

**City of Beatrice, Nebraska  
Regular BPW Board Meeting  
Wednesday, April 1, 2026 at 12:00 PM  
City Hall Conference Room  
400 Ella Street  
Beatrice, NE 68310**



Pledge of Allegiance

1. **ROLL CALL**
2. **CONSENT AGENDA**
  - 2.a. Approve agenda as submitted.
  - 2.b. Receive and place on file all notices pertaining to this meeting.
  - 2.c. Receive and place on file all materials having any bearing on this meeting.
  - 2.d. Approval of minutes of regular BPW Board meeting on March 11, 2026, as on file in the City Clerk's Office.
  - 2.e. Recommend approval of Pay Request #7 in the amount of \$398,693.11 to Building Crafts, Inc., for the WPC Grit Improvements project, to the Mayor and City Council.
3. **PUBLIC HEARINGS/BIDS - None**
4. **RESOLUTIONS - None**
5. **ORDINANCES - None**
6. **PUBLIC FORUM**
7. **DISCUSSIONS/REPORTS**
  - 7.a. Presentation of Auditor's Report for the year ending September 30, 2025.
  - 7.b. Update on Current Projects.
8. **MISCELLANEOUS**
  - 8.a. The next regular BPW Board meeting is April 15, 2026 at 12:00 p.m. in the City Hall Conference Room.

## NOTICE OF MEETING

Notice is hereby given that a meeting of the Board of Public Works of the City of Beatrice, Nebraska will be held on April 1, 2026, at 12:00 p.m. in the City Hall Conference Room, 400 Ella Street, Beatrice, Nebraska, and the meeting will be open to the attendance of the public. An agenda for such meeting is available for public inspection at the office of the Board of Public Works. Individuals with disabilities may request auxiliary aids and services necessary for participation by contacting the Board of Public Works at 402-228-5211 by March 30, 2026.

Tobias J. Tempelmeyer, City Administrator/General Manager

March 27, 2026

## MINUTES OF THE REGULAR BOARD OF PUBLIC WORKS MEETING

A regular meeting of the Beatrice Board of Public Works was held on the 11<sup>th</sup> day of March, 2026 at 12:00 p.m. in the City Hall Conference Room, 400 Ella Street, Beatrice, Nebraska.

### ROLL CALL

Attending: Boardmembers: Hartley, Moran, Zarybnicky

Absent: Baehr, Jones

Chair Moran announced that a copy of the Open Meetings Act is posted in the meeting room and is accessible to members of the public.

### CONSENT AGENDA

- a. Approve agenda as submitted.
- b. Receive and place on file all notices pertaining to this meeting.
- c. Receive and place on file all materials having any bearing on this meeting.
- d. Approval of minutes of regular meeting on January 28, 2026, as on file in the City Clerk's Office.
- e. Recommend approval of Pay Request #6 in the amount of \$105,423.65 to Building Crafts, Inc., for the WPC Grit Improvements project, to the Mayor and City Council.
- f. Recommend approval of Pay Request #6 in the amount of \$135,452.65 to Van Kirk Brothers Contracting for the 2025 Heritage Heights Addition project, to the Mayor and City Council.
- g. Recommend approval of Final Pay Request in the amount of \$5,900.70 to R.L. Tiemann Construction, Inc., for the 4th and 5th Street Downtown Improvement Project – 2025, to the Mayor and City Council.

Moved by Zarybnicky, seconded by Hartley, that the items listed under the consent agenda, be approved, accepted, and/or ratified as presented.

Roll Call: Yea: Hartley, Moran, Zarybnicky

Nay: None

MOTION CARRIED.

### PUBLIC HEARINGS/BIDS

#### Fuel Bid Update

Tobias J. Tempelmeyer, City Administrator/General Manager, reviewed the following fuel bids that were received at City Hall on February 25, 2026:

<u>Bidder</u>	<u>Item</u>	<u>Total Bid</u>
Sapp Bros. Petroleum, Inc.	Unleaded Fuel	20,000 gallons @ \$2.615/gallon
	Dyed Diesel	37,500 gallons @ \$2.708/gallon
	Clear Diesel	26,000 gallons @ \$3.028/gallon
Farmers Cooperative	Unleaded Fuel	20,000 gallons @ \$2.74/gallon
	Dyed Diesel	37,500 gallons @ \$2.80/gallon
	Clear Diesel	26,000 gallons @ \$3.36/gallon

Tempelmeyer stated the City proceeded with awarding the bid to Sapp Bros. Petroleum, Inc., for dyed diesel, clear diesel, and unleaded fuel on February 25, 2026 in order to lock in a consistent price for budgetary purposes.

## RESOLUTIONS

**Recommend a resolution executing the Master Agreement Work Order No. 8 between the City and Olsson, Inc., to update the sanitary sewer model and develop a technical memorandum with the findings of the model performance, to the Mayor and City Council**

James Burroughs, City Engineer, explained to the Board this is to update the City's sanitary sewer model, as well as add the upcoming Beatrice Commons project to ensure the system can handle the additional load. Burroughs noted the majority of the cost is to update the model, which reports the capacity of the system. Boardmember Moran inquired if the Corral Crossing and Heritage Heights systems will be included as well and what the effect will be going from elementary schools to residential homes. Burroughs noted those redevelopments can also be added to the model and the change will likely be a wash when you consider the amount of students, teachers, etc., with showers, laundry, etc. of residential homes. The total cost of the Agreement is \$18,300. Burroughs noted if there are indicates the current system will not support the new development, Administration will look at making capital project improvements, such as upsizing of the sanitary sewer pipe.

Moved by Hartley, seconded by Zarybnicky, that the Mayor and City Council execute the Master Agreement Work Order No. 8 between the City and Olsson, Inc., to update the sanitary sewer model and develop a technical memorandum with the findings of the model performance.

Roll Call: Yea: Hartley, Moran, Zarybnicky  
Nay: None

MOTION CARRIED.

## ORDINANCES

There were no ordinances.

## PUBLIC FORUM

No one appeared at public forum.

## DISCUSSIONS/REPORTS

### **Discussion on next steps for the proposed electric generation facility**

Tobias J. Tempelmeyer, City Administrator/General Manager, reviewed John Krajewski of JK Energy's presentation from the City Council meeting held February 17, 2026 on Krajewski's recommendations regarding the proposed electric generation facility. Tempelmeyer noted the project site is the Schwartzkopf ground purchased a few years ago. The two (2) types of generation technologies they looked at are reciprocating internal combustion energy (RICE) generation or combustion turbines (CTs). Tempelmeyer explained the facility will likely only run approximately twenty-five percent (25%) of the time, making the need for fast, reliable, startup units, such as the RICE or CTs. Boardmember Zarybnicky inquired why the City would not look to run the facility more often and sell directly to the data centers,

who are a large factor of why the Southwest Power Pool (SPP) is increasing their capacity requirements. Tempelmeyer noted it would be possible to sell excess capacity, however, it would also depend upon what the transmission infrastructure can handle. Boardmember Zarybnicky inquired if a data center would be a potential partner and Tempelmeyer stated they could be a potential partner, however, the long-term security of Lincoln, Omaha Public Power District (OPPD), or Nebraska Public Power District (NPPD) would be preferred. When looking at the project priorities, the addition of potential partners and a larger scale project would lower costs. Tempelmeyer noted there could be approximately ten (10) employees, however, it is yet to be determined whose employees they would be, stating if a partner has an existing generation facility, they will likely staff the facility, as they have more experience in this. Tempelmeyer noted the partnership would be set up similar to the interlocal agreement the City and Gage County have regarding the Beatrice Area Solid Waste Agency (BASWA). Boardmember Moran inquired where the City gets its capacity and energy from currently and Tempelmeyer stated the City has contracts with AEP for energy and NextEra for capacity. Hannah Bell, Finance Director, noted the City pays approximately \$127,000/month for capacity. Pat Feist, Electric Superintendent, noted it is estimated SPP's capacity requirement is expected to increase by up to forty percent (40%).

Tempelmeyer noted the City will continue to talk with potential partners and will need to decide which type of facility we will proceed with over the next two (2) to three (3) months, as there is a long lead time on key equipment. Boardmember Moran inquired how many potential partners the City is looking for and Tempelmeyer stated we would likely have three (3) to five (5) partners. The City would likely be a twenty-five percent (25%) partner on a facility of 200MW, which would meet the City's capacity needs of 50MW. Feist noted the purpose of the facility is to ensure the City can cover the City's capacity needs at all time, as well as offer the potential of growth. Boardmember Hartley inquired if there is room to expand the facility and Tempelmeyer stated there is adequate space for expansion, if needed.

### **General Manager's Monthly Report**

James Burroughs, City Engineer, reported to the Board bids for Hannibal Park Field No. 8 are due back March 26<sup>th</sup> and he anticipates bids for the concrete reconstruction project on 7<sup>th</sup> Street, Arthur to Monroe, will be out soon. Plans for the watermain project along 7<sup>th</sup> Street, Grant to Garfield, are complete and the project is ready to move forward. Burroughs noted the WPC Grit building is up, however, there is an equipment delay by the manufacturer. A pre-construction meeting for Ella Street, 2<sup>nd</sup> to 3<sup>rd</sup>, was held with Tiemann Construction. Burroughs noted an adjacent property owner has been updated on the upcoming project as well.

Pat Feist, Electric Superintendent, stated the trenching at Corral Crossing is nearly complete and will then be ready to begin setting the transformers.

Jason Moore, Street Superintendent, reported Street crews have been trimming trees overhanging the highways. Crews are replacing the sandstone curb along Highway 136, between 9<sup>th</sup> and 10<sup>th</sup> Street, in preparation for the State's mill and overlay project this summer. One (1) driveway entrance in front of Maytag Self Service Laundry was removed, and the sidewalk will be moved further back, with an addition of some greenspace. Boardmember Zarybnicky inquired if the State is aware of the City's plan to reroute Highway 136 by 2030. Tobias J. Tempelmeyer, City Administrator/General Manager, stated they are aware of the plan, however, they wish to move forward with their project. Tempelmeyer reported JEO is currently surveying the project and will have thirty percent (30%) plans completed by this summer.

Rob Mierau, Water Superintendent, notified the Board both reservoirs were cleaned and inspected with no major issues reported. Crews are gathering information for the forty-five (45) services that will need to be tapped into the new waterline along 7<sup>th</sup> Street, Grant to Garfield, to ensure all supplies are ordered prior to starting the project. The materials for the twenty-four-inch (24") valve at the Farm Wells have arrived and construction will begin soon. Mierau reported the Department lowered the watermain under the driveway to the property recently purchased by Joe Armstrong in the Industrial Park, as it did not meet the depth requirement. Mierau noted ACCO is onsite at the Chem Feed building this week to begin installation of the new chlorination system.

Hannah Bell, Finance Director, reported Forvis will be presenting the FY25 Auditor's Report and ACFR at the City Council meeting March 16, 2026. Bell will review the report with the Board at the next meeting.

### **ADJOURNMENT**

The next regular BPW Board Meeting will be April 1, 2026 at 12:00 p.m. in the City Hall Conference Room, 400 Ella Street, Beatrice, Nebraska.

Moved by Zarybnicky, seconded by Hartley, that the meeting be adjourned at 12:50 p.m.

Roll Call: Yea: Hartley, Moran, Zarybnicky  
Nay: None

MOTION CARRIED.

CERTIFICATE OF PAYMENT NO. 7

Date of Issuance: March 25, 2026

Project: WPC Grit Improvements, Beatrice, Nebraska

Project No. 021-01277

Contractor: Building Crafts, Inc PO Box 96 Red Oak, IA 51566



**DETAILED ESTIMATE**

Description	Unit Prices	Extension
See Attached.		

PLEASE REMIT PAYMENT TO: Building Crafts, Inc.

Value of Work Completed: \$1,613,181.24

Original Contract Cost: \$4,559,000.00  
 Approved Change Orders:  
     No. 1                   \$(145,000.00)  
 Total Contract Cost:       \$4,414,000.00

Value of completed work and materials stored..... \$1,613,181.24  
 Less retained percentage (10%) ..... \$ 161,318.12  
 Net amount due including this estimate..... \$1,451,863.12  
 Less: Estimates previously approved:

- No. 1 \$ 279,946.65
- No. 2 \$ 202,228.08
- No. 3 \$ 170,056.20
- No. 4 \$ 147,785.83
- No. 5 \$ 147,729.60
- No. 6 \$ 105,423.65

Total Previous Estimates \$ 1,053,170.01

**NET AMOUNT DUE THIS ESTIMATE \$ 398,693.11**

The undersigned hereby certifies, based upon periodic observations as set forth in scope of work and the data included in all applicable payment applications that, to the best of its knowledge, information and belief: (1) the work has progressed as indicated in the applicable payment applications; (2) the work performed and materials delivered by Contractor are in conformance with the plans and specifications; and (3) the Contractor, in accordance with the contract, is entitled to payment as indicated above.

This certification does not constitute a warranty or guarantee of any type. Client shall hold its Contractor solely responsible for the quality and completion of the Project, including construction in accordance with the construction documents. Any duty or obligation of Olsson hereunder is for the sole benefit of the Client and not for any third party, including the Contractor or any Subcontractor.

cc: City of Beatrice, Owner  
 Building Crafts, Inc, Contractor  
 Project File

**OLSSON**  
 By: Martin J. Rink

**APPLICATION AND CERTIFICATION FOR PAYMENT**

TO OWNER: CITY OF BEATRICE	PROJECT: WPC GRIT IMPROVEMENTS	APPLICATION NO: 7
		PERIOD TO: February 28, 2026
FROM CONTRACTOR: BUILDING CRAFTS INC.	OWNER PROJECT OLSSON PROJECT #021-01277	ENGINEER: OLSSON
	BCI PROJECT # 2150	CONTRACT DATE: May 19, 2025

**CONTRACTOR'S APPLICATION FOR PAYMENT**

Application is made for payment, as shown below, in connection with the Contract.

1. ORIGINAL CONTRACT SUM .....	\$	4,559,000.00
2. NET CHANGE BY CHANGE ORDERS.....	\$	( <b>145,000.00</b> )
3. CONTRACT SUM TO DATE ( Line 1+/- 2 ).....	\$	4,414,000.00
4. TOTAL COMPLETED & STORED TO DATE.....	\$	1,613,181.24
5. RETAINAGE: 10% .....	\$	161,318.12
6. TOTAL EARNED LESS RETAINAGE.....	\$	1,451,863.12
7. LESS PREVIOUS CERTIFICATES FOR PAYMENT.....	\$	1,053,170.01
8. CURRENT PAYMENT DUE.....	\$	398,693.11
9. BALANCE TO FINISH, INCLUDING RETAINAGE.....	\$	2,962,136.88

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information, and belief the work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor in accordance with the terms and conditions of purchase orders and subcontract agreements for work for which previous Certificates for Payment were issued and payments received from the Owner and title to all materials and equipment incorporated in said work or otherwise listed in or covered by this application for progress payment will pass to the Owner at the time of payment free and clear of all liens, claims, security interests and encumbrances except such as covered by a bond acceptable to the Owner, and that current payment shown herein is now due.

Building Crafts, Inc.  
By: \_\_\_\_\_ Date: \_\_\_\_\_  
Satya Malempati, Project Manager

**ENGINEER'S APPROVAL FOR PAYMENT**

In accordance with the Contract Documents, based on on-site observations and the data comprising this application, the Engineer recommends to the owner that to the best of the Engineer's knowledge, information, and belief the work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to the payment of the AMOUNT APPROVED.

OLSSON  
By: \_\_\_\_\_ Date: \_\_\_\_\_

This certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this contract.

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

CHANGE ORDER SUMMARY	Additions	Deductions
Total changes approved in previous months by Owner	\$0.00	(\$145,000.00)
Total approved this Month-	\$0.00	\$0.00
<b>TOTALS</b>	<b>\$0.00</b>	<b>(\$145,000.00)</b>
NET CHANGES by Change Order		(\$145,000.00)

PROJECT: WPC GRIT IMPROVEMENTS, BEATRICE, NE CONTRACTOR: BUILDING CRAFTS, INC.		OWNER: CITY OF BEATRICE OLSSON PROJECT: #021-01277				APPLICATION NUMBER: 7 APPLICATION DATE: 3/16/2026				
Package Item	Item #	Item Description	Scheduled Value	Total Stored Matreial	Work Completed Previously	Work Completed This Period	Work Completed To Date	\$ 46,081.00	Percent Stored & Complete	Balance to Finish
<b>WPC GRIT IMPROVEMENTS</b>										
1		<b>DIVISION 1 - General Conditions</b>								
	1.a	Mobilization	\$ 50,000.00	\$ -	\$ 50,000.00	\$ -	\$ 50,000.00	\$ 50,000.00	100%	\$ -
	1.b	Demobilization	\$ 50,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 50,000.00
	1.c	Management, Permits, and Utilities	\$ 279,600.00	\$ -	\$ 121,700.00	\$ 17,200.00	\$ 138,900.00	\$ 138,900.00	50%	\$ 140,700.00
	1.d	Submittals	\$ 50,000.00	\$ -	\$ 40,000.00	\$ 2,000.00	\$ 42,000.00	\$ 42,000.00	84%	\$ 8,000.00
	1.e	Allowance 1	\$ 24,067.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 24,067.00
	1.f	Allowance 2	\$ 248,800.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 248,800.00
	1.g	Bond, Insurance, & Misc	\$ 83,973.64	\$ -	\$ 50,234.00	\$ 5,000.00	\$ 55,234.00	\$ 55,234.00	66%	\$ 28,739.64
	1.h	Equipment Rental, Clean up, and Project Safety	\$ 150,000.00	\$ -	\$ 84,050.00	\$ 14,500.00	\$ 98,550.00	\$ 98,550.00	66%	\$ 51,450.00
2		<b>DIVISION 2 - Demolition</b>								
	2.a	Misc. Demolition	\$ 167,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 167,000.00
3		<b>DIVISION 3 - Concrete</b>								
	3.a	Reinforcement Bar	\$ 141,400.00	\$ 6,082.00	\$ 114,308.44	\$ 5,000.00	\$ 119,308.44	\$ 125,390.44	89%	\$ 16,009.56
	3.b	Concrete Curing	\$ 8,396.55	\$ 795.60	\$ 1,000.00	\$ -	\$ 1,000.00	\$ 1,795.60	21%	\$ 6,600.95
	3.c	Bottom Slab Footings	\$ 23,000.00	\$ 390.00	\$ 20,400.00	\$ -	\$ 20,400.00	\$ 20,790.00	90%	\$ 2,210.00
	3.d	Strip Footings	\$ 26,941.36	\$ -	\$ 23,932.75	\$ -	\$ 23,932.75	\$ 23,932.75	89%	\$ 3,008.61
	3.e	Tall Walls First Lift	\$ 185,639.44	\$ -	\$ 153,138.98	\$ 8,500.00	\$ 161,638.98	\$ 161,638.98	87%	\$ 24,000.46
	3.f	Short Walls & Trough	\$ 13,748.19	\$ -	\$ 5,000.00	\$ -	\$ 5,000.00	\$ 5,000.00	36%	\$ 8,748.19
	3.g	Slab on Grade	\$ 14,403.05	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 14,403.05
	3.h	Columns	\$ 3,548.63	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 3,548.63
	3.i	Large & Small Structural Slab on Trough	\$ 8,900.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 8,900.00
	3.j	Grout Small and Large areas	\$ 60,616.64	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 60,616.64
	3.k	Equipment Pads, Pipe Supports, and Misc Concrete	\$ 13,800.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 13,800.00
	3.l	Precast Embeds	\$ 8,744.00	\$ -	\$ 7,900.00	\$ -	\$ 7,900.00	\$ 7,900.00	90%	\$ 844.00
	3.m	Precast Structural Concrete and Grouting	\$ 281,540.00	\$ -	\$ 14,500.00	\$ 225,000.00	\$ 239,500.00	\$ 239,500.00	85%	\$ 42,040.00
	3.n									
4		<b>DIVISION 5 - Metals</b>								
	4.a	Misc Metals - Materials	\$ 163,080.00	\$ 7,706.00	\$ -	\$ -	\$ -	\$ 7,706.00	5%	\$ 155,374.00
	4.b	Misc Metals - Labor	\$ 40,600.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 40,600.00
5		<b>DIVISION 7 - Waterproofing, Roofing, and Insulation</b>								
	5.a	Waterproofing & Misc	\$ 14,856.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 14,856.00
	5.b	EPDM Roofing and Thermal Insulation	\$ 58,308.50	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 58,308.50
	5.c	Joint Sealants	\$ 7,526.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 7,526.00
			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	#DIV/0!	\$ -
6		<b>DIVISION 8 - Openings</b>								
	6.a	Overhead Door	\$ 37,800.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 37,800.00
	6.b	Aluminum Doors and Windows	\$ 32,700.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 32,700.00
7		<b>DIVISION 9 - Painting and Coatings</b>								
	1.7a	Paintings	\$ 58,250.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 58,250.00
8		<b>DIVISION 10 - Specialities</b>								
	8.a	Signage and Fire Extinguishers	\$ 9,200.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 9,200.00
9		<b>DIVISION 14 - Conveying Equipment</b>								
	9.a	Traveling Bridge Crane	\$ 21,387.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 21,387.00
10		<b>DIVISION 22 - Plumbing</b>								
	10.a	Plumbing Hangers, Supports, and Identification	\$ 27,700.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 27,700.00
	10.b	Plumbing Piping NPW, Drains, and Specialities	\$ 41,000.00	\$ -	\$ -	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00	18%	\$ 33,500.00
	10.c									
11		<b>DIVISION 23 - HVAC</b>								
	11.a	Ductwork & Accessories	\$ 16,540.00	\$ 2,974.40	\$ -	\$ -	\$ -	\$ 2,974.40	18%	\$ 13,565.60

Package Item	Item #	Item Description	Scheduled Value	Total Stored Matreial	Work Completed Previously	Work Completed This Period	Work Completed To Date	\$ 46,081.00	Percenty Stored & Complete	Balance to Finish
	11.b	Testing and Balancing HVAC	\$ 2,500.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 2,500.00
	11.c	Unit Heaters and Louvers	\$ 8,100.00	\$ 6,483.10	\$ -	\$ -	\$ -	\$ 6,483.10	80%	\$ 1,616.90
<b>12</b>		<b>DIVISION 26 - Electrical</b>								
	12.a	Power Cables, Conductors, Raceways, and Grounding - Materials	\$ 110,300.00	\$ 14,167.54	\$ 19,200.00	\$ 7,500.00	\$ 26,700.00	\$ 40,867.54	37%	\$ 69,432.46
	12.b	Power Cables, Conductors, Raceways, and Grounding - Labor	\$ 44,700.00	\$ -	\$ 25,000.00	\$ -	\$ 25,000.00	\$ 25,000.00	56%	\$ 19,700.00
	12.c	Transformer, Panelboards, Switches, and other Misc - Materials	\$ 90,345.00	\$ 39,726.00	\$ 5,801.54	\$ -	\$ 5,801.54	\$ 45,527.54	50%	\$ 44,817.46
	12.d	Transformer, Panelboards, Switches, and other Misc - Labor	\$ 40,600.00	\$ -	\$ 15,256.57	\$ 6,750.00	\$ 22,006.57	\$ 22,006.57	54%	\$ 18,593.43
	12.e	Fiber, Communications, Control System Equipment Panels and Racks - Materials	\$ 77,705.00	\$ 24,270.88	\$ -	\$ -	\$ -	\$ 24,270.88	31%	\$ 53,434.12
	12.f	Fiber, Communications, Control System Equipment Panels and Racks - Labor	\$ 44,130.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 44,130.00
<b>13</b>		<b>DIVISION 31 - Earthwork</b>								
	13.a	Excavation, Backfill, Compaction, and Grading - Materials	\$ 78,000.00	\$ 370.00	\$ 7,327.86	\$ -	\$ 7,327.86	\$ 7,697.86	10%	\$ 70,302.14
	13.b	Excavation, Backfill, Compaction, and Grading - Labor	\$ 149,000.00	\$ -	\$ 35,000.00	\$ 5,800.00	\$ 40,800.00	\$ 40,800.00	27%	\$ 108,200.00
<b>14</b>		<b>DIVISION 32 - Site Work</b>								
	14.a	Paving & Side Walks	\$ 134,031.14	\$ -	\$ -	\$ 14,200.00	\$ 14,200.00	\$ 14,200.00	11%	\$ 119,831.14
	14.b	Chain-link Fence	\$ 40,300.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 40,300.00
	14.c	Turf and Grasses	\$ 17,500.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 17,500.00
<b>15</b>		<b>DIVISION 40 - Process</b>								
	15.a	Underground Piping - Materials	\$ 179,273.50	\$ 98,205.60	\$ 26,286.14	\$ -	\$ 26,286.14	\$ 124,491.74	69%	\$ 54,781.76
	15.b	Underground Piping Installation - Labor	\$ 365,400.87	\$ -	\$ 130,043.88	\$ -	\$ 130,043.88	\$ 130,043.88	36%	\$ 235,356.99
	15.c	Bypass Pumping	\$ 96,008.00	\$ -	\$ 21,300.00	\$ -	\$ 21,300.00	\$ 21,300.00	22%	\$ 74,708.00
	15.d	Interior Piping, Valves, and Labeling - Materials	\$ 100,500.00	\$ 46,880.96	\$ 1,385.00	\$ -	\$ 1,385.00	\$ 48,265.96	48%	\$ 52,234.04
	15.e	Interior Piping, Valves, and Labeling - Labor	\$ 80,004.72	\$ -	\$ 2,000.00	\$ -	\$ 2,000.00	\$ 2,000.00	2%	\$ 78,004.72
	15.f	Hangers and Pipe Supports - Materials	\$ 12,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 12,000.00
	15.g	Hangers and Pipe Supports - Labor	\$ 8,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 8,000.00
	15.h	Slide Gates - Materials	\$ 65,426.00	\$ 50,500.00	\$ -	\$ -	\$ -	\$ 50,500.00	77%	\$ 14,926.00
	15.i	Slide Gates - Labor	\$ 21,283.41	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 21,283.41
<b>16</b>		<b>DIVISION 43 &amp; 46 - Process Equipmentt</b>								
	16.a	Centrifugal Pumps - Materials	\$ 65,126.36	\$ 20,914.00	\$ -	\$ -	\$ -	\$ 20,914.00	32%	\$ 44,212.36
	16.b	Centrifugal Pumps - Labor	\$ 23,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 23,000.00
	16.c	Vortex Grit Equipment Installation & Startup	\$ 32,400.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 32,400.00
	16.d	Grit Washing Equipment - Materials	\$ 222,800.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 222,800.00
	16.f	Grit Washing Equipment - Labor	\$ 27,500.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 27,500.00
	16.g									
		<b>TOTALS</b>	\$ 4,559,000.00	\$ 319,466.08	\$ 974,765.16	\$ 318,950.00	\$ 1,293,715.16	\$ 1,613,181.24	35%	\$ 2,945,818.76
		<b>Additional Work</b>								
1		Change Order 1	\$ (145,000.00)	\$ -	\$ -	\$ -	\$ (145,000.00)	\$ (145,000.00)	100%	\$ -
		<b>Total Sum to Date</b>	\$ 4,414,000.00	\$ 319,466.08	\$ 974,765.16	\$ 318,950.00	\$ 1,148,715.16	\$ 1,468,181.24	33%	\$ 2,945,818.76

# Stored Material Summary

# Contractor's Application

For (contract): WPC GRIT IMPROVEMENTS			Owner's Proj. No.: 7			Application Number: 7			
Contractor: Building Crafts Inc			Engineer's Proj. No.: 28-Feb-2026			Application Date: 1/21/2026			
A Invoice No.	B Shop Drawing Transmittal No.	C Materials Description	D Stored Previously		E Stored this Month		F Incorporated in Work		G Materials Remaining in Storage (\$) (E - F)
			Date (Mo./Year)	Amount (\$)	Amount (\$)	Subtotal, \$ (D+E)	Date (Mo./Year)	Amount (\$)	
112481 01	33 14 16	Underground Piping	8/1/2025	\$ 83,478.97	\$ -	\$ 83,478.97	9/30/2025	\$ 21,399.91	\$ 62,079.06
112481 02	33 14 16	Underground Piping	8/20/2025	\$ 29,211.84	\$ -	\$ 29,211.84		\$ -	\$ 29,211.84
112481 03	33 14 16	Underground Piping	9/10/2025	\$ 798.99	\$ -	\$ 798.99	9/30/2025	\$ 798.99	\$ -
114342 01	33 14 16	Underground Piping	9/10/2025	\$ 454.51	\$ -	\$ 454.51	9/30/2025	\$ 454.51	\$ -
114630 01	33 14 16	Underground Piping	9/18/2025	\$ 248.59	\$ -	\$ 248.59	9/30/2025	\$ 248.59	\$ -
S011147504.001	26 00 00	Electrical Conduits and Accessories	7/1/2025	\$ 12,895.00	\$ -	\$ 12,895.00	10/20/2025	\$ 4,035.00	\$ 8,860.00
124588	26 00 00	Electrical Gear and Fixtures	9/19/2025	\$ 14,920.35	\$ -	\$ 14,920.35		\$ -	\$ 14,920.35
6807-01	03 00 00	Reinforcement Bar	9/29/2025	\$ 16,040.00	\$ -	\$ 16,040.00	11/18/2025	\$ 16,040.00	\$ -
50033288268	03 00 00	Wall Ties	9/9/2025	\$ 1,567.75	\$ -	\$ 1,567.75		\$ 1,567.75	\$ -
50033314603	03 00 00	Wall Ties	9/10/2025	\$ 1,777.69	\$ -	\$ 1,777.69		\$ 1,400.69	\$ 377.00
50033541845	03 00 00	Waterstop	9/24/2025	\$ 1,224.00	\$ -	\$ 1,224.00		\$ 1,224.00	\$ -
91971	31 00 00	Pipe Bedding	9/3/2025	\$ 2,801.03	\$ -	\$ 2,801.03	9/30/2025	\$ 2,801.03	\$ -
91832	31 00 00	Pipe Bedding	8/27/2025	\$ 2,765.63	\$ -	\$ 2,765.63	9/30/2025	\$ 2,765.63	\$ -
1B 51623	33 14 16	Foundation Rock for Pipe Bedding	9/23/2025	\$ 770.00	\$ -	\$ 770.00	9/30/2025	\$ 400.00	\$ 370.00
740343	31 23 23.23	Flowable Fill	9/23/2025	\$ 172.50	\$ -	\$ 172.50	9/30/2025	\$ 172.50	\$ -
739845	31 23 23.23	Flowable Fill	9/17/2025	\$ 345.00	\$ -	\$ 345.00	9/30/2025	\$ 345.00	\$ -
112481 04	33 14 16	Underground Piping	9/22/2025	\$ 6,914.70	\$ -	\$ 6,914.70		\$ -	\$ 6,914.70
B1 741400	03 00 00	Pipe Encasement in Footings	10/2/2025	\$ 1,911.00	\$ -	\$ 1,911.00	10/2/2025	\$ 1,911.00	\$ -
115048	33 14 16	Gate Valve Accessories	10/3/2025	\$ 656.95	\$ -	\$ 656.95	10/8/2025	\$ 656.95	\$ -
250403AP4-1	33 14 19	Gate Valve & Check Valve	10/6/2025	\$ 5,522.99	\$ -	\$ 5,522.99	10/8/2025	\$ 2,727.19	\$ 2,795.80
93006	33 14 16	Foundation Rock for Pipe Bedding	10/8/2025	\$ 843.70	\$ -	\$ 843.70	10/8/2025	\$ 843.70	\$ -
50033781505	03 00 00	Slab Bolsters	10/10/2025	\$ 990.00	\$ -	\$ 990.00	10/22/2025	\$ 600.00	\$ 390.00
50033802875	03 00 00	Dobies	10/13/2025	\$ 109.50	\$ -	\$ 109.50	10/21/2025	\$ 109.50	\$ -
124718	26 00 00	PVC Conduits and Panel Boards	10/20/2025	\$ 5,929.30	\$ -	\$ 5,929.30	10/20/2025	\$ 965.00	\$ 4,964.30
B1 743117	03 00 00	Concrete	10/23/2025	\$ 8,432.75	\$ -	\$ 8,432.75	10/23/2025	\$ 8,432.75	\$ -
250403AP4-2	40 05 65.23	Swing Check Valve	10/30/2025	\$ 725.41	\$ -	\$ 725.41		\$ -	\$ 725.41
6807.2	03 20 00	Reinforcement Bar	10/30/2025	\$ 18,315.00	\$ -	\$ 18,315.00	1/27/2026	\$ 18,315.00	\$ -
B1 743997	03 00 00	Concrete For Footings	11/4/2025	\$ 8,717.00	\$ -	\$ 8,717.00	11/4/2025	\$ 8,717.00	\$ -
B1 744942	03 00 00	Concrete for Wall1	11/13/2025	\$ 1,231.75	\$ -	\$ 1,231.75	11/13/2025	\$ 1,231.75	\$ -
B1 745461	03 00 00	Concrete for Wall2	11/19/2025	\$ 1,184.38	\$ -	\$ 1,184.38	11/19/2025	\$ 1,184.38	\$ -
B1 745917	03 00 00	Concrete for Wall3	11/24/2025	\$ 4,074.25	\$ -	\$ 4,074.25	11/24/2025	\$ 4,074.25	\$ -
32321	05 00 00	Door Jamb and Grating Embeds	11/19/2025	\$ 7,706.00	\$ -	\$ 7,706.00		\$ -	\$ 7,706.00
50034350586	03 00 00	Concrete Cure	11/18/2025	\$ 895.60	\$ -	\$ 895.60	11/18/2025	\$ 100.00	\$ 795.60
48482	23 00 00	EF-1 Fan	12/1/2025	\$ 1,925.30	\$ -	\$ 1,925.30		\$ -	\$ 1,925.30
48418	23 00 00	Electrical Unit Heaters	12/1/2025	\$ 4,557.80	\$ -	\$ 4,557.80		\$ -	\$ 4,557.80
48646	23 00 00	Louver and Damper	12/1/2025	\$ 2,974.40	\$ -	\$ 2,974.40		\$ -	\$ 2,974.40

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WPC GRIT IMPROVEMENTS

Schedule of Values  
Page 5 of 5

Building Crafts, Inc.  
3/16/2026

B1 746405	03 00 00	Concrete	12/8/2025	\$ 1,179.00	\$ -	\$ 1,179.00	12/8/2025	\$ 1,179.00	\$ -
B1 747324	03 00 00	Concrete	12/22/2025	\$ 4,126.50	\$ -	\$ 4,126.50	12/22/2025	\$ 4,126.50	\$ -
124938	26 00 00	Gear and other accessories	12/17/2025	\$ 13,910.43	\$ -	\$ 13,910.43	12/17/2025	\$ 1,301.54	\$ 12,608.89
47244B44510	43 00 00	Grundfos ERW Pump	11/1/2025	\$ 20,914.00	\$ -	\$ 20,914.00		\$ -	\$ 20,914.00
6807-04	03 20 00	Reinforcement Bar	12/26/2025	\$ 2,300.00	\$ -	\$ 2,300.00	1/27/2026	\$ 2,300.00	\$ -
104756	40 05 00	Flexible Expansion Joint	1/23/2026	\$ 333.29	\$ -	\$ 333.29		\$ -	\$ 333.29
117125 01	40 05 00	Wall Collar Pipe in the Splitter Box	1/8/2026	\$ 1,385.00	\$ -	\$ 1,385.00	1/15/2026	\$ 1,385.00	\$ -
13333	03 00 00	Concrete	1/12/2026	\$ 3,119.10	\$ -	\$ 3,119.10		\$ 3,119.10	\$ -
14827	40 05 00	Stainless Steel Piping	2/10/2026	\$ -	\$ 18,800.00	\$ 18,800.00		\$ -	\$ 18,800.00
13360	26 00 00	Electrical Controls Equipment/HOA	2/10/2026	\$ -	\$ 36,810.88	\$ 36,810.88		\$ -	\$ 36,810.88
6807-05	03 20 00	Reinforcement Bar	1/29/2026	\$ -	\$ 5,705.00	\$ 5,705.00		\$ -	\$ 5,705.00
250403AP4-3	40 05 00	Plug Valves	2/27/2026	\$ -	\$ 24,226.46	\$ 24,226.46		\$ -	\$ 24,226.46
23736	40 05 00	Slide Gates	2/24/2026	\$ -	\$ 50,500.00	\$ 50,500.00		\$ -	\$ 50,500.00
				\$ -	\$ -	\$ -		\$ -	\$ -
		<b>Totals</b>		\$ 300,356.95	\$ 136,042.34	\$ 436,399.29		\$ 116,933.21	\$ 319,466.08



# CONTRACT INVOICE

**Concrete Industries, Inc.**  
 6300 Cornhusker Hwy, Lincoln, NE 68529-0529  
 Phone: (402) 434-1800 Fax: (402) 434-1899  
 www.ConcreteIndustries.com

Remit to: P.O. Box 80268  
 Lincoln, NE 68501

Job: 3542 WPC GRIT IMPROVEMENTS  
 S 13TH & BEAVER AVE  
 BEATRICE NE 68310

Page 1	
Account Number	13333
Invoice Date	02/23/26
Invoice Amount	207,026.00
Invoice Number	EI 6397
Amount Paid	

Bill To: BUILDING CRAFTS INC  
 2300 N 8TH ST  
 PO BOX 96  
 RED OAK IA 51566

Invoice Terms: Net 30

354225CON

To insure proper credit, please detach and return top portion of invoice with remittance.

Invoice No.: EI 6397		Invoice Date: 02/23/26		PO No.:		Order:		Ship#:	
Line	Item Description	Quantity	Unit Price	Misc.	Extension				
1	354225CON WPC GRIT IMPROVEMENTS				207,026.00				

Account: 13333 BUILDING CRAFTS INC  
 Job: 3542 WPC GRIT IMPROVEMENTS  
 Tax Code: CINT Nebraska Tax Exempt

Sub Total	207,026.00
Sales Tax	0.00
Total Amount	207,026.00

Returns: No returns w/o invoice. No returns on unusable material, seconds, architectural, decorative, all special order materials, and fractional units. All returnable materials subject to 50% restocking charge. No returns accepted after 30 days from date of purchase.

Terms: All invoices must be paid within 30 days of invoice. Past due accounts will be charged an interest rate of 1.33% per month which is 16% per year.



**Concrete Industries, Inc.**  
 6300 Cornhusker Hwy, Lincoln, NE 68529-0529  
 Phone: (402) 434-1800 Fax: (402) 434-1899  
 www.ConcreteIndustries.com

Invoice - Customer Copy



2301 Hickory Street  
Omaha, NE 68108 USA

## Invoice

Invoice: 6807-05      01/29/26  
Salesperson: Noor Al Nuaimi  
Customer: 30077  
Job: 6807  
Customer Job: 2150-P01  
Purchase Order: 2150-P01  
Shipping Method: DWS  
FOB: JOBSITE  
Terms: Net 30

**Sold To**      Building Crafts  
2300 North 8th Street  
PO Box 96  
Red Oak, IA 51566 USA

Jeff Soe  
(712) 623-4032

**Ship To**      WPC Grit Improvements  
1300 Beaver Ave  
Beatrice, NE 68310 USA

Casey  
308-379-3423

Original Job Value	43,300.00	
Change Orders Total (Approved)	0.00	
Revised Job Value	43,300.00	
Previously Invoiced	37,595.00	
This Invoice		5,705.00

This Billing covers the following Shipping Tickets:

ST-2513 01/22/26  
ST-2554 01/26/26  
ST-2567 01/27/26

Subtotal	\$5,705.00
Freight	0.00
Sales Tax	0.00
Payment/Credit Amount	0.00
<b>Balance Due</b>	<b>\$5,705.00</b>



**Golden Harvest**  
Water Control Products

**INVOICE**

Invoice No.	Date
023736	2/24/2026
Refer to Invoice Number When Remitting	

**Sold To**  
Building Crafts Inc.  
2 Rosewood Drive  
Wilders, KY 41076

**Ship To**  
Building Crafts Inc  
WPC Grit Improvements  
1300 Beaver Ave.  
Beatrice, NE 68310-5307  
USA

ATTN: Kaitlin Brann

ATTN: Casey Sikes

Sales Order	Cust No	Customer PO	Order Date	Tax	Mark Shipment	Terms
0011083-0000	000233	2150-P05	4/10/2025	E	Casey Sikes	NET 30
Ship Date			Shipped Via		FOB Point	
2/24/2026					DEST-ALLOWED	

Item	T	Quantity			Part Number/Revision	Description	Unit Price \$	Amount \$
		Order	BO	Ship				
001	S	1		1	2504002-01	A/P Contact: Melissa Lewis mlewis@buildingcrafts.com 712-623-4032  GH-44 Slide Gate (SS) Cust Part 400-SG-001 LOCATION: Grit Channel Size: 15 x 48  Seating Head: 4.0' Unseating Head: 1.0'	7,575.0000	7,575.00
002	S	1		1	2504002-02	GH-44 Slide Gate (SS) Cust Part 400-SG-002 LOCATION: Grit Diversion Size: 16 x 45 Seating Head: 4.0' Unseating Head: 4.0'	8,585.0000	8,585.00
003	S	1		1	2504002-03	GH-46 Slide Gate (SS) Cust Part 400-SG-003 LOCATION: Grit Splitter Box Size: 24 x 24  Seating Head: 11.0' Unseating Head: 11.0'	12,120.0000	12,120.00
004	S	2		2	2504002-04	GH-66 Weir Gate (SS) Cust Part 400-WG-001, 002 LOCATION: PC1, PC2 Size: 48 x 48  Seating Head: 4.0' Unseating Head: 4.0'	11,110.0000	22,220.00
<b>Total \$</b>								<b>50,500.00</b>

**Passage of Title:**  
For Sales Transactions: Notwithstanding whether GOLDEN HARVEST, INC. or alternatively Customer, arranges or pays for shipping, title shall pass to Customer (or third party stipulated by Customer) upon receipt of goods and final acceptance by Customer at point of destination designated above. Any loss or damage prior thereto will be Seller's risk.  
Please remit payment to: Golden Harvest, Inc: PO Box 287 Burlington, WA 98233 -- (360)-757-4334  
Note: Buyer Responsible for All Applicable Sales and/or Use Taxes



# PIPING SERVICE, INC.

FABRICATORS /INSTALLERS  
100 COUNTY ROAD KK  
KAUKAUNA, WI 54130  
PHONE: 920-734-1666 FAX: 920-766-0116

INVOICE NUMBER: 14827  
INVOICE DATE: 02/10/2026

JOB NUMBER: 25-647

CUSTOMER NO.: BUILDING  
CUSTOMER P.O.: 2150-P11

TERM: NET 30

BILL TO

Building Crafts, Inc.  
Attn: Accounts Payable  
2 Rosewood Drive  
Wilder, KY 41076  
accountspayable@buildingcrafts

DESCRIPTION	QUANTITY	PRICE	AMOUNT
-------------	----------	-------	--------

PO# 2150-P11  
CHANGE ORDER #1  
WPC GRIT IMPROVEMENTS  
BEATRICE, NE  
STAINLESS STEEL PIPE FABRICATION  
BILLING #1

ORIGINAL SS PIPE FAB CONTRACT	1.00	18,800.00	18,800.00
CHANGE ORDER #1	1.00	595.00	595.00

SHIPPED ON 02-06-2026 VIA LTL FREIGHT  
DOHRN TRANSFER PRO# 89661311  
DELIVERED ON 02-09-2026

NET INVOICE: \$19,395.00

SALES TAX:

INVOICE TOTAL: \$19,395.00

PAST DUE INVOICES WILL BE SUBJECT TO A 1.5% SERVICE CHARGE PER MONTH

# INVOICE# 250403AP4-3

**Remit To:**

**INNOVATIVE ENGINEERED EQUIPMENT**  
 107 West Lexington  
 Independence, MO 64050  
 Phn: 816-888-9541

Purchase Order Number	
2150-P04	
Date	Page
2/27/2026	1 of 1

**Sold To:**

Building Crafts, Inc.  
 Attn: Accounts Payable  
 accountspayable@buildingcrafts.com  
 Cc: Satya Malempati  
 smalempati@buildingcrafts.com

**Ship To:**

Building Crafts, Inc.  
 WPC Grit Improvements  
 1300 Beaver Avenue  
 Beatrice, NE 68310  
 Casey Sikes 308-379-3423

Project Name:	Due Date	Ship Via:
Beatrice NE - WPC Grit Improvements	3/29/26	BEST WAY - PPA

Item	Qty	Size		Unit	Ext
1	2	8"	Val-Matic Cam-Centric® Plug Valve Model 5608F/5B16XD.3XP - AIS/BABA Compliant, AWWA C517, NSF 372 Certified Lead-Free, ANSI Class 125, Flanged, With 11ft 10 inch CL to CL Carbon Steel Extended Neck Bonnet With Plant Service Worm Gear Actuated w/ Handwheel, 175 PSI Direct & Reverse, Cast Iron Body, Nickel Seat, Fully Encapsulated Buna-N Plug, Vee Type Packing, Stainless Steel Bearings & Bolts, 2-Part Liquid NSF Epoxy Coated Interior & Exterior, Approx. 560 LBS. <b>5608F-CB6P-1B16-XD120</b> Tags: <b>400-PV-102, 400-PV-103</b>	\$9,952.63	\$19,905.26
2	1	4"	Val-Matic Cam-Centric® Plug Valve Model 5604F/5A08XD.3XP - AIS/BABA Compliant, AWWA C517, NSF 372 Certified Lead-Free, ANSI Class 125, Flanged w/ Handwheel, Worm Gear Actuated, 175 PSI Direct & Reverse, Cast Iron Body, Nickel Seat, Fully Encapsulated Buna-N Plug, Vee Type Packing, Stainless Steel Bearings & Bolts, Epoxy Coated In & Out, Approx. 104 LBS. <b>5604F-CB6P-1A08-1-XD</b> Tags: <b>400-PV-101</b>	\$2,671.20	\$2,671.20
FREIGHT: BTS/OGRE Pro# OGRE4453889, shipped 2/20/2026					\$1,650.00

TOTAL = \$24,226.46

If you have any questions please contact Tom@inoeng.com or call 816-888-9541.

**Purchase Order Terms:**

1. 100% Net 30 Days.
2. Interest Charge of 2% per month on all payments in excess of 30 days, starting on due date.

Hydro Optimization & Automation Solutions, Inc.

2601 West L. Street, Ste 1  
Lincoln, NE 68522

# Invoice

*Beatrice  
WPC*

Date	Invoice #
2/10/2026	13360

# 082800

Bill To
Plymouth Electric 211 East Main Plymouth, NE 68424

Ship To
Plymouth Electric 211 East Main Plymouth, NE 68424

P.O. Number	Terms	Rep	Ship	Via	F.O.B.	Project
WPC Grit Improvements	Due on receipt		2/10/2026			Beatrice WW - WPC Grit Impr...
Quantity	Item Code	Description			Price Each	Amount
1	Project Billing	Beatrice WW - WPC Grit Improvements  Equipment Delivered/Installed 2/3/26:  (4) APC Smart UPS X 1500VA Rackmount (4) TRNH013 Managed Fiber Aggregation Switch (16) 75322 SPF's (12) 317011 Blanking Pass Throughs (1) VFD (4) Battery Pack SMX48RMB2U (8) Fiber Patch Panel (14) 75326 SPF's Sales Tax			31,289.25	31,289.25
					5.50%	0.00
					<b>Subtotal</b>	<b>\$31,289.25</b>
Thank you for your business! A 1.5% monthly service charge will be charged on past due invoices.					<b>Total</b>	<b>\$31,289.25</b>

*2-11-26*  
 Subcontracting  
 029384  
 Beatrice WPC  
 082800

# **Report to the Honorable Mayor and Members of the City Council**

**City of Beatrice, Nebraska**

**Results of the 2025 Financial Statement Audit, Including Required Communications**

September 30, 2025

# 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, 2025</li> <li>• Conducted in accordance with our contract dated July 2, 2025</li> </ul>
<b>Our Responsibilities</b>	<p>Forvis Mazars 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>
<b>Extent of Our Communication</b>	<p>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.</p>
<b>Independence</b>	<p>The engagement team, others in our firm, as appropriate, and our firm, have complied with all relevant ethical requirements regarding independence.</p>
<b>Your Responsibilities</b>	<p>Our audit does not relieve management or those charged with governance of your responsibilities. Your responsibilities and ours are further referenced in our contract.</p>

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Matter	Discussion
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**Distribution  
Restriction**

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:

- The Mayor
- Members of the City Council
- Others within the City

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## Government Auditing Standards

Matter	Discussion
<b>Additional GAGAS Reporting</b>	<p>We also provided reports as of September 30, 2025, 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, 2025, 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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## Group Audits

### *Referred-To Auditors*

Our audit strategy included the use of the work of a referred-to auditor, resulting in a division of responsibility over the group financial statements and our report thereon

We did not audit the financial statements of the Beatrice Public Library Foundation, a discretely presented component unit.

Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Beatrice Public Library Foundation, is based solely on the report of the other auditors. We have had communications with the other auditors during planning and throughout the audit regarding their qualifications to perform the audit, including independence, and consideration of materiality as a basis for referring to their audit report. Professional standards require that we provide you with information about our responsibilities in accordance with GAAS, as well as certain information related to the planned scope and timing of our audit.

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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 ACFR.

We were not engaged to audit the information contained in the ACFR, and as a result, our opinions do not provide assurance as to the completeness and accuracy of the 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.

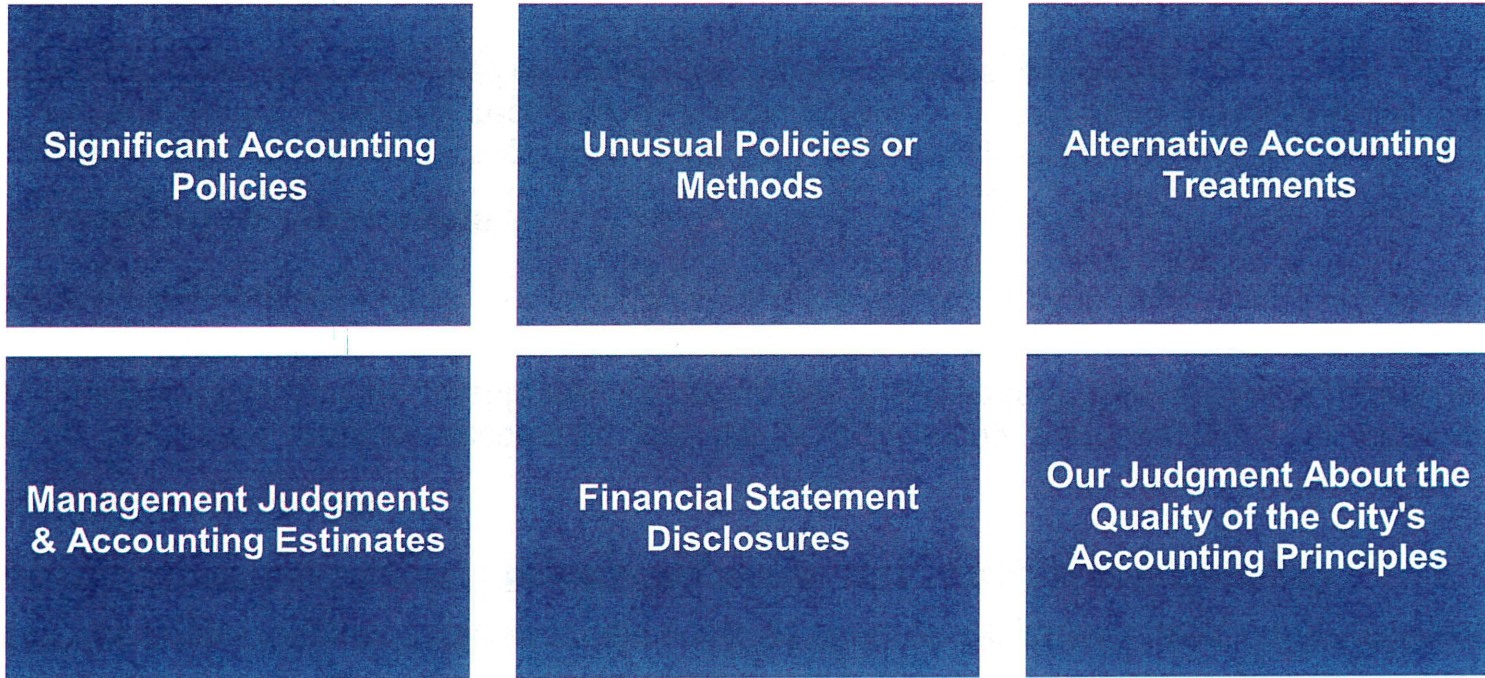
## Auditor Objectives Related to Other Information

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

## Qualitative Aspects of Significant Accounting Policies & Practices

The following matters are detailed in the following pages and included in our assessment:



-15-

## Significant Accounting Policies

Significant accounting policies are described in Note A of the audited financial statements. 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:

- Governmental Accounting Standards Board Statement No. 101, *Compensated Absences*

## 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):

- No matters are reportable

## 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:

- Lease receivables and related deferred inflows of resources
- Accrued compensated absences
- Fair value of investments
- Allowance for uncollectible loans receivable
- Depreciable lives of capital assets
- Claims incurred but not reported
- Accrued closure and post-closure care costs
- 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:

- Determination of potential component units
- Commitments and contingencies
- Tax abatements



## **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:

- No matters are reportable

## 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:

- Accrued interest payable and interest expenditures

## Uncorrected Misstatements

Some adjustments proposed were **not recorded** because their effect is not currently considered material. We request that all identified misstatements be corrected.

Uncorrected misstatements that were determined by management to be immaterial, both individually and in the aggregate, but more than trivial to the financial statements as a whole are included as an attachment to this communication.

While these uncorrected misstatements were deemed to be immaterial to the current-period financial statements, it is possible that the impact of these uncorrected misstatements, or matters underlying these uncorrected misstatements, could potentially cause future-period financial statements to be materially misstated.



## Other Required Communications

### Other Material Communications

Listed below are other material communications between management and us related to the audit:

- Management representation letter (see Attachments)

We orally communicated to management other deficiencies in internal control identified during our audit that are not considered material weaknesses or significant deficiencies.



## Attachments

### **Management Representation Letter (Attachment A)**

As a material communication with management, included herein is a copy of the representation letter provided by management at the conclusion of our engagement.

### **Schedule of Uncorrected Misstatements (Attachment B)**

The detail of uncorrected misstatements identified as a result of our engagement are included herein.



# Attachment A

## Management Representation Letter

*Representation of:*  
City of Beatrice, Nebraska  
400 Ella Street  
Beatrice, Nebraska 68310

*Provided to:*  
**Forvis Mazars, LLP**  
Certified Public Accountants  
Union Bank Place, 1248 O Street, Suite 1040  
Lincoln, Nebraska 68508

The undersigned ("We") are providing this letter in connection with Forvis Mazars' audit of our financial statements as of and for the year ended September 30, 2025.

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, 2025.

Our representations are current and effective as of the date of Forvis Mazars' report: March 9, 2026.

Our engagement with Forvis Mazars is based on our contract for services dated: July 2, 2025.

### **Our Responsibility & Consideration of Material Matters**

We confirm that we are responsible for the fair presentation of the financial statements subject to Forvis Mazars' 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 Mazars' 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.
  - 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.
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.
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, former employees, customers, analysts, other 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.

***Related Parties***

34. 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.

In addition, we have disclosed to you all related-party transactions and amounts receivable from or payable to related parties of which we are aware, including any modifications during the year that were made to related-party transaction agreements which existed prior to the beginning of the year under audit, as well as new related-party transaction agreements that were executed during the year under audit.

Related-party relationships and transactions have been appropriately accounted for and disclosed in accordance with accounting principles generally accepted in the United States of America.

35. We understand that the term related party refers to:

- Affiliates
- Trusts for the benefits of employees, such as pension and profit-sharing trusts that are managed by or under the trusteeship of management
- City council members
- 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***

36. 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.
37. We have no knowledge of communications, other than those specifically disclosed, 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.
38. 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.
39. 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.
40. The City has been designated as a potentially responsible party (PRP or equivalent status) by the Environmental Protection Agency (EPA) or other cognizant agency with authority to enforce environmental laws and regulations. We have provided you with all information of which we are aware relating to this designation as of the City's fiscal year-end and through the date of this letter.

***Nonattest Services***

41. 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
42. 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. We have established and maintained internal controls, including monitoring ongoing activities.
  - f. When we receive final deliverables from you, we will store those deliverables in information systems controlled by us. We have taken responsibility for maintaining internal control over these deliverables.

***Financial Statements & Reports***

43. 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.
44. With regard to other information that is presented in the form of our annual comprehensive financial report (ACFR):
- a. We confirm that the ACFR comprise the annual report for the City.
  - b. We have provided you with the final draft of the ACFR.

***Transactions, Records, & Adjustments***

45. All transactions have been recorded in the accounting records and are reflected in the financial statements.

46. The City 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.
47. We have everything we need to keep our books and records.
48. 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.
49. We are in agreement with the adjusting journal entries you have proposed, and they have been posted to the entity's accounts.
50. We believe the effects of the uncorrected financial statement misstatement(s) and omitted disclosures summarized in the attached schedule and aggregated by you during the current engagement are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

***Governmental Accounting & Disclosure Matters***

51. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
52. 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.
53. The financial statements include all component units, appropriately present majority equity interests in legally separate organizations and joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
54. 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.
55. 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.
56. Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.
57. We have appropriately disclosed the City'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.

58. The City 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.
59. 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.
60. The supplementary information required by the Governmental Accounting Standards Board, consisting of management's discussion and analysis and budgetary comparisons, 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.

**General Government Matters**

61. 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.
62. 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.
63. 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.
64. Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
65. 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.
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.

**Accounting & Disclosure**

67. 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.

68. 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 balance sheet 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, lines of credit, or similar arrangements.
  - g. Guarantees, whether written or oral, under which the entity is contingently liable.
  - h. Known or anticipated asset retirement obligations.
69. 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.

***Revenue, Accounts Receivable, & Inventory***

70. 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***

71. 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.

72. 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 a limitation imposed by an external party or by formal action of a government’s highest level of decision-making authority related to limitations on raising revenue, limitations on spending, limitations on the incurrence of debt, or mandated spending, 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***

73. 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 for financial statement measurement and disclosure purposes 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 accounting principles generally accepted in the United States of America.
  - e. There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.

***Tax-Exempt Bonds***

74. Tax-exempt bonds issued have retained their tax-exempt status.
75. 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 101, Compensated Absences***

76. In connection with the adoption of GASB Statement No. 101, *Compensated Absence* (GASB 101), we represent that footnotes to the financial statements appropriately describe the adoption of GASB 101 and include all disclosures required under GASB 101.

*Tobias J. Tempelmeyer*

Tobias J. Tempelmeyer (Mar 9, 2026 09:45:16 CDT)

Tobias Tempelmeyer, City Administrator

ttempelmeyer@beatrice.ne.gov

*Hannah Bell*

[Hannah Bell \(Mar 9, 2026 08:55:24 CDT\)](#)

Hannah Bell, Finance Director

hbell@beatrice.ne.gov

Attachment:

Schedule of Uncorrected Misstatements and Omitted Disclosures



# Attachment B

## Schedule of Uncorrected Misstatements

**City of Beatrice, Nebraska**  
**Period Ending: September 30, 2025**  
ATTACHMENT

This analysis and the attached "Schedule of Uncorrected Misstatements (Adjustments Passed)" reflect the effects on the financial statements if the uncorrected misstatements identified were corrected.

**Governmental Activities (Government-Wide Statements)**

QUANTITATIVE ANALYSIS

	Before Misstatements	Misstatements	Subsequent to Misstatements	% Change
Current Assets	20,934,146	6,208	20,940,354	0.03%
Non-Current Assets & Deferred Outflows	73,781,147	58,969	73,840,116	0.08%
Current Liabilities	(5,110,905)		(5,110,905)	
Non-Current Liabilities & Deferred Inflows	(9,968,027)		(9,968,027)	
Current Ratio			4.10	
<b>Total Assets &amp; Deferred Outflows</b>	<b>94,715,293</b>	<b>65,177</b>	<b>94,780,470</b>	<b>0.07%</b>
<b>Total Liabilities &amp; Deferred Inflows</b>	<b>(15,078,932)</b>		<b>(15,078,932)</b>	
<b>Total Net Position</b>	<b>(79,636,361)</b>	<b>(65,177)</b>	<b>(79,701,538)</b>	<b>0.08%</b>
<b>General Revenues &amp; Transfers</b>	<b>(11,928,325)</b>	<b>3,591</b>	<b>(11,924,734)</b>	<b>-0.03%</b>
<b>Net Program Revenues/ Expenses</b>	<b>7,830,437</b>	<b>(50,274)</b>	<b>7,780,163</b>	<b>-0.64%</b>
<b>Change in Net Position</b>	<b>(4,097,888)</b>	<b>(46,683)</b>	<b>(4,144,571)</b>	<b>1.14%</b>

Client: City of Beatrice, Nebraska

Period Ending: September 30, 2025

Governmental Activities (Government-Wide Statements)

SCHEDULE OF UNCORRECTED MISSTATEMENTS (ADJUSTMENTS PASSED)

Description	Financial Statement Line Item	Factual (F), Judgmental (J) or Projected (P)	Assets & Deferred Outflows				Liabilities & Deferred Inflows				Net Effect on Following Year				
			Current		Noncurrent		Current		Noncurrent		General Revenues & Transfers	Net Program Revenues/ Expenses	Net Position	Change in Net Position	
			DR	(CR)	DR	(CR)	DR	(CR)	DR	(CR)	DR	(CR)	DR	(CR)	DR
To record the Opioid settlement		F	6,208	58,969	0	0	3,591	0	(68,768)	65,177	(65,177)				
	Current accounts receivable		6,208												
	Noncurrent accounts receivable			58,969											
	Intergovernmental revenue						3,591			(3,591)	3,591				
	Beginning net position								(68,768)	68,768	(68,768)				
To record impacts of back pay owed to 911 dispatchers at 9/30/2024		F	0	0	0	0	0	(50,274)	50,274	0	0				
	Public safety expense								50,274						
	Beginning net position							(50,274)							
<b>Total passed adjustments</b>			<b>6,208</b>	<b>58,969</b>	<b>0</b>	<b>0</b>	<b>3,591</b>	<b>(50,274)</b>	<b>(18,494)</b>	<b>65,177</b>	<b>(65,177)</b>				
										<b>(46,683)</b>					
										<b>(65,177)</b>					

**City of Beatrice, Nebraska**  
**Period Ending: September 30, 2025**  
**ATTACHMENT**

This analysis and the attached "Schedule of Uncorrected Misstatements (Adjustments Passed)" reflect the effects on the financial statements if the uncorrected misstatements identified were corrected.

**Aggregate Remaining Funds**

**QUANTITATIVE ANALYSIS**

	Before Misstatements	Misstatements	Subsequent to Misstatements	% Change
Total Assets & Deferred Outflows	7,716,658		7,716,658	
Total Liabilities & Deferred Inflows	(2,322,560)		(2,322,560)	
Total Fund Balance & Net Position	(5,394,098)		(5,394,098)	
Revenues, Other Financing Sources, & Additions	(11,354,627)		(11,354,627)	
Expenditures, Other Financing Uses, & Deductions	11,526,723	30,782	11,557,505	0.27%
Change in Fund Balance & Net Position	172,096	30,782	202,878	17.89%



**City of Beatrice, Nebraska**  
**Period Ending: September 30, 2025**  
**ATTACHMENT**

This analysis and the attached "Schedule of Uncorrected Misstatements (Adjustments Passed)" reflect the effects on the financial statements if the uncorrected misstatements identified were corrected.

**General Fund**

**QUANTITATIVE ANALYSIS**

	Before Misstatements	Misstatements	Subsequent to Misstatements	% Change
Total Assets & Deferred Outflows	11,402,548	65,117	11,467,665	0.57%
Total Liabilities & Deferred Inflows	(2,585,138)	(65,117)	(2,650,255)	2.52%
Total Fund Balance	(8,817,410)		(8,817,410)	
Revenues & Other Financing Sources	(17,749,026)	15,000	(17,734,026)	-0.08%
Expenditures & Other Financing Uses	18,664,505	(65,274)	18,599,231	-0.35%
Change in Fund Balance	915,479	(50,274)	865,205	-5.49%



City of Beatrice, Nebraska  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
For the fiscal year ended September 30, 2025

Prepared by: Administration & Finance  
Tobias J. Tempelmeyer  
City Administrator & General Manager

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CITY OF BEATRICE, NEBRASKA  
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FOR THE YEAR ENDED SEPTEMBER 30, 2025  
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# **SECTION 1**

## **INTRODUCTORY SECTION**

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**CITY HALL**

400 Ella Street | Beatrice, NE 68310  
Phone: 402.228.5200 Fax: 402.228.2312

**SERVICE CENTER**

500 North Commerce Street | Beatrice, NE  
68310  
Phone: 402.228.5211 Fax: 402.223.5181

March 9, 2026

To the Honorable Mayor, City Council and  
Citizens of the City of Beatrice, Nebraska:

The Revised Statutes of Nebraska, Chapter 19, require that all cities of the first-class publish within six months of the close of each fiscal year a complete set of financial statements. These financial statements shall be audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants and shall be presented in conformity with accounting principles generally accepted in the United States of America. Therefore, we hereby issue the annual comprehensive financial report of the City of Beatrice for the fiscal year ended September 30, 2025.

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

Forvis Mazars, LLP, a firm of licensed certified public accountants, has audited the City of Beatrice's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Beatrice for the fiscal year ended September 30, 2025 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement; 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 ("clean") opinion that the City of Beatrice's financial statements for the fiscal year ended September 30, 2025 are fairly presented in accordance with accounting principles generally accepted in the United States of America. The independent auditors' report is presented as the first component of the financial section of this report.

Honorable Mayor, City Council and  
Citizens of the City of Beatrice, Nebraska  
March 9, 2026

The independent audit of the financial statements of the City of Beatrice was a part of a broader, federally mandated "Single Audit" designed to meet the special needs of Federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of Federal awards. These reports can be found immediately following the statistical section of this report.

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

#### PROFILE OF THE GOVERNMENT

The City of Beatrice, founded in 1857 and incorporated in 1873, is located in Southeast Nebraska, just 39 miles south of Lincoln, the State Capital. The City of Beatrice is the county seat for Gage County and provides some county-wide services. The City of Beatrice currently occupies a land area of eight square miles and serves a population of 12,261. The City of Beatrice is empowered to levy a property tax on both real and personal properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing council.

The City of Beatrice, is a City of the First-Class, and operates under the Mayor-Council form of government. Policy-making and legislative authority are vested in a governing council consisting of the mayor and eight council members. The governing council is responsible for legislative and policy making decisions including passing ordinances, adopting the budget and approving appointments by the Mayor for those positions of the city whom he is directed to appoint by ordinance, resolution or general law. The council members are elected on a nonpartisan basis and serve four-year staggered terms with four council members elected every two years. The Mayor is elected to serve a four-year term. A City Administrator is appointed by the Mayor and confirmed by the City Council.

The City provides a full range of municipal services including police and fire protection; rescue, including confined space and hazardous materials, and ambulance services; construction and maintenance of streets and infrastructure; electric, water and water pollution control utilities; a free public library; a system of parks; solid waste management; planning and zoning; garbage collection services; airport; and administrative services. Each employee retirement group is overseen by a body to employees selected by the employees and they work closely with Ameritas on all compliance and fiduciary requirements.

The biennial budget serves as the foundation for the City of Beatrice's financial planning and control. All departments of the City of Beatrice are required to submit requests for appropriation to the City Administrator by June 1st prior to the start of the next biennial budget cycle. Management uses these requests as the starting point for developing the proposed budget. The proposed budget is then presented to the Mayor and City Council for review prior to August 31st. The Council is required to hold a public hearing on the proposed budget and to adopt the final budget by September 30th. The appropriated budget is adopted on a per fund basis and budgetary control for internal purposes is exercised at the department level. Budget-to-actual comparisons are provided in this report for each fund for which an appropriated annual budget has been adopted. There is no annual budget for the Bonded Districts Funds. This information can be found in the attached schedules for each fund starting on page 81.

Honorable Mayor, City Council and  
Citizens of the City of Beatrice, Nebraska  
March 9, 2026

#### FACTORS AFFECTING FINANCIAL CONDITION

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

##### Local Economy

The City of Beatrice is located on a four-lane expressway just 39 miles south of Nebraska's state capital, Lincoln, and is the site of the Homestead National Historical Park. Beatrice continues to provide a diverse economical mix of agriculture, light industry, health-related services, and general government for the retail area of Southeast Nebraska. The City unemployment rate at September 30, 2025 was 3.0%, which compares favorably to the State of Nebraska rate of 3.0% and continued to be lower than the national rate of 4.4%.

Tax revenues in 2025 increased 3.5% from 2024. The property tax levy for fiscal year 2025 was 0.007974 cent lower than the property tax levy in 2024. Assessed valuation for Real Property increased \$55,524,056, or 6.5%, and total assessed valuations increased \$54,765,390, while personal property assessed valuations decreased by \$758,666. This resulted in an increase in property tax revenue recognized of 3.5%. Sales tax revenues reflect an increase of 3.6% from 2025. The sales tax revenues are due in part to the recently voter approved ½ cent sales tax for the construction of a new fire station and an increase in taxable sales. Occupation tax revenue increased 2.5% in 2025.

The City Council continues to support economic development efforts to promote and market the industrial climate for Beatrice and Gage County. The City of Beatrice maintains a Local Economic Development Plan, funded with utility revenues, up to a maximum of \$300,000, as approved by the voters. This plan was extended to 2029 by a vote of the citizens of Beatrice in May 2022.

The City has been active in developing the Gage County Industrial Park and recruiting and building a diverse mix of manufacturing and commercial industries. The area's top private industries are manufacturing, trade, and utilities and makeup over one-third of the area's employment, totaling 3,000 employees. The largest non-manufacturers include government, education, and healthcare services, employing 2,500.

In 2025, the City completed the utility installation for a new residential development called Corral Crossing, improvements to Taxi-way C were completed at the airport, multiple recreational facilities were upgraded including Sertoma-Astro Park, Chautauqua Park, and Pickleball Courts, and streetscape beautification projects on 4<sup>th</sup> and 5<sup>th</sup> Streets in the downtown were completed. The City also welcomed several new retail, service businesses, and industrial businesses in 2025 most notably was the expansion of Kinney Manufacturing. The City continues to progressively recruit new businesses and developments to town while working with existing businesses to grow and expand.

Tax Increment Financing (TIF) continues to be the largest economic development tool for the City. Without the use of TIF, the City would not have been able to recruit many companies and developments and those properties would continue to be vacant or underutilized. With TIF the City is bringing much needed housing, jobs, and taxbase diversification to our community. The long-term benefits of TIF far outweigh any possible short-term costs.

Honorable Mayor, City Council and  
Citizens of the City of Beatrice, Nebraska  
March 9, 2026

#### Financial Planning and Initiatives

The City Council annually reviews the financial budget which includes projected annual capital improvements for the succeeding 8-year period. The Council participates in goal-setting sessions and sets strategic objectives for the coming year. The goals and objectives relate to the organization structure, services being provided to the patrons of the City, examining revenue changes, public communications and capital projects.

The City of Beatrice approves and submits a one- and six-year street improvement plan to the State of Nebraska. This plan has enabled the City to maintain an excellent infrastructure of streets, bridges and storm sewers. Thirty percent (30%) of the City's 1% sales tax is allocated each year to the Street fund to be combined with state highway allocation dollars for funding these improvements.

The City continued to see the benefits of changing their electrical provider. The electrical cost savings enabled the City to go another year without an electrical rate increase.

#### Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Beatrice, Nebraska, for its annual comprehensive financial report for the fiscal year ended September 30, 2024. This was the 34<sup>th</sup> consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the City 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.

The preparation and completion of this report on a timely basis could not have been accomplished without the dedication and efficiency of the entire staff of the Finance and Administration Department. I would also like to thank the Mayor and City Council for their support in planning and conducting the financial operations of the City of Beatrice in a responsible and progressive manner.

Respectfully submitted,



Tobias J. Tempelmeyer  
City Administrator and General Manager



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

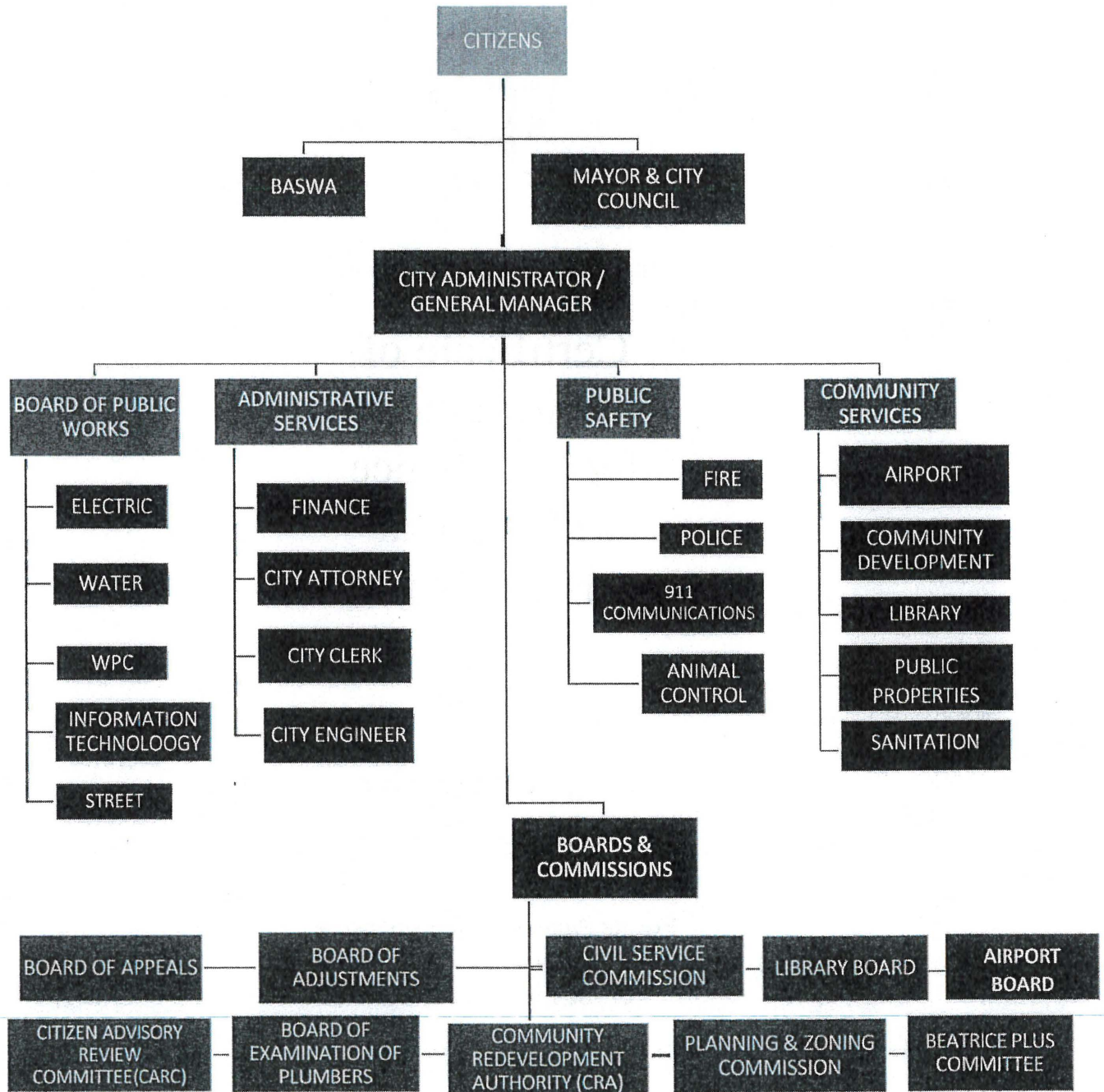
**City of Beatrice  
Nebraska**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

September 30, 2024

*Christopher P. Morill*

Executive Director/CEO



## Independent Auditor's Report

The Honorable Mayor and  
Members of the City Council  
City of Beatrice, Nebraska

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Beatrice, Nebraska (City), as of and for the year ended September 30, 2025, 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, based on our audit and the report of the other auditors, 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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Beatrice, Nebraska, as of September 30, 2025, 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.

We did not audit the financial statements of the Beatrice Public Library Foundation, the discretely presented component unit of the City of Beatrice, Nebraska as of September 30, 2025. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Beatrice Public Library Foundation, is based solely on the report of the other auditors.

#### *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 of Beatrice, Nebraska, 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. The financial statements of the Beatrice Public Library Foundation were not audited in accordance with *Government Auditing Standards*.

#### *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 and budgetary comparison schedules be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 nonmajor fund financial 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 nonmajor fund financial 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 9, 2026, 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 Mazars, LLP**

Lincoln, Nebraska  
March 9, 2026

**CITY OF BEATRICE, NEBRASKA  
OFFICIALS  
2025**

**MAYOR**  
Robert Morgan

**CITY COUNCILMEMBERS**

Gary Barnard  
Terry Doyle  
David Eskra  
Ted Fairbanks

Alex Eckhoff  
Dana Hydo  
Michael McLain  
Duane Ruh

**CITY ADMINISTRATOR & GENERAL MANAGER**  
Tobias Tempelmeyer

**CITY OFFICIALS**

Hannah Bell  
Erin Saathoff  
Jay Murphy  
Brian Daake  
Mark Pethoud  
Joanne Neemann  
Taylor Rivera  
Chet McGrury  
James Burroughs  
Jason Moore

Finance Director  
City Clerk  
Police Chief  
Fire Chief  
Director of Public Properties  
Library Director  
City Attorney  
Community Development Director  
City Engineer; WPC Chief Plant Operator  
Street Superintendent; Landfill  
Superintendent; Sanitation Superintendent  
Electric Superintendent  
Water Superintendent

Pat Feist  
Rob Mierau

## **SECTION 2**

### **FINANCIAL SECTION**

City of Beatrice, Nebraska  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
September 30, 2025

As management of the City of Beatrice, Nebraska, we offer readers of the City of Beatrice's financial statements this narrative overview and analysis of the financial activities of the City of Beatrice for the fiscal year ended September 30, 2025. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the Introductory Section on pages 9 to 12 of this report.

**FINANCIAL HIGHLIGHTS**

The City of Beatrice's assets exceeded its liabilities and deferred inflows of resources at the close of the most recent year by \$136,194,044. Of this amount, \$27,134,906 may be used to meet the City's ongoing obligations to citizens and creditors. The City of Beatrice's total net position increased \$6,309,812 or 4.8%.

As of the close of the current fiscal year, the City of Beatrice's governmental funds reported combined ending fund balances of \$18,537,831, an increase of \$396,735 in comparison with the prior year. At the end of the current fiscal year, unrestricted fund balance for the General Fund was \$7,709,370, or 45% of total General Fund expenditures.

The City of Beatrice's total long-term obligations, not including component units, increased \$21,289,814 during the current fiscal year. The City issued debt during the year totaling \$21,517,578 and annual debt obligations of \$1,856,581 were paid. Obligations for compensated absences and closure and post-closure costs recognized a net increase of \$628,817.

The City of Beatrice adopted the provisions of GASB Statement No. 101, *Compensated Absences* (GASB 101) during 2025. Although GASB 101 requires retrospective application, the adoption of this new standard had an immaterial impact on the City's beginning net position.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the City of Beatrice's basic financial statements. The City of Beatrice's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City of Beatrice's finances in a manner similar to a private-sector business.

The statement of net position presents information on all of the City of Beatrice's assets, liabilities, and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator whether the financial position of the City of Beatrice is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation and sick leave).

Both of the government-wide financial statements distinguish functions of the City of Beatrice that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Beatrice include general government, airport, public safety, highways and streets, and culture and recreation. The business-type activities of the City of Beatrice include electric distribution, water pumping and distribution, sewage collection and treatment, solid waste management, and sanitation.

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The government-wide financial statements include not only the City of Beatrice itself (known as the primary government), but also the Beatrice Area Solid Waste Agency, a legally separate entity. The Beatrice Area Solid Waste Agency, although legally separate, functions for all practical purposes as a department of the City of Beatrice, and therefore has been included as an integral part of the primary government. The Community Redevelopment Authority is determined to be a discretely presented component unit and included due to the fiscal dependency on the City for any allocation of tax revenues. The Beatrice Library Foundation, also a discretely presented component unit, is included due to the financial support it provides the Beatrice Public Library. The government-wide financial statements can be found on pages 30 to 32 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Beatrice, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Beatrice can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains twelve individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the General Fund, Airport Fund, and Street Fund, which are considered to be major funds. Data from the other nine governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the supplemental information section of this report.

The City of Beatrice adopts an annual appropriated budget using the General All-Purpose Fund tool for all governmental funds except for the bonded districts nonmajor debt service fund. A budgetary comparison statement has been provided for to demonstrate compliance with this budget. The basic governmental fund financial statements can be found on pages 33 to 36 of this report.

Proprietary Funds

The City of Beatrice maintains six different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Beatrice uses enterprise funds to account for its electric, water, and water pollution control utilities and its solid waste management and sanitation services. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City of Beatrice's various functions. The City of Beatrice uses internal service funds to account for its self-insured employee benefits. Because this service predominately benefits governmental rather than business-type functions, it has been included within governmental activities in the government-wide financial statements.

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Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Electric, Water, Water Pollution Control, Sanitation, and Beatrice Area Solid Waste Agency funds which are considered to be major funds of the City of Beatrice. The proprietary fund financial statements also show the data for the Self-insured Group Insurance Fund, an internal service fund. The basic proprietary fund financial statements can be found on pages 37 to 41 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City of Beatrice's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 42 to 43 of this report.

Notes to the Financial Statements

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 to the financial statements can be found on pages 44 to 80 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. Required supplementary information can be found on pages 81 to 82 of this report, followed by other supplementary information including nonmajor combining balance sheets and statements and schedules of individual fund information in further detail.

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**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Beatrice, assets exceeded liabilities and deferred inflows of resources by \$136,194,044 at the close of the most recent fiscal year. By far the largest portion of the City of Beatrice's net position (72%) reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The City of Beatrice uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Beatrice'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 other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of Beatrice's Net Position  
(expressed in thousands)  
September 30, 2025

	Governmental activities		Business-type activities		Total	
	2025	2024	2025	2024	2025	2024
<b>ASSETS</b>						
Current and other assets	\$ 24,879	\$ 22,178	\$ 37,707	\$ 27,403	\$ 62,586	\$ 49,581
Capital assets	69,836	64,912	62,707	49,698	132,543	114,610
<b>TOTAL ASSETS</b>	<b>94,715</b>	<b>87,090</b>	<b>100,414</b>	<b>77,101</b>	<b>195,129</b>	<b>164,191</b>
<b>LIABILITIES</b>						
Long-term liabilities noncurrent	8,998	6,856	35,413	17,766	44,411	24,622
Other liabilities	5,111	3,625	7,362	3,796	12,473	7,421
<b>TOTAL LIABILITIES</b>	<b>14,109</b>	<b>10,481</b>	<b>42,775</b>	<b>21,562</b>	<b>56,884</b>	<b>32,043</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred lease arrangements	970	1,070	1,082	1,193	2,052	2,263
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>970</b>	<b>1,070</b>	<b>1,082</b>	<b>1,193</b>	<b>2,052</b>	<b>2,263</b>
<b>NET POSITION</b>						
Net investment in capital assets	58,723	56,948	39,609	38,734	98,332	95,682
Restricted	9,846	8,270	881	506	10,727	8,776
Unrestricted	11,067	10,320	16,068	15,105	27,135	25,425
<b>TOTAL NET POSITION</b>	<b>\$ 79,636</b>	<b>\$ 75,538</b>	<b>\$ 56,558</b>	<b>\$ 54,345</b>	<b>\$ 136,194</b>	<b>\$ 129,883</b>

An additional portion of the City of Beatrice's net position (8%) represents resources that are subject to external restrictions on how they may be used for specific purposes. The remaining balance of unrestricted net position \$27,134,906 may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City of Beatrice is able to report positive balances in all three categories of net position for the government as a whole.

There was an increase of \$4,097,888 in net position reported in connection with the City of Beatrice's governmental activities. Business-type activities increased the City of Beatrice's net position by \$2,211,924. A breakdown of these activities is as follows:

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City of Beatrice's Changes in Net Position  
(expressed in thousands)  
For the years ended September 30, 2025

	Governmental activities		Business-type activities		Total	
	2025	2024	2025	2024	2025	2024
<b>REVENUES</b>						
Program Revenues						
Charges for services	\$ 9,682	\$ 8,710	\$ 29,767	\$ 27,403	\$ 39,449	\$ 36,113
Operating grants and contributions	2,017	2,196	-	5	2,017	2,201
Capital grants and contributions	6,521	5,421	444	230	6,965	5,651
General revenues						
Taxes	9,952	9,615	-	-	9,952	9,615
Unrestricted intergovernmental	1,131	1,068	-	-	1,131	1,068
Insurance and settlement recoveries	41	76	-	-	41	76
Other revenue	804	1,031	1,668	1,799	2,472	2,830
<b>TOTAL REVENUES</b>	<b>30,148</b>	<b>28,116</b>	<b>31,879</b>	<b>29,437</b>	<b>62,027</b>	<b>57,554</b>
<b>EXPENSES</b>						
General government	8,687	9,429	-	-	8,687	9,429
Airport	941	856	-	-	941	856
Public safety	10,081	9,424	-	-	10,081	9,424
Highways and streets	3,726	3,187	-	-	3,726	3,187
Culture and recreation	2,437	2,139	-	-	2,437	2,139
Interest on long-term debt	178	163	-	-	178	163
Electric	-	-	18,256	16,870	18,256	16,870
Water	-	-	3,303	2,875	3,303	2,875
Water pollution control (WPC)	-	-	2,094	1,919	2,094	1,919
Solid waste management	-	-	3,007	2,428	3,007	2,428
Sanitation	-	-	3,007	2,737	3,007	2,737
<b>TOTAL EXPENSES</b>	<b>26,050</b>	<b>25,198</b>	<b>29,667</b>	<b>26,829</b>	<b>55,717</b>	<b>52,027</b>
<b>CHANGE IN NET POSITION</b>	<b>4,098</b>	<b>2,918</b>	<b>2,212</b>	<b>2,608</b>	<b>6,310</b>	<b>5,527</b>
<b>NET POSITION, Beginning of Year</b>	<b>75,538</b>	<b>72,620</b>	<b>54,345</b>	<b>51,737</b>	<b>129,885</b>	<b>124,358</b>
<b>NET POSITION, End of Year</b>	<b>\$ 79,636</b>	<b>\$ 75,538</b>	<b>\$ 56,557</b>	<b>\$ 54,345</b>	<b>\$ 136,195</b>	<b>\$ 129,885</b>

Governmental Activities

Tax revenues increased 3.5% in 2025 from the previous year. This includes property tax, sales tax, and occupation tax revenues. The property tax levy to fund the necessary operations of the government and capital projects for 2025 decreased 5.65%, and property valuations increased by 5.99%, resulting in an increase in property tax revenue recognized of 3.5%. Sales tax revenues collected increased \$208,600 in 2025 as compared to 2024 with a decrease of 3.8% in sales. Occupation taxes from utilities, which are based upon gross sales, increased 2.5% in 2025. More information on tax revenue history can be found in Table 3 of the Statistical Section.

Unrestricted intergovernmental revenues, which include county motor vehicle taxes, state aid, and municipal equalization funding (MEF), increased \$63,497 in 2025. The formula to calculate MEF aid figures the City's need, based upon population, less resources however that aid is reduced 20% for each cent the city's non-bond levy is less than the state-wide average levy, making this a funding source that can vary greatly from year to year. In 2025 the City's MEF revenue was \$814,954 as compared to \$755,023 in 2024; the City's calculation was above the state-wide average for both fiscal years. County motor vehicle taxes increased 1.3% in 2025 from the previous year. Interlocal agreements also provide funding for the 911 communications center and ambulance services. Interlocal 911 dispatch aid decreased 22% in 2025 with the loss of partnership from an intergovernmental partner.

Operating grants continued to fund important public safety programs, culture and recreation programs, and provide for street maintenance. Highway allocation dollars, which are a major funding source to maintain the street fund, remained balanced

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from 2024 to 2025; a portion of these funds are also allocated for capital projects and debt service. The police department operates a victim assistance program and school resource program with matching assistance from the local school district. The library continues to receive funding assistance from the county and state aid.

Capital grants and contributions vary from year to year. During 2025, the City received a multitude of Federal grants for use in various areas including Airport improvements, installation of new playground equipment, and street improvements. Community Development Block Grants funds were utilized for housing rehabilitation and downtown revitalization. The City continued to receive grant funding through the Mutual Finance Organization (MFO) Assistance Act for fire and EMS equipment and facility improvements, and various smaller grants for public safety equipment. State funding and sales tax provided for street improvements. Donations from local businesses were pledged and received for improvements at Hannibal Park. Private contributions continue to provide for the purchase of library materials and building improvements.

Expenses increased 3.4% in 2025 compared to 2024. Changes in General Government expenses decreased 7.8% due to a variety of changes including economic development, grant expenses, and Internal Service Funds activity. Changes to expenses for other activities in 2025 as compared to 2024 are as follows: airport increased 9.9% due to taxiway reconstruction, public safety increased 7% due to personal services, streets increased 16.9% due to a large reconstruction project, and culture and recreation increased 13.9% due to an increase in grant related projects.

#### Business-Type Activities

Charges for services for business-type activities increased 8.6% in 2025. The Electric fund, which distributes purchased power, did not increase rates during 2025. The Electric Fund revenue increased 10% and expenses increased 8.2% due to a new data mining customer. The Water fund and Water Pollution Control fund also did not increase rates during 2025. Revenue increased 0.9% and 14.6% respectively, and expenses increased 14.9% and 9.1% respectively. The Sanitation fund increased several rates in 2025. Sanitation Fund revenue increased 6.4% and expenses increased 9.8%, both due to the continued expansion of communities served. The Beatrice Area Solid Waste Agency fund also increased rates in 2025, therefore revenues increased 13.1% while expenses increased 23.9% due to the financing costs associated with the ongoing construction of a new landfill.

### **FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS**

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

#### Governmental Funds

The focus of the City of Beatrice's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of Beatrice's financing requirements. In particular, unrestricted fund balances (made up of unassigned and assigned balances) may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City of Beatrice's governmental funds reported a combined ending fund balance of \$18,537,831, an increase of \$396,735 in comparison with the prior year. Of this amount, 27% of this balance is unassigned and is available for spending at the City's discretion (\$5,033,448). The City's unassigned balance decreased \$1,909,389 from the prior year. The remainder of the fund balance is either nonspendable, restricted, committed, or assigned to indicate that it is in a nonspendable form (\$17,364), restricted for particular purposes (\$10,303,504), committed for particular purposes (\$1,960,025), or assigned by management for particular purposes (\$1,223,490).

The General fund is the chief operating fund of the City of Beatrice. At the end of the current fiscal year, the unrestricted fund balance (made up of unassigned, assigned, and committed balances) of the General Fund was \$7,709,370; a decrease from 2024 of \$1,254,676. As a measure of the General Fund's liquidity, it may be useful to compare both unrestricted fund balance to total fund expenditures. Unrestricted fund balance represents 45.1% of total General fund expenditures.

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General fund revenues increased 20% from the previous year. Tax revenues increased 3.5% due to an increase in property tax revenue, as discussed on page 24. Licenses and permits increased 15.6% due to an increase in building permits. Intergovernmental revenue available to fund general operations includes interlocal agreements to provide 911 and EMS services, state aid, and federal grant assistance funding. Revenue for intergovernmental increased 114% due to federal funds received for the Airport's taxiway reconstruction. Municipal equalization funds and motor vehicle tax both increased in 2025, and the City received \$276,089 in other state and federal grants. Funding for interlocal 911 dispatch aid and victim assistance aid both decreased in 2025 due to loss of cities participating in the interlocal agreement and loss of grant funding. Miscellaneous revenue decreased 17.3% due to insurance proceeds received for a wrecked ambulance in 2023 and 2024.

General fund expenditures in 2025 increased 23.7% from the previous year. General government expenditures increased 17.3%. Capital outlay expenditures increased primarily due to costs associated with the Airport reconstruction project in 2025. Public safety expenditures and culture and recreation expenditures increased 8.5% and 7.5% respectively, primarily due to an increase in personal services due to wage increases. Transfers in increased from 2024 to 2025 as funding from the 911 surcharge increased 16.3%. These funds, along with E911 wireless funds, are collected and distributed to the General fund for the operation of the 911 communications center. Transfers out to fund capital projects in 2025 increased from \$921,463 in 2024 to \$1,569,128 with a large portion of the increase due to community revitalization at Dempster's and the old school sites.

The fund balance restricted for the Street fund at year end was \$4,947,167 an increase of \$1,535,378 from 2024. In 2025, total revenues decreased 31.3% from 2024 and total expenditures decreased 14.0%. Both decreases can be greatly contributed to a major street reconstruction project for the new elementary school which was partially funded with ARPA funds in 2024. Non-capital operational expenditures increased 3.6% from 2024 and capital outlay expenditures decreased 22.5% due to the above referenced project. In 2025, the Street fund issued \$2,600,000 in bonds for street and storm water construction in two new housing developments.

Nonmajor governmental funds include four special revenue funds, three debt service funds, and two capital project funds. The combined fund balance for these funds at the end of the fiscal year was \$4,773,254 which was restricted, committed, or assigned for each fund's specific purposes. The Economic Development fund, which had a restricted fund balance of \$868,421, a decrease of \$505,841 from 2024, received \$363,204 in revenue to support the local economic development plan. Expenditures included funding towards a joint economic development organization and professional services for land development; economic development loans were awarded in the amount of \$322,921 with \$130,562 paid back or forgiven during the fiscal year. The Community Development Block Grant fund received \$334,535 in grant funds that were distributed to participants with the Owner Occupied Rehab grant and the Downtown Revitalization grant and \$660,206 in capital expenditures for a mill and overlay project funded with federal funds and Street funds. The Keno fund balance increased \$100,121 from 2024, with an increase in keno proceeds of 2.6%. The 911 Surcharge fund had a fund balance of \$140,470 at the end of 2025 and accounts for the collection of local 911 surcharge taxes and the collection of state wireless E911 funds, which must be expended on specific associated costs. In 2025, \$65,801 was transferred to the General fund for support of the 911 communications center operations. The debt service funds balance at year-end of \$3,237,815 is restricted for the respective debt service requirements funded with either a special levy or voter-approved sales tax. The fund balance in the Capital Projects Fund at year end was \$454,577, which included \$309,072 committed for public safety equipment. The expenditures in this fund decreased 17.4% from 2024 to 2025 due to a decrease in capital outlay. This fund also accounts for the expenditure of major public safety equipment purchased with bond proceeds, MFO state funding, and other available grants. More information on these capital assets is discussed later in this report.

#### Proprietary Funds

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

The unrestricted net position of the Electric, Water, Water Pollution Control, Beatrice Area Solid Waste Agency (BASWA), and Sanitation enterprise funds at the end of the year amounted to \$16,068,022 which is an increase of \$962,974 from 2024. The Electric fund increased \$531,493; the Water Fund increased \$65,777; the Water Pollution Control fund increased \$595,008; the BASWA fund decreased \$371,435; and the Sanitation Fund increased \$142,131. Restricted net position for debt service

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was \$512,563 at year end as compared to \$140,017 in 2024. Electric, Water, and Water Pollution Control collectively issued \$4,995,000 in utility revenue bonds and BASWA issued \$13,110,000 in revenue bonds. The Electric fund's restricted net position for revolving loan program increased to \$367,708. Net investment in capital assets increased from \$38,734,465 in FY2024 to \$39,609,390 in FY2025. Extension and replacement of capital assets is discussed later in this report. Other factors concerning the finances of these funds have already been addressed in the discussion of the City of Beatrice's business-type activities.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

Differences between the original budget and the final amended budget of expenditures for the general fund amounted to an increase in appropriations of \$445,500 and can be briefly summarized as follows: \$235,000 increase for interfund transfers, and \$210,500 increase for various federal grants carried forward from 2024.

Variances between actual General Fund expenditures and the final amended budget include the following: \$251,801 negative variance in public safety expenditures largely due to personal service expenses related to retirement expenditures and a \$850,472 positive variance in transfer expenditures due to timing of several capital projects.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

Capital Assets

The City of Beatrice's investment in capital assets for its governmental and business type activities as of September 30, 2025, amounts to capital assets (net of accumulated depreciation) of \$119,941,328, construction in progress of \$651,027, and land of \$11,950,710. This investment in capital assets includes land, buildings and park facilities, improvements other than buildings, machinery and equipment, a system of roads, highways, bridges, runways, storm sewers, sanitary sewers, water mains, and an electrical system. The total increase in the City of Beatrice's investment in capital assets for the current fiscal year was 15.6% percent (a 7.6% increase for governmental activities and a 26.2% increase for business-type activities).

City of Beatrice's Capital Assets (net of depreciation, except land)  
(expressed in thousands)  
September 30, 2025

	Governmental activities	Business-Type activities	Total
Land	\$ 10,402	\$ 1,549	\$ 11,951
Buildings and system	24,326	18,670	42,996
Improvements other than bldgs	23,868	94,211	118,079
Machinery and equipment	15,710	17,039	32,749
Infrastructure	48,880	-	48,880
Construction in progress	-	651	651
Less accumulated depreciation	(53,350)	(69,413)	(122,763)
<b>TOTAL</b>	<b>\$ 69,836</b>	<b>\$ 62,707</b>	<b>\$ 132,543</b>

Major changes in capital assets in the governmental activities during fiscal year 2025 include: taxiway reconstruction, design, demolition, and development of Heritage Heights and Corral Crossing, mill and overlay, 33<sup>rd</sup> and 25<sup>th</sup> to 27<sup>th</sup> Street on Lincoln Street construction and reconstruction, Downtown Beautification on 5<sup>th</sup> Street, Dempsters demolition, and seating area for pickleball. Equipment purchases included: multiple playground structures, fleet of fire hoses, a mower, several vehicles and trailers, several computers and laptops, air-packs, and several in-car camera systems.

Major changes in capital assets in the business-type activities during fiscal year 2025 include: in the Electric Fund continuation of 12.5 KV conversions, replacement of underground cable, new transformers, new services and extensions for residential and commercial developments, several new vehicles, and a new Digger Derrick ; in the Water Fund water main projects in 2025

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included the watermain installation at Heritage Heights and Corral Crossing Developments and overhead crossing on Court Street Bridge. The Water Fund also purchased of a new vac truck; in the Water Pollution Control Fund projects included grit handling system, lift station #6, and a new vac truck; in the BASWA fund started construction on the new landfill and purchased several new pieces of equipment for the site including a new compactor; and in the Sanitation fund a new rear load garbage truck.

Additional information on the City of Beatrice's capital assets can be found in note E on pages 67 to 68 of this report.

#### Long-Term Obligations

At the end of the current fiscal year the City of Beatrice, not including component units, had total bonded debt outstanding of \$29,155,000. Of this amount, \$9,385,000 comprises debt backed by the full faith and credit of the government. The remainder of the City of Beatrice's bonded debt represents bonds secured solely by specified revenue sources (i.e., revenue bonds). Other long-term obligations included \$8,361,899 in notes payable – direct borrowing and financing agreements, \$2,211,573 for compensated absences, and \$7,792,000 for closure post-closure costs.

During the current fiscal year, the City of Beatrice issued new bonds totaling \$21,390,000 for the following: \$685,000 in general obligation bonds for airport improvements, \$2,600,000 in highway allocation revenue bonds for street construction, \$13,110,000 in revenue bonds for the construction of a new landfill, and \$4,995,000 in utility revenue bonds for various Electric improvements and equipment and annual bond maturities of \$1,470,000 were paid, therefore bonded debt increased by \$19,920,000.

Additional information on the City of Beatrice's long-term debt can be found on pages 69 to 73 of this report.

#### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The unemployment rate for the City of Beatrice for September 2025 is 3.0%, which compares favorably to the state average unemployment rate of 3.0% and is below the national average of 4.4%.

Sales tax revenue can be affected year to year by tax incentives offered to local business that receive tax credits, thereby reducing the sales tax remitted to the City. Sales tax revenue prior to any tax credits better reflects the retail economy, which for the calendar year 2025 increased 0.9% when compared to 2024.

Economic development continued to be a focus for the City in 2025. City and County officials provide combined support for an economic development organization, Gage Area Growth Enterprises (NGage), to promote Beatrice and the surrounding area. Voters approved an extension of the Economic Development Plan to continue to be funded by utility revenues until 2029. Funds from this plan allowed restoration of a historic downtown building into housing units. Gage County Industrial Park continues to develop and expand with land being purchased for future expansion.

The City of Beatrice approved a budget plan that included both fiscal year 2026 and fiscal year 2027. That budget presented a balanced budget of operating revenues to meet expenditure needs and fund various capital projects. For fiscal year 2026, general fund tax revenue projections included a 14.5% increase in the general property tax requirements and 6% increase in sales tax revenue. The general fund levy increased from .334968 to .359948 and the debt service levy decreased from .0120897 to .0089449 for a total levy of .368893. Intergovernmental revenue projections decreased 27% due to loss of funding in both intergovernmental aid for 911 dispatch services and victim assistance, as well as a low projection of funding in municipal equalization funds. The City continues to pursue Federal and State grants for both operating and capital expenditures. Projections for 2026 include \$967,000 for dispatch equipment, \$2.4 million for Airport hangar and taxi lane construction, \$2 million for grit construction, and \$21 million over the next 5 years for the rerouting of Highway 136.

Major capital projects for the 2026 fiscal year include: several substation improvement sites, continuation of the residential site developments at Heritage Heights and Corral Crossing, demolition of Dempster's, construction of a new T-hangar, a new

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garbage truck, grit construction, ballfield improvements, 911 dispatch equipment, a new fire engine, a new ambulance, as well as various other equipment. Some projects are contingent upon receiving grant or donation funding.

In fiscal year 2026, the City proposed rate increases for the Electric, Water, Water Pollution Control, Sanitation, and Beatrice Area Solid Waste Agency funds. Projected revenues should be sufficient to fund operations, capital costs, and maintain prudent reserves for cash flow and emergencies.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the City of Beatrice's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Beatrice, 400 Ella Street, Beatrice, NE 68310.

City of Beatrice, Nebraska  
STATEMENT OF NET POSITION  
September 30, 2025

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
<b>Assets</b>				
<b>Current Assets</b>				
Cash and cash equivalents	\$ 16,377,408	\$ 13,445,422	\$ 29,822,830	\$ 68,549
Cash on deposit - county treasurer	168,939	-	168,939	-
Accounts receivable	2,830,394	1,176,235	4,006,629	-
Assessments receivable	21,680	-	21,680	-
Unbilled and accrued revenues	-	2,027,378	2,027,378	-
Due from other governments	1,232,437	-	1,232,437	-
Lease receivable	117,473	93,441	210,914	-
Accrued interest receivable	6,015	4,909	10,924	-
Inventories	17,364	1,721,450	1,738,814	-
Prepaid expenses	-	6,803	6,803	-
In-lieu-of assessments receivable	10,105	-	10,105	-
Taxes receivable	129,716	-	129,716	-
Loans receivable	22,615	-	22,615	-
Total Current Assets	<u>20,934,146</u>	<u>18,475,638</u>	<u>39,409,784</u>	<u>68,549</u>
<b>Noncurrent Assets</b>				
Investments	2,480,534	3,416,524	5,897,058	1,846,782
Collateral deposit	-	150,000	150,000	-
<b>Restricted Cash and Cash Equivalents</b>				
Debt service account	-	637,840	637,840	-
Construction	-	8,523,432	8,523,432	-
Customer and developer deposits	-	223,894	223,894	-
Grants and capital projects	-	-	-	838
Revolving loan program	-	367,708	367,708	-
<b>Restricted Investments</b>				
Customer deposits	-	726,944	726,944	-
Grants and capital projects	-	-	-	190,014
Closure and post-closure account	-	4,093,798	4,093,798	-
Total Restricted Assets	<u>-</u>	<u>14,573,616</u>	<u>14,573,616</u>	<u>190,852</u>
<b>Capital Assets</b>				
Land	10,402,296	1,548,414	11,950,710	-
Construction in progress	-	651,027	651,027	37,000
Capital assets, net of accumulated depreciation	59,434,131	60,507,197	119,941,328	48,598
Net Capital Assets	<u>69,836,427</u>	<u>62,706,638</u>	<u>132,543,065</u>	<u>85,598</u>
<b>Other Assets</b>				
Loans receivable, net of current portion	522,571	-	522,571	-
Lease receivable, net of current portion	941,615	1,091,667	2,033,282	-
Total Noncurrent Assets	<u>73,781,147</u>	<u>81,938,445</u>	<u>155,719,592</u>	<u>2,123,232</u>
Total Assets	<u>\$ 94,715,293</u>	<u>\$ 100,414,083</u>	<u>\$ 195,129,376</u>	<u>\$ 2,191,781</u>

See accompanying notes and independent auditor's report.

City of Beatrice, Nebraska  
STATEMENT OF NET POSITION - CONTINUED  
September 30, 2025

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
<b>Liabilities</b>				
<b>Current Liabilities</b>				
Accounts payable	\$ 2,772,191	\$ 4,789,396	\$ 7,561,587	\$ -
Claims incurred but not reported	292,747	-	292,747	-
Accrued compensated absences	582,922	385,897	968,819	-
Accrued interest payable	72,401	125,277	197,678	-
Accrued payroll	-	123,229	123,229	-
Other accrued liabilities	-	4,897	4,897	-
Unearned revenue	170,644	-	170,644	-
Customer and developer deposits	-	887,840	887,840	-
Current maturities of long-term debt	1,220,000	1,045,135	2,265,135	-
<b>Total Current Liabilities</b>	<u>5,110,905</u>	<u>7,361,671</u>	<u>12,472,576</u>	<u>-</u>
<b>Noncurrent Liabilities, Net of Current Portion</b>				
Compensated absences	797,204	445,550	1,242,754	-
Revenue bonds	-	19,133,281	19,133,281	-
Tax supported and general obligation bonds	8,200,498	-	8,200,498	-
Notes payable - direct borrowing	-	8,041,764	8,041,764	-
Closure and post-closure costs	-	7,792,000	7,792,000	-
<b>Total Noncurrent Liabilities</b>	<u>8,997,702</u>	<u>35,412,595</u>	<u>44,410,297</u>	<u>-</u>
<b>Total Liabilities</b>	<u>14,108,607</u>	<u>42,774,266</u>	<u>56,882,873</u>	<u>-</u>
<b>Deferred Inflows of Resources</b>				
Deferred lease arrangements	970,325	1,082,134	2,052,459	-
<b>Total Deferred Inflows of Resources</b>	<u>970,325</u>	<u>1,082,134</u>	<u>2,052,459</u>	<u>-</u>
<b>Net Position</b>				
Net investment in capital assets	58,723,199	39,609,390	98,332,589	85,598
<b>Restricted net position</b>				
Restricted for economic development	868,421	-	868,421	-
Restricted for debt service	3,190,220	512,563	3,702,783	-
Restricted revolving loan fund	-	367,708	367,708	-
Restricted for E911 public safety	140,470	-	140,470	-
Restricted for streets	4,947,167	-	4,947,167	-
Restricted for Library Foundation	-	-	-	190,852
Restricted for gas plant long-term obligation	700,000	-	700,000	-
<b>Unrestricted net position</b>	<u>11,066,884</u>	<u>16,068,022</u>	<u>27,134,906</u>	<u>1,915,331</u>
<b>Total Net Position</b>	<u>\$ 79,636,361</u>	<u>\$ 56,557,683</u>	<u>\$ 136,194,044</u>	<u>\$ 2,191,781</u>

See accompanying notes and independent auditor's report.

City of Beatrice, Nebraska  
 STATEMENT OF ACTIVITIES  
 For the year ended September 30, 2025

Functions/Programs	Expenses	Program Revenues			Net Revenue (Expense) and Changes in Net Position Primary Government			Component Units
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	
<b>Primary Government:</b>								
<b>Governmental Activities</b>								
General government	\$ 8,686,942	\$ 6,779,676	\$ 70,717	\$ 1,074,884	\$ (761,665)	\$ -	\$ (761,665)	\$ -
Airport	941,183	537,021	-	2,871,567	2,467,405	-	2,467,405	-
Public safety	10,080,639	1,902,227	1,262,042	129,695	(6,786,675)	-	(6,786,675)	-
Highways and streets	3,725,806	101,481	647,389	1,896,942	(1,079,994)	-	(1,079,994)	-
Culture and recreation	2,437,274	361,098	36,669	548,362	(1,491,145)	-	(1,491,145)	-
Interest on long-term debt	178,363	-	-	-	(178,363)	-	(178,363)	-
Total Governmental Activities	<u>26,050,207</u>	<u>9,681,503</u>	<u>2,016,817</u>	<u>6,521,450</u>	<u>(7,830,437)</u>	<u>-</u>	<u>(7,830,437)</u>	<u>-</u>
<b>Business-type Activities</b>								
Electric	18,256,298	18,815,823	-	58,668	-	618,193	618,193	-
Water	3,303,433	3,007,598	-	-	-	(295,835)	(295,835)	-
Water pollution control	2,094,305	2,416,841	-	385,740	-	708,276	708,276	-
BASWA	3,006,581	2,234,987	-	-	-	(771,594)	(771,594)	-
Sanitation	3,006,952	3,292,178	-	-	-	285,226	285,226	-
Total Business-type Activities	<u>29,667,569</u>	<u>29,767,427</u>	<u>-</u>	<u>444,408</u>	<u>-</u>	<u>544,266</u>	<u>544,266</u>	<u>-</u>
Total Primary Government	<u>55,717,776</u>	<u>39,448,930</u>	<u>2,016,817</u>	<u>6,965,858</u>	<u>(7,830,437)</u>	<u>544,266</u>	<u>(7,286,171)</u>	<u>-</u>
<b>Component Units:</b>								
Beatrice Public Library Foundation	64,400	-	-	-	-	-	-	(64,400)
Total Component Units	<u>\$ 64,400</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	-	-	-	<u>(64,400)</u>
<b>General Revenues</b>								
<b>Taxes</b>								
Property tax					3,340,480	-	3,340,480	-
Sales tax					6,029,836	-	6,029,836	-
Occupation tax					581,491	-	581,491	-
Unrestricted intergovernmental					1,131,423	-	1,131,423	-
Insurance and settlement recoveries					40,749	-	40,749	-
Miscellaneous revenues					172,634	514,647	687,281	14,500
Lease revenue and interest on leases					-	134,639	134,639	-
Unrestricted investment earnings					631,712	1,018,372	1,650,084	155,754
Total General Revenues					<u>11,928,325</u>	<u>1,667,658</u>	<u>13,595,983</u>	<u>170,254</u>
Change in Net Position					4,097,888	2,211,924	6,309,812	105,854
Net Position, Beginning of Year					75,538,473	54,345,759	129,884,232	2,085,927
Net Position, End of Year					<u>\$ 79,636,361</u>	<u>\$ 56,557,683</u>	<u>\$ 136,194,044</u>	<u>\$ 2,191,781</u>

See accompanying notes and independent auditor's report.

City of Beatrice, Nebraska  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
September 30, 2025

	General Fund	Streets Fund	Other Governmental Funds	Total
<b>Assets</b>				
Cash and cash equivalents	\$ 5,721,995	\$ 5,376,617	\$ 4,513,978	\$ 15,612,590
Investments	2,480,534	-	-	2,480,534
Cash on deposit - county treasurer	163,925	-	5,014	168,939
Accounts receivable	1,224,607	74,160	1,382,854	2,681,621
Due from other funds	-	497,396	-	497,396
Taxes receivable	120,275	-	9,441	129,716
Due from other governments	622,269	347,983	262,185	1,232,437
Lease receivable	1,046,105	-	12,983	1,059,088
Accrued interest receivable	5,474	-	541	6,015
Inventories	17,364	-	-	17,364
Assessments receivable	-	-	21,680	21,680
Loans receivable	-	-	545,186	545,186
In-lieu of assessments receivable	-	-	10,105	10,105
<b>Total Assets</b>	<b>\$ 11,402,548</b>	<b>\$ 6,296,156</b>	<b>\$ 6,763,967</b>	<b>\$ 24,462,671</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balance</b>				
<b>Liabilities</b>				
Accounts payable and accrued expenses	\$ 1,213,885	\$ 1,104,335	\$ 453,971	\$ 2,772,191
Unearned revenue	-	170,644	-	170,644
Due to other funds	-	-	497,396	497,396
Accrued interest payable	-	-	-	-
<b>Total Liabilities</b>	<b>1,213,885</b>	<b>1,274,979</b>	<b>951,367</b>	<b>3,440,231</b>
<b>Deferred Inflows of Resources</b>				
Deferred lease arrangements	961,818	-	8,507	970,325
Unavailable revenue	409,435	74,010	1,030,839	1,514,284
<b>Total Deferred Inflows of Resources</b>	<b>1,371,253</b>	<b>74,010</b>	<b>1,039,346</b>	<b>2,484,609</b>
<b>Fund Balance</b>				
Nonspendable	17,364	-	-	17,364
<b>Restricted for:</b>				
Economic development	-	-	868,421	868,421
Airport improvements	384,825	-	-	384,825
Debt service	5,851	-	3,256,770	3,262,621
E911 public safety	-	-	140,470	140,470
Streets	-	4,947,167	-	4,947,167
Gas plant long-term obligation	700,000	-	-	700,000
<b>Committed for:</b>				
Public safety equipment	-	-	309,072	309,072
Public safety pensions	1,131,212	-	-	1,131,212
Community betterment	-	-	519,741	519,741
<b>Assigned for:</b>				
Subsequent years' expenditures	1,077,985	-	145,505	1,223,490
<b>Unassigned, reported in:</b>				
General fund	5,500,173	-	-	5,500,173
Capital projects funds	-	-	(466,725)	(466,725)
<b>Total Fund Balance</b>	<b>8,817,410</b>	<b>4,947,167</b>	<b>4,773,254</b>	<b>18,537,831</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<b>\$ 11,402,548</b>	<b>\$ 6,296,156</b>	<b>\$ 6,763,967</b>	

See accompanying notes and independent auditor's report.

City of Beatrice, Nebraska  
BALANCE SHEET - CONTINUED  
GOVERNMENTAL FUNDS  
September 30, 2025

	Total
Fund Balance Governmental Funds	\$ 18,537,831
Amounts reported for Governmental Activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current financial resources and therefore, are not reported in the funds.	69,836,427
Internal service funds are used by management to charge the costs for fleet management and management information systems to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	620,844
Unavailable revenues that are not current financial resources are recognized in the government-wide financial statements.	1,514,284
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds as follows:	
Accrued interest on long-term debt	(72,401)
Bonds payable	(9,385,000)
Bonds premium	(35,498)
Compensated absences	(1,380,126)
Net Position of Governmental Activities	\$ 79,636,361

See accompanying notes and independent auditor's report.

City of Beatrice, Nebraska  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS  
For the year ended September 30, 2025

	General Fund	Streets Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>				
Taxes				
Property tax	\$ 3,231,554	\$ -	\$ 111,889	\$ 3,343,443
Sales tax	3,608,196	908,115	1,513,525	6,029,836
Occupation tax	581,491	-	-	581,491
Licenses and permits	180,450	-	-	180,450
Intergovernmental	5,251,544	2,407,859	752,339	8,411,742
Charges for services	3,306,449	101,480	91,451	3,499,380
Keno proceeds	-	-	124,665	124,665
Special assessments	-	-	5,285	5,285
Interest	591,292	24,411	16,427	632,131
Miscellaneous	189,686	121,135	467,061	777,881
<b>Total Revenues</b>	<u>16,940,662</u>	<u>3,563,000</u>	<u>3,082,642</u>	<u>23,586,304</u>
<b>Expenditures</b>				
Current				
General government	2,538,073	-	953,448	3,491,521
Airport operations	595,168	-	-	595,168
Public safety	8,939,442	-	-	8,939,442
Highways and streets	-	1,585,971	-	1,585,971
Culture and recreation	1,460,749	-	-	1,460,749
Debt Service				
Principal	-	4,759	1,259,341	1,264,100
Interest	-	272	108,356	108,628
Bond issuance costs	-	40,933	-	40,933
Capital outlay	3,561,945	2,822,089	2,386,620	8,770,654
MFO payments - other entities	-	-	296,574	296,574
<b>Total Expenditures</b>	<u>17,095,377</u>	<u>4,454,024</u>	<u>5,004,339</u>	<u>26,553,740</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(154,715)</b>	<b>(891,024)</b>	<b>(1,921,697)</b>	<b>(2,967,436)</b>
<b>Other Financing Sources (Uses)</b>				
Sale of capital assets	751	-	-	751
Insurance and settlement recoveries	41,812	-	-	41,812
Bond issuances	685,000	2,600,000	-	3,285,000
Bond premiums	-	36,608	-	36,608
Transfers in	80,801	-	1,766,715	1,847,516
Transfers out	(1,569,128)	(210,206)	(68,182)	(1,847,516)
<b>Total Other Financing Sources</b>	<u>(760,764)</u>	<u>2,426,402</u>	<u>1,698,533</u>	<u>3,364,171</u>
<b>Net Change in Fund Balance</b>	<b>(915,479)</b>	<b>1,535,378</b>	<b>(223,164)</b>	<b>396,735</b>
<b>Fund Balance, Beginning of Year</b>	<u>9,732,889</u>	<u>3,411,789</u>	<u>4,996,418</u>	<u>18,141,096</u>
<b>Fund Balance, End of Year</b>	<u>\$ 8,817,410</u>	<u>\$ 4,947,167</u>	<u>\$ 4,773,254</u>	<u>\$ 18,537,831</u>

See accompanying notes and independent auditor's report.

City of Beatrice, Nebraska  
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO  
 THE STATEMENT OF ACTIVITIES  
 For the year ended September 30, 2025

Net change in fund balance - total governmental funds	\$	396,735
Amounts reported for Governmental Activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period as follows:		
Capital outlays		8,452,141
Depreciation expense		(3,500,042)
Change in unavailable revenues that are not current financial resources but that are recognized in the government-wide statements.		922,973
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal long-term debt consumes the current financial resources of the governmental funds. This amount is the net effect of these differences in the treatment of long-term debt.		(2,127,243)
Some expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in the governmental funds. This includes the change in compensated absences.		(69,793)
The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, and donations) is to decrease net position.		(27,951)
The net revenue of certain activities of internal service funds is reported with governmental activities.		51,068
		51,068
Change in Net Position of Governmental Activities	\$	4,097,888

See accompanying notes and independent auditor's report.

City of Beatrice, Nebraska  
 STATEMENT OF NET POSITION  
 PROPRIETARY FUNDS  
 September 30, 2025

	Business-Type Activities Enterprise Funds						Governmental Activities Internal Service Fund
	Electric	Water	Water Pollution Control	BASWA	Sanitation	Total	Total
<b>Current Assets</b>							
Cash and cash equivalents	\$ 5,607,282	\$ 2,474,122	\$ 3,692,372	\$ 1,365,821	\$ 305,825	\$ 13,445,422	\$ 764,818
Accounts receivable	278,320	13,118	402,172	269,417	213,208	1,176,235	148,773
Unbilled and accrued revenues	1,555,611	260,132	211,635	-	-	2,027,378	-
Lease receivable	-	93,441	-	-	-	93,441	-
Inventories	1,029,700	691,750	-	-	-	1,721,450	-
Prepaid expenses	4,628	1,932	243	-	-	6,803	-
Interest receivable	-	4,909	-	-	-	4,909	-
<b>Total Current Assets</b>	<b>8,475,541</b>	<b>3,539,404</b>	<b>4,306,422</b>	<b>1,635,238</b>	<b>519,033</b>	<b>18,475,638</b>	<b>913,591</b>
<b>Noncurrent Assets</b>							
Investments	2,836,031	580,493	-	-	-	3,416,524	-
Collateral deposit	150,000	-	-	-	-	150,000	-
<b>Restricted Cash and Cash Equivalents</b>							
Customer deposits	223,894	-	-	-	-	223,894	-
Construction	3,946,162	-	-	4,577,270	-	8,523,432	-
Debt service account	99,914	105,413	124,333	152,264	155,916	637,840	-
Revolving loan program	367,708	-	-	-	-	367,708	-
<b>Restricted Investments</b>							
Customer deposits	726,944	-	-	-	-	726,944	-
Closure and post-closure costs	-	-	-	4,093,798	-	4,093,798	-
Lease receivable	-	1,091,667	-	-	-	1,091,667	-
<b>Capital Assets</b>							
Land	65,058	1,424,318	16,588	-	42,450	1,548,414	-
Construction in progress	10,294	640,733	-	-	-	651,027	-
Buildings and improvements	2,251,109	598,787	15,325,130	-	495,447	18,670,473	-
Improvements other than buildings	34,645,861	29,525,420	11,152,610	18,886,894	-	94,210,785	-
Machinery and equipment	5,967,614	2,063,436	2,476,868	3,176,731	3,354,020	17,038,669	-
<b>Total Capital Assets</b>	<b>42,939,936</b>	<b>34,252,694</b>	<b>28,971,196</b>	<b>22,063,625</b>	<b>3,891,917</b>	<b>132,119,368</b>	<b>-</b>
Less accumulated depreciation	(25,684,030)	(16,788,588)	(18,352,650)	(7,100,294)	(1,487,168)	(69,412,730)	-
<b>Net Capital Assets</b>	<b>17,255,906</b>	<b>17,464,106</b>	<b>10,618,546</b>	<b>14,963,331</b>	<b>2,404,749</b>	<b>62,706,638</b>	<b>-</b>
<b>Total Noncurrent Assets</b>	<b>25,606,559</b>	<b>19,241,679</b>	<b>10,742,879</b>	<b>23,786,663</b>	<b>2,560,665</b>	<b>81,938,445</b>	<b>-</b>
<b>Total Assets</b>	<b>\$ 34,082,100</b>	<b>\$ 22,781,083</b>	<b>\$ 15,049,301</b>	<b>\$ 25,421,901</b>	<b>\$ 3,079,698</b>	<b>\$ 100,414,083</b>	<b>\$ 913,591</b>

See accompanying notes and independent auditor's report.

City of Beatrice, Nebraska  
 STATEMENT OF NET POSITION - CONTINUED  
 PROPRIETARY FUNDS  
 September 30, 2025

	Business-Type Activities Enterprise Funds						Governmental Activities Internal Service Fund
	Electric	Water	Water Pollution Control	BASWA	Sanitation	Total	Total
<b>Liabilities</b>							
<b>Current Liabilities</b>							
Accounts payable	\$ 1,205,093	\$ 459,223	\$ 530,876	\$ 2,489,911	\$ 104,293	\$ 4,789,396	\$ -
Claims incurred but not reported	-	-	-	-	-	-	292,747
Accrued compensated absences	190,925	68,038	44,928	47,458	34,548	385,897	-
Accrued payroll	62,020	21,489	12,085	10,439	17,196	123,229	-
Accrued interest payable	40,929	32,237	22,959	24,551	4,601	125,277	-
Other accrued liabilities	3,206	1,120	571	-	-	4,897	-
Customer and developer deposits	887,746	-	-	-	94	887,840	-
Current maturities of long-term debt	108,061	364,041	60,617	205,000	307,416	1,045,135	-
<b>Total Current Liabilities</b>	<b>2,497,980</b>	<b>946,148</b>	<b>672,036</b>	<b>2,777,359</b>	<b>468,148</b>	<b>7,361,671</b>	<b>292,747</b>
<b>Noncurrent Liabilities, Net of Current Portion</b>							
Compensated absences	313,895	33,189	37,795	40,595	20,076	445,550	-
Revenue bonds	3,843,107	556,566	414,852	12,923,756	1,395,000	19,133,281	-
Notes payable - direct borrowing	-	7,962,913	-	-	78,851	8,041,764	-
Closure and post-closure cost	-	-	-	7,792,000	-	7,792,000	-
<b>Total Noncurrent Liabilities</b>	<b>4,157,002</b>	<b>8,552,668</b>	<b>452,647</b>	<b>20,756,351</b>	<b>1,493,927</b>	<b>35,412,595</b>	<b>-</b>
<b>Total Liabilities</b>	<b>6,654,982</b>	<b>9,498,816</b>	<b>1,124,683</b>	<b>23,533,710</b>	<b>1,962,075</b>	<b>42,774,266</b>	<b>292,747</b>
<b>Deferred Inflows of Resources</b>							
Deferred lease arrangements	-	1,082,134	-	-	-	1,082,134	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>1,082,134</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,082,134</b>	<b>-</b>
<b>Net Position</b>							
Net investment in capital assets	17,237,045	8,146,988	9,642,904	3,969,419	613,034	39,609,390	-
Restricted for debt service	58,985	73,176	101,374	127,713	151,315	512,563	-
Restricted for revolving loan program	367,708	-	-	-	-	367,708	-
Unrestricted	9,763,380	3,979,969	4,180,340	(2,208,941)	353,274	16,068,022	620,844
<b>Total Net Position</b>	<b>\$ 27,427,118</b>	<b>\$ 12,200,133</b>	<b>\$ 13,924,618</b>	<b>\$ 1,888,191</b>	<b>\$ 1,117,623</b>	<b>\$ 56,557,683</b>	<b>\$ 620,844</b>

See accompanying notes and independent auditor's report.

City of Beatrice, Nebraska  
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
 PROPRIETARY FUNDS  
 For the year ended September 30, 2025

	Business-Type Activities Enterprise Funds					Governmental Activities Internal Service Fund	
	Electric	Water	Water Pollution Control	BASWA	Sanitation	Total	
	Total	Total	Total	Total	Total	Total	
Operating Revenues							
Charges for services	\$ 18,815,823	\$ 3,007,598	\$ 2,416,841	\$ 2,234,987	\$ 3,292,178	\$ 29,767,427	\$ 5,150,054
Reinsurance coverage reimbursements	-	-	-	-	-	-	462,058
<b>Total Operating Revenues</b>	<b>18,815,823</b>	<b>3,007,598</b>	<b>2,416,841</b>	<b>2,234,987</b>	<b>3,292,178</b>	<b>29,767,427</b>	<b>5,612,112</b>
Operating Expenses							
Electric energy purchased	12,029,972	-	-	-	-	12,029,972	-
Operating and maintenance expenses	1,430,977	1,238,448	880,796	-	1,817,446	5,367,667	-
Customer accounting expenses	291,000	174,137	129,826	-	-	594,963	-
Engineering services	449,845	40,236	40,236	-	-	530,317	-
Administrative and general expense	1,632,400	704,478	352,686	1,237,130	-	3,926,694	-
Depreciation	1,459,078	996,362	635,297	560,195	387,443	4,038,375	-
Municipal expenses	853,436	103,304	24,528	-	-	981,268	-
Operating contracts	-	-	-	666,120	777,088	1,443,208	-
Health insurance claims paid	-	-	-	-	-	-	4,249,213
Insurance premiums	-	-	-	-	-	-	931,649
Payflex expenses	-	-	-	-	-	-	263,622
Other services and charges	-	-	-	-	-	-	128,654
<b>Total Operating Expenses</b>	<b>18,146,708</b>	<b>3,256,965</b>	<b>2,063,369</b>	<b>2,463,445</b>	<b>2,981,977</b>	<b>28,912,464</b>	<b>5,573,138</b>
<b>Operating Income (Loss)</b>	<b>669,115</b>	<b>(249,367)</b>	<b>353,472</b>	<b>(228,458)</b>	<b>310,201</b>	<b>854,963</b>	<b>38,974</b>
Nonoperating Revenues (Expenses)							
Investment earnings	369,599	112,175	139,308	397,290	-	1,018,372	12,094
Gain (loss) on disposal of capital asset	-	5,359	98,000	(29,578)	-	73,781	-
Miscellaneous revenues (expenses)	220,573	126,734	49,797	4,323	9,861	411,288	-
Grant revenues	-	-	385,740	-	-	385,740	-
Lease revenue and interest on leases	-	134,639	-	-	-	134,639	-
Interest expense	(39,665)	(35,172)	(22,509)	(340,348)	(24,975)	(462,669)	-
Bond issuance cost	(69,925)	(11,296)	(8,427)	(173,210)	-	(262,858)	-
<b>Total Nonoperating Revenues (Expenses)</b>	<b>480,582</b>	<b>332,439</b>	<b>641,909</b>	<b>(141,523)</b>	<b>(15,114)</b>	<b>1,298,293</b>	<b>12,094</b>
Income Before Contributions	1,149,697	83,072	995,381	(369,981)	295,087	2,153,256	51,068
Capital Contributions	58,668	-	-	-	-	58,668	-
Change in Net Position	1,208,365	83,072	995,381	(369,981)	295,087	2,211,924	51,068
Net Position, Beginning of Year	26,218,753	12,117,061	12,929,237	2,258,172	822,536	54,345,759	569,776
<b>Net Position, End of Year</b>	<b>\$ 27,427,118</b>	<b>\$ 12,200,133</b>	<b>\$ 13,924,618</b>	<b>\$ 1,888,191</b>	<b>\$ 1,117,623</b>	<b>\$ 56,557,683</b>	<b>\$ 620,844</b>

See accompanying notes and independent auditor's report.

City of Beatrice, Nebraska  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For the year ended September 30, 2025

	Business-Type Activities Enterprise Funds					Governmental Activities Internal Service Fund	
	Electric	Water	Water Pollution Control	BASWA	Sanitation	Total	
						Total	
<b>Cash Flows From Operating Activities</b>							
Cash received from customers	\$ 17,947,601	\$ 3,196,212	\$ 2,467,748	\$ 2,113,034	\$ 3,396,059	\$ 29,120,654	\$ 5,531,259
Cash received from collection of sales tax	1,163,364	-	-	-	-	1,163,364	-
Cash paid to suppliers for goods and services	(13,811,429)	(1,359,877)	(985,031)	(1,012,261)	(1,915,565)	(19,084,163)	(5,597,232)
Cash paid for remittance of sales tax	(1,163,363)	-	-	-	-	(1,163,363)	-
Cash paid to employees for services	(1,724,190)	(892,046)	(447,918)	(360,977)	(674,584)	(4,099,715)	-
Net cash provided by (used in) operating activities	2,411,983	944,289	1,034,799	739,796	805,910	5,936,777	(65,973)
<b>Cash Flows from Capital and Related Financing Activities</b>							
Principal payments on long-term debt	-	(282,561)	-	-	(306,122)	(588,683)	-
Proceeds from long-term debt	3,952,432	638,493	475,919	13,129,128	-	18,195,972	-
Payment of bond issuance costs	(69,925)	(11,296)	(8,427)	(173,210)	-	(262,858)	-
Interest paid on long-term debt	-	(5,023)	-	(316,169)	(26,322)	(347,514)	-
Capital contributions	58,668	-	-	-	-	58,668	-
Proceeds from sales of capital assets	-	5,359	-	-	-	5,359	-
Purchases of capital assets	(2,080,492)	(1,295,809)	(1,311,765)	(9,015,000)	(222,978)	(13,926,044)	-
Principal payments received on lease receivable	-	91,643	-	-	-	91,643	-
Interest payments received on lease receivable	-	23,924	-	-	-	23,924	-
Net cash provided by (used in) capital and related financing activities	1,860,683	(835,270)	(844,273)	3,624,749	(555,422)	3,250,467	-
<b>Cash Flows From Investing Activities</b>							
Purchases of investments	(1,522,148)	(580,493)	-	(4,093,798)	-	(6,196,439)	-
Sales and maturities of investments	1,007,351	557,724	-	4,449,705	-	6,014,780	-
Interest received	369,599	112,896	139,308	397,290	-	1,019,093	12,094
Net cash provided by (used in) investing activities	(145,198)	90,127	139,308	753,197	-	837,434	12,094
<b>Net Change in Cash and Cash Equivalents</b>	<u>4,127,468</u>	<u>199,146</u>	<u>329,834</u>	<u>5,117,742</u>	<u>250,488</u>	<u>10,024,678</u>	<u>(53,879)</u>
<b>Cash and Cash Equivalents, Beginning of Year</b>	<u>6,117,492</u>	<u>2,380,389</u>	<u>3,486,871</u>	<u>977,613</u>	<u>211,253</u>	<u>13,173,618</u>	<u>818,697</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u>\$ 10,244,960</u>	<u>\$ 2,579,535</u>	<u>\$ 3,816,705</u>	<u>\$ 6,095,355</u>	<u>\$ 461,741</u>	<u>\$ 23,198,296</u>	<u>\$ 764,818</u>
<b>Composition of Cash and Cash Equivalents</b>							
Cash and cash equivalents	\$ 5,607,282	\$ 2,474,122	\$ 3,692,372	\$ 1,365,821	\$ 305,825	\$ 13,445,422	\$ 764,818
Restricted cash and cash equivalents - noncurrent	4,637,678	105,413	124,333	4,729,534	155,916	9,752,874	-
<b>Total Cash and Cash Equivalents</b>	<u>\$ 10,244,960</u>	<u>\$ 2,579,535</u>	<u>\$ 3,816,705</u>	<u>\$ 6,095,355</u>	<u>\$ 461,741</u>	<u>\$ 23,198,296</u>	<u>\$ 764,818</u>

See accompanying notes and independent auditor's report.

City of Beatrice, Nebraska  
 STATEMENT OF CASH FLOWS - CONTINUED  
 PROPRIETARY FUNDS  
 For the year ended September 30, 2025

	Business-Type Activities Enterprise Funds					Governmental Activities Internal Service Fund	
	Electric	Water	Water Pollution Control	BASWA	Sanitation	Total	Total
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used In) Operating Activities:							
Operating income (loss)	\$ 669,115	\$ (249,367)	\$ 353,472	\$ (228,458)	\$ 310,201	\$ 854,963	\$ 38,974
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:							
Depreciation	1,459,078	996,362	635,297	560,195	387,443	4,038,375	-
Miscellaneous revenue (expenses)	220,573	126,734	49,797	4,323	9,861	411,288	-
Changes in operating assets and liabilities:							
Accounts receivable	169,392	(239)	(3,506)	(126,276)	94,020	133,391	(80,853)
Unbilled and accrued revenues	(94,823)	62,119	4,616	-	-	(28,088)	-
Materials and supplies inventory	40,266	56,550	-	-	-	96,816	-
Prepaid expenses	(4,628)	(1,932)	(243)	-	-	(6,803)	-
Accounts payable	(360,617)	(36,922)	(8,525)	22,200	(5,648)	(389,512)	-
Accrued compensated absences	61,814	(14,184)	928	1,451	6,484	56,493	-
Customer and developer deposits	239,946	-	-	-	94	240,040	-
Closure and post-closure care	-	-	-	505,000	-	505,000	-
Other accrued liabilities	11,867	5,168	2,963	1,361	3,455	24,814	(24,094)
Total adjustments	1,742,868	1,193,656	681,327	968,254	495,709	5,081,814	(104,947)
Net cash provided by (used in) operating activities	\$ 2,411,983	\$ 944,289	\$ 1,034,799	\$ 739,796	\$ 805,910	\$ 5,936,777	\$ (65,973)
Supplemental Disclosure for NonCash Capital Activities:							
Purchase of capital assets on account	\$ 13,885	\$ 433,598	\$ 500,173	\$ 2,442,426	\$ 10,448	\$ 3,400,530	\$ -
Trade-in value for purchase of capital asset	-	-	98,000	571,200	-	669,200	-

See accompanying notes and independent auditor's report.