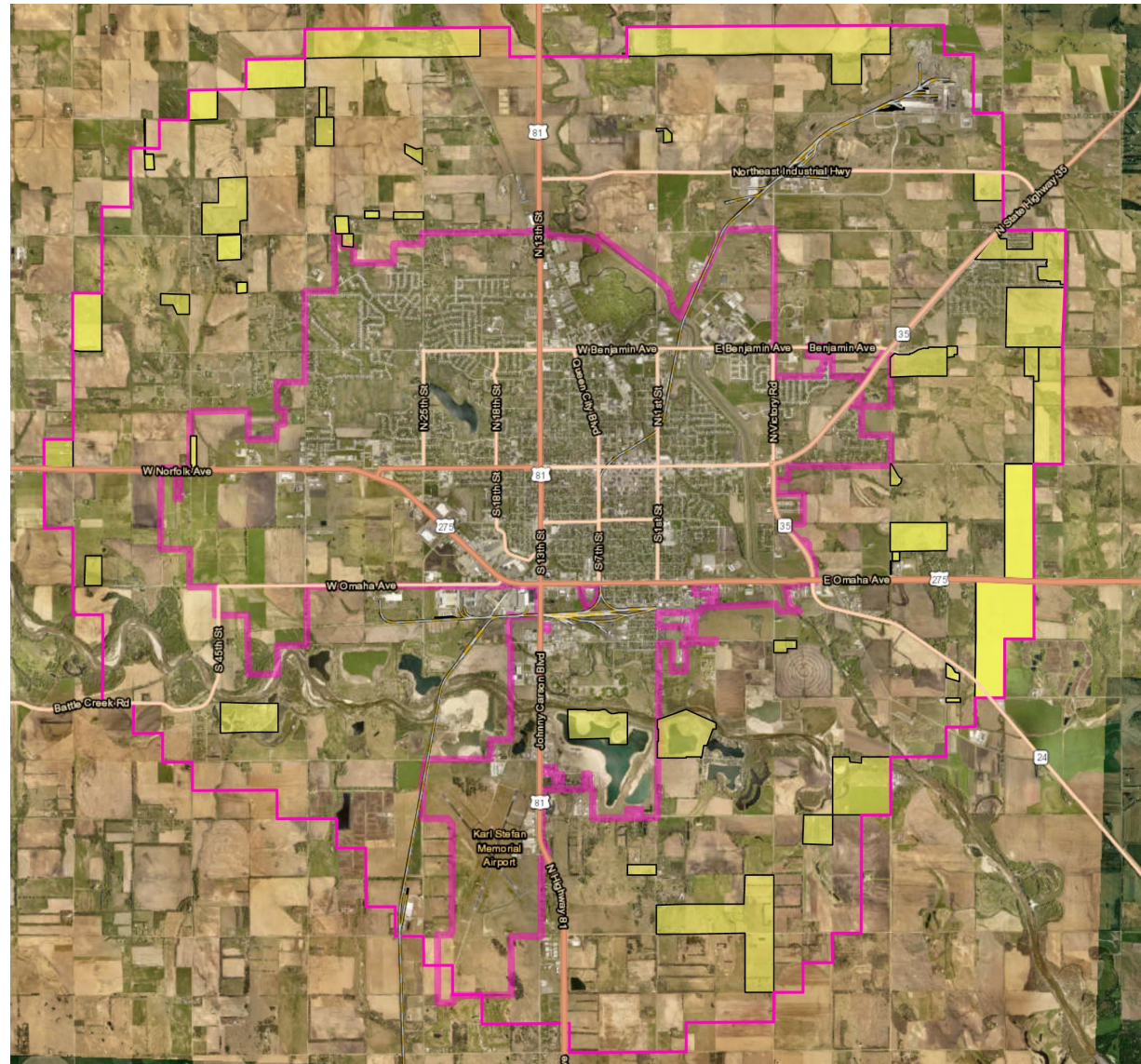
\_\_\_\_\_  
Josh Moening, Mayor

Approved as to form: \_\_\_\_\_  
Danielle Myers-Noelle, City Attorney

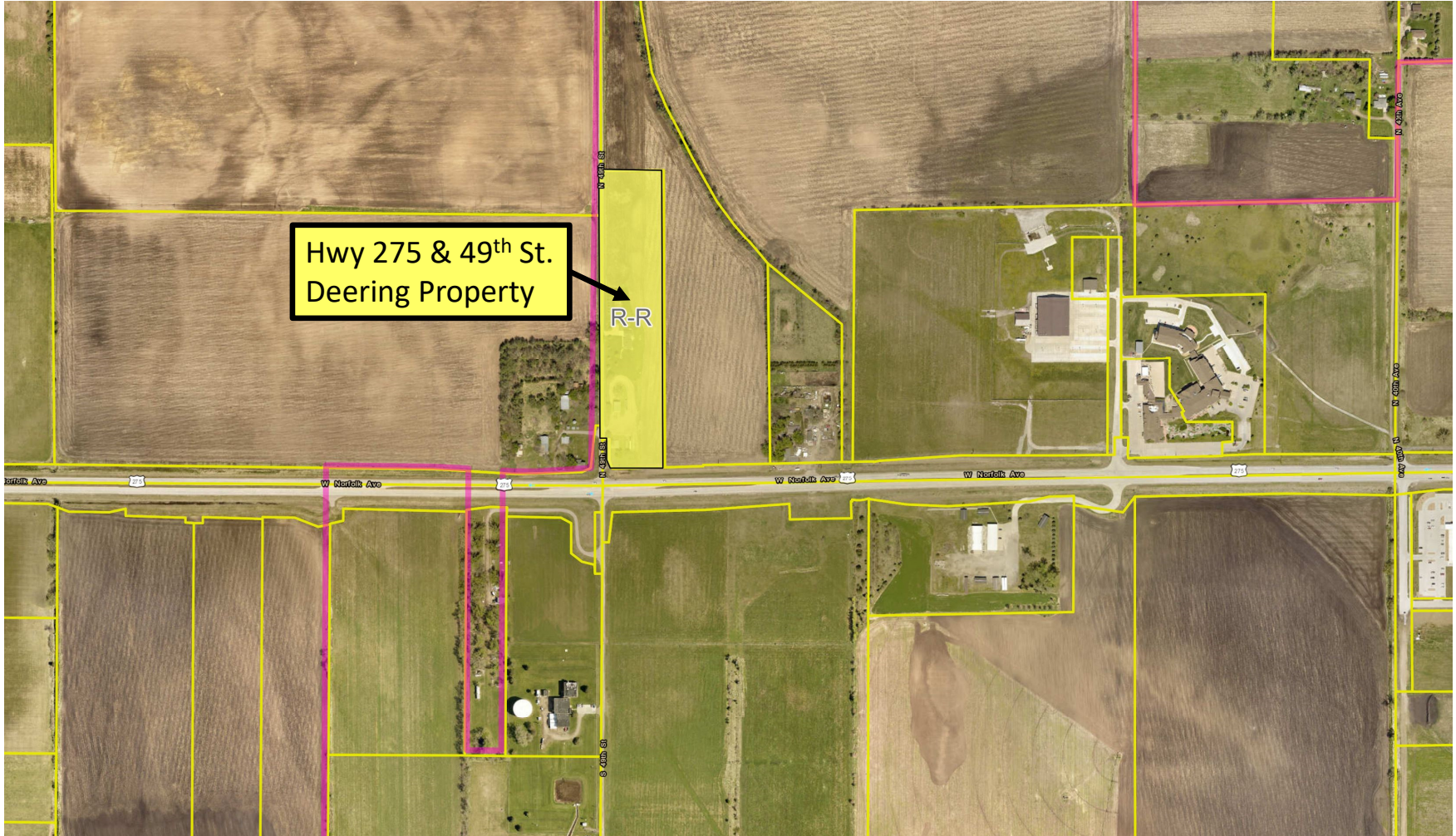
Yellow highlighted = R-R  
Wide pink line = City Limits  
Narrow pink line = Unadjusted ETJ

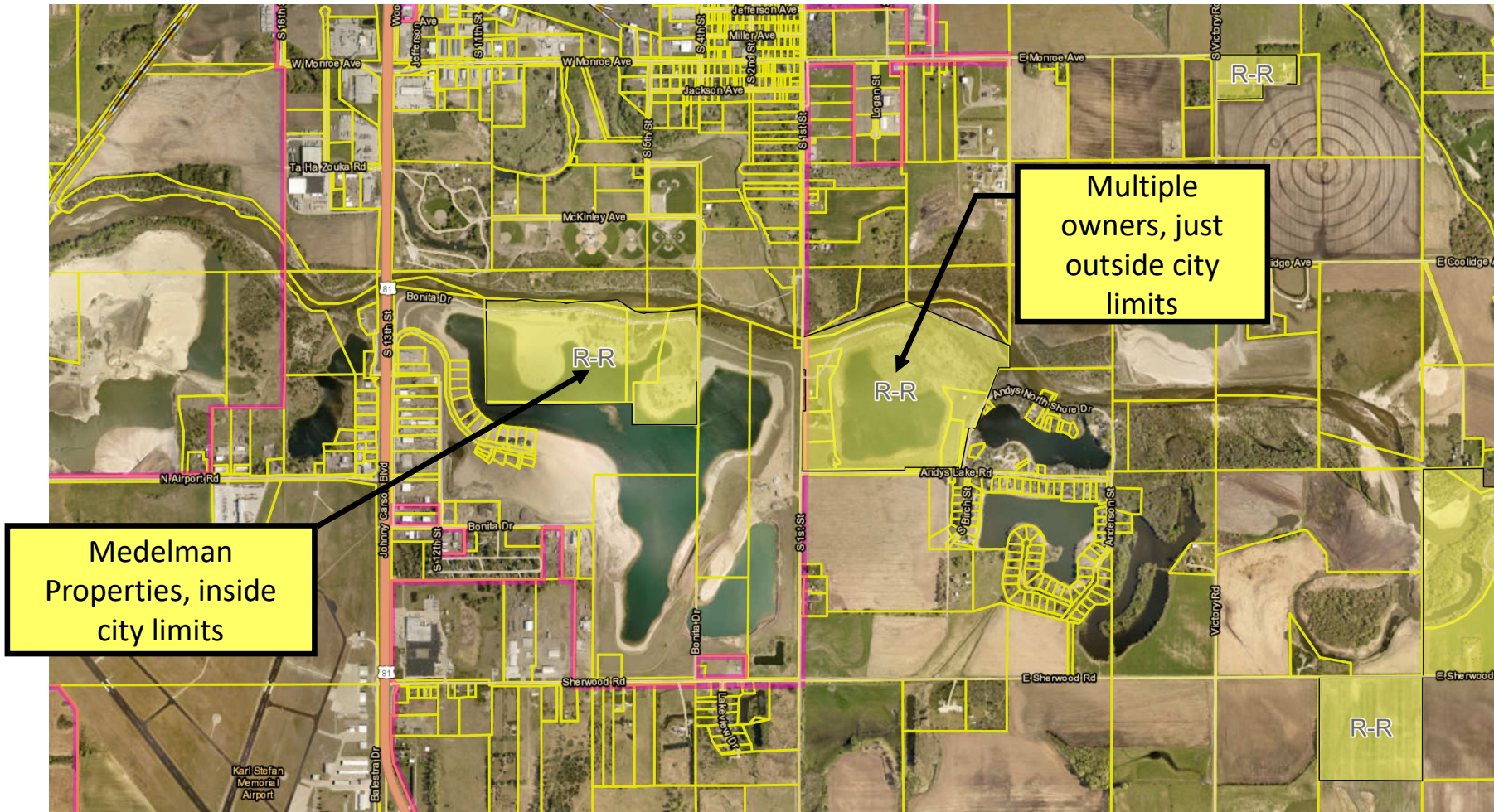
As you can see, there are various properties in ETJ some close to city limits that potentially could be inside

- Eisenhower, between 25<sup>th</sup> & 37<sup>th</sup>

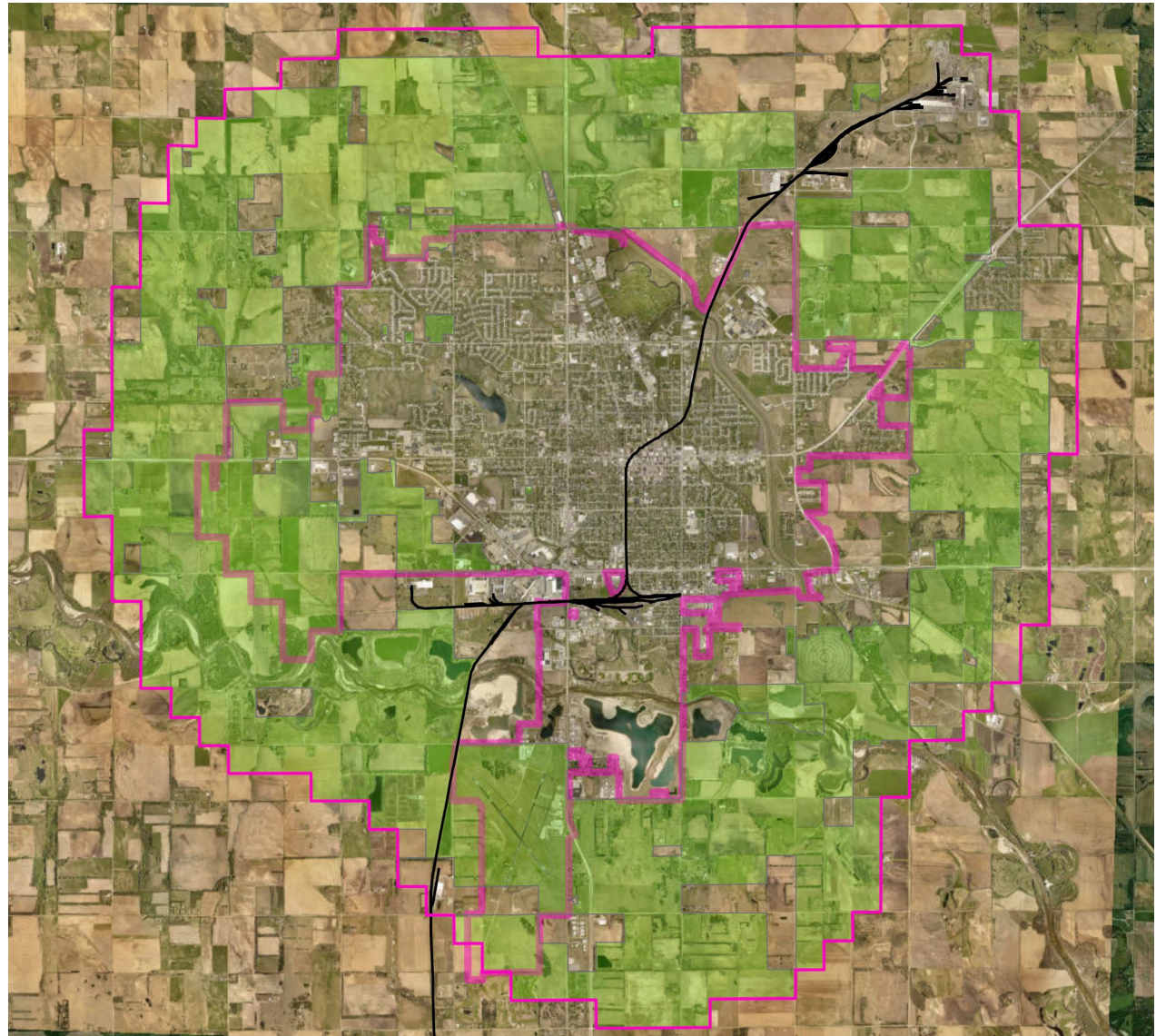








Green = zoned Agriculture  
Wide pink line = City Limits  
Narrow pink line = unadjusted ETJ

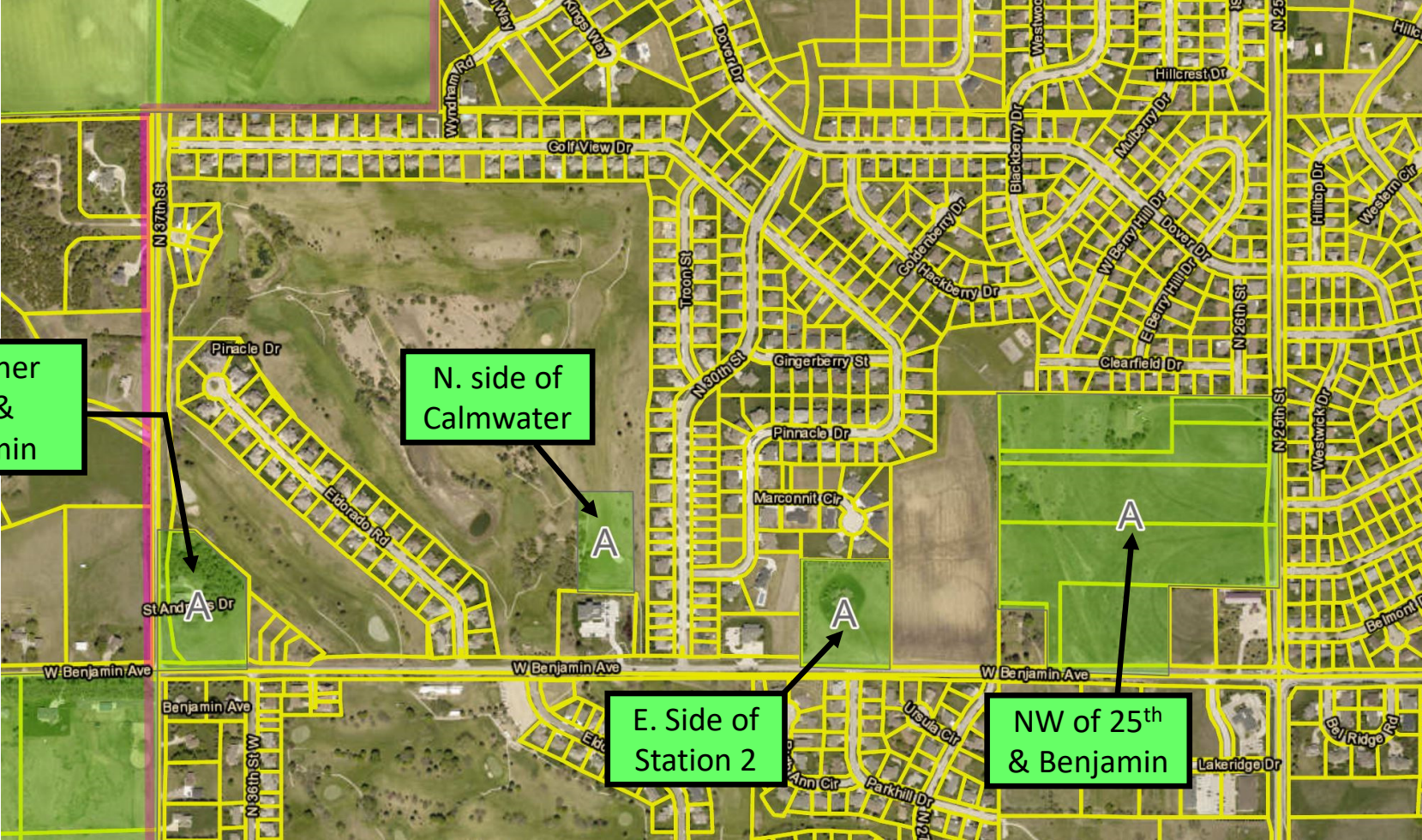


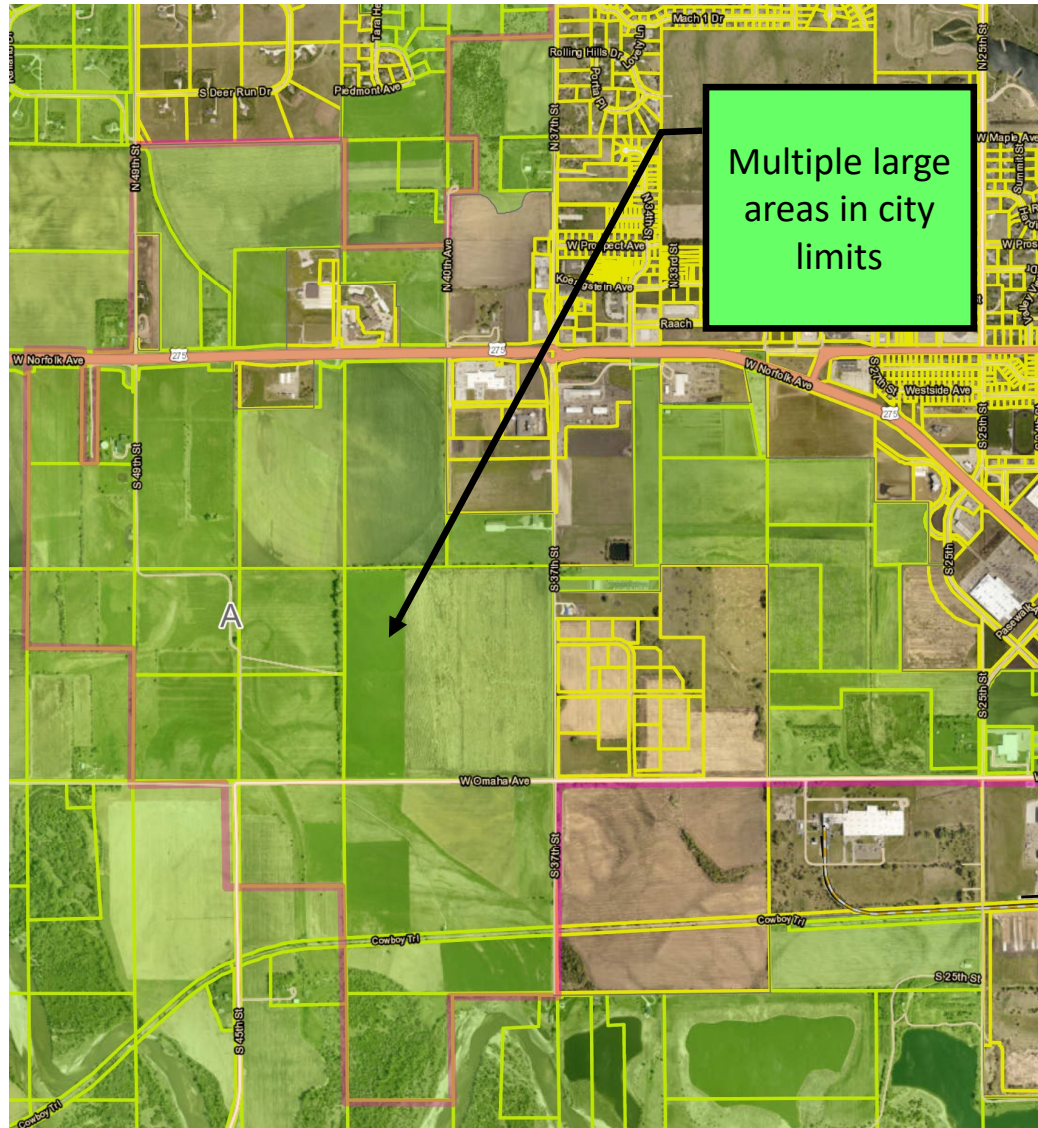
NE corner  
37th &  
Benjamin

N. side of  
Calmwater

E. Side of  
Station 2

NW of 25th  
& Benjamin





ORDINANCE NO. 5832

AN ORDINANCE OF THE CITY OF NORFOLK, NEBRASKA TO AMEND SECTION 2-5 OF THE OFFICIAL CITY CODE TO INCLUDE AN ANNUAL REGISTRATION PLATE AND/OR DECAL FEE FOR GOLF CAR VEHICLES; TO PROVIDE WHEN THIS ORDINANCE SHALL BE IN FULL FORCE AND EFFECT; AND TO PROVIDE FOR THE PUBLICATION OF THIS ORDINANCE IN PAMPHLET FORM.

BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF NORFOLK, NEBRASKA:

Section 1. That Section 2-5 of the Official City Code be and the same are hereby amended to read as follows:

**Sec. 2-5. Schedule of Fees.**

(a) As used in this section:

*Category 1 group* shall mean a group physically located or having its principal place of business physically located within the city and its zoning jurisdiction.

*Category 2 group* shall mean a group physically located or having its principal place of business physically located outside of the city and its zoning jurisdiction.

In the event the description of any fee appearing in the Schedule of Fees in subsection (b) is inconsistent with the wording of the corresponding Code section, the wording of the Code section shall be deemed to control.

(b) Schedule of Fees:

<b>Category</b>	<b>Description of Fee</b>	<b>Municipal Code Reference</b>	<b>Fee</b>	<b>Date Last Modified</b>
Ambulance Fees	Basic life support, non-emergency.	2-2	\$600.00	11/1/2022
Ambulance Fees	Basic life support, emergency.	2-2	\$775.00	11/1/2022
Ambulance Fees	Basic life support, assist only.	2-2	\$100.00	9/1/2015
Ambulance Fees	Advanced life support (1), non-emergency.	2-2	\$700.00	10/1/2019
Ambulance Fees	Advanced life support (1), emergency (one or two ALS interventions).	2-2	\$925.00	11/1/2022
Ambulance Fees	Advanced life support (2), emergency (at least three different medications/procedures).	2-2	\$1,200.00	11/1/2022
Ambulance Fees	Advanced life support, assist only.	2-2	\$250.00	10/1/2019
Ambulance Fees	Specialty care transport (inter-hospital service beyond scope of paramedic).	2-2	\$950.00	10/1/2019
Ambulance Fees	Fee per mile loaded outside Norfolk corporate city limits from 1 to 17 miles. Not including basic life support assistance or advanced life support assistance.	2-2	\$18.00	11/1/2022
Ambulance Fees	Fee per mile loaded outside Norfolk corporate city limits from 18-50 miles. Not including basic life support assistance or advanced life support assistance.	2-2	\$16.00	11/1/2022
Ambulance Fees	Fee per mile loaded outside Norfolk corporate city limits for 50+ miles. Not including basic life support assistance or advanced life support assistance.	2-2	\$14.00	11/1/2022
Blighted Property	Processing fee to declare real property blighted.	2-3	\$100.00	

Category	Description of Fee	Municipal Code Reference	Fee	Date Last Modified
Alarm Systems	False alarms (with current permit on file), not including fire alarms, occurring 7-10 times within a permit year, per occurrence.	2.5-5(a)	\$25.00	11/1/2022
Alarm Systems	False alarms (with current permit on file), not including fire alarms, occurring 11-15 times within a permit year, per occurrence.	2.5-5(a)	\$50.00	11/1/2022
Alarm Systems	False alarms (with current permit on file), not including fire alarms, occurring 16-20 times within a permit year, per occurrence.	2.5-5(a)	\$75.00	11/1/2022
Alarm Systems	False alarms (with current permit on file), not including fire alarms, occurring 21 or more times within a permit year, per occurrence.	2.5-5(a)	\$100.00	11/1/2022
Alarm Systems	False alarms (without current permit on file), not including fire alarms, occurring 1-6 times within any 12-month period, per occurrence.	2.5-5(a)	\$25.00	11/1/2022
Alarm Systems	False alarms (without current permit on file), not including fire alarms, occurring 7-10 times within any 12-month period, per occurrence.	2.5-5(a)	\$50.00	11/1/2022
Alarm Systems	False alarms (without current permit on file), not including fire alarms, occurring 11-15 times within any 12-month period, per occurrence.	2.5-5(a)	\$75.00	11/1/2022
Alarm Systems	False alarms (without current permit on file), not including fire alarms, occurring 16-20 times within any 12-month period, per occurrence.	2.5-5(a)	\$100.00	11/1/2022



Category	Description of Fee	Municipal Code Reference	Fee	Date Last Modified
Alarm Systems	False alarms (without current permit on file), not including fire alarms, occurring 21 or more times within any 12-month period, per occurrence.	2.5-5(a)	\$125.00	11/1/2022
Alarm Systems	Fire false alarms occurring 7-10 times within a permit year, per occurrence.	2.5-5(b)	\$150.00	
Alarm Systems	Fire false alarms occurring 11-15 times within a permit year, per occurrence.	2.5-5(b)	\$500.00	
Alarm Systems	Fire false alarms occurring 16 or more times within a permit year, per occurrence.	2.5-5(b)	\$630.00	
Alcoholic Beverage Occupation Taxes	Manufacturer of alcohol and spirits.	3-27(a)	\$2,000.00	
Alcoholic Beverage Occupation Taxes	Manufacturer of beer.	3-27(a)	Same as license	
Alcoholic Beverage Occupation Taxes	Manufacturer of wine.	3-27(a)	\$500.00	
Alcoholic Beverage Occupation Taxes	Alcoholic liquors distributor.	3-27(a)	\$1,500.00	
Alcoholic Beverage Occupation Taxes	Beer distributor.	3-27(a)	\$1000.00	
Alcoholic Beverage Occupation Taxes	Retailer of beer only, for consumption on the premises.	3-27(a)	\$200.00	

<b>Category</b>	<b>Description of Fee</b>	<b>Municipal Code Reference</b>	<b>Fee</b>	<b>Date Last Modified</b>
Alcoholic Beverage Occupation Taxes	Retailer of beer only, for consumption off the premises.	3-27(a)	\$200.00	
Alcoholic Beverage Occupation Taxes	Retailer of alcoholic liquors for consumption on the premises and off the premises.	3-27(a)	\$600.00	
Alcoholic Beverage Occupation Taxes	Retailer of alcoholic liquors for consumption off the premises.	3-27(a)	\$400.00	
Alcoholic Beverage Occupation Taxes	Retailer of alcoholic liquors for consumption on the premises.	3-27(a)	\$500.00	
Alcoholic Beverage Occupation Taxes	Special designated permit, per day.	3-27(a)	\$80.00	
Alcoholic Beverage Occupation Taxes	Non-beverage user: Class 1.	3-27(a)	\$10.00	
Alcoholic Beverage Occupation Taxes	Non-beverage user: Class 2.	3-27(a)	\$50.00	
Alcoholic Beverage Occupation Taxes	Non-beverage user: Class 3.	3-27(a)	\$100.00	
Alcoholic Beverage Occupation Taxes	Non-beverage user: Class 4.	3-27(a)	\$200.00	
Alcoholic Beverage Occupation Taxes	Non-beverage user: Class 5.	3-27(a)	\$500.00	

<b>Category</b>	<b>Description of Fee</b>	<b>Municipal Code Reference</b>	<b>Fee</b>	<b>Date Last Modified</b>
Alcoholic Beverage Occupation Taxes	Catering permit for Class C, D or I licensees.	3-27(a)	\$200.00	
Alcoholic Beverage Occupation Taxes	Bottle club.	3-27(a)	\$500.00	
Animals and Fowl	Animal impoundment fee for returned loose animals.	4-6	\$10.00	
Animals and Fowl	Dog and cat pet licenses.	4-11	Free	
Animals and Fowl	Daily boarding fee, payable along with impoundment fee.	4-25	\$5.00	
Animals and Fowl	First violation per owner or animal, payable along with impoundment fee.	4-25	\$15.00	
Animals and Fowl	Second violation per owner or animal, payable along with impoundment fee.	4-25	\$20.00	
Animals and Fowl	Third violation per owner or animal, payable along with impoundment fee.	4-25	\$30.00	
Bicycles and Scooters	Bicycle registration.	5-2(b)	Free	11/1/2022
Bicycles and Scooters	Duplicate bicycle registration.	5-2(b)	Free	11/1/2022
Bicycles and Scooters	Motor scooter (gas/electric) registration.	5-25(c)	\$5.00	
Bicycles and Scooters	Duplicate scooter (gas/electric) registration.	5-25(c)	\$5.00	
Bicycles and Scooters	Release from impoundment (not inclusive of towing or removal fees).	5-27(c)	\$25.00	
Building (General) Contractor Registration Fees	Issuance of general building contractor's registration (issued in first year of 3-year registration cycle).	6-38 6-40	\$150.00	12/1/2020

Category	Description of Fee	Municipal Code Reference	Fee	Date Last Modified
Building (General) Contractor Registration Fees	Issuance of general building contractor's registration (issued in second year of 3-year registration cycle)	6-38 6-40	\$100.00	12/1/2020
Building (General) Contractor Registration Fees	Issuance of general building contractor's registration (issued in third year of 3-year registration cycle).	6-38 6-40	\$50.00	12/1/2020
Building Permit Fees	Building permit fee per finished square foot for new construction and additions: ground floor and above.	6-18 6-162	\$.024	11/1/2022
Building Permit Fees	Building permit fee per square foot for new construction and additions: basement	6-18 6-162	\$0.17	11/1/2022
Building Permit Fees	Building permit fee per finished square foot for new construction and additions: attached garage.	6-18 6-162	\$0.135	11/1/2022
Building Permit Fees	Building permit fee per finished square foot for basement finish or remodel.	6-18 6-162	\$0.20	11/1/2022
Building Permit Fees	Building permit fee per square foot for unfinished and accessory structures: detached garages, accessory buildings, decks and warehouses.	6-18 6-162	\$0.17 up to 100,000 sq. ft. and \$0.01 for each additional sq. ft.	11/1/2022
Building Permit Fees	Building permit fee per foot of height for new communication towers.	6-18 6-162	\$6.00	11/1/2022
Building Permit Fees	Building permit fee per foot of height to co-locate on a tower.	6-18 6-162	\$3.00	11/1/2022
Building Permit Fees	Permit fee to locate a manufactured home in a mobile home park.	6-18 6-162	\$120.00	11/1/2022
Building Permit Fees	Permit fee to install an in-ground swimming pool.	6-18 6-162	\$120.00	11/1/2022
Building Permit Fees	Building permit fee to install a sign from 0-99 sq. ft.	6-18	\$33.50	11/1/2022

Category	Description of Fee	Municipal Code Reference	Fee	Date Last Modified
Building Permit Fees	Building permit fee to install a sign from 100-199 sq. ft.	6-18	\$60.50	11/1/2022
Building Permit Fees	Building permit fee to install a sign from 200-300 sq. ft.	6-18	\$120.00	11/1/2022
Building Permit Fees	Demolition permit	6-18 6-162	\$50.00	11/1/2022
Building Permit Fees	Miscellaneous/minimum permit fee.	6-18 6-162	\$33.50	11/1/2022
Building Permit Fees	Permit fee when work commences prior to permit application.	6-18 6-162	Triple normal permit fee	
Building Permit Fees	Re-inspection fee for third and subsequent re-inspection.	6-18 6-162	\$57.75	11/1/2022
Building Code Appeal	Application fee for appeal of a decision of a code official and/or the director of planning and development.	6-18	\$500.00 + publication and court reporter costs	12/1/2020
Electrical Code Appeal	Application fee for appeal of a decision of a code official and/or the director of planning and development	6-18 6-57	\$500.00 + publication and court reporter costs	12/1/2020
Electrical Contractor Registration Fees	First time issuance of State of Nebraska electrical contractor, Class B electrical contractor, Class A master electrician, Class B master electrician, special electrician, or a fire alarm installer's registration (issued in first year of 2-year registration cycle).	6-71	\$125.00	10/3/2016
Electrical Contractor Registration Fees	First time issuance of State of Nebraska electrical contractor, Class B electrical contractor, Class A master electrician, Class B master electrician, special electrician, or a fire alarm installer's registration (issued in second year of 2-year registration cycle).	6-71	\$75.00	12/1/2020

Category	Description of Fee	Municipal Code Reference	Fee	Date Last Modified
Electrical Contractor Registration Fees	Renewal issuance of State of Nebraska electrical contractor, Class B electrical contractor, Class A master electrician, Class B master electrician, special electrician, or a fire alarm installer's registration.	6-71	\$100.00	12/1/2020
Electrical Permit Fees	Electrical permit fee based on valuation of work to be completed from \$1.00 - \$1,500.00.	6-94	\$33.50	11/1/2022
Electrical Permit Fees	Electrical permit fee for work valued between \$1,501.00 and \$34,000.00. Permit cost calculated at \$5.00 per each \$500.00 value increase or fraction thereof, plus \$33.50 minimum permit fee.	6-94	\$33.50 (permit) + \$5.00/\$500.00 value increase	11/1/2022
Electrical Permit Fees	Electrical permit fee for work valued at greater than \$34,000.00. Permit cost calculated at \$10.00 per each \$1,000.00 value increase or fraction thereof, after \$34,000.00, plus \$358.50 minimum permit fee.	6-94	\$358.50 (permit) + \$10.00/\$1000.00 value increase	11/1/2022
Electrical Permit Fees	Minimum permit fee.	6-94	\$33.50	11/1/2022
Electrical Permit Fees	Permit fee when work commences prior to permit application.	6-94	Triple normal permit fee	
Electrical Permit Fees	Re-inspection fee for third and subsequent re-inspections.	6-94	\$57.75	11/1/2022
Energy Code Appeal	Application fee for appeal of a decision of a code official and/or the director of planning and development	6-18 6-172	\$500.00 + publication and court reporter costs	12/1/2020
Mechanical Permit Fees	New installation fee, per number of square feet conditioned.	6-107	\$0.0325	11/1/2022

Category	Description of Fee	Municipal Code Reference	Fee	Date Last Modified
Mechanical Permit Fees	Heating unit permit fee, under 140,000 BTU.	6-107	\$40.00	11/1/2022
Mechanical Permit Fees	Heating unit permit fee, 141,000 BTU - 499,000 BTU (per unit).	6-107	\$175.00	11/1/2022
Mechanical Permit Fees	Heating unit permit fee, greater than 499,000 BTU (per unit).	6-107	\$290.00	11/1/2022
Mechanical Permit Fees	Cooling unit permit fee, residential (per unit).	6-107	\$35.00	11/1/2022
Mechanical Permit Fees	Cooling unit permit fee, commercial (per ton).	6-107	12.00	11/1/2022
Mechanical Permit Fees	Cooling unit permit fee, industrial chillers (per unit).	6-107	\$830.00	11/1/2022
Mechanical Permit Fees	Miscellaneous installation fee (not requiring new/replacement equipment).	6-107	\$33.50	11/1/2022
Mechanical Permit Fees	Mixing/VAV (variable air volume) boxes.	6-107	\$33.50	11/1/2022
Mechanical Permit Fees	Exhaust fans: (excludes one- and two-family dwellings)	6-107	\$0.075 x exhaust CFM)	11/1/2022
Mechanical Permit Fees	Infrared pipe heating systems or hanging unit heaters permit fee (per unit).	6-107	\$40.00	11/1/2022
Mechanical Permit Fees	Minimum permit fee.	6-107	\$33.50	11/1/2022
Mechanical Permit Fees	Packaged Terminal Air Conditioner (PTAC Unit)	6-107	\$33.50 for first unit plus \$10.00 per each additional unit	11/1/2022
Mechanical Permit Fees	Permit fee when work commences prior to permit application.	6-107	Triple normal permit fee	
Mechanical Permit Fees	Re-inspection fee for third and subsequent re-inspections.	6-107	\$57.75	11/1/2022
Mechanical Contractor Registration Fees	First time issuance of mechanical contractor's 1 year registration.	6-109	\$75.00	10/3/2016

Category	Description of Fee	Municipal Code Reference	Fee	Date Last Modified
Mechanical Contractor Registration Fees	Renewal of mechanical contractor's registration, 1 year.	6-109	\$50.00	10/3/2016
Gas Contractor Registration Fees	Original gas contractor's registration.	6-111	\$75.00	
Gas Contractor Registration Fees	Renewal of gas contractor's registration.	6-111	\$50.00	
Mechanical Code Appeal	Application fee for appeal of a decision of a code official and/or the director of planning and development	6-18 6-113	\$500.00 + publication and court reporter costs	12/1/2020
Plumbing Permit Fees	1st trap installation.	6-122	\$11.75	11/1/2022
Plumbing Permit Fees	Additional trap installation fee (per trap).	6-122	\$6.00 plus \$0.0325 per finished square foot	11/1/2022
Plumbing Permit Fees	Installation of 4 inch sanitary sewer line, per 100 feet of line or fraction thereof.	6-122	\$14.00	11/1/2022
Plumbing Permit Fees	Installation of sanitary sewer line greater than 4 inches, per 100 feet of line or fraction thereof.	6-122	\$23.75	11/1/2022
Plumbing Permit Fees	Installation of private water line up to and including 1 inch line, per 100 feet of line or fraction thereof.	6-122	\$14.00	11/1/2022
Plumbing Permit Fees	Installation of private water line greater than 1-inch, per 100 feet of line or fraction thereof.	6-122	\$23.75	11/1/2022
Plumbing Permit Fees	Minimum permit fee.	6-122	\$33.50	11/1/2022
Plumbing Permit Fees	Permit fee when work commences prior to permit application.	6-122	Triple normal fee	3/19/2018
Private Water Line Installation	Re-inspection fee for third and subsequent re-inspection.	6-122	\$57.75	11/1/2022



<b>Category</b>	<b>Description of Fee</b>	<b>Municipal Code Reference</b>	<b>Fee</b>	<b>Date Last Modified</b>
Plumbing Code Appeal	Application fee for appeal of a decision of a code official and/or the director of planning and development	6-18 6-124	\$500.00 + publication and court reporter costs	12/1/2020
Plumbing Contractor Registration Fee	Original plumbing contractor's registration.	6-143(a)	\$75.00	
Plumbing Contractor Registration Fee	Renewal of plumbing contractor's registration.	6-143(a)	\$50.00	
Journeyman and Apprentice Plumber's Registration Fees	Original journeyman plumber's registration fee.	6-144(b)	\$50.00	
Journeyman and Apprentice Plumber's Registration Fees	Renewal of journeyman plumber's registration fee.	6-144(b)	\$25.00	
Journeyman and Apprentice Plumber's Registration Fees	Apprentice plumber's registration fee.	6-145	\$10.00	
Well Driller Registration Fees	Well driller's registration fee.	6-146	\$25.00	12/1/2020
Private Wastewater (Septic) System Installer Registration Fees	Private wastewater (septic) system installer's registration fee.	6-146	\$25.00	12/1/2020
One- and Two-Family Dwelling Code Appeal	Application fee for appeal of a decision of a code official and/or the director of planning and development	6-18 6-162	\$500.00 + publication and court reporter costs	12/1/2020

<b>Category</b>	<b>Description of Fee</b>	<b>Municipal Code Reference</b>	<b>Fee</b>	<b>Date Last Modified</b>
Property Maintenance	Application fee for appeal of a decision of a code official and/or the director of planning and development.	6-183	\$500.00 + publication and court reporter costs	10/1/2018
Fuel Gas Code Appeal	Application fee for appeal of a decision of a code official and/or the director of planning and development	6-18 6-192	\$500.00 + publication and court reporter costs	12/1/2020
Fireworks	Fireworks stand occupation tax (annually, per permit).	8-5	\$500.00	10/1/2018
Fire Code Permit Fees	L.P.G. tank, 20 - 500 gallon water capacity.	8-28	\$25.00	
Fire Code Permit Fees	L.P.G. tank, 501 - 90,000 gallon water capacity.	8-28	\$35.00	
Fire Code Permit Fees	Flammable and combustible liquid tanks, 50 - 20,000 gallon water capacity.	8-28	\$70.00	
Fire Sprinkler and Suppression Contractor Fees	Initial registration to install fire sprinkler and suppression systems.	8-29	\$75.00	
Fire Code Permit Fees	Annual re-registration to install fire sprinkler and suppression systems.	8-29	\$50.00	
Fire Sprinkler and Suppression Contractor Fees	Fire sprinkler system permit, per head.	8-29	\$1.50	
Fire Sprinkler and Suppression Contractor Fees	Fire suppression system permit, per extinguishing agent discharge point.	8-29	\$3.00	
Fire Alarm Installer Contractor Fees	First time issuance of fire alarm installer contractor 1 year registration.	8-31	\$75.00	10/3/2016

Category	Description of Fee	Municipal Code Reference	Fee	Date Last Modified
Fire Alarm Installer Contractor Fees	First time issuance of fire alarm installer contractor 2 year registration.	8-31	\$125.00	10/3/2016
Fire Alarm Installer Contractor Fees	Renewal of fire alarm installer contractor 2 year registration.	8-31	\$100.00	10/3/2016
Fire Alarm Installer Contractor Fees	Fire alarm system permit fee, per initiation and warning device.	8-31	\$2.00	3/19/2018
Fire Code Appeal	Application fee for appeal of a decision of the fire code official	8-45	\$500.00 + publication and court reporter costs	12/1/2020
Garbage and Trash	Typical municipal solid waste, per ton.	10-27(1)	\$78.80	11/1/2022
Garbage and Trash	NNSWC gate fee, per ton.	10-28(a)	\$24.00	
Garbage and Trash	Transfer station inspection fee, per load.	10-28(b)	\$8.00	
Garbage and Trash	Transfer station minimum MSW fee, per vehicle.	10-28(c)	\$12.00	
Garbage and Trash	Transfer station operating fee, per ton.	10-28(c)	\$54.80	11/1/2022
Garbage and Trash	Sale of compost and wood chips (after first 1,000 lbs.), per ton		\$10.00	10/1/2021
Garbage and Trash	Sorting/loading labor, per hour.	10-28(d)	\$40.00	11/4/2013
Garbage and Trash	Handling of items unacceptable for transfer to NNSWC landfill, per item	10-28(d)	\$10.00	6-01-2020
Garbage and Trash	Crematory, single animal.	10-28(d)	\$45.00	11/1/2022
Garbage and Trash	Crematory, multiple animals.	10-28(d)	\$90.00	11/1/2022
Garbage and Trash	Crematory, contraband	10-28(d)	\$90.00	11/1/2022

Category	Description of Fee	Municipal Code Reference	Fee	Date Last Modified
Garbage and Trash	Automotive battery, each.	10-28(d)	\$5.00	
Garbage and Trash	Computer/TV monitors, each.	10-28(d)	\$15.00	10/1/2016
Garbage and Trash	Computer system disposal, each.	10-28(d)	\$15.00	
Garbage and Trash	Concrete, clean and un-coated, per ton.	10-28(d)	\$5.00	
Garbage and Trash	Concrete, coated and/or painted, per ton.	10-28(d)	\$5.00	
Garbage and Trash	Construction and demolition, untreated dimensional lumber, per ton.	10-28(d)	\$30.00	
Garbage and Trash	Car tires, each.	10-28(d)	\$5.00	11/1/2022
Garbage and Trash	Hazardous waste.	10-28(d)	Actual costs associated with handling, storage and disposal	
Garbage and Trash	Light truck tires, each.	10-28(d)	\$5.00	11/1/2022
Garbage and Trash	Truck tires/skid loader rubber tracks, each.	10-28(d)	\$15.00	10/6/2014
Garbage and Trash	Implement/racing/skid steer tires, each.	10-28(d)	\$35.00	10/1/2018
Garbage and Trash	Tire with rim, each.	10-28(d)	Twice the stated tire fee	
Garbage and Trash	Appliances, each.	10-30(a)	\$12.00	11/1/2022
Garbage and Trash	Appliances with Freon, each.	10-30(a)	\$35.00	11/1/2022
Garbage and Trash	Yard waste, per 36 gallon bag.	10-30(b)	\$0.60	
Garbage and Trash	Yard waste, per cubic yard.	10-30(b)	\$3.00	10/1/2011
Garbage and Trash	Yard waste, per ton.	10-30(b)	\$19.00	
Garbage and Trash	Yard waste, flat rate for standard size pickup boxes and smaller, each.	10-30(b)	\$3.00	

<b>Category</b>	<b>Description of Fee</b>	<b>Municipal Code Reference</b>	<b>Fee</b>	<b>Date Last Modified</b>
Garbage and Trash	Tree waste, per ton.	10-30(c)	\$19.00	
Garbage and Trash	Brush and limbs, flat rate for standard size pickup boxes and smaller, each.	10-30(c)	\$3.00	
Garbage and Trash	Floppy discs, flash drives, small tape back-ups shredding, each.	NA	\$0.50	11/4/2013
Garbage and Trash	Large tape back-ups, phones without batteries shredding, each.	NA	\$1.00	11/4/2013
Garbage and Trash	Hard drives shredding, each.	NA	\$2.00	10/1/2018
Garbage and Trash	Tractor tires/large rubber tractor tracks, each.	NA	\$100.00	10/1/2018
Garbage and Trash	Scale out weighing, one weight from stored weights, one weight is new.	NA	\$10.00	11/1/2022
Garbage and Trash	Scale in weighing, weigh a vehicle in and out.	NA	\$10.00	11/4/2013
Garbage and Trash	Sale of dirt, pickup or small trailer loaded by hand.	NA	\$5.00	11/4/2013
Garbage and Trash	Transfer trailer rent and transportation (within city limits and extraterritorial zoning jurisdiction only), per load.	10-29	\$250.00 plus landfill gate fee	10/1/2016
Health and Sanitation	Public pool operating permit (class B, C, D, E, or F pools).	11-47	\$50.00	10/1/2013
Permits and Business Regulations	Circus, annual fee (not required for non-profit or civic clubs).	13-17(a)	\$500.00	
Permits and Business Regulations	Carnival, daily fee.	13-17(b)	\$50.00	
Permits and Business Regulations	Salvage yard permit annual fee.	13-42(a)	\$50.00	

<b>Category</b>	<b>Description of Fee</b>	<b>Municipal Code Reference</b>	<b>Fee</b>	<b>Date Last Modified</b>
Permits and Business Regulations	Antique and used merchandise annual permit.	13-58(a)	\$25.00	
Permits and Business Regulations	Auction permit, annual fee.	13-58(a)	\$25.00	
Permits and Business Regulations	Second hand dealer permit, annual fee.	13-58(a)	\$25.00	
Permits and Business Regulations	Pawnbroker's permit, annual fee.	13-71(b)	\$100.00	11/21/2011
Permits and Business Regulations	Telecommunications occupation tax.	13-80(a)	3% gross receipts	
Permits and Business Regulations	Failure of telephone company to provide statement of quarterly gross receipts subject to occupation tax.	13-82(b)	\$25,000.00	
Permits and Business Regulations	Itinerant merchant, 30-day permit	13-113(a)	\$25.00	2/21/2017
Permits and Business Regulations	Itinerant merchant, 90-day permit	13-113(a)	\$60.00	2/21/2017
Permits and Business Regulations	Itinerant merchant, 180-day permit	13-113(a)	\$125.00	2/21/2017
Permits and Business Regulations	Itinerant merchant, annual permit	13-113(a)	\$250.00	2/21/2017
Permits and Business Regulations	Itinerant merchant (occupation tax), per vehicle.	13-113(a)	\$50.00	2/21/2017
Permits and Business Regulations	Peddler/solicitor, 30-day permit	13-113(b)	\$25.00	2/21/2017
Permits and Business Regulations	Peddler/solicitor, 90-day permit	13-113(b)	\$60.00	2/21/2017

<b>Category</b>	<b>Description of Fee</b>	<b>Municipal Code Reference</b>	<b>Fee</b>	<b>Date Last Modified</b>
Permits and Business Regulations	Peddler/solicitor, 180-day permit	13-113(b)	\$125.00	2/21/2017
Permits and Business Regulations	Peddler/solicitor, annual permit	13-113(b)	\$250.00	2/21/2017
Permits and Business Regulations	Peddler/solicitor (occupation tax) per vehicle	13-113(b)	\$5.00	2/21/2017
Permits and Business Regulations	Street vendor/temporary merchant, 30-day permit	13-113(c)	\$25.00	2/21/2017
Permits and Business Regulations	Street vendor/temporary merchant, 90-day permit	13-113(c)	\$60.00	2/21/2017
Permits and Business Regulations	Street vendor/temporary merchant, 180-day permit	13-113(c)	\$125.00	2/21/2017
Permits and Business Regulations	Street vendor/temporary merchant, annual permit	13-113(c)	\$250.00	2/21/2017
Permits and Business Regulations	Street vendor/temporary merchant (occupation tax), per vehicle.	13-113(c)	\$5.00	2/21/2017
Permits and Business Regulations	Appeal of denied itinerant merchant, peddler, solicitor, street vendor, or temporary merchant permit, non-refundable.	13-117	\$100.00	11/21/2011
Permits and Business Regulations	Games of chance (occupation tax).	13-143	5% of gross receipts per quarter	
Permits and Business Regulations	Distributing gambling devices (occupation tax).	13-144	5% of gross receipts per quarter	
Permits and Business Regulations	Gambling device permit fee per location.	13-148	\$10.00	
Permits and Business Regulations	Horse-drawn carriage business license	13-202	\$25.00	11/21/2011

<b>Category</b>	<b>Description of Fee</b>	<b>Municipal Code Reference</b>	<b>Fee</b>	<b>Date Last Modified</b>
Permits and Business Regulations	Sidewalk café, annual license/renewal (May 1 through April 30)	13-311	\$250.00	5/6/2019
Permits and Business Regulations	Small wireless facilities, application fee for collocation on existing city pole, per facility (not to exceed \$500 for up to 5 facilities on same application)	13-231(a)	\$100.00	9/8/2020
Permits and Business Regulations	Small wireless facilities, application for installation modification, or replacement of utility pole and collocation of facility thereon, per pole	13-231(a)	\$250.00	9/8/2020
Permits and Business Regulations	Small wireless facilities, use of city's right of way, annually	13-231(b)	Occupation tax levied under Sec. 13-80(a)	9/8/2020
Permits and Business Regulations	Small wireless facilities, collocation of facility on city pole in city's right of way, per pole annually	13-231(b)	\$20.00	9/8/2020
Permits and Business Regulations	Sexually oriented business registration/renewal, annually	13-354(a)	\$250.00	6/7/2021
Permits and Business Regulations	Sexually oriented business manager's registration/renewal, annually	13-354(a)	\$50.00	6/7/2021
Permits and Business Regulations	Sexually oriented business, application fee for initial registration	13-354(b)	\$250.00	6/7/2021
Permits and Business Regulations	Short-term rental license, annually	13-373(e)	\$150.00	6/7/2021
Mobile Homes and Mobiles Home Parks	Mobile home park permit, plus \$1.00 per space.	15-33	\$25.00 + \$1.00 per space	
Nuisances	Administrative weed/litter/drainage fee.	17-16	\$25.00	



<b>Category</b>	<b>Description of Fee</b>	<b>Municipal Code Reference</b>	<b>Fee</b>	<b>Date Last Modified</b>
Nuisances	Weed abatement fee.	17-16	Cost as billed by contractor plus \$0.01 per square foot if weeds are controlled by the city	
Nuisances	Litter removal.	17-16	Actual cost of litter removal	
Nuisances	Stagnant water mitigation.	17-16	Actual cost of draining and filling to remove stagnant water	
Nuisances	Graffiti removal.	17-55(c)	Actual cost to remove graffiti	
Response to Large Parties	Large party response fee.	20-8	Actual cost	
Streets and Sidewalks	Sidewalk mobilization fee.	22-23(c)	\$100.00	
Streets and Sidewalks	Construction or repair of sidewalks per square foot.	22-23(c)	\$10.00	
Streets and Sidewalks	Under concrete pavement minimum fee, includes first 2 square yards.	22-68(a)	\$375.00	
Streets and Sidewalks	Under concrete pavement, cost per additional square yard or fraction thereof.	22-68(a)	\$75.00	
Streets and Sidewalks	Under gravel or earth roads minimum fee, includes first 2 square yards.	22-68(a)	\$120.00	
Streets and Sidewalks	Under gravel or earth roads, cost per additional square yard or fraction thereof.	22-68(a)	\$40.00	
Streets and Sidewalks	Concrete paving cuts, cost per foot.	22-68(a)	\$5.00	
Streets and Sidewalks	Concrete paving cuts, minimum fee.	22-68(a)	\$50.00	
Streets and Sidewalks	Sawing and removing curbs, cost per foot.	22-68(a)	\$8.00	
Streets and Sidewalks	Removing curb and gutter, cost per foot.	22-68(a)	\$5.00	
Streets and Sidewalks	Curb removal minimum fee.	22-68(a)	\$100.00	

<b>Category</b>	<b>Description of Fee</b>	<b>Municipal Code Reference</b>	<b>Fee</b>	<b>Date Last Modified</b>
Streets and Sidewalks	Curb removal by grinding, permit fee.	22-68(a)	\$15.00	
Streets and Sidewalks	Curb removal by grinding, cost per lineal foot.	22-68(a)	\$11.50	10/1/2019
Streets and Sidewalks	Curb removal by grinding, minimum fee (non-inclusive of permit fee).	22-68(a)	\$100.00	
Streets and Sidewalks	Curb removal by grinding, contractor permit fee.	22-68(a)	\$15.00	
Streets and Sidewalks	Fill material for backfilling, cost per cubic yard.	22-68(a)	\$7.00	
Streets and Sidewalks	Rental price per day: 12 foot barricade with legs.	22-68(b)	\$3.00	
Streets and Sidewalks	Rental price per day: solar lights.	22-68(b)	\$2.00	
Streets and Sidewalks	Rental price per day: plastic drum.	22-68(b)	\$3.50	
Streets and Sidewalks	Replacement fee: each 12 foot barricade.	22-68(b)	\$20.00	
Streets and Sidewalks	Replacement fee: each damaged "A" frame leg.	22-68(b)	\$20.00	
Streets and Sidewalks	Replacement fee: each solar light.	22-68(b)	\$25.00	
Streets and Sidewalks	Replacement fee: each plastic drum.	22-68(b)	\$75.00	
Moving Buildings	Annual building mover's registration.	22-88	\$105.00	10/1/2019
Moving Buildings	Single event building mover's fee.	22-88	\$55.00	10/1/2019
Moving Buildings	Permit to move buildings.	22-98	\$30.00	10/1/2019
Subdivisions	Lot boundary change filing fee.	23-16.1(b)	\$150.00	10/1/2019
Subdivisions	Preliminary plat approval.	23-21	\$300.00	11/1/2022
Subdivisions	Preliminary plat fee per lot.	23-21	\$15.00	10/1/2019
Subdivisions	Final plat approval.	23-21	\$300.00	11/1/2022
Subdivisions	Final plat fee per lot.	23-21	\$10.00	10/1/2019
Subdivisions	Request for a waiver of minimum subdivision improvements.	23-48	\$250.00	

Category	Description of Fee	Municipal Code Reference	Fee	Date Last Modified
Traffic	Impounded vehicle storage fee, first day.	24-152(c)	\$25.00	
Traffic	Impounded vehicle storage fee, subsequent days.	24-152(c)	\$5.00	
Traffic	Cost of towing an impounded vehicle.	24-152(c)	Actual cost	
Roll Off Refuse Boxes	Permit for placement on street right of way (10-day permit)	24-284(a)	\$50.00	10/3/2016
Roll Off Refuse Boxes	Permit for placement on street right of way (5-day extension)	24-284(a)	\$25.00	10/3/2016
Utility-type Vehicles	Registration plate and/or decal, annual fee.	24-356(a)(3)	\$50.00	6-01-2020
Utility-type Vehicles	Replacement for lost or damaged registration plate and/or decal.	24-356(a)(3)	\$25.00	6-01-2020
Golf Car Vehicles	Registration plate and/or decal, annual fee.	24-375(a)(3)	\$50.00	(date of ordinance)
Golf Car Vehicles	Replacement for lost or damaged registration plate and/or decal.	24-375(a)(3)	\$25.00	(date of ordinance)
Trees and Shrubbery	Failure to reimburse city for abatement of nuisance, in addition to cost of abatement.	25-2(d)	\$25.00	
Water	Final reading required before new water and/or sewer service.	26-2	\$30.00	
Water	Water and/or sewer service turn on fee for newly constructed residences and businesses.	26-2	\$30.00	
Water	Water system tap fee.	26-11(a)	\$115.00 + materials	10/1/2018
Water	Connection to water system, per front foot of property.	26-11(b)	Average of 5 most recent districts	12/1/2020
Water	Restoration of water service during normal business hours.	26-18	\$30.00	
Water	Restoration of water service outside of normal business hours.	26-18	\$45.00	
Water Rates and Charges	Water usage rate for the first 660 cubic feet of water inside city limits.	26-41(b)	minimum fee for meter size	

<b>Category</b>	<b>Description of Fee</b>	<b>Municipal Code Reference</b>	<b>Fee</b>	<b>Date Last Modified</b>
Water Rates and Charges	Water usage rate per 100 cubic feet from 660 to 6,660 cubic feet of water inside city limits.	26-41(b)	\$1.61	11/1/2022
Water Rates and Charges	Water usage rate per 100 cubic feet from 6,660 to 33,660 cubic feet of water inside city limits.	26-41(b)	\$1.29	11/1/2022
Water Rates and Charges	Water usage rater per 100 cubic feet for water usage over 33,660 cubic feet inside city limits.	26-41(b)	\$1.14	11/1/2022
Water Rates and Charges	Water usage rate for the first 660 cubic feet of water outside city limits.	26-41(b)	minimum fee for meter size	
Water Rates and Charges	Water usage rate per 100 cubic feet from 660 to 6,660 cubic feet of water outside city limits.	26-41(b)	\$3.24	11/1/2022
Water Rates and Charges	Water usage rate per 100 cubic feet from 6,660 to 33,660 cubic feet of water outside city limits.	26-41(b)	\$2.60	11/1/2022
Water Rates and Charges	Water usage rater per 100 cubic feet for water usage over 33,660 cubic feet outside city limits.	26-41(b)	\$1.91	11/1/2022
Water Rates and Charges	Minimum charge for 5/8 inch water meter within city limits, per bi-monthly billing period.	26-41(c)	\$14.32	11/1/2022
Water Rates and Charges	Minimum charge for 3/4 inch water meter within city limits, per bi-monthly billing period.	26-41(c)	\$15.51	11/1/2022
Water Rates and Charges	Minimum charge for 1 inch water meter within city limits, per bi-monthly billing period.	26-41(c)	\$18.23	11/1/2022
Water Rates and Charges	Minimum charge for 1 1/2 inch water meter within city limits, per bi-monthly billing period.	26-41(c)	\$33.32	11/1/2022
Water Rates and Charges	Minimum charge for 2 inch water meter within city limits, per bi-monthly billing period.	26-41(c)	\$51.54	11/1/2022
Water Rates and Charges	Minimum charge for 3 inch water meter within city limits, per bi-monthly billing period.	26-41(c)	\$98.05	11/1/2022

<b>Category</b>	<b>Description of Fee</b>	<b>Municipal Code Reference</b>	<b>Fee</b>	<b>Date Last Modified</b>
Water Rates and Charges	Minimum charge for 4 inch water meter within city limits, per bi-monthly billing period.	26-41(c)	\$150.85	11/1/2022
Water Rates and Charges	Minimum charge for 6 inch water meter within city limits, per bi-monthly billing period.	26-41(c)	\$289.12	11/1/2022
Water Rates and Charges	Minimum charge for 5/8 inch water meter outside city limits, per bi-monthly billing period.	26-41(c)	\$28.66	11/1/2022
Water Rates and Charges	Minimum charge for 3/4 inch water meter outside city limits, per bi-monthly billing period.	26-41(c)	\$31.05	11/1/2022
Water Rates and Charges	Minimum charge for 1 inch water meter outside city limits, per bi-monthly billing period.	26-41(c)	<u>\$36.45</u>	11/1/2022
Water Rates and Charges	Minimum charge for 1 1/2 inch water meter outside city limits, per bi-monthly billing period.	26-41(c)	<u>\$66.63</u>	11/1/2022
Water Rates and Charges	Minimum charge for 2 inch water meter outside city limits, per bi-monthly billing period.	26-41(c)	<u>\$103.08</u>	11/1/2022
Water Rates and Charges	Minimum charge for 3 inch water meter outside city limits, per bi-monthly billing period.	26-41(c)	<u>\$196.10</u>	11/1/2022
Water Rates and Charges	Minimum charge for 4 inch water meter outside city limits, per bi-monthly billing period.	26-41(c)	<u>\$301.69</u>	11/1/2022
Water Rates and Charges	Minimum charge for 6 inch water meter outside city limits, per bi-monthly billing period.	26-41(c)	<u>\$578.24</u>	11/1/2022
Water Rates and Charges	Service fee: delinquent charges collected more than once in a 12 month period.	26-46(a)	\$30.00	
Sewers	Connection to, extension or alteration of, existing sewer lines per front foot of property.	26-58(a)	Average of 5 most recent districts	12/1/2020
Sewers	Building sewer application, permit, and inspection fee (building sewer terminated in sewer main).	26-59(b)	\$20.00	12/2/2013

<b>Category</b>	<b>Description of Fee</b>	<b>Municipal Code Reference</b>	<b>Fee</b>	<b>Date Last Modified</b>
Sewers	Building sewer application, permit, and inspection fee (building sewer terminated in manhole).	26-59(l)	\$20.00	12/2/2013
Sewers	Appeal of decision of city engineer.	26-64(a)	\$500.00 + publication and court reporter costs	11/4/2013
Sewers	Individual septic/sewage system construction permit filing fee.	26-80	\$25.00	3/19/2018
Water and Sewer Inspection	Inspection of water, sewer or disposal system as a condition of the sale of real estate or for the financing thereof.	26-86(c)	\$50.00	
Wastewater Treatment	Residential and commercial waste water treatment, minimum bi-monthly charge.	26-97(e)	\$30.44	11/1/2022
Wastewater Treatment	Additional charge per 100 cubic feet of waste water over 400 cubic feet of waste water per bi-monthly billing period.	26-97(e)	\$2.60	11/1/2022
Wastewater Treatment	Normal charge, per 1,000,000 gallons, for wastewater of greater strength than normal domestic sewage where BOD is equal or less than 250mg/L, TSS is equal or less than 250mg/L, and TKN is equal to or less than 30 mg/L.	26-97(f)	\$3,228.49	11/1/2022
Wastewater Treatment	Charge for biochemical oxygen demand (BOD) for high strength waste.	26-97(f)	\$0.1913 per pound above 250mg/L	11/1/2022
Wastewater Treatment	Charge for total suspended solids (TSS) for high strength waste.	26-97(f)	\$0.2153 per pound above 250 mg/L	11/1/2022
Wastewater Treatment	Charge for total Kjeldahl nitrogen for high strength waste.	26-97(f)	\$0.6986 per pound above 30 mg/L	11/1/2022
Wastewater Treatment	Minimum charge for mud pit waste disposed of at the wastewater plant's dump station.	26-97(i)	\$190.00, plus transfer station tipping fees established in section 10-28	10/1/2018

<b>Category</b>	<b>Description of Fee</b>	<b>Municipal Code Reference</b>	<b>Fee</b>	<b>Date Last Modified</b>
Wastewater Treatment	Minimum charge for septic waste.	26-97(i)	\$0.04 per gallon	10/1/2018
Wastewater Treatment	Sewer reconnection fee, inside normal business hours for users of city sewer and water.	26-99.5	\$30.00	
Wastewater Treatment	Sewer reconnection fee, outside normal business hours for users of city sewer and water.	26-99.5	\$45.00	
Wastewater Treatment	Sewer only customers, second attempt to collect delinquent payment.	26-99.6	\$15.00	
Wastewater Treatment	Sewer only customers, third and subsequent attempts to collect delinquent payment.	26-99.6	\$30.00	
Wastewater Treatment	Exposure and disconnection of sewer.	26-99.6	Actual cost	
Wastewater Treatment	Permit to discharge waste industrial waste into a public sewer.	26-141(c)	\$100.00	
Stormwater	Appeal of decision of city engineer	26-193	\$500.00 + publication costs	(10-1-19)
Stormwater	Stormwater fee for residential customers, per month	26-201	\$2.00	11/1/2022
Stormwater	Stormwater fee for commercial and industrial customers, per month	26-201	\$6.00	11/1/2022
Zoning	Application of appeal to zoning board of adjustment.	27-31(3)	\$500.00 + publication costs	10/1/2013
Zoning	Amendment to zoning district map.	27-38(b)	\$325.00 + publication costs	11/1/2022
Zoning	Conditional use permit.	27-56(2)a 27-380	\$325.00 + publication costs	11/1/2022
Zoning	Permit to keep hens, bantam hens and/or ducks, annual permit or renewal	27-295(1)a	\$15.00	(4/3/2023)
Zoning	Release of a temporary sign removed from public right-of-way and held in the street division's enclosed yard.	27-323(a)4	\$50.00	

<b>Category</b>	<b>Description of Fee</b>	<b>Municipal Code Reference</b>	<b>Fee</b>	<b>Date Last Modified</b>
Zoning	Post-platting hard surface waiver filing fee.	27-351	\$250.00 + publication costs	
Zoning	Eligible facility permit	27-380	\$300.00	9/8/2020
Miscellaneous: Administration	Returned check or ACH fee	NA	\$30.00	11/1/2022
Miscellaneous: Baseball fields	Practice and games, annual per team.	NA	\$70.00	10/6/2014
Miscellaneous: Cabin Rentals	Club house daily rental fee.	NA	\$60.00	
Miscellaneous: Cabin Rentals	Club house refundable damage deposit (cash only).	NA	\$100.00	2/19/2013
Miscellaneous: Cabin Rentals	Elkhorn lodge daily rental fee.	NA	\$200.00	2/19/2013
Miscellaneous: Cabin Rentals	Elkhorn lodge refundable damage deposit (cash only).	NA	\$200.00	2/19/2013
Miscellaneous: Cabin Rentals	Shelter house daily rental fee.	NA	\$35.00	
Miscellaneous: Cabin Rentals	Shelter house refundable damage deposit (cash only).	NA	\$100.00	2/19/2013
Miscellaneous: Cabin Rentals	Woodland cabin daily rental fee.	NA	\$45.00	
Miscellaneous: Cabin Rentals	Woodland cabin refundable damage deposit (cash only).	NA	\$100.00	2/19/2013
Miscellaneous: Cross country course	Practice and meets, annual per team	NA	\$40.00	10/6/2014
Miscellaneous: Electric Vehicles	Vehicle charging fee for first 4 hours, flat fee	NA	\$2.00	6/7/2021
Miscellaneous: Electric Vehicles	Vehicle charging fee after first 4 hours, per hour	NA	\$1.00	6/7/2021
Miscellaneous: Fire Department	Copy of a fire report.	NA	\$10.00	
Miscellaneous: Planning & Development Department	Copy of plat, mailed.	NA	\$8.00	11/1/2022



<b>Category</b>	<b>Description of Fee</b>	<b>Municipal Code Reference</b>	<b>Fee</b>	<b>Date Last Modified</b>
Miscellaneous: Planning & Development Department	Detailed zoning verification questionnaire response	NA	\$50.00	10/1/2011
Miscellaneous: Planning & Development Department	Detailed code compliance questionnaire response	NA	\$50.00	10/1/2011
Miscellaneous: Fire Department	Special operations/activities.	NA	Actual cost	
Miscellaneous: Fire Department	Subpoenaed copy of a rescue report.	NA	\$10.00	
Miscellaneous: Football/soccer Field	Adult practice Category 1 group, per hour (2 hour minimum)	NA	\$100.00	4/5/2012
Miscellaneous: Football/soccer Field	Adult practice Category 2 group, per hour (2 hour minimum)	NA	\$125.00	4/5/2012
Miscellaneous: Football/soccer Field	Adult game, single Category 1 group	NA	\$750.00	4/5/2012
Miscellaneous: Football/soccer Field	Adult game, single Category 2 group	NA	\$1,000.00	4/5/2012
Miscellaneous: Football/soccer Field	Adult tournament Category 1 group, per day	NA	\$1,000.00	4/5/2012
Miscellaneous: Football/soccer Field	Adult tournament Category 2 group, per day	NA	\$1,250.00	4/5/2012
Miscellaneous: Football/soccer Field	Youth practice, Category 1 group, per hour (2 hour minimum)	NA	\$50.00	4/5/2012
Miscellaneous: Football/soccer Field	Youth practice, Category 2 group, per hour (2 hour minimum)	NA	\$75.00	4/5/2012

Category	Description of Fee	Municipal Code Reference	Fee	Date Last Modified
Miscellaneous: Football/soccer Field	Youth games outside of regular season, (i.e. tournaments) Category 1 groups	NA	\$250.00	4/5/2012
Miscellaneous: Football/soccer Field	Youth games outside of regular season, (i.e. tournaments) Category 2 groups	NA	\$250.00	4/5/2012
Miscellaneous: Football/soccer /baseball Field at Veterans Memorial Park	Special event	NA	To be determined by nature of event	10/1/2021
Miscellaneous: Football and Soccer fields (other than Veterans Memorial)	Practice and games, annual per team	NA	\$40.00	10/6/2014
Miscellaneous: Football/soccer Field	Adult, per day (depending upon availability)	NA	\$500.00	4/5/2012
Miscellaneous: Library	Late book fee, per day.	NA	\$0.10	10/1/2011
Miscellaneous: Library	Late DVD fee, per day.	NA	\$.25	
Miscellaneous: Library	Late hotspot fee, per day.	NA	\$1.00	10/1/2018
Miscellaneous: Library	Late audio book fee, per day.	NA	\$0.10	
Miscellaneous: Library	Late CD fee, per day.	NA	\$.25	10/1/2011
Miscellaneous: Library	Late video game fee, per day	NA	\$.25	10/1/2018
Miscellaneous: Library	Late magazine fee, per day	NA	\$.10	10/1/2018
Miscellaneous: Library	Photo copy, each.	NA	\$0.10	
Miscellaneous: Library	Lost materials.	NA	Actual cost of replacement	
Miscellaneous: Library	Genealogy research fee.	NA	\$10.00	

<b>Category</b>	<b>Description of Fee</b>	<b>Municipal Code Reference</b>	<b>Fee</b>	<b>Date Last Modified</b>
Miscellaneous: Library	Interlibrary loan: microfilm/roll.	NA	\$3.00	
Miscellaneous: Parking	Replacement parking tag	NA	\$25.00	2/3/2014
Miscellaneous: Parking stall rental	Annual fee	NA	\$80.00	9/8/2020
Miscellaneous: Parking stall rental	Quarterly fee	NA	\$17.50	11-20-2017
Miscellaneous: Parks	Overnight camping in Ta-Ha-Zouka Park, per night	NA	\$24.00	11/1/2022
Miscellaneous: Parks	Overnight camping in Ta-Ha-Zouka Park (primitive), per night	NA	\$16.00	11/1/2022
Miscellaneous: Parks	Reservable picnic shelter	NA	\$35.00	10/1/2011
Miscellaneous: Parks	Reservable stage at Central Park	NA	\$35.00	9/1/2015
Miscellaneous: Parks	Reservable stage at Skyview Park	NA	\$35.00	9/1/2015
Miscellaneous: Police Department	Copy of an accident report, picked up.	NA	\$3.00	
Miscellaneous: Police Department	Copy of an accident report, mailed.	NA	\$4.00	
Miscellaneous: Police Department	Records subpoena.	NA	\$18.00	
Miscellaneous: Police Department	Copy of a video.	NA	\$20.00	
Miscellaneous: Police Department	Copy of a photo.	NA	\$1.00/sheet	
Miscellaneous: Police Department	Criminal history check.	NA	\$5.00	

<b>Category</b>	<b>Description of Fee</b>	<b>Municipal Code Reference</b>	<b>Fee</b>	<b>Date Last Modified</b>
Miscellaneous: Police Department	Finger printing.	NA	\$10.00	
Miscellaneous: Police Department	Gun permit (background check).	NA	\$5.00	
Miscellaneous: Police Department	Breath test related to DUI.	NA	\$35.00	
Miscellaneous: Police Department	Blood/urine test related to DUI.	NA	\$155.00	10/1/2013
Miscellaneous: Recreational Programs	Recreation programs	NA	\$0-\$275.00 (To be determined by nature of program)	11/1/2022
Miscellaneous: Recreational Programs	Girls softball, per child.	NA	\$15.00	10/1/2011
Miscellaneous: Recreational Programs	Girls softball, late registration, per child.	NA	\$18.00	10/1/2011
Miscellaneous: Recreational Programs	Kreative Kids per child, per session.	NA	\$20.00	10/1/2011
Miscellaneous: Recreational Programs	Men's basketball, per team.	NA	\$255.00	10/1/2011
Miscellaneous: Recreational Programs	Women's volleyball, per team.	NA	\$160.00	10/1/2011
Miscellaneous: Recreational Programs	Coed volleyball, per team.	NA	\$160.00	10/1/2011
Miscellaneous: Recreational Programs	Summer girl's volleyball, per team.	NA	\$120.00	
Miscellaneous: Recreational Programs	Summer girl's basketball, per team.	NA	\$250.00	

<b>Category</b>	<b>Description of Fee</b>	<b>Municipal Code Reference</b>	<b>Fee</b>	<b>Date Last Modified</b>
Miscellaneous: Recreational Programs	Men's flag football, per team.	NA	\$220.00	10/1/2011
Miscellaneous: Recreational Programs	Swimming lessons, per student.	NA	\$45.00	8/15/2016
Miscellaneous: Softball fields	Practice and games, annual per team.	NA	\$70.00	10/6/2014
Miscellaneous: Street Department	Special operations/activities.	NA	Actual cost	
Miscellaneous: Swimming Pool Admissions	AquaVenture Daily admission: youth (age 4-15).	NA	\$6.00	10/1/2012
Miscellaneous: Swimming Pool Admissions	AquaVenture Daily admission: adult (age 16-54).	NA	\$8.00	10/1/2012
Miscellaneous: Swimming Pool Admissions	AquaVenture Daily admission: senior (age 55 & up).	NA	\$7.00	10/1/2012
Miscellaneous: Swimming Pool Admissions	AquaVenture Group daily admission: (maximum 6 people).	NA	\$35.00	2/21/2017
Miscellaneous: Swimming Pool Admissions	Individual season pass: (all ages).	NA	\$100.00	2/21/2017
Miscellaneous: Swimming Pool Admissions	Group season pass (maximum 6 people).	NA	\$220.00	11-20-2017
Miscellaneous: Swimming Pool Admissions	Children 3 and under.	NA	Free	2/21/2017
Miscellaneous: Tennis	Practice and meets, annual per team.	NA	\$40.00	10/6/2014

Category	Description of Fee	Municipal Code Reference	Fee	Date Last Modified
Miscellaneous: Tournaments	Category 1 group		10% of gate fee <i>or</i> 5% of entry fee	10/6/2014
Miscellaneous: Tournaments	Category 2 group		20% of gate fee <i>or</i> 10% of entry fee	10/6/2014

Section 2. That the effective date of this Ordinance shall be from and after its passage, approval and publication in pamphlet form as required by law.

PASSED AND APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

ATTEST:

\_\_\_\_\_  
Brianna Duerst, City Clerk

\_\_\_\_\_  
Josh Moenning, Mayor

Approved as to form: \_\_\_\_\_  
Danielle Myers-Noelle, City Attorney

# Norfolk Fire Division Annual Report 2022



## **NORFOLK FIRE DIVISION**

**Is dedicated to a lasting partnership with the community, to support a higher quality of life through public education, loss prevention and service response.**

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## NORFOLK FIRE DIVISION 2022

The Fire Division ended 2022 healthy and without serious injury to our staff. Serving the citizens of Norfolk and our Rural Fire Protection happened at a high level with assistance from all of our Mutual Aid Partners. The following list includes call totals and notable staffing changes at Norfolk Fire and Rescue this past year:

The year 2022 resulted in the highest calls for service in the history of our department, which dates back to 1884. Much like our report last year, this is part of a trend felt across the country in Fire and EMS. The 3,190 calls surpassed the previous record year of 2,992 calls in 2021.

During the past year and since last reported, six full time staff departed from Norfolk Fire Division (NFD) and we added 7. Among those that left were long time Health Official John Kouba and City Fire Marshal Terry Zwiebel. In addition, Bryce Hinrichs, Stephanie Smith, Kevin Armbruster, and Alex Webb all departed as members in good standing. Those hired were Adam Smith as Code Compliance Official (previously titled Health Official) and Sean Lindgren as Fire Marshal for the City of Norfolk. Shift personnel hired included William DiLullo, Nathan Best, Ashley Dittberner, C.J. Neumann and Micah Baumgartel. These shift hires came following two entry level testing processes held in 2022. This brings our full time shift roster up to 31 from 30 reported in 2021.

Our Fire Reserve program saw the departure of Lyle Davison, Shawn Seevers, Seth Osnes, Nic Meyer, John Kouba, Victor Jaras, Mitchell Kallhoff, Susy Penaflor and Sara Perrigan as members in good standing. Fire reserves added were Patrick Popken, Christian Lara, Tyler Hulse, Draevin Roskens, and Trevor Becker. The fire reserve roster now stands at 34 members.

A few additional updates and notable happenings that took place over the past year:

Our wellness and peer support committees continue to make physical fitness and mental health a priority in our day-to-day happenings. This has become a huge advancement in the fire service over the past several years as mental health issues continue to challenge responders across the world.

Region 11 Emergency Manager Bobbi Risor saw another busy year as stated in her annual report for 2022. Both Bobbi and Faythe Petersen (Administrative Assistant) put in many hours navigating grant documents and assisting in oversight of extremely important budgets for Region 11 and the City of Norfolk.

Adam Smith and Sean Lindgren (both mentioned above) are settling in well to their news roles with the City of Norfolk as Code Compliance Official and Fire Marshal respectively.

B-Shift Firefighter/Paramedic Max Hesman was chosen as the 2022 Firefighter of the Year. The Norfolk Morning and Noon Optimist Club present this award annually.

Long time Norfolk Fire and Rescue EMS Medical Director Dr. Tom Surber was awarded the Distinguished Service Award from Northeast Community College in Norfolk, NE.

Norfolk Fire and Rescue took possession of a new Ambulance (Rescue 4) from Wheeled Coach (Feld Fire). This unit is a 2022 on a F550 chassis and is custom built to mirror our 2015 and 2019 rescue units. NFD now has three of four rescue units that are 4-wheel drive. This unit replaced a 2006 rescue unit.

NFD personnel are consistently providing high-level service year to year and I am very proud of them. The rising call volume has taken a toll on our responders but they just keep bringing the effort and willingness to serve. This would not be possible without the support of both the Norfolk Mayor and City Council and Norfolk Rural Fire Board. Most importantly, the support of our families keeps us all putting our best foot forward.

Tim Wragge  
Fire Chief

2

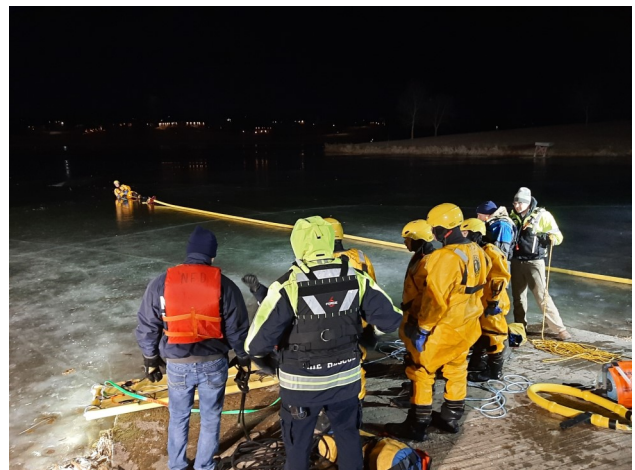


# OPERATIONS REPORT

Our operations staff continue to be highly motivated to provide service and protection to the citizens of Norfolk. It was another busy year responding to calls and handling day-to-day operations at Norfolk Fire and Rescue. With this being the third year in a row we have had an increase in calls, marking the highest call volume in history of the department. Increased call volume continued to bring unique challenges for our responders. Our staff continued to rise to the occasion to find success and train hard despite the challenge.

In addition to daily shift training, we are able to incorporate multi-shift trainings throughout the year. Below are a few highlights from the year.

In January we trained on Ice Rescue Emergencies at Skyview Lake in Norfolk. This training covers shore support and physical ice rescue skills. Included is ice condition evaluation, patient approach and equipment utilization. Equipment such as ropes, inflatable rescue boat, Marsars ice rescue board, and a water ice rescue tools were trained on. As a result all three shifts and reserve staff were able to participate in these trainings and improved their skills.



In July, we were able to perform fire ground operation training at an acquired structure northeast of Norfolk. This included interior and exterior fire training evolutions such as search and rescue, fire ground communication and ventilation. Firefighters performed search and rescue training to increase their skills in finding lost or trapped victims in a fire. They worked on communications over the radio for better coordination and efficiency and trained on ventilation to help with controlling fires in a timely manner to assist in saving property. Structures with unfamiliar layouts create great training opportunities for our firefighters.

In August, staff attended a rope rescue training course hosted by Nucor Steel. Rope rescue technicians were able to hone their skills and train alongside some of our industry partners to prepare for potential events. This concluded with a rope rescue drill where technicians and EMS providers worked together to successfully perform a rescue off an elevated surface over 100 ft. in the air.

## OPERATIONS CONTINUED

In September, we were able to send personnel to Sioux Falls for Structural Collapse training. They learned how to evaluate collapsed rubble, stabilize existing structure components and remove debris to search for and rescue victims. This will allow us to be better prepared in the event of a natural disaster or collapse if we encounter these types of situations. We are working on obtaining equipment to help aid in these situations as well as further our education and training in the years to come.



Among the above mentioned training we continued to host an annual swift water training with our mutual aid partners. We look forward to this opportunity to work with our mutual aid partners and develop strong relationships. Paramedics attended the three day annual refresher training session, at Northeast Community College to keep up with certification requirements. Last but not least we found time for facility up keep by replacing our training tower wall caps, modernized training props and are working on refreshing our training tower classroom.

2022 brought its challenges, successes, and responses that will forever be part of the history of this department. From record calls to training aggressively and finding time to keep our facilities up to par. Our responders rose to the challenge and managed to keep themselves safe while providing a high quality of care to the citizens of the City of Norfolk and its surrounding communities when needed.

Trever O'Brien  
Assistant Fire Chief

# OPERATIONS REPORT PHOTOS



# HAZARDOUS MATERIALS TEAM REPORT



Norfolk Fire is fortunate to belong to a ten city organization that is eligible for hazmat grant funds paid by the Federal Emergency Management Agency (FEMA). As part of our role within this group we continue to serve as a regional hazardous materials response team. The photo above on the left is an example of the Level A Suits we purchased while on the right is an example of the boots that we purchased. The suits and boots are used during certain types of chemical spills. We were also able to purchase thermal imaging cameras during this fiscal year.

- The Norfolk Fire Division responded to four fuel spills, ten natural gas leaks, fourteen faulty carbon monoxide detectors, one Freon Leak, one carbon dioxide leak, one liquid oxygen leak, seventeen carbon monoxide leaks, one oil spill, one paint spill, and thirty three odor investigations.

- As part of our regular training, we hosted an annual 40-80 hour hazmat technician course in August at the Northeast Nebraska Training Facility. This course is instructed by the Nebraska State Fire Marshal Training Division.

- Pictured below is one of the types of thermal imaging cameras we purchased to use on incidents to find victims, leaks, and hot items.



Lannce Grothe

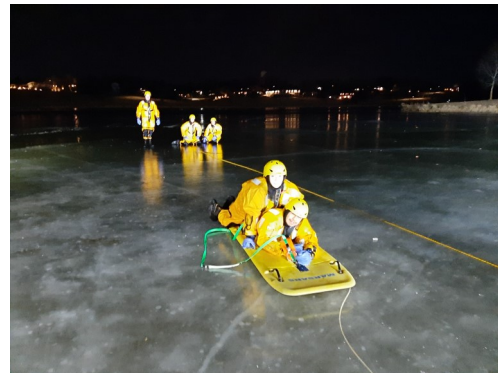
# NORFOLK FIRE RESERVES

Norfolk Fire Reserves are a group who have diverse talents and backgrounds. When brought together to help serve and protect the citizens of Norfolk they are invaluable. Reserve staff have a wide range of experience from less than 1 year to over 35 years of service. While reserves are compensated for training and response, their support aides in continuing to meet increasing demands for services and maintaining operational costs.

Reserves continued to be an extremely important component of our Operations in 2022. Along with our full time staff, the reserves provide necessary resources for handling calls within the city and rural fire protection district. Events such as fires, hazmat, back-to-back emergency calls, public relations events or labor-intensive technical rescues can result in a need for assistance from our reserve staff. We leaned on our reserve staff over 300 times to help cover a wide variety of situations over the last year.

Dedicated to improving their skills, training is held twice a month for 3 hours each session. Reserve training nights consist of fire training evolutions such as ground ladders, firefighting hand tools, hose advancement and deployment among other skills. In addition to regular training topics our reserves went above and beyond to advance their skills.

In March, our fire reserves attended annual Tornado Spotter training. In May, we had 14 reserves attend the 85<sup>th</sup> annual Nebraska State Fire School in Grand Island, Nebraska. They were able to participate in introduction to firefighting, forcible entry techniques, live fire training, drone operations and other courses. In October we held a training drill with our Mutual Aid Partners and trained on communication and fire ground operations.



We added 7 fire reserves this year bringing our current reserve staff to 34. They are working through a 6 month training academy and a 1 year probation period with various required tasks. Throughout the program, tasks will include but are not limited to, facility and equipment familiarization, usage of personal protective equipment, live fire training and other tasks. Upon completion of all requirements, these individuals will be sworn in as Norfolk Fire Reserves in a formal ceremony.

2022 has been a great year for progress and very rewarding in many ways. Reserve staff stepped up when it mattered providing the response support our operations demanded. Full time and part time staff came together working through all kinds of adverse circumstances throughout the year. Reserve and full time staff integrated trainings continue to make our operations successful. This team takes care of each other and everyone that they serve at all costs. We are excited and look forward to what 2023 will bring.

Trever O'Brien  
Assistant Fire Chief

# FIRE INSPECTIONS AND PREVENTION

The office of the City of Norfolk Fire Marshal was impacted by transition in 2022. Long time Fire Marshal Terry Zwiebel retired from service in July and Sean Lindgren took the Oath of Office as fire marshal in succession. The fire division will be forever grateful for the dedication of Fire Marshal Zwiebel.

## Fire Code Enforcement

It was another busy year of fire code enforcement through inspections. The on-shift fire inspectors conducted inspections at occupancies throughout the city ensuring compliance with fire code. The fire inspectors also coordinated company pre-plans with each operation shifts to familiarize emergency responding personnel with facilities to effectively manage incidents.

The Fire Marshal conducted plan reviews for construction, additions, and renovations of buildings and new fire protection systems. Inspections were conducted for new and annual facility State licenses, new construction/renovations of buildings, flammable liquids storage tanks, and new fire protection systems in accordance with the Delegated Authority granted by the State Fire Marshal and in accordance with City Ordinance. In all, a total of 359 inspections and pre-plans were conducted in 2022.

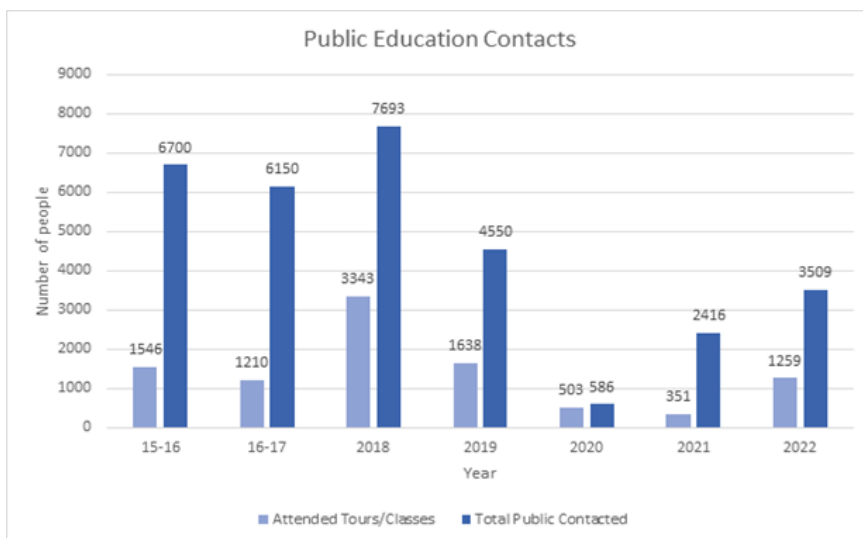
## Fire Investigations

All incidents of fire were investigated for cause and origin as required by state statute. The fire marshal and fire inspectors utilized opportunities through continuing education to increase knowledge and experiences by attending the Nebraska IAAI Fire and Arson Conference. In 2022, there were 411 fire calls with 17 of those being structure fires. Fire losses in 2022 totaled \$795,450. The value of property involved in fire situations in 2022 was \$2,345,225.

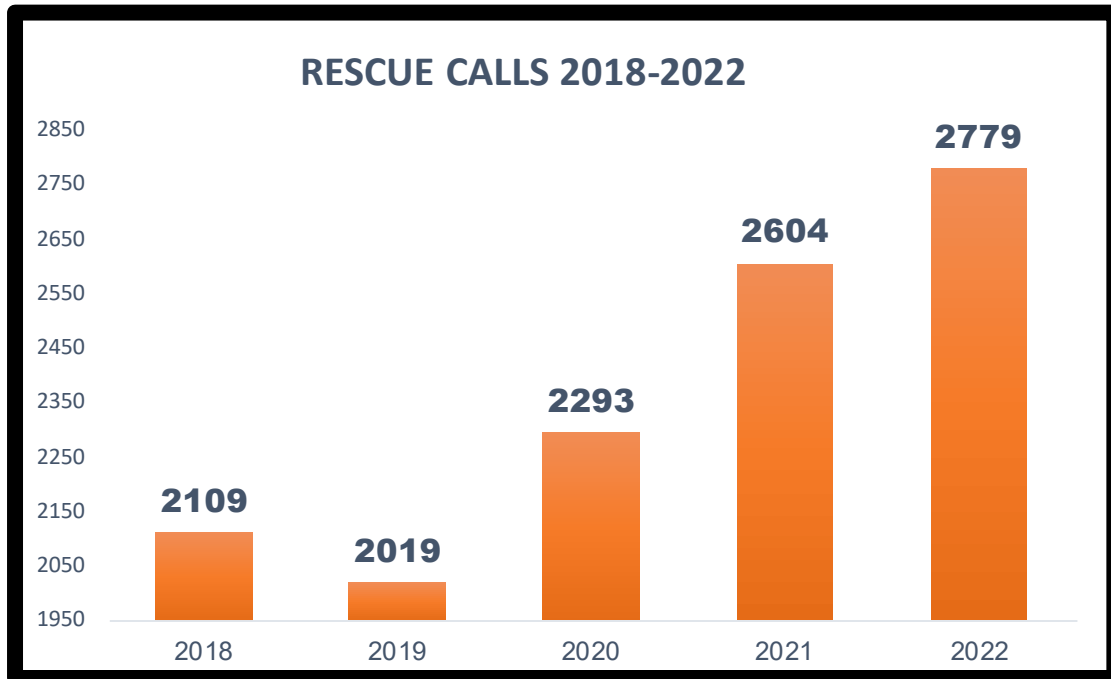
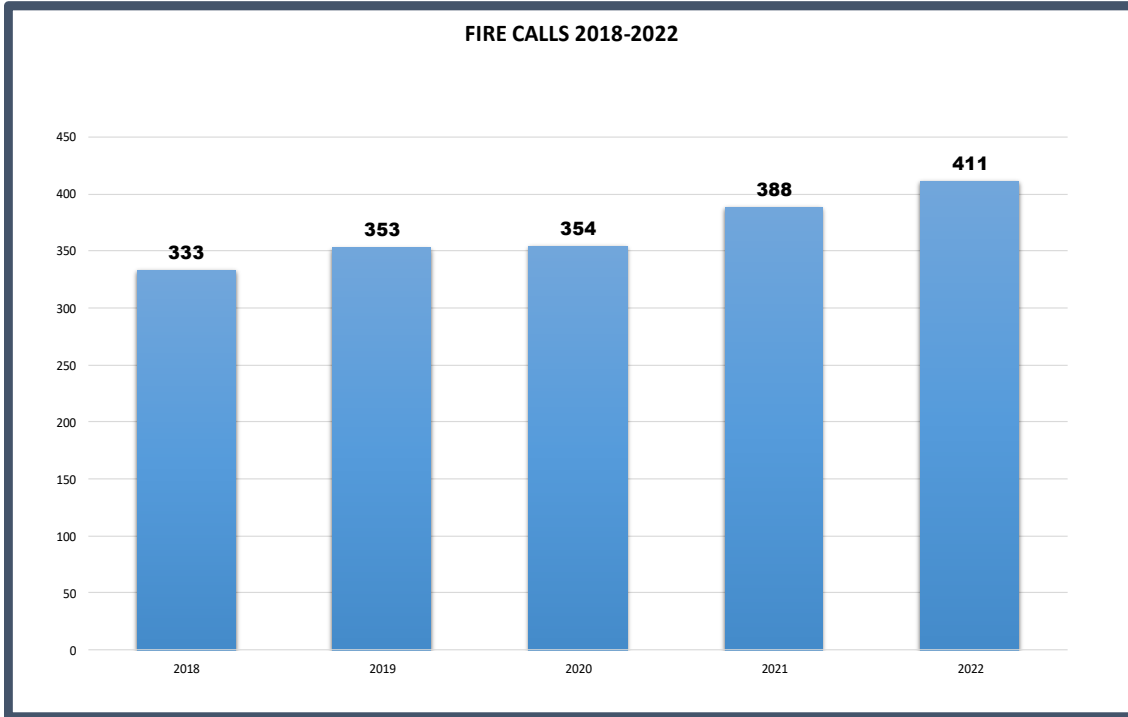
## Public Education

Fire Division personnel were able to conduct a variety of public education and outreach events through fire station tours, elementary school visits, and training classes in 2022. These opportunities are a valuable avenue to educate citizens and residents of the City of Norfolk on ways to prevent fires and how to respond in case of a fire or other emergencies. An open house held during Fire Prevention Week at the fire training tower facility offered activities and educational demonstrations for all ages. Awards were given for a coloring contest coordinated with the elementary schools.

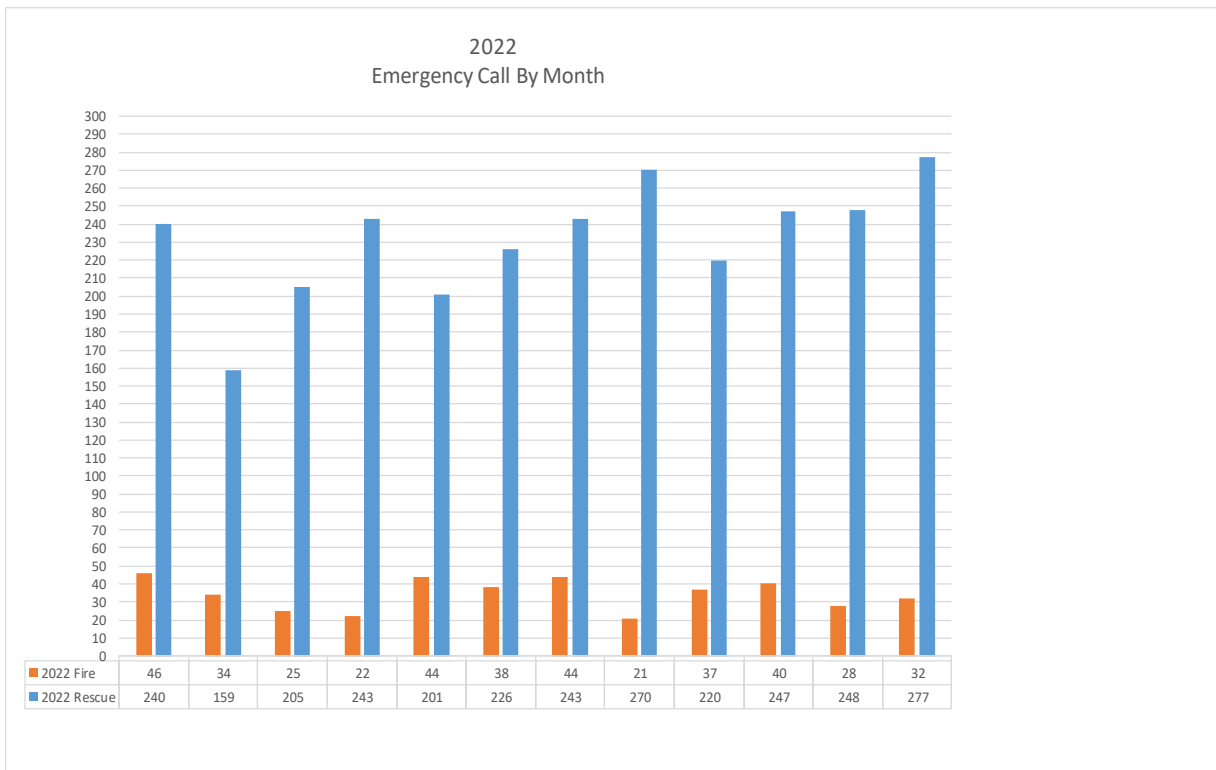
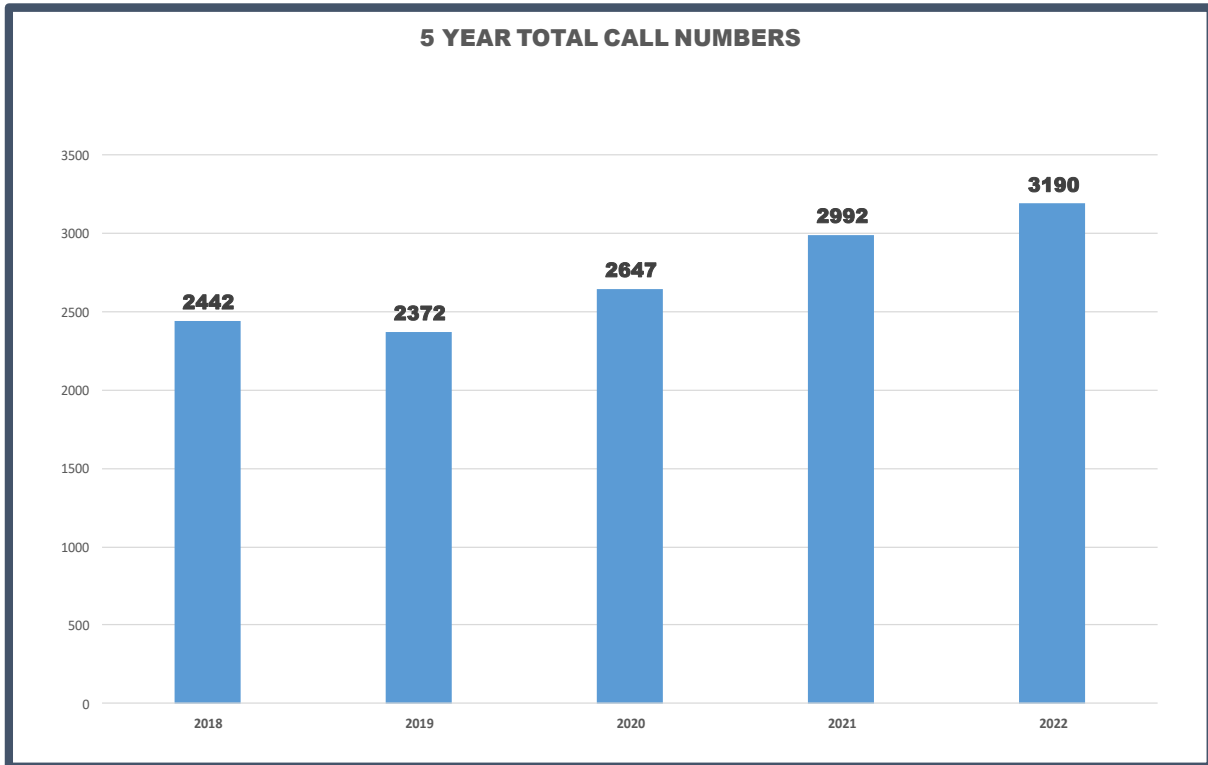
Through all these activities a total of 3509 people were contacted. A total of 1259 people participated in tours/visits or attended classes with 493 being adults and 766 being youth. These numbers show evidence of a rebound in lower attendance due to pandemic limitations in previous years. Fire division staff strive to see the upward trend continue in the coming year.



## 5 YEAR BREAKDOWN OF FIRE AND RESCUE CALLS



# CALLS FOR SERVICE DATA CONTINUED





## REGION 11 EMERGENCY MANAGEMENT

In 2022, Region 11 Emergency Management was involved in many different ways in Antelope, Madison and Pierce Counties including the City of Norfolk. The COVID-19 pandemic continued to threaten and reimbursement projects with FEMA and NEMA were continually submitted. Disaster declarations were submitted for Antelope and Pierce Counties for the Derecho of May 12<sup>th</sup> with storm/electrical damage throughout both counties. Other emergencies that occurred throughout Region 11 that were reported to the State were power outages, 911 system outage, possible tornado/high wind damage and multiple hazardous materials spills/leaks.

Trainings, classes and exercises were in full-swing throughout Region 11 with a full-scale hazmat/multiple casualty exercise held in May on the Madison County/Pierce County line. The scenario was a pickup hauling a trailer with double nurse tanks of ammonia. A school bus full of Norfolk Public School students collided with one of the nurse tanks on the trailer at the north side of the intersection of Kaneb Road and Victory Road. On the south side of the intersection, there were two car loads of “parents”, played by Pierce Fire CERT (Community Emergency Response Team) adults. The scene was chaotic with a hazardous materials component, multiple victims/patients and “upset parents” attempting to get to their “kids” at any cost. Multiple law enforcement, fire departments, emergency medical services and emergency management personnel from throughout the jurisdiction assisted in the exercise.



Other exercises that were held within the Region 11 jurisdiction were an active shooter tabletop exercise with Norfolk Public Schools, an active shooter tabletop exercise at Community Pride Care Center in Battle Creek , a Matheson Gas and Nucor Steel full-scale exercise.

Emergency Management was also given a new challenge this year by being involved with three grant processes this year - one for each county:

- BRIC (Building Resilient Infrastructure in Communities) Grant for the Tri-County Hazard Mitigation Plan for Antelope County
- Hazard Mitigation Grant for the City of Norfolk for 3 outdoor warning sirens (2 replacements, 1 new)
- Pierce County CERT (Community Emergency Response Team) grant application through the Northeast PET (Planning, Exercises and Trainings) Region for training

Bobbi Risor,  
Region 11 Emergency Manager

	<b>2021 Actual</b>	<b>2022 Actual</b>	<b>2023 Estimated</b>
<b>Demand:</b>			
<b>City Population</b>	<b>26,000</b>	<b>26,000</b>	<b>26,200</b>
<b>Rural District Population</b>	<b>3950</b>	<b>3950</b>	<b>4000</b>
<b>Total Geographical Area Served</b>	<b>111</b>	<b>111</b>	<b>111</b>
<b>City Area</b>	<b>16</b>	<b>16</b>	<b>16</b>
<b>Rural Area</b>	<b>95</b>	<b>95</b>	<b>95</b>
<b>Mutual Aid Area</b>	<b>1,345</b>	<b>1,345</b>	<b>1,345</b>
<b>Workload:</b>			
<b>Total # of Responses</b>	<b>2992</b>	<b>3190</b>	<b>3,250</b>
<b>Emergency Medical Calls</b>	<b>2604</b>	<b>2779</b>	<b>2850</b>
<b># of Patients Encountered</b>	<b>2755</b>	<b>2862</b>	<b>3000</b>
<b>Fire Calls</b>	<b>388</b>	<b>411</b>	<b>400</b>
<b>Structure Fires</b>	<b>19</b>	<b>17</b>	<b>15</b>
<b>% Contained to Room of Origin</b>	<b>40</b>	<b>59</b>	<b>70</b>
<b>% Contained to Structure of Origin</b>	<b>100</b>	<b>88</b>	<b>100</b>
<b>Hazardous Material Calls</b>	<b>60</b>	<b>83</b>	<b>65</b>
<b># of Level 1 Call Backs</b>	<b>46</b>	<b>67</b>	<b>65</b>
<b># of Level 2 Call Backs</b>	<b>197</b>	<b>209</b>	<b>225</b>
<b># of Citizens Who Toured the Fire Station or attended classes</b>	<b>351 Total 80 Adult 271 Youth</b>	<b>1259 Total 493 Adult 766 Youth</b>	<b>1500 Total 500 Adult 1000 Youth</b>

	<b>2021 Actual</b>	<b>2022 Actual</b>	<b>2023 Estimated</b>
<b>Public Contacted</b>	<b>2416</b>	<b>3509</b>	<b>3750</b>
<b>Productivity:</b>			
<b>Total Training Hours</b>	<b>7145</b>	<b>9109</b>	<b>9400</b>
<b>Average Training Hours per Fire Fighter</b>	<b>130</b>	<b>152</b>	<b>165</b>
<b>Feet of Hose Maintained</b>	<b>23,000</b>	<b>23,000</b>	<b>23,000</b>
<b># of Pumps Tested &amp; Maintained</b>	<b>6</b>	<b>6</b>	<b>6</b>
<b># of Warning Sirens Tested &amp; Maintained</b>	<b>10</b>	<b>12</b>	<b>13</b>
<b># of Preemption Devices Maintained</b>	<b>80</b>	<b>80</b>	<b>80</b>
<b># of SCBA Tested and Maintained</b>	<b>69</b>	<b>69</b>	<b>69</b>
<b># of Emergency Vehicles Maintained</b>	<b>22</b>	<b>24</b>	<b>24</b>
<b># of Defibrillators Maintained</b>	<b>10</b>	<b>10</b>	<b>10</b>
<b>Effectiveness:</b>			
<b>Average Response Time per Call</b>	<b>4:10</b>	<b>4:31</b>	<b>4:15</b>
<b>% of Incidents with 1<sup>st</sup> Arriving Units within 5 minutes (in city)</b>	<b>83.03%</b>	<b>84.51%</b>	<b>85%</b>
<b>Valuation of Structures involved in Fire</b>	<b>\$19,855,570</b>	<b>\$2,345,225</b>	<b>UTD</b>
<b>Structural Dollar Amount Loss Due to Fire</b>	<b>\$579,900</b>	<b>\$500,030</b>	<b>UTD</b>
<b>Contents Dollar amount of loss due to fire</b>	<b>\$699,950</b>	<b>\$295,420</b>	<b>UTD</b>
<b>Average Years of Service of Employees</b>	<b>13.5</b>	<b>14</b>	<b>13</b>



4/17/2023



# Norfolk Police Division

## 2022 Annual Report



It is the mission of the Norfolk Police Division to provide effective and efficient law enforcement services to the community through a cooperative effort between the Division and the citizens of Norfolk for a high quality of life.

# A Message from the Chief

It is an honor to present this year's annual police report. As always, last year was filled with challenges and changes.

One ongoing challenge is our effort to fill vacant officer positions. This has proven difficult in Norfolk, just like other agencies in Nebraska and across the country. In 2022, we had a couple officers leave law enforcement. We also hired two qualified candidates. One was a new hire, and one was an officer who returned to full time status, after a short time working out of the law enforcement profession. Qualified men and women are out there, and it will be a priority of ours to find them in 2023. While experienced people can get on patrol faster, we are happy to train honest people with no experience. In addition to the hiring, we promoted a new Lieutenant and Sergeant in 2022.



This year, we continue to work on significant changes at the Police Division. After years of planning, the Norfolk Police dispatch center and the Madison County Sheriff's dispatch center combined resources and services beginning October 5, 2021. This was a significant undertaking and required coordination of many public and private entities. This included developing a separate budget for the dispatch center. All Norfolk and Madison Sheriff dispatch services are now located in the Norfolk Police building. To accommodate the expanded responsibilities, we renovated a portion of the Norfolk Police building for the expanded dispatch center. This consisted of eliminating our current classroom and conference room with a completely upgraded dispatch area. We have expanded our capabilities from 3 dispatch stations to 5, with a 6<sup>th</sup> available for future needs. This process involved not only the physical expansion of the dispatch center but involved hiring and training 4 additional dispatchers and promoting a second dispatch supervisor.

As we continue to look for ways to best serve our community, the Police Division is developing a drone program to expand our capabilities. Our first drone was purchased through a generous donation from a local civic organization. There are additional programs that we are considering as we look for the best ways to serve the community.

The Norfolk Police facility houses more than the police division. It also houses the area dispatch center, city jail and city attorney's office. As workspace continues to be in short supply, we are continuing our efforts to expand the physical police building to best serve our citizens, and provide an efficient work environment for our sworn and citizen staff. We completed a space needs assessment in 2020 and have been working through the architectural process to move forward when a funding mechanism can be identified.

For the second year in a row, there were no homicides in 2022. Norfolk Police are well trained and equipped to handle these significant incidents when they do occur. NPD is the lead investigating

agency for this type of case, coordinating with other agencies as necessary for major case investigations.

It is through the hard work and dedication of the men and women of the Norfolk Police Division that Norfolk continues to be a safe community. They dedicate themselves to protecting and serving the people of our community, regardless of the circumstances. This too is only possible by continuing to build relationships through the businesses, neighborhoods and area law enforcement agencies.

Overall, criminal reports increased 6.69% compared to 2021. Most of the increase was in shoplifting and trespassing calls. Child abuse and drug offenses were both down significantly. Traffic complaints remain consistent with a slight decrease of 1.26%. Non-criminal requests for service were also steady with a slight decrease of 0.96%. The combined total requests for services was 20,484. This was a combined decrease of 0.21 from 2021. Citations and arrests decreased by 28.66%. The top five criminal calls for service that officers responded to continues to be disturbances, theft, drug related, criminal mischief, and child abuse.

Continuing officer education and ongoing training is imperative to the success of the NPD. The State of Nebraska requires ongoing training to maintain an officer's law enforcement certifications. The NPD ensures their officers meet and exceed these mandated hours, as well as additional training to provide proficiency in their law enforcement ability. NPD is fortunate to have dedicated officers who are willing to maintain instructor level certifications and assist in providing training for new and veteran officers alike.

As we push into 2023, we will continue to provide all the services the community expects of us. We are continually striving to improve the quality of our training and services we provide. We enjoy great working relationships with area first responders. We will continue to expand our cooperative efforts with other law enforcement agencies, and look for new, better, and innovative ways to serve the Norfolk area.

As Norfolk continues to grow, we are working with elected officials and business owners to evaluate how we need to adjust or expand to meet those needs. We are very excited about future possibilities in the growing Norfolk Community and proud to be part of that development!

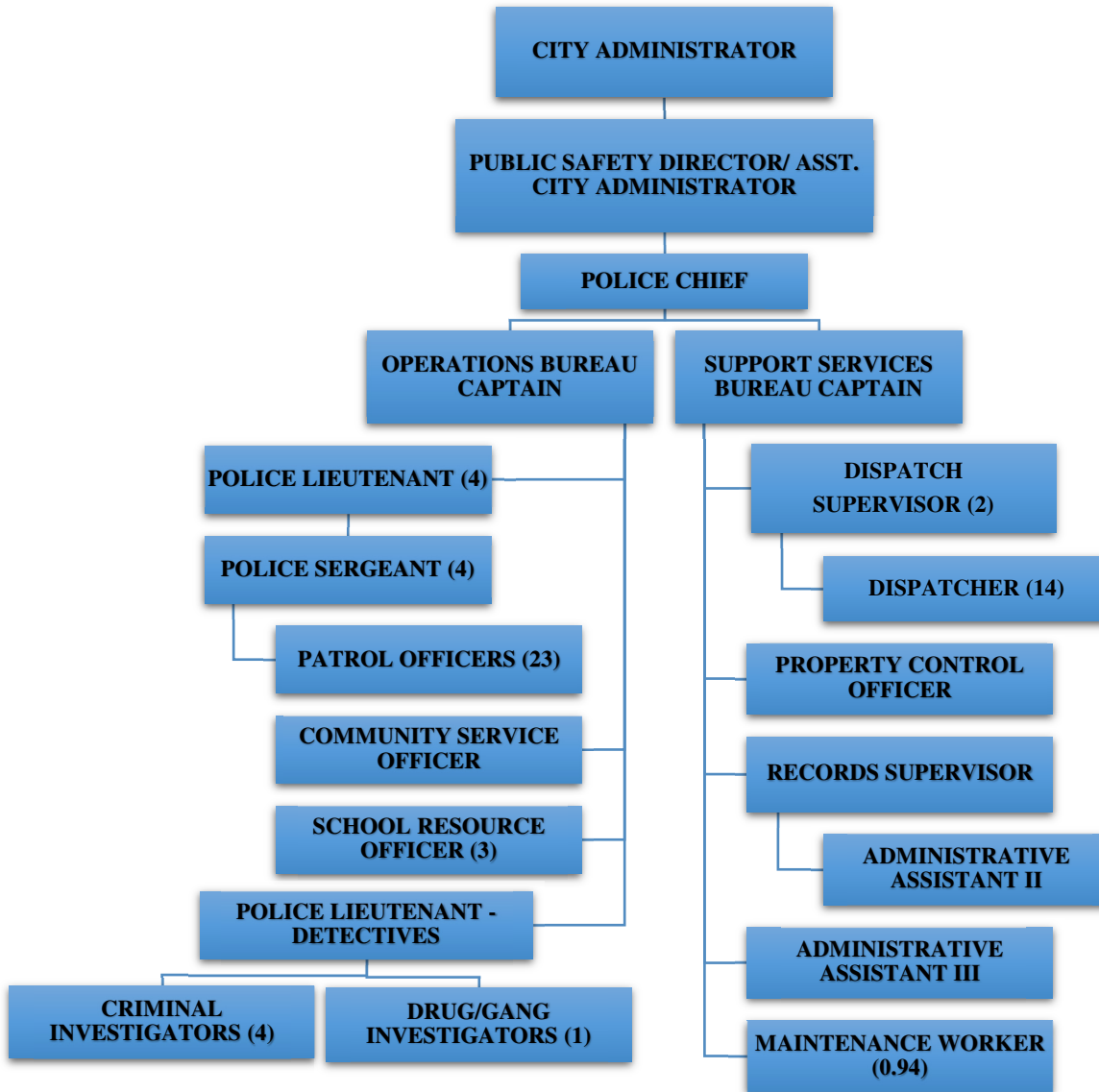
We would like to thank all of Norfolk's elected officials as well as the citizens of Norfolk for their ongoing support. The Division continually works towards reducing crime, building community trust, and supporting a high quality of life for our community.

In the pages that follow, the specific activities and supportive data will demonstrate the breadth and depth of our work.

Respectfully submitted,

Chief Don Miller

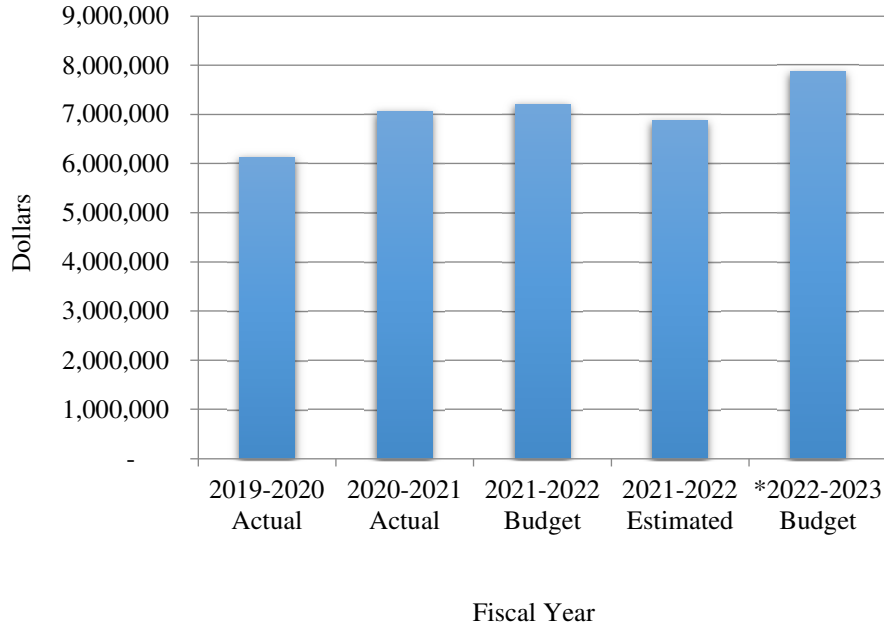
# Organizational Chart



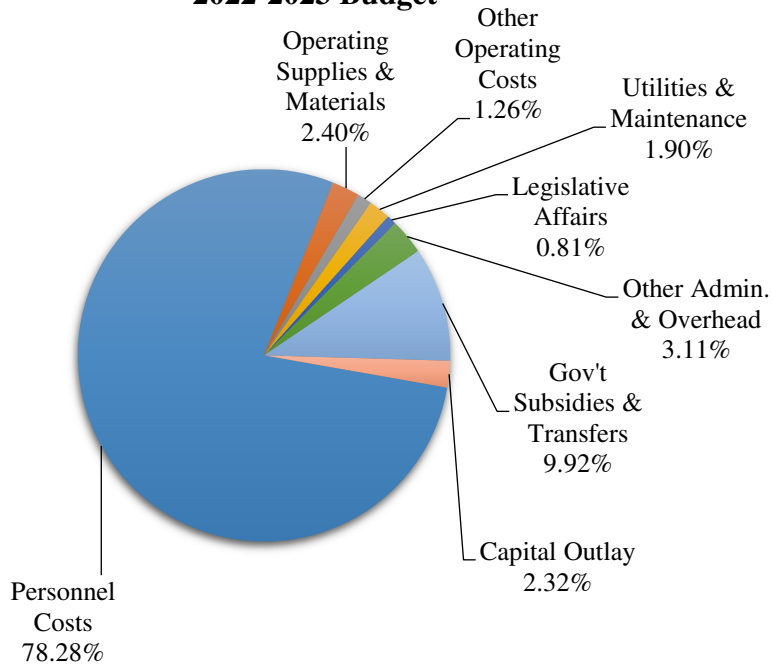


**POLICE BUDGET**

**Expenditure History**



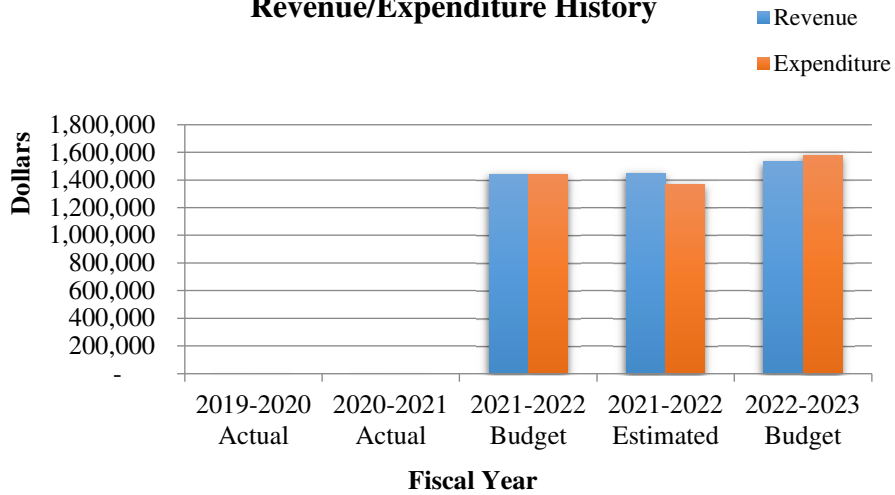
**\*2022-2023 Budget**



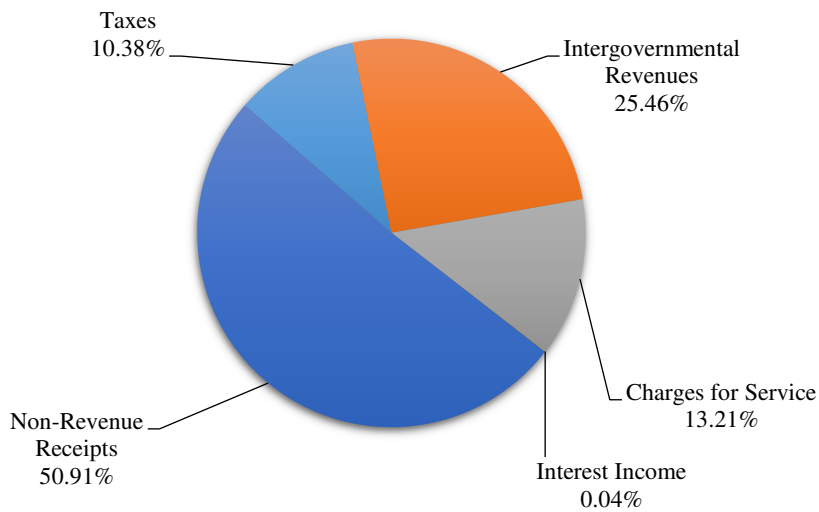
Service ~ Honor ~ Commitment

**DISPATCH BUDGET**

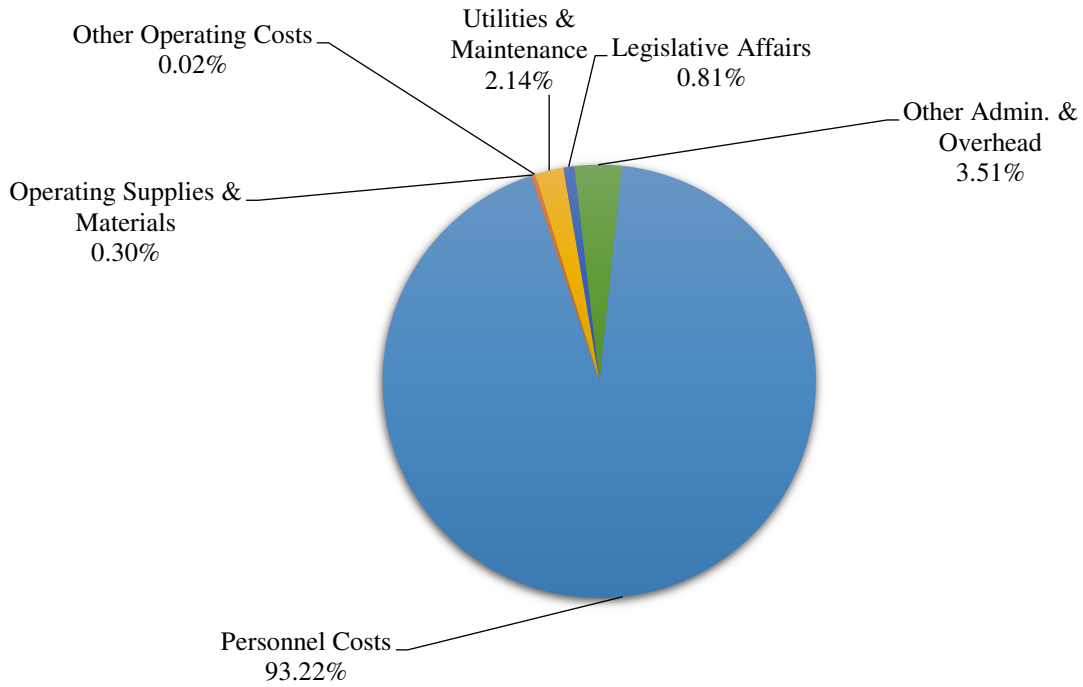
**Revenue/Expenditure History**



**2022-2023 Revenue**



### 2022-2023 Expenditure



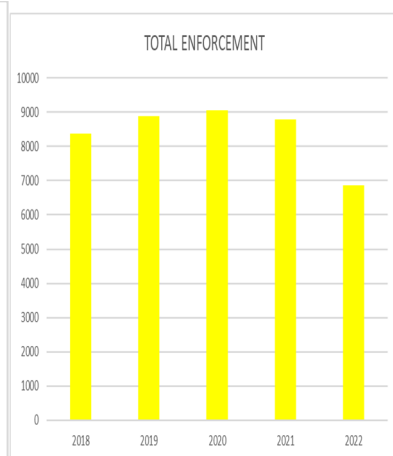
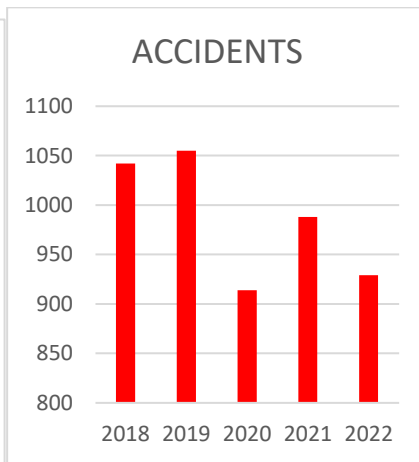
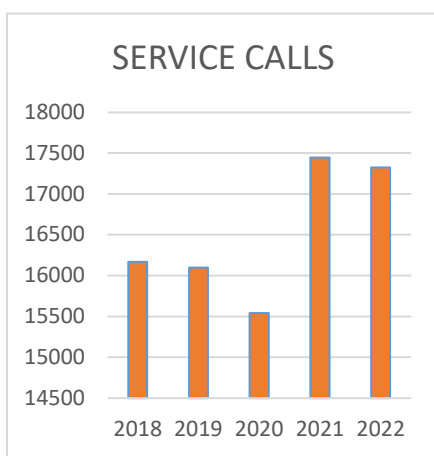
# Operations Bureau



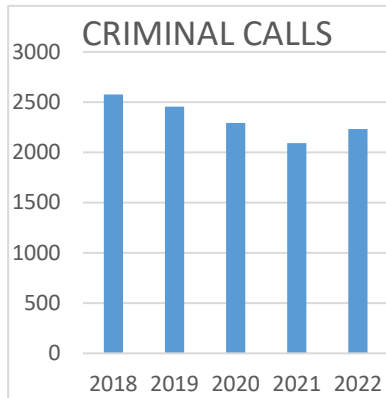
Captain Chad Reiman commands the Police Division’s Operations Bureau. The Operations Bureau is responsible for the uniform patrol shifts, criminal investigation unit, school resource officers, community service officer, police service dog, tactical response team, accident investigation team, honor guard team and drone team. These services are provided 24 hours a day. He is also responsible for planning and coordinating patrol responsibilities during special events and working with the community on parking and traffic issues.

## Uniform Patrol

Uniform patrol provides the initial response to the vast majority of calls for service received by the Police Division. It is comprised of four shifts that work 12-hour rotations. Each shift is commanded by a lieutenant and assisted by a sergeant. Patrol officers are responsible for handling all the daily calls for service, accident investigations and initial response to criminal matters. They also handle traffic control for special events, such as parades, organized runs, funeral escorts and others. When not handling a call for service, officers patrol their assigned area of the city. During 2022, the Police Division responded to 20,484 calls for service, of which 2,232 were crime-related and 2,281 were traffic-related. Officers investigated 929 traffic collisions. There were no traffic fatalities in 2022. Officers issued 4,695 citations for traffic, parking, warnings and vehicle defects.



## Criminal Investigations Unit



Major and complex cases are turned over to the Criminal Investigations Unit, which is commanded by a Lieutenant. The detectives maintain an “on call” rotation allowing one to be available to assist with investigations 24 hours a day. During 2022, criminal investigators were assigned 259 cases for investigation.

The Police Division is an associate agency for the Nebraska Internet Crimes Against Children (ICAC) Taskforce that is spearheaded by the Nebraska State Patrol. The Investigations Unit is responsible for following up on cyber tips from the National Center for Missing and Exploited Children. They also conduct forensic exams of cell phones, computers and digital media. In addition to performing examinations for our own cases, this service is provided to area law enforcement agencies. During 2022, the unit examined 18 devices for several state, county and local agencies. This is down significantly from previous years but expected to increase after the PD received outside funds to train two additional detectives in the processes. The Investigations Unit also has one of the current investigators assigned to the Nebraska Attorney General’s Joint Human Trafficking Task Force.

## Community Service Officer



The Community Service Officer (CSO) is the only civilian officer on patrol. The CSO is primarily responsible for animal control and parking issues, but also assists with towing vehicles, delivering correspondence and other tasks that do not require a sworn officer to complete. During 2022, the Police Division received 1,061 animal complaints and 913 parking violations complaints, many of which were handled by the Community Service officer.

## School Resource Officer



The School Resource Officer Program (SRO) has been very effective at building relationships and working with kids in the Norfolk Public School System. Their involvement often prevents the students from becoming involved in the criminal justice system. We have one SRO who maintains an office and works primarily at the High School. A second SRO maintains an office at the Jr. High School and also assists at the Middle School and grade schools as needed. The SROs handle criminal cases, traffic incidents,

and provided supervision before school, after school, between classes, during lunch periods and during many sporting events. They assist other officers with various incidents and investigations involving students. They provided programs on search and seizure, due process/Miranda, executive branch of government, code of conduct and law enforcement careers. They also attend school extra-curricular events (athletic and social) outside the normal school day. They work with school staff and other organizations in the community to make proper referrals to assist with student needs. In addition to their regular duties, the SROs are members of several groups and committees including the School Crisis Response Team and the Senior High SCIP Team (School Community Intervention & Prevention). They regularly participate in a variety of administrative and criminal justice-related meetings. During 2022, the SROs were involved in 2,276 student interventions. This also included 186 cases resulting in the issuance of 19 citations. Due to the success of the program, there is a plan in place to add a third SRO who would have their office at the Norfolk Middle School. This program involves sharing the wages and benefit costs with the Public School System.



## Police Service Dog



The Police Division is allocated one police service dog that is trained in drug detection, tracking, evidence recovery, handler protection and suspect apprehension. Our current K-9, Kane, was purchased through the help of several generous local businesses and individuals in Norfolk. Kane, and his handler, attended 14 weeks of specialized training at the Nebraska State Patrol K-9 training center in Grand Island. They have

been serving together since December, 2021. Kane continues to impress us with his skill and demeanor.

## Specialized Teams

In addition to their normal responsibilities, some officers are selected to become members of specialty teams. Each of these teams require additional time, training and commitment in order to properly perform the duties required.

The Tactical Response Unit is a joint entity with the Madison County Sheriff's Office and is staffed with 13 officers coming from both agencies. They are trained to respond to critical incidents such as high-risk warrant service, hostage negotiation and rescue, barricaded subjects and special event details. The team trains regularly in tactics, weapons use, negotiations and chemical munitions. The unit has jurisdiction in all of Madison County.



The Accident Investigation Team is trained in major accident investigation and reconstruction. They are called to investigate accidents that involve serious bodily injury, death or significant property damage. They are trained in the use of specialty equipment used to recreate scale diagrams of the accident and surrounding area. The team is available to assist Nebraska State Patrol and other agencies on serious and fatality collision investigations. The accident team will be working closely with the drone team to share resources and skills.



The Honor Guard is trained to represent the Police Division at public events such as parades, public presentations and funerals. The Honor Guard is made up of eight uniformed officers.

The Bike Patrol program involves patrol officers who continue to be responsible for all their normal daily activities. However, in addition to their normal equipment, they have a bicycle that can be quickly removed or securely installed on the back of a patrol unit. Instead of riding the bike the whole shift, the officer utilizes it when needed. Uses include patrolling parks and bike trails, stealth approach to a location when necessary, special events like parades and Big Bang Boom, downtown patrol and general interactions with citizens. Officers are required to complete training prior to deploying a bicycle. Officers have been trained by Bellevue PD bicycle instructors. Eventually we will have Norfolk Officers trained as bike instructors.





The Drone Team is our newest program being developed to better serve the community. We have two "Part 107" FAA licensed pilots and will have several more in the near future. Our first drone was acquired through a generous donation from The American Legion Auxiliary Unit #16. Since that time, we have budgeted and acquired additional drones for different needs. We will have drones for training as well as both



outside and interior work. The drones will be utilized for mapping and diagraming accident and crime scenes, search and rescue operations, interior building clearing, assisting other agencies with their first responder needs, and other situations where safety can be improved with the use of drones. As part of our training and operating guidelines, protecting citizen's rights to privacy are always of high importance.

## Support Services Bureau



The Police Division's Support Services Bureau is commanded by Captain Mike Bauer. The Support Services Bureau is responsible for the Enhanced 911 Dispatch Center, Records Unit, evidence/ property control, training coordination and documentation, property maintenance, fleet management, jail management, budget, coordination with the SNARE drug task force, and purchase review.

## Enhanced 911 Dispatch Center

The Norfolk Dispatch center is now a Joint Communication Center for all of Madison and Stanton Counties. The expanded center is housed in a newly renovated portion of the Norfolk Police building.



The Center is now responsible for answering all non-emergency phone calls from the Norfolk area as well as all emergency 911 landline and cellular phone calls from all of Madison and Stanton County. Likewise, it provides full dispatching services to law enforcement agencies in these two counties as well. This includes the Norfolk Police Division, Madison County Sheriff, Stanton County Sheriff, Tilden Police, Madison Police, and Battle Creek Police. The Norfolk Fire Division and all rural fire and rescue departments in the two counties are also dispatched from the center. In addition, dispatchers also assist Records with data entry and serve citizens when Records is closed. During 2022, the center received 6,878 emergency 911 calls and 54,222 non-emergency calls.

The 911 Communication Center is a designated Public Safety Answering Point (PSAP) and as such, is one of a number of National Warning System (NAWAS) points designated by the Federal Emergency Management Agency to receive warning information concerning natural and technological disasters. It is responsible to forward severe weather notifications to surrounding PSAPs on the Troop B Region Operations Commons radio talkgroup. The Center also monitors severe weather and activates the warning sirens for local tornados.

In November of 2022, the Northeast Nebraska 911 Dispatch Region was created and connected. Norfolk and South Sioux City serve as “host” locations for the Next Generation 911 (NG911) call answering equipment. The two hosts are connected to four other “remote” dispatch centers

in northeast Nebraska. This connectivity allows the sharing of resources, which ultimately saves the centers operating costs, and creates a network to ensure that a 911 call does not go unanswered. If a PSAP is unable to answer a 911 call, it is forwarded to another PSAP that can.

## Records Unit

The Records Unit is managed by a Records Supervisor and has one records secretary. They are responsible for transcribing, filing, copying and retrieving all Division reports and records. They also compile administrative reports at the direction of the Chief of Police or the Bureau Commanders. Records staff run criminal history checks, process handgun certificate applications, forward arrest and citation information to the prosecutor, process towed vehicle releases, issue licenses to UTVs, handle animal licensing, animal impound and release paperwork, and serve citizens during regular business hours.

## Training

The Support Services Bureau Commander is responsible for coordinating all Division training. This consists of initial training (new hires), in-service training and maintaining the training records.



New officers attend a 6-week initial in-house training session instructed by various division personnel. The training includes handgun and patrol rifle certification, defensive tactics, Taser certification, ethics, policies and procedures, report writing, Traffic Incident Management, traffic stops, emergency vehicle operations, crisis intervention, and others. At the end of the training, the Division hosts a graduation ceremony, during which the recruits take their oath of office and receive their badges.

Someone they have chosen pins the badge on their uniform for the first time.

Following the initial training, the officers attend law enforcement officer basic certification training at the Nebraska Law Enforcement Training Center in Grand Island. The course lasts sixteen weeks for a total of 626 hours of instruction. Upon graduation, they receive their state certification to be law enforcement officers.

The officers are then assigned to a Field Training Officer for approximately three months. The training officer will explain how duties are performed, demonstrate how duties are performed, and then observe the officer performing the duties. The training officer completes a daily evaluation of the officer, rating the officer in a number of areas. Upon successful completion of the Field training Program, the officer is assigned to a patrol shift.

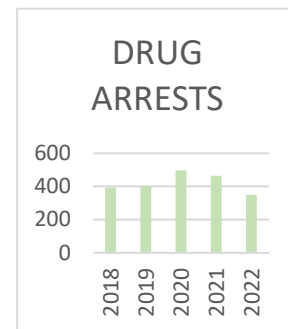
Division personnel continue to receive regular in-service training during their careers. The Division utilizes professional instructors from both existing staff and outside sources, video training, web-based training and formal off-site training to keep personnel proficient in the performance of their duties. Due to their work schedules, patrol officers have six hours available every four weeks that is used to provide in-service training. The Division utilizes this time to provide mandated training, such as firearms and pursuit driving and to maintain certifications, such as defensive tactics, Taser, and CPR.



Most of this training is accomplished without any overtime. Additionally, the Division provides guest instructors to NLETC to assist with new officer basic training sessions.

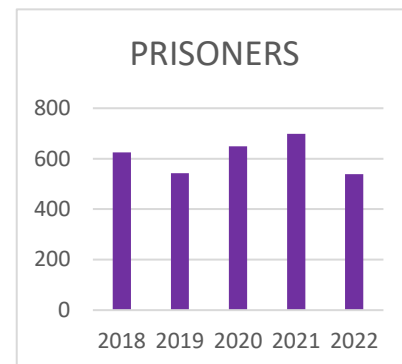
## SNARE

The Norfolk Police Division has one full-time drug investigator assigned to the SNARE Drug Task Force. SNARE is a consortium of 11 agencies covering an eight-county area. During 2022, the SNARE Drug Task Force initiated 48 cases, of which 81% (39) involved methamphetamine. SNARE investigators arrested 70 individuals in 2022, recovered over 33 pounds of methamphetamine, and seized over \$73,000 cash. In addition to SNARE arrests, Norfolk Police officers arrested or cited an additional 404 individuals for various drug violations.



## City Jail

The Police Division houses the city jail. The jail contains four cells, each designed to hold one subject at a time. The jail is considered to be a 24-hour holding facility and is inspected by the State of Nebraska annually. The facility was found to be in full compliance during the most recent inspection. All persons who are arrested and jailed must either post bond or be transferred to another jail facility within 24 hours of their arrest. Prisoner transfers are performed each morning by the Madison County Sheriff's Office.



There were 539 prisoners confined during 2022 in the Norfolk City Jail. This is a 23% decrease from 2021. Prisoners are brought into the facility through the sally port and then through an electronically controlled outer perimeter security door controlled by dispatch. The facility has a booking and staging area, mug shot room, intoxilyzer room and interview room. The arresting officer and a supervisor are responsible for booking the prisoner into the jail. The dispatchers and patrol supervisors are responsible for regular jail checks and daily prisoner management. The booking process consists of fingerprinting and photographing prisoners, completing jail admission forms, evaluating medical history and needs, and documenting property brought in by the prisoner. Male and female prisoners are held in the facility but are housed in separate sections. Juveniles are not held in the jail.

## Evidence / Property Unit

The Property Officer is a civilian position and is responsible for the care and custody of all evidence and recovered property until it can be returned to the owner or disposed of properly. They maintain the chain of custody for all evidence and occasionally are required to provide testimony in court. Another responsibility is managing the Prescription Medication Take-Back Program drop box located at the Police Division. During 2022, over 207 pounds of prescription medication was received and properly disposed of. This is up slightly from the previous year when we received 195 pounds.



## Property Maintenance

The Support Services Bureau Commander oversees the maintenance and repair of the police facility and the inventory, maintenance and repair of all Division vehicles and equipment.



## Budget and Purchasing

The Support Services Bureau Commander is responsible for the initial draft of the Division's annual budget. Under his oversight, the Administrative Assistant purchases equipment, uniforms and office supplies.

## Community Outreach



Every officer in the Division is responsible for community service and police/community relations. Officers are often detailed to participate in activities designed to assist or inform the public, including presentations to civic groups, college groups and within the school systems. The Division is service-oriented and depends upon the support and input from the community. During 2022, Division personnel gave 53 various presentations to community

groups. We were able to hold two of our biggest events, the Landon Bos Bike Rodeo in May and National Night Out in August. Both were a huge success, allowing us to again interact with the community in a positive capacity.

# Conclusion

Despite the challenges the community may face, our dedicated staff will continue to work hard every day to keep Norfolk safe. All our staff are very committed to their profession, our community, its citizens, and businesses.

As we look forward to 2023, we will continue to provide all the services the community expects of us. As we have increased our recruiting efforts, we hope to find several people who are willing to serve the Norfolk community in various capacities. We will continue to work toward completing our much-needed building expansion and renovation. We will also begin our Computer Aided Dispatch/



Records Management System upgrade. This major upgrade will streamline our reporting process to save staff time and is expected to take 12-14 months.

We have additional programs that we are evaluating as we continually look for better ways to serve the community that we work and live in.

We are proud to be part of a wonderful growing community and honored to do our part to keep Norfolk a safe place. We are grateful for the support we receive from our citizens and elected officials in fulfilling that role. The Police Division is filled with high quality well-trained men and women, who will continue to meet the challenges presented by striving to accomplish our mission:

*It is the mission of the Norfolk Police Division to provide effective and efficient delivery of law enforcement services to the community through a cooperative effort between the Division and the citizens it serves for a high quality of life.*



Service ~ Honor ~ Commitment

# ANNUAL COMPREHENSIVE FINANCIAL REPORT

of the

# CITY OF NORFOLK, NEBRASKA



for the year ended

# SEPTEMBER 30, 2022



**ANNUAL  
COMPREHENSIVE  
FINANCIAL REPORT**

**of the**

**CITY  
OF  
NORFOLK  
NEBRASKA**

for the year ended

**September 30, 2022**

# **CITY OF NORFOLK, NEBRASKA**

## **ANNUAL COMPREHENSIVE FINANCIAL REPORT**

*for the  
fiscal year  
ended  
September 30, 2022*

Prepared by:  
The Finance Division

CITY OF NORFOLK, NEBRASKA

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# INTRODUCTORY SECTION

March 27, 2023

**Honorable Mayor, City Council,  
and Citizens of Norfolk  
City of Norfolk, Nebraska**

The annual comprehensive financial report of the City of Norfolk for the fiscal year ended September 30, 2022 is hereby submitted. State law requires cities to issue within six months of fiscal year end a set of audited financial statements. This report fulfills this requirement for the fiscal year ended September 30, 2022.

Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of my knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

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

The City's financial statements have been audited by FORVIS, LLP a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2022, 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 unmodified opinion that the City's financial statements for the fiscal year ended September 30, 2022, are fairly presented in accordance with generally accepted accounting principles (GAAP). The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires 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's MD&A can be found immediately following the report of the independent auditors.

## **CITY PROFILE**

The City of Norfolk is located in Madison County, a prime agricultural region in northeast Nebraska, approximately 112 miles northwest of Omaha and 121 miles north of the state capital of Lincoln.

The City was incorporated September 12, 1881, and utilizes the mayor and council form of government. The Council is elected on a nonpartisan basis. Council members serve four year staggered terms with four council members elected every two years. The mayor serves a four-year term. The City is divided into four wards and each ward is represented by two council members with staggered terms.

The City provides a full range of services. These services include police and fire protection; the construction and maintenance of streets and infrastructure; recreational activities; a public library; a system of parks; planning, zoning, health, and housing; water and sewer utilities; off-street parking facilities; and a solid waste transfer station. In addition to general government activities, the governing body oversees the City's various employee retirement systems and these activities are included in the reporting entity. The Community Development Agency created by the Mayor and Council to provide for redevelopment of blighted areas throughout the City is included because of the significance of its operational and financial relationships with the City. However, the Norfolk Housing Agency does not meet the established criteria for inclusion in the reporting entity, and is excluded from the report. The Agency issues its own financial statements which are available upon request from its office at 110 North Fourth Street.

The Council is required to adopt a final budget by no later than September 30 of the prior fiscal year. This annual budget serves as the foundation for the City's financial planning and control. The budget is prepared by fund and department. The budget includes all funds of the City except fiduciary funds (Retirement Funds) and component units (Community Development Agency and City of Norfolk Facilities Corporation).

The budget modification process depends on the type of modification being sought. If a department or division head wishes to purchase unbudgeted machinery, tools or equipment, he can choose to do so by exchanging it for another item within the same account. If an exchange is not possible and the item is not deferrable, the City Administrator must review and approve the request, or at his discretion, the Mayor and City Council. Exchanges of budgetary authority between accounts is generally not allowed. If any piece of equipment fails and was unforeseen at budget time, purchasing normally approves replacement up to \$1,500. Amounts over \$1,500 are approved by the City Administrator or the Mayor and City Council.



## LOCAL ECONOMY

The United States is experiencing the highest inflation rates in 40 years. The June 2022 inflation rate accelerated to 9.1%, the highest since November 1981. Inflation rates for the last couple months are still over 6%. Over the past year gas prices have soared due to a number of factors, including the war in Ukraine. There is a workforce shortage across the nation and Norfolk is no exception. In December 2022 there were 11 million job openings, or almost two jobs for every unemployed worker. In December 2022 the national unemployment rate was 3.5% and Norfolk's unemployment rate was 2.0%. The workforce shortage is affecting all sectors of the economy from health care to hospitality to transportation and others. To cool inflation the Federal Reserve has been raising the federal funds rate. It was near zero in 2021 and after a series of increases is now 4.5%.

During the Covid-19 pandemic Nebraska's economy fared better than other parts of the country that are heavily reliant on the hospitality industry. Other than two months of decreases in sales tax in fiscal year 2020 at the start of the pandemic, Norfolk sales tax has continued strong growth. Sales tax revenue in fiscal year 2022 was \$11,141,231, an increase of \$637,599 or 6.07% from fiscal year 2021. Internet sales, construction activity, and annexation have continued to boost sales tax receipts.

An Iowa-based company announced plans to build a \$375 million soybean crushing plant near Norfolk. Operation of the plant is expected to start in 2024. The plant will crush 38.5 million bushels of soybeans annually and create up to 55 jobs. It will produce 847,000 tons of soybean meal per year for livestock feed markets, 450 million pounds of crude soybean oil per year, and 77,000 tons of pelleted soybean hulls per year. The plant is expected to increase area soybean prices 20 cents per bushel, resulting in a \$7.7 million annual increase in area farm income. The City was awarded a \$200,000 Site and Building Development Fund Grant from the State of Nebraska Department of Economic Development for Norfolk Crush.

In June 2022 Nucor announced a \$58 million upgrade to the Norfolk facility. The modernization project includes a new reheat furnace, new intermediate mill and coil inspection and trimming station. The project will better serve the automotive market and continue to meet its customers' needs for high-quality products. It also furthers the company's commitment to safety by allowing the employees to do their work away from the rolling process.

The Norfolk area continues to address its housing shortage. A 2016 study, updated most recently in September 2021, found that Norfolk needs 769 new housing units by 2026, including 427 owner and 342 rental housing units, to meet current demand and support future population growth. A number of Redevelopment Contracts have been approved that provide for using tax increment financing for housing.

The City and Community Development Agency approved a Redevelopment Contract for the Legacy Bend Housing Development between Benjamin Avenue and Norfolk Avenue west of Victory Road. Legacy Bend is using tax increment financing to implement their 7 phase project over multiple years consisting of approximately: 175 single family homes, 51 townhomes, and 224 living units in multiple dwelling units. Approximately 20 single family homes, 6 duplexes,

a clubhouse, and 8 apartment buildings consisting of around 22 living units each have been constructed or are currently in progress. Tax increment financing bonds have been issued for the project, upon which \$4,646,898 principal has been advanced.

A Redevelopment Agreement was recently approved for the second phase of the Medelmans Lake Redevelopment Plan. The project area is south of the Elkhorn River and east of Highway 81. The Plan provides for construction of 188 single family homes in multiple phases. The second phase is comprised of 17 lakeside homes and 3 off-lake homes. The first phase was comprised of 14 lakefront dwellings and 4 villas with associated improvements and \$1.6 million of tax increment financing bonds were issued in May 2020 for this phase. The second phase provides for \$1,808,132 of tax increment financing. Currently 13 single family homes have been constructed or are in progress.

A Redevelopment Agreement was approved for apartments and other housing units for the Nor-Park Housing Development. The project consists of 4 apartment buildings with 28 units each, 5 triplex lots, 12 single family attached structures, and 28 single family detached homes. This development is planned in 5 phases thru 2023. Over three-fourths of the buildings have been constructed or are currently under construction. \$2,085,000 of tax increment financing bonds were issued in November 2019 for this project. A Redevelopment Contract was approved for 13 single family homes just north of the Nor-Park Housing Development, of which 10 single family homes have been constructed. The total estimated cost of the project is \$3.3 million and the Redevelopment Contract provides for up to \$418,874 of tax increment financing.

A Redevelopment Contract was recently approved for the Foundry Apartments Redevelopment project. The project is located on the south side of West Pasewalk Avenue and consists of five 36-unit apartment buildings, one clubhouse and pool area, and six 12-unit garage structures. Total project costs are expected to be over \$26 million with tax increment financing providing \$4,015,810 of this cost.

A Redevelopment Contract was approved for the Grand Theater Redevelopment project. The former theater has been rehabilitated into 9 apartments on the second floor, with the first floor open for a future commercial tenant. The Contract provides for up to \$194,000 of tax increment financing bonds. A \$500,000 grant from the State of Nebraska Affordable Housing Trust Fund Program was awarded for this project, which was amended to provide an additional \$93,000 of grant funds for a total award of \$593,000.

A Redevelopment Contract was approved which provides for using tax increment financing for hotel construction southeast of 13<sup>th</sup> Street and Omaha Avenue with associated improvements. Construction on the dual-brand hotel was finished in January 2023 after being delayed due to the pandemic. \$794,400 of tax increment financing bonds were issued in October 2021 for this project. The City also provided \$2.2 million of Property Assessed Clean Energy Act financing for this hotel.

A Redevelopment Contract was approved providing tax increment financing near downtown for 2 apartment buildings for Wayne State students as part of the Growing Together Initiative, 5 two-story commercial structures all but one having residential on the second floor, and 5

condominiums. A total of 44 residential units and 18 commercial units are planned over 3 phases. The Contract provides for up to \$4,853,274 of tax increment financing. Another Redevelopment Contract approved is the area northwest of the intersection of South Victory Road and Omaha Avenue. The Redeveloper plans to add 25 duplex lots for a total of 50 housing units. Currently 16 duplexes are under construction. Total project costs are expected to be over \$9.5 million, with tax increment financing providing \$1,220,476 of this cost.

A Redevelopment Contract was recently approved for the Wisner West Redevelopment project. This is a multi-phase project consisting of 8 lots with the first phase being construction of a Prime Stop convenience store and truck stop. Development of the other seven lots will occur in subsequent phases. The Contract provides for up to \$528,472 of tax increment financing bonds for the first phase.

Real estate values are increasing in Norfolk. For the ninth consecutive year there is a significant increase in assessed valuation. Norfolk's 2022 assessed valuation increased 14.86% and the average annual increase the previous eight years was 5.95%.

Other economic indicators appear mainly favorable. Norfolk's population increased from 24,955 in 2020 to an estimated 24,967 in 2021. Madison County's unemployment rate increased from 1.0% in December 2021 to 2.0% in December 2022. Public school enrollment increased from 4,480 in September 2021 to 4,546 in September 2022. The most recent assessed valuation, released August 18, 2022, shows taxable property in Norfolk valued at \$2,189,472,320, a 14.86% increase from the prior year.

## **LONG-TERM FINANCIAL PLANNING AND MAJOR INITIATIVES**

The City's long-term financial planning process starts with the Council selecting the City's top priorities at a Council/Staff Retreat. These priorities are incorporated into the capital improvement program (CIP), budget, and long-term financial plan (LTFP). The LTFP monitors the effect of large capital projects, revenue and expenditure trends out ten years along with expected levy rates.

For the fiscal year 2022-2023 budget, the City's maintenance level budget allows for 8% expenditure growth; however, two of the City's largest revenue sources are projected to grow at a slower rate. The City's largest revenue source is sales tax which is projected to grow at an annual rate of 3.9% in the LTFP based on past history. Recently, actual sales tax receipts have exceeded the 3.9% annual growth rate in the LTFP and if this continues the projected growth rate will be increased in the LTFP. The City's 1 ½ cent sales tax increased 13.97% in the prior fiscal year and 6.07% in the current fiscal year.

The City receives lease revenue from Nebraska Public Power District (NPPD) which pays 12% of system revenue to lease the City-owned electrical distribution system. NPPD is making a major effort to hold down rate increases and based on NPPD rate projections, the LTFP shows no growth in NPPD lease revenue through fiscal year 2023-2024 and 1% thereafter.

Slow growth in the City's two large revenue sources puts pressure on property tax, which is the second largest general revenue source. Prior LTFP's showed the City would need to increase its property tax rate to maintain the same level of service. In 2021-2022 the property tax rate was increased .051977 from .255511 last year to .307488.

The City annually prepares a ten-year CIP. This program outlines capital needs for the next ten years and identifies potential funding sources. These projects are prioritized in the categories of urgent, necessary, desirable or deferrable. The CIP is prepared so that capital items do not exceed funding sources provided in the revenue and expenditure trends. The CIP can change from year to year as the revenue and expenditure trends change. The Council determines its top goals and works with City staff to develop strategies to achieve these goals. An action plan is created and specifics are incorporated into the budget to carry out the action plan. The City recently updated its sewer master plan and is currently updating its water master plan. The water master plan provides information on whether the water lines are sized properly to extend water to new areas, on whether the existing water treatment plant can handle current capacity and growth, and what the well field can supply for water. The sewer master plan identified forthcoming sewer projects and determined associated sewer rate increases.

The Mayor and Council currently have eight goals, the same goals as the prior year. The first goal is community and economic development. For the past few years the City has been exploring annexation of land around the city limits. A boundary study was conducted and the City Council selected areas to be annexed. In October 2021 the annexation was approved by City Council. The annexation contained approximately 450 separate parcels totaling approximately 6.5 square miles and added 910 residents to the City. The increase in operating costs as a result of the annexation was a significant consideration when preparing the budget. Now that the annexation is complete the next step in this goal is to expand the extra territorial jurisdiction. The Mayor and Council are exploring the creation of a Business Improvement District downtown and have hired PUMA to facilitate this process. Phase I development and infrastructure at the business park in southwest Norfolk has been completed. The City will continue to market this area and other potential properties for growth. A plan for wastewater reuse for industrial processing is available for prospective businesses. The Mayor and Council support the Northeast Nebraska Growing Together initiative to attract young professionals and entrepreneurs. A Norfolk Arts Council has been established and permanent public art has been placed. The Mayor and Council continue to support retail development, small business growth, workforce development, people attraction and retention, and infrastructure expansion.

Parks and recreation is another goal of the Mayor and Council. A big focus is on the \$9.6 million project to implement the Johnson Park master plan and North Fork River restoration. A number of federal, state, and local grants have been awarded, private donations have been received, and the City has committed keno and ARP funds. The project includes new ADA restrooms, additional parking, an amphitheater, updated playground equipment, infrastructure improvements, removal of the existing spillway, river boulder walls to introduce water recreation characteristics to the river, enhanced aquatic habitats, beautification along the bank corridors, and improved river access points. A groundbreaking ceremony was held in August 2022 and work on the river has commenced. The swimming pool at Liberty Bell Park has been demolished and now redevelopment of the park is in the early planning stages.

Street maintenance continues to be a goal of the Mayor and Council. An \$18 million project to reconstruct Benjamin Avenue from 1<sup>st</sup> Street to 13<sup>th</sup> Street is in the construction phase with the project anticipated to be finished by November 2023. City Highway Allocation Fund pledge bonds of \$20,285,000 have been issued to provide funding for Benjamin Avenue, Michigan Avenue, 8<sup>th</sup> Street, and 1<sup>st</sup> Street bridge and storm sewer. Replacement of the 1<sup>st</sup> Street bridge and storm sewer for \$3.8 million is in conjunction with the Johnson Park and North Fork River project. Other street maintenance goals this year include improvements to 1<sup>st</sup> Street south of Benjamin Avenue, Riverside Boulevard south of Benjamin Avenue, and East Maple Avenue. A design consultant for Highway 81 and Highway 275 corridor median landscaping has been engaged. Staff plan to develop a comprehensive preventative maintenance plan using new street scan pavement management system, and continue to hold public open houses to explain the 1 to 6 year street plan.

Another goal is Public Safety expansion. The Mayor and Council desire expanding the Police Station. Phase I renovation to accommodate an expanded regional dispatch center has been completed. Preliminary plans for Phase II addition to the east of the existing building has also been finished, and options for funding construction of Phase II are being discussed. Dispatch services have been combined with Madison County and staff have worked on dispatch regionalization in northeast Nebraska. Six agencies are involved, with Norfolk and South Sioux City being the host sites.

The Mayor and Council are focusing on a number of Public Works projects this year. The City is in the process of recertifying that the flood control levee meets Federal Emergency Management Agency standards. The timeline of the project has been adjusted and now construction of improvements to the flood control levee are anticipated to start in 2024. The City is implementing the Solid Waste master plan to improve the flow of traffic at the transfer station, construct a maintenance facility, and improve site security and safety. New scales, sale house, and video surveillance system have been finished. Construction of the maintenance facility should be completed within the next year. Revenue bonds of \$5,050,000 were issued to fund the project. The Mayor and Council are also focused on wastewater resource recovery, increasing the City's water supply, and adding sidewalks throughout the City.

Another goal is increasing emergency cash reserves to the GFOA recommended minimum of 16% of operating expenditures. Reserves of \$975,000 were used to pay off the Series 2017 Refunding Building Bonds. Debt service on these bonds was funded with Council priority dollars and paying off the bonds frees up approximately \$125,000 annually to be used on other Council priority projects. The Mayor and Council intend to replenish budgeted cash reserves to get back to the GFOA recommended practice of 16% of operating expenditures.

## **RELEVANT FINANCIAL POLICIES**

The City's important financial policies are included in the City's budget document. During the current year, one of these policies was particularly relevant. In 1988 the City Council adopted a policy that requires a minimum budgeted General Fund ending balance of \$1 million. If

adjusted for inflation this would be \$2.5 million. Over the last several years, the City has been increasing General Fund ending balance to bring it up to a more appropriate level.

## **AWARDS AND ACKNOWLEDGEMENTS**

**CERTIFICATE OF ACHIEVEMENT.** 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 Norfolk for its annual comprehensive financial report for the fiscal year ended September 30, 2021. This was the thirty-fourth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive 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 annual comprehensive 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.

**DISTINGUISHED BUDGET PRESENTATION AWARD.** In addition, the City has also received the GFOA's Distinguished Budget Presentation Award for the last thirty years, the most recent for the 2022-2023 budget. In order to qualify for the Distinguished Budget Presentation Award, the City's budget document was judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

**ACKNOWLEDGMENTS.** The timely preparation of this annual comprehensive financial report was made possible by the dedicated service of the entire staff of the Finance Division. Each member of the division has my sincere appreciation for the contributions made in the preparation of this report. I also thank the Mayor and City Council for their interest and support in planning and conducting the financial operation of the City in a responsible and progressive manner.

Sincerely,

CITY OF NORFOLK



Randy Gates  
Finance Officer

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 Norfolk, Nebraska for its annual comprehensive financial report for the fiscal year ended September 30, 2021.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized annual comprehensive financial report, whose contents conform to program standards. Such reports must satisfy both U.S. generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to Certificate of Achievement requirements, and we are submitting to GFOA to determine its eligibility for another certificate.



Government Finance Officers Association

Certificate of  
Achievement  
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**City of Norfolk  
Nebraska**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

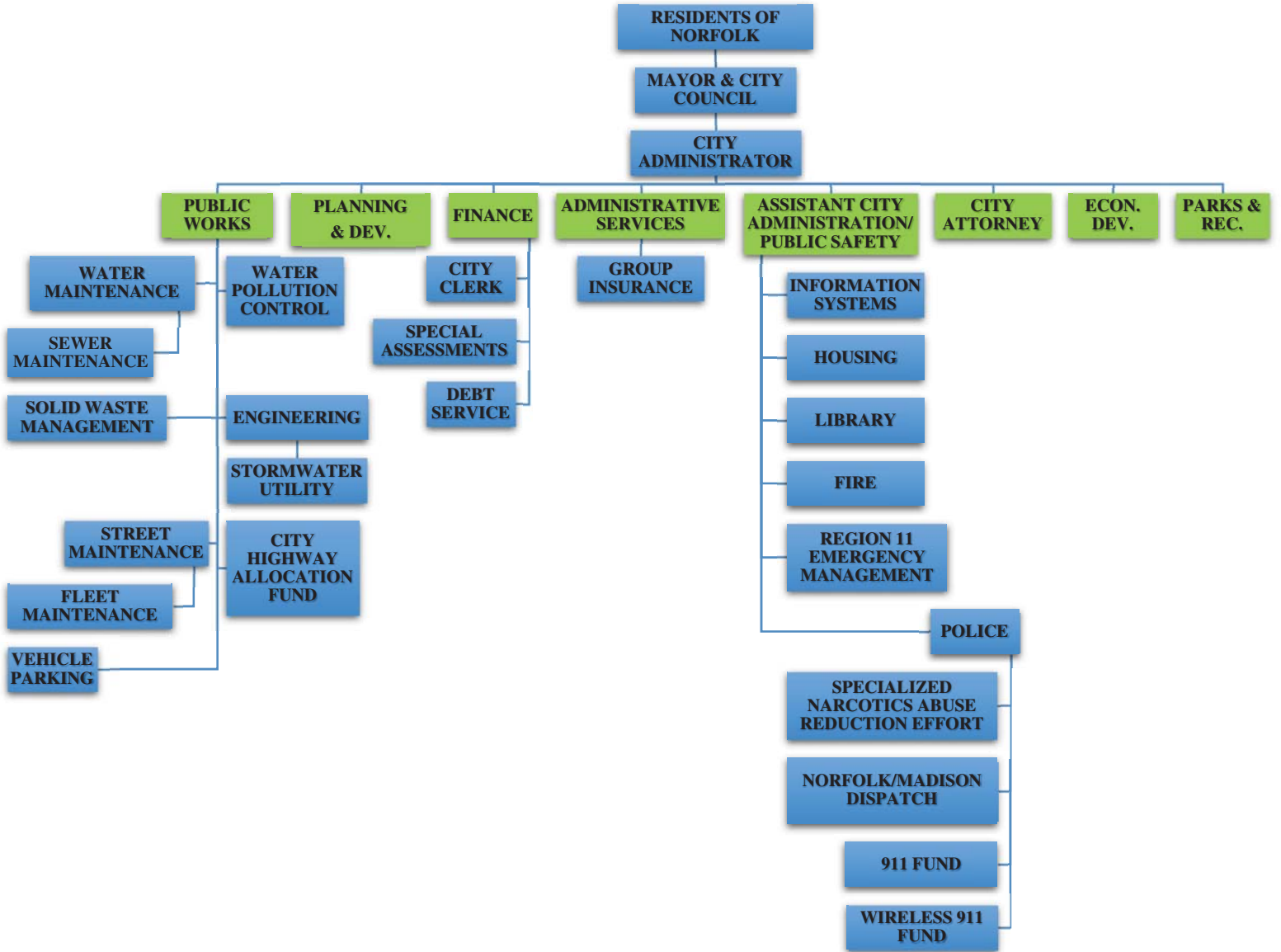
September 30, 2021

*Christopher P. Morrill*

Executive Director/CEO



**City of Norfolk, Nebraska**  
**Organizational Chart**



# CITY OF NORFOLK, NEBRASKA

List of Principal Officials

October 1, 2022

<u>Title</u>	<u>Name</u>
Mayor	Josh Moenning
Council Member	Gary L. Jackson
Council Member	Corey Granquist
Council Member	Shane Clausen
Council Member	Frank Arens
Council Member	Andrew McCarthy
Council Member	Kory Hildebrand
Council Member	Rob Merrill
Council Member	Thad Murren
City Administrator	Andy Colvin
City Attorney	Danielle Myers-Noelle
City Clerk	Brianna Duerst
Planning & Development Director	Valerie Grimes
Director of Public Works	Steven Rames
Asst. City Administrator/Public Safety Director	Scott Cordes
Finance Officer	Randy Gates
Fire Chief	Tim Wragge
Housing Director	Gary Bretschneider
Information Systems Manager	Brad Andersen
Library Director	Jessica Chamberlain
Streets Manager	Will Elwell
Director of Administrative Services	Lyle Lutt
Park & Recreation Director	Nathan Powell
Police Chief	Don Miller
Wastewater Plant Superintendent	Robert Huntley
Water and Sewer Director	Chad Roberts
Economic Development Director	Candice Alder

# FINANCIAL SECTION



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## Independent Auditor's Report

Honorable Members of the City Council  
City of Norfolk, Nebraska

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Norfolk, Nebraska (the City), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Norfolk, Nebraska, as of September 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Emphasis of Matter*

As discussed in Note 1 to the financial statements, in 2022, the City adopted Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. Our opinions are not modified with respect to this matter.

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a

going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison, and pension information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund statements and schedules, and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund statements and schedules, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole

### **Other Information**

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2023, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

**FORVIS,LLP**

Lincoln, Nebraska  
March 27, 2023

## **Management Discussion and Analysis**

**September 30, 2022**

This discussion and analysis of the City of Norfolk's financial performance provides an overview of the City's financial activities for the fiscal year ending September 30, 2022. We encourage the readers to consider the information presented here in conjunction with the additional information furnished in our letter of transmittal on page 1 and the City's financial statements that follow this report.

### **Financial Highlights:**

- The assets and deferred outflows of resources of the City of Norfolk exceeded liabilities and deferred inflows of resources at September 30, 2022, by \$181,925,915. Of this amount, \$37,936,531 is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's net position increased by \$10,229,495 during the year. Of this amount, the net position of Governmental Activities increased \$6,875,069 and the net position of Business Activities increased \$3,354,426.
- Bonds payable increased \$21,273,765. Outstanding revenue bonds total \$12,931,929, general obligation bonds \$25,582,432, and special assessment bonds \$4,200,000 backed by the City's full faith and credit. Bond anticipation notes increased \$140,000 and total \$2,515,000.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

In addition to the Management Discussion and Analysis, this annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the overall City and present a longer-term view of the City's finances. Fund financial statements tell how these services were financed in the short term, as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. The remaining statements provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside of the government. An additional part of the basic financial statements are the Notes to the Financial Statements. This report also contains other supplementary information in addition to the basic financial statements.

## REPORTING THE OVERALL CITY

### The Statement of Net Position and the Statement of Activities

The government-wide statements report information about the overall City using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the government's assets and deferred outflows of resources and liabilities and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the Statement of Activities, regardless of when cash is received or paid.

One of the most important questions asked about the City's finances is *"Is the City of Norfolk in a better financial position at the end of this fiscal year, compared to last year?"* The Statement of Net Position and the Statement of Activities report information about the overall City and about its activities in a way that helps answer this question. These statements include all assets and deferred outflows of resources and liabilities and deferred inflows of resources using the accrual basis of accounting, which is very similar to the method of accounting used by most private-sector companies. These two statements report the City's net position, which is the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources, as one way to measure the City's financial health, or financial position. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating. Additional factors, such as changes in the City's property tax base and sales tax collections and condition of the City's infrastructure, are also important in making this determination.

In the Statement of Net Position and the Statement of Activities, the City is divided into two kinds of activities:

- **Governmental Activities** – Most of the City's basic services are reported here, such as Police, Fire, Public Works, Parks and General Administration. Sales tax, revenue from lease of the City's electrical distribution system, property tax and state and federal grants finance most of these activities.
- **Business Type Activities** – The City charges fees to customers to cover the cost of these services. Included here are the City Water, Sewer, Solid Waste, and Stormwater funds.

## REPORTING THE CITY'S MOST SIGNIFICANT FUNDS

### Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds – not the overall City. Some funds are required to be established by State law or by bond requirements. The City Council also established funds to control and manage



money for particular purposes (such as construction projects) and to show that it is properly using certain revenues (such as grant revenues). The City has the following types of funds:

- **Governmental Funds** – Most of the City’s basic services are included in Governmental Funds, which focus on how money moves into and out of these funds and the balances left at year-end that are available for spending. These funds are reported using the “modified accrual basis” of accounting, which measures cash and all other financial assets that can readily be converted to cash. The Governmental Fund Statements provide a detailed short-term view of the City’s general governmental operations and basic services it provides. Governmental Fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance City programs. We describe the relationship between Governmental Activities (reported in the Statement of Net Position and the Statement of Activities) and Governmental Funds in a reconciliation following each Governmental Fund financial statement.
- **Proprietary Funds** – When the City charges customers for the service it provides, these services are generally reported in Proprietary Funds. Proprietary Funds are reported using the accrual basis of accounting, the same basis reported in the Statement of Net Position and the Statement of Activities. The major difference between the Proprietary Funds report and the Business Type Activities we report in the government-wide statements is the detail and additional information, such as cash flows, provided in the Proprietary Funds report.

## **THE CITY AS TRUSTEE**

### **Reporting the City’s Fiduciary Responsibilities**

Fiduciary Funds are used to account for resources held for the benefit of parties outside the City government. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the City’s fiduciary activities are reported in a separate Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. We exclude these activities from the City’s government-wide financial statements because the City cannot use these assets to finance its operations.

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found behind the Fiduciary Funds statements.

## **THE OVERALL CITY**

As stated earlier, net position may serve over time as a useful indicator of a government’s financial position. The largest part of the City’s net position reflects its investment in

capital assets (land, buildings and improvements, and equipment), less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from the other sources, since the capital assets themselves cannot be used to liquidate these liabilities. This year the City's net investment in capital assets is \$130,218,171.

For the year ended September 30, 2022, net position was as follows:

City of Norfolk's Net Position

	Governmental activities		Business-type activities		Total	
	2022	2021	2022	2021	2022	2021
Current and Other Assets	\$ 62,317,385	\$ 42,286,845	\$ 17,810,023	\$ 14,114,342	\$ 80,127,408	\$ 56,401,187
Capital Assets	90,852,712	82,966,627	70,857,282	65,307,953	161,709,994	148,274,580
Total Assets	153,170,097	125,253,472	88,667,305	79,422,295	241,837,402	204,675,767
Deferred Outflows of Resources	23,172	32,073	-	-	23,172	32,073
Long-Term Liabilities	32,455,263	15,981,504	13,329,876	8,595,563	45,785,139	24,577,067
Other Liabilities	11,786,982	7,286,019	1,432,097	1,148,334	13,219,079	8,434,353
Total Liabilities	44,242,245	23,267,523	14,761,973	9,743,897	59,004,218	33,011,420
Deferred Inflows of Resources	57,933	-	872,508	-	930,441	-
Net Position:						
Net Investment in Capital Assets	71,802,323	67,600,237	58,415,848	56,429,491	130,218,171	124,029,728
Restricted	12,587,527	13,420,384	1,183,686	1,006,136	13,771,213	14,426,520
Unrestricted	24,503,241	20,997,401	13,433,290	12,242,771	37,936,531	33,240,172
Total Net Position	\$ 108,893,091	\$ 102,018,022	\$ 73,032,824	\$ 69,678,398	\$ 181,925,915	\$ 171,696,420

A portion of net position (8%) represents resources that are subject to external restrictions on how they may be used. The remaining balance is unrestricted net position of \$37,936,531 and may be used to meet the City's ongoing obligations to its citizens and creditors.

At the end of the current fiscal year, the City has positive balances in all three categories of net position, both for the overall City as well as for the separate Governmental and Business-Type Activities. The same situation held true for the prior fiscal year.

The biggest change in net position is the \$6,188,443 increase in net investment in capital assets. The Governmental Activities increased \$4,202,086 primarily due to North Fork River instream improvements, trail projects, and early pay off of \$630,000 of General Obligation Bonds. The Business-Type Activities increased \$1,986,357 primarily due to 4<sup>th</sup> Street sanitary sewer rehabilitation, South Highway 81 water extension, and developer contributions of water and sewer mains.

Total revenue reported in fiscal year 2022 was \$58,401,317. The following table breaks down revenues collected for General Governmental Activities and Business-Type Activities:

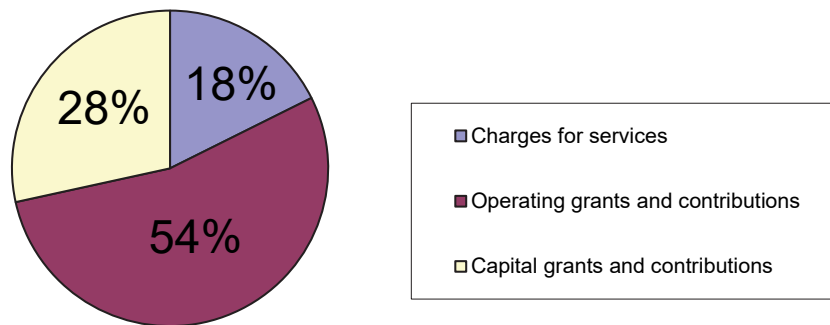
City of Norfolk's Changes in Net Position

	General Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program Revenues:						
Charges for services	\$ 3,372,698	\$ 3,421,768	\$ 11,978,052	\$ 10,864,637	\$ 15,350,750	\$ 14,286,405
Operating grants and contributions	10,317,438	9,921,051	33,136	-	10,350,574	9,921,051
Capital grants and contributions	5,438,961	6,064,400	364,963	2,287,972	5,803,924	8,352,372
Total Program Revenues	19,129,097	19,407,219	12,376,151	13,152,609	31,505,248	32,559,828
General Revenues:						
Property taxes	6,070,915	4,954,639	-	-	6,070,915	4,954,639
Sales taxes	11,141,231	10,503,632	-	-	11,141,231	10,503,632
Other taxes	264,198	220,840	-	-	264,198	220,840
Occupation and franchise taxes	1,257,245	3,073,366	-	-	1,257,245	3,073,366
Interest	359,321	193,263	75,274	20,304	434,595	213,567
General intergovernmental revenues	1,856,222	518,515	-	-	1,856,222	518,515
Keno revenues	785,108	782,377	-	-	785,108	782,377
General revenue from electrical distribution system lease	4,666,382	4,580,816	-	-	4,666,382	4,580,816
Gain on sales of capital assets	19,840	20,075	-	-	19,840	20,075
Miscellaneous	203,323	123,141	14,609	18,429	217,932	141,570
Net position received from annexation	114,185	-	68,216	-	182,401	-
Total General Revenues	26,737,970	24,970,664	158,099	38,733	26,896,069	25,009,397
Total Revenues	45,867,067	44,377,883	12,534,250	13,191,342	58,401,317	57,569,225
Expenses:						
General Government	3,447,008	3,107,535	-	-	3,447,008	3,107,535
Public Safety	12,988,140	12,009,577	-	-	12,988,140	12,009,577
Public Works	8,763,148	7,201,836	-	-	8,763,148	7,201,836
Public Library	1,923,155	1,869,748	-	-	1,923,155	1,869,748
Parks and Recreation	3,839,233	3,273,798	-	-	3,839,233	3,273,798
Community Improvement and Development	6,791,856	5,496,064	-	-	6,791,856	5,496,064
Debt Service	491,339	371,104	-	-	491,339	371,104
Water System	-	-	3,182,728	2,887,287	3,182,728	2,887,287
Sewer System	-	-	4,192,958	3,673,607	4,192,958	3,673,607
Solid Waste	-	-	2,446,408	2,264,535	2,446,408	2,264,535
Stormwater	-	-	105,849	112,299	105,849	112,299
Total Expenses	38,243,879	33,329,662	9,927,943	8,937,728	48,171,822	42,267,390
Increase in Net Position before Transfers	7,623,188	11,048,221	2,606,307	4,253,614	10,229,495	15,301,835
Transfers	(748,119)	(2,629,752)	748,119	2,629,752	-	-
Increase in Net Position	6,875,069	8,418,469	3,354,426	6,883,366	10,229,495	15,301,835
Net Position - Beginning	102,018,022	93,599,553	69,678,398	62,795,032	171,696,420	156,394,585
Net Position - Ending	\$ 108,893,091	\$ 102,018,022	\$ 73,032,824	\$ 69,678,398	\$ 181,925,915	\$ 171,696,420

Program revenues totaled \$31,505,248. Of this total \$19,129,097 was program revenues from General Governmental Activities, which decreased \$278,122 from the prior year. In the prior year the City received federal funding through the State of Nebraska Coronavirus Relief Fund Program as reimbursement of payroll costs for police officers, firefighters, dispatchers, and other qualified employees whose services were substantially dedicated to mitigating or responding to the Covid-19 public health emergency. This was partially offset by large donations received for park improvements. Program revenues from Business-Type Activities were \$12,376,151, which decreased \$776,458 from the prior year. About 96% of Business-Type Activities program revenues is use fees for water, sewer, solid waste and stormwater. Water, sewer, and solid waste rates increased effective October 1, 2021. These increases were offset by developer contributions for water and sewer lines in new developments such as Blackberry Heights, Victory Village, and Wyndham Hills in the prior year.

The following chart breaks down Program Revenues for General Governmental Activities by source:

### Program Revenues General Governmental

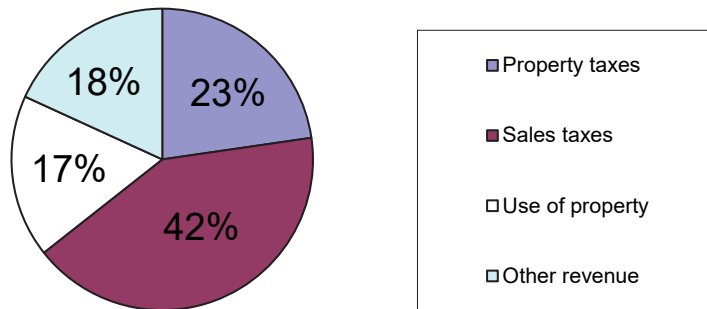


General revenues for Governmental Activities increased \$1,767,306 or 7.08% going from \$24,970,664 last year to \$26,737,970 in the current year. The largest general revenue source is sales tax, which increased \$637,599 or 6.07%. The City annexed approximately 6.5 square miles and added 910 residents. Sales tax in the annexed areas became effective April 1, 2022. The second largest general revenue source, property taxes, increased \$1,116,276 or 22.53%. The property tax levy rate increased .051977 per \$100 of valuation to fund additional items in the budget such as an IT position, parks maintenance worker, street capital outlay, wayfinding signage, and increasing cash reserves. Occupation and franchise taxes decreased \$1,816,121 due to the 2% food and beverage and 4% lodging occupation taxes ending November 30, 2021. These

occupation taxes were restricted for debt service on the Recreation Facilities Bonds and these bonds were paid early. General intergovernmental revenues increased \$1,337,707 primarily due to funds from the American Rescue Plan Act. The City received \$4.3 million from this Act and recognized \$1.2 million in revenue this year, which is the amount spent on river rehabilitation, a downtown study, and acquisition of electrical distribution system. The annexation resulted in net position received of \$182,401, which consisted primarily of water lines and cash on hand.

The following chart breaks down General Revenues for General Governmental Activities by source:

### General Revenues General Governmental



Total expenses increased \$5,904,432 or 13.97% going from \$42,267,390 last year to \$48,171,822 this year. The increase was primarily in the Governmental Activities which increased \$4,914,217 or 14.74%, while expenses in Business-Type Activities increased \$990,215 or 11.08%.

The biggest increase was in public works, which increased \$1,561,312 going from \$7,201,836 last year to \$8,763,148 this year. The City hired Elkhorn Paving Construction Co. and Constructors Inc. to do asphalt overlays and concrete improvements on various streets throughout the City and this was \$1,914,282 in the current year.

Community improvement and development increased \$1,295,792 or 23.58% due to a \$1,757,450 increase in tax increment financing projects. Tax increment financing projects in the current year include: Channel Road, Fountain Point North, and Norfolk Extended Lodging. This was partially offset by a \$625,000 contribution to the YMCA to fund a portion of their building expansion in the prior year.

Public safety increased \$978,563 going from \$12,009,577 in the prior year to \$12,988,140 in the current year. The City entered into an agreement with Madison

County to combine dispatch services to be housed at the Norfolk Police Station. A dispatch supervisor and three dispatchers were added as a result of the agreement. Public safety is personnel intensive, with over 80% of expenses being personnel costs. This year there was a 3% cost of living adjustment and a 15% increase in group health insurance premiums. Parks and recreation increased \$565,435 or 17.27% also partially due to the cost of living adjustment and increase in group health insurance premiums, and due to the addition of an arborist, park maintenance worker, and professional fees for recreation architectural concepts.

Expenses for Business-Type Activities increased \$990,215 or 11.08% going from \$8,937,728 last year to \$9,927,943 this year. High inflation increased the cost of fuel and materials in the Water, Sewer, and Solid Waste Divisions. Expenses in the Water Division increased \$295,441 or 10.23% partially due to consultant fees to develop a water master plan, while expenses in the Sewer Division increased \$519,351 or 14.14% partially due to the addition of a waste water plant operator and a \$81,083 loss on disposal of capital asset. Expenses in the Solid Waste Division increased \$181,873 or 8.03% partially due to interest on the bonds issued in November 2022 to fund implementation of the site master plan. Expenses in the Stormwater Division decreased \$6,450 or 5.74% due to a drainage study in the prior year.

The following table shows the activities included within each program level:

<u>Program Level</u>	<u>Activity</u>
General Government.....	Administration, Support Services
Public Safety.....	Emergency Medical Services, Police, Fire, Emergency Management
Public Works .....	Engineering, Streets, Fleet,
Public Library .....	Operation of Public Library
Parks and Recreation .....	Parks, Recreation
Community Improvement and Development.....	Housing, Economic Development, Planning and Development
Debt Service.....	Payment of Interest
Water System.....	Operation of Water Treatment Plant and Distribution System
Sewer System.....	Operation of the Waste Water Treatment Plant and Collection System
Solid Waste.....	Operation of Transfer Station
Stormwater.....	Compliance with Federal Stormwater Regulations

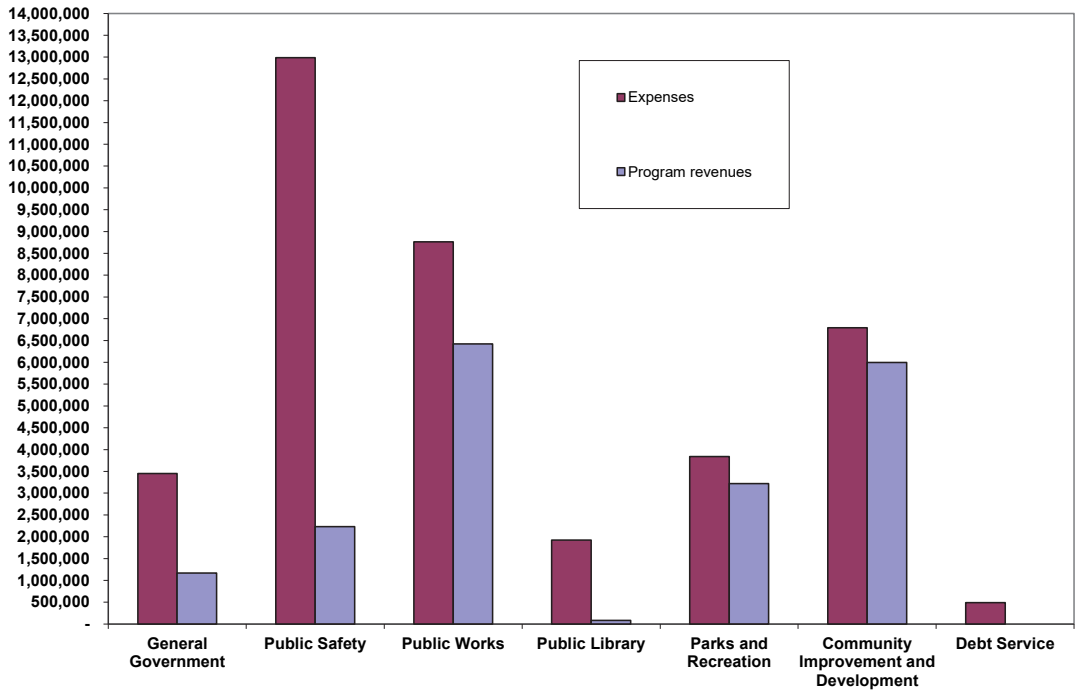
### **Governmental Activities**

To aid in the understanding of the Statement of Activities, some additional explanation is given. Of particular interest is the format that is significantly different than a typical Statement of Revenues, Expenses and Changes in Fund Balance. Please note that the expenses are listed in the first column, with revenues from that particular program reported to the right. The result is a Net (Expense) Revenue calculation. This format highlights the respective financial burden that each of the functions place on the taxpayers.

The following chart shows the relationship of program expense to program revenue for governmental activities in a graphical format. As would be expected, expenses exceed revenues for all governmental activities. For example, public safety had expenses of

\$12,988,140 and total program revenues of only \$2,233,580 comprised of \$1,071,402 of charges for services, \$1,012,594 of operating grants and contributions, and \$149,584 of capital grants and contributions. The net cost of public safety was \$10,754,560 which must be funded by general revenues.

**Expenses and Program Revenues - Governmental Activities**



Some of the individual line item revenues reported for each function are:

- General Government..... Fees, Nongovernmental Grants
- Public Safety..... State Revenue, Federal Grants, State Grants, Ambulance Fees and Other Charges for Service, Contributions
- Public Works..... Special Assessments, State Revenue, Charges for Services, Federal Grants, Rent, Contributed Capital
- Public Library..... Service Charges, Fees, State Grants
- Parks and Recreation ..... Rent, Fees, Contributions, Federal and State Grants
- Community Improvements and Development... Federal and State Grants, Contributions, Permits, TIF proceeds

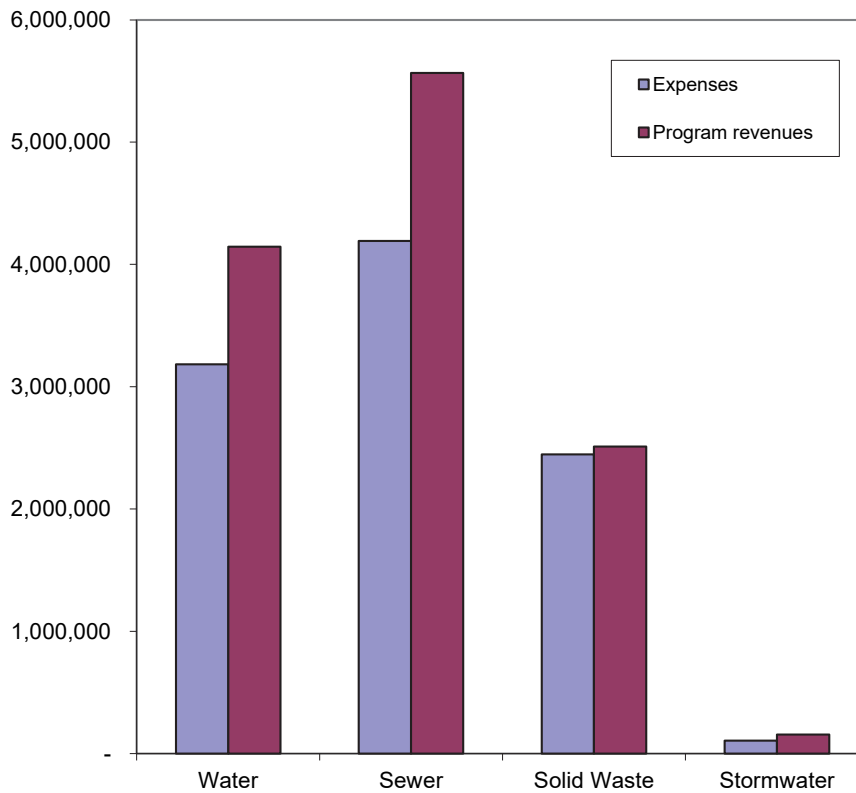
**Business-Type Activities**

Business-Type Activities net position increased \$3,354,426 accounting for 33% of the growth in the City’s net position.

The City operates four Business-Type Activities including water, sewer, solid waste, and stormwater. As can be seen by the following chart, program revenues exceeded expenses in all four divisions during the year. Water Division program revenues exceeded

expenses by \$962,522. Water rates are set to fund the City’s water master plan, which is currently being updated. The last master plan included about \$20 million of improvements through 2020. Water rates increased 5% effective October 1, 2021. The City updated its sewer master plan and the update includes \$10.5 million of improvements through 2040. Sewer rates increased 5% effective October 1, 2021 and Sewer Division program revenues exceeded expenses by \$1,372,645. Solid Waste Division program revenues exceeded expenses by \$63,825 and also included a 5% rate increase effective October 1, 2021. A stormwater fee was implemented October 1, 2019 to fund compliance with federally mandated stormwater regulations. This generated \$155,065 in fees its third year and exceeded Stormwater Division expenses by \$49,216.

**Expenses and Program Revenues - Business-type Activities**



**FINANCIAL ANALYSIS OF THE CITY’S FUNDS**

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. 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 financing requirements. Unassigned fund balance may serve as a useful measure of a government’s net resources available for spending at the end of a fiscal year. The City’s governmental funds reported combined ending fund



balances of \$42,871,051. The combined Governmental Fund balance increased \$13,582,609 or 46.38% from the prior year.

The General Fund is the primary operating fund of the City. During the year, expenditures exceeded revenues in the General Fund by \$620,054 decreasing fund balance from \$11,845,348 last year to \$11,225,294 this year. At the July 2022 budget review session the Mayor and Council voted to pay off the outstanding Series 2017 Refunding Building Bonds to free up Council priority dollars. This was \$975,000 transferred to the Debt Service Fund.

The City Highway Allocation Fund increased \$14,257,608 going from \$5,442,806 last year to \$19,700,414 this year. In May 2022 the City issued \$20,285,000 of Highway Allocation Fund Pledge Bonds to fund street projects including: Benjamin Avenue reconstruction, 1<sup>st</sup> Street bridge replacement, 8<sup>th</sup> Street reconstruction, and Michigan Avenue reconstruction. At the end of the year there was \$16,975,025 of bond proceeds remaining to be spent. In the current year the City also had almost \$2 million of asphalt overlays and concrete improvements on various streets throughout the City.

The Debt Service Fund decreased \$588,908 or 9.9%. In January 2022 the City paid off the remaining \$630,000 General Obligation Recreation Facilities Bonds with accumulated occupation tax. This was partially offset by special assessment collections to be used on future debt service.

The Capital Construction Fund increased \$399,596 or 6.7%. During the year the City received \$1,055,982 from two estates to be used for park improvements and \$805,330 from the Greater Norfolk Economic Development Foundation to be used for Johnson Park improvements. As mentioned earlier the City and Madison County combined dispatch services. This required renovation of the Police Station and additional equipment of approximately \$770,000. Also during the year the City spent grant awards on trails and Johnson Park improvements.

The Special Assessment Fund had a decrease in fund balance of \$36,831. Bond anticipation notes of \$2,320,000 were issued in the previous year to fund construction of various assessment districts. Since this is a fund liability, fund balance decreased as payments were made on the projects. Most of the construction occurred in the previous year, with a number of districts being completed in the current year. The projects assessed were to extend water, sewer, and paving to Legacy Bend Addition and extend water on South Highway 81.

The only other major funds are the Community Development Agency Fund and the American Rescue Plan Fund. The Community Development Agency Fund had an increase in fund balance of \$2,151 or 0.6% due to interest earnings. During the year \$4,652,802 of tax increment financing proceeds were issued and distributed to developers in accordance with the Redevelopment Agreements. The American Rescue Plan Fund had no change in fund balance. As mentioned earlier the City received \$4.3 million and recognized \$1.2 million in revenue this year, which is the amount spent on river

rehabilitation, a downtown study, and acquisition of electrical distribution system. The remaining \$3.1 million is unearned revenue and results in no change in fund balance.

Governmental nonmajor funds increased \$169,047. The Norfolk/Madison Dispatch Fund increased \$205,730 during its first year of operation. Of the remaining funds, four funds had an increase in fund balance and three funds had a decrease in fund balance. The increases ranged from \$2,063 to \$32,593 and the decreases ranged from \$8,639 to \$44,614.

## **GENERAL FUND BUDGETARY HIGHLIGHTS**

The General Fund budget was not amended during the year and included approximately \$24.5 million of revenues and \$28.2 million of expenditures resulting in a budgeted decrease in fund balance of \$3.7 million. Actual fund balance decreased \$853,241 because revenues exceeded budget by \$2.6 million and expenditures were under budget by \$0.3 million. This combined with beginning fund balance exceeding budget by \$1.0 million, resulted in an ending fund balance of about \$3.9 million more than budgeted.

The largest amount of revenues over budget was in taxes which exceeded budget by \$1,011,168. This consisted of sales tax exceeding budget by \$1,321,445. To be conservative, a growth rate was not factored in the budget. Sales tax has grown in recent years due to construction activity and sales tax on internet sales, and most recently with the annexation. Intergovernmental revenue exceeded budget by \$524,431 primarily due to receipts from the State of Nebraska for property tax credit and homestead exemption. These receipts are not budgeted in intergovernmental revenue as they are budgeted as part of property taxes, which is why property tax was \$389,805 under budget. Charges for services exceeded budget by \$380,836, of which \$253,290 was from ambulance fees due to an increase in calls for service. When the budget was prepared, it was not known if the annexation was going to occur so nothing was budgeted. Actual annexation revenue was \$119,623, which was primarily cash.

Expenditures in most categories were under budget resulting in \$1,414,704 less expenditures than budgeted. Public safety had the largest amount of under budget expenditures followed by public works. The City always budgets conservatively and expenditures are normally under budget. Vacant police officer positions remained unfilled as the City sees a shortage in police officers similar to the rest of the nation. Capital outlays are prioritized and lower priority items are often not purchased. General government was over budget \$104,751 due to one-time funding of \$201,200 to North Fork Area Transit to start a flex route transit system.

Transfers in exceeded budget by \$11,758 due to closing out Special Assessment Fund 425 to the General Fund after the outstanding various purpose bonds were paid. Transfers out were over budget by \$1,134,126. As mentioned earlier the Mayor and Council voted to pay off the outstanding Series 2017 Refunding Building Bonds to free up Council priority dollars. This was \$975,000 transferred to the Debt Service Fund.

## CAPITAL ASSETS

The City's investment in capital assets, including land, buildings and improvements, equipment, right-to-use leased assets, streets, water and sewer systems, drainage systems and other infrastructure represents the value of the resources utilized to provide services to our citizens. The investment in capital assets as of September 30, 2022, was \$130,218,171 (net of accumulated depreciation/amortization and outstanding financings). The gross additions to capital assets for the last two years follows:

	Governmental		Business-type		Total	
	Activities		Activities			
	2022	2021	2022	2021	2022	2021
Land	\$ 18,439	\$ 463,047	\$ -	\$ 62,405	\$ 18,439	\$ 525,452
Leased land	8,196	-	-	-	8,196	-
Buildings and improvements	255,420	333,015	18,320	-	273,740	333,015
Water distribution and sewage system	-	-	2,976,026	10,507,900	2,976,026	10,507,900
Equipment, furniture and fixtures	1,935,976	720,626	633,026	130,314	2,569,002	850,940
Infrastructure	2,683,486	7,549,286	-	-	2,683,486	7,549,286
Construction in progress	12,207,136	4,696,245	6,252,156	1,949,683	18,459,292	6,645,928
Total Gross Additions	\$ 17,108,653	\$ 13,762,219	\$ 9,879,528	\$ 12,650,302	\$ 26,988,181	\$ 26,412,521

Gross additions to capital assets for Governmental Activities were \$17,108,653 compared to \$13,762,219 of additions in the prior year. The largest project in the current year is reconstruction of Benjamin Avenue from 4 lanes to 5 lanes from 1<sup>st</sup> Street to 13<sup>th</sup> Street. This is a multiyear project and \$6,993,886 was added to construction in progress this year. Another large project is the riverfront project, which consists of: 1<sup>st</sup> Street bridge replacement, North Fork River rehabilitation, and improvements at Johnson Park. Almost \$2.5 million was added to construction in progress for this project. Approximately \$2 million is streets in a new subdivision and streets in annexed areas. Other significant additions in the current year include: the police dispatch renovation, Motorola radios, trail projects, and two snow plows.

Total gross additions to capital assets for Business-Type activities were \$9,879,528 compared to \$12,650,302 in the prior year. The largest additions in the current year were in construction in progress, with \$3,912,038 attributable to implementation of the transfer station site master plan. This project includes a truck maintenance facility, new scalehouse, scales, extensive concrete, and improved site security. Significant additions to water distribution and sewage system include: water extension on South Highway 81, 4<sup>th</sup> Street sewer rehabilitation, developer contributions of water and sewer lines in new subdivisions, and water lines in annexed areas. Significant additions to equipment include: solids applicator truck, belt reconditioning, and two pickups.

See Note 5 to the financial statements for more information on the City's Capital Assets.

## **DEBT ADMINISTRATION**

At year-end the City had \$42,714,361 of bonded debt outstanding, net of original issue discounts/premiums. This is an increase of \$21,273,765 from the prior year. During the year the City issued \$20,285,000 of Highway Allocation Fund Pledge Bonds to fund various street improvements. The City also issued \$5,050,000 of Combined Utilities Revenue Bonds to fund implementation of the transfer station site master plan.

Moody's rated both the Highway Allocation Fund Pledge Bonds and the Combined Utilities Revenue Bonds Aa3. The ratio of general bonded debt to assessed real property value for the City has decreased from 1.54% in 2013 to 1.06% currently due to an increase in assessed valuation over the last 10 years. Total debt per capita was \$1,208.83 in 2013 compared to \$858.76 in 2021, the most recent date per capita information is available. The debt coverage ratio for the City's enterprise bonds is 6.09.

The City has no legal debt limit. Debt service payments are exempt from both the lid and levy limits under Nebraska law. More detailed information on debt administration is provided in Note 8 of the financial statements.

## **ECONOMIC FACTORS**

In 2020 the City updated its sewer master plan and is now in the process of updating the water master plan. The water master plan will provide information on whether the water lines are sized properly to extend water to new areas, on whether the existing water treatment plant can handle current capacity and growth, and what the well field can supply for water. Water and sewer rates are set according to the master plans. The last rate increases were 3.5% for both water and sewer rates effective November 1, 2022.

Solid waste rates increased 13.7% effective November 1, 2022 to fund increases in operating costs and improvements at the transfer station. Stormwater rates increased \$1 per month for residential customers and \$3 per month for commercial and industrial customers effective November 1, 2022 to fund additional drainage projects.

At the October 4, 2021 City Council meeting the final reading of Ordinance 5743 was approved annexing land to the City of Norfolk on all sides of the existing city limits. The annexation contained approximately 450 separate parcels adding up to approximately 6.5 square miles. The residential parcels added 910 residents to the city.

A contract amendment for a Community Development Block Grant was approved which increases the grant by \$505,000 for a total grant of \$1,010,000. The grant aids a medical business to purchase a recreation vehicle, necessary medical equipment, and working capital to develop a mobile health clinic to serve the residents of northeast Nebraska to prepare, prevent, and respond to Covid-19.

The City was awarded a \$200,000 Site and Building Development Fund Grant from the State of Nebraska Department of Economic Development to assist Norfolk Crush with construction of their soybean crushing plant.

High health claims in the City's self-funded health insurance plan over the past years has caused a need to increase group health insurance premiums. Premiums for both the City's share and employee's share increased 10% effective October 1, 2022. Future increases of 6% in 2023 and 4% annually thereafter are anticipated.

The City's property tax levy rate for the 2022-2023 budget decreased .003185 per \$100 of valuation.

At the end of the current fiscal year, the unassigned fund balance in the General Fund was \$10,883,760. The City has appropriated \$3,427,947 of this amount for spending in the 2021-2022 fiscal year budget. This action was taken as a precaution, given that the City budgets conservatively.

#### **CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Department at 402-844-2000.

**CITY OF NORFOLK, NEBRASKA**  
**STATEMENT OF NET POSITION**  
September 30, 2022  
With Summarized Financial Information as of September 30, 2021

	Primary Government		Totals	
	Governmental Activities	Business-Type Activities	2022	2021
<b>ASSETS</b>				
Cash and Equity in Pooled Investment Account	\$ 52,951,567	\$ 12,857,451	\$ 65,809,018	\$ 44,989,355
Receivables (Net, where applicable, of allowance for uncollectibles)				
Accounts	379,950	2,078,130	2,458,080	2,069,991
Taxes	2,200,950	-	2,200,950	2,210,855
Accrued Interest	16,470	6,546	23,016	28,784
Special Assessments	3,632,636	489,871	4,122,507	3,216,648
Notes	1,017,738	-	1,017,738	980,805
Leases	56,575	873,444	930,019	-
Settlements	100,548	-	100,548	-
TIF Bond	177,708	-	177,708	220,506
Due from Other Governmental Agencies	1,582,653	-	1,582,653	1,247,474
Inventories	70,564	202,857	273,421	246,481
Prepaid Assets	130,026	8,973	138,999	121,237
Restricted Assets:				
Cash and Cash Equivalents	-	1,292,751	1,292,751	1,069,051
Capital Assets not Being Depreciated	24,439,568	8,841,025	33,280,593	21,442,890
Capital Assets, Net of Accumulated Depreciation & Amortization	66,413,144	62,016,257	128,429,401	126,831,690
<b>Total Assets</b>	<b>153,170,097</b>	<b>88,667,305</b>	<b>241,837,402</b>	<b>204,675,767</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred Loss on Refunding	-	-	-	9,293
Deferred Outflow of Resources Related to Pensions	23,172	-	23,172	22,780
<b>Total Deferred Outflows of Resources</b>	<b>23,172</b>	<b>-</b>	<b>23,172</b>	<b>32,073</b>
<b>LIABILITIES</b>				
Accounts Payable	5,038,292	1,323,032	6,361,324	3,684,598
Unearned Revenue	3,919,087	-	3,919,087	2,247,326
Accrued Interest Payable	314,603	-	314,603	64,515
Bond Anticipation Notes	2,515,000	-	2,515,000	2,375,000
Payables from Restricted Assets:				
Accrued Revenue Bond Interest	-	109,065	109,065	62,914
Revenue Bonds - Current	-	615,000	615,000	395,000
Noncurrent Liabilities:				
Due within one year:				
General Obligation Bonds	415,000	-	415,000	1,915,000
Various Purpose Bonds	365,000	-	365,000	415,000
Leases	20,526	15,884	36,410	-
Compensated Absences and Benefits	1,241,363	166,345	1,407,708	1,378,683
Due in more than one year:				
Revenue Bonds Payable	-	12,316,929	12,316,929	7,761,894
General Obligation Bonds	25,167,432	-	25,167,432	6,753,702
Various Purpose Bonds	3,835,000	-	3,835,000	4,200,000
Leases	51,128	31,884	83,012	-
Compensated Absences and Benefits	1,331,809	183,834	1,515,643	1,730,772
Net Pension Liability	28,005	-	28,005	27,016
<b>Total Liabilities</b>	<b>44,242,245</b>	<b>14,761,973</b>	<b>59,004,218</b>	<b>33,011,420</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Lease Related	57,933	872,508	930,441	-
<b>Total Deferred Outflows of Resources</b>	<b>57,933</b>	<b>872,508</b>	<b>930,441</b>	<b>-</b>
<b>NET POSITION</b>				
Net Investment in Capital Assets	71,802,323	58,415,848	130,218,171	124,029,728
Restricted for:				
Debt Service	5,032,126	1,183,686	6,215,812	5,016,728
Road Projects	2,725,389	-	2,725,389	5,442,806
Community Programs & Services	4,830,012	-	4,830,012	3,966,986
Unrestricted	24,503,241	13,433,290	37,936,531	33,240,172
<b>Total Net Position</b>	<b>\$ 108,893,091</b>	<b>\$ 73,032,824</b>	<b>\$ 181,925,915</b>	<b>\$ 171,696,420</b>

See Accompanying Notes to Financial Statements

**CITY OF NORFOLK, NEBRASKA**

**STATEMENT OF ACTIVITIES**

For the Year Ended September 30, 2022

With Summarized Financial Information for the Year Ended September 30, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Totals	
							2022	2021
<b>Primary Government:</b>								
Governmental Activities:								
General Government	\$ 3,447,008	\$ 1,170,501	\$ -	\$ -	\$ (2,276,507)	\$ (2,276,507)	\$ (1,939,910)	
Public Safety	12,988,140	1,071,402	1,012,594	149,584	(10,754,560)	(10,754,560)	(8,373,679)	
Public Works	8,763,148	93,416	3,746,998	2,580,519	(2,342,215)	(2,342,215)	2,598,760	
Public Library	1,923,155	25,511	53,945	5,839	(1,837,860)	(1,837,860)	(1,813,961)	
Parks and Recreation	3,839,233	501,590	16,642	2,703,019	(617,982)	(617,982)	(2,604,555)	
Community Improvement and Development	6,791,856	510,278	5,487,259	-	(794,319)	(794,319)	(1,417,994)	
Debt Service	491,339	-	-	-	(491,339)	(491,339)	(371,104)	
Total Governmental Activities	<u>38,243,879</u>	<u>3,372,698</u>	<u>10,317,438</u>	<u>5,438,961</u>	<u>(19,114,782)</u>	<u>(19,114,782)</u>	<u>(13,922,443)</u>	
Business-Type Activities:								
Water Division	3,182,728	3,913,399	-	231,851		962,522	2,109,565	
Sewer Division	4,192,958	5,432,491	-	133,112		1,372,645	1,992,831	
Solid Waste Division	2,446,408	2,477,097	33,136	-		63,825	72,176	
Stormwater Division	105,849	155,065	-	-		49,216	40,309	
Total Business-Type Activities:	<u>9,927,943</u>	<u>11,978,052</u>	<u>33,136</u>	<u>364,963</u>		<u>2,448,208</u>	<u>4,214,881</u>	
Total Primary Government	<u>\$ 48,171,822</u>	<u>\$ 15,350,750</u>	<u>\$ 10,350,574</u>	<u>\$ 5,803,924</u>	<u>(19,114,782)</u>	<u>2,448,208</u>	<u>(16,666,574)</u>	<u>(9,707,562)</u>
General Revenues:								
Property Taxes					6,070,915	-	4,954,639	
Sales Taxes					11,141,231	-	10,503,632	
Other Taxes					264,198	-	220,840	
Occupation and Franchise Taxes					1,257,245	-	3,073,366	
Interest					359,321	75,274	213,567	
General Intergovernmental Revenues Unrestricted					1,856,222	-	518,515	
Unrestricted Keno Revenue					785,108	-	782,377	
General Revenue from Electrical Distribution System Lease					4,666,382	-	4,580,816	
Gain on Sale of Capital Assets					19,840	-	20,075	
Miscellaneous					203,323	14,609	141,570	
Interfund Transfers					(748,119)	748,119	-	
Net Position Received from Annexation					114,185	68,216	-	
Total General Revenues and Transfers					<u>25,989,851</u>	<u>906,218</u>	<u>25,009,397</u>	
Change in Net Position					<u>6,875,069</u>	<u>3,354,426</u>	<u>15,301,835</u>	
Net Position - Beginning					<u>102,018,022</u>	<u>69,678,398</u>	<u>171,696,420</u>	<u>156,394,585</u>
Net Position - Ending					<u>\$ 108,893,091</u>	<u>\$ 73,032,824</u>	<u>\$ 181,925,915</u>	<u>\$ 171,696,420</u>

See Accompanying Notes to Financial Statements

**CITY OF NORFOLK, NEBRASKA**  
**BALANCE SHEET**  
**Governmental Funds**  
**September 30, 2022**

	General	City Highway Allocation	American Rescue Plan	Debt Service	Special Assessments	Capital Construction	Community Development Agency	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>									
Cash and Equity in Pooled Investment Account	\$ 7,771,955	\$ 21,854,658	\$ 3,094,971	\$ 4,946,600	\$ 222,515	\$ 8,452,873	\$ 391,695	\$ 2,053,814	\$ 48,789,081
Cash at County Treasurer	715,001	-	-	138,009	-	-	-	11,939	864,949
Receivables (Net, where applicable, of allowance for uncollectibles)									
Accounts	249,637	-	-	-	-	127,379	-	2,934	379,950
Taxes	2,147,652	-	-	23,573	-	-	-	29,725	2,200,950
Accrued Interest	3,593	5,280	-	2,206	51	2,884	-	1,088	15,102
Special Assessments	57,147	-	-	3,575,489	-	-	-	-	3,632,636
Notes	-	-	-	-	-	-	-	1,017,738	1,017,738
Leases	56,575	-	-	-	-	-	-	-	56,575
Settlements	100,548	-	-	-	-	-	-	-	100,548
TIF Bond	-	-	-	177,708	-	-	-	-	177,708
Due from Other Governmental Agencies	622,270	321,246	-	-	-	621,446	-	17,690	1,582,652
Inventories	44,480	-	-	-	-	-	-	-	44,480
Prepaid Assets	98,467	-	-	-	-	-	-	31,559	130,026
<b>Total Assets</b>	<b>11,867,325</b>	<b>22,181,184</b>	<b>3,094,971</b>	<b>8,863,585</b>	<b>222,566</b>	<b>9,204,582</b>	<b>391,695</b>	<b>3,166,487</b>	<b>58,992,395</b>
<b>Liabilities</b>									
Accounts Payable	320,570	2,480,770	-	-	-	1,477,295	-	6,311	4,284,946
Unearned Revenue	50,406	-	3,094,971	-	-	757,043	-	16,667	3,919,087
Bond Anticipation Notes	-	-	-	-	2,515,000	-	-	-	2,515,000
<b>Total Liabilities</b>	<b>370,976</b>	<b>2,480,770</b>	<b>3,094,971</b>	<b>-</b>	<b>2,515,000</b>	<b>2,234,338</b>	<b>-</b>	<b>22,978</b>	<b>10,719,033</b>
<b>Deferred Inflows of Resources</b>									
Unavailable Revenue-Property Taxes	55,427	-	-	11,497	-	-	-	1,008	67,932
Unavailable Revenue-Loan Repayments	-	-	-	-	-	-	-	1,013,026	1,013,026
Unavailable Revenue-Special Assessments	57,147	-	-	3,327,651	-	-	-	-	3,384,798
Unavailable Revenue-Grants	-	-	-	-	-	600,366	-	-	600,366
Lease Related	57,933	-	-	-	-	-	-	-	57,933
Unavailable Revenue-TIF Bond	-	-	-	177,708	-	-	-	-	177,708
Unavailable Revenue-Settlements	100,548	-	-	-	-	-	-	-	100,548
<b>Total Deferred Inflows of Resources</b>	<b>271,055</b>	<b>-</b>	<b>-</b>	<b>3,516,856</b>	<b>-</b>	<b>600,366</b>	<b>-</b>	<b>1,014,034</b>	<b>5,402,311</b>
<b>Fund Balances (Deficits)</b>									
Non Spendable	142,947	-	-	-	-	-	-	31,559	174,506
Restricted	43,155	19,700,414	-	5,346,729	-	2,285,426	391,695	2,097,916	29,865,335
Committed	-	-	-	-	-	117,044	-	-	117,044
Assigned	155,432	-	-	-	-	3,967,408	-	-	4,122,840
Unassigned	10,883,760	-	-	-	(2,292,434)	-	-	-	8,591,326
<b>Total Fund Balances (Deficits)</b>	<b>11,225,294</b>	<b>19,700,414</b>	<b>-</b>	<b>5,346,729</b>	<b>(2,292,434)</b>	<b>6,369,878</b>	<b>391,695</b>	<b>2,129,475</b>	<b>42,871,051</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 11,867,325</b>	<b>\$ 22,181,184</b>	<b>\$ 3,094,971</b>	<b>\$ 8,863,585</b>	<b>\$ 222,566</b>	<b>\$ 9,204,582</b>	<b>\$ 391,695</b>	<b>\$ 3,166,487</b>	<b>\$ 58,992,395</b>

See Accompanying Notes to Financial Statements



**CITY OF NORFOLK, NEBRASKA**  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET POSITION**  
**September 30, 2022**

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Total Fund Balance - Governmental Funds (page 33)	\$ 42,871,051
Amounts reported for Governmental Activities in the Statement of Net Position are different because:	
Infrastructure, property, and equipment used in governmental activities are not financial resources and, therefore, are not reported in the funds	90,852,712
Internal service fund is used by management to fund and maintain the City's health insurance provided to user departments and is included in the statement of net position.	2,545,559
Unavailable revenues that provide current financial resources for governmental activities	5,344,378
Donated land held for resale is not reported in the funds since a sales contract has not been established	26,085
Accrued expenses from the balance sheet that require current financial resources for governmental activities	(314,603)
Deferred outflows related to pensions are not current financial resources and, therefore, are not reported in the funds.	23,172
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds	<u>(32,455,263)</u>
Total Net Position - Governmental Activities (page 31)	<u>\$ 108,893,091</u>

See Accompanying Notes to Financial Statements

**CITY OF NORFOLK, NEBRASKA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**Governmental Funds**  
**For the Year Ended September 30, 2022**

	General	City Highway Allocation	American Rescue Plan	Debt Service	Special Assessments	Capital Construction	Community Development Agency	Other Governmental Funds	Total Governmental Funds
<b>Revenue:</b>									
Taxes	\$ 16,180,189	\$ -	\$ -	\$ 970,582	\$ -	\$ -	\$ -	\$ 97,726	\$ 17,248,497
Special Assessments	7,412	-	-	1,052,097	36,464	-	-	-	1,095,973
Licenses and Permits	411,007	-	-	-	-	-	-	-	411,007
Intergovernmental Revenue	1,091,388	3,728,246	1,232,202	95,549	-	717,901	-	1,462,895	8,328,181
Nongovernmental Grants	5,520	-	-	-	-	-	-	-	5,520
Charges for Services	2,657,235	-	-	-	-	-	-	116,081	2,773,316
Keno Revenue	785,107	-	-	-	-	-	-	-	785,107
Occupation and Franchise Taxes	688,751	-	-	423,253	-	-	-	145,241	1,257,245
Contributions	27,160	-	-	-	-	1,882,341	-	-	1,909,501
Payments in Lieu of Taxes	210,152	-	-	43,412	-	-	-	-	253,564
Parking Fees and Rentals	4,682,552	-	-	-	-	6,040	-	-	4,688,592
Loan Repayments	-	-	-	-	-	-	-	50,971	50,971
Interest	21,776	121,336	-	133,375	1,513	45,649	2,151	13,973	339,773
TIF Bond Revenue	-	-	-	-	-	-	4,652,802	-	4,652,802
Miscellaneous	127,218	-	-	-	-	-	-	321	127,539
Annexation Revenue	114,185	-	-	-	-	-	-	-	114,185
<b>Total Revenue</b>	<b>27,009,652</b>	<b>3,849,582</b>	<b>1,232,202</b>	<b>2,718,268</b>	<b>37,977</b>	<b>2,651,931</b>	<b>4,654,953</b>	<b>1,887,208</b>	<b>44,041,773</b>
<b>Current Expenditures:</b>									
Public Safety	10,506,651	-	-	-	-	1,186,615	-	1,521,126	13,214,392
Public Works	4,208,230	9,812,501	1,000,000	-	77,535	1,159,671	-	54,266	16,312,203
Public Library	1,715,090	-	-	-	-	3,274	-	-	1,718,364
Parks and Recreation	2,937,483	-	-	8,465	-	1,876,221	-	-	4,822,169
Community Improvement and Development	1,186,591	-	14,767	-	-	13,523	4,652,802	1,018,513	6,886,196
General Government	3,653,245	-	217,435	800	-	70,811	-	-	3,942,291
<b>Debt Service:</b>									
Debt Service	20,684	-	-	4,161,732	15,809	-	-	16,014	4,214,239
<b>Total Expenditures</b>	<b>24,227,974</b>	<b>9,812,501</b>	<b>1,232,202</b>	<b>4,170,997</b>	<b>93,344</b>	<b>4,310,115</b>	<b>4,652,802</b>	<b>2,609,919</b>	<b>51,109,854</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>2,781,678</b>	<b>(5,962,919)</b>	<b>-</b>	<b>(1,452,729)</b>	<b>(55,367)</b>	<b>(1,658,184)</b>	<b>2,151</b>	<b>(722,711)</b>	<b>(7,068,081)</b>
<b>Other Financing Sources (Uses):</b>									
Issuance of Debt	-	20,285,000	-	-	-	-	-	-	20,285,000
Leases	8,196	-	-	-	-	-	-	-	8,196
Premium on Bonds	-	175,527	-	-	-	-	-	-	175,527
Insurance Proceeds	11,251	-	-	-	-	-	-	-	11,251
Transfers In	251,758	-	-	1,099,223	18,536	2,057,780	-	1,008,136	4,435,433
Transfers Out	(3,672,937)	(240,000)	-	(235,402)	-	-	-	(116,378)	(4,264,717)
<b>Total Other Financing Sources (Uses)</b>	<b>(3,401,732)</b>	<b>20,220,527</b>	<b>-</b>	<b>863,821</b>	<b>18,536</b>	<b>2,057,780</b>	<b>-</b>	<b>891,758</b>	<b>20,650,690</b>
<b>Net Change in Fund Balance</b>	<b>(620,054)</b>	<b>14,257,608</b>	<b>-</b>	<b>(588,908)</b>	<b>(36,831)</b>	<b>399,596</b>	<b>2,151</b>	<b>169,047</b>	<b>13,582,609</b>
<b>Fund Balances Beginning of Year</b>	<b>11,845,348</b>	<b>5,442,806</b>	<b>-</b>	<b>5,935,637</b>	<b>(2,255,603)</b>	<b>5,970,282</b>	<b>389,544</b>	<b>1,960,428</b>	<b>29,288,442</b>
<b>Fund Balances End of Year</b>	<b>\$ 11,225,294</b>	<b>\$ 19,700,414</b>	<b>\$ -</b>	<b>\$ 5,346,729</b>	<b>\$ (2,292,434)</b>	<b>\$ 6,369,878</b>	<b>\$ 391,695</b>	<b>\$ 2,129,475</b>	<b>\$ 42,871,051</b>

See Accompanying Notes to Financial Statements

**CITY OF NORFOLK, NEBRASKA**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**For the Year Ended September 30, 2022**

Net change in fund balances - total governmental funds (page 35) \$ 13,582,609

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

Governmental funds report capital outlay, including infrastructure, 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. Capital outlays exceeded depreciation expense in the current year as follows:

Expenditures for capital assets	\$ 14,057,752	
Depreciation expense	<u>(5,220,257)</u>	8,837,495

The net effect of various miscellaneous transactions involving capital assets (i.e. sales, contributions and donations). (951,410)

Revenues in the statement of activities that are not available to provide current financial resources 1,639,173

Accrued interest expense that does not require current financial resources (250,088)

Long-term accrual of compensated absences is not reported in the governmental funds as it does not consume current financial resources. The net change in the long-term compensated absences for the year was: 97,614

Pension expenses reported in the statement of activities do not require the use of current financial resources. (597)

Internal service fund is used by management to fund the City's group health insurance provided to user departments and is included in the statement of net position. The net revenue of the internal service fund is reported with governmental activities. 499,947

The issuance of indebtedness provides current financial resources to the governmental funds without affecting net assets. The statement of activities does not reflect the proceeds from the issuance of long-term debt. The proceeds from the issuance of long-term debt for the year was:

Bonded debt	(20,285,000)	
Premium on bonded debt	(175,527)	
Leases	<u>(92,137)</u>	(20,552,664)

The effect of bond premiums and deferred refunding charges when new debt is issued, whereas, these amounts are deferred and amortized in the statement of activities 17,506

The repayment of the principal of long-term debt consumes the current financial resources of governmental funds without affecting the net position. The statement of activities does not reflect the payment of principal on long-term debt. The principal paid on long-term debt during the current year was:

Bonded debt	3,935,000	
Leases	<u>20,483</u>	3,955,483

Change in net position of governmental activities (page 32) \$ 6,875,069

**CITY OF NORFOLK, NEBRASKA**  
**STATEMENT OF NET POSITION**  
**Proprietary Funds**  
**September 30, 2022**

	<b>Business Type Activities Combined Utilities</b>	<b>Governmental Activities Internal Service</b>
<b>ASSETS</b>		
Current Assets:		
Cash and Equity in Pooled Investment Account	\$ 12,857,451	\$ 3,297,537
Receivables (Net, where applicable, of allowance for uncollectibles)		
Accounts	2,078,130	-
Accrued Interest	6,546	1,368
Special Assessments	489,871	-
Leases	873,444	-
Restricted Cash		
Cash and Cash Equivalents	724,065	-
Inventories	202,857	-
Prepaid Assets	8,973	-
Total Current Assets	<u>17,241,337</u>	<u>3,298,905</u>
Noncurrent Assets:		
Restricted Assets:		
Cash and Cash Equivalents	568,686	-
Capital Assets:		
Land	3,377,377	-
Construction in Progress	5,463,648	-
Infrastructure, Property and Equipment, Net of Accumulated Depreciation & Amortization	62,016,257	-
Total Noncurrent Assets	<u>71,425,968</u>	<u>-</u>
<b>Total Assets</b>	<u>88,667,305</u>	<u>3,298,905</u>
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts Payable	1,323,032	753,346
Accrued Compensated Absences	166,345	-
Leases - Current	15,884	-
Payables from Restricted Assets:		
Accrued Revenue Bond Interest	109,065	-
Revenue Bonds - Current	615,000	-
Total Current Liabilities	<u>2,229,326</u>	<u>753,346</u>
Noncurrent Liabilities:		
Due in more than one year:		
Leases	31,884	-
Revenue Bonds Payable	12,316,929	-
Compensated Absences and Benefits, Long-Term	183,834	-
Total Noncurrent Liabilities	<u>12,532,647</u>	<u>-</u>
<b>Total Liabilities</b>	<u>14,761,973</u>	<u>753,346</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Lease Related	872,508	-
<b>Total Deferred Outflows of Resources</b>	<u>872,508</u>	<u>-</u>
<b>NET POSITION</b>		
Net Investment in Capital Assets	58,415,848	-
Restricted for:		
Debt Covenants	1,183,686	-
Unrestricted	13,433,290	2,545,559
Total Net Position	<u>\$ 73,032,824</u>	<u>\$ 2,545,559</u>

See Accompanying Notes to Financial Statements

**CITY OF NORFOLK, NEBRASKA**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**Proprietary Funds**  
**For the Year Ended September 30, 2022**

	<b>Business Type Activities Combined Utilities</b>	<b>Governmental Activities Internal Service</b>
<b>Operating Revenues:</b>		
Charges for Services	\$ 11,899,023	\$ 5,122,512
Rental Income	79,029	-
Miscellaneous Income	14,609	-
<b>Total Operating Revenue</b>	<b>11,992,661</b>	<b>5,122,512</b>
<b>Operating Expenses:</b>		
Payroll and Related Taxes and Benefits	3,002,970	-
Purchased Services	835,756	-
General and Administration	2,284,497	4,642,109
Repairs and Maintenance	1,122,125	-
Utilities	694,072	-
Depreciation and Amortization	1,605,420	-
<b>Total Operating Expenses</b>	<b>9,544,840</b>	<b>4,642,109</b>
<b>Operating Income</b>	<b>2,447,821</b>	<b>480,403</b>
<b>Non-Operating Income (Expense):</b>		
Intergovernmental Revenue	33,136	-
Interest Income	75,274	19,544
Annexation Revenue	68,216	-
(Loss) on Disposal of Capital Assets	(108,830)	-
Interest on Bonds and Other Debt	(274,273)	-
<b>Total Non-Operating Income (Expenses)</b>	<b>(206,477)</b>	<b>19,544</b>
<b>Income before Contributions and Transfers</b>	<b>2,241,344</b>	<b>499,947</b>
Capital Contributions	1,283,798	
Transfers (Out)	(170,716)	-
<b>Change in Net Position</b>	<b>3,354,426</b>	<b>499,947</b>
<b>Net Position - Beginning of Year</b>	<b>69,678,398</b>	<b>2,045,612</b>
<b>Net Position - End of Year</b>	<b>\$ 73,032,824</b>	<b>\$ 2,545,559</b>

See Accompanying Notes to Financial Statements

**CITY OF NORFOLK, NEBRASKA**  
**STATEMENT OF CASH FLOWS**  
**Proprietary Funds**  
**For the Year Ended September 30, 2022**

	<b>Business Type Activities</b>	<b>Governmental Activities</b>
	<b>Combined Utilities</b>	<b>Internal Service</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Cash Received from Customers	\$ 11,704,179	\$ 5,114,635
Cash Paid to Suppliers for Goods and Services	(4,770,630)	(4,670,790)
Cash Paid to Employees for Services	(3,091,459)	-
Net Cash Provided by Operating Activities	<u>3,842,090</u>	<u>443,845</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>		
Operating Grants	33,136	-
Transfers (to) Other Funds	(170,716)	-
Net Cash (Used) for Noncapital Financing Activities	<u>(137,580)</u>	<u>-</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Acquisition and Construction of Capital Assets	(5,907,321)	-
Capital Grants and Contributions	98,115	-
Proceeds from Sales of Capital Assets	19,918	-
Bond Proceeds	5,217,079	-
Principal Paid on Capital Debt and Leases	(410,897)	-
Interest Paid on Capital Debt and Leases	(275,165)	-
Net Cash (Used) for Capital and Related Financing Activities	<u>(1,258,271)</u>	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Interest and Dividends on Investments	73,348	20,001
Net Cash Provided for Investing Activities	<u>73,348</u>	<u>20,001</u>
Net Increase in Cash and Cash Equivalents	2,519,587	463,846
Cash and Cash Equivalents at Beginning of Year	<u>11,630,615</u>	<u>2,833,691</u>
Cash and Cash Equivalents at End of Year	<u>\$ 14,150,202</u>	<u>\$ 3,297,537</u>

(Continued)

See Accompanying Notes to Financial Statements

**CITY OF NORFOLK, NEBRASKA**  
**STATEMENT OF CASH FLOWS (Continued)**  
**Proprietary Funds**  
**For the Year Ended September 30, 2022**

	<b>Business Type Activities</b>	<b>Governmental Activities</b>
	<b>Combined Utilities</b>	<b>Internal Service</b>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities		
Operating Income	\$ 2,447,821	\$ 480,403
Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	1,605,420	-
Loss on Disposal	16,558	-
(Increase) Decrease in Assets:		
Accounts Receivable	(290,847)	-
Special Assessments	2,685	-
Prepaid Assets	(93)	-
Increase (Decrease) in Liabilities:		
Accounts Payable	147,173	(36,558)
Accrued Compensated Absences	(88,490)	-
Deferred Inflows of Resources	1,863	-
Total Adjustments	1,394,269	(36,558)
Net Cash Provided by Operating Activities	\$ 3,842,090	\$ 443,845

**Supplemental Schedule of Noncash Capital and Related Financing Activities:**

Contribution of Distribution System Assets	\$ 1,170,413	\$ -
Accounts Payable Exchanged for Capital Assets	812,007	-
Assumption of Assets through Annexation of SIDs	68,216	-

**Reconciliation of Cash and Cash Equivalents to the Balance Sheet:**

Cash and Equity in Pooled Investment Account	\$ 12,857,451	\$ 3,297,537
Restricted Cash - Current	724,065	-
Restricted Cash - Noncurrent	568,686	-
	<u>\$ 14,150,202</u>	<u>\$ 3,297,537</u>

See Accompanying Notes to Financial Statements

**CITY OF NORFOLK, NEBRASKA**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**Fiduciary Funds**  
**September 30, 2022**

	<u>Pension Trust Funds</u>	<u>Custodial Fund</u>
	<u>Employee Retirement Funds</u>	<u>Community Development Agency</u>
<b>ASSETS</b>		
Current Assets:		
Cash	\$ -	\$ 864,194
Cash at County Treasurer	-	128,283
Guaranteed Insurance Contracts Managed by Trustee	16,099,084	-
Open Ended Mutual Funds Managed by Trustee	35,804,761	-
Taxes Receivable	-	2,401
<b>Total Current Assets</b>	<u>51,903,845</u>	<u>994,878</u>
<b>LIABILITIES</b>		
Current Liabilities:		
Due to Bondholders	-	994,878
<b>Total Current Liabilities</b>	<u>-</u>	<u>994,878</u>
<b>FIDUCIARY NET POSITION</b>		
Restricted for Pensions	<u>\$ 51,903,845</u>	<u>\$ -</u>

See Accompanying Notes to Financial Statements



**CITY OF NORFOLK, NEBRASKA**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**Fiduciary Funds**  
**For the Year Ended September 30, 2022**

	<b>Pension Trust Funds</b>	<b>Custodial Fund</b>
	<b>Employee Retirement Funds</b>	<b>Community Development Agency</b>
<b>ADDITIONS</b>		
Contributions:		
Employer	\$ 1,162,746	\$ -
Employee	1,665,279	-
Total Contributions	<u>2,828,025</u>	<u>-</u>
Property Taxes	-	1,065,784
Investment Income:		
Interest, Dividends and Market Gain	<u>(8,653,647)</u>	<u>3,828</u>
Total Additions	<u>(5,825,622)</u>	<u>1,069,612</u>
<b>DEDUCTIONS</b>		
Pension Benefits	6,847,351	-
Contribution Refunds	57,744	-
Administrative Costs	10,113	-
Taxes Distributed or Owed to Bondholders	<u>-</u>	<u>1,069,612</u>
Total Deductions	<u>6,915,208</u>	<u>1,069,612</u>
Change in Net Position	(12,740,830)	-
Fiduciary Net Position -- Beginning of Period	<u>64,644,675</u>	<u>-</u>
Fiduciary Net Position -- End of Period	<u><u>\$ 51,903,845</u></u>	<u><u>\$ -</u></u>

See Accompanying Notes to Financial Statements

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

The City of Norfolk, Nebraska is a political subdivision of the state of Nebraska located in Madison County. The City operates under the mayor-council form of government with the mayor and council members elected on a nonpartisan basis. The City administers the following programs as authorized by its charter: General Government, Public Library, Public Works, Public Safety, Parks and Recreation, Community Improvement and Development. It also provides municipal utility services including: water, sewer, solid waste and stormwater.

The City's financial statements are prepared in accordance with U.S. generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the City are discussed below.

**A. Reporting Entity**

For financial reporting purposes, the City of Norfolk, Nebraska, has included all funds, organizations, agencies, boards, commissions and authorities. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Any discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government. The City currently has no component units which meet the criteria to be reported as discretely presented component units.

**Blended Component Units**

Community Development Agency (CDA)

The CDA is included in the City's reporting entity as a blended component unit because of the significance of its operational and financial relationships with the City. The Mayor and Council to provide for redevelopment of various blighted areas within the City created the CDA. Members of the CDA consist of the Mayor and City Council with the Mayor serving as Chairman. Officers of the CDA are also officers of the City. Although it is legally separate from the City, the CDA is reported as if it were part of the primary government because its sole purpose is to provide redevelopment of various areas within the City. The City has operational responsibility for the CDA. The CDA does not issue separate financial statements, and is included within the City's financial statements as a fiduciary custodial fund.

City of Norfolk Facilities Corporation (NFC)

In 2011 the City created the City of Norfolk Facilities Corporation, a not-for-profit corporation under the laws of the State of Nebraska, for the purpose of assisting and promoting the development of public facilities to be used by the City in the furtherance of its governmental functions. The governing body is appointed by the City's governing body. The NFC provides services entirely to the City. The services provided by the NFC are so intertwined with the City that it is in substance the same as the City and is reported as part of the City and blended in the City's financial statements. The NFC does not issue separate financial statements.

**Joint Venture – Northeast Nebraska Solid Waste Coalition (NNSWC)**

The City, in conjunction with twenty-four other cities and counties in Northeast Nebraska, has created the NNSWC. The NNSWC's Board is composed of a member from each of the participating cities and counties. The purpose of the NNSWC is to provide solid waste management by means of building and operating a solid waste disposal facility, commonly referred to as a landfill. The NNSWC landfill began operation on October 30, 1995. The City does not have an equity interest in the NNSWC. The NNSWC issues its own financial statements, available upon request at 309 North 5<sup>th</sup> Street in Norfolk, Nebraska.

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

**Related Entities**

Norfolk Housing Agency

The Norfolk Housing Agency is governed by a seven member board which is appointed by the Mayor and City Council. The mission of the Norfolk Housing Agency is to provide decent, safe and quality housing to Norfolk's low to moderate-income families and to assist in providing improved housing in a responsible way with social awareness and community needs a constant goal and commitment. In addition to owning and operating the Kensington Apartments, Meadow Ridge Estates L.P., they also offer Section 8 Rental Assistance Program and Royal Oaks Estate rent-to-own homes. The Norfolk Housing Agency issues its own financial statements, which are available upon request from its offices at 108 North Fourth Street in Norfolk Nebraska.

Norfolk Airport Authority

The Norfolk Airport Authority is governed by a five member board. The amount of property tax that the Airport Authority can levy must be approved by the Mayor and City Council. The Norfolk Airport Authority issues its own financial statements, which are available upon request from its offices at 4100 South 13<sup>th</sup> Street in Norfolk Nebraska.

**B. Basic Financial Statements-Government-Wide Statements**

The City's basic financial statements include both government-wide (reporting the overall City) and fund financial statements (reporting the City's major funds). Both the government-wide and fund financial statements categorize primarily activities as either governmental or business-type. The City's general, special revenue, debt service, capital projects and internal service funds are classified as governmental activities. Fiduciary funds are excluded from the government-wide financial statements.

In the government-wide Statement of Net Position, both the governmental and business type activities columns (a) are presented on a consolidated basis by column, and (b) are reported on a full accrual basis of accounting using the economic resources measurement focus, which recognizes all long-term assets and receivables as well as long-term debt obligations. The City's net position is reported in three parts: net investment in capital assets, restricted net position, and unrestricted net position. The City first uses restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the City's functions (public safety, public works, parks and recreation, community improvement and development, general government, etc.) and business-type activities. The functions are also supported by general government expenses (including depreciation) by related program revenue, operating grants, and capital grants. Program revenue must be directly associated with the function or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital specific grants.

The City does not allocate indirect costs.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are interfund services provided and other charges between the government's combined utilities function and various other functions of the government.

This government-wide focus is more on the sustainability of the City as an entity and the change in the City's net position resulting from the current year activities.

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

**C. Fund Accounting**

The accounts of the City are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues or receipts, and expenditures or expenses, as appropriate. Government resources are allocated to, and accounted for, in individual funds based on the purpose for which they are to be spent and the means by which spending activities are controlled.

The emphasis in fund financial statements is on the major funds. GASB No. 34 sets forth minimum criteria for the determination of major funds. The City can electively add funds, as major funds, which have a specific community focus. The non-major funds are combined into a single column in the fund financial statements.

The City reports the following major governmental funds:

**Governmental Fund Types** – The governmental fund financial statements are reported using the current financial resources measurement focus. This means that the focus of the governmental funds' measurement is upon the determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income. The following is a description of the major governmental funds of the City:

- 1) General Fund – The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. The sources of revenue include property taxes, state allocations, charges for services, fines and fees, licenses and permits, as well as state and federal grants. The expenditures of the General Fund relate to general administration, parks and recreation, public safety, public works, housing, public libraries and planning, permits and health.
- 2) Special Revenue Funds
  - City Highway Allocation Fund* – To account for the City's share of motor vehicle fuel tax revenues that are legally restricted to street expenditures.
  - American Rescue Plan Fund* – To account for funding from the American Rescue Plan Act and to document the projects funded.
- 3) Debt Service Fund – The Debt Service Fund is used to account for the accumulation of resources for the payment of general obligation bond, principal and interest from governmental resources, and special assessment bond principal and interest from special assessment levies when the government is obligated in some manner for the payment.
- 4) Capital Project Funds
  - Special Assessments Fund* – To account for the construction of infrastructure capital assets financed through the creation of special assessment districts.
  - Capital Construction Fund* – To account for the acquisition and construction of major capital items other than those financed by proprietary funds and trust funds, or special assessments.
  - Community Development Agency Fund* – To account for the construction of capital assets financed by the issuance of tax increment financing bonds by the Community Development Agency of the City of Norfolk.

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

**Proprietary Fund Types** – The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. Operating revenues and expenses are distinguished from non-operating revenues and expenses. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. The principal operating revenues of enterprise funds are charges to customers for services. Operating expenses consist of cost of sales and services, administrative expenses and depreciation on capital assets. The U.S. generally accepted accounting principles used are those applicable to similar businesses in the private sector.

- 1) Enterprise Funds – Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis should be 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. The City includes the following utilities within its combined utilities fund:

Water Division – The water division accounts for the operation of a municipally owned water system, which provides services to the residents of the City.

Sewer Division – The sewer division accounts for the operation of a municipally owned sewage collection, which provides services to the residents of the City.

Solid Waste Management Division – The solid waste management division accounts for the operations of the City's solid waste transfer station.

Stormwater Division – The stormwater division accounts for compliance with federally mandated stormwater regulations to protect water quality.

- 2) Internal Service Fund – The Internal Service Fund is used to account for the operations that provide services to other departments or agencies of the government, or to other governments, on a cost-reimbursement basis.

The City's internal service fund is presented in the proprietary fund financial statements. Because the principal user of the internal service is the City's governmental activities, the financial statement of the internal service fund is consolidated into the governmental column when presented in the government-wide financial statements. To the extent possible, the cost of this service is reported in the appropriate functional activity.

Group Insurance Fund- The Group Insurance Fund is used to account for the accumulation of resources used to fund claims under the City's self-insured health and dental plans.

**Fiduciary Fund Types** – These funds account for assets held by the government in a trustee's capacity or as an agent on behalf of others. Trust funds account for assets held by the government under the terms of a formal trust agreement. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the City's own programs.

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

- 1) Pension Trust Funds – The Pension Trust Funds represent the resources accumulated for pension benefit payments to qualified City employees. These funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting, so that revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. The City includes the firefighter, police, civilian, and 457 deferred compensation retirement funds in its combined retirement fund.
- 2) Custodial Fund – The Community Development Agency Fund is used to account for the resources for payment of principal and interest on tax increment financing bonds issued by the Community Development Agency of the City of Norfolk. These bonds were issued to provide the long-term financing for redevelopment of various blight and substandard areas around the City of Norfolk. These bonds are payable only from real estate taxes on certain property located within these plan areas and do not constitute general obligations of the Agency or the City.

**D. Basis of Accounting**

Basis of accounting refers to the point at which revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made, regardless of the measurement focus applied.

Accrual basis of accounting is used for all activities in the government-wide financial statements and for the proprietary and fiduciary activities in the fund financial statements. Revenues are recognized when earned and expenses are recognized when incurred.

Modified accrual basis of accounting is used by all governmental funds in the fund financial statements. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The government considers property taxes, special assessments, and loan repayments as available if they are collected within 60 days after year-end. The City considers sales and use taxes and gasoline taxes as available when in the hands of the State of Nebraska, the intermediary collecting government. The City normally collects these taxes within 30 days of year-end.

Expenditures are recorded when the related fund liability is incurred. An exception to this general rule is that principal and interest on general obligation debt, including lease liabilities, if any, is recognized when due.

Budgetary basis of accounting is used by the general fund and all major special revenue funds in the required supplementary information section of the annual comprehensive financial report. Under the budgetary basis of accounting, revenues are recognized when received and expenditures are recognized when paid.

Those revenues susceptible to accrual are taxes, assessments, and intergovernmental revenues. Licenses, fines and permits are not susceptible to accrual because generally they are not measurable until received in cash.

**E. Budgets**

The budgetary comparison and related disclosures are reported as Required Supplementary Information.

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

**F. Assets, Liabilities and Fund Equity**

1. Pooled Investment Account – The City maintains a commingled pool of cash and investments for all funds, except the Community Development Agency. This pool is under the management of the City Treasurer. Each of the applicable City funds reports its undistributed interest in the principal balance of this pooled investment account, which is recorded at cost. Interest income received is allocated to each fund based on its proportionate interest in the pool.
2. Short-Term Interfund Receivables/Payables – During the course of its operations, the City has numerous transactions between funds to finance operations, provide services, construct assets, and service debt. To the extent that certain transactions between funds have not been paid or received as of September 30, 2022, balances of interfund amounts payable or receivable have been recorded. Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as interfund balances.
3. Proprietary Fund Types – Contributions of capital assets are treated as revenue and capital assets. Contributions and grants received for operating purposes are included in revenues when earned.
4. Governmental Fund Types – Contributions and grants for both capital and operating purposes are included in revenues when earned.
5. Estimated Unbilled Enterprise Revenue – Within the City’s enterprise fund, an estimated amount has been recorded for services rendered but not yet billed as of the close of the year involved. The receivable was arrived at by taking the cycle billings the City sent the customer in October and November and prorating the amount of days applicable to the current year. This unbilled revenue totaled \$1,092,225 at September 30, 2022.
6. Inventories and Prepaid Items – Purchases of materials and supplies are recorded as expenditures as incurred except for items (e.g. fuel and certain office supplies) held in central storage for the use of several of the City’s funds. Inventories held in central storage are valued at cost, which approximates market, using the first-in/first-out (FIFO) method are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.
7. Restricted Assets - Proceeds from debt and funds set aside for payment of enterprise fund revenue bonds are classified as restricted assets since their use is limited by applicable bond indentures.
8. Property and Equipment – Assets with an initial individual cost of \$5,000 or more are considered capital assets. Property and equipment are valued at historical cost or estimated historical cost if actual historical cost is not available (except for intangible right-to-use lease assets, the measurement of which is discussed in Note 1.F.12.). Contributed assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at their acquisition value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Infrastructure has been capitalized using historical or estimated cost beginning in 1980 as required by GASB 34. Depreciation/amortization on all assets

City of Norfolk, NEBRASKA  
Notes to Financial Statements  
September 30, 2022

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

is provided on the straight-line basis over the following estimated lives:

Buildings	40 – 50 Years
Utility Plant	20 – 100 Years
Right-to-Use Leased Assets	5 – 15 Years
Machinery & Equipment	3 – 25 Years
Infrastructure	30 – 100 Years

9. Accrued Compensated Absences - These amounts represent the unpaid vacation costs and related employee benefits as of the end of the period. All compensated amounts for governmental and proprietary fund types are accrued as liabilities on the government-wide statement for governmental funds and applicable enterprise funds respectively and are not recorded as expenditures of the current reporting period for governmental fund types because they do not represent amounts that are expected to be liquidated with expendable available financial resources. Other long-term obligations are recognized as fund liability when amounts are due and payable rather than when amounts are expected to be liquidated with expendable available financial resources. A liability is recognized for that portion of accumulating sick leave benefits in which the employee becomes vested after twenty years of service. The compensated absence liability has been computed based on rates of pay in effect at September 30, 2022. The compensated absence liability attributable to governmental activities will be paid primarily by the General Fund.
10. Long-Term Obligations – Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. Other long-term obligations (e.g. compensated absences, claims and judgments, etc.) are recognized as fund liabilities when amounts are due and payable. Bond Anticipation Notes are recognized as fund liabilities prior to the long-term financing being issued. The remaining portion of such obligations is reported in the government-wide financial statement. Long-term liabilities expected to be financed from proprietary fund operations are accounted for in the combined utility fund.
11. Net Position/Fund Balances – The government-wide and business-type activities fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

*Net Investment in Capital Assets*- This category groups all capital and right-to-use lease assets, including Infrastructure, into one component of net position. Accumulated depreciation and amortization, outstanding balances of debt and leases, and accounts payable that are attributable to the acquisition, construction, or improvement of these assets reduce the balance in this category. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvements of those assets or related debt also are included in this component of net position. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets.

*Restricted Net Position*- This category represents net position of the City with 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 Position* – This category represents net position of the City not restricted for any purpose.



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

The fund balances of governmental funds are defined as follows:

*Non-spendable* – amounts that cannot be spent either because they are in non-spendable form, such as inventory or prepaid items or because they are legally or contractually required to be maintained intact.

*Restricted* – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments.

*Committed* – amounts that can be used only for specific purposes pursuant to ordinances adopted by formal action of the Mayor and Council. Amendments or modifications of the commitments must also be approved by ordinances adopted by the Mayor and Council.

*Assigned* – amounts that do not meet the criteria to be classified as restricted or committed but are intended to be used for specific purposes as determined by the City's Finance Officer or his or her designee. Resolution 2011-43 adopted by the Mayor and Council on October 31, 2011 authorizes the City's Finance Officer or his or her designee to determine assigned amounts. General Fund amounts that are encumbered by departments are classified as assigned.

*Unassigned* – all other amounts remaining after allocation to the non-spendable, restricted, committed and assigned fund balances. These amounts can be used for any purpose. The General Fund is the only fund that reports a positive unassigned fund balance. In governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed or assigned to these purposes, it may be necessary to report a negative unassigned fund balance in that fund. When an expenditure is incurred for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When the City incurs an expenditure for an unrestricted amount, committed amounts are reduced first, followed by assigned amounts and then unassigned amounts for purposes in which any of those unrestricted fund balance classifications could be used.

12. Leases – The City is a lessee for noncancellable leases of assets. A lease liability and an intangible right-to-use lease asset is recognized in the government-wide and proprietary fund financial statements. Lease liabilities with an initial individual value of \$5,000 or more are recognized. At the commencement of a lease, the lease liability is initially measured at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of the lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of its useful life or the lease term. The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

The City is a lessor for noncancellable leases of assets. A lease receivable and deferred inflow of resources is recognized in the government-wide and governmental fund financial statements. At the commencement of a lease, the lease receivable is initially measured at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term. The City uses the rate stated in the lease

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

agreement as the discount rate for leases. If no rate is stated, the City uses its estimated incremental borrowing rate.

13. Bond Premium/Discounts – Bond premiums/discounts are deferred and amortized over the term of the bonds using the straight-line method, which approximates the effective interest method.
14. Property Taxes – Real estate taxes are levied on October 15 of each year and may be paid in two equal installments. These taxes are due December 31. The first and second half of the taxes becomes delinquent on the following May 1 and September 1, respectively. Real estate taxes collected within 60 days after year-end are recognized as revenues in accordance with the revenue recognition policy described in Note 1.D. Real estate taxes become a lien against the property on the levy date. Personal property taxes are levied on October 15 of each year and are due November 1 of each year and may be paid in two equal installments. The first and second half of the taxes become delinquent on December 1 and July 1, respectively. Motor vehicle taxes are due when an application is made for registration of a motor vehicle.
15. Interfund Transactions – Interfund services provided and used are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other transactions, except interfund services provided and used transactions and reimbursements, are reported as transfers.
16. Encumbrances – Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed by the City in its governmental funds; the subsequent year's appropriation provides authority to complete these transactions as expenditures. Encumbrances at year-end do not constitute expenditures or liabilities. See Note 11 for current year encumbrances.

**G. Landfill Closure Costs**

The City is not currently responsible for any landfill closure or post-closure care costs.

**H. Statement of Cash Flows**

As described in Note 2.A., the City maintains a cash and investment pool for all funds except the Community Development Agency. The funds use their equity in the pooled investment account as a demand deposit account and, for purposes of the statements of cash flows, the interest in the pooled investment account is considered cash. Restricted cash consists of equity in the pooled investment account that is also considered cash for the Statement of Cash Flows.

**I. Recent Accounting Pronouncements:**

**Adoption of New Accounting Pronouncements**

During the year, the City adopted four GASB Statements. Statement No. 89 *Accounting for Interest Cost Incurred before the End of a Construction Period* enhances the relevance of information about capital assets and the cost of borrowing, and simplifies accounting for interest cost incurred before the end of a construction period. Statement No. 92 *Omnibus 2020* enhances comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. Statement No. 93 *Replacement of Interbank Offered Rates* addresses implications that result from the replacement of an interbank offered rate, most notably, the London Interbank Offered Rates. Statement No. 87 *Leases*

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

increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases. See Note 6 for more information. Beginning net position/fund balance and the previously reported change in net position/fund balance did not require restatement as a result of the implementation of Statement No. 87.

**New Accounting Pronouncements Not Yet Adopted**

In May 2019, GASB issued Statement No. *91 Conduit Debt Obligations*. This Statement provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice. In March 2020, GASB issued Statement No. *94 Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. This Statement improves financial reporting by addressing issues related to public-private and public-public partnership arrangements and provides guidance for accounting and financial reporting for availability payment arrangements. In May 2020, GASB issued Statement No. *96 Subscription-Based Information Technology Arrangements*. This Statement defines a SBITA, establishes that a SBITA results in a right-to-use subscription asset, provides the capitalization criteria, and requires note disclosures regarding a SBITA. In April 2022, GASB issued Statement No. *99 Omnibus 2022*. This Statement enhances comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. These Statements are effective for the City's year ending September 30, 2023. The portions of Statement No. 99 required to be adopted by year ending September 30, 2022 have been adopted.

**NOTE 2 - CASH AND EQUITY IN POOLED INVESTMENT ACCOUNT**

**A. Cash and Pooled Investments:**

At September 30, 2022, the City's cash and pooled investments consisted of the following:

Cash, principally in interest bearing accounts (at cost)	\$ 20,059,534
Money Market Account (at cost)	12,819,117
Certificates of Deposit (Cost = Fair Value)	5,026,060
United States Treasury (Cost, which approximates Fair Value)	29,197,058
	\$ 67,101,769

The City maintains a cash and investment pool for all funds, except the Community Development Agency. This pool is under management of the City Treasurer. Each of the applicable City funds reports its undistributed interest in the pooled investment account. A separate bank account is used to track program income in the Community Development Block Grant Fund. Statutes authorize the City to invest City funds in direct obligations of the U.S. Government, selected Federal Agency securities, certain state and local obligations of the State of Nebraska, collateralized bank certificates of deposit and certain other high-grade investments. City policy is to limit these investments to U.S. Treasury obligations and fully collateralized bank certificates of deposit with maximum maturities of approximately one year. At September 30, 2022 and throughout the year, the City's bank deposits, including certificates of deposit, were entirely covered by federal deposit insurance or by collateral held in joint custody in the City's name at third party banks acting as the City's agent (in most cases Federal Reserve Banks). The City's agent in the City's name held U.S. Treasury obligations in sufficient amounts to fully collateralize the city's interest bearing accounts and collateralized certificates of deposits.

**NOTE 2 - CASH AND EQUITY IN POOLED INVESTMENT ACCOUNT (CONTINUED)**

**B. Investments Managed by Trustee:**

The City acts as the Trustee for the Pension Trust Funds, and has delegated administration for the plan assets to an insurance company. Plan participants are able to invest their assets in a variety of investment options, which are selected, and can be modified, by the City. For investment purposes, certain pension assets are pooled with the general assets of the insurance company and invested in guaranteed insurance accounts.

Under this arrangement, the insurance company guarantees the City a minimum rate of return. If the rate of return on the general assets of the insurance company exceeds the guaranteed rate of return, the City's investments are credited with the actual rate of return. These guaranteed insurance contracts are not marketable. Any withdrawals from these accounts are at cost plus accumulated earnings and these insurance contracts are valued on that basis. At September 30, 2022, \$16,099,084 was held in these guaranteed insurance contracts. The other pension assets are invested in open-ended mutual funds, which are stated at net asset value, and, at September 30, 2022, amounted to \$35,804,761. As the mutual funds are open-ended, they are not subject to credit risk disclosures. Additionally, the funds are redeemable immediately and are thus not subject to interest rate risk.

**C. Restricted Assets:**

The following schedule details the restricted assets at September 30, 2022:

	<b>Enterprise Fund</b>
<b>Pursuant to revenue bond ordinances:</b>	
Revenue bond account	\$ 573,751
Operation and maintenance account	719,000
	\$ 1,292,751

Restricted cash is recorded at cost, which approximates fair value, and consists of equity in the pooled investment account in the form of interest bearing accounts held by the City's agent in the City's name.

*Custodial Credit Risk:* Custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not recover the value of its investment securities that are in the possession of an outside party.

*Interest Rate Risk:* The City's investment policy for operating funds is limited to certificates of deposit with a maturity of 1 year or less.

*Credit Risk:* Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. The City uses outside investment advisors to monitor investments to minimize the impact of credit risk.

*Concentration of Credit Risk:* The City's investment policy places no limits on the amounts that may be invested in any one issuer.

City of Norfolk, NEBRASKA  
Notes to Financial Statements  
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**NOTE 3 – RECEIVABLES**

Receivables at September 30, 2022, are net of allowance for uncollectibles. The allowance for uncollectibles in the General Fund was \$358,000 at September 30, 2022.

**NOTE 4 – INTERFUND RECEIVABLES AND PAYABLES**

As of September 30, 2022, there were no short-term payables.

As of September 30, 2022, there were no long-term advances.

**NOTE 5 - CAPITAL ASSETS**

A summary of changes in capital assets is as follows:

	Balance October 1, 2021 (as restated)	Additions	Deletions	Transfers	Balance September 30, 2022
<b>Governmental Activities:</b>					
Capital assets not being depreciated:					
Land	\$ 9,611,915	\$ 18,439	\$ -	\$ -	\$ 9,630,354
Construction in Progress	6,655,755	12,207,136	3,134,842	(918,835)	14,809,214
Total capital assets not being depreciated	16,267,670	12,225,575	3,134,842	(918,835)	24,439,568
Capital assets being depreciated/amortized:					
Leased Land	13,775	8,196	-	-	21,971
Buildings and improvements	33,207,466	255,420	260,856	-	33,202,030
Leased Buildings and Improvements	70,166	-	-	-	70,166
Equipment, furniture and fixtures	15,934,106	1,935,976	148,201	-	17,721,881
Infrastructure	73,613,308	2,683,486	-	-	76,296,794
Total capital assets being depreciated/amortized	122,838,821	4,883,078	409,057	-	127,312,842
Less: Accumulated depreciation/amortization for:					
Leased Land	-	2,564	-	-	2,564
Buildings and improvements	12,042,635	1,029,011	229,801	-	12,841,845
Leased Buildings and improvements	-	17,915	-	-	17,915
Equipment, furniture and fixtures	10,615,241	1,094,496	146,681	-	11,563,056
Infrastructure	33,398,047	3,076,271	-	-	36,474,318
Total accumulated depreciation/amortization	56,055,923	5,220,257	376,482	-	60,899,698
Total capital assets being depreciated, net	66,782,898	(337,179)	32,575	-	66,413,144
Governmental activities capital assets, net	\$ 83,050,568	\$ 11,888,396	\$ 3,167,417	\$ (918,835)	\$ 90,852,712

Construction in progress at September 30, 2022 for the governmental activities consisted of costs associated with Benjamin Avenue Reconstruction, 1<sup>st</sup> Street Bridge Replacement, Trail Projects, Ambulance, Police Dispatch Renovation, Library Storywalk, Various Assessment Districts, Park Improvements and Levee Repairs.

City of Norfolk, NEBRASKA  
Notes to Financial Statements  
September 30, 2022

**NOTE 5 - CAPITAL ASSETS (CONTINUED)**

	Balance October 1, 2021 (as restated)	Additions	Deletions	Transfers	Balance September 30, 2022
<b>Business-Type Activities:</b>					
Capital assets not being depreciated:					
Land	\$ 3,377,377	\$ -	\$ -	\$ -	\$ 3,377,377
Construction in Progress	1,797,843	6,252,156	2,586,351	-	5,463,648
Total capital assets not being depreciated	<u>5,175,220</u>	<u>6,252,156</u>	<u>2,586,351</u>	<u>-</u>	<u>8,841,025</u>
Capital assets being depreciated/amortized:					
Leased Land	63,665	-	-	-	63,665
Buildings and improvements	26,407,002	18,320	68,070	-	26,357,252
Equipment, furniture and fixtures	34,659,986	633,026	248,513	-	35,044,499
Infrastructure	32,457,905	2,057,191	7,020	918,835	35,426,911
Total capital assets being depreciated/amortized:	<u>93,588,558</u>	<u>2,708,537</u>	<u>323,603</u>	<u>918,835</u>	<u>96,892,327</u>
Less: Accumulated depreciation/amortization for:					
Leased Land	-	16,608	-	-	16,608
Buildings and improvements	20,903,955	185,731	39,093	-	21,050,593
Equipment, furniture and fixtures	7,105,703	425,615	75,400	-	7,455,918
Infrastructure	5,382,502	977,466	7,017	-	6,352,951
Total accumulated depreciation/amortization	<u>33,392,160</u>	<u>1,605,420</u>	<u>121,510</u>	<u>-</u>	<u>34,876,070</u>
Total capital assets being depreciated/amortized, net	<u>60,196,398</u>	<u>1,103,117</u>	<u>202,093</u>	<u>918,835</u>	<u>62,016,257</u>
Business-type activities capital assets, net	<u>\$ 65,371,618</u>	<u>\$ 7,355,273</u>	<u>\$ 2,788,444</u>	<u>\$ 918,835</u>	<u>\$ 70,857,282</u>

Construction in progress at September 30, 2022 consisted of costs associated with Northeast Industrial Utility Extension, Channel Road Water District, Hwy 275 Lift Station Upgrade, Sewer Rehab Monroe Ave, Sewer Rehab Omaha Ave, Water Pollution Control Plant Upgrades, and Solid Waste Transfer Station Site Improvements.

City of Norfolk, NEBRASKA  
Notes to Financial Statements  
September 30, 2022

**NOTE 5 - CAPITAL ASSETS (CONTINUED)**

Depreciation/amortization expense was charged to functions/programs of the primary government as follows:

Governmental Activities:

General Government	\$ 126,015
Public Safety	795,478
Public Works	3,025,135
Parks and Recreation	1,020,305
Public Library	230,944
Community Improvement and Development	22,380
Total depreciation and amortization - governmental activities	<u>\$ 5,220,257</u>

Business-Type Activities:

Solid Waste Management	\$ 142,221
Water	710,648
Sewer	752,551
Total depreciation and amortization - business-type activities	<u>\$ 1,605,420</u>

**Reconciliation of Net Investment in Capital Assets:**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Land	\$ 9,630,354	\$ 3,377,377
Construction in Progress	14,809,214	5,463,648
Capital Assets (Net of Accumulated Depreciation and Amortization)	66,413,144	62,016,257
Unspent Bond Proceeds for Capital Assets	17,268,685	1,350,270
Less: General Obligation Bonds Payable	25,582,432	-
Various Purpose Bonds Payable	4,200,000	-
Bond Anticipation Notes	2,515,000	-
Revenue Bonds Payable	-	12,931,929
Leases	71,654	47,768
Accounts Payable for Capital Assets	3,949,988	812,007
	<u>\$ 71,802,323</u>	<u>\$ 58,415,848</u>

**NOTE 6 – LEASES**

During the current year the City began leasing space on its communications tower to a third party. The lease is for 10 years with the third party having the option to extend the lease for 3 additional 5 year periods. The City will receive monthly payments of \$2,500, increasing each year by 3%. The City has other leases in effect during the year to lease out space of a building at the fire training center, space above a street, and land at the west water treatment plant. The City recognized \$16,378 in lease revenue and \$2,936 in interest revenue during the current year related to leases. Of the lease revenue \$87 was from a variable payment and was not included in the original measurement of the lease receivable. The City has a lease agreement with Nebraska Public Power District to lease the City-owned electrical distribution system. The lease is strictly variable with the City receiving 12% of system revenues. During the current year the City recognized \$4,666,382 in lease revenue from this variable lease.

City of Norfolk, NEBRASKA  
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**NOTE 6 – LEASES (CONTINUED)**

During the current year the City renewed its lease agreement for land south of Norfolk where the entrance sign is located. It is a 5 year lease and the City will make payments of \$1,558 annually, increasing 3% each year. An initial lease liability of \$8,196 was recorded in the current year. The City has other lease agreements in effect during the year to lease land east of Norfolk where the entrance sign is located, land used for application of WPC biosolids, and a digital sign used for advertising. The value of the right-to-use assets at the end of the current year by asset class is: land \$85,636 with accumulated amortization of \$19,172, and building and improvements \$70,166 with accumulated amortization of \$17,915.

Future principal and interest lease payments as of September 30, 2022 were as follows:

Fiscal Year Ending	Principal	Interest	Total
2023	\$ 36,410	\$ 354	\$ 36,764
2024	36,591	257	36,848
2025	35,275	158	35,433
2026	2,938	83	3,021
2027	1,240	65	1,305
2028	1,289	56	1,345
2029	1,340	45	1,385
2030	1,392	35	1,427
2031	1,446	23	1,469
2032	1,501	12	1,513
	<u>\$ 119,422</u>	<u>\$ 1,088</u>	<u>\$ 120,510</u>

**NOTE 7 – BOND ANTICIPATION NOTES**

Changes in bond anticipation notes for the period ended September 30, 2022 were as follows:

	Balance October 1, 2021	Additions	Retirements	Balance September 30, 2022
Governmental Activities:				
Bond Anticipation Notes 0.65% to 2.70%, various maturities through 2025	\$ 2,375,000	\$ 195,000	\$ 55,000	\$ 2,515,000
Total Governmental Activities	<u>\$ 2,375,000</u>	<u>\$ 195,000</u>	<u>\$ 55,000</u>	<u>\$ 2,515,000</u>

The City's intent is to issue permanent financing to replace the outstanding bond anticipation notes prior to maturity after the special assessment districts are assessed and the first payments from the benefited property owners have been received. Bond anticipation notes interest payment requirements in fiscal year 2022-2023 are \$20,462.



City of Norfolk, NEBRASKA

Notes to Financial Statements

September 30, 2022

**NOTE 8 - BONDS PAYABLE AND OTHER LONG-TERM OBLIGATIONS**

	Balance October 1, 2021 (as restated)	Additions	Retirements	Balance September 30, 2022	Due Within One Year
Governmental Activities:					
General obligation bonds (excluding special assessment bonds) 0.35% to 4.00%, various maturities through 2042	\$ 7,225,000	\$ 20,285,000	\$ 2,420,000	\$ 25,090,000	\$ 380,000
General obligation direct placements 1.64% to 2.99%, mature in 2031	1,425,000	-	1,100,000	325,000	35,000
Bond issuance premium/discount	18,702	175,527	26,797	167,432	-
Total General Obligation	8,668,702	20,460,527	3,546,797	25,582,432	415,000
Special assessment bonds, with City commitment, 0.40% to 3.50%, various maturities through 2040	4,425,000	-	380,000	4,045,000	330,000
Special assessment direct placements, with City commitment, 1.59% to 1.99%, mature in 2026	190,000	-	35,000	155,000	35,000
Total Special Assessments	4,615,000	-	415,000	4,200,000	365,000
Lease	83,941	8,196	20,483	71,654	20,526
Net Pension Liability	27,016	28,005	27,016	28,005	-
Accrued compensated absences	2,670,786	1,097,663	1,195,277	2,573,172	1,241,363
Total Governmental Activities	\$ 16,065,445	\$ 21,594,391	\$ 5,204,573	\$ 32,455,263	\$ 2,041,889
Business Type Activities:					
Revenue Bonds, 2.00% to 4.00%, various maturities through 2041	\$ 8,140,000	\$ 5,050,000	\$ 395,000	\$ 12,795,000	\$ 615,000
Bond Issuance Premium/Discount	16,894	167,079	47,044	136,929	-
Total Revenue Bonds	8,156,894	5,217,079	442,044	12,931,929	615,000
Leases	63,665	-	15,897	47,768	15,884
Accrued compensated absences	438,669	94,916	183,406	350,179	166,345
Total Business Type Activities	\$ 8,659,228	\$ 5,311,995	\$ 641,347	\$ 13,329,876	\$ 797,229
Grand Total	\$ 24,724,673	\$ 26,906,386	\$ 5,845,920	\$ 45,785,139	\$ 2,839,118

City of Norfolk, NEBRASKA  
Notes to Financial Statements  
September 30, 2022

**NOTE 8 - BONDS PAYABLE AND OTHER LONG-TERM OBLIGATIONS (CONTINUED)**

Annual debt service requirements as of September 30, 2022 for general obligation debt is as follows:

Fiscal Year Ending	Governmental Activities							
	General Obligation Debt		General Obligation Direct Placements		Various Purpose Bonds		Various Purpose Direct Placements	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 380,000	\$ 824,945	\$ 35,000	\$ 7,538	\$ 330,000	\$ 71,935	\$ 35,000	\$ 2,765
2024	385,000	826,321	35,000	6,964	330,000	69,475	40,000	2,208
2025	385,000	821,136	35,000	6,320	340,000	66,685	40,000	1,532
2026	400,000	815,634	35,000	5,623	340,000	63,240	40,000	796
2027	400,000	809,421	35,000	4,874	340,000	59,180	-	-
2028	1,455,000	802,879	35,000	4,073	245,000	54,505	-	-
2029	1,505,000	753,974	35,000	3,219	245,000	50,410	-	-
2030	1,535,000	702,896	40,000	2,312	255,000	45,948	-	-
2031	1,485,000	650,089	40,000	1,196	175,000	41,050	-	-
2032	1,535,000	607,095	-	-	180,000	37,075	-	-
2033	1,375,000	560,913	-	-	185,000	32,928	-	-
2034	1,420,000	516,993	-	-	190,000	28,490	-	-
2035	1,465,000	469,745	-	-	195,000	23,600	-	-
2036	1,515,000	420,924	-	-	200,000	18,535	-	-
2037	1,565,000	368,570	-	-	165,000	13,295	-	-
2038	1,620,000	314,490	-	-	170,000	8,495	-	-
2039	1,585,000	258,400	-	-	80,000	3,520	-	-
2040	1,650,000	196,080	-	-	80,000	1,760	-	-
2041	1,710,000	131,160	-	-	-	-	-	-
2042	1,720,000	64,500	-	-	-	-	-	-
	<u>\$ 25,090,000</u>	<u>\$ 10,916,165</u>	<u>\$ 325,000</u>	<u>\$ 42,119</u>	<u>\$ 4,045,000</u>	<u>\$ 690,126</u>	<u>\$ 155,000</u>	<u>\$ 7,301</u>

City of Norfolk, NEBRASKA  
Notes to Financial Statements  
September 30, 2022

**NOTE 8 - BONDS PAYABLE AND OTHER LONG-TERM OBLIGATIONS (CONTINUED)**

Annual debt service requirements as of September 30, 2022 for enterprise fund debt is as follows:

Fiscal Year Ending	Business Type Activities	
	Enterprise Fund	
	Principal	Interest
2023	\$ 615,000	\$ 327,408
2024	630,000	310,709
2025	640,000	293,659
2026	655,000	276,259
2027	670,000	258,349
2028	685,000	239,589
2029	695,000	220,992
2030	715,000	203,721
2031	725,000	186,646
2032	745,000	167,971
2033	750,000	148,021
2034	780,000	127,571
2035	800,000	106,446
2036	820,000	84,494
2037	840,000	61,564
2038	865,000	37,696
2039	280,000	22,531
2040	285,000	16,528
2041	300,000	10,313
2042	300,000	3,563
	<u>\$ 12,795,000</u>	<u>\$ 3,104,030</u>

General obligation bonds and other general long-term obligations represent indebtedness secured by the full faith and credit of the City. Special assessment bonds represent indebtedness supported by the full faith and credit of the City and are payable from the collection of special assessment receivables. The City has no legal debt limit; therefore, a computation of the legal debt margin is not required.

Tax increment financing bonds issued by the Community Development Agency are issued to provide the long-term financing for the redevelopment of blight and substandard areas around the City. These bonds are payable only from real estate taxes on certain property located within these plan areas and do not constitute general obligations of the Agency or City.

Revenue bonds are the obligation of the Enterprise Fund and are payable solely from the revenues of the Water, Sewer and Solid Waste Funds. The City has pledged future water, sewer and solid waste customer revenues to repay \$9.22 million of bonds issued November 2017 and \$5,050,000 of bonds issued November 2021. The bonds issued in November 2021 are to fund implementation of the transfer station site master plan and have interest rates of 2% to 4% with a final maturity of 2041. Annual principal and interest payments on both bond issues are expected to require less than 8% of gross revenues. The total principal and interest remaining to be paid on the bonds is \$15,899,030. Principal and interest paid for the current year was \$670,063 and total water, sewer and solid waste customer net revenues were \$3,866,625.

City of Norfolk, NEBRASKA  
Notes to Financial Statements  
September 30, 2022

**NOTE 8 - BONDS PAYABLE AND OTHER LONG-TERM OBLIGATIONS (CONTINUED)**

On May 18, 2022 the City issued \$20,285,000 of Highway Allocation Fund Pledge Bonds. The bonds have a final maturity of May 15, 2042 and interest rates ranging from 3.00% to 4.00%. The City's Capital Improvement Program provides for the issuance of \$11 million of Highway Allocation Fund Pledge Bonds in the current fiscal year and \$4.5 next fiscal year. Due to the expectation of rising interest rates over the next several years, a single bond issue was done. Construction projects being funded are Benjamin Ave, 1<sup>st</sup> Street Bridge, Michigan Ave and 8<sup>th</sup> Street. Total principal and interest remaining to be paid on the bonds is \$30,421,610. Interest only payments are scheduled for the first 5 years followed by 15 years of regular principal and interest payments. Highway allocation revenue in the current year was \$3,728,246.

On August 23, 2022 the City issued \$195,000 special assessment bond anticipation notes with a maturity of September 1, 2025 and an interest rate of 2.70% to fund improvements in Water District 127.

**NOTE 9 – TRANSFERS**

The following is a summary of transfers between funds:

	Governmental Funds			Transfers out:		Proprietary Funds		Total
	General	CHAF	Debt Service	Nonmajor Governmental	Water	Sewer		
Transfers in:								
General	\$ -	\$ 240,000	\$ 11,758	\$ -	\$ -	\$ -	\$ -	\$ 251,758
Debt Service	1,099,223	-	-	-	-	-	-	1,099,223
Capital Construction	1,742,594	-	205,108	110,078	-	-	-	2,057,780
Special Assessment	-	-	18,536	-	-	-	-	18,536
Nonmajor Governmental	831,120	-	-	6,300	85,358	85,358	-	1,008,136
Total	\$ 3,672,937	\$ 240,000	\$ 235,402	\$ 116,378	\$ 85,358	\$ 85,358	\$ -	\$ 4,435,433

Transfers are used to:

1. Move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them.
2. To use property and sales tax revenues collected in the general fund to fund capital outlay in the capital construction fund.

City of Norfolk, NEBRASKA  
Notes to Financial Statements  
September 30, 2022

**NOTE 10 – NET POSITION/FUND BALANCES**

The following schedule reflects all Fund Balances as presented in the Fund Level Statements:

	General	City Highway Allocation	American Rescue Plan	Debt Service	Special Assessments	Capital Construction	Community Development Agency	Other Governmental Funds	Total
<b>Nonspendable:</b>									
Fuel Inventory	\$ 44,480	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 44,480
Prepaid Items	98,467	-	-	-	-	-	-	31,559	130,026
<b>Restricted For:</b>									
Road Projects	-	19,700,414	-	-	-	-	-	-	19,700,414
Flood Control Projects	-	-	-	-	-	100,189	-	-	100,189
Vehicle Parking	-	-	-	-	-	-	-	232,302	232,302
Hazardous Materials	29,970	-	-	-	-	-	-	-	29,970
W W II Memorial	4,825	-	-	-	-	-	-	-	4,825
Opioid Settlement	3,981	-	-	-	-	-	-	-	3,981
Library Renovations	-	-	-	-	-	200,184	-	-	200,184
Grant Programs	-	-	-	-	-	-	-	290,875	290,875
911 Operations	-	-	-	-	-	-	-	659,110	659,110
Recreation Projects	4,379	-	-	-	-	1,982,576	-	-	1,986,955
Drug Enforcement	-	-	-	-	-	-	-	257,407	257,407
Community Betterment	-	-	-	-	-	2,477	391,695	658,222	1,052,394
Debt Service	-	-	-	5,346,729	-	-	-	-	5,346,729
<b>Committed For:</b>									
Recreation Projects	-	-	-	-	-	117,044	-	-	117,044
<b>Assigned to:</b>									
Capital Improvements	155,432	-	-	-	-	1,175,176	-	-	1,330,608
Recreation Projects	-	-	-	-	-	348,439	-	-	348,439
Community Betterment	-	-	-	-	-	1,754,107	-	-	1,754,107
Council Priority Projects	-	-	-	-	-	689,686	-	-	689,686
<b>Unassigned:</b>	10,883,760	-	-	-	(2,292,434)	-	-	-	8,591,326
<b>Total</b>	\$11,225,294	\$19,700,414	\$ -	\$ 5,346,729	\$ (2,292,434)	\$ 6,369,878	\$ 391,695	\$ 2,129,475	\$ 42,871,051

**NOTE 11 - EMPLOYEE PENSION PLANS**

The City has four single-employer retirement systems covering City employees. Employees make contributions to the 457 Deferred Compensation System and both employees and employer make contributions to the other three retirement systems. Employees are allowed to invest their participant account balances in certain stock and/or bond mutual funds as well as guaranteed insurance accounts. Participants can direct their entire account balance to mutual funds. Nonemployee directed investments are directed by the City Council, whose policy is to direct them to guaranteed insurance accounts. All of these funds are invested through Ameritas Life Insurance Corporation. All investments are valued at market or contract value as more fully discussed in note 2. B. to these statements. Forfeitures of non-vested employer contributions are used to pay for administrative costs. If forfeitures are insufficient, costs are financed through investment earnings. The financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are withheld from pay and due to the plan. Employer contributions to each plan are recognized when due. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. Publicly issued financial reports are not available for any of the pension plans nor are they included in the report of a public employee retirement system or another government.

City of Norfolk, NEBRASKA  
Notes to Financial Statements  
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**NOTE 11 – EMPLOYEE PENSION PLANS (CONTINUED)**

The Firemen’s Retirement System has minimum benefit guarantees for participants employed prior to January 1, 1984. With only 5 members employed prior to January 1, 1984, all of which are inactive, it would be misleading to report the entire plan as a defined benefit plan. Therefore, the portion of the plan for members employed prior to January 1, 1984 having minimum benefit guarantees is reported as a defined benefit plan and the portion for members employed on or after January 1, 1984 is reported as a defined contribution plan.

**Defined Contribution Pension Plans**

The City of Norfolk’s Civilian Employee Retirement System is a defined contribution plan, which covers substantially all regular employees working greater than 1,000 hours per year. Plan provisions, including contribution requirements, are established and amended by City ordinances. Participation in this plan is voluntary and employees may contribute a percentage of total compensation up to the IRS allowed maximum. The City contributes an amount up to 7% of the employee’s compensation, pursuant to plan provisions as established by City ordinance. Employee contributions totaled \$1,067,755, and the City recognized pension expense of \$626,708.

The Police Retirement System, a single employer defined contribution plan, covers all regular uniformed employees of the Norfolk Police Division, as required by State statutes and City ordinances. State statutes require police officers contribute 7% of compensation to the plan. The City matches employee contributions, up to 7% of compensation. Employee contributions totaled \$201,041, and the City recognized pension expense of \$201,041.

The Firemen’s Retirement System covers all regular uniformed employees of the Norfolk Fire Division, as required by State statutes and City ordinances. The Firemen’s Retirement Plan was changed, effective January 1, 1984, from a single employer defined benefit plan to a single employer defined contribution plan in which the City contributes twice the employees’ contribution, which is 6 1/2% of base pay. Employee contributions totaled \$243,821, and the City recognized pension expense of \$307,981.

The 457 Deferred Compensation System is a defined contribution plan, which covers substantially all regular employees working greater than 1,000 hours per year. Plan provisions, including contribution requirements, are established and amended by City ordinances. Participation in this plan is voluntary and employees may contribute a percentage of total compensation up to the IRS allowed maximum. Employee contributions totaled \$152,662.

Employees are fully vested in the amounts they contribute to the plan, together with the related earnings. Participants become fully vested in employer contributions and related earnings after seven years of service. Nonvested City contributions are forfeited upon termination of employment. Such forfeitures can be used to pay the pension plan’s administrative expenses. No forfeitures were used during the current year to reduce the City’s pension expense. Current membership is comprised of the following:

	Civilian	Police	Fire	457
Vested inactive members	50	17	5	18
Active plan members:				
Non-vested	29	3	8	-
Partially vested	30	11	5	-
Fully vested	91	27	25	40
Total membership	200	58	43	58

**NOTE 11 – EMPLOYEE PENSION PLANS (CONTINUED)**

**Defined Benefit Pension Plan**

For participants in the Firemen’s Retirement System employed prior to January 1, 1984, retirement benefits shall not be less than 50% of final earnings, as defined. Because of the minimum benefit guarantees for participants employed prior to January 1, 1984, this portion of the Firemen’s Retirement System is reported as a defined benefit plan.

Participants are fully vested in the amounts they contribute to the plan, together with the related earnings. Participants become fully vested in employer contributions and related earnings after seven years of service. Current membership is comprised of the following:

Inactive plan members or beneficiaries	
currently receiving benefits	5
Total participants	5

State statutes require a retirement committee be established for the Firemen’s Retirement System to supervise the general operations of the Retirement System. The committee consists of six members, of which four members are selected by paid firefighters and two members are designated by the City Council. The City Council has designated the Director of Administrative Services and Finance Officer as ex-officio members. The retirement committee is responsible for establishing and amending investment policies related to investment options offered to employees in the plan.

Net pension liability was measured as of September 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The actuarial value of assets is market or contract value as more fully discussed in note 2. B. to these statements. The City uses the entry age actuarial method for reporting and disclosure purposes. Any actuarial gains or losses are amortized in the current year, since there is no future working careers of covered participants remaining. The City annually contributes actuarially determined amounts in addition to any matching contributions. Significant actuarial assumptions include a 6% return on plan assets. Mortality rates are based on the 1994 Group Annuity Mortality-Static Table.

The long-term expected rate of return on pension plan investments is determined using a method in which best-estimate ranges of expected future rates of return are developed for each major asset class based on past performance. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the asset allocation percentage.

Expected real rates of return are determined by subtracting expected inflation from expected rates of return. Expected real rates of return for each major asset class and asset allocation as of September 30, 2022 are as summarized in the following table:

<u>Asset Class</u>	<u>Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Guaranteed Investment Account	100%	1.11%

City of Norfolk, NEBRASKA  
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**NOTE 11 – EMPLOYEE PENSION PLANS (CONTINUED)**

The discount rate used to measure the total pension liability was 6%. The projection of cash flows used to determine the discount rate assumes the City makes any actuarial required contributions. Based on this assumption, the Firemen’s Retirement System net position was projected to be available to make all projected future benefit payments of plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. There was no change in the discount rate from the prior year.

For the year ended September 30, 2022, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 3.24%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Changes in the net pension liability are as follows:

	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability</u>
Balances at 10/1/21	\$ 598,096	\$ 571,080	\$ 27,016
Changes for the year:			
Service cost	27,016	-	27,016
Interest	29,267	-	29,267
Differences between expected and actual experience	(10,889)	-	(10,889)
Contributions-employer	-	27,016	(27,016)
Net investment income	-	17,389	(17,389)
Benefit payments, including refunds of employee contributions	<u>(193,598)</u>	<u>(193,598)</u>	<u>-</u>
Net changes	<u>(148,204)</u>	<u>(149,193)</u>	<u>989</u>
Balances at 9/30/22	<u>\$ 449,892</u>	<u>\$ 421,887</u>	<u>\$ 28,005</u>

Plan fiduciary net position as a percentage of the total pension liability    94%

The following represents the net pension liability of the City, calculated using the discount rate of 6%, as well as what the City’s net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5%) or 1-percentage-point higher (7%) than the current rate:

	<u>1% Decrease (5%)</u>	<u>Current Discount Rate (6%)</u>	<u>1% Increase (7%)</u>
City’s net pension liability (asset)	\$57,724	\$28,005	\$1,697

For the current year, the City recognized pension expense of \$27,613. The City reported deferred outflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>
Net difference between projected and actual earnings on pension plan investments	\$ 23,172



City of Norfolk, NEBRASKA  
Notes to Financial Statements  
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**NOTE 11 – EMPLOYEE PENSION PLANS (CONTINUED)**

Amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year ended September 30:	
2023	\$ 9,177
2024	6,926
2025	4,693
2026	2,376

Multiyear trend information of the Firemen’s Retirement System is presented as Required Supplementary Information following the Notes to the Financial Statements.

**NOTE 12 - COMMITMENTS AND CONTINGENCIES**

The City has received financial assistance from federal, state and local governmental agencies in the form of grants. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and the Single Audit Act, and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds, however, such disallowed claims, if any, are not expected to have a materially adverse effect on the City’s financial position at September 30, 2022.

The City is a defendant in several lawsuits. Although the outcome of these lawsuits is not presently determinable, the resolution of these matters is not expected to have a materially adverse effect on the financial condition of the City.

The city has entered into various contracts for street and other capital improvements. The remaining commitment under these contracts is \$22,529,111. \$27,512 will be paid from the General Fund, \$15,462,853 will be paid from the City Highway Allocation Fund, \$89,777 will be paid from the Economic Development Operating Fund, \$54,499 will be paid from the American Rescue Plan Fund and \$6,894,470 will be paid from the Capital Construction Fund. The City also entered into various contracts for Enterprise Fund Improvement Projects. The remaining commitment under these contracts is approximately \$2,285,900. \$439,683 will be paid by the Water Division, \$348,314 will be paid by the Sewer Division and \$1,497,903 will be paid out of the Solid Waste Management Division.

In May 2011 the City entered into a Loan Agreement with the Norfolk Housing Agency (the Agency) in conjunction with the Agency issuing \$675,000 of Revenue and Refunding Bonds to refund existing debt and pay costs of improvements on the Kensington building. The debt is expected to be paid with revenues of the Agency; however, the City has agreed to lend to the Agency a sum of up to \$1,092,000 if the Agency’s revenues are insufficient to pay principal and interest on the bonds. The maximum amount the Agency can draw in any fiscal year is \$53,850. Any amounts drawn by the Agency are due on September 30, 2031, the date of final maturity of the bonds. No amounts have been drawn to date.

As discussed in Note 1 encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

General Fund	\$155,432
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City of Norfolk, NEBRASKA  
Notes to Financial Statements  
September 30, 2022

**NOTE 13 - INDIVIDUAL FUND DISCLOSURES**

Certain information concerning individual funds is as follows:

- A.** The following fund had a deficit balance as of September 30, 2022:

Capital Project Fund	Special Assessment	(\$2,292,434)
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This deficit will be resolved when the City issues permanent financing for the outstanding bond anticipation notes.

- B.** The City maintains the following insurance coverage on the water and sewage treatment and solid waste facilities of the Enterprise Fund:

Fire and extended coverage with a \$25,000 deductible on various water and sewage treatment and solid waste facilities. Scheduled values for related buildings and contents were \$71,113,780.

The City carries a blanket limit of \$133.4 million.

- C.** The City provides water, sewer, solid waste management services (transfer station), and stormwater utility through the Enterprise Fund. These services are financed through user charges. Segment information for the Enterprise Fund is as follows:

**CONDENSED STATEMENT OF NET POSITION**

	Water Division	Sewer Division	Solid Waste Management Division	Stormwater Division	Totals
<b>Assets:</b>					
Current assets	\$ 6,066,910	\$ 7,417,939	\$ 3,570,990	\$ 185,498	\$ 17,241,337
Restricted assets	211,000	202,138	155,548	-	568,686
Capital assets	34,884,254	30,623,351	5,345,085	4,592	70,857,282
<b>Total assets</b>	<b>41,162,164</b>	<b>38,243,428</b>	<b>9,071,623</b>	<b>190,090</b>	<b>88,667,305</b>
<b>Liabilities:</b>					
Current liabilities	202,407	1,045,215	979,558	2,146	2,229,326
Noncurrent liabilities	64,386	7,448,183	5,020,078	-	12,532,647
<b>Total liabilities</b>	<b>266,793</b>	<b>8,493,398</b>	<b>5,999,636</b>	<b>2,146</b>	<b>14,761,973</b>
<b>Deferred Inflows of Resources:</b>	<b>872,508</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>872,508</b>
<b>Net Position</b>					
Net Investment in Capital Assets	34,876,325	22,592,813	942,118	4,592	58,415,848
Restricted	211,000	607,138	365,548	-	1,183,686
Unrestricted	4,935,538	6,550,079	1,764,321	183,352	13,433,290
<b>Total Net Position</b>	<b>\$ 40,022,863</b>	<b>\$ 29,750,030</b>	<b>\$ 3,071,987</b>	<b>\$ 187,944</b>	<b>\$ 73,032,824</b>

City of Norfolk, NEBRASKA  
Notes to Financial Statements

September 30, 2022

**NOTE 13 - INDIVIDUAL FUND DISCLOSURES (CONTINUED)**

CONDENSED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

	Water Division	Sewer Division	Solid Waste Management Division	Stormwater Division	Totals
Operating revenues	\$ 3,922,795	\$ 5,433,216	\$ 2,481,564	\$ 155,086	\$ 11,992,661
Depreciation and amortization	710,648	752,551	142,221	-	1,605,420
Other operating expenses	2,472,080	3,158,922	2,202,569	105,849	7,939,420
Operating Income	740,067	1,521,743	136,774	49,237	2,447,821
Nonoperating revenues (expenses):					
Intergovernmental revenues	-	-	33,136	-	33,136
Interest on bonds and other debt	-	(200,402)	(73,871)	-	(274,273)
Interest income	24,578	40,965	8,776	955	75,274
Annexation Revenue	68,216	-	-	-	68,216
Gain (Loss) on disposal of capital assets	-	(81,083)	(27,747)	-	(108,830)
Interfund transfers out	(85,358)	(85,358)	-	-	(170,716)
Contributions	973,395	310,403	-	-	1,283,798
Change in net position	1,720,898	1,506,268	77,068	50,192	3,354,426
Beginning net position	38,301,965	28,243,762	2,994,919	137,752	69,678,398
Ending net position	\$ 40,022,863	\$ 29,750,030	\$ 3,071,987	\$ 187,944	\$ 73,032,824

CONDENSED STATEMENT OF CASH FLOWS

	Water Division	Sewer Division	Solid Waste Management Division	Stormwater Division	Totals
Net cash provided (used) by:					
Operating activities	\$ 1,259,294	\$ 2,317,729	\$ 224,465	\$ 40,602	\$ 3,842,090
Noncapital financing activities	(85,358)	(85,358)	33,136	-	(137,580)
Capital and related financing activities	(660,184)	(2,368,858)	1,770,771	-	(1,258,271)
Investing activities	22,372	42,342	7,668	966	73,348
Net increase (decrease)	536,124	(94,145)	2,036,040	41,568	2,519,587
Beginning cash and cash equivalents	3,305,651	6,773,684	1,434,087	117,193	11,630,615
Ending cash and cash equivalents	\$ 3,841,775	\$ 6,679,539	\$ 3,470,127	\$ 158,761	\$ 14,150,202

City of Norfolk, NEBRASKA  
Notes to Financial Statements  
September 30, 2022

**NOTE 13 - INDIVIDUAL FUND DISCLOSURES (CONTINUED)**

Individual Fund Information for the Employee Retirement Funds follows:

	Firemen's Defined Contribution Retirement Fund	Firemen's Defined Benefit Retirement Fund	Police Retirement Fund	Civilian Retirement Fund	457 Deferred Compensation Fund	Total
<b>ASSETS:</b>						
Guaranteed Insurance Contracts	\$ 967,205	\$421,887	\$ 2,349,953	\$11,087,953	\$ 1,272,086	\$16,099,084
Open Ended Mutual Funds	7,742,133	-	7,823,382	18,945,310	1,293,936	35,804,761
Total Assets	8,709,338	421,887	10,173,335	30,033,263	2,566,022	51,903,845
<b>NET POSITION:</b>						
Held in Trust for Pension Benefits	8,709,338	421,887	10,173,335	30,033,263	2,566,022	51,903,845
Total Net Position	\$ 8,709,338	\$421,887	\$10,173,335	\$30,033,263	\$ 2,566,022	\$51,903,845

	Firemen's Defined Contribution Retirement Fund	Firemen's Defined Benefit Retirement Fund	Police Retirement Fund	Civilian Retirement Fund	457 Deferred Compensation Fund	Total
<b>ADDITIONS</b>						
Contributions:						
Employer	\$ 307,981	\$ 27,016	\$ 201,041	\$ 626,708	\$ -	\$ 1,162,746
Employee	243,821	-	201,041	1,067,755	152,662	1,665,279
Total Contributions	551,802	27,016	402,082	1,694,463	152,662	2,828,025
Investment Income: Interest, Dividends and Market Gains						
Total Additions	(1,925,555)	17,389	(2,005,348)	(4,454,520)	(285,613)	(8,653,647)
Total Additions	(1,373,753)	44,405	(1,603,266)	(2,760,057)	(132,951)	(5,825,622)
<b>DEDUCTIONS</b>						
Pension Benefits	663,326	193,598	1,260,919	4,630,826	98,682.00	6,847,351
Administration	2,907	-	1,197	5,279	730	10,113
Contribution Refunds	-	-	-	57,744	-	57,744
Total Deductions	666,233	193,598	1,262,116	4,693,849	99,412	6,915,208
Change in Net Position	(2,039,986)	(149,193)	(2,865,382)	(7,453,906)	(232,363)	(12,740,830)
Net Position-Beginning of Period	10,749,324	571,080	13,038,717	37,487,169	2,798,385	64,644,675
Net Position-End of Period	\$ 8,709,338	\$421,887	\$10,173,335	\$30,033,263	\$2,566,022	\$51,903,845

City of Norfolk, NEBRASKA  
Notes to Financial Statements  
September 30, 2022

**NOTE 14 - RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; natural disasters; and group health and dental claims. Through an interlocal agreement, the City participates in the League Association of Risk Management (LARM), a public entity risk pool formed under the Intergovernmental Risk Management Act, *Neb. Rev. Stat. Sections 44-4301 et seq*, to cover the risk of loss except for health and dental coverage, which is partially self-insured. The City pays an annual premium contribution to LARM for its insurance coverage membership in the insurance pool. LARM purchases reinsurance through commercial companies for claims in excess of \$100,000 per occurrence/\$450,000 per occurrence all CAT Perils for property, or in excess of \$300,000 per single loss for liability. Workers Compensation reinsurance covers claims in excess of \$750,000 for a single loss or an annual aggregate losses of \$5 million. The retentions meet the actuarially determined requirements of reducing the risk of assessments over premiums. The policy period is October 1, 2021 to September 30, 2022. The terms of coverage did not change substantially in the current fiscal year from the prior fiscal year and settled claims have not exceeded this coverage in any of the past three fiscal years. Group health and dental coverage provided by the City is accounted for in the Internal Service Fund, which is used to accumulate resources to fund claims under the City's self-insured health and dental plans. City contributions to fund this coverage are reported by the respective funds as expenditures and shown as revenue in the Internal Service Fund. The employees' share is also shown as revenue in the internal service fund. The City purchases reinsurance to protect against large losses. This reinsurance pays for individual claims in excess of \$100,000 and limits City payments for claims during the year to a maximum of \$4,677,208. The September 30, 2022 claims liability of \$679,223 is included in accounts and contracts payable for the Internal Service Fund. This claims liability is based on the requirements of Governmental Accounting Standards Board Statement No. 10 which requires that the liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of financial statements and the amount of loss can be reasonably estimated. This claims liability includes accruals for claims incurred but not paid and claims incurred but not reported. Changes in the claims liability amount for the year ending September 30, 2022 and the year ending September 30, 2021 are:

		Claims & Changes	Claim	
	<u>Beginning</u>	<u>in Estimates</u>	<u>Payments</u>	<u>Ending</u>
2021	\$247,617	\$3,408,736	\$2,948,449	\$707,904
2022	\$707,904	\$3,483,400	\$3,512,081	\$679,223

**NOTE 15 – RELATED PARTY TRANSACTIONS**

As discussed in Note 1. A., the City, along with twenty-four other cities and counties in Northeast Nebraska, created the Northeast Nebraska Solid Waste Coalition (NNSWC). Waste from the City's transfer station is taken to the NNSWC. During the year, the City paid the NNSWC \$832,113 in garbage fees and at September 30, 2022, \$68,341 was due to the NNSWC. The City provides administrative services for the NNSWC. During the year \$43,463 was received from the NNSWC for administrative services. The City was reimbursed by the NNSWC \$7,934 for NNSWC expenses paid by the City and at September 30, 2022, \$4,844 was due from the NNSWC.

The Norfolk Housing Agency is fully staffed with City of Norfolk employees. In the current year the City was reimbursed \$141,342 for a portion of employees' salaries. The Housing Agency manages different properties and the City provides administrative services. During the year \$27,303 was received from the Housing Agency.

City of Norfolk, NEBRASKA  
Notes to Financial Statements  
September 30, 2022

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**NOTE 16 – TAX ABATEMENTS**

The State of Nebraska enters into tax abatement agreements with businesses under the Nebraska Advantage Act and the Employment and Investment Growth Act. These acts allow for refunds of sales tax paid on equipment or other taxable property purchased in connection with adding a certain number of jobs and dollar amount investment. For the fiscal year ending September 30, 2022 the City's sales tax revenues were reduced by \$12,544 under these tax abatement agreements.

**NOTE 17 – ANNEXATION**

During the year, the City annexed the following three Sanitary Improvement Districts (SID): SID No. 3, SID No. 5, and SID No. 10. At the time of annexation, the City assumed all assets and liabilities of the annexed areas. Annexation resulted in revenue of \$114,185 included in annexation revenues in the governmental funds statement of revenues, expenditures, and changes in fund balances and \$68,216 in the proprietary fund statement of revenues, expenses, and changes in fund net position. Net position received from annexation of \$182,401 is included in the statement of activities.

**NOTE 18 – SUBSEQUENT EVENTS**

On November 17, 2022 the City issued \$1,965,000 Various Purpose Bonds for permanent financing of Paving District 519, Water Districts 124 and 126 and Sewer Districts 250 and 254 . The interest rate on the bonds range from 3.25% to 5% with a final maturity date of November 1, 2041.

# **REQUIRED SUPPLEMENTARY INFORMATION**

City of Norfolk, NEBRASKA  
 Required Supplementary Information  
 September 30, 2022

SCHEDULE OF CHANGES IN FIREMEN'S NET PENSION LIABILITY AND RELATED RATIOS  
 LAST 10 FISCAL YEARS

	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Total pension liability</b>									
Service cost	\$ 27,016	\$ 25,908	\$ 25,083	\$ 17,137	\$ 30,967	\$ 57,038	\$ 27,285	\$ 66,451	\$ 84,332
Interest	29,267	31,938	34,887	54,092	159,925	201,041	243,025	76,781	230,999
Differences between expected and actual experience	(10,889)	(10,480)	(10,340)	(3,491)	(14,448)	(39,200)	63,779	(89,509)	(39,513)
Benefit payments, including refunds of contributions	(193,598)	(107,771)	(115,771)	(899,382)	(1,162,802)	(989,167)	(96,645)	(564,501)	(106,171)
<b>Net change in total pension liability</b>	<u>(148,204)</u>	<u>(60,405)</u>	<u>(66,141)</u>	<u>(831,644)</u>	<u>(986,358)</u>	<u>(770,288)</u>	<u>237,444</u>	<u>(510,778)</u>	<u>169,647</u>
<b>Total pension liability-beginning</b>	598,096	658,501	724,642	1,556,286	2,542,644	3,312,932	3,075,488	3,586,266	3,416,619
<b>Total pension liability-ending (a)</b>	<u>\$ 449,892</u>	<u>\$ 598,096</u>	<u>\$ 658,501</u>	<u>\$ 724,642</u>	<u>\$ 1,556,286</u>	<u>\$ 2,542,644</u>	<u>\$ 3,312,932</u>	<u>\$ 3,075,488</u>	<u>\$ 3,586,266</u>
<b>Plan fiduciary net position</b>									
Contributions-employer	\$ 27,016	\$ 25,908	\$ 25,083	\$ 17,137	\$ 24,254	\$ 39,284	\$ 48,190	\$ 51,220	\$ 66,996
Contributions-member	-	-	-	-	3,752	5,018	9,095	10,812	17,044
Net investment income	17,389	20,350	23,722	42,840	148,374	187,177	228,466	62,180	217,060
Benefit payments, including refunds of contributions	(193,598)	(107,771)	(115,771)	(899,382)	(1,162,802)	(989,167)	(96,645)	(564,501)	(106,171)
Administrative expense	-	-	-	(185)	(323)	(101)	(829)	(490)	(500)
<b>Net change in plan fiduciary net position</b>	<u>(149,193)</u>	<u>(61,513)</u>	<u>(66,966)</u>	<u>(839,590)</u>	<u>(986,745)</u>	<u>(757,789)</u>	<u>188,277</u>	<u>(440,779)</u>	<u>194,429</u>
<b>Plan fiduciary net position-beginning</b>	571,080	632,593	699,559	1,539,149	2,525,894	3,283,683	3,095,406	3,536,185	3,341,756
<b>Plan fiduciary net position-ending (b)</b>	<u>\$ 421,887</u>	<u>\$ 571,080</u>	<u>\$ 632,593</u>	<u>\$ 699,559</u>	<u>\$ 1,539,149</u>	<u>\$ 2,525,894</u>	<u>\$ 3,283,683</u>	<u>\$ 3,095,406</u>	<u>\$ 3,536,185</u>
<b>Firemen's net pension liability (asset)-ending (a) - (b)</b>	<u>\$ 28,005</u>	<u>\$ 27,016</u>	<u>\$ 25,908</u>	<u>\$ 25,083</u>	<u>\$ 17,137</u>	<u>\$ 16,750</u>	<u>\$ 29,249</u>	<u>\$ (19,918)</u>	<u>\$ 50,081</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	94%	95%	96%	97%	99%	99%	99%	101%	99%
<b>Covered payroll</b>	\$ -	\$ -	\$ -	\$ -	\$ 57,722	\$ 77,194	\$ 139,920	\$ 166,340	\$ 262,224
<b>City's net pension liability (asset) as a percentage of covered payroll</b>	-	-	-	-	30%	22%	21%	(12%)	19%

This schedule is being built prospectively until it contains ten years of data.  
 Data for fiscal year 2013 is unavailable.



City of Norfolk, NEBRASKA  
 Required Supplementary Information  
 September 30, 2022

SCHEDULE OF CITY'S CONTRIBUTIONS - FIREMEN'S RETIREMENT SYSTEM  
 LAST 10 FISCAL YEARS

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	\$ 27,016	\$ 25,908	\$ 25,083	\$ 17,137	\$ 16,750	\$ 29,249	\$ -	\$ 29,596	\$ 32,906	\$ 39,593
Contributions in relation to the actuarially determined contribution	27,016	25,908	25,083	17,137	16,750	29,249	30,000	29,596	32,906	39,593
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (30,000)	\$ -	\$ -	\$ -
Covered payroll	\$ -	\$ -	\$ -	\$ -	\$ 57,722	\$ 77,194	\$ 139,920	\$ 166,340	\$ 262,224	\$ 258,540
Contributions as a percentage of covered payroll	-	-	-	-	29%	38%	21%	18%	13%	15%

Notes to Schedule

Valuation date:

Actuarially determined contribution rates are calculated as of the beginning of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level percentage of payroll, closed
Inflation	3%
Salary increases	4%, including inflation
Investment rate of return	6%, net of pension plan expense, including inflation
Withdrawal	Advanced Pension Table Handbook, Turnover Scale W-70
Mortality	1994 Group Annuity Mortality-Static

City of Norfolk, NEBRASKA  
Required Supplementary Information  
September 30, 2022

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SCHEDULE OF FIRE INVESTMENT RETURNS  
LAST 10 FISCAL YEARS

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return, net of investment expense	3.24%	3.43%	3.61%	5.11%	6.56%	7.32%	7.32%	1.90%	6.56%

This schedule is being built prospectively until it contains ten years of data.  
Data for fiscal year 2013 is unavailable.

**CITY OF NORFOLK, NEBRASKA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE, BUDGET**  
**AND ACTUAL, GENERAL FUND - BUDGETARY BASIS**  
**For the Year Ended September 30, 2022**

	<b>General Fund</b>		
	<b>Budgeted Original &amp; Final</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenue:</b>			
Taxes	\$ 14,992,711	\$ 16,003,879	\$ 1,011,168
Special Assessments	-	7,412	7,412
Licenses and Permits	349,110	411,659	62,549
Intergovernmental Revenue	467,439	991,870	524,431
Nongovernmental Grants	-	5,520	5,520
Charges for Services	2,313,030	2,693,866	380,836
Occupation and Franchise Taxes	602,000	688,454	86,454
Payments in Lieu of Taxes	160,000	211,433	51,433
Contributions	1,500	27,163	25,663
Rental Income	4,582,842	4,676,971	94,129
Interest	8,900	23,748	14,848
Keno Revenue	718,000	792,271	74,271
Miscellaneous	74,000	148,213	74,213
Annexation Revenue	-	119,623	119,623
Total Revenue	<u>24,269,532</u>	<u>26,802,082</u>	<u>2,532,550</u>
<b>Current Expenditures:</b>			
Public Safety	11,306,797	10,490,476	816,321
Public Works	4,529,373	4,219,132	310,241
Public Library	1,837,535	1,745,668	91,867
Parks and Recreation	3,158,062	2,939,519	218,543
Community Improvement and Development	1,268,318	1,185,835	82,483
General Government	3,560,014	3,664,765	(104,751)
Total Expenditures	<u>25,660,099</u>	<u>24,245,395</u>	<u>1,414,704</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(1,390,567)</u>	2,556,687	3,947,254
<b>Other Financing Sources (Uses):</b>			
Insurance Proceeds	-	11,251	11,251
Transfers In	240,000	251,758	11,758
Transfers Out	(2,538,811)	(3,672,937)	(1,134,126)
Total other Financing Sources (Uses)	<u>(2,298,811)</u>	<u>(3,409,928)</u>	<u>(1,111,117)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	<u>\$ (3,689,378)</u>	\$ (853,241)	<u>\$ 2,836,137</u>
Fund Balances-Beginning of Year		<u>9,340,197</u>	
Fund Balances- End of Year		<u>\$ 8,486,956</u>	

See Accompanying Notes to Required Supplementary Information

**CITY OF NORFOLK, NEBRASKA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE, BUDGET**  
**AND ACTUAL, MAJOR SPECIAL REVENUE FUNDS - BUDGETARY BASIS**  
**For the Year Ended September 30, 2022**

	City Highway Allocation Fund			American Rescue Plan		
	Budgeted Original & Final	Actual	Variance with Final Budget Positive (Negative)	Budgeted Original & Final	Actual	Variance with Final Budget Positive (Negative)
Revenue:						
Intergovernmental Revenue	\$ 3,205,000	\$ 3,724,886	\$ 519,886	\$ 2,163,587	\$ 2,163,587	\$ -
Interest	2,100	119,413	117,313	-	-	-
Total Revenue	<u>3,207,100</u>	<u>3,844,299</u>	<u>637,199</u>	<u>2,163,587</u>	<u>2,163,587</u>	<u>-</u>
Current Expenditures:						
Public Works	14,609,913	8,135,503	6,474,410	4,327,174	1,000,000	3,327,174
Community Improvement and Development	-	-	-	-	14,767	(14,767)
General Government	-	-	-	-	217,435	(217,435)
Debt Service	403,069	-	403,069	-	-	-
Total Expenditures	<u>15,012,982</u>	<u>8,135,503</u>	<u>6,877,479</u>	<u>4,327,174</u>	<u>1,232,202</u>	<u>3,094,972</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(11,805,882)</u>	<u>(4,291,204)</u>	<u>7,514,678</u>	<u>(2,163,587)</u>	<u>931,385</u>	<u>3,094,972</u>
Other Financing Sources (Uses):						
Proceeds from Debt Financing	11,516,250	20,285,000	8,768,750	-	-	-
Premium on Bonds	-	175,527	175,527	-	-	-
Transfers Out	(240,000)	(240,000)	-	-	-	-
Total other Financing Sources (Uses)	<u>11,276,250</u>	<u>20,220,527</u>	<u>8,944,277</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	<u>\$ (529,632)</u>	<u>\$ 15,929,323</u>	<u>\$ 16,458,955</u>	<u>(2,163,587)</u>	<u>\$ 931,385</u>	<u>\$ 3,094,972</u>
Fund Balances-Beginning of Year		<u>5,925,335</u>			<u>2,163,587</u>	
Fund Balances- End of Year		<u>\$ 21,854,658</u>			<u>\$ 3,094,972</u>	

City of Norfolk, NEBRASKA  
Notes to Required Supplementary Information  
Budgetary Reporting  
September 30, 2022

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**Budgets**

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. At or around May 1, the City's department and division heads prepare and submit budget requests for the following fiscal year to the City Administrator who then reviews the requests with the department and division heads.
2. After this review process has been completed, the City Administrator presents these budget requests to the Mayor and City Council along with his recommendations as to what changes, if any should be made. These budget requests and recommendations are reviewed during work sessions of the City Council at meetings open to the public.
3. A public hearing on the budget is then conducted at a City Council meeting to obtain citizen comments.
4. Prior to October 1, the City Council legally enacts the ensuing fiscal year's budget for all funds, except Fiduciary Funds, the Community Development Agency and City of Norfolk Facilities Corporation through the passage of an ordinance, which establishes the legal level of control (the level on which expenditures may not legally exceed appropriations) at the total governmental fund level.

Proposed expenditures, which are expected to exceed the fund's total appropriation, require amendment by the City Council. The legal level of budgetary control is at the total governmental fund level. Expenditures in excess of the amount budgeted within individual funds do not require amendment by the City Council.

Appropriations lapse at year-end. Encumbrances outstanding at year-end are reported as assigned fund balance and generally are re-appropriated in the next fiscal year.

5. Formal budgetary integration is employed as a management control device during the year for all Governmental and Proprietary Funds.
6. The budgets adopted are stated on a cash basis. Budgetary comparisons are presented in the financial statements for the governmental funds and are on this budgetary basis, which is not in accordance with U.S. generally accepted accounting principles.
7. There were no budget amendments during the year.

**BUDGETARY CONTROL**

The annual appropriated budget adopted by the City is prepared on a cash basis and, therefore, the budgetary basis differs from that used to present the financial statements in accordance with U.S. generally accepted accounting principles (GAAP). Such differences and their effect on the respective funds reported operations are summarized as follows:

City of Norfolk, NEBRASKA  
Notes to Required Supplementary Information  
Budgetary Reporting  
September 30, 2022

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	General	City Highway Allocation	American Rescue Plan
Excess (deficiency) of revenues and other financial sources over expenditures and other financial uses, on a budgetary basis	\$ (853,241)	\$ 15,929,323	\$ 931,385
Basis differences:			
To adjust revenues from recognition on a cash basis	215,766	5,283	(931,385)
To adjust total expenditures from a recognition on a cash basis	17,421	(1,676,998)	-
Excess (deficiency) of revenues and other financial sources over expenditures and other financial uses, on a GAAP basis	\$ (620,054)	\$ 14,257,608	\$ -
<u>Total Budgeted Governmental Funds</u>			
Expenditures and other financing uses, on a budgetary basis	\$ 48,349,016		
Basis differences:			
To adjust total expenditures from a recognition on a cash basis		2,372,753	
Expenditures and other financing uses, on a GAAP basis	\$ 50,721,769		

The following schedule demonstrates the City's legal compliance to the budget

Fund	Budget	Actual	Variance Over (Under) Budget
Governmental Funds Expenditures	\$70,381,440	\$48,349,016	\$(22,032,424)

# **SUPPLEMENTARY INFORMATION**

# GOVERNMENTAL NONMAJOR FUNDS

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**VEHICLE PARKING FUND** - This fund is used to account for the revenues and expenditures of Parking District No. 1. This is a special taxing district, encompassing the downtown area, created for the purpose of providing and maintaining off-street parking lots for employees and customers of the downtown businesses. This fund also is involved with downtown promotions and beautification.

**COMMUNITY DEVELOPMENT BLOCK GRANT** - This fund is used to account for various community development grants and related program income. The use of these funds is restricted to community and economic development activities, as defined in the grant agreements.

**SNARE FUND** - This fund is used to account for the contributions from member cities, counties and Nebraska State Patrol to address the drug problem in a ten county area in Northeast Nebraska.

**REGION 11 EMERGENCY MANAGEMENT FUND** – This fund is used to account for revenue received for emergency management in Antelope County, Pierce County, Madison County and the City of Norfolk. These governments contribute to the fund based upon population. This fund also accounts for emergency management grants received for the area.

**WIRELESS 911 FUND** – This fund was created pursuant to an agreement with the Nebraska Public Service Commission to track receipts from the State for wireless 911 taxes. The funds are used for equipment, software, maintenance, and any other expenditure necessary for the provision of wireless 911 service.

**LB840 ECONOMIC DEVELOPMENT FUND** – This fund is used to account for receipts from the levy of property taxes on real and personal property for the LB 840 economic development program. LB 840 was the legislative bill approved by the Nebraska Legislature in 1991 adopting the Local Option Municipal Economic Development Act. This Act authorizes cities to spend local sales or property tax revenue for economic development including offering incentives to attract business.

**ECONOMIC DEVELOPMENT OPERATING FUND** – This fund was created to account for the operations of the Economic Development Fund. Madison County and the City of Norfolk both contribute equally to fund personnel costs, travel, and other necessary operating expenses relating to economic development.

**NORFOLK/MADISON DISPATCH FUND** – This fund is used to account for the agreement between the City and Madison County to provide 911 dispatch services in the Norfolk and Madison County area.



**CITY OF NORFOLK, NEBRASKA**  
**COMBINING BALANCE SHEET**  
**Governmental Nonmajor Funds**  
**September 30, 2022**

	Special Revenue Funds								Total Governmental Nonmajor Funds
	Vehicle Parking	Community Development Block Grant	SNARE	Region 11	Wireless 911	LB 840 Economic Development	Economic Development Operating	Norfolk/Madison Dispatch	
<b>Assets</b>									
Cash and Equity in Pooled Investment Account	\$ 220,395	\$ 88,841	\$ 255,918	\$ 182,109	\$ 440,392	\$ 300,507	\$ 358,035	\$ 207,617	\$ 2,053,814
Cash at County Treasurer	11,939	-	-	-	-	-	-	-	11,939
Receivables (Net, where applicable, of allowance for uncollectibles)									
Accounts	-	-	1,528	-	-	-	-	1,406	2,934
Taxes	1,807	-	-	-	-	-	-	27,918	29,725
Accrued Interest	88	-	116	102	213	137	242	190	1,088
Notes	-	1,017,738	-	-	-	-	-	-	1,017,738
Due from Other Governmental Agencies	-	2,265	-	15,425	-	-	-	-	17,690
Prepaid Assets	-	-	1,400	-	14,538	-	-	15,621	31,559
<b>Total Assets</b>	<b>234,229</b>	<b>1,108,844</b>	<b>258,962</b>	<b>197,636</b>	<b>455,143</b>	<b>300,644</b>	<b>358,277</b>	<b>252,752</b>	<b>3,166,487</b>
<b>Liabilities</b>									
Accounts Payable	919	2,265	155	314	222	-	699	1,737	6,311
Unearned Revenue	-	-	-	-	-	-	-	16,667	16,667
<b>Total Liabilities</b>	<b>919</b>	<b>2,265</b>	<b>155</b>	<b>314</b>	<b>222</b>	<b>-</b>	<b>699</b>	<b>18,404</b>	<b>22,978</b>
<b>Deferred Inflows of Resources</b>									
Unavailable Revenue-Property Taxes	1,008	-	-	-	-	-	-	-	1,008
Unavailable Revenue-Loan Repayments	-	1,013,026	-	-	-	-	-	-	1,013,026
<b>Total Deferred Inflows of Resources</b>	<b>1,008</b>	<b>1,013,026</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,014,034</b>
<b>Fund Balances</b>									
Non Spendable	-	-	1,400	-	14,538	-	-	15,621	31,559
Restricted	232,302	93,553	257,407	197,322	440,383	300,644	357,578	218,727	2,097,916
<b>Total Fund Balances</b>	<b>232,302</b>	<b>93,553</b>	<b>258,807</b>	<b>197,322</b>	<b>454,921</b>	<b>300,644</b>	<b>357,578</b>	<b>234,348</b>	<b>2,129,475</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 234,229</b>	<b>\$ 1,108,844</b>	<b>\$ 258,962</b>	<b>\$ 197,636</b>	<b>\$ 455,143</b>	<b>\$ 300,644</b>	<b>\$ 358,277</b>	<b>\$ 252,752</b>	<b>\$ 3,166,487</b>

**CITY OF NORFOLK, NEBRASKA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**Governmental Nonmajor Funds**  
**For the Year Ended September 30, 2022**

	Special Revenue Funds								Total Governmental Nonmajor Funds
	Vehicle Parking	Community Development Block Grant	SNARE	Region 11	Wireless 911	LB 840 Economic Development	Economic Development Operating	Norfolk/Madison Dispatch	
<b>Revenue:</b>									
Taxes	\$ 97,346	-	\$ -	\$ -	\$ -	\$ 380	\$ -	\$ -	\$ 97,726
Intergovernmental Revenue	4,238	649,146	26,400	126,620	95,775	-	170,716	390,000	1,462,895
Occupation & Franchise Taxes	-	-	-	-	-	-	-	145,241	145,241
Charges for Services	-	-	-	-	-	-	-	116,081	116,081
Loan Repayments	-	50,971	-	-	-	-	-	-	50,971
Interest	1,289	294	1,515	1,309	2,753	1,683	2,734	2,396	13,973
Miscellaneous	-	2	319	-	-	-	-	-	321
<b>Total Revenue</b>	<b>102,873</b>	<b>700,413</b>	<b>28,234</b>	<b>127,929</b>	<b>98,528</b>	<b>2,063</b>	<b>173,450</b>	<b>653,718</b>	<b>1,887,208</b>
<b>Expenditures:</b>									
Public Safety	-	-	36,873	217,363	32,602	-	-	1,234,288	1,521,126
Public Works	54,266	-	-	-	-	-	-	-	54,266
Community Improvement and Development	-	685,865	-	-	-	-	332,648	-	1,018,513
Debt Service	16,014	-	-	-	-	-	-	-	16,014
<b>Total Expenditures</b>	<b>70,280</b>	<b>685,865</b>	<b>36,873</b>	<b>217,363</b>	<b>32,602</b>	<b>-</b>	<b>332,648</b>	<b>1,234,288</b>	<b>2,609,919</b>
Excess (Deficiency) of Revenues over Expenditures	32,593	14,548	(8,639)	(89,434)	65,926	2,063	(159,198)	(580,570)	(722,711)
<b>Other Financing Sources (Uses):</b>									
Transfers In	-	-	-	51,120	-	-	170,716	786,300	1,008,136
Transfers Out	-	-	-	(6,300)	(110,078)	-	-	-	(116,378)
<b>Total other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>44,820</b>	<b>(110,078)</b>	<b>-</b>	<b>170,716</b>	<b>786,300</b>	<b>891,758</b>
Net Change in Fund Balance	32,593	14,548	(8,639)	(44,614)	(44,152)	2,063	11,518	205,730	169,047
Fund Balances - Beginning of Year	199,709	79,005	267,446	241,936	499,073	298,581	346,060	28,618	1,960,428
Fund Balances - End of Year	\$ 232,302	\$ 93,553	\$ 258,807	\$ 197,322	\$ 454,921	\$ 300,644	\$ 357,578	\$ 234,348	\$ 2,129,475

**CITY OF NORFOLK, NEBRASKA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE, BUDGET**  
**AND ACTUAL, NONMAJOR SPECIAL REVENUE FUNDS - BUDGETARY BASIS**  
**For the Year Ended September 30, 2022**

	Vehicle Parking			Community Development Block Grant Fund			SNARE		
	Budgeted Original & Final	Actual	Variance with Final Budget Positive (Negative)	Budgeted Original & Final	Actual	Variance with Final Budget Positive (Negative)	Budgeted Original & Final	Actual	Variance with Final Budget Positive (Negative)
Revenue:									
Taxes	\$ 101,112	\$ 98,289	\$ (2,823)	\$ 1,840,000	\$ 752,851	\$ (1,087,149)	\$ -	\$ -	\$ -
Intergovernmental Revenue	270	4,238	3,968	31,128	51,890	20,762	36,900	26,400	(10,500)
Loan Repayments	1,920	1,175	(745)	100	298	198	-	-	-
Rental Income	-	723	723	-	-	-	-	-	-
Interest	212	1,318	1,106	-	-	-	400	1,588	1,188
Miscellaneous	-	-	-	-	1	1	-	319	319
Total Revenue	<u>103,514</u>	<u>105,743</u>	<u>2,229</u>	<u>1,871,228</u>	<u>805,040</u>	<u>(1,066,188)</u>	<u>37,300</u>	<u>28,307</u>	<u>(8,993)</u>
Current Expenditures:									
Public Safety	-	-	-	-	-	-	78,537	36,713	41,824
Public Works	169,770	53,944	115,826	-	-	-	-	-	-
Community Improvement and Development	-	-	-	1,943,195	678,703	1,264,492	-	-	-
Debt Service	16,014	16,014	-	-	-	-	-	-	-
Total Expenditures	<u>185,784</u>	<u>69,958</u>	<u>115,826</u>	<u>1,943,195</u>	<u>678,703</u>	<u>1,264,492</u>	<u>78,537</u>	<u>36,713</u>	<u>41,824</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(82,270)</u>	<u>35,785</u>	<u>118,055</u>	<u>(71,967)</u>	<u>126,337</u>	<u>198,304</u>	<u>(41,237)</u>	<u>(8,406)</u>	<u>32,831</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	<u>\$ (82,270)</u>	<u>\$ 35,785</u>	<u>\$ 118,055</u>	<u>\$ (71,967)</u>	<u>\$ 126,337</u>	<u>\$ 198,304</u>	<u>\$ (41,237)</u>	<u>\$ (8,406)</u>	<u>\$ 32,831</u>
Fund Balances-Beginning of Year		196,549			(37,497)			264,324	
Fund Balances- End of Year		<u>\$ 232,334</u>			<u>\$ 88,840</u>			<u>\$ 255,918</u>	

**CITY OF NORFOLK, NEBRASKA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE, BUDGET**  
**AND ACTUAL, NONMAJOR SPECIAL REVENUE FUNDS - BUDGETARY BASIS (CONTINUED)**  
**For the Year Ended September 30, 2022**

	Region 11			Wireless 911		
	Budgeted Original & Final	Actual	Variance with Final Budget Positive (Negative)	Budgeted Original & Final	Actual	Variance with Final Budget Positive (Negative)
Revenue:						
Intergovernmental Revenue	\$ 101,680	\$ 125,623	\$ 23,943	\$ 95,776	\$ 95,776	\$ -
Interest	300	1,346	1,046	300	2,859	2,559
Total Revenue	<u>101,980</u>	<u>126,969</u>	<u>24,989</u>	<u>96,076</u>	<u>98,635</u>	<u>2,559</u>
Current Expenditures:						
Public Safety	152,638	218,037	(65,399)	51,375	33,929	17,446
Total Expenditures	<u>152,638</u>	<u>218,037</u>	<u>(65,399)</u>	<u>51,375</u>	<u>33,929</u>	<u>17,446</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(50,658)</u>	<u>(91,068)</u>	<u>(40,410)</u>	<u>44,701</u>	<u>64,706</u>	<u>20,005</u>
Other Financing Sources (Uses):						
Transfers In	51,120	51,120	-	-	-	-
Transfers Out	-	(6,300)	(6,300)	(276,000)	(110,078)	165,922
Total Other Financing Sources (Uses)	<u>51,120</u>	<u>44,820</u>	<u>(6,300)</u>	<u>(276,000)</u>	<u>(110,078)</u>	<u>165,922</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	<u>\$ 462</u>	<u>\$ (46,248)</u>	<u>\$ (46,710)</u>	<u>\$ (231,299)</u>	<u>\$ (45,372)</u>	<u>\$ 185,927</u>
Fund Balances-Beginning of Year		<u>228,357</u>			<u>485,764</u>	
Fund Balances- End of Year		<u>\$ 182,109</u>			<u>\$ 440,392</u>	

**CITY OF NORFOLK, NEBRASKA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE, BUDGET**  
**AND ACTUAL, NONMAJOR SPECIAL REVENUE FUNDS - BUDGETARY BASIS (CONTINUED)**  
**For the Year Ended September 30, 2022**

	LB 840 Economic Development			Economic Development Operating			Norfolk/Madison Dispatch		
	Budgeted Original & Final	Actual	Variance with Final Budget Positive (Negative)	Budgeted Original & Final	Actual	Variance with Final Budget Positive (Negative)	Budgeted Original & Final	Actual	Variance with Final Budget Positive (Negative)
Revenue:									
Taxes	\$ -	\$ 417	\$ 417	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental Revenue	-	-	-	170,716	170,716	-	390,000	390,000	-
Charges for Services	-	-	-	-	-	-	94,078	132,748	38,670
Occupation and Franchise Taxes	-	-	-	-	-	-	179,000	145,977	(33,023)
Interest	100	1,927	1,827	400	2,834	2,434	-	2,206	2,206
Total Revenue	100	2,344	2,244	171,116	173,550	2,434	663,078	670,931	7,853
Current Expenditures:									
Public Safety	-	-	-	-	-	-	1,440,117	1,249,614	190,503
Community Improvement and Development	285,559	-	285,559	525,059	332,652	192,407	-	-	-
Total Expenditures	285,559	-	285,559	525,059	332,652	192,407	1,440,117	1,249,614	190,503
Excess (Deficiency) of Revenues over Expenditures	(285,459)	2,344	287,803	(353,943)	(159,102)	194,841	(777,039)	(578,683)	198,356
Other Financing Sources:									
Transfers In	-	-	-	170,716	170,716	-	780,000	786,300	6,300
Total Other Financing Sources	-	-	-	170,716	170,716	-	780,000	786,300	6,300
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	<u>\$(285,459)</u>	<u>\$ 2,344</u>	<u>\$ 287,803</u>	<u>\$(183,227)</u>	<u>\$ 11,614</u>	<u>\$ 194,841</u>	<u>\$ 2,961</u>	<u>\$ 207,617</u>	<u>\$ 204,656</u>
Fund Balances-Beginning of Year		298,163			346,421			-	
Fund Balances- End of Year		<u>\$ 300,507</u>			<u>\$358,035</u>			<u>\$ 207,617</u>	

**CITY OF NORFOLK, NEBRASKA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE, BUDGET**  
**AND ACTUAL, CAPITAL PROJECT FUNDS - BUDGETARY BASIS**  
**For the Year Ended September 30, 2022**

	Capital Construction			Special Assessments		
	Budgeted Original & Final	Actual	Variance with Final Budget Positive (Negative)	Budgeted Original & Final	Actual	Variance with Final Budget Positive (Negative)
<b>Revenue:</b>						
Intergovernmental Revenue	\$ 2,508,375	\$ 1,609,369	\$ (899,006)	\$ -	\$ -	\$ -
Contributions	2,257,578	1,882,281	(375,297)	-	-	-
Rental Income	12,000	6,039	(5,961)	-	-	-
Interest	4,500	46,205	41,705	32	1,805	1,773
<b>Total Revenue</b>	<b>4,782,453</b>	<b>3,543,894</b>	<b>(1,238,559)</b>	<b>32</b>	<b>1,805</b>	<b>1,773</b>
<b>Expenditures:</b>						
Public Safety	1,284,547	1,085,240	199,307	-	-	-
Public Works	6,917,966	805,183	6,112,783	884,000	419,571	464,429
Public Library	200,000	3,274	196,726	-	-	-
Parks and Recreation	4,632,832	1,219,700	3,413,132	-	-	-
General Government	125,000	70,811	54,189	-	-	-
Debt Service	-	-	-	24,810	70,810	(46,000)
<b>Total Expenditures</b>	<b>13,160,345</b>	<b>3,184,208</b>	<b>9,976,137</b>	<b>908,810</b>	<b>490,381</b>	<b>418,429</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(8,377,892)</b>	<b>359,686</b>	<b>8,737,578</b>	<b>(908,778)</b>	<b>(488,576)</b>	<b>420,202</b>
<b>Other Financing Sources:</b>						
Proceeds from Debt Financing	3,385,000	-	(3,385,000)	900,000	195,000	(705,000)
Transfers In	2,009,099	2,057,780	48,681	-	18,536	18,536
<b>Total Other Financing Sources</b>	<b>5,394,099</b>	<b>2,057,780</b>	<b>(3,336,319)</b>	<b>900,000</b>	<b>213,536</b>	<b>(686,464)</b>
<b>Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses</b>	<b>\$ (2,983,793)</b>	<b>\$ 2,417,466</b>	<b>\$ 5,401,259</b>	<b>\$ (8,778)</b>	<b>\$ (275,040)</b>	<b>\$ (266,262)</b>
<b>Fund Balances-Beginning of Year</b>		<b>6,035,407</b>			<b>497,555</b>	
<b>Fund Balances- End of Year</b>		<b>\$ 8,452,873</b>			<b>\$ 222,515</b>	

**CITY OF NORFOLK, NEBRASKA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE, BUDGET**  
**AND ACTUAL, DEBT SERVICE FUND - BUDGETARY BASIS**  
**For the Year Ended September 30, 2022**

	<b>Debt Service</b>		
	<b>Budgeted Original &amp; Final</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenue:</b>			
Taxes	\$ 1,011,062	\$ 916,316	\$ (94,746)
Special Assessments	201,026	1,065,013	863,987
Intergovernmental Revenue	-	95,549	95,549
Occupation and Franchise Taxes	680,000	623,615	(56,385)
Payments in Lieu of Taxes	31,000	43,693	12,693
Interest	91,649	139,779	48,130
Miscellaneous	44,000	53,433	9,433
Total Revenue	<u>2,058,737</u>	<u>2,937,398</u>	<u>878,661</u>
<b>Current Expenditures:</b>			
Public Safety	-	2,000	(2,000)
Parks and Recreation	13,600	12,472	1,128
General Government	-	800	(800)
Debt Service	3,241,891	4,161,732	(919,841)
Total Expenditures	<u>3,255,491</u>	<u>4,177,004</u>	<u>(921,513)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,196,754)</u>	<u>(1,239,606)</u>	<u>(42,852)</u>
<b>Other Financing Sources (Uses):</b>			
Transfers In	124,223	1,099,223	975,000
Transfers Out	(149,631)	(235,402)	(85,771)
Total Other Financing Sources	<u>(25,408)</u>	<u>863,821</u>	<u>889,229</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	<u>\$ (1,222,162)</u>	<u>\$ (375,785)</u>	<u>\$ 846,377</u>
Fund Balances-Beginning of Year		<u>5,460,394</u>	
Fund Balances- End of Year		<u>\$ 5,084,609</u>	

## BUSINESS TYPE ACTIVITIES

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**Enterprise Funds** are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the government is that the cost of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the government has decided that periodic determination of net income is appropriate for accountability purposes.

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**COMBINED UTILITY FUND** - This fund is used to account for the operations of the City's water and sewer utilities, solid waste transfer station and stormwater utility.



**CITY OF NORFOLK, NEBRASKA**  
**COMBINING DEPARTMENTAL SCHEDULE OF NET POSITION**  
**COMBINED UTILITIES**  
**September 30, 2022**

<b>ASSETS</b>	<b>Water Division</b>	<b>Sewer Division</b>	<b>Solid Waste Management Division</b>	<b>Stormwater Division</b>	<b>Totals</b>
Current Assets:					
Cash and Equity in Pooled Investment Account	\$3,630,775	\$6,012,951	\$3,054,964	\$158,761	\$12,857,451
Receivables:					
Accounts	882,928	916,859	251,670	26,673	2,078,130
Special Assessments	473,059	16,812	-	-	489,871
Interest	1,472	2,908	2,102	64	6,546
Leases	873,444	-	-	-	873,444
Restricted Cash:					
Cash & Cash Equivalents	-	464,450	259,615	-	724,065
Inventories:					
Fiber Optic System Held for Resale	202,857	-	-	-	202,857
Prepaid Assets	2,375	3,959	2,639	-	8,973
<b>Total Current Assets</b>	<b>6,066,910</b>	<b>7,417,939</b>	<b>3,570,990</b>	<b>185,498</b>	<b>17,241,337</b>
Noncurrent Assets:					
Restricted Assets:					
Restricted Cash	211,000	202,138	155,548	-	568,686
Property, Plant and Equipment:					
Land	2,366,101	958,992	52,284	-	3,377,377
Water and Pollution Control Plant	9,636,308	16,099,066	900,749	-	26,636,123
Water Distribution and Sewage System Equipment	34,485,209	27,554,458	-	-	62,039,667
Right-to-use Leased Asset	2,180,034	4,358,159	1,561,536	53,143	8,152,872
Construction in Progress	-	63,665	-	-	63,665
	71,787	1,011,044	4,376,225	4,592	5,463,648
	48,739,439	50,045,384	6,890,794	57,735	105,733,352
Less Accumulated Depreciation	13,855,185	19,422,033	1,545,709	53,143	34,876,070
<b>Total Property, Plant and Equipment (Net of Accumulated Depreciation)</b>	<b>34,884,254</b>	<b>30,623,351</b>	<b>5,345,085</b>	<b>4,592</b>	<b>70,857,282</b>
<b>Total Noncurrent Assets</b>	<b>35,095,254</b>	<b>30,825,489</b>	<b>5,500,633</b>	<b>4,592</b>	<b>71,425,968</b>
<b>Total Assets</b>	<b>\$41,162,164</b>	<b>\$38,243,428</b>	<b>\$9,071,623</b>	<b>\$190,090</b>	<b>\$88,667,305</b>

(Continued)

**CITY OF NORFOLK, NEBRASKA**  
**COMBINING DEPARTMENTAL SCHEDULE OF NET POSITION (Continued)**  
**COMBINED UTILITIES**  
**September 30, 2022**

LIABILITIES AND NET POSITION	Water Division	Sewer Division	Solid Waste Management Division	Stormwater Division	Totals
Current Liabilities:					
Accounts and Contracts Payable	\$149,186	\$491,910	\$680,944	\$992	\$1,323,032
Accrued Compensated Absences	53,221	72,971	38,999	1,154	166,345
Leases - Current	-	15,884	-	-	15,884
Payables from Restricted Assets:					
Accrued Interest Payable	-	59,450	49,615	-	109,065
Revenue Bonds - Current	-	405,000	210,000	-	615,000
<b>Total Current Liabilities</b>	<b>202,407</b>	<b>1,045,215</b>	<b>979,558</b>	<b>2,146</b>	<b>2,229,326</b>
Noncurrent Liabilities:					
Leases	-	31,884	-	-	31,884
Revenue Bonds	-	7,351,380	4,965,549	-	12,316,929
Accrued Compensated Absences	64,386	64,919	54,529	-	183,834
<b>Total Noncurrent Liabilities</b>	<b>64,386</b>	<b>7,448,183</b>	<b>5,020,078</b>	<b>-</b>	<b>12,532,647</b>
<b>Total Liabilities</b>	<b>266,793</b>	<b>8,493,398</b>	<b>5,999,636</b>	<b>2,146</b>	<b>14,761,973</b>
Deferred Inflows of Resources:					
Lease Related	872,508	-	-	-	872,508
<b>Total Deferred Inflows of Resources</b>	<b>872,508</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>872,508</b>
Net Position					
Net Investment in Capital Assets	34,876,325	22,592,813	942,118	4,592	58,415,848
Restricted for:					
Debt Covenants	211,000	607,138	365,548	-	1,183,686
Unrestricted	4,935,538	6,550,079	1,764,321	183,352	13,433,290
<b>Total Net Position</b>	<b>\$ 40,022,863</b>	<b>\$ 29,750,030</b>	<b>\$ 3,071,987</b>	<b>\$ 187,944</b>	<b>\$ 73,032,824</b>

**CITY OF NORFOLK, NEBRASKA**  
**COMBINING DEPARTMENTAL SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**COMBINED UTILITIES**  
**For the Year Ended September 30, 2022**

	<b>Water Division</b>	<b>Sewer Division</b>	<b>Solid Waste Management Division</b>	<b>Stormwater Division</b>	<b>Totals</b>
<b>Operating Revenues:</b>					
User Charges	\$3,841,570	\$5,425,291	\$2,477,097	\$155,065	\$11,899,023
Rental Income	71,829	7,200	-	-	79,029
Miscellaneous Income	9,396	725	4,467	21	14,609
<b>Total Operating Revenues</b>	<b>3,922,795</b>	<b>5,433,216</b>	<b>2,481,564</b>	<b>155,086</b>	<b>11,992,661</b>
<b>Operating Expenses:</b>					
Payroll and Related Taxes and Benefits	1,015,413	1,215,551	693,595	78,411	3,002,970
Utilities	272,851	391,654	29,567	-	694,072
Repairs and Maintenance	331,500	558,793	230,366	1,466	1,122,125
Purchased Services	-	-	835,756	-	835,756
General and Administration	852,316	992,924	413,285	25,972	2,284,497
Depreciation and Amortization	710,648	752,551	142,221	-	1,605,420
<b>Total Operating Expenses</b>	<b>3,182,728</b>	<b>3,911,473</b>	<b>2,344,790</b>	<b>105,849</b>	<b>9,544,840</b>
<b>Operating Income</b>	<b>740,067</b>	<b>1,521,743</b>	<b>136,774</b>	<b>49,237</b>	<b>2,447,821</b>
<b>Nonoperating Revenues (Expenses):</b>					
Intergovernmental Revenue	-	-	33,136	-	33,136
Annexation Revenue	68,216	-	-	-	68,216
Interest on Bonds and Other Debt	-	(200,402)	(73,871)	-	(274,273)
Interest Income	24,578	40,965	8,776	955	75,274
Gain (Loss) on Disposal of Capital Assets	-	(81,083)	(27,747)	-	(108,830)
<b>Total Nonoperating Revenues (Expenses)</b>	<b>92,794</b>	<b>(240,520)</b>	<b>(59,706)</b>	<b>955</b>	<b>(206,477)</b>
<b>Income before Contributions and Transfers</b>	<b>832,861</b>	<b>1,281,223</b>	<b>77,068</b>	<b>50,192</b>	<b>2,241,344</b>
Capital Contributions	973,395	310,403	-	-	1,283,798
Transfers In (Out)	(85,358)	(85,358)	-	-	(170,716)
<b>Change in Net Position</b>	<b>1,720,898</b>	<b>1,506,268</b>	<b>77,068</b>	<b>50,192</b>	<b>3,354,426</b>
<b>Net Position - Beginning of Year</b>	<b>38,301,965</b>	<b>28,243,762</b>	<b>2,994,919</b>	<b>137,752</b>	<b>69,678,398</b>
<b>Net Position - End of Year</b>	<b>\$40,022,863</b>	<b>\$29,750,030</b>	<b>\$3,071,987</b>	<b>\$187,944</b>	<b>\$73,032,824</b>

**CITY OF NORFOLK, NEBRASKA**  
**COMBINING DEPARTMENTAL SCHEDULE OF CASH FLOWS**  
**Combined Utilities**  
**For the Year Ended September 30, 2022**

	Water Division	Sewer Division	Solid Waste Management Division	Stormwater Division	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Cash Received from Customers	\$ 3,739,562	\$ 5,333,322	\$ 2,479,564	\$ 151,731	\$ 11,704,179
Cash Paid to Suppliers for Goods and Services	(1,415,663)	(1,782,047)	(1,540,434)	(32,486)	(4,770,630)
Cash Paid to Employees for Services	(1,064,605)	(1,233,546)	(714,665)	(78,643)	(3,091,459)
Net Cash Provided by Operating Activities	1,259,294	2,317,729	224,465	40,602	3,842,090
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>					
Operating Grants	-	-	33,136	-	33,136
Transfers from (to) Other Funds	(85,358)	(85,358)	-	-	(170,716)
Net Cash Provided (Used) by Noncapital Financing Activities	(85,358)	(85,358)	33,136	-	(137,580)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>					
Acquisition and Construction of Capital Assets	(700,356)	(1,824,992)	(3,381,973)	-	(5,907,321)
Capital Grants and Contributions	40,172	57,943	-	-	98,115
Bond Proceeds	-	-	5,217,079	-	5,217,079
Proceeds from the Sale of Assets	-	18,468	1,450	-	19,918
Principal Paid on Capital Debt	-	(410,897)	-	-	(410,897)
Interest Paid on Capital Debt	-	(209,380)	(65,785)	-	(275,165)
Net Cash (Used) for Capital and Related Financing Activities	(660,184)	(2,368,858)	1,770,771	-	(1,258,271)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>					
Interest and Dividends on Investments	22,372	42,342	7,668	966	73,348
Net Cash Provided for Investing Activities	22,372	42,342	7,668	966	73,348
Net Increase (Decrease) in Cash and Cash Equivalents	536,124	(94,145)	2,036,040	41,568	2,519,587
Cash and Cash Equivalents at Beginning of Year	3,305,651	6,773,684	1,434,087	117,193	11,630,615
Cash and Cash Equivalents at End of Year	\$ 3,841,775	\$ 6,679,539	\$ 3,470,127	\$ 158,761	\$ 14,150,202

(Continued)

**CITY OF NORFOLK, NEBRASKA**  
**COMBINING DEPARTMENTAL SCHEDULE OF CASH FLOWS (Continued)**  
**Combined Utilities**  
**For the Year Ended September 30, 2022**

	Water Division	Sewer Division	Solid Waste Management Division	Stormwater Division	Totals
Reconciliation of Operating Income to Net Cash Provided by Operating Activities					
Operating Income	\$ 740,067	\$ 1,521,743	\$ 136,774	\$ 49,237	\$ 2,447,821
Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities:					
Depreciation and Amortization	710,648	752,551	142,221	-	1,605,420
Loss on Disposal	16,558	-	-	-	16,558
(Increase) Decrease in Assets:					
Accounts Receivable	(185,096)	(100,396)	(2,000)	(3,355)	(290,847)
Special Assessments	2,183	502	-	-	2,685
Prepaid Assets	(25)	(41)	(27)	-	(93)
Increase (Decrease) in Liabilities:					
Accounts and Contracts Payable	22,288	161,365	(31,433)	(5,047)	147,173
Accrued Compensated Absences	(49,192)	(17,995)	(21,070)	(233)	(88,490)
Deferred Inflows of Resources	1,863	-	-	-	1,863
Total Adjustments	519,227	795,986	87,691	(8,635)	1,394,269
Net Cash Provided by Operating Activities	\$ 1,259,294	\$ 2,317,729	\$ 224,465	\$ 40,602	\$ 3,842,090
<b>Supplemental Schedule of Noncash Capital and Related Financing Activities:</b>					
Contribution of Distribution System Assets	\$ 925,588	\$ 244,825	\$ -	\$ -	\$ 1,170,413
Accounts Payable Exchanged for Capital Assets	7,929	226,390	577,688	-	812,007
Assumption of Assets through Annexation of SIDs	68,216	-	-	-	68,216
<b>Reconciliation of Cash and Cash Equivalents to the Balance Sheet:</b>					
Cash and Equity in Pooled Investment Account	\$ 3,630,775	\$ 6,012,951	\$ 3,054,964	\$ 158,761	\$ 12,857,451
Restricted Cash - Current	-	464,450	259,615	-	724,065
Restricted Cash - Noncurrent	211,000	202,138	155,548	-	568,686
	\$ 3,841,775	\$ 6,679,539	\$ 3,470,127	\$ 158,761	\$ 14,150,202

# FIDUCIARY FUNDS

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**Trust Funds** are used to account for assets held by the City in a trustee capacity. **Custodial Funds** are used to account for assets held by the City as an agent for individuals, private organizations, other governments and/or other funds.

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## **PENSION TRUST FUNDS:**

**FIREMEN'S DEFINED CONTRIBUTION RETIREMENT FUND** - This fund is used to account for the accumulation of resources for pension benefit payments to qualified firefighters employed after January 1, 1984.

**FIREMEN'S DEFINED BENEFIT RETIREMENT FUND** - This fund is used to account for the accumulation of resources for pension benefit payments to qualified firefighters, or their spouses, employed prior to January 1, 1984 having minimum benefit guarantees.

**POLICE RETIREMENT FUND** - This fund is used to account for the accumulation of resources for pension benefit payments to qualified police officers.

**CIVILIAN RETIREMENT FUND** - This fund is used to account for the accumulation of resources for pension benefit payments to qualified employees of the City.

**457 DEFERRED COMPENSATION FUND** - This fund is used to account for the accumulation of resources for pension benefit payments to qualified employees enrolled in the 457 Deferred Compensation Plan.

## **CUSTODIAL FUND:**

**COMMUNITY DEVELOPMENT AGENCY FUND** – This fund is used to account for the accumulation of resources for payment of principal and interest on tax increment financing bonds issued by the Community Development Agency of the City of Norfolk. These bonds were issued to provide the long-term financing for the redevelopment of various blight and substandard areas around the City of Norfolk. These bonds are payable only from real estate taxes on certain property located within these plan areas and do not constitute general obligations of the Agency or the City.

**CITY OF NORFOLK, NEBRASKA**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**Fiduciary Funds**  
**September 30, 2022**

	<b>Firemen's Defined Contribution Retirement Fund</b>	<b>Firemen's Defined Benefit Retirement Fund</b>	<b>Police Retirement Fund</b>	<b>Civilian Retirement Fund</b>	<b>457 Deferred Compensation Fund</b>	<b>Total Pension Trust Funds</b>
<b>ASSETS</b>						
Guaranteed Insurance Contracts	\$ 967,205	\$ 421,887	\$ 2,349,953	\$ 11,087,953	\$ 1,272,086	\$ 16,099,084
Open Ended Mutual Funds	7,742,133	-	7,823,382	18,945,310	1,293,936	35,804,761
<b>Total Assets</b>	<u>8,709,338</u>	<u>421,887</u>	<u>10,173,335</u>	<u>30,033,263</u>	<u>2,566,022</u>	<u>51,903,845</u>
<b>FIDUCIARY NET POSITION</b>						
Restricted for Pensions	8,709,338	421,887	10,173,335	30,033,263	2,566,022	51,903,845
<b>Total Fiduciary Net Position</b>	<u>\$ 8,709,338</u>	<u>\$ 421,887</u>	<u>\$ 10,173,335</u>	<u>\$ 30,033,263</u>	<u>\$ 2,566,022</u>	<u>\$ 51,903,845</u>

**CITY OF NORFOLK, NEBRASKA**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**Fiduciary Funds**  
**For the Year Ended September 30, 2022**

	<b>Firemen's Defined Contribution Retirement Fund</b>	<b>Firemen's Defined Benefit Retirement Fund</b>	<b>Police Retirement Fund</b>	<b>Civilian Retirement Fund</b>	<b>457 Deferred Compensation Fund</b>	<b>Total Pension Trust Funds</b>
<b>ADDITIONS</b>						
Contributions:						
Employer	\$ 307,981	\$ 27,016	\$ 201,041	\$ 626,708	\$ -	\$ 1,162,746
Employee	243,821	-	201,041	1,067,755	152,662	1,665,279
Total Contributions	<u>551,802</u>	<u>27,016</u>	<u>402,082</u>	<u>1,694,463</u>	<u>152,662</u>	<u>2,828,025</u>
Investment Income:						
Interest, Dividends & Market Gains	<u>(1,925,555)</u>	<u>17,389</u>	<u>(2,005,348)</u>	<u>(4,454,520)</u>	<u>(285,613)</u>	<u>(8,653,647)</u>
Total Additions	<u>(1,373,753)</u>	<u>44,405</u>	<u>(1,603,266)</u>	<u>(2,760,057)</u>	<u>(132,951)</u>	<u>(5,825,622)</u>
<b>DEDUCTIONS</b>						
Pension Benefits	663,326	193,598	1,260,919	4,630,826	98,682	6,847,351
Contribution Refunds	-	-	-	57,744	-	57,744
Administration	<u>2,907</u>	<u>-</u>	<u>1,197</u>	<u>5,279</u>	<u>730</u>	<u>10,113</u>
Total Deductions	<u>666,233</u>	<u>193,598</u>	<u>1,262,116</u>	<u>4,693,849</u>	<u>99,412</u>	<u>6,915,208</u>
Change in Net Position	(2,039,986)	(149,193)	(2,865,382)	(7,453,906)	(232,363)	(12,740,830)
Fiduciary Net Position - Beginning of Period	<u>10,749,324</u>	<u>571,080</u>	<u>13,038,717</u>	<u>37,487,169</u>	<u>2,798,385</u>	<u>64,644,675</u>
Fiduciary Net Position - End of Period	<u>\$ 8,709,338</u>	<u>\$ 421,887</u>	<u>\$ 10,173,335</u>	<u>\$ 30,033,263</u>	<u>\$ 2,566,022</u>	<u>\$ 51,903,845</u>



# STATISTICAL SECTION

**CITY OF NORFOLK NEBRASKA**  
**STATISTICAL SECTION**  
**(Unaudited)**

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This part of the City of Norfolk's annual comprehensive financial report presents detailed information as a context for understanding the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health. This information has not been audited by the independent auditor.

<u>Contents</u>	<u>Table</u>
<b>Financial Trends</b> These tables contain trend information that may assist the reader in assessing the City's current financial performance by placing it in historical perspective.	1-4
<b>Revenue Capacity</b> These tables contain information that may assist the reader in assessing the City's most significant local revenue sources, property tax and sales tax.	5-11
<b>Debt Capacity</b> These tables present information that may assist the reader in analyzing the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	12-15
<b>Economic &amp; Demographic Information</b> These tables offer economic and demographic indicators to assist the reader in understanding the environment within which the government's financial activities take place.	16-17
<b>Operating Information</b> These tables contain service and infrastructure indicators that can inform one's understanding how the information in the City's financial statements relates to the services the City provides and the activities it performs.	18-20

**Source:**

Unless otherwise noted the information in these tables is derived from the annual financial report for the relevant year.

TABLE 1

**CITY OF NORFOLK, NEBRASKA**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
 (accrual basis of accounting)

	Fiscal Year				
	2022	2021	2020	2019	2018
<b>Governmental Activities</b>					
Net Investment in Capital Assets	\$ 71,802,323	\$ 67,600,237	\$ 61,405,541	\$ 56,281,189	\$ 55,056,983
Restricted for:					
Debt Service	5,032,126	4,010,592	3,556,622	3,221,437	2,879,341
Road Projects	2,725,389	5,442,806	4,122,543	4,290,994	3,836,877
Community Programs and Services	4,830,012	3,966,986	3,788,391	4,599,009	4,026,973
Unrestricted	24,503,241	20,997,401	20,726,456	17,489,903	16,251,003
<b>Total Governmental Activities Net Position</b>	<b>\$ 108,893,091</b>	<b>\$ 102,018,022</b>	<b>\$ 93,599,553</b>	<b>\$ 85,882,532</b>	<b>\$ 82,051,177</b>
<b>Business-Type Activities</b>					
Net Investment in Capital Assets	\$ 58,415,848	\$ 56,429,491	\$ 51,106,234	\$ 46,338,591	\$ 43,595,405
Restricted	1,183,686	1,006,136	945,404	968,434	847,638
Unrestricted	13,433,290	12,242,771	10,743,394	12,265,257	12,299,011
<b>Total Business-Type Activities Net Position</b>	<b>\$ 73,032,824</b>	<b>\$ 69,678,398</b>	<b>\$ 62,795,032</b>	<b>\$ 59,572,282</b>	<b>\$ 56,742,054</b>
<b>Primary Government:</b>					
Net Investment in Capital Assets	\$ 130,218,171	\$ 124,029,728	\$ 112,511,775	\$ 102,619,780	\$ 98,652,388
Restricted	13,771,213	14,426,520	12,412,960	13,079,874	11,590,829
Unrestricted	37,936,531	33,240,172	31,469,850	29,755,160	28,550,014
<b>Total Primary Government Net Position</b>	<b>\$ 181,925,915</b>	<b>\$ 171,696,420</b>	<b>\$ 156,394,585</b>	<b>\$ 145,454,814</b>	<b>\$ 138,793,231</b>

**CITY OF NORFOLK, NEBRASKA**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
 (accrual basis of accounting)

	Fiscal Year				
	2017	2016	2015	2014	2013
<b>Governmental Activities</b>					
Net Investment in Capital Assets	\$ 50,736,098	\$ 40,610,264	\$ 39,859,311	\$ 39,846,176	\$ 38,561,536
Restricted for:					
Debt Service	2,575,381	2,310,289	2,056,725	1,718,817	1,556,817
Road Projects	2,922,144	4,315,636	3,038,500	1,587,443	2,655,276
Community Programs and Services	6,186,742	7,067,955	5,475,708	3,284,448	2,654,437
Unrestricted	14,983,957	16,820,853	17,893,551	16,711,180	15,527,684
<b>Total Governmental Activities Net Position</b>	<b>\$ 77,404,322</b>	<b>\$ 71,124,997</b>	<b>\$ 68,323,795</b>	<b>\$ 63,148,064</b>	<b>\$ 60,955,750</b>
<b>Business-Type Activities</b>					
Net Investment in Capital Assets	\$ 41,031,377	\$ 37,513,730	\$ 37,014,955	\$ 36,984,047	\$ 33,609,113
Restricted	1,841,627	2,609,219	2,480,450	2,545,137	2,732,672
Unrestricted	8,881,735	8,972,087	7,981,527	6,344,841	7,773,246
<b>Total Business-Type Activities Net Position</b>	<b>\$ 51,754,739</b>	<b>\$ 49,095,036</b>	<b>\$ 47,476,932</b>	<b>\$ 45,874,025</b>	<b>\$ 44,115,031</b>
<b>Primary Government:</b>					
Net Investment in Capital Assets	\$ 91,767,475	\$ 78,123,994	\$ 76,874,266	\$ 76,830,223	\$ 72,170,649
Restricted	13,525,894	16,303,099	13,051,383	9,135,845	9,599,202
Unrestricted	23,865,692	25,792,940	25,875,078	23,056,021	23,300,930
<b>Total Primary Government Net Position</b>	<b>\$ 129,159,061</b>	<b>\$ 120,220,033</b>	<b>\$ 115,800,727</b>	<b>\$ 109,022,089</b>	<b>\$ 105,070,781</b>

**CITY OF NORFOLK, NEBRASKA**  
 CHANGE IN NET POSITION  
 LAST TEN FISCAL YEARS  
 (accrual basis of accounting)

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Expenses</b>										
<b>Governmental Activities</b>										
General Government	\$ 3,447,008	\$ 3,107,535	\$ 3,864,486	\$ 2,956,350	\$ 2,977,504	\$ 3,311,385	\$ 2,462,887	\$ 2,622,419	\$ 2,552,931	\$ 1,851,020
Public Safety	12,988,140	12,009,577	11,319,323	10,300,692	10,427,387	10,152,789	10,133,933	9,111,824	8,912,927	8,750,908
Public Works	8,763,148	7,201,836	7,004,357	7,614,440	7,353,230	4,949,525	5,494,622	5,279,551	7,114,441	6,282,178
Public Library	1,923,155	1,869,748	1,826,846	1,804,884	2,233,538	1,478,371	1,461,349	1,386,198	1,409,728	1,308,791
Parks and Recreation	3,839,233	3,273,798	3,383,361	3,334,945	3,180,516	2,970,064	3,354,612	2,927,345	2,674,471	3,012,478
Community Improvement & Development	6,791,856	5,496,064	5,207,956	5,826,934	3,182,386	1,035,861	4,217,807	1,213,129	994,906	1,199,963
Debt Service	491,339	371,104	460,254	398,001	344,297	323,382	454,900	673,579	626,377	673,495
<b>Total Governmental Activities Expenses</b>	<b>38,243,879</b>	<b>33,329,662</b>	<b>33,066,583</b>	<b>32,236,246</b>	<b>29,698,858</b>	<b>24,221,377</b>	<b>27,580,110</b>	<b>23,214,045</b>	<b>24,285,781</b>	<b>23,078,833</b>
<b>Business-Type Activities</b>										
Water Division	3,182,728	2,887,287	2,721,110	2,535,576	2,345,132	2,269,164	2,294,958	2,102,160	2,386,409	2,448,790
Sewer Division	4,192,958	3,673,607	4,225,667	3,738,328	3,790,662	3,168,511	3,293,531	3,075,988	2,770,537	2,999,679
Solid Waste Division	2,446,408	2,264,535	1,998,538	1,936,387	1,960,849	1,830,369	1,763,283	1,763,897	1,739,883	1,593,608
Stormwater Division	105,849	112,299	58,568	-	-	-	-	-	-	-
<b>Total Business-Type Activities</b>	<b>9,927,943</b>	<b>8,937,728</b>	<b>9,003,883</b>	<b>8,210,291</b>	<b>8,096,643</b>	<b>7,268,044</b>	<b>7,351,772</b>	<b>6,942,045</b>	<b>6,896,829</b>	<b>7,042,077</b>
<b>Total Primary Government Expenses</b>	<b>\$ 48,171,822</b>	<b>\$ 42,267,390</b>	<b>\$ 42,070,466</b>	<b>\$ 40,446,537</b>	<b>\$ 37,795,501</b>	<b>\$ 31,489,421</b>	<b>\$ 34,931,882</b>	<b>\$ 30,156,090</b>	<b>\$ 31,182,610</b>	<b>\$ 30,120,910</b>
<b>Program Revenues</b>										
<b>Governmental Activities:</b>										
Charges for Services										
General Government	\$ 1,170,501	\$ 1,161,541	\$ 970,065	\$ 846,121	\$ 774,415	\$ 675,443	\$ 550,560	\$ 493,501	\$ 514,625	\$ 544,417
Public Safety	1,071,402	1,071,920	900,867	818,625	1,270,763	1,175,687	1,104,698	1,110,300	1,098,611	1,013,391
Public Works	93,416	132,019	147,856	105,214	127,618	141,147	100,707	110,592	124,738	113,369
Public Library	25,511	23,940	16,792	27,542	21,943	27,119	29,056	30,326	28,627	25,820
Parks and Recreation	501,590	483,954	233,792	490,329	463,339	493,930	495,207	462,350	446,982	445,399
Community Improvement and Development	510,278	548,394	629,643	497,526	113,810	102,647	113,526	98,601	80,000	120,000
Operating Grants & Contributions	10,317,438	9,921,051	8,459,117	8,463,834	6,103,919	4,159,685	3,700,589	4,148,833	3,894,437	3,602,142
Capital Grants & Contributions	5,438,961	6,064,400	6,728,690	2,124,055	4,709,685	980,028	1,656,522	458,660	531,933	880,045
<b>Total Governmental Activities Program Revenues</b>	<b>19,129,097</b>	<b>19,407,219</b>	<b>18,086,822</b>	<b>13,373,246</b>	<b>13,585,492</b>	<b>7,755,686</b>	<b>7,750,865</b>	<b>6,913,163</b>	<b>6,719,953</b>	<b>6,744,583</b>
<b>Business-Type Activities:</b>										
Charges for Services:										
Water Division	3,913,399	3,409,107	3,390,991	2,853,689	2,879,311	3,034,477	2,636,412	2,496,043	2,578,265	2,900,045
Sewer Division	5,432,491	4,966,211	4,599,247	4,676,320	4,469,366	4,353,195	3,947,187	3,518,523	3,755,613	3,740,332
Solid Waste	2,477,097	2,336,711	2,286,962	2,362,144	2,016,542	1,994,477	1,909,479	1,975,181	1,772,489	1,634,893
Stormwater Division	155,065	152,608	152,737	-	-	-	-	-	-	-
Operating Grants & Contributions	33,136	-	-	-	-	-	1,445	81,487	-	125,708
Capital Grants & Contributions	364,963	2,287,972	1,348,288	819,590	1,293,123	-	243,349	340,886	422,145	99,172
<b>Total Business-Type Activities Program Revenues</b>	<b>12,376,151</b>	<b>13,152,609</b>	<b>11,778,225</b>	<b>10,711,743</b>	<b>10,658,342</b>	<b>9,382,149</b>	<b>8,737,872</b>	<b>8,412,120</b>	<b>8,528,512</b>	<b>8,500,150</b>
<b>Total Primary Government Program Revenues</b>	<b>\$ 31,505,248</b>	<b>\$ 32,559,828</b>	<b>\$ 29,865,047</b>	<b>\$ 24,084,989</b>	<b>\$ 24,243,834</b>	<b>\$ 17,137,835</b>	<b>\$ 16,488,737</b>	<b>\$ 15,325,283</b>	<b>\$ 15,248,465</b>	<b>\$ 15,244,733</b>
<b>Net (Expense)/Revenue</b>										
Governmental Activities	\$ (19,114,782)	\$ (13,922,443)	\$ (14,979,761)	\$ (18,863,000)	\$ (16,113,366)	\$ (16,465,691)	\$ (19,829,245)	\$ (16,300,882)	\$ (17,565,828)	\$ (16,334,250)
Business-Type Activities	2,448,208	4,214,881	2,774,342	2,501,452	2,561,699	2,114,105	1,386,100	1,470,075	1,631,683	1,458,073
<b>Total Primary Government Net Expense</b>	<b>\$ (16,666,574)</b>	<b>\$ (9,707,562)</b>	<b>\$ (12,205,419)</b>	<b>\$ (16,361,548)</b>	<b>\$ (13,551,667)</b>	<b>\$ (14,351,586)</b>	<b>\$ (18,443,145)</b>	<b>\$ (14,830,807)</b>	<b>\$ (15,934,145)</b>	<b>\$ (14,876,177)</b>

(Continued)

**CITY OF NORFOLK, NEBRASKA**  
 CHANGE IN NET POSITION  
 LAST TEN FISCAL YEARS  
 (accrual basis of accounting)

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>General Revenues and Other Changes In Net Positions</b>										
Governmental Activities:										
Taxes:										
Property Tax	\$ 6,070,915	\$ 4,954,639	\$ 4,495,422	\$ 4,335,563	\$ 4,002,734	\$ 3,765,320	\$ 3,480,593	\$ 3,428,471	\$ 3,097,189	\$ 3,117,062
Sales Tax	11,141,231	10,503,632	9,216,028	8,744,704	9,796,242	10,677,614	10,614,793	9,358,568	8,035,671	7,081,725
Other Taxes	264,198	220,840	219,714	230,038	210,413	209,221	203,371	202,868	184,689	176,215
Occupation and Franchise Taxes	1,257,245	3,073,366	2,869,551	2,965,012	2,827,862	2,705,164	2,680,189	2,764,650	2,781,028	2,653,429
Interest	359,321	193,263	398,345	619,526	317,718	209,621	107,008	58,091	49,656	56,716
General Intergovernmental Revenues Unrestricted	1,856,222	518,515	462,641	429,545	409,242	398,194	372,186	365,627	276,969	394,575
Unrestricted Keno Revenues	785,108	782,377	664,431	621,592	642,534	584,717	552,493	611,740	572,632	547,095
General Revenue from Electrical Distribution System Lease/Use of Property	4,666,382	4,580,816	4,553,874	4,594,255	4,630,450	4,505,919	4,596,858	4,620,527	4,677,788	4,578,545
Revenue from Sale of Uncapitalized Property	19,840	20,075.00	-	5,940	35,000	56,219	17,097	74,113	42,511	55,625
Miscellaneous	203,323	123,141	104,449	208,110	120,658	92,345	109,622	55,506	40,009	57,054
Interfund Transfers	(748,119)	(2,629,752)	(287,673)	(59,930)	(2,232,632)	(459,318)	(103,763)	(13,467)	-	(66,125)
Net Position Received from Annexation	114,185	-	-	-	-	-	-	-	-	-
<b>Total Governmental Activities</b>	<b>25,989,851</b>	<b>22,340,912</b>	<b>22,696,782</b>	<b>22,694,355</b>	<b>20,760,221</b>	<b>22,745,016</b>	<b>22,630,447</b>	<b>21,526,694</b>	<b>19,758,142</b>	<b>18,651,916</b>
Business Type of Activities:										
Interest	75,274	20,304	151,819	245,931	170,004	64,418	27,278	11,899	13,699	8,428
Use of Property	-	-	-	-	-	-	82,022	84,919	81,422	-
Miscellaneous	14,609	18,429	8,916	22,915	22,980	21,859	18,944	22,547	32,190	-
Interfund Transfers	748,119	2,629,752	287,673	59,930	2,232,632	459,318	103,763	13,467	-	66,125
Net Position Received from Annexation	68,216	-	-	-	-	-	-	-	-	-
<b>Total Business-Type Activities</b>	<b>906,218</b>	<b>2,668,485</b>	<b>448,408</b>	<b>328,776</b>	<b>2,425,616</b>	<b>545,595</b>	<b>232,007</b>	<b>132,832</b>	<b>127,311</b>	<b>74,553</b>
<b>Total Primary Government</b>	<b>\$ 26,896,069</b>	<b>\$ 25,009,397</b>	<b>\$ 23,145,190</b>	<b>\$ 23,023,131</b>	<b>\$ 23,185,837</b>	<b>\$ 23,290,611</b>	<b>\$ 22,862,454</b>	<b>\$ 21,659,526</b>	<b>\$ 19,885,453</b>	<b>\$ 18,726,469</b>
<b>Change in Net Position</b>										
Governmental Activities	\$ 6,875,069	\$ 8,418,469	\$ 7,717,021	\$ 3,831,355	\$ 4,646,855	\$ 6,279,325	\$ 2,801,202	\$ 5,225,812	\$ 2,192,314	\$ 2,317,666
Business-Type Activities	3,354,426	6,883,366	3,222,750	2,830,228	4,987,315	2,659,700	1,618,107	1,602,907	1,758,994	1,532,626
<b>Total Primary Government</b>	<b>\$ 10,229,495</b>	<b>\$ 15,301,835</b>	<b>\$ 10,939,771</b>	<b>\$ 6,661,583</b>	<b>\$ 9,634,170</b>	<b>\$ 8,939,025</b>	<b>\$ 4,419,309</b>	<b>\$ 6,828,719</b>	<b>\$ 3,951,308</b>	<b>\$ 3,850,292</b>

TABLE 3

**City of Norfolk, Nebraska**  
**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
(modified accrual basis of accounting)

	<b>Fiscal Year</b>				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>General Fund</b>					
Non Spendable	\$ 142,947	\$ 115,101	\$ 55,671	\$ 53,885	\$ 38,468
Restricted	43,155	39,181	35,403	35,626	35,948
Committed	-	-	-	-	-
Assigned	155,432	50,580	115,813	131,260	28,484
Unassigned	10,883,760	11,640,486	10,391,447	9,938,855	9,257,812
<b>Total General Fund</b>	<u><u>\$ 11,225,294</u></u>	<u><u>\$ 11,845,348</u></u>	<u><u>\$ 10,598,334</u></u>	<u><u>\$ 10,159,626</u></u>	<u><u>\$ 9,360,712</u></u>
<b>All Other Governmental Funds</b>					
Non Spendable	\$ 31,559	\$ 14,798	\$ 37,769	\$ 27,458	\$ 16,052
Restricted	29,822,180	13,445,718	11,541,590	12,202,044	10,816,613
Committed	117,044	1,860,530	3,285,899	2,727,215	2,155,920
Assigned	3,967,408	4,377,651	3,500,477	3,413,287	2,934,958
Unassigned	(2,292,434)	(2,255,603)	(6,475,927)	(6,212,438)	(864,234)
<b>Total All Other Governmental Funds</b>	<u><u>\$ 31,645,757</u></u>	<u><u>\$ 17,443,094</u></u>	<u><u>\$ 11,889,808</u></u>	<u><u>\$ 12,157,566</u></u>	<u><u>\$ 15,059,309</u></u>
<b>Total Governmental Funds</b>					
Non Spendable	\$ 174,506	\$ 129,899	\$ 93,440	\$ 81,343	\$ 54,520
Restricted	29,865,335	13,484,899	11,576,993	12,237,670	10,852,561
Committed	117,044	1,860,530	3,285,899	2,727,215	2,155,920
Assigned	4,122,840	4,428,231	3,616,290	3,544,547	2,963,442
Unassigned	8,591,326	9,384,883	3,915,520	3,726,417	8,393,578
<b>Total Governmental Fund</b>	<u><u>\$ 42,871,051</u></u>	<u><u>\$ 29,288,442</u></u>	<u><u>\$ 22,488,142</u></u>	<u><u>\$ 22,317,192</u></u>	<u><u>\$ 24,420,021</u></u>

TABLE 3 (CONT.)

**City of Norfolk, Nebraska**  
Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

	<b>Fiscal Year</b>				
	2017	2016	2015	2014	2013
General Fund					
Non Spendable	\$ 34,735	\$ 41,535	\$ 22,742	\$ 37,154	\$ 27,097
Restricted	480,485	488,920	476,210	38,291	38,785
Committed	-	-	-	31,144	141,536
Assigned	13,770	-	31,941	10,044	138,401
Unassigned	8,287,694	8,420,582	8,816,995	8,003,963	7,151,157
Total General Fund	<u>\$ 8,816,684</u>	<u>\$ 8,951,037</u>	<u>\$ 9,347,888</u>	<u>\$ 8,120,596</u>	<u>\$ 7,496,976</u>
All Other Governmental Funds					
Non Spendable	\$ 17,950	\$ 16,687	\$ 15,128	\$ 9,762	\$ 8,916
Restricted	11,311,850	13,329,130	12,604,917	9,088,635	7,136,685
Committed	1,810,263	1,579,460	2,836,617	2,952,632	1,973,057
Assigned	2,639,506	2,494,115	2,697,595	1,353,826	1,464,474
Unassigned	(1,898,527)	(1,878,019)	(1,120,538)	(44,361)	(43,090)
Total All Other Governmental Funds	<u>\$ 13,881,042</u>	<u>\$ 15,541,373</u>	<u>\$ 17,033,719</u>	<u>\$ 13,360,494</u>	<u>\$ 10,540,042</u>
Total Governmental Funds					
Non Spendable	\$ 52,685	\$ 58,222	\$ 37,870	\$ 46,916	\$ 36,013
Restricted	11,792,335	13,818,050	13,081,127	9,126,926	7,175,470
Committed	1,810,263	1,579,460	2,836,617	2,983,776	2,114,593
Assigned	2,635,276	2,494,115	2,729,536	1,363,870	1,602,875
Unassigned	6,389,167	6,542,563	7,696,457	7,959,602	7,108,067
Total Governmental Fund	<u>\$ 22,679,726</u>	<u>\$ 24,492,410</u>	<u>\$ 26,381,607</u>	<u>\$ 21,481,090</u>	<u>\$ 18,037,018</u>



**City of Norfolk, Nebraska**  
**Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
(modified accrual basis of accounting)

	<b>Fiscal Year</b>				
	2022	2021	2020	2019	2018
<b>Revenues</b>					
Taxes	\$ 17,248,497	\$ 15,514,375	\$ 13,774,312	\$ 13,072,062	\$ 13,789,353
Special Assessments	1,095,973	2,802,940	328,504	234,032	655,903
Licenses & Permits	411,007	463,760	563,452	426,812	444,192
Intergovernmental Revenue	8,328,181	8,150,101	6,375,503	5,871,649	6,709,209
Nongovernmental Grants	5,520	13,000	1,200	71,265	134,940
Keno Revenue	785,107	782,377	664,431	621,592	642,534
Charges for Services	2,773,316	2,734,294	2,141,961	2,167,855	2,144,854
Occupation & Franchise Taxes	1,257,245	3,073,366	2,869,552	2,965,013	2,827,862
Contributions	1,909,501	25,604	40,796	91,081	137,269
Payments in Lieu of Taxes	253,564	212,560	212,886	222,567	207,684
Parking Fees and Rentals	4,688,592	4,655,640	4,624,271	4,654,615	4,677,817
Loan Repayments	50,971	61,476	55,587	20,681	31,428
Interest	339,773	187,901	365,651	537,578	259,251
TIF Bond Revenue	4,652,802	2,895,352	-	-	-
Miscellaneous	127,539	166,811	124,416	251,518	179,725
Annexation Revenue	114,185	-	-	-	-
<b>Total Revenue</b>	<b>44,041,773</b>	<b>41,739,557</b>	<b>32,142,522</b>	<b>31,208,320</b>	<b>32,842,021</b>
<b>Expenditures</b>					
General Government	3,942,291	2,753,848	2,734,938	2,437,532	2,443,110
Public Safety	13,214,392	11,886,436	11,690,704	11,609,441	10,167,136
Public Works	16,312,203	9,055,189	8,060,727	12,517,851	6,633,898
Public Library	1,718,364	1,675,713	1,566,562	1,576,692	5,954,475
Parks and Recreation	4,822,169	3,322,977	3,372,195	2,884,573	3,481,853
Community Improvement & Development	6,886,196	5,450,085	5,870,586	6,132,869	3,334,776
Debt Service					
Principal Retirement	3,955,483	4,535,000	2,245,000	2,235,000	2,155,000
Interest	258,756	435,009	519,489	448,904	389,154
<b>Total Expenditure</b>	<b>51,109,854</b>	<b>39,114,257</b>	<b>36,060,201</b>	<b>39,842,862</b>	<b>34,559,402</b>
Excess (Deficiency) of Revenues over expenditures	(7,068,082)	2,625,300	(3,917,679)	(8,634,542)	(1,717,381)
<b>Other Financing Sources (Uses)</b>					
Insurance Proceeds	11,251	-	7,402	13,871	24,676
Issuance of TIF Proceeds	-	-	4,081,227	4,210,750	-
Issuance of Debt	20,285,000	4,175,000	-	2,290,000	3,415,000
Leases	8,196	-	-	-	-
Premium on Bonds	175,527	-	-	-	-
Issuance of Refunding Bonds	-	1,005,000	-	-	-
Debt Service on Refunded Bonds	-	(1,005,000)	-	-	-
Transfers In	4,435,433	6,048,055	2,503,321	1,980,970	4,338,194
Transfers Out	(4,264,717)	(6,048,055)	(2,503,321)	(1,963,878)	(4,338,194)
<b>Total Other Financing Sources (Uses)</b>	<b>20,650,690</b>	<b>4,175,000</b>	<b>4,088,629</b>	<b>6,531,713</b>	<b>3,439,676</b>
<b>Net Change in Fund Balances</b>	<b>\$ 13,582,609</b>	<b>\$ 6,800,300</b>	<b>\$ 170,950</b>	<b>\$ (2,102,829)</b>	<b>\$ 1,722,295</b>
Debt Service as a Percentage of Noncapital Expenditures	11.37%	14.67%	10.56%	9.06%	9.02%

**City of Norfolk, Nebraska**  
**Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
(modified accrual basis of accounting)

	<b>Fiscal Year</b>				
	2017	2016	2015	2014	2013
<b>Revenues</b>					
Taxes	\$ 14,435,331	\$ 14,154,637	\$ 12,803,574	\$ 11,118,944	\$ 10,142,968
Special Assessments	194,862	478,529	184,987	200,654	289,216
Licenses & Permits	367,889	271,234	321,575	271,175	244,733
Intergovernmental Revenue	4,912,529	4,910,812	4,347,275	4,079,487	4,330,390
Nongovernmental Grants	50,000	50,000	-	-	-
Keno Revenue	584,717	552,493	611,740	572,632	547,095
Charges for Services	2,089,143	1,980,265	1,841,576	1,890,616	1,865,085
Occupation & Franchise Taxes	2,705,165	2,680,188	2,764,651	2,781,029	2,653,429
Contributions	436,499	17,661	204,577	559,517	54,942
Payments in Lieu of Taxes	209,221	203,371	202,867	184,689	176,215
Parking Fees and Rentals	4,535,554	4,596,859	4,620,528	4,681,679	4,584,494
Loan Repayments	71,501	156,428	570,883	104,783	78,073
Interest	179,142	94,744	51,653	49,655	54,192
Tif Bond Revenue	-	-	-	-	-
Miscellaneous	190,118	147,949	314,105	124,215	138,377
Annexation Revenue	-	-	-	-	-
<b>Total Revenue</b>	<b>30,961,671</b>	<b>30,295,170</b>	<b>28,839,991</b>	<b>26,619,075</b>	<b>25,159,209</b>
<b>Expenditures</b>					
General Government	2,612,548	2,473,293	2,575,062	2,698,982	2,543,757
Public Safety	9,987,194	10,209,750	10,019,243	8,967,532	9,138,087
Public Works	8,501,967	7,181,786	5,766,816	6,597,380	5,658,796
Public Library	5,137,451	1,718,799	1,334,676	1,355,079	1,288,130
Parks and Recreation	2,554,955	2,785,403	2,314,769	2,816,830	2,661,914
Community Improvement & Development	1,091,316	4,449,547	1,265,759	1,031,844	1,322,343
Debt Service					
Principal Retirement	3,960,000	13,535,000	1,695,000	2,620,000	1,453,810
Interest	443,424	595,287	667,145	649,134	677,052
<b>Total Expenditure</b>	<b>34,288,855</b>	<b>42,948,865</b>	<b>25,638,470</b>	<b>26,736,781</b>	<b>24,743,889</b>
Excess (Deficiency) of Revenues over expenditures	<b>(3,327,184)</b>	<b>(12,653,695)</b>	<b>3,201,521</b>	<b>(117,706)</b>	<b>415,320</b>
<b>Other Financing Sources (Uses)</b>					
Insurance Proceeds	-	20,885	218,996	141,778	308,069
Issuance of TIF Proceeds	-	-	-	-	-
Issuance of Debt	-	870,000	1,480,000	2,625,000	-
Leases	-	-	-	-	-
Premium on Bonds	-	453,613	-	-	-
Issuance of Refunding Bonds	1,520,000	9,420,000	-	795,000	-
Debt Service on Refunded Bonds	-	-	-	-	-
Transfers In	4,754,981	4,825,719	2,765,647	2,171,879	2,272,954
Transfers Out	(4,742,481)	(4,825,719)	(2,765,647)	(2,171,879)	(2,322,342)
<b>Total Other Financing Sources (Uses)</b>	<b>1,532,500</b>	<b>10,764,498</b>	<b>1,698,996</b>	<b>3,561,778</b>	<b>258,681</b>
<b>Net Change in Fund Balances</b>	<b>\$ (1,794,684)</b>	<b>\$ (1,889,197)</b>	<b>\$ 4,900,517</b>	<b>\$ 3,444,072</b>	<b>\$ 674,001</b>
Debt Service as a Percentage of Noncapital Expenditures	17.82%	37.92%	11.14%	13.77%	9.72%

**CITY OF NORFOLK, NEBRASKA**  
**TOTAL CITY TAXABLE SALES**  
**LAST TEN FISCAL YEARS**

TABLE 5

Fiscal Year Ended September 30,	Total City Taxable Sales	Total Direct Tax Rate
2022	\$ 731,462,910	1.50%
2021	687,203,571	1.50%
2020	611,706,333	1.50%
2019	574,860,915	1.50%
2018	554,798,701	1.50%
2017	535,529,003	2.00%
2016	527,991,172	2.00%
2015	547,447,750	2.00%
2014	522,866,921	1.50%
2013	510,892,339	1.50%

Source: City of Norfolk Finance Office

**CITY OF NORFOLK, NEBRASKA**  
**SALES TAX RATES**  
**DIRECT AND OVERLAPPING GOVERNMENTS**  
**LAST TEN FISCAL YEARS**

TABLE 6

Fiscal Year	<u>Direct</u>	<u>Overlapping (1)</u>	Total Tax Rate
	City of Norfolk	State of Nebraska	
2022	1.50%	5.50%	7.00%
2021	1.50%	5.50%	7.00%
2020	1.50%	5.50%	7.00%
2019	1.50%	5.50%	7.00%
2018 (2)	1.50%	5.50%	7.00%
2017	2.00%	5.50%	7.50%
2016	2.00%	5.50%	7.50%
2015 (2)	2.00%	5.50%	7.50%
2014	1.50%	5.50%	7.00%
2013	1.50%	5.50%	7.00%

Note: (1) Overlapping rates are those of other governments that apply to consumers within the City of Norfolk.  
(2) April 1, 2015 tax rate in the City of Norfolk changed from 1.5% to 2.0% for 3 years to fund Library updates. The additional 0.5% sales tax sunset on March 31, 2018.

**CITY OF NORFOLK, NEBRASKA**  
**NET TAXABLE SALES BY BUSINESS CLASSIFICATION**  
**CURRENT YEAR AND NINE YEARS AGO**

TABLE 7

Business Classifications	2022			2013		
	Net Taxable Sales	Rank	Percentage of Total Net Taxable Sales	Net Taxable Sales	Rank	Percentage of Total Net Taxable Sales
Retail Trade	\$ 372,635,424	1	52.49%	\$ 291,373,702	1	52.87%
Accommodation & Food Services	87,217,739	2	12.29%	54,394,901	2	9.87%
Other	250,055,841	-	35.22%	205,344,886	-	37.26%
<b>Total</b>	<b>\$ 709,909,004</b>		<b>100.00%</b>	<b>\$ 551,113,489</b>		<b>100.00%</b>

Note: Amounts shown are net taxable sales, which includes refunds and does not include motor vehicle net sales. The numbers are only available on a calendar year basis. Percentages are not available for Utilities to avoid disclosure of confidential information but are included in the Total.

Source: Nebraska Dept of Revenue

**City of Norfolk, Nebraska**  
 Assessed and Estimated Actual Value of Taxable Property (1)  
 Last Ten Fiscal Years

TABLE 8

FISCAL YEAR (2)	REAL PROPERTY	PERSONAL PROPERTY	TOTAL ASSESSED VALUE	TOTAL DIRECT TAX RATE
2022	\$ 2,082,504,423	\$ 106,967,897	\$ 2,189,472,320	0.3089
2021	1,836,323,928	69,866,598	1,906,190,526	0.3129
2020	1,768,115,204	59,822,198	1,827,937,402	0.2610
2019	1,587,354,266	58,508,792	1,645,863,058	0.2616
2018	1,527,100,699	58,347,001	1,585,447,700	0.2619
2017	1,414,978,332	51,546,991	1,466,525,323	0.2583
2016	1,336,246,190	47,747,588	1,383,993,778	0.2582
2015	1,269,843,679	50,035,023	1,319,878,702	0.2530
2014	1,214,361,524	44,813,004	1,259,174,528	0.2533
2013	1,160,166,057	42,955,400	1,203,121,457	0.2348

(1) TAXABLE PROPERTY IS ASSESSED AT 100% OF ITS ESTIMATED ACTUAL VALUE.

(2) THE ASSESSED VALUATIONS ARE EFFECTIVE ON SEPTEMBER 1 OF EACH YEAR.

SOURCE: MADISON COUNTY ASSESSOR'S OFFICE

**City of Norfolk, Nebraska**  
Property Tax Rates-Direct and Overlapping Governments (1)  
Last Ten Fiscal Years

TABLE 9

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
CITY OF NORFOLK										
GENERAL FUND	0.2577	0.2539	0.2095	0.1937	0.1928	0.1880	0.1685	0.1591	0.1549	0.1320
DEBT SERVICE	0.0466	0.0536	0.0460	0.0373	0.0373	0.0366	0.0529	0.0555	0.0581	0.0609
ECONOMIC DEVELOPMENT FUND	0.0000	0.0000	0.0000	0.0245	0.0255	0.0275	0.0306	0.0321	0.0337	0.0352
VEHICLE PARKING FUND(3)	0.0046	0.0054	0.0055	0.0061	0.0063	0.0062	0.0062	0.0063	0.0066	0.0067
<b>TOTAL DIRECT RATE</b>	<b>0.3089</b>	<b>0.3129</b>	<b>0.2610</b>	<b>0.2616</b>	<b>0.2619</b>	<b>0.2583</b>	<b>0.2582</b>	<b>0.2530</b>	<b>0.2533</b>	<b>0.2348</b>
OVERLAPPING RATES (2)										
MADISON COUNTY	0.3903	0.3742	0.3700	0.3793	0.3265	0.3267	0.3268	0.3283	0.3557	0.4255
SCHOOL DISTRICT NO 2	1.0781	1.0800	1.1275	1.1735	1.1766	1.1880	1.2051	1.2098	1.2154	1.2154
NORTHEAST COMMUNITY COLLEGE	0.0925	0.0940	0.0950	0.0950	0.0950	0.0909	0.0913	0.0953	0.0990	0.0993
NORFOLK AIRPORT AUTHORITY	0.0345	0.0396	0.0357	0.0397	0.0412	0.0437	0.0318	0.0334	0.0306	0.0310
LOWER ELKHORN NRD	0.0230	0.0232	0.0244	0.0237	0.0231	0.0233	0.0240	0.0241	0.0251	0.0266
AGRICULTURAL SOCIETY MADISON COUNTY	0.0106	0.0109	0.0109	0.0112	0.0109	0.0110	0.0110	0.0110	0.0116	0.0131
EDUCATIONAL SERVICES UNIT #8	0.0150	0.0150	0.0135	0.0133	0.0131	0.0131	0.0126	0.0126	0.0126	0.0150
NORFOLK SANITARY DISTRICT	0.0053	0.0060	0.0062	0.0147	0.0148	0.0099	0.0100	0.0099	0.0099	0.0100
RAILROAD TRANSPORTATION SAFETY DIST.	0.0066	0.0072	0.0079	0.0083	0.0083	0.0101	0.0093	0.0079	0.0060	0.0060
<b>TOTAL OVERLAPPING RATES</b>	<b>1.6559</b>	<b>1.6501</b>	<b>1.6911</b>	<b>1.7587</b>	<b>1.7095</b>	<b>1.7167</b>	<b>1.7219</b>	<b>1.7323</b>	<b>1.7659</b>	<b>1.8419</b>
<b>TOTAL PROPERTY TAXES</b>	<b>1.9648</b>	<b>1.9630</b>	<b>1.9521</b>	<b>2.0203</b>	<b>1.9714</b>	<b>1.9750</b>	<b>1.9801</b>	<b>1.9853</b>	<b>2.0192</b>	<b>2.0767</b>

(1) TAX RATES ARE PER \$100 OF ASSESSED VALUATION, AND EFFECTIVE ON SEPTEMBER 1 OF EACH YEAR

(2) OVERLAPPING RATES ARE THOSE OF LOCAL AND COUNTY GOVERNMENTS THAT APPLY TO PROPERTY OWNERS WITHIN THE CITY OF NORFOLK NE.

(3) THE TAX RATE IN THE VEHICLE PARKING DISTRICT IN DOWNTOWN NORFOLK NEBRASKA IS .35 PER \$100 OF ASSESSED VALUATION. THE DISTRICT'S ASSESSED VALUATION IS ABOUT 2% OF THE CITY ASSESSED VALUATION. THE RATE REPORTED IS THE RATE THAT IF APPLIED TO THE CITY VALUATION RESULTS IN THE DISTRICT'S PROPERTY TAX LEVIED.

**City of Norfolk, Nebraska**  
**PRINCIPAL PROPERTY TAXPAYERS**  
**CURRENT YEAR AND NINE YEARS AGO**

TABLE 10

TAXPAYERS	TYPE OF BUSINESS	2022			2013		
		TAXABLE ASSESSED VALUE	RANK	% OF TOTAL CITY TAXABLE ASSESSED VALUE	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL CITY TAXABLE ASSESSED VALUE
FAITH REGIONAL HEALTH SERVICES	MEDICAL OFFICES	\$ 37,414,173	1	1.71%	\$ 9,329,320	3	0.78%
ELKHORN VALLEY BANK & TRUST	FINANCIAL INSTITUTION	16,065,753	2	0.73%	-	-	0.00%
MIDWEST BANK NA	FINANCIAL INSTITUTION	13,900,274	3	0.63%	-	-	0.00%
NORFOLK LODGE & SUITES LLC	HOTEL	11,653,785	4	0.53%	-	-	0.00%
WIS-PAK OF NORFOLK INC.	BOTTLING DISTRIBUTION	10,525,749	5	0.48%	-	-	0.00%
MENARD INC	RETAIL STORE	10,009,692	6	0.46%	6,244,800	6	0.52%
WAL-MART	RETAIL STORE	9,942,757	7	0.45%	9,792,578	2	0.81%
BLACK HILLS NEBRASKA GAS LLC	UTILITY	8,850,739	8	0.40%	-	-	0.00%
SABRA HEALTH CARE HOLDINGS III LLC	REAL ESTATE	8,139,017	9	0.37%	-	-	0.00%
NORFOLK IRON & METAL CO	STEEL DISTRIBUTION	7,936,625	10	0.36%	-	-	0.00%
N S P LLC	SHOPPING MALL	-	-	0.00%	13,165,843	1	1.09%
HEARTLAND PANTRY INC	RETAIL STORE	-	-	0.00%	8,800,461	4	0.73%
HERITAGE OF NORFOLK INC	NURSING HOME	-	-	0.00%	6,565,133	5	0.55%
QWEST CORPORATION	UTILITY	-	-	0.00%	5,008,859	7	0.42%
NYE NORFOLK LLC	APARTMENTS	-	-	0.00%	4,721,642	8	0.39%
DAYTON HUDSON CORP	RETAIL STORE	-	-	0.00%	4,703,809	9	0.39%
M F P MID-AMERICA SHOPPING CENTER	RETAIL STORE	-	-	0.00%	4,500,000	10	0.37%
<b>TOTAL</b>		<b>\$ 134,438,564</b>		<b>6.12%</b>	<b>\$ 72,832,445</b>		<b>6.05%</b>

Source: MADISON COUNTY ASSESSOR'S OFFICE



**CITY OF NORFOLK, NEBRASKA**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**

TABLE 11

Fiscal Year Ended Sep 30	Taxes Levied for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2022	\$ 5,968,681	\$ 5,837,422	97.80%	-	\$ 5,837,422	97.80%
2021	4,774,439	4,662,468	97.65%	106,921	4,769,389	99.89%
2020	4,307,369	4,195,494	97.40%	97,175	4,292,669	99.66%
2019	4,153,321	3,586,171	86.34%	556,900	4,143,071	99.75%
2018	3,790,655	3,687,877	97.29%	91,051	3,778,928	99.69%
2017	3,573,866	3,466,463	96.99%	96,444	3,562,907	99.69%
2016	3,340,527	3,268,556	97.85%	71,971	3,340,527	100.00%
2015	3,189,630	3,089,071	96.85%	100,559	3,189,630	100.00%
2014	2,827,106	2,747,980	97.20%	79,126	2,827,106	100.00%
2013	2,825,242	2,736,874	96.87%	88,368	2,825,242	100.00%

**CITY OF NORFOLK, NEBRASKA**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**

TABLE 12

FISCAL YEAR	GOVERNMENTAL ACTIVITIES			BUSINESS-TYPE ACTIVITIES		TOTAL PRIMARY GOVERNMENT	DEBT PER CAPITA (1)	PERCENTAGE OF PERSONAL INCOME (1)
	GENERAL OBLIGATION BONDS	SPECIAL ASSESSMENT BONDS	LEASES	REVENUE BONDS	LEASES			
2022	\$ 25,582,432	\$ 4,200,000	\$ 71,654	\$ 12,931,929	\$ 47,768	\$ 42,833,783	N/A	N/A
2021	8,668,702	4,615,000	-	8,156,894	-	21,440,596	858.76	1.01
2020	12,016,891	1,650,000	-	8,548,370	-	22,215,261	890.21	1.16
2019	14,168,543	1,790,000	-	8,936,054	-	24,894,597	1,018.23	1.37
2018	13,880,514	2,095,000	-	9,290,187	-	25,265,701	1,024.94	1.41
2017	14,606,376	905,000	-	5,700,000	-	21,211,376	868.11	1.26
2016	16,912,454	1,105,000	-	6,595,000	-	24,612,454	1,010.86	1.54
2015	19,950,000	990,000	-	7,440,000	-	28,380,000	1,164.74	1.79
2014	20,100,000	1,195,000	-	8,305,000	-	29,600,000	1,210.93	1.91
2013	18,960,000	1,535,000	-	9,160,000	-	29,655,000	1,208.83	1.97

Notes: (1) See Table 16 for income and population data. 2022 population and personal income numbers are unavailable.

**CITY OF NORFOLK, NEBRASKA**  
**RATIOS OF GENERAL BONDED DEBT OUTSTANDING**  
**LAST TEN FISCAL YEARS**

TABLE 13

FISCAL YEAR	GENERAL OBLIGATION BONDS	SPECIAL ASSESSMENT BONDS-GENERAL OBLIGATION PORTION	GENERAL BONDED DEBT	LESS: AMOUNTS RESTRICTED FOR DEBT SERVICE	NET GENERAL BONDED DEBT	NET BONDED DEBT PER CAPITA (1)	VALUATION OF TAXABLE REAL PROPERTY
2022	\$ 25,582,432	\$ 1,613,881	\$ 27,196,313	\$ 5,032,126	\$ 22,164,187	N/A	1.06%
2021	8,668,702	1,772,854	10,441,556	4,010,592	6,430,964	257.58	0.35%
2020	12,016,891	632,066	12,648,957	3,556,622	9,092,335	364.35	0.51%
2019	14,168,543	685,102	14,853,645	3,221,437	11,632,208	475.77	0.73%
2018	13,880,514	788,653	14,669,167	2,879,341	11,789,826	478.27	0.77%
2017	14,606,376	303,025	14,909,401	2,575,381	12,334,020	504.79	0.87%
2016	16,912,454	382,930	17,295,384	2,310,289	14,985,095	615.45	1.12%
2015	19,950,000	339,878	20,289,878	2,056,725	18,233,153	748.30	1.44%
2014	20,100,000	407,083	20,507,083	1,718,817	18,788,266	768.62	1.55%
2013	18,960,000	470,340	19,430,340	1,556,817	17,873,523	728.85	1.54%

Notes: (1) See Table 16 for population data. 2022 population numbers are unavailable.

**CITY OF NORFOLK, NEBRASKA**  
 DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
 AS OF SEPTEMBER 30, 2022

TABLE 14

GOVERNMENTAL UNITS	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE (1)	DIRECT AND OVERLAPPING DEBT TO THE CITY
<b>DIRECT:</b>			
CITY	\$ 29,782,432	100.00%	\$ 29,782,432
<b>OVERLAPPING:</b>			
Norfolk School District #2	\$ 6,400,000	71.10%	\$ 4,550,400

Note: (1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the governmental unit's taxable revenue base that is within the City of Norfolk's boundaries and dividing it by the unit's total taxable revenue base.

SOURCE: NORFOLK PUBLIC SCHOOLS

**CITY OF NORFOLK, NEBRASKA**  
**PLEDGED REVENUE COVERAGE**  
**COMBINED UTILITIES BONDS OF THE WATER, SEWER AND SOLID WASTE FUNDS**  
**LAST TEN FISCAL YEARS**

TABLE 15

	GROSS REVENUE (1)	DIRECT OPERATING EXPENSES (2)	NET AVAILABLE REVENUE	DEBT SERVICE REQUIREMENTS			COVERAGE
				PRINCIPAL	INTEREST	TOTAL	
2022	\$ 11,911,894	\$ 7,833,571	\$ 4,078,323	\$ 395,000	\$ 274,273	\$ 669,273	6.09
2021	10,750,245	7,126,706	3,623,539	380,000	206,094	586,094	6.18
2020	10,437,223	7,278,850	3,158,373	370,000	211,223	581,223	5.43
2019	10,149,488	6,610,735	3,538,753	330,000	215,626	545,626	6.49
2018	9,558,203	6,569,173	2,989,030	290,000	222,689	512,689	5.83
2017	9,463,735	5,806,596	3,657,139	895,000	163,784	1,058,784	3.45
2016	8,622,767	5,353,538	3,269,229	845,000	183,051	1,028,051	3.18
2015	8,109,112	5,234,995	2,874,117	865,000	184,233	1,049,233	2.74
2014	8,510,448	5,307,088	3,203,360	855,000	198,501	1,053,501	3.04
2013	8,344,442	5,524,293	2,820,149	905,000	182,034	1,087,034	2.59

1) TOTAL OPERATING REVENUE PLUS INTEREST INCOME LESS STORMWATER DIVISION

2) TOTAL OPERATING EXPENSES EXCLUSIVE OF DEPRECIATION AND AMORTIZATION LESS STORMWATER DIVISION

**CITY OF NORFOLK, NEBRASKA**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN FISCAL YEARS**

TABLE 16

Fiscal Year	Population(1)	Personal Income (2) (000's)	Per Capita Personal Income(2)	Public School Enrollment(3)	Unemployment Rate(4)
2022	N/A	N/A	N/A	4,546	2.0%
2021	24,967	2,126,201	60,169	4,480	1.4%
2020	24,955	1,918,321	55,104	4,437	3.5%
2019	24,449	1,817,604	51,785	4,573	2.8%
2018	24,651	1,791,894	50,630	4,446	2.5%
2017	24,434	1,689,969	48,087	4,370	2.7%
2016	24,348	1,599,237	45,673	4,325	3.0%
2015	24,366	1,587,171	45,264	4,244	2.6%
2014	24,444	1,550,788	44,089	4,069	2.7%
2013	24,523	1,506,700	42,709	4,148	2.9%

- Sources: (1) These figures are estimates compiled from the most recent data available from the Bureau of Census and the NE Dept of Labor. 2022 numbers are unavailable.  
(2) Bureau of Economic Analysis. 2022 numbers are unavailable. Numbers are shown for Madison County.  
(3) Norfolk Public Schools PreK-12  
(4) State of Nebraska, NE Dept of Labor

**CITY OF NORFOLK, NEBRASKA**  
**PRINCIPAL EMPLOYERS**  
**CURRENT YEAR AND NINE YEARS AGO**

TABLE 17

EMPLOYER	2022			2013		
	EMPLOYEES	RANK	PERCENTAGE OF TOTAL CITY EMPLOYMENT	EMPLOYEES	RANK	PERCENTAGE OF TOTAL CITY EMPLOYMENT
Faith Regional Health Services	1,385	1	5.55%	1,275	1	5.59%
Nucor Corporation	1,154	2	4.62%			
Northeast Community College	751	3	3.01%			
Norfolk Public Schools	664	4	2.66%	705	2	3.09%
Associated Wholesale Grocers	448	6	1.79%			
Walmart	375	5	1.50%	407	7	1.78%
Conitech	348	7	1.39%			
Norfolk Iron & Metal Co	275	8	1.10%	320	9	1.40%
Cardinal Health	220	9	0.88%			
Wis-Pak	156	10	0.62%	102	10	0.45%
Affiliated Foods Midwest				654	3	2.87%
Covidien				500	4	2.19%
Nucor Steel Division of Nucor Corp				423	6	1.85%
Vulcraft Division of Nucor Corp				478	5	2.09%
Veyance Technologies				350	8	1.53%
<b>Total</b>	<b>5,776</b>		<b>23.12%</b>	<b>5,214</b>		<b>22.84%</b>

Source: City of Norfolk Economic Development

**CITY OF NORFOLK, NEBRASKA**  
 Full-Time Equivalent City Governmental Employees by Function  
 Last Ten Fiscal Years

TABLE 18

	Full-Time Equivalent City Government Employees by Function as of September 30									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Government	30.00	27.75	28.15	26.34	29.00	29.00	29.00	26.88	25.88	25.88
Engineering	6.00	6.00	6.00	6.00	7.00	6.00	6.00	6.00	5.00	5.00
Public Safety										
Police	50.94	63.50	62.50	62.40	62.00	60.50	60.00	60.00	58.00	58.00
Fire	34.90	35.40	35.40	31.55	36.55	36.05	36.05	37.00	37.00	37.00
Region 11	1.10	1.10	1.10	0.95	0.95	0.95	0.95	1.00	1.00	1.00
SNARE	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.50
Dispatch	16.07	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Streets	18.60	23.60	23.60	22.62	22.62	22.62	22.62	23.25	23.25	23.25
Fleet	5.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Planning & Development	6.00	6.00	6.00	7.00	0.00	0.00	0.00	0.00	0.00	0.00
Culture & Recreation										
Parks	25.40	24.40	24.40	21.00	19.00	19.00	20.00	20.00	22.00	21.00
Recreation	0.00	0.00	0.00	2.00	2.00	2.00	2.00	2.00	2.00	1.67
Auditorium	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.43
Library	16.07	16.07	16.07	16.07	15.64	15.64	15.21	15.38	15.38	15.1
Housing	6.00	6.00	6.00	6.00	6.00	6.00	6.00	5.75	5.75	5.75
Economic Development										
Operating	3.00	3.25	3.25	2.66	2.00	3.00	3.00	3.00	3.00	2.00
Water	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00
Sewer Maintenance	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Water Pollution Control	9.50	8.50	8.50	8.50	8.50	8.50	8.50	9.00	9.00	9.00
Solid Waste Management	8.88	8.88	7.88	8.38	7.38	7.38	6.38	5.38	6.38	6.38
Stormwater Utility	1.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>253.59</b>	<b>246.58</b>	<b>244.98</b>	<b>236.60</b>	<b>233.77</b>	<b>231.77</b>	<b>230.84</b>	<b>229.77</b>	<b>228.77</b>	<b>228.96</b>

Source: City of Norfolk Finance



**CITY OF NORFOLK, NEBRASKA**  
**OPERATING INDICATORS BY FUNCTION**  
**LAST TEN FISCAL YEARS**

TABLE 19

FUNCTION	FISCAL YEAR									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Government										
Purchase Orders Processed	-	-	-	-	-	-	-	-	31	765
Water/Sewer Customers Billed	9,968	9,863	9,835	9,712	9,649	9,633	9,602	9,551	9,523	9,479
Engineering										
Miles of Paving Districts	1.51	3.35	0.68	0.78	0.00	0.00	0.14	0.33	0.00	0.00
Miles of Street Reconstruction	7.40	0.45	0.71	1.20	1.40	0.00	0.17	0.32	0.10	0.40
Public Safety										
Police:										
Criminal Arrests	1,179	1,107	1,279	1,178	1,525	1,465	1,392	1,394	1,448	1,645
Traffic Arrests	2,033	3,012	2,226	2,115	1,865	2,129	2,391	3,097	2,388	2,294
Drug/Alcohol Arrests	639	849	797	709	705	712	749	696	705	817
Fire:										
Rescue Calls	2,646	2,430	2,078	2,048	2,100	1,960	2,066	2,007	1,912	1,941
Fire Calls	424	361	352	363	329	316	316	358	321	323
Culture and Recreation										
Library										
Total Circulation	236,094	227,974	200,529	288,029	253,346	265,698	295,787	309,281	321,954	320,282
Community Improvement and Development										
Planning and Development										
Building Permits	527	501	516	457	423	461	423	411	388	347
Water:										
Water Inspections	65	66	53	53	59	69	56	51	56	66
Locates	5,941	8,663	5,548	3,354	3,308	3,565	3,475	3,198	3,272	3,449
Sewer:										
Water Pollution Control										
Billion of Gallons treated	1.043	1.103	1.077	1.253	1.128	1.054	1.099	1.02	1.02	1.077
Sewer Maintenance										
Sewer Inspections	42	35	37	29	46	48	31	35	34	61
Solid Waste Management										
Average Daily Tonnage	113	113	111	122	113	112	109	106	102	104

Sources: Various City Departments

**CITY OF NORFOLK, NEBRASKA**  
**CAPITAL ASSET STATISTICS BY FUNCTION**  
**LAST TEN FISCAL YEARS**

TABLE 20

FUNCTION	FISCAL YEAR									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>General Government</b>										
City Auditorium (1)	-	-	-	-	-	-	-	1.00	1.00	1.00
Administrative Offices (2)	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
City Council Chambers	-	-	-	-	-	-	-	-	1.00	1.00
<b>Public Safety</b>										
Police Stations	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Fire Stations	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
<b>Streets</b>										
Streets (Miles)	207.14	155.41	150.70	147.75	147.15	145.56	145.09	144.55	144.09	144.08
Streetlights	2,550	2,357	2,344	2,327	2,282	2,305	2,277	2,279	2,257	2,257
<b>Parks</b>										
Parks Acreage	474.78	474.78	430.96	422.20	422.20	422.20	421.60	421.60	414.00	403.50
Parks #	16.00	16.00	16.00	16.00	16.00	13.00	13.00	13.00	13.00	13.00
Swimming Pools	1.00	1.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Tennis Courts	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
<b>Library</b>										
Library	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
<b>Water</b>										
Water mains (miles)	190.00	146.00	141.00	137.00	131.00	127.00	126.00	126.00	129.00	123.00
Water treatment plants	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
<b>Sewer</b>										
Sanitary sewer (miles)	158.00	145.00	145.00	142.00	140.00	137.00	133.00	131.00	128.00	127.00
Sewage treatment plants	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00

(1) Included Administrative offices and Engineering Offices until March 2012 Sold in December 2015

(2) Administrative and Engineering Offices as of March 2012 and Council Chambers as of January 2013

Sources: Various City Departments

# SINGLE AUDIT SECTION

**City of Norfolk, Nebraska**  
**Schedule of Expenditures of Federal Awards**  
**Year Ended September 30, 2022**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal Assistance Listing Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Total Federal Expenditures</u>
<b>Direct Financial Assistance:</b>			
U.S. Department of Justice			
Bulletproof Vest Partnership Program	16.607	N/A	\$ 2,369
		Program 16.607 Subtotal	<u>2,369</u>
U.S. Federal Communications Commission			
Emergency Connectivity Fund	32.009	N/A	18,557
		Program 32.009 Subtotal	<u>18,557</u>
<b>Indirect Financial Assistance:</b>			
U.S. Department of Treasury			
Pass-Through the Nebraska Emergency Management Agency			
COVID-19 - Coronavirus Relief Fund	21.019	STL0003	12,947
		Program 21.019 Subtotal	<u>12,947</u>
Pass-Through the Nebraska Department of Administrative Services			
Coronavirus State and Local Fiscal Recovery Funds	21.027	ARPA	1,232,202
		Program 21.027 Subtotal	<u>1,232,202</u>
U.S. Department of Health & Human Services			
Pass-Through the Nebraska Dept of Health & Human Services and the Elkhorn-Logan Valley Health Dept			
Block Grants for Community Mental Health Services	93.959	N/A	3,000
		Program 93.959 Subtotal	<u>3,000</u>
Pass-Through the Nebraska Game & Parks Commission			
Highway Planning and Construction Cluster			
Recreational Trails Program	20.219	RTP 2019(003)	227,087
Recreational Trails Program	20.219	RTP 2017(001)	87,722
		Program 20.219 Subtotal	<u>314,809</u>
U.S. Department of Homeland Security			
Pass-Through the Nebraska Emergency Management Agency			
COVID 19 - Disaster Grants-Public Assistance	97.036	DR-4521 PW206	29,175
		Program 97.036 Subtotal	<u>29,175</u>
Emergency Management Performance Grants	97.042	2021-EMPG	32,594
Emergency Management Performance Grants	97.042	2021-EMPG ARPA	1,438
Emergency Management Performance Grants	97.042	2019-SHSP	482
		Program 97.042 Subtotal	<u>34,514</u>
U.S. Department of Housing & Urban Development			
Pass-Through Nebraska Department of Economic Development			
Community Development Block Grant	14.228	17-DTR-104	13,444
Community Development Block Grant	14.228	20-EDCV-002	503,800
Community Development Block Grant	14.228	19-TD-002	102,074
		Program 14.228 Subtotal	<u>619,318</u>
National Endowment for the Arts			
Pass-Through Nebraska Arts Council			
Creative Aging Through the Arts	45.025	#4211	1,750
		Program 45.025 Subtotal	<u>1,750</u>
Institute of Museum and Library Services			
Pass-Through Nebraska Library Commission			
COVID-19 American Rescue Plan Act	45.310	ARPA Grant	15,473
		Program 45.310 Subtotal	<u>15,473</u>
Laura Bush 21st Century Librarian Program	45.313	Intern Grant	1,000
		Program 45.313 Subtotal	<u>1,000</u>
<b>Total Federal Award Expenditures</b>			<b>\$ <u>2,285,114</u></b>

**City of Norfolk, Nebraska**  
**Notes to the Schedule of Expenditures of Federal Awards**  
**Year Ended September 30, 2022**

**Note 1:** The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal award activity of the City of Norfolk, Nebraska (the City) under programs of the federal government for the year ended September 30, 2022. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

**Note 2:** Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance or other applicable regulatory guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The City has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

## Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

### Independent Auditor's Report

Honorable Members of the City Council  
City of Norfolk, Nebraska

We have audited, in accordance with the 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 (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Norfolk, Nebraska (the City), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 27, 2023, which included an "Emphasis of Matter" paragraph for a change in accounting principle.

#### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

#### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed

no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

***Purpose of This Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**FORVIS,LLP**

Lincoln, Nebraska  
March 27, 2023

## Report on Compliance for the Major Federal Program and Report on Internal Control Over Compliance

### Independent Auditor's Report

Honorable Members of the City Council  
City of Norfolk, Nebraska

### Report on Compliance for the Major Federal Program

#### ***Opinion on the Major Federal Program***

We have audited the City of Norfolk, Nebraska's (the City) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on the City's major federal program for the year ended September 30, 2022. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Norfolk, Nebraska complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended September 30, 2022.

#### ***Basis for Opinion on the Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the "Auditor's Responsibilities for the Audit of Compliance" section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

#### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

#### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion



on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the "Auditor's Responsibilities for the Audit of Compliance" section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

**FORVIS,LLP**

Lincoln, Nebraska  
March 27, 2023

**City of Norfolk, Nebraska**  
**Schedule of Findings and Questioned Costs**  
**Year Ended September 30, 2022**

**Section I – Summary of Auditor’s Results**

***Financial Statements***

- 1. Type of report the auditor issued on whether the financial statements audited were prepared in accordance with (GAAP):
 

**Unmodified**
 **Qualified**
 **Adverse**
 **Disclaimer**
- 2. Internal control over financial reporting:
  - Significant deficiency(ies) identified?
 

**Yes**       **None Reported**
  - Material weakness(es) identified?
 

**Yes**       **No**
- 3. Noncompliance material to the financial statements noted?
 

**Yes**       **No**

***Federal Awards***

- 4. Internal control over compliance for major federal awards programs:
  - Significant deficiency(ies) identified?
 

**Yes**       **None Reported**
  - Material weakness(es) identified?
 

**Yes**       **No**
- 5. Type of auditor’s report issued on compliance for the major federal program:
 

**Unmodified**
 **Qualified**
 **Adverse**
 **Disclaimer**
- 6. Any audit findings disclosed that are required to be reported by 2 CFR 200.516(a)?
 

**Yes**       **No**

7. Identification of the major federal program:

Cluster/Program	Assistance Listing Number
Coronavirus State and Local Fiscal Recovery Funds	21.027

**City of Norfolk, Nebraska**  
**Schedule of Findings and Questioned Costs - Continued**  
**Year Ended September 30, 2022**

8. Dollar threshold used to distinguish between Type A and Type B programs: \$750,000.
9. Auditee qualified as a low risk auditee?  **Yes**       **No**

**Section II – Financial Statement Findings**

<b>Reference Number</b>	<b>Finding</b>
No matters are reportable.	

**Section III – Federal Awards Findings and Questioned Costs**

<b>Reference Number</b>	<b>Finding</b>
No matters are reportable.	

**City of Norfolk, Nebraska  
Summary Schedule of Prior Audit Findings  
Year Ended September 30, 2022**

<b>Reference Number</b>	<b>Summary of Finding</b>	<b>Status</b>
	No matters are reportable.	



# Report to the Honorable Mayor, Members of the City Council and Management

**City of Norfolk, Nebraska**

**Results of the 2022 Financial Statement  
Audit, Including Required Communications**

**Lincoln, Nebraska  
September 30, 2022**



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**Required Communications Regarding Our Audit Strategy & Approach (AU-C 260) ..... 1**

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# Required Communications Regarding Our Audit Strategy & Approach (AU-C 260)

The following matters are required communications we must make to you, including these responsibilities:

## Overview & Responsibilities

Matter	Discussion
<b>Scope of Our Audit</b>	<p>This report covers audit results related to your financial statements and supplementary information:</p> <ul style="list-style-type: none"><li>• As of and for the year ended September 30, 2022</li><li>• Conducted in accordance with our contract dated November 28, 2022</li></ul>
<b>Our Responsibilities</b>	<p>FORVIS is responsible for forming and expressing opinions about whether the financial statements that have been prepared by management, with the oversight of those charged with governance, are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP)</p>
<b>Audit Scope &amp; Inherent Limitations to Reasonable Assurance</b>	<p>An audit performed in accordance with auditing standards generally accepted in the United States of America (GAAS) and <i>Government Auditing Standards</i> issued by the Comptroller General of the United States (GAGAS) is designed to obtain reasonable, rather than absolute, assurance about the financial statements. The scope of our audit tests was established in relation to the opinion unit being audited and did not include a detailed audit of all transactions.</p>

# FORVIS

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Matter	Discussion
<b>Extent of Our Communication</b>	In addition to areas of interest and noting prior communications made during other phases of the engagement, this report includes communications required in accordance with GAAS that are relevant to the responsibilities of those charged with governance in overseeing the financial reporting process, including audit approach, results, and internal control. The standards do not require the auditor to design procedures for the purpose of identifying other matters to be communicated with those charged with governance.
<b>Independence</b>	The engagement team, others in our firm, as appropriate, and our firm, have complied with all relevant ethical requirements regarding independence.
<b>Your Responsibilities</b>	Our audit does not relieve management or those charged with governance of your responsibilities. Your responsibilities and ours are further referenced in our contract.
<b>Distribution Restriction</b>	<p>This communication is intended solely for the information and use of the following and is not intended to be, and should not be, used by anyone other than these specified parties:</p> <ul style="list-style-type: none"> <li>• The Honorable Mayor and Members of the City Council</li> <li>• Management</li> <li>• Others within the City</li> </ul>



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## Government Auditing Standards

Matter	Discussion
<b>Additional GAGAS Reporting</b>	<p>We also provided reports as of September 30, 2022, on the following as required by GAGAS:</p> <ul style="list-style-type: none"> <li>Internal control over financial reporting and on compliance and other matters based on an audit of the financial statements performed in accordance with GAGAS</li> </ul>
<b>Reporting Limitations</b>	<p>Our consideration of internal control over financial reporting and our tests of compliance were not designed with an objective of forming an opinion on the effectiveness of internal control or on compliance, and accordingly, we do not express such an opinion.</p>

## Uniform Guidance Overview & Responsibilities

Matter	Discussion
<b>Scope of Our Audit</b>	<p>We also provided reports as of September 30, 2022, on the following as required by U.S. Office of Management and Budget (OMB) Uniform Guidance:</p> <ul style="list-style-type: none"> <li>Opinion on compliance for the major federal award program</li> <li>Report on internal control over compliance</li> <li>Schedule of Expenditures of Federal Awards</li> </ul>
<b>Audit Scope &amp; Inherent Limitations to Reasonable Assurance</b>	<p>A compliance audit performed in accordance with OMB Uniform Guidance is designed to obtain reasonable, rather than absolute, assurance about whether noncompliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on a major federal award program occurred.</p>

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## Other Information Accompanying the Audited Financial Statements

The audited financial statements are presented along with management's annual comprehensive financial report (ACFR). Management, or those charged with governance, is responsible for preparing the annual report.

We were not engaged to audit the other information contained in the ACFR, and as a result, our opinions do not provide assurance as to the completeness and accuracy of the other information contained therein.

As part of our procedures, we read the entire report to determine if financial information discussed in sections outside the financial statements materially contradicts the audited financial statements. If we identify any such matters, we bring them to management's attention and review subsequent revisions.

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## Auditor Objectives Related to Other Information

Our objectives related to the other information accompanying the audited financial statements were to:

- Consider whether a material inconsistency exists between the other information and the financial statements
- Remain alert for indications that:
  - A material inconsistency exists between the other information and the auditor’s knowledge obtained in the audit, or
  - A material misstatement of fact exists or the other information is otherwise misleading
- Respond appropriately when we identify that such material inconsistencies appear to exist or when we otherwise become aware that other information appears to be materially misstated. Potential responsive actions would include requesting management to correct the identified inconsistency
- Include the appropriate communication in our auditor’s report, disclosing the procedures performed on the Other Information, as well as the results obtained



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## Qualitative Aspects of Significant Accounting Policies & Practices

The following matters are detailed in the following pages and included in our assessment:

### Significant Accounting Policies

Significant accounting policies are described in Note 1 of the City's Annual Comprehensive Financial Report (ACFR). The following accounting policies and practices are of significant importance to the City's financial statements:

- Fund accounting and the reconciliation of the governmental fund and government-wide financial statements
- Determination of potential component units

With respect to new accounting standards adopted during the year, we call to your attention the following topics detailed in the following pages:

- GASB 87, *Leases*

### Unusual Policies or Methods

With respect to significant unusual accounting policies or accounting methods used for significant unusual transactions (significant transactions outside the normal course of business or that otherwise appear to be unusual due to their timing, size, or nature), we noted the following:

- No matters are reportable

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## Alternative Accounting Treatments

We had discussions with management regarding alternative accounting treatments within GAAP for policies and practices for material items, including recognition, measurement, and disclosure considerations related to the accounting for specific transactions as well as general accounting policies, as follows:

- No matters are reportable

## Management Judgments & Accounting Estimates

Accounting estimates are an integral part of financial statement preparation by management, based on its judgments. Significant areas of such estimates for which we are prepared to discuss management's estimation process and our procedures for testing the reasonableness of those estimates include:

- Allowance for uncollectible accounts
- Depreciable lives of capital assets
- Claims incurred but not reported
- Unbilled and accrued revenues

## Financial Statement Disclosures

The following areas involve particularly sensitive financial statement disclosures for which we are prepared to discuss the issues involved and related judgments made in formulating those disclosures:

- Bonds payable and other long-term obligations
- Commitments and contingencies
- Subsequent events

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## Our Judgment About the Quality of the City's Accounting Principles

During the course of the audit, we made the following observations regarding the City's application of accounting principles:

- The City adopted the provisions of GASB Statement No. 87, *Leases* during the fiscal year ending September 30, 2022

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## Significant Accounting Policies – Details

### **GASB 87, Leases**

Effective October 1, 2021, the City adopted GASB 87, *Leases*. GASB 87 creates one model for recognizing leases for both lessees and lessors. Substantially all leases are recognized on the lessee’s statement of net position.

In the activity statement, lessees no longer report rent expense for the previously classified operating leases but instead report interest expense on the liability and amortization expense related to the asset. Lessors recognize a lease receivable and corresponding deferred inflow of resources. Interest income associated with the receivable are recognized using the effective interest method.

Adoption of GASB 87 required significant time to identify a complete list of lease contracts for consideration of adoption and measure the lease assets and liabilities for recognition. In addition, due to adoption of the standard, the City’s key performance indicators related to the statement of net position (such as the current ratio) are likely not comparable to historical results.



## Adjustments Identified by Audit

During the course of any audit, an auditor may propose adjustments to financial statement amounts. Management evaluates our proposals and records those adjustments that, in its judgment, are required to prevent the financial statements from being materially misstated.

A misstatement is a difference between the amount, classification, presentation, or disclosure of a reported financial statement item and that which is required for the item to be presented fairly in accordance with the applicable financial reporting framework.

## Proposed & Recorded Adjustments

Auditor-proposed and management-recorded entries include the following:

- No matters are reportable

## Uncorrected Misstatements

- No uncorrected misstatements

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## Other Required Communications

### Other Material Communication

Listed below is another material communication between management and us related to the audit:

- Management representation letter (see Attachment)

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## **Other Matters**

We also observed another matter and offer this comment and suggestion with respect to a matter which came to our attention during the course of the audit of the financial statements. Our audit procedures are designed primarily to enable us to form an opinion on the financial statements and, therefore, may not bring to light all weaknesses in policies and procedures that may exist.

However, this other matter is offered as a constructive suggestion for the consideration of management as part of the ongoing process of modifying and improving financial and administrative practices and procedures.

We can discuss this matter further at your convenience and may provide implementation assistance for changes or improvements.

- The City will be required to implement the provisions of Governmental Accounting Standards Board Statement No. 96 *Subscription-Based Information Technology Arrangements*, for its fiscal year ending September 30, 2023

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# Attachment

## Management Representation Letter

As a material communication with management, included herein is a copy of the representation letter provided by management at the conclusion of our engagement.

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*Representation of:*

City of Norfolk, Nebraska  
309 N 5<sup>th</sup> Street  
Norfolk, Nebraska 68701

*Provided to:*

**FORVIS, LLP**

Certified Public Accountants  
1248 O Street, Suite 1040  
Lincoln, Nebraska 68508

The undersigned (“We”) are providing this letter in connection with FORVIS’ audit of our financial statements as of and for the year ended September 30, 2022.

We are also providing this letter in connection with:

- Your audit of our compliance with requirements applicable to our major federal awards program as of and for the year ended September 30, 2022.

Our representations are current and effective as of the date of FORVIS’ report: March 27, 2023.

Our engagement with FORVIS is based on our contract for services dated: November 28, 2022.

### **Our Responsibility & Consideration of Material Matters**

We confirm that we are responsible for the fair presentation of the financial statements subject to FORVIS’ report in conformity with accounting principles generally accepted in the United States of America.

We are also responsible for adopting sound accounting policies; establishing and maintaining effective internal control over financial reporting, operations, and compliance; and preventing and detecting fraud.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

### **Confirmation of Matters Specific to the Subject Matter of FORVIS’ Report**

We confirm, to the best of our knowledge and belief, the following:

#### **Broad Matters**

1. We have fulfilled our responsibilities, as set out in the terms of our contract, for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America.
2. We acknowledge our responsibility for the design, implementation, and maintenance of:
  - a. Internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

City of Norfolk, Nebraska  
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- b. Internal control to prevent and detect fraud.
3. We have provided you with:
  - a. Access to all information of which we are aware that is relevant to the preparation and fair presentation of the financial statements, such as financial records and related data, documentation, and other matters.
  - b. Additional information that you have requested from us for the purpose of the audit.
  - c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
  - d. All minutes of governing body meetings held through the date of this letter or summaries of actions of recent meetings for which minutes have not yet been prepared. All unsigned copies of minutes provided to you are copies of our original minutes approved by the governing body, if applicable, and maintained as part of our records.
  - e. All significant contracts and grants.
4. We have responded fully and truthfully to all your inquiries.

**Government Auditing Standards**

5. We acknowledge that we are responsible for compliance with applicable laws, regulations, and provisions of contracts and grant agreements.
6. We have identified and disclosed to you all laws, regulations, and provisions of contracts and grant agreements that have a direct and material effect on the determination of amounts in our financial statements or other financial data significant to the audit objectives.
7. We have identified and disclosed to you any violations or possible violations of laws, regulations, including those pertaining to adopting, approving, and amending budgets, and provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for recognition and/or disclosure in the financial statements or for your reporting on noncompliance.
8. We have taken or will take timely and appropriate steps to remedy any fraud, abuse, illegal acts, or violations of provisions of contracts or grant agreements that you or other auditors report.
9. We have a process to track the status of audit findings and recommendations.
10. We have identified to you any previous financial audits, attestation engagements, performance audits, or other studies related to the objectives of your audit and the corrective actions taken to address any significant findings and recommendations made in such audits, attestation engagements, or other studies.

**Federal Awards Programs (Uniform Guidance)**

11. We have identified in the schedule of expenditures of federal awards all assistance provided (either directly or passed through other entities) by federal agencies in the form of grants, contracts, loans, loan guarantees, property, cooperative agreements, interest subsidies, commodities, insurance, direct appropriations, or in any other form.

City of Norfolk, Nebraska  
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12. We have disclosed to you all contracts or other agreements with service organizations, and we have disclosed to you all communications from the service organizations relating to noncompliance at the service organizations.
13. We have reconciled the schedule of expenditures of federal awards (SEFA) to the financial statements.
14. Federal awards-related revenues and expenditures are fairly presented, both in form and content, in accordance with the applicable criteria in the entity's financial statements.
15. We have evaluated all recipient organizations that received federal funding and have correctly identified all subrecipients on the schedule of expenditures of federal awards.
16. We have identified the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* regarding activities allowed or unallowed; allowable costs/cost principles; cash management; eligibility; equipment and real property management; matching, level of effort, earmarking; period of performance of federal funds; procurement and suspension and debarment; program income; reporting; subrecipient monitoring; and special tests and provisions that are applicable to each of our federal awards programs. We have identified to you our interpretation of any applicable compliance requirements subject to varying interpretations.
17. We are responsible for complying, and have complied, with the requirements of Uniform Guidance.
18. We are responsible to understand and comply with the requirements of federal statutes, regulations, and the terms and conditions of federal awards related to each of our federal awards programs and have disclosed to you any and all instances of noncompliance with those requirements occurring during the period of your audit or subsequent thereto to the date of this letter of which we are aware. Except for any instances of noncompliance we have disclosed to you, we believe the entity has complied with all applicable compliance requirements.
19. We are responsible for the design, implementation, and maintenance of internal controls over compliance that provide reasonable assurance we have administered each of our federal awards programs in compliance with federal statutes, regulations, and the terms and conditions of the federal awards.
20. We have made available to you all federal awards (including amendments, if any) and any other correspondence or documentation relevant to each of our federal awards programs and to our compliance with applicable requirements of those programs.
21. The information presented in federal awards program financial reports and claims for advances and reimbursements is supported by the books and records from which our financial statements have been prepared.
22. The costs charged to federal awards are in accordance with applicable cost principles.
23. The reports provided to you related to federal awards programs are true copies of reports submitted or electronically transmitted to the federal awarding agency, the applicable payment system, or pass-through entity in the case of a subrecipient.
24. Amounts claimed or used for matching were determined in accordance with Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) regarding cost principles.

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25. We have disclosed to you any communications from federal awarding agencies and pass-through entities concerning possible noncompliance with the applicable compliance requirements for each of our federal awards programs, including any communications received from the end of the period of your audit through the date of this letter.
26. We have identified to you any previous compliance audits, attestation engagements, and internal or external monitoring related to the objectives of your compliance audit, including findings received and corrective actions taken to address any significant findings and recommendations made in such audits, attestation engagements, or other monitoring.
27. The reporting package does not contain any protected personally identifiable information.
28. No changes have been made in internal control over compliance or other factors that might significantly affect internal control, including any corrective action we have taken regarding significant deficiencies or material weaknesses in internal control over compliance subsequent to the period covered by the auditor's report.

#### **Misappropriation, Misstatements, & Fraud**

29. We have informed you of all current risks of a material amount that are not adequately prevented or detected by our procedures with respect to:
  - a. Misappropriation of assets.
  - b. Misrepresented or misstated assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, or fund balance.
30. We have no knowledge of fraud or suspected fraud affecting the entity involving:
  - a. Management or employees who have significant roles in internal control over financial reporting, or
  - b. Others when the fraud could have a material effect on the financial statements.
31. We understand that the term "fraud" includes misstatements arising from fraudulent financial reporting and misstatements arising from misappropriation of assets. Misstatements arising from fraudulent financial reporting are intentional misstatements, or omissions of amounts or disclosures in financial statements to deceive financial statement users. Misstatements arising from misappropriation of assets involve the theft of an entity's assets where the effect of the theft causes the financial statements not to be presented in conformity with accounting principles generally accepted in the United States of America.
32. We have no knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, customers, regulators, citizens, suppliers, or others.
33. We have assessed the risk that the financial statements may be materially misstated as a result of fraud and disclosed to you any such risk identified.
34. We have no knowledge of illegal acts that may materially misstate the financial statements.

#### **Related Parties**

35. We have disclosed to you the identity of all of the City's related parties and all the related-party relationships of which we are aware. The City has not entered into any new agreements with a related party or modified terms related to an existing related-party transaction during the year



under audit, or as of the date of this letter. Further, we do not have any existing or ongoing agreements with related parties that are still in effect as of the date of this letter.

36. We understand that the term related party refers to:

- Affiliates
- Trusts for the benefits of employees, such as pension trusts that are managed by or under the trusteeship of management
- Management and members of their immediate families
- Any other party with which the entity may deal if one party can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests.

Another party is also a related party if it can significantly influence the management or operating policies of the transacting parties or if it has an ownership interest in one of the transacting parties and can significantly influence the other to an extent that one or more of the transacting parties might be prevented from fully pursuing its own separate interests.

The term affiliate refers to a party that directly or indirectly controls, or is controlled by, or is under common control with, the entity.

#### **Litigation, Laws, Rulings, & Regulations**

37. We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with accounting principles generally accepted in the United States of America.
38. We have no knowledge of any communications from regulatory agencies, governmental representatives, employees, or others concerning investigations or allegations of noncompliance with laws and regulations, deficiencies in financial reporting practices, or other matters that could have a material adverse effect on the financial statements.
39. We have disclosed to you all known instances of violations or noncompliance or possible violations or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements or as a basis for recording a loss contingency.
40. We have no reason to believe the entity owes any penalties or payments under the Employer Shared Responsibility Provisions of the *Patient Protection and Affordable Care Act* nor have we received any correspondence from the IRS or other agencies indicating such payments may be due.
41. We have not been designated as a potentially responsible party (PRP or equivalent status) by the Environmental Protection Agency (EPA) or other cognizant regulatory agency with authority to enforce environmental laws and regulations.

#### **Nonattest Services**

42. You have provided nonattest services, including the following, during the period of this engagement:

- Completing the auditee portion of the Form SF-SAC (Data Collection Form) through the Federal Audit Clearinghouse

43. With respect to these services:

- a. We have designated a qualified management-level individual to be responsible and accountable for overseeing the nonattest services.
- b. We have established and monitored the performance of the nonattest services to ensure they meet our objectives.
- c. We have made any and all decisions involving management functions with respect to the nonattest services and accept full responsibility for such decisions.
- d. We have evaluated the adequacy of the services performed and any findings that resulted.
- e. Established and maintained internal controls, including monitoring ongoing activities.
- f. We have received the deliverables from you and have stored these deliverables in information systems controlled by us. We have taken responsibility for maintaining internal control over these deliverables.

#### **Financial Statements & Reports**

44. With regard to supplementary information:

- a. We acknowledge our responsibility for the presentation of the supplementary information in accordance with the applicable criteria.
- b. We believe the supplementary information is fairly presented, both in form and content, in accordance with the applicable criteria.
- c. The methods of measurement and presentation of the supplementary information are unchanged from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
- d. We believe the significant assumptions or interpretations underlying the measurement and/or presentation of the supplementary information are reasonable and appropriate.

45. With regard to other information that is presented in the form of our annual report:

- a. We confirm that the annual comprehensive annual financial report (ACFR) comprises the annual report for the City.
- b. We have provided you with the final draft of the annual report.

#### **Transactions, Records, & Adjustments**

46. All transactions have been recorded in the accounting records and are reflected in the financial statements.

47. The entity has appropriately reconciled its general ledger accounts to their related supporting information. All related reconciling items considered to be material were identified and included on the reconciliations and were appropriately adjusted in the financial statements. All intracompany

(and intercompany) accounts have been eliminated or appropriately measured and considered for disclosure in the financial statements.

48. We have everything we need to keep our books and records.
49. We have disclosed any significant unusual transactions the entity has entered into during the period, including the nature, terms, and business purpose of those transactions.

**Governmental Accounting & Disclosure Matters**

50. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
51. With regard to deposit and investment activities:
  - a. All deposit and investment transactions have been made in accordance with legal and contractual requirements.
  - b. Investments are properly valued.
  - c. Disclosures of deposit and investment balances and risks in the financial statements are consistent with our understanding of the applicable laws regarding enforceability of any pledges of collateral.
  - d. We understand that your audit does not represent an opinion regarding the enforceability of any collateral pledges.
52. The financial statements include all component units and properly disclose all other joint ventures and other related organizations.
53. We have identified and evaluated all potential fiduciary activities. The financial statements include all fiduciary activities required by GASB Statement No. 84, *Fiduciary Activities*, as amended.
54. The financial statements properly classify all funds and activities in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, as amended.
55. All funds that meet the quantitative criteria in in GASB Statement No. 34, *Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments, as amended*, and No. 37, *Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments: Omnibus—an amendment of GASB Statements No. 21 and No. 34*, for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
56. Components of net position (net investment in capital assets, restricted, and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
57. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
58. Revenues are appropriately classified in the statement of activities within program revenues and general revenues.

City of Norfolk, Nebraska  
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59. Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.
60. We have appropriately disclosed the entity's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position/fund balance is available and have determined that net position is properly recognized under the policy.
61. We have appropriately disclosed that the entity is following either its established accounting policy regarding which governmental fund resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available or is following paragraph 18 of GASB Statement No. 54 to determine the fund balance classifications for financial reporting purposes and have determined that fund balance is properly recognized under the policy.
62. The entity has properly separated information in debt disclosures related to direct borrowings and direct placements of debt from other debt and disclosed any unused lines of credit, collateral pledged to secure debt, terms in debt agreements related to significant default or termination events with finance-related consequences, and significant subjective acceleration clauses in accordance with GASB Statement No. 88.
63. We have identified and evaluated all potential tax abatements, and we believe there are no material tax abatements, other than those that have been disclosed in the notes to the financial statements.
64. The entity's ability to continue as a going concern was evaluated and that appropriate disclosures are made in the financial statements as necessary under GASB requirements.
65. The supplementary information required by the Governmental Accounting Standards Board, consisting of management's discussion and analysis, budgetary comparisons, and pension information, has been prepared and is measured and presented in conformity with the applicable GASB pronouncements, and we acknowledge our responsibility for the information. The information contained therein is based on all facts, decisions, and conditions currently known to us and is measured using the same methods and assumptions as were used in the preparation of the financial statements. We believe the significant assumptions underlying the measurement and/or presentation of the information are reasonable and appropriate. There has been no change from the preceding period in the methods of measurement and presentation.
66. We have exercised due care in the preparation of the introductory and statistical sections included in our annual comprehensive financial report (ACFR) and are not aware of any information contained therein that is inconsistent with the information contained in our basic financial statements.
67. With regard to pension benefits:
  - a. We believe that the actuarial assumptions and methods used to measure pension liabilities and costs for financial accounting purposes are appropriate in the circumstances.
  - b. We have provided you with the entity's most current pension plan instrument for the audit period, including all plan amendments.
  - c. The participant data provided to you related to pension plans are true copies of the data submitted or electronically transmitted to the plan's actuary.

- d. The participant data that we provided the plan's actuary for the purposes of determining the actuarial present value of accumulated plan benefits and other actuarially determined amounts in the financial statements were complete.

### **Accounting & Disclosure**

68. All transactions entered into by the entity are final. We are not aware of any unrecorded transactions, side agreements, or other arrangements (either written or oral) that are in place.

69. Except as reflected in the financial statements, there are no:

- a. Plans or intentions that may materially affect carrying values or classifications of assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, or fund balance.
- b. Material transactions omitted or improperly recorded in the financial records.
- c. Material unasserted claims or assessments that are probable of assertion or other gain/loss contingencies requiring accrual or disclosure, including those arising from environmental remediation obligations.
- d. Events occurring subsequent to the statement of net position date through the date of this letter, which is the date the financial statements were available to be issued, requiring adjustment or disclosure in the financial statements.
- e. Agreements to purchase assets previously sold.
- f. Arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances.
- g. Guarantees, whether written or oral, under which the entity is contingently liable.
- h. Known or anticipated asset retirement obligations.

70. Except as disclosed in the financial statements, the entity has:

- a. Satisfactory title to all recorded assets, and those assets are not subject to any liens, pledges, or other encumbrances.
- b. Complied with all aspects of contractual and grant agreements, for which noncompliance would materially affect the financial statements.

71. We agree with the findings of the specialist in evaluating the net pension liability and have adequately considered the qualification of the specialists in determining the amounts and disclosures used in the financial statements and underlying accounting records. We did not give or cause any instructions to be given to the specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had impact on the independence or objectivity of the specialists.

### **Revenue, Accounts Receivable, & Inventory**

72. Adequate provisions and allowances have been accrued for any material losses from:

- a. Uncollectible receivables.

- b. Excess or obsolete inventories.
- c. Sales commitments, including those unable to be fulfilled.
- d. Purchase commitments in excess of normal requirements or at prices in excess of prevailing market prices.

**Estimates**

- 73. We have identified all accounting estimates that could be material to the financial statements, and we confirm the appropriateness of the methods and the consistency in their application, the accuracy and completeness of data, and the reasonableness of significant assumptions used by us in making the accounting estimates, including those measured at fair value reported in the financial statements.
- 74. Significant estimates that may be subject to a material change in the near term have been properly disclosed in the financial statements. We understand that “near term” means the period within one year of the date of the financial statements. In addition, we have no knowledge of concentrations, which refer to volumes of business, revenues, available sources of supply, or markets, existing at the date of the financial statements that would make the entity vulnerable to the risk of severe impact in the near term that have not been properly disclosed in the financial statements.

**Fair Value**

- 75. With respect to the fair value measurements of financial and nonfinancial assets and liabilities, if any, recognized in the financial statements or disclosed in the notes thereto:
  - a. The underlying assumptions are reasonable and they appropriately reflect management’s intent and ability to carry out its stated course of action.
  - b. The measurement methods and significant assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
  - c. The significant assumptions appropriately reflect market participant assumptions.
  - d. The disclosures related to fair values are complete, adequate, and in conformity with U.S. GAAP.
  - e. There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.

**Tax-Exempt Bonds**

- 76. Tax-exempt bonds issued have retained their tax-exempt status.
- 77. We have notified you of any instances of noncompliance with applicable disclosure requirements of the SEC Rule 15c2-12 and applicable state laws.

**GASB Statement 87, Leases**

- 78. In connection with the adoption of GASB Statement No. 87, *Leases* (GASB 87), we represent the following:
  - a. We have identified a complete population of potential leases as of the implementation date.

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- b. We have reviewed all significant contracts to identify lease and nonlease components as of the earliest date of adoption. Allocation of contract prices between lease and nonlease components are based upon standalone prices or other reasonable factors.
- c. Measurements of the lease assets and liabilities are based upon facts and circumstances that existed at the beginning of the period of implementation.
- d. The estimates related to any options to extend or terminate the lease terms within the measurement of lease assets and liabilities agree to management's plans for the leases.
- e. The discount rates for each lease are based upon what would be obtained by the entity for similar loans as an incremental rate.
- f. The classification and accounting of related-party leases between entities, for which separate financial statements are issued, have been modified to recognize the substance of the transaction rather than only its legal form.
- g. We have adequate controls in place to prevent and/or detect errors in lease assets and liabilities on a recurring basis.
- h. The footnotes to the financial statements appropriately describe the adoption of GASB 87 and include all additional disclosures required under the Statement.

DocuSigned by:

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