



CITY OF SEWARD
City Council
Regular Meeting
Agenda

Tuesday, February 7, 2023

7:00 PM

Municipal Building Council Chambers

NOTICE IS HEREBY GIVEN that a meeting of the City Council of the City of Seward, Nebraska will be held at 7:00 PM on Tuesday, February 7, 2023, in the Council Chambers, 142 7th Street, Seward, Nebraska in which the meeting will be open to the public. The Mayor and City Council reserve the right to adjourn into Closed Session as per Section 84-1410 of the Nebraska Revised Statutes. An Agenda for such meeting, kept continually current, is available at the Office of the City Clerk, 537 Main Street, Seward, Nebraska, during normal business hours. Individuals requiring physical or sensory accommodations, who desire to attend or participate, please contact the City Clerk's Office at 402.643.2928 no later than 3:30 PM on the Friday preceding the Council Meeting.

City financial claims and related invoices will be available for Council member review, audit and voluntary signatures at Council Chambers beginning 30 minutes prior to the scheduled meeting time.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

DISCLOSURE OF OPEN MEETINGS ACT & OTHER NOTIFICATIONS

This is an Open Meeting of the Seward Nebraska Governing Body. The City of Seward abides by the Nebraska Open Meetings Act in conducting business. A copy of the Nebraska Open Meetings Act is displayed on the north wall of this meeting room facility as required. Disclosure of meeting recording processes is posted in the Meeting Room. A participant sign-in sheet is available for use by any Citizen addressing the Council. Presenters shall approach the podium, state their name & address for the Clerk's record and are asked to limit remarks to five minutes. All remarks shall be directed to the Mayor who shall determine by whom any appropriate response shall be made. The City of Seward reserves the right to adjust the order of items on this Agenda if necessary and may elect to take action on any of the items listed.

ROLL CALL

CONSENT AGENDA

1. Claims & Payables Reports

CLAIMS LIST

2-7-23

COUNCIL MEETING

Abbreviations: BE, Benefits; BU, Building Upkeep; CI, Capital Improvements; DO, Donations; EQ, Equipment; EX, Expense; FA, Fixed Asset; GS, Gas; GU, Ground Upkeep; IT, Technology; IV, Inventory; MA, Maintenance; MC, Miscellaneous; MH, Merchandise; MI, Mileage; ML, Meals; MS, Memberships; OI, Oil; OP, Operations; PO, Postage; PU, Publications; RE, Repairs; RI, Reimbursement; SA, Salaries, SE, Services; SL, Sales; ST, Sales Tax; SU, Supplies; TG, Training; TO, Tools; TR, Transfer; UN, Uniforms; UT, Utilities.

Aclara Technologies LLC	MS	47,475.57
AKRS Equipment Inc	RE	340.77
Altec Industries Inc	RE	1,402.29
Amazon Business	SU	1,336.92
Amazon.Com Credit Service	SU	305.36
Bizco Technologies	IT	640.33
Black Hills Energy	UT	3,889.37
Blue Cross Blue Shield Ne	BE	63,454.65
Blue To Gold Law Enforce	TG	225.00
Blue Valley Public Safety	MA	2,467.13
Border States Industries	CI	19,629.13
C.S. Guenzel Co	BU	2,980.00
Callaway Golf	MH	117.14
Campbell Cleaning	SE	1,434.99
Capital Business-Dallas	MA	565.82
Caselle Inc	IT	23,248.00
Cash-Wa Distributing Co	ML	504.34
Chase Card Service		8,354.30
Amazon	SU	977.70
Ariat International	UN	300.89
Constant Contact	SE	20.00
Dragon Palace	ML	179.64
Emergency Solutions	IT	176.59
Harbor Freight Tools	SU	122.20
The Home Depot	SU	182.06
Intl Code Council	MS	145.00
Microsoft	MS	221.73
NI E and A Renew	MS	80.00
NE Municipal Util	TG	140.00
NLETC	TG	100.00
On Deck Sports	EQ	2,261.98
Precision Custom Wood	BU	233.39
RealTruck FL	RE	621.46
Rod's Power Sports	RE	116.99
Sam's Club	SU	574.10
Sparetime Lounge	ML	123.50
SuperSaaS	IT	246.40
US Cellular	SU	125.04
USPS	PO	37.75

Valentinos	ML	128.05	
Walmart	SU	1,162.98	
Webstaurant Store	SU	77.05	
Chemsearch	OI		246.90
City Seward Buildings/Gr	OP		3,000.00
City Seward Electric Fund	UT		43,137.29
City Seward General Fund	TR		286,683.96
City Seward Library Petty	PO		196.57
City Seward Payroll Accou	SA		176,273.69
City Seward VFD	MC		1,005.00
Danko Emergency Equipment	RE		334.39
Emergency Medical Product	EQ		1,422.01
Firststar Fiber Inc	SE		179.05
Gary Gross Truck & Access	FA		7,450.00
H&S Plumb Heat & Air Inc	BU		36.78
Hawkins Inc	SU		1,495.08
Helmink Printing/Grph Inc	SE		356.00
Hobson Automotive & Tire	RE		84.00
Hoffschneider Law PC LLO	SE		4,750.00
Home Depot Pro	SU		376.83
Husker Electric Supply Co	SU		1,985.46
Jackson Services Inc	SU		91.74
Janicek Gary M	RI		7.00
Johnson Controls Inc	BU		413.00
Jones Automotive	RE		510.00
Jones Bank	MS		70.00
Kansas City Life Ins Co	BE		8.10
Klimm Trevor	MC		500.00
Last Mile Network Consult	IT		165.30
Lee'S Refrigeration	BU		22,668.00
Lenz James	MC		2,500.00
Lintt Mark	OP		90.00
L-Tron Corp	SU		453.00
Mailand'S Clothing	UN		20.00
Memorial Health-Drug	SE		205.00
Menards North	BU		1,529.52
Metering & Technology Sol	MA		4,739.00
Meyer Automotive	RE		221.51
Mid-American Benefits Inc	BE		1,397.14
Midwest Auto Parts	SU		71.16
Midwest Service & Sales	SU		3,120.75
Midwest Turf & Irrigation	RE		2,630.48
Motorola Solutions Inc	FA		4,762.13
Mustang Graphics	SE		520.00
Nebraska D A S Acct Ocio	MA		245.00
Nebraska Health Lab	MA		168.00
Nebraska I.A.I.	TG		75.00
Nebraska Law Enforcement	MC		100.00
Nebraska Pub Pow-Desmoine	UT		481,172.16
Nebraska Revenue	MC		818.68

Nextlink	SE	100.00
Norris Public Power Distr	CI	3,674.21
Olsson	CI	4,255.00
One Billing Solutions LLC	SE	2,371.29
O'Reilly Automotive Inc	RE	332.75
Orscheln Farm & Home	BU	480.99
Overhead Door Co-Lincoln	BU	531.50
Ovivo USA LLC	MA	260.46
Principal Financial Group	BE	2,407.55
Progressive Microtechnolo	MS	695.00
Quill Corp	SU	298.87
Sam'S Club (Lib-Rec-Pool)	MS	245.00
Sargent Drilling Inc	MA	43,164.40
Schmidt Jordan	MC	219.80
Seward County Chamber & D	RI	306.06
Seward Electronics	RE	45.00
Short Elliott Hendrickson	CI	123,373.29
Small Engine Specialists	RE	41.31
South Central EMS LLC	EQ	3,600.00
Sports Express	MC	22.50
Summit Fire Protection	BU	215.50
Tarbell Scott & Carol	MC	2,184.18
Time Warner/Spectrum	SE	795.19
Total Tool Supply Inc	TO	381.46
Truck Center Companies	RE	3,520.12
U S Cellular	SE	236.01
Van Kirk Bros Contracting	CI	124,773.01
Verizon Wireless	SE	431.69
Wesco Distribution Inc	IV	118,379.65
White Cap	RE	102.49
Wolf Nicholas	RI	44.38
	CLAIMS TOTAL	\$1,674,144.45

2. Draft Minutes of January 17, 2023, City Council Meeting

January 17, 2023

The Seward City Council met at 7:01 p.m. on Tuesday, January 17, 2023, with Mayor Joshua Eickmeier presiding and City Clerk Derek Bargmann recording the proceedings. Upon roll call, the following Councilmembers were present: Megan Kahler, Jessica Kolterman, Karl Miller, John Singleton, Tatum Tonniges, Matt Stryson, Rich Wergin, Jonathon Wilken. Councilmembers Absent: None. Other officials present: City Administrator Greg Butcher, City Attorney Kelly Hoffschneider, City Engineer Michael Oneby, Building/Zoning & Code Enf. Director Tim Dworak, Public Properties Director Bob Core, and Police Sergeant Allison Sommerfeld.

Notice of the meeting was given in advance thereof, and Mayor Eickmeier announced that a copy of the Open Meetings Act and tonight's agenda is posted in the meeting room and is accessible to members of the public. Mayor Eickmeier led those in attendance in the Pledge of Allegiance.

CONSENT AGENDA CONSIDERATION ITEMS

The following Consent Agenda items were approved in one single motion made by Councilmember Stryson, seconded by Councilmember Singleton.

1. City Codes Director Report
2. City Treasurer Report
3. Claims & Payables Report (totaling \$834,234.71)
4. Police Department Report
5. Refuse Hauler's Annual License Renewal
6. Annual Certification of Fire Department List
7. Draft Minutes of January 3, 2023, Council Meeting
8. Mayor Appointments to Various Boards and Committees:
 - a. Appoint Bradley Park to the Seward Volunteer Fire Department Roster

Aye: Kahler, Kolterman, Miller, Singleton, Stryson, Tonniges, Wergin, Wilken.
Nay: None. Motion carried.

PUBLIC HEARINGS

2. CONSIDERATION OF AN ORDINANCE RE-ZONING PROPERTY IDENTIFIED AS LUEBBE-MARTIN ADDITION FROM 'RR – RURAL RESIDENTIAL DISTRICT' TO 'R-3 – URBAN RESIDENTIAL MIXED-DENSITY DISTRICT'

Building/Zoning & Code Enforcement Director Tim Dworak identified the address included in the application as 976 E Seward Street. Currently, the property is incorrectly zoned as 'RR – Rural Residential' which is not allowed within city limits. As such, the property is requested to be re-zoned as 'R-3 – Urban Residential Mixed-Density District' to conform with the City's zoning map and its use. The Planning Commission approved the rezone unanimously.

Mayor Eickmeier opened the public hearing at 7:05 p.m. With no public comment received, the public hearing was closed at 7:05 p.m.

Councilmember Singleton introduced Ordinance No. 2023-2. Councilmember Kolterman moved, seconded by Councilmember Stryson to dispense with the statutory rule. Councilmember Stryson moved, seconded by Councilmember Singleton, that the minutes of the proceedings of the Mayor and Council of the City of Seward, Seward County, Nebraska in the matter of passing and adopting: **Ordinance No. 2023-2, AN ORDINANCE TO AMEND THE OFFICIAL ZONING MAP OF THE CITY OF SEWARD, NEBRASKA; TO REZONE CERTAIN PROPERTY WITHIN THE EXTRA TERRITORIAL JURISDICTION OF THE CITY OF SEWARD, NEBRASKA NOW ZONED RR RURAL RESIDENTIAL DISTRICT, TO R3 URBAN RESIDENTIAL MIXED-DENSITY DISTRICT; SPECIFICALLY, TRACTS OF LAND NORTH OF HIGHWAY 34 AND WEST OF EVERGREEN DRIVE; TO DESCRIBE THE PROPERTY REZONED; TO PROVIDE FOR PUBLICATION OF THIS ORDINANCE IN PAMPHLET FORM; TO PROVIDE FOR A TIME WHEN THIS ORDINANCE SHALL TAKE EFFECT.**

Aye: Kahler, Kolterman, Miller, Singleton, Stryson, Tonniges, Wergin, Wilken.
Nay: None. Motion carried.

1. CONSIDERATION OF AN ORDINANCE APPROVING THE PRELIMINARY AND FINAL PLAT OF LUEBBE-MARTIN ADDITION

A. CONSIDERATION OF A MAJOR SUBDIVISION APPLICATION OF LOTS 1 AND 2 OF LUEBBE-MARTIN ADDITION

Mr. Dworak noted the tract of land including 976 E Seward Street was not previously platted; therefore, the platting would allow for two lots with 'R-3' designation. The intent is to construct an accessory building on the east lot which will conform to the 900 sq. ft max limit. An access easement will be executed to allow for access to the

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proposed lots. The Planning Commission approved the application unanimously.

Mayor Eickmeier opened the public hearing at 7:08 p.m. With no public comment received, the public hearing was closed at 7:08 p.m.

Councilmember Singleton introduced Ordinance No. 2023-3. Councilmember Kolterman moved, seconded by Councilmember Stryson to dispense with the statutory rule. Councilmember Stryson moved, seconded by Councilmember Kolterman, that the minutes of the proceedings of the Mayor and Council of the City of Seward, Seward County, Nebraska in the matter of passing and adopting: **Ordinance No. 2023-3, AN ORDINANCE TO APPROVE THE PLAT ENTITLED "LUEBBE-MARTIN ADDITION", A PLAT OF LAND LOCATED IN THE SE1/4 OF SECTION 21 AND IN THE SW1/4 OF SECTION 22, ALL IN TOWNSHIP 11 NORTH, RANGE 3 EAST OF THE 6TH P.M., SEWARD COUNTY, NEBRASKA,** AS HEREINAFTER SET FORTH; TO PROVIDE FOR PUBLICATION OF THIS ORDINANCE IN PAMPHLET FORM; TO PROVIDE FOR A TIME WHEN THIS ORDINANCE SHALL TAKE EFFECT.

Aye: Kahler, Kolterman, Miller, Singleton, Stryson, Tonniges, Wergin, Wilken.

Nay: None. Motion carried.

ADMINISTRATIVE ITEMS

1. CONSIDERATION OF A RESOLUTION ADJUSTING RECREATION FEES, INCREASE FEES FOR USE OF THE SEWARD COMMUNITY GOLF COURSE AND BLUE VALLEY CAMPGROUND

Public Properties Director Bob Core indicated the Park & Recreation Board had reviewed current fees at their January 9th meeting and recommended an increase in fees for use of the Seward Community Golf Course and Blue Valley Campground. The impetus of the increase in golf fees is to offset increased operating costs and to plan for future capital improvements. Additionally, the Blue Valley Campground maximum allowable stay will be cut from 14 to 7 continuous days to improve security of the site and allow opportunity for other users.

Councilmember Kolterman introduced **Resolution 2023-1**, to adjust current recreation fees. Councilmember Wergin moved, seconded by Councilmember Stryson to approve Resolution 2023-1.

Aye: Kahler, Kolterman, Miller, Singleton, Stryson, Tonniges, Wergin, Wilken.

Nay: None. Motion carried.

2. CONSIDERATION OF A CONSTRUCTION ENGINEERING SERVICES AGREEMENT WITH THE SCHEMMER ASSOCIATES, INC. FOR THE KAROL KAY BOX CULVERT IMPROVEMENTS PROJECT AND AUTHORIZATION FOR MAYOR TO SIGN ALL DOCUMENTS

City Engineer Michael Oneby described the agreement as professional services to assist the City with oversight of the box culvert project, specifically in field inspection and surveying. The assistance will help with the quality of construction to ensure a better quality finished product.

Councilmember Singleton moved, seconded by Councilmember Stryson, to approve the construction engineering services agreement with The Schemmer Associates, Inc. as presented.

Aye: Kahler, Kolterman, Miller, Singleton, Stryson, Tonniges, Wergin, Wilken.

Nay: None. Motion carried.

3. APPROVAL OF THE PROFESSIONAL ENGINEER'S RECOMMENDATION AND AUTHORIZATION TO AWARD A PROFESSIONAL SERVICES AGREEMENT TO HDR ENGINEERING, INC. FOR FINAL DESIGN OF THE INTERIOR DRAINAGE AND PUMP STATION IMPROVEMENTS PROJECT

Mr. Oneby noted that the City had recently completed a RFQ process for final design of the interior drainage and pump station improvements. Based on review of the respondents, the City and the project engineer from JEO are recommending award to HDR Engineering, Inc. If approved, negotiations will begin immediately with an agreement to be presented for consideration at a future council meeting.

Councilmember Kolterman moved, seconded by Councilmember Wergin, to approve the engineer's recommendation to award HDR Engineering, Inc. and to begin negotiations.

Aye: Kahler, Kolterman, Miller, Singleton, Stryson, Tonniges, Wergin, Wilken.

Nay: None. Motion carried.

4. CONSIDERATION OF APPROVAL OF TASK ORDER #1 TO THE MASTER SERVICES AGREEMENT SIGNED AUGUST 1, 2011, WITH JEO, INC. FOR THE GIS IMPROVEMENTS PROJECT AND AUTHORIZATION FOR MAYOR TO SIGN ALL DOCUMENTS

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Mr. Oneby indicated the task order would allow for incorporation of a new GIS system for City use. He noted that the new system (ESRI) would allow the ability to use old data to populate utility maps with the feature to edit these maps in real time. The impetus for improved maps is to allow for more accurate and efficient response from staff in the field, particularly for underground utilities work. The GIS improvements project will provide a large update this fiscal year with the possibility of incremental budget for updates in future fiscal years. For security reasons, a limited amount of information will continue to be available to the public for view on the City website.

Councilmember Kolterman moved, seconded by Councilmember Singleton, to approve Task Order #1 with JEO, Inc. for the GIS improvements project and authorize Mayor to sign all documents.

Aye: Kahler, Kolterman, Miller, Singleton, Stryson, Tonniges, Wergin, Wilken.

Nay: None. Motion carried.

5. CONSIDERATION OF AN AGREEMENT WITH SINCLAIR HILLE ARCHITECTS TO PERFORM A CITY FACILITIES STUDY AND AUTHORIZATION FOR MAYOR TO SIGN ALL DOCUMENTS

City Administrator Butcher stated the purpose of the agreement was to provide a comprehensive study of City facilities. The study will examine the current state of City buildings with consideration to compliance with accessibility laws, increased efficiencies, and future workforce needs. With the information collected, the City can then more properly consider future capital projects that are identified. The plan is expected to be completed in Summer of 2023 with the report presented to Council.

Councilmember Singleton moved, seconded by Councilmember Miller, to approve the agreement with Sinclair Hille Architects as presented and authorize Mayor to sign all documents.

Aye: Kahler, Kolterman, Miller, Singleton, Stryson, Tonniges, Wergin, Wilken.

Nay: None. Motion carried.

6. CONSIDERATION TO AUTHORIZE CITY ADMINISTRATION AND CIVIC CENTER COMMISSION TO BEGIN IMPLEMENTATION OF A DESIGN-BUILD PROCESS FOR RENOVATIONS TO THE CIVIC CENTER

Mr. Butcher provided an update to the ongoing considerations to upgrade the Civic Center. Due to the City passing the Political Subdivision Construction Alternatives Act (Ord. No. 2023-1), the Civic Center could utilize a design-build process which would save on both costs and time. The request to utilize a design-build process for these updates was approved unanimously at the January 9th Civic Center Commission meeting.

Councilmember Kolterman moved, seconded by Councilmember Miller, to authorize use of a design-build process in the Civic Center renovations project.

Aye: Kahler, Kolterman, Miller, Singleton, Stryson, Tonniges, Wergin, Wilken.

Nay: None. Motion carried.

7. AWARD COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) DOWNTOWN REVITALIZATION PROGRAM (21DTR011) FORGIVABLE LOANS

A. POLAR LIGHTS LLC / HR BLOCK – 115 S 6TH STREET - \$13,934.72 (75% OF PROJECT)

Mr. Butcher noted the Nebraska State Historic Preservation Office (SHPO) has reviewed and approved the application to improve windows and frontage at the HR Block building (115 S 6th Street).

Councilmember Kolterman moved, seconded by Councilmember Stryson, to approve the application for the 115 S 6th Street property as presented.

Aye: Kahler, Kolterman, Miller, Singleton, Stryson, Tonniges, Wergin, Wilken.

Nay: None. Motion carried.

8. CONSIDERATION OF A SHORT-TERM LEASE FOR WILLIAM HENRY SCHOOL OF THE ARTS TO UTILIZE THE CLUBHOUSE OF THE SEWARD COMMUNITY GOLF COURSE

The owner of the business, Alexa Axthelm, approached the City about possibly using the Seward Golf Course Clubhouse on a short-term basis to continue business operations. Currently, the new business location is awaiting resolution to a State Fire Marshall issue. Mr. Butcher indicated that he had reviewed the request with Public Properties Director Core and Golf Superintendent Kahler and they had no issue with a short-term lease during the winter closure. Further, there is no expected impact on golf course operations nor will the facility need to be altered.

Councilmember Kolterman moved, seconded by Councilmember Tonniges, to short-term lease with William Henry School of the Arts as edited by City Attorney Hoffschneider.

Aye: Kahler, Kolterman, Miller, Singleton, Stryson, Tonniges, Wergin, Wilken.

Nay: None. Motion carried.

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9. UPDATE ON THE WELLNESS CENTER

A. CONSIDERATION OF A PROFESSIONAL SERVICES AGREEMENT FOR FINAL DESIGN WITH BVH ARCHITECTURE FOR THE SEWARD WELLNESS CENTER PROJECT AND AUTHORIZATION FOR MAYOR TO SIGN ALL DOCUMENTS

Mr. Butcher noted the services agreement was drafted in a way to utilize a construction-manager-at-risk (CMR) process for completion of the project.

Councilmember Stryson moved, seconded by Councilmember Wergin, to approve the professional services agreement with BVH Architecture as presented.

Aye: Kahler, Kolterman, Miller, Singleton, Stryson, Tonniges, Wergin, Wilken.

Nay: None. Motion carried.

B. CONSIDERATION OF AN ORDINANCE TO AMEND THE POLITICAL SUBDIVISION CONSTRUCTION ALTERNATIVES ACT

Mr. Butcher indicated the change is to remove the letter of interest portion from the previously approved ordinance, which will save the City time in implementation of this method of construction.

Councilmember Kolterman introduced Ordinance No. 2023-4. Councilmember Wilken moved, seconded by Councilmember Wergin to dispense with the statutory rule. Councilmember Stryson moved, seconded by Councilmember Wergin, that the minutes of the proceedings of the Mayor and Council of the City of Seward, Seward County, Nebraska in the matter of passing and adopting: **Ordinance No. 2023-4, AN ORDINANCE TO AMEND THE MUNICIPAL CODE OF THE CITY OF SEWARD, CHAPTER 100 PURCHASING AND CONTRACTS, ARTICLE 2; TO REPEAL THE REQUIREMENT TO ISSUE REQUESTS FOR LETTERS OF INTENT AS PART OF THE CONSTRUCTION MANAGEMENT AT RISK PROCEDURES IN CONCURRENCE WITH NEBRASKA STATE STATUTE; TO REPEAL ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT; TO PROVIDE FOR AN EFFECTIVE DATE; TO PROVIDE FOR PUBLICATION OF THIS ORDINANCE IN PAMPHLET FORM.**

Aye: Kahler, Kolterman, Miller, Singleton, Stryson, Tonniges, Wergin, Wilken.

Nay: None. Motion carried.

Councilmember Stryson moved, seconded by Councilmember Singleton that all ordinances be added to the permanent record.

Aye: Kahler, Kolterman, Miller, Singleton, Stryson, Tonniges, Wergin, Wilken.

Nay: None. Motion carried.

C. CONSIDERATION OF ISSUANCE OF REQUEST FOR PROPOSALS FOR CONSTRUCTION-MANAGER-AT-RISK

Mr. Butcher indicated that approval of this request would begin the RFP process for construction-manager-at-risk for the project. This mode of construction will implement a guaranteed maximum price (established later) in which the firm is bound to uphold. Inclusion of this stipulation will encourage the firm to complete the project expediently and judiciously. The same selection committee that reviewed the RFQ's for the final design will review all respondents to the RFP and provide their recommendation to council at a later date.

Councilmember Stryson moved, seconded by Councilmember Kolterman, to the issuance of a request for proposals for construction-manager-at-risk services for the Seward Wellness Center project.

Aye: Kahler, Kolterman, Miller, Singleton, Stryson, Tonniges, Wergin, Wilken.

Nay: None. Motion carried.

D. CONSIDERATION OF AUTHORIZATION FOR THE CITY OF SEWARD TO APPLY TO THE NEBRASKA DEPARTMENT OF ECONOMIC DEVELOPMENT FOR THE COMMUNITY AND CIVIC CENTER FINANCING FUND (CCCCF) PROGRAM

With approval, the City intends to apply for \$562,000 in 2023 program funding, which will require a 1:1 cash match if awarded and will further assist in funding the project.

Councilmember Stryson moved, seconded by Councilmember Kolterman, to the issuance of a request for proposals for construction-manager-at-risk services for the Seward Wellness Center project.

Aye: Kahler, Kolterman, Miller, Singleton, Stryson, Tonniges, Wergin, Wilken.

Nay: None. Motion carried.

10. CONSIDERATION OF A CLAIM FROM REED ELECTRIC, 1191 308TH ROAD, FOR PROPERTY DAMAGE AT MONEY SMARTS LOCATION, 103 N 6TH STREET

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Mr. Butcher reported that during the day of the submitted claim, the City was instructed by the Seward Volunteer Fire Department to cut off power to the location in question as to minimize the risk to further structure damage. The claimant alleges the breaker was damaged with this action and therefore has submitted a claim for consideration of payment.

Councilmember Singleton moved, seconded by Councilmember Kolterman, to forward the claim to the City's insurance carrier for consideration of payment.

Aye: Kahler, Kolterman, Miller, Singleton, Stryson, Tonniges, Wergin, Wilken.

Nay: None. Motion carried.

11. CONSIDERATION OF A REQUEST FROM CITY ADMINISTRATION FOR THE APPROVAL OF SALE AND CONSUMPTION OF ALCOHOLIC BEVERAGES AT THE LIED SENIOR CENTER FOR THE EMPLOYEE ANNUAL AWARDS BANQUET

Councilmember Singleton moved, seconded by Councilmember Tonniges, to approve the request for sale and consumption of alcoholic beverages for the February 10th event to be held at the Lied Senior Center.

Aye: Kahler, Kolterman, Miller, Singleton, Stryson, Tonniges, Wergin, Wilken.

Nay: None. Motion carried.

CITY ADMINISTRATOR'S REPORT

Councilmember Miller moved, seconded by Councilmember Stryson, that City Administrator Butcher's report of January 17, 2023, be accepted.

Aye: Kahler, Kolterman, Miller, Singleton, Stryson, Tonniges, Wergin, Wilken.

Nay: None. Motion carried.

STRATEGY SESSION

1. STRATEGY SESSION WITH CITY ATTORNEY TO PROVIDE NEGOTIATION GUIDANCE CONCERNING REAL ESTATE INTERESTS AND POTENTIAL LITIGATION

Councilmember Miller moved, seconded by Councilmember Stryson, that the Council enter a closed session with the Mayor, City Administrator, City Attorney, and City Clerk, for the protection of the public interest and to discuss current real estate interests and to provide the City Attorney with negotiating guidance for a period not to exceed 60 minutes.

Aye: Kahler, Kolterman, Miller, Singleton, Stryson, Tonniges, Wergin, Wilken.

Nay: None. Motion carried.

Mayor Eickmeier stated the Council has voted to go into closed session at 8:18 p.m. for the protection of the public interest and to discuss real estate interests and potential litigation and to provide the City Attorney with negotiating guidance.

At 8:58 p.m., the closed session ended, and the following Councilmembers reconvened to regular session: Kahler, Kolterman, Miller, Singleton, Stryson, Tonniges, Wergin, Wilken. Mayor Eickmeier announced that no formal action was taken during the executive session.

MOTION TO ADJOURN

Councilmember Wergin moved, seconded by Councilmember Singleton, that the January 17, 2023, City Council Meeting be adjourned.

Aye: Kahler, Kolterman, Miller, Singleton, Stryson, Tonniges, Wergin, Wilken.

Nay: None. Motion carried.

Adjourned approximately 8:58 p.m.

THE CITY OF SEWARD, NEBRASKA

Joshua Eickmeier, Mayor

Derek Bargmann
City Clerk

3. Mayor Appointments to Boards and Commissions:
 - A. Appoint Molly Bargmann (replaces Justin Hartman) to the Park & Recreation Board for Remainder of Term
 - B. Re-appoint Sue Bowen to the Planning Commission for a 3-Year Term
 - C. Re-appoint Ann Underwood to the LB840 Committee for a 3-Year Term
 - D. Re-appoint Jon Burhoop, Randy Chapp, and Lacey Koch to the Park & Recreation Board for a 3-Year Term

MAYOR APPOINTMENT OF CITY EMPLOYEE

1. Appointment of Brandoll Koll to serve as Water/Wastewater Director - City Administrator Butcher

ADMINISTRATIVE ITEMS

1. Presentation and Acceptance of the 2021/2022 Annual Audit - Marcy Luth, AMGL

CITY OF SEWARD, NEBRASKA

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

September 30, 2022

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council
City of Seward, Nebraska

Opinions

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

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

We did not audit the financial statements of the Seward Airport Authority, which represent 85.7 percent, 84.8 percent, and 86.7 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units as of September 30, 2022, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended. 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 Seward Airport Authority, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Seward, 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.

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

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A PROFESSIONAL
CORPORATION

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 of Seward, Nebraska's ability to continue as a going concern for twelve 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 generally accepted auditing standards 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 generally accepted auditing standards 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 of Seward, Nebraska'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 of Seward, Nebraska'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 information 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 and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, 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 of Seward, Nebraska's basic financial statements. The combining nonmajor governmental funds financial statements and the combining component unit financial statements 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 auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit and the report of the other auditors, the supplementary information described in the second sentence of this paragraph are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2022, on our consideration of the City of Seward, Nebraska'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 of Seward'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 of Seward, Nebraska's internal control over financial reporting and compliance.

AMGL:AC

Grand Island, Nebraska
December 21, 2022

**CITY OF SEWARD, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For The Year Ended September 30, 2022**

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Seward, we offer readers of the City of Seward financial statements this narrative overview and analysis of the financial activities of the City of Seward for the fiscal year ended September 30, 2022. For information on the Seward Airport Authority component unit included in these financial statements, please see the separate audit report for the Airport.

Financial Highlights

- The assets of the City of Seward exceeded its liabilities at the close of the most recent fiscal year by \$66,304,254 (*net position*). Of this amount, \$19,238,110 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- As of the close of the current fiscal year, the City of Seward's governmental funds reported combined ending net position of \$31,675,187. Approximately 23.8 percent of this total amount, \$7,528,141, is *unrestricted net position*.
- At the end of the current fiscal year, the General Fund had unassigned fund balance of \$3,993,268, or 74.6 percent of total General Fund expenditures.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Seward's basic financial statements. The City of Seward'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 required and 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 Seward's finances in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City of Seward's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Seward 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 leave).

CITY OF SEWARD, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
For The Year Ended September 30, 2022

Both of the government-wide financial statements distinguish functions of the City of Seward 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 Seward include general government, public safety, highways and streets, economic development, and culture and recreation. The business-type activities of the City of Seward include the Electric, Water, and Sewer Enterprise Funds.

The government-wide financial statements include not only the City of Seward itself (known as the *primary government*), but also legally separate entities, the Seward Airport Authority and the Seward Library Foundation, for which the City of Seward is financially accountable. Financial information for these *component units* is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 14 and 15 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 Seward, 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 Seward can be divided into two categories: governmental funds and proprietary 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 balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City of Seward maintains seven 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 balances for the General Fund, the Street Fund, and the Debt Service Fund, all of which are considered to be major funds. Data from the other four 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* elsewhere in this report.

CITY OF SEWARD, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
For The Year Ended September 30, 2022

The City of Seward adopts an annual appropriated budget for its governmental funds. A budgetary comparison statement has been provided for the General, Street, and Debt Service Funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 16-19 of this report.

Proprietary funds. The City of Seward maintains one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of Seward uses enterprise funds to account for its Electric, Water, and Sewer Funds.

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, and Sewer Funds, all of which are considered to be major funds of the City of Seward.

The basic proprietary fund financial statements can be found on pages 20-23 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 24-64 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City of Seward's budgetary comparison schedules. Required supplementary information can be found on pages 65-68 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds and the component units are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 69-72 of this report.

CITY OF SEWARD, NEBRASKA
MANAGEMENT’S DISCUSSION AND ANALYSIS, Continued
For The Year Ended September 30, 2022

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 Seward, assets exceeded liabilities by \$66,304,254 at the close of the most recent fiscal year.

Summary Statements of Net Position

	September 30, 2022			September 30, 2021		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Current and Other Assets	\$ 11,241,478	\$ 16,862,750	\$ 28,104,228	\$ 10,607,793	\$ 14,782,533	\$ 25,390,326
Capital Assets	26,504,315	28,184,916	54,689,231	25,308,142	27,154,947	52,463,089
Total Assets	<u>37,745,793</u>	<u>45,047,666</u>	<u>82,793,459</u>	<u>35,915,935</u>	<u>41,937,480</u>	<u>77,853,415</u>
Long-term Liabilities	4,346,823	7,201,753	11,548,576	5,383,585	8,162,007	13,545,592
Other Liabilities	1,723,783	3,216,846	4,940,629	1,872,112	2,047,923	3,920,035
Total Liabilities	<u>6,070,606</u>	<u>10,418,599</u>	<u>16,489,205</u>	<u>7,255,697</u>	<u>10,209,930</u>	<u>17,465,627</u>
Net Position:						
Net Investment in						
Capital Assets	21,269,895	20,144,916	41,414,811	18,984,212	18,154,947	37,139,159
Restricted	2,877,151	2,774,182	5,651,333	2,806,982	2,767,544	5,574,526
Unrestricted	7,528,141	11,709,969	19,238,110	6,869,044	10,805,059	17,674,103
Total Net Position	<u>\$ 31,675,187</u>	<u>\$ 34,629,067</u>	<u>\$ 66,304,254</u>	<u>\$ 28,660,238</u>	<u>\$ 31,727,550</u>	<u>\$ 60,387,788</u>

By far the largest portion of the City of Seward’s net position (62.5 percent) reflects its investment in capital assets (land, infrastructure, buildings, machinery, vehicles, and equipment), net of any related debt used to acquire those assets that is still outstanding. The City of Seward uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City of Seward’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.

An additional portion of the City of Seward’s net position (8.5 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (\$19,238,110) 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 Seward is able to report positive balances in all three categories of net position, for the government as a whole as well as for its separate governmental and business-type activities.

CITY OF SEWARD, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
For The Year Ended September 30, 2022

Expenses and Program Revenues - Governmental Activities

<u>Function</u>	<u>Year Ended September 30, 2022</u>		<u>Year Ended September 30, 2021</u>	
	<u>Program Revenues</u>	<u>Program Expenses</u>	<u>Program Revenues</u>	<u>Program Expenses</u>
General Government	\$ 127,046	\$ 303,059	\$ 167,330	\$ 399,475
Economic Development	3,000	680,146	17,827	528,202
Public Safety	127,126	1,531,297	53,142	1,300,575
Public Works	1,258,231	1,190,129	2,136,328	1,580,594
Environment and Leisure	1,335,548	2,449,177	842,918	2,297,138
Interest	-	107,677	-	126,053
Depreciation	-	1,274,844	-	1,183,663
Total	<u>\$ 2,850,951</u>	<u>\$ 7,536,329</u>	<u>\$ 3,217,545</u>	<u>\$ 7,415,700</u>

Revenues by Source - Governmental Activities

SOURCES OF REVENUE

	<u>Year Ended September 30, 2022</u>		<u>Year Ended September 30, 2021</u>	
Charges for Services	\$ 1,199,351	11.37 %	\$ 1,011,115	9.80 %
Operating Grants and Contributions	831,454	7.88	863,285	8.37
Capital Grants and Contributions	820,146	7.77	1,343,145	13.02
Property Taxes	1,826,411	17.31	1,721,273	16.69
Motor Vehicle Taxes	180,259	1.71	183,067	1.77
Sales Tax	2,310,879	21.90	2,121,607	20.57
Franchise Tax	1,354,240	12.84	1,283,360	12.44
Occupation Tax	256,887	2.43	317,240	3.08
TIF Proceeds	572,812	5.43	328,894	3.19
State Allocation	946,760	8.97	927,028	8.99
Miscellaneous	571	0.01	16,509	0.16
Interest	38,124	0.36	32,871	0.32
Gain on Sale of Assets	213,384	2.02	164,593	1.60
Total	<u>\$ 10,551,278</u>	<u>100.00 %</u>	<u>\$ 10,313,987</u>	<u>100.00 %</u>

Net position increased \$3,014,949 in the governmental funds during the year ended September 30, 2022.

CITY OF SEWARD, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
For The Year Ended September 30, 2022

Business-type activities. Business-type activities increased the City of Seward's net position by \$2,901,517 for the year ended September 30, 2022. Key elements of this increase are as follows:

Expenses and Program Revenues - Business-type Activities

<u>Function</u>	<u>Year Ended September 30, 2022</u>		<u>Year Ended September 30, 2021</u>	
	<u>Program Revenues</u>	<u>Program Expenses</u>	<u>Program Revenues</u>	<u>Program Expenses</u>
Electric	\$ 11,295,671	\$ 10,194,256	\$ 10,826,093	\$ 10,003,351
Water	2,951,435	1,714,444	2,816,580	1,532,024
Sewer	1,921,221	1,502,873	1,776,581	1,460,613
Total	<u>\$ 16,168,327</u>	<u>\$ 13,411,573</u>	<u>\$ 15,419,254</u>	<u>\$ 12,995,988</u>

Revenues by Source - Business-type Activities

<u>SOURCES OF REVENUE</u>	<u>Year Ended September 30, 2022</u>		<u>Year Ended September 30, 2021</u>	
Charges for Services	\$ 15,529,755	95.20 %	\$ 14,778,432	95.33 %
Operating Grants and Contributions	-	-	2,250	0.01
Capital Grants and Contributions	638,572	3.91	638,572	4.12
Interest	72,586	0.44	67,085	0.43
Gain on Sale of Assets	948	0.01	4,400	0.03
Miscellaneous	71,229	0.44	11,786	0.08
Total	<u>\$ 16,313,090</u>	<u>100.00 %</u>	<u>\$ 15,502,525</u>	<u>100.00 %</u>

Financial Analysis of the Government's Funds

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

Governmental Funds. The focus of the City of Seward'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 Seward's financing requirements. In particular, *unassigned fund balance* 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 Seward's governmental funds reported combined ending fund balances of \$9,902,349. Approximately 40.3 percent of this total amount (\$3,993,268) constitutes *unassigned fund balance*, which is available for spending at the government's discretion. The remainder of fund balances is not available for new spending because it has already been 1) restricted to pay debt service (\$348,222), 2) restricted for street projects (\$1,825,300), 3) restricted for Federal programs (\$17,511), 4) restricted for economic development (\$435,133), 5) placed in a nonspendable endowment for cemetery perpetual care (\$250,985), 6) committed for public safety (\$505,625), 7) committed for sports complex lights

CITY OF SEWARD, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
For The Year Ended September 30, 2022

(\$31,084), 8) assigned for parks (\$50,308), 9) assigned for cemetery (\$151,181), 10) assigned for unemployment compensation (\$4,989), or 11) assigned for budgetary stabilization (\$2,288,743).

The General Fund is the chief operating fund of the City of Seward. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$3,993,268, while total fund balance reached \$7,025,198. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 74.6 percent of total General Fund expenditures, while total fund balance represents 131.3 percent of that same amount.

The fund balance of the City of Seward's General Fund increased by \$718,734 during the current fiscal year, the Street Fund increased \$118,753, and the Debt Service Fund decreased \$188,458.

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

Unrestricted net position of the proprietary funds at the end of the year were as follows: Electric Fund - \$6,292,620, Water Fund - \$3,402,456, and Sewer Fund - \$2,014,893. The change in net position for the proprietary funds was as follows: Electric Fund – increase of \$1,218,723, Water Fund – increase of \$1,254,792, and Sewer Fund – increase of \$428,002. Other factors concerning the finances of these three funds have already been addressed in the discussion of the City of Seward's business-type activities.

Budgetary Highlights

There was no difference between the original budget and the final adopted budget for the City of Seward.

Capital Asset and Debt Administration

Capital Assets. The City of Seward's investment in capital assets for its governmental and business-type activities as of September 30, 2022, amounts to \$54,689,231 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, building and system improvements, machinery and equipment, park facilities, roads, highways, and bridges.

Major capital asset events during the current fiscal year included the following:

- Construction costs on Karol Kay Blvd - \$239,873
- Construction costs on Waverly Road project - \$568,906
- Walker Rd intersection paid for by Nebraska Department of Transportation - \$500,000
- Construction in progress on Seward Trail - \$96,774
- Construction in progress on Park Ave/Bradford storm drainage project - \$127,578
- Construction in progress on Plum Creek bridge - \$69,548
- Construction in progress on Pinewood Avenue improvements - \$62,718
- Construction in progress on East Seward Street improvements - \$52,112

CITY OF SEWARD, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
For The Year Ended September 30, 2022

- Land at 341 N 6th Street (Lots 1 and 2) - \$328,027
- Land at 216 N 8th Street for new water tower - \$167,073
- Construction in progress on water tower - \$125,165
- Construction in progress on new water wells (SW3 and S4) - \$583,283
- 2021 Combo truck with sewer cleaner - \$356,695
- Construction in progress on wastewater treatment plant update project - \$395,996
- Case 580SN backhoe for electric department - \$107,000
- Construction in progress on AMI metering system for electric - \$173,734
- Water tower substation relay upgrade - \$114,262
- Progressive Avenue electric upgrade project - \$449,547

City of Seward's Capital Assets
(net of depreciation)

	<u>Year Ended September 30, 2022</u>			<u>Year Ended September 30, 2021</u>		
	<u>Governmental</u>	<u>Business-type</u>	<u>Total</u>	<u>Governmental</u>	<u>Business-type</u>	<u>Total</u>
	<u>Activities</u>	<u>Activities</u>		<u>Activities</u>	<u>Activities</u>	
Land	\$ 852,951	\$ 2,098,174	\$ 2,951,125	\$ 564,351	\$ 1,931,102	\$ 2,495,453
Construction in progress	465,679	1,715,364	2,181,043	4,112,111	4,115,543	8,227,654
Infrastructure	15,509,543	-	15,509,543	10,562,314	-	10,562,314
Buildings	7,793,714	765,879	8,559,593	7,988,986	791,857	8,780,843
Equipment	1,882,428	1,525,188	3,407,616	2,080,380	1,171,363	3,251,743
Distribution systems	-	22,080,311	22,080,311	-	19,145,082	19,145,082
Total	<u>\$ 26,504,315</u>	<u>\$ 28,184,916</u>	<u>\$ 54,689,231</u>	<u>\$ 25,308,142</u>	<u>\$ 27,154,947</u>	<u>\$ 52,463,089</u>

Additional information on the City of Seward's capital assets can be found in Note C4 on pages 47-50 of this report.

Long-term debt. At the end of the current fiscal year, the City of Seward had total long-term debt outstanding of \$13,274,420. Of this amount, \$4,957,000 comprises debt backed by the full faith and credit of the government. The remainder of the City of Seward's debt represents bonds and notes secured solely by specified revenue sources (i.e., revenue bonds and notes payable and financing agreements).

City of Seward's Outstanding Debt

	<u>Year Ended September 30, 2022</u>			<u>Year Ended September 30, 2021</u>		
	<u>Governmental</u>	<u>Business-type</u>	<u>Total</u>	<u>Governmental</u>	<u>Business-type</u>	<u>Total</u>
	<u>Activities</u>	<u>Activities</u>		<u>Activities</u>	<u>Activities</u>	
General Obligation Bonds	\$ 4,170,000	\$ -	\$ 4,170,000	\$ 4,995,000	\$ -	\$ 4,995,000
Highway Allocation Bonds	700,000	-	700,000	750,000	-	750,000
Public Safety Bonds	87,000	-	87,000	129,000	-	129,000
Revenue Bonds	-	8,040,000	8,040,000	-	9,000,000	9,000,000
Note Payable	26,966	-	26,966	79,986	-	79,986
Financing Agreements	250,454	-	250,454	369,944	-	369,944
Total	<u>\$ 5,234,420</u>	<u>\$ 8,040,000</u>	<u>\$ 13,274,420</u>	<u>\$ 6,323,930</u>	<u>\$ 9,000,000</u>	<u>\$ 15,323,930</u>

CITY OF SEWARD, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
For The Year Ended September 30, 2022

The City of Seward's total debt decreased by \$2,049,510 (13.4 percent) during the current fiscal year, as the City made scheduled principal payments.

Additional information on the City of Seward's long-term debt can be found in Note C6 on pages 51-57 of this report.

Economic Factors and Next Year's Budgets and Rates

The City's Enterprise Funds maintained strong cash positions and the City has been able to keep up with the increasing costs of operations.

- Property tax asking for the year ending September 30, 2023 of \$1,835,242 is \$1,218 (0.1 percent) higher than the prior year. The property valuation increased 6.4 percent over the prior year.
- The City had a contractual commitment of \$629,555 on the AMI water metering system project expected to be completed by September 2024.
- At September 30, 2022, the City had a contractual commitment of \$664,781 on the Aclara AMI electric metering system expected to be completed by September 2023.
- The City has a contractual commitment of \$69,303 on the Plum Creek bridge engineering expected to be completed by September 2027.
- The City also had a contractual commitment of \$273,465 for a fire truck tanker expected to be received by September 2023.
- Voters have approved an additional 0.5 percent sales tax to go into effect January 1, 2023. This sales tax will be used to service debt on the new wellness center. The City expects the wellness center to cost \$18 - \$20 million. It is expected to be financed with a \$5 million shovel ready grant received by Seward Changing the Game, a tax-exempt organization that is partnering with the City on this project. Also, private donations and pledges are expected to cover approximately \$7 million, with the remainder to be financed with debt issued by the City.

All of these factors were considered in preparing the City of Seward's budget for the 2023 fiscal year.

Request for Information

This financial report is designed to provide a general overview of the City of Seward'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 Treasurer, City of Seward, 537 Main Street, P.O. Box 38, Seward, NE 68434.

CITY OF SEWARD, NEBRASKA
STATEMENT OF NET POSITION

September 30, 2022

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 6,342,577	\$ 7,404,867	\$ 13,747,444	\$ 263,211
Certificates of deposit	438,522	3,702,408	4,140,930	86,823
County treasurer cash	49,392	-	49,392	3,781
Investments	-	-	-	518,482
Receivables:				
Property tax	47,919	-	47,919	5,276
Accounts, net of allowance for doubtful accounts	-	1,491,650	1,491,650	1,500
Unbilled revenue	-	441,621	441,621	-
Interest	275	3,070	3,345	7
Current portion of notes	111,344	-	111,344	-
Due from other governments	626,355	-	626,355	-
Prepaid insurance	-	-	-	15,352
Inventory	90,311	924,645	1,014,956	-
Total current assets	<u>7,706,695</u>	<u>13,968,261</u>	<u>21,674,956</u>	<u>894,432</u>
Noncurrent assets:				
Restricted cash and cash equivalents	2,880,303	1,522,474	4,402,777	-
Restricted certificates of deposit	15,000	1,372,015	1,387,015	-
Permanently restricted investments	-	-	-	85,616
Noncurrent notes receivable	639,480	-	639,480	-
Capital assets:				
Land	852,951	2,098,174	2,951,125	105,156
Construction in progress	465,679	1,715,364	2,181,043	-
Other capital assets, net of depreciation	25,185,685	24,371,378	49,557,063	3,893,913
Net capital assets	<u>26,504,315</u>	<u>28,184,916</u>	<u>54,689,231</u>	<u>3,999,069</u>
Total noncurrent assets	<u>30,039,098</u>	<u>31,079,405</u>	<u>61,118,503</u>	<u>4,084,685</u>
Total assets	<u>37,745,793</u>	<u>45,047,666</u>	<u>82,793,459</u>	<u>4,979,117</u>
LIABILITIES				
Current liabilities:				
Accounts payable	432,388	1,882,041	2,314,429	-
Accrued interest	31,885	23,669	55,554	5,337
Other accrued expenses	209,465	210,829	420,294	-
Customer deposits	-	120,307	120,307	-
Unavailable property tax	30,420	-	30,420	-
Unearned revenue	37,478	-	37,478	22,359
Current portion of long-term obligations	982,147	980,000	1,962,147	187,860
Total current liabilities	<u>1,723,783</u>	<u>3,216,846</u>	<u>4,940,629</u>	<u>215,556</u>
Noncurrent liabilities:				
Compensated absences - noncurrent	94,550	141,753	236,303	-
Noncurrent portion of long-term obligations	4,252,273	7,060,000	11,312,273	75,406
Total noncurrent liabilities	<u>4,346,823</u>	<u>7,201,753</u>	<u>11,548,576</u>	<u>75,406</u>
Total liabilities	<u>6,070,606</u>	<u>10,418,599</u>	<u>16,489,205</u>	<u>290,962</u>
NET POSITION				
Net investment in capital assets	21,269,895	20,144,916	41,414,811	3,735,803
Restricted for:				
Debt service	348,222	2,135,610	2,483,832	-
Street projects	1,825,300	-	1,825,300	-
Federal programs	17,511	638,572	656,083	-
Economic development	435,133	-	435,133	-
Cemetery perpetual care	250,985	-	250,985	-
Permanently restricted-Guthal	-	-	-	85,616
Unrestricted	7,528,141	11,709,969	19,238,110	866,736
Total net position	<u>\$ 31,675,187</u>	<u>\$ 34,629,067</u>	<u>\$ 66,304,254</u>	<u>\$ 4,688,155</u>

See notes to financial statements.

CITY OF SEWARD, NEBRASKA

STATEMENT OF ACTIVITIES

For the year ended September 30, 2022

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Charges for Services</u>	<u>Program Revenues Operating Grants and Contributions</u>
Primary government:			
Governmental activities:			
General government	\$ 303,059	\$ 41,244	\$ 85,802
Economic development	680,146	3,000	-
Public safety	1,531,297	13,111	114,015
Public works	1,190,129	486,338	44,327
Environment and leisure	2,449,177	655,658	587,310
Interest and related expenses	107,677	-	-
Depreciation - unallocated	1,274,844	-	-
Total governmental activities	7,536,329	1,199,351	831,454
Business-type activities:			
Electric	10,194,256	11,295,671	-
Water	1,714,444	2,312,863	-
Sewer	1,502,873	1,921,221	-
Total business-type activities	13,411,573	15,529,755	-
Total primary government	\$ 20,947,902	\$ 16,729,106	\$ 831,454
Component units:			
Seward Airport Authority	\$ 420,233	\$ 113,185	\$ -
Seward Library Foundation	45,028	-	21,874
Total component units	\$ 465,261	\$ 113,185	\$ 21,874

See notes to financial statements.

Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position			Component Units
	Primary Government		Total	
	Governmental Activities	Business-type Activities		
\$ -	\$ (176,013)		\$ (176,013)	
-	(677,146)		(677,146)	
-	(1,404,171)		(1,404,171)	
727,566	68,102		68,102	
92,580	(1,113,629)		(1,113,629)	
-	(107,677)		(107,677)	
-	(1,274,844)		(1,274,844)	
<u>820,146</u>	<u>(4,685,378)</u>	\$ -	<u>(4,685,378)</u>	
-	-	1,101,415	1,101,415	
638,572	-	1,236,991	1,236,991	
-	-	418,348	418,348	
<u>638,572</u>	<u>-</u>	<u>2,756,754</u>	<u>2,756,754</u>	
<u>\$ 1,458,718</u>	<u>(4,685,378)</u>	<u>2,756,754</u>	<u>(1,928,624)</u>	
\$ 32,000				\$ (275,048)
-				(23,154)
<u>\$ 32,000</u>				<u>(298,202)</u>
General revenues:				
Taxes:				
Property	1,826,411	-	1,826,411	200,684
Motor vehicle	180,259	-	180,259	-
Sales tax	2,310,879	-	2,310,879	-
Franchise	1,354,240	-	1,354,240	-
Occupation	256,887	-	256,887	-
TIF proceeds	572,812	-	572,812	-
State allocation	946,760	-	946,760	-
Miscellaneous	571	71,229	71,800	8,113
Interest income	38,124	72,586	110,710	2,449
Loss on investments	-	-	-	(205,044)
Gain on sale of assets	213,384	948	214,332	-
Total general revenues	<u>7,700,327</u>	<u>144,763</u>	<u>7,845,090</u>	<u>6,202</u>
Change in net position	<u>3,014,949</u>	<u>2,901,517</u>	<u>5,916,466</u>	<u>(292,000)</u>
Net position - September 30, 2021	<u>28,660,238</u>	<u>31,727,550</u>	<u>60,387,788</u>	<u>4,980,155</u>
Net position - September 30, 2022	<u>\$ 31,675,187</u>	<u>\$ 34,629,067</u>	<u>\$ 66,304,254</u>	<u>\$ 4,688,155</u>

CITY OF SEWARD, NEBRASKA

**BALANCE SHEET -
GOVERNMENTAL FUNDS**

September 30, 2022

	<u>General</u>	<u>Street</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and cash equivalents	\$ 6,342,577	\$ -	\$ -	\$ -	\$ 6,342,577
Certificates of deposit	438,522	-	-	-	438,522
County treasurer cash	49,392	-	-	-	49,392
Receivables:					
Interest	244	-	-	31	275
Property tax	47,919	-	-	-	47,919
Due from other governments	453,785	172,570	-	-	626,355
Inventory	-	90,311	-	-	90,311
Restricted assets:					
Cash	-	1,843,483	348,222	688,598	2,880,303
Certificates of deposit	-	-	-	15,000	15,000
Total assets	<u>\$ 7,332,439</u>	<u>\$ 2,106,364</u>	<u>\$ 348,222</u>	<u>\$ 703,629</u>	<u>\$ 10,490,654</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 162,928	\$ 269,460	\$ -	\$ -	\$ 432,388
Accrued expenses	76,415	11,604	-	-	88,019
Unearned golf revenue	37,478	-	-	-	37,478
Unavailable property tax	30,420	-	-	-	30,420
Total liabilities	<u>307,241</u>	<u>281,064</u>	<u>-</u>	<u>-</u>	<u>588,305</u>
Fund balances:					
Nonspendable					
Cemetery perpetual care	-	-	-	250,985	250,985
Restricted for:					
Debt service	-	-	348,222	-	348,222
Street projects	-	1,825,300	-	-	1,825,300
Federal programs	-	-	-	17,511	17,511
Economic development	-	-	-	435,133	435,133
Committed for:					
Public safety	505,625	-	-	-	505,625
Sports complex lights	31,084	-	-	-	31,084
Assigned for:					
Budgetary stabilization	2,288,743	-	-	-	2,288,743
Parks	50,308	-	-	-	50,308
Cemetery	151,181	-	-	-	151,181
Unemployment compensation	4,989	-	-	-	4,989
Unassigned	3,993,268	-	-	-	3,993,268
Total fund balances	<u>7,025,198</u>	<u>1,825,300</u>	<u>348,222</u>	<u>703,629</u>	<u>9,902,349</u>
Total liabilities and fund balances	<u>\$ 7,332,439</u>	<u>\$ 2,106,364</u>	<u>\$ 348,222</u>	<u>\$ 703,629</u>	<u>\$ 10,490,654</u>

See notes to financial statements.

CITY OF SEWARD, NEBRASKA

**RECONCILIATION OF THE BALANCE SHEET -
GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION**

September 30, 2022

Total fund balances - governmental funds \$ 9,902,349

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

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets is \$42,932,277, and the accumulated depreciation is \$16,427,962. 26,504,315

Notes receivable are not financial resources and therefore are not reported as assets in governmental funds. The notes receivable are reported as assets in the statement of net position. 750,824

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year end consist of:

Compensated absences	\$ (215,996)	
Accrued interest on long-term debt	(31,885)	
Bonds payable	(4,957,000)	
Note payable	(26,966)	
Financing agreements	(250,454)	(5,482,301)

Total net position - governmental activities \$ 31,675,187

See notes to financial statements.

CITY OF SEWARD, NEBRASKA

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS**

For the year ended September 30, 2022

	<u>General</u>	<u>Street</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES					
Taxes:					
Property	\$ 1,826,411	\$ -	\$ -	\$ -	\$ 1,826,411
Motor vehicle	180,259	-	-	-	180,259
Sales tax	1,125,412	303,143	732,324	150,000	2,310,879
Franchise	1,354,240	-	-	-	1,354,240
Occupation	256,887	-	-	-	256,887
TIF proceeds	-	-	-	572,812	572,812
Intergovernmental	86,510	919,808	-	-	1,006,318
Charges for services	1,162,571	33,740	-	3,040	1,199,351
Loan collections	-	-	-	104,003	104,003
Interest income	16,506	5	2,027	2,048	20,586
Grants	20,700	159,457	-	20,698	200,855
Contributions	262,221	-	-	10,800	273,021
Sale of property	249,328	3,483	-	-	252,811
Insurance proceeds	516,530	33,527	-	-	550,057
Other income	571	-	-	-	571
Total revenues	<u>7,058,146</u>	<u>1,453,163</u>	<u>734,351</u>	<u>863,401</u>	<u>10,109,061</u>
EXPENDITURES					
General government	282,334	-	-	20,725	303,059
Economic development	-	-	-	702,657	702,657
Public safety	1,529,272	-	-	-	1,529,272
Public works	445,132	744,852	-	145	1,190,129
Environment and leisure	2,449,177	-	-	-	2,449,177
Capital outlay	572,847	1,369,488	-	-	1,942,335
Principal payments on debt	63,181	56,309	970,020	-	1,089,510
Interest on long-term debt	7,469	2,623	101,227	-	111,319
Bond fees	-	-	2,700	-	2,700
Total expenditures	<u>5,349,412</u>	<u>2,173,272</u>	<u>1,073,947</u>	<u>723,527</u>	<u>9,320,158</u>
Excess (deficiency) of revenues over expenditures	1,708,734	(720,109)	(339,596)	139,874	788,903
OTHER FINANCING SOURCES (USES)					
Transfers in	-	990,000	151,138	-	1,141,138
Transfers out	<u>(990,000)</u>	<u>(151,138)</u>	<u>-</u>	<u>-</u>	<u>(1,141,138)</u>
Net transfers	<u>(990,000)</u>	<u>838,862</u>	<u>151,138</u>	<u>-</u>	<u>-</u>
Net change in fund balances	718,734	118,753	(188,458)	139,874	788,903
Fund balances - September 30, 2021	<u>6,306,464</u>	<u>1,706,547</u>	<u>536,680</u>	<u>563,755</u>	<u>9,113,446</u>
Fund balances - September 30, 2022	<u>\$ 7,025,198</u>	<u>\$ 1,825,300</u>	<u>\$ 348,222</u>	<u>\$ 703,629</u>	<u>\$ 9,902,349</u>

See notes to financial statements.

CITY OF SEWARD, NEBRASKA

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES**

For the year ended September 30, 2022

Total net change in fund balances - governmental funds \$ 788,903

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

Capital outlays are reported in governmental funds as expenditures.

However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

This is the amount by which capitalized capital outlay (\$2,510,444) exceeded depreciation expense (\$1,274,844) during the period.

Additions of \$568,109 were paid for directly by Nebraska Department of Transportation.

1,235,600

Basis remaining of capital asset disposals does not impact the governmental funds, but the remaining basis reduces the gain on sale of capital assets in the statement of activities.

(39,427)

Collection of loan proceeds on economic development loans is reported as revenue in the governmental funds, but reduces assets in the statement of net position.

(86,465)

The issuance of economic development loans is reported as an expense in the governmental funds, but increases assets in the statement of net position.

105,443

Forgiveness of LB840 loans is not reported in the fund financial statements, but is reported as economic development expense in the statement of activities.

(12,932)

Bad debts expense on uncollectible LB840 loans is not reported on the fund financial statements but is included in expenses in the statement of activities.

(70,000)

The change in compensated absences is reported as an expense in the statement of net position. Compensated absences are not reported in the governmental funds.

(2,025)

The change in accrued interest payable is reported as an expense in the statement of net position. Accrued interest payable is not reported in the governmental funds.

6,342

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

1,089,510

Change in net position of governmental activities

\$ 3,014,949

See notes to financial statements.

CITY OF SEWARD, NEBRASKA
STATEMENT OF FUND NET POSITION - PROPRIETARY FUNDS
September 30, 2022

	Enterprise Funds			Total
	Electric Fund	Water Fund	Sewer Fund	
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 2,401,113	\$ 3,364,986	\$ 1,638,768	\$ 7,404,867
Certificates of deposit	3,250,531	156,708	295,169	3,702,408
Receivables:				
Accounts, net of allowance for doubtful accounts	1,081,551	248,879	161,220	1,491,650
Unbilled revenue	302,300	73,913	65,408	441,621
Interest	2,240	577	253	3,070
Inventory	815,909	108,736	-	924,645
Total current assets	<u>7,853,644</u>	<u>3,953,799</u>	<u>2,160,818</u>	<u>13,968,261</u>
Noncurrent assets:				
Restricted cash and cash equivalents	203,546	1,117,362	201,566	1,522,474
Restricted certificates of deposit	468,672	522,761	380,582	1,372,015
Capital assets:				
Land	1,737,460	270,620	90,094	2,098,174
Construction in progress	276,488	1,042,880	395,996	1,715,364
Distribution systems	21,012,485	16,463,712	12,832,799	50,308,996
Buildings	853,250	138,776	378,769	1,370,795
Equipment	2,851,392	536,361	1,294,626	4,682,379
Less accumulated depreciation	(14,768,270)	(8,578,704)	(8,643,818)	(31,990,792)
Net capital assets	<u>11,962,805</u>	<u>9,873,645</u>	<u>6,348,466</u>	<u>28,184,916</u>
Total noncurrent assets	<u>12,635,023</u>	<u>11,513,768</u>	<u>6,930,614</u>	<u>31,079,405</u>
Total assets	<u>20,488,667</u>	<u>15,467,567</u>	<u>9,091,432</u>	<u>45,047,666</u>
LIABILITIES				
Current liabilities:				
Accounts payable	1,324,153	470,303	87,585	1,882,041
Customer deposits	120,107	200	-	120,307
Accrued interest payable	10,619	11,036	2,014	23,669
Other accrued expenses	75,635	39,283	35,025	149,943
Sales tax payable	60,886	-	-	60,886
Current portion of long-term obligations	415,000	295,000	270,000	980,000
Total current liabilities	<u>2,006,400</u>	<u>815,822</u>	<u>394,624</u>	<u>3,216,846</u>
Noncurrent liabilities:				
Compensated absences - noncurrent	89,731	30,721	21,301	141,753
Noncurrent portion of long-term obligations	2,965,000	1,830,000	2,265,000	7,060,000
Total noncurrent liabilities	<u>3,054,731</u>	<u>1,860,721</u>	<u>2,286,301</u>	<u>7,201,753</u>
Total liabilities	<u>5,061,131</u>	<u>2,676,543</u>	<u>2,680,925</u>	<u>10,418,599</u>
NET POSITION				
Net investment in capital assets	8,582,805	7,748,645	3,813,466	20,144,916
Restricted for:				
Debt service	552,111	1,001,351	582,148	2,135,610
Federal programs	-	638,572	-	638,572
Unrestricted	6,292,620	3,402,456	2,014,893	11,709,969
Total net position	<u>\$ 15,427,536</u>	<u>\$ 12,791,024</u>	<u>\$ 6,410,507</u>	<u>\$ 34,629,067</u>

See notes to financial statements.

CITY OF SEWARD, NEBRASKA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN NET POSITION - PROPRIETARY FUNDS

For the year ended September 30, 2022

	Enterprise Funds			Total
	Electric Fund	Water Fund	Sewer Fund	
Operating revenues:				
User charges	\$ 11,193,325	\$ 2,134,310	\$ 1,845,879	\$ 15,173,514
Customer service charges	44,917	9,541	10,548	65,006
Insurance proceeds	44,608	34,448	51,316	130,372
Other revenue	12,821	134,564	13,478	160,863
Total operating revenues	<u>11,295,671</u>	<u>2,312,863</u>	<u>1,921,221</u>	<u>15,529,755</u>
Operating expenses:				
Cost of power	6,149,484	-	-	6,149,484
Personnel	947,332	568,843	520,933	2,037,108
Contract services	96,718	17,003	29,028	142,749
Utilities	82,141	157,485	78,378	318,004
Repairs and maintenance	438,644	238,202	96,392	773,238
Supplies	67,977	48,238	26,795	143,010
Professional fees	132,205	55,325	49,161	236,691
Insurance	74,663	43,763	43,479	161,905
Fuel and transportation	18,220	11,727	9,176	39,123
Dues, memberships & training	23,210	13,372	12,222	48,804
Miscellaneous	8,936	3,145	2,613	14,694
Franchise fees	1,142,276	115,670	96,294	1,354,240
Depreciation	921,084	403,522	511,711	1,836,317
Total operating expenses	<u>10,102,890</u>	<u>1,676,295</u>	<u>1,476,182</u>	<u>13,255,367</u>
Operating income	1,192,781	636,568	445,039	2,274,388
Nonoperating revenues (expenses):				
Interest income	46,562	17,801	8,223	72,586
Miscellaneous income	70,746	-	483	71,229
Grant revenue	-	638,572	-	638,572
Gain on disposal of capital assets	-	-	948	948
Interest expense	(88,066)	(37,149)	(24,891)	(150,106)
Loan administration fees	(3,300)	(1,000)	(1,800)	(6,100)
Total nonoperating revenues (expenses)	<u>25,942</u>	<u>618,224</u>	<u>(17,037)</u>	<u>627,129</u>
Change in net position	1,218,723	1,254,792	428,002	2,901,517
Net position - September 30, 2021	<u>14,208,813</u>	<u>11,536,232</u>	<u>5,982,505</u>	<u>31,727,550</u>
Net position - September 30, 2022	<u>\$ 15,427,536</u>	<u>\$ 12,791,024</u>	<u>\$ 6,410,507</u>	<u>\$ 34,629,067</u>

See notes to financial statements.

CITY OF SEWARD, NEBRASKA

**STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS**

For the year ended September 30, 2022

	Enterprise Funds			
	Electric Fund	Water Fund	Sewer Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers	\$ 11,413,901	\$ 2,274,845	\$ 1,906,254	\$ 15,595,000
Payments to suppliers	(7,795,102)	(520,712)	(421,760)	(8,737,574)
Payments to employees	(919,535)	(562,991)	(513,390)	(1,995,916)
Net cash provided by operating activities	2,699,264	1,191,142	971,104	4,861,510
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Purchase of property and equipment	(1,111,742)	(723,407)	(796,518)	(2,631,667)
Proceeds from sale of capital assets	-	-	10,051	10,051
Grant proceeds	-	638,572	-	638,572
Principal payments on capital debt	(405,000)	(290,000)	(265,000)	(960,000)
Interest paid on capital debt	(89,105)	(38,283)	(24,957)	(152,345)
Loan administration fees	(3,300)	(1,000)	(1,800)	(6,100)
Net cash used by capital and related financing activities	(1,609,147)	(414,118)	(1,078,224)	(3,101,489)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Increase in certificates of deposit	(18,286)	(156)	(973)	(19,415)
Increase in restricted certificates of deposit	(380)	(1,427)	(246)	(2,053)
Interest received	46,835	17,781	8,285	72,901
Net cash provided by investing activities	28,169	16,198	7,066	51,433
Increase (decrease) in cash and cash equivalents	1,118,286	793,222	(100,054)	1,811,454
Cash and cash equivalents - beginning of the year	1,486,373	3,689,126	1,940,388	7,115,887
Cash and cash equivalents - end of the year	\$ 2,604,659	\$ 4,482,348	\$ 1,840,334	\$ 8,927,341
Composition of cash and cash equivalents:				
Cash and cash equivalents	\$ 2,401,113	\$ 3,364,986	\$ 1,638,768	\$ 7,404,867
Restricted cash and cash equivalents	203,546	1,117,362	201,566	1,522,474
Total cash and cash equivalents	\$ 2,604,659	\$ 4,482,348	\$ 1,840,334	\$ 8,927,341

See notes to financial statements.

CITY OF SEWARD, NEBRASKA

**STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS, Continued**

For the year ended September 30, 2022

	Enterprise Funds			<u>Total</u>
	<u>Electric Fund</u>	<u>Water Fund</u>	<u>Sewer Fund</u>	
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	\$ 1,192,781	\$ 636,568	\$ 445,039	\$ 2,274,388
Adjustments to reconcile operating income to net cash provided by operating activities:				
Miscellaneous nonoperating revenue	70,746	-	483	71,229
Depreciation expense	921,084	403,522	511,711	1,836,317
Change in assets and liabilities:				
Accounts receivable	53,329	(37,998)	(15,450)	(119)
Inventories	(220,327)	(27,164)	-	(247,491)
Accounts payable	659,699	210,382	21,778	891,859
Customer deposits	1,894	(20)	-	1,874
Sales tax payable	(7,739)	-	-	(7,739)
Accrued expenses	27,797	5,852	7,543	41,192
Net cash provided by operating activities	\$ 2,699,264	\$ 1,191,142	\$ 971,104	\$ 4,861,510

See notes to financial statements.

CITY OF SEWARD, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

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CITY OF SEWARD, NEBRASKA
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Seward, Nebraska (City) are prepared in accordance with generally accepted accounting principles (GAAP). The City’s reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements.

The accounting and reporting framework and the more significant accounting principles and practices are discussed in subsequent sections of this Note.

1. Financial Reporting Entity

The City of Seward, Nebraska, was incorporated in 1868. The City operates under a Mayor-Council form of government with an elected Mayor, and an elected legislative body, Council, composed of eight members. The Mayor is elected at large for a four-year term, and the eight members of the City Council are elected, two from each of four wards, on alternating four-year terms. The administration of the City government is performed under the direction of the Mayor by the City Administrator. Services provided to residents include public safety, highways and streets, planning and zoning, parks, recreation, development, electric, water, and sanitary sewer systems, transfer station, and general administrative services.

The City’s financial reporting entity comprises the following:

Primary Government:	City of Seward
Discretely Presented Component Units:	Seward Airport Authority Seward Library Foundation

In determining the financial reporting entity, the City complies with the provisions of GASB Statement No. 61, and has addressed all potential component units (traditionally separate reporting entities) for which the City may be financially accountable, and, as such, should be included within the City’s financial statements. The City (the primary government) is financially accountable if it appoints a voting majority of the organization’s governing board and (1) it is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the City. Additionally, the primary government is required to consider other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading.

CITY OF SEWARD, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

1. Financial Reporting Entity, continued

Blended Component Units

Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same or substantially the same as the City Council or the component unit provides services entirely to the City. These component units' funds are blended into those of the City by appropriate activity type to compose the primary government presentation. Currently, the City has no blended component units.

Discretely Presented Component Units

Discretely presented component units are separate legal entities that meet the component unit criteria described above but do not meet the criteria for blending. The following are the discretely presented component units:

Brief Description of Activities and Relationship
to the City:

Seward Airport Authority

Established to provide for the operation of the Seward Airport. The component unit information was obtained from financial statements which can be obtained by contacting the Seward Airport Authority.

Seward Library Foundation

Established to support the Seward library.

2. Basis of Presentation

Government-wide Financial Statements

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

CITY OF SEWARD, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

2. Basis of Presentation, continued

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into two major categories: governmental and proprietary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least five percent of the corresponding total for all governmental and enterprise funds combined.

The funds of the financial reporting entity are described below:

Governmental Funds

General Fund

The General Fund is the primary operating fund of the City and always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for certain purposes.

Debt Service Fund

The Debt Service Fund accounts for the accumulation of financial resources for the payment of interest and principal on the general long-term debt of the City other than debt service payments made by enterprise funds. Ad valorem taxes are used for the payment of principal and interest on the City's general obligation bonds.

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

2. Basis of Presentation, continued

Governmental Funds, continued

Permanent Fund

The Permanent Fund accounts for assets held by the City pursuant to a trust agreement. The principal portion of this fund type must remain intact, but the earnings may be used to achieve the objectives of the fund.

Proprietary Funds

Enterprise Funds

Enterprise Funds are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector.

Major and Nonmajor Funds

The funds are further classified as major or non-major as follows:

<u>Fund</u>	<u>Brief Description</u>
<i>Major:</i>	
Governmental:	
General	See page 27 for description.
Street	The Street Fund is a special revenue fund that accounts for the City's share of highway allocation from the State of Nebraska.
Debt Service	See page 27 for description.

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

2. **Basis of Presentation, continued**

Major and Nonmajor Funds, continued

<u>Fund</u>	<u>Brief Description</u>
<i>Major, continued:</i>	
Proprietary:	
Enterprise:	
Electric, Water, and Sewer	See page 28 for description.
<i>Nonmajor:</i>	
Special Revenue:	
CDBG	Special revenue fund that accounts for community development grants and related expenses.
LB840	Special revenue fund that accounts for sales tax to be used for economic development under LB840.
TIF	Special revenue fund that accounts for tax increment financing projects used to promote economic development.
Perpetual Care	Permanent fund that accounts for the monies in a permanent care endowment fund for the cemetery.

3. **Measurement Focus and Basis of Accounting**

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus as defined in item b, below.

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

3. Measurement Focus and Basis of Accounting, continued

Measurement Focus, continued

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate:

- a. All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The proprietary funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, governmental and business-like activities and the discretely presented component units are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within 60 days after year end. Expenditures (including capital outlay) are recorded when the related fund liability is incurred.

CITY OF SEWARD, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

3. Measurement Focus and Basis of Accounting, continued

Basis of Accounting, continued

All proprietary funds and discretely presented component units utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or the economic asset is used.

4. Assets, Liabilities, and Equity

Estimates

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

Cash and Investments

For the purpose of the Statement of Net Position, “cash and cash equivalents” include all demand accounts and savings accounts. For the purpose of the proprietary fund Statement of Cash Flows, “cash and cash equivalents” include all cash on hand, demand accounts, savings accounts, and equity in pooled cash which has an original maturity of three months or less. The County Treasurer’s cash represents revenues collected not yet remitted to the City.

Certificates of deposit and investments are carried at fair value. Fair value is based on quoted market price. Additional cash and investment disclosures are presented in Notes B2, C1, and D2.

When both restricted and unrestricted resources are available for use, it is the City’s policy to use restricted resources first, then unrestricted resources as they are needed.

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

4. Assets, Liabilities, and Equity, continued

Receivables

In the government-wide statements, receivables consist of all revenues earned at year end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivable balances for the governmental activities include special assessments and property taxes. Business-type activities report utility billings and unbilled revenue as their major receivables.

In the fund financial statements, receivables in governmental funds include revenue accruals such as special assessments and property taxes, since they are usually both measurable and available. Proprietary fund receivables consist of all revenues earned at year end and not yet received. Utility accounts receivable and unbilled revenue compose the majority of proprietary fund receivables. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable.

Due from Other Governments

The total due from other governments consists of the following:

<u>Fund</u>	<u>Amount</u>	<u>Service</u>
General	\$ 453,785	Sales Tax
Street	81,863	Sales Tax
Street	16,388	Motor Vehicle Fees
Street	<u>74,319</u>	Highway Allocation
	<u>\$ 626,355</u>	

Inventory

All inventories are valued at cost using the first-in/first-out (FIFO) method.

Restricted Assets

Restricted assets include cash and investments that are legally restricted as to their use. The primary restricted assets are related to debt service and proceeds of specific revenue sources that are legally restricted to expenditures for certain purposes.

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

4. Assets, Liabilities, and Equity, continued

Capital Assets

The accounting treatment over property, plant, and equipment (capital assets) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

Government-wide Statements

In the government-wide financial statements, capital assets that are purchased or acquired with an original cost of \$5,000 or more are capitalized and reported on the Statement of Net Position. Capital assets are valued at historical cost or estimated historical cost if actual is unavailable, except for donated capital assets, which are recorded at their estimated fair value at the date of donation. The City has elected the depreciation approach for reporting infrastructure.

Depreciation of general capital assets and all proprietary capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The ranges of estimated useful lives by type of asset are as follows:

Buildings	25-40 years
Improvements	5-25 years
Machinery and Equipment	5-20 years
Utility System	20-50 years
Infrastructure	20-50 years

Prior to July 1, 1980, governmental funds' infrastructure assets were not capitalized. These assets (back to July 1, 1980) have been valued at estimated historical cost. The cost of normal maintenance, preservation, and repairs that do not add to the value of the assets or materially extend the assets' lives are not capitalized.

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

4. Assets, Liabilities, and Equity, continued

Capital Assets, continued

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

Unavailable Revenues

Unavailable revenues consist of property taxes and special assessments expected to be collected after 60 days.

Compensated Absences

The City's policies regarding vacation time permit employees to accumulate earned but unused vacation leave. A portion of the liability for these compensated absences is recorded as long-term debt in the government-wide statements. The current portion of this obligation is estimated based on historical trends. In the fund financial statements, governmental funds report only the current compensated absence liability payable from expendable available financial resources, while the proprietary funds report the total liability.

Employees generally earn sick leave at the rate of one day per month with the total accumulation up to 900 hours. In the event of retirement, an employee is reimbursed 50 percent of the accumulated sick leave if the employee meets certain eligibility requirements.

Long-term Debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

CITY OF SEWARD, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

4. Assets, Liabilities, and Equity, continued

Long-term Debt, continued

Government-wide Statements

All long-term debt to be repaid from governmental and business-type resources is reported as liabilities in the government-wide statements. The long-term debt consists primarily of notes payable and accrued compensated absences.

Fund Financial Statements

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary funds is the same in the fund financial statements as it is in the government-wide statements.

Equity Classifications

Government-wide Statements

Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

Fund Financial Statements

Governmental fund equity is classified as fund balance. Proprietary fund equity is classified the same as in the government-wide statements.

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

4. Assets, Liabilities, and Equity, continued

Equity Classifications, continued

Fund Financial Statements, continued

Effective October 1, 2010, the City adopted GASB Statement No. 54, which redefined how fund balances of the governmental funds are presented in the financial statements. Fund balances are classified as follows:

Nonspendable—Amounts that cannot be spent either because they are not in a spendable form or because they are legally or contractually required to be maintained intact.

Restricted—Amounts that can be spent only for specific purposes because of the City Charter, City Code, state or federal laws or externally imposed conditions by grantors or creditors.

Committed—Amounts that can be used only for specific purposes determined by a formal action by City Council ordinance or resolution.

Assigned—Amounts that are designated by the Mayor for a specific purpose but are not spendable until a budget ordinance is passed by the City Council.

Unassigned—All amounts not included in other spendable classifications.

The details of the fund balances are included in the Governmental Funds Balance Sheet (page 16). Restricted funds are used first as appropriate. Assigned Funds are reduced to the extent that expenditure authority has been budgeted by the City Council or the Assignment has been changed by the Mayor. Decreases to fund balance first reduce Unassigned Fund balance; in the event that Unassigned Fund Balance becomes zero, then Assigned and Committed Fund Balances are used in that order.

CITY OF SEWARD, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

5. Revenues, Expenditures, and Expenses

Sales and Use Tax

The City presently levies a 1.5 cent sales tax on taxable sales within the City. The sales tax is collected by the Nebraska Department of Revenue and remitted to the City in the month following receipt. The Nebraska Department of Revenue receives the sales tax approximately one month after collection by vendors. The sales tax allocated to the General and Debt Service Funds for property tax relief, with up to \$150,000 per year approved for the LB840 Fund to be used for economic development. Sales tax collected on the sale of motor vehicles is restricted for street improvements as required by LB904.

Sales taxes collected by the State in September (which represent sales for August) and received by the City in October have been accrued and are included under the caption “Due from other governments.”

Property Taxes

The City has the power to levy taxes each year sufficient to pay any judgment existing against the City, the interest on bonded debt, and the principal on bonded debt maturing during the fiscal year or within six months thereafter, as well as taxes authorized by state law.

The tax levies for all political subdivisions in Seward County are certified by the County Board on or before October 15. Real estate taxes are due on December 31 and attach as an enforceable lien and become delinquent in two equal installments on May 1 and September 1. Personal property taxes are due in the same manner as real estate taxes. Delinquent taxes bear 14 percent interest.

CITY OF SEWARD, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

5. Revenues, Expenditures, and Expenses, continued

Property Taxes, continued

Property taxes levied for 2021-2022 are recorded as revenue when expected to be collected within 60 days after September 30, 2022. Prior-year levies were recorded using these same principles, and remaining receivables are re-evaluated annually. Property taxes expected to be collected after 60 days are recorded as deferred revenue on the fund balance sheets.

The City-owned electric, water, and sewer utilities make payments in lieu of taxes (10 percent of gross revenues for electric, 5 percent of gross revenues for water, and 5 percent of gross revenues for sewer).

Operating Revenues and Expenses

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and/or services. They also include all revenue and expenses not related to capital and related financing, noncapital financing, or investing activities.

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.

In the fund financial statements, expenditures are classified as follows:

Governmental Funds – by Character and Function

Proprietary Fund – by Operating and Nonoperating

In the fund financial statements, governmental funds report expenditures of financial resources. Proprietary funds report expenses relating to use of economic resources.

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

5. Revenues, Expenditures, and Expenses, continued

Interfund Transfers

Permanent reallocation of resources between funds of the reporting entity is classified as transfers. For the purposes of the Statement of Activities, all interfund transfers between individual governmental funds have been eliminated.

NOTE B – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

By its nature as a local government unit, the City and its component units are subject to various federal, state, and local laws and contractual regulations. An analysis of the City's compliance with significant laws and regulations and demonstration of its stewardship over City resources follows:

1. Fund Accounting Requirements

The City complies with all state and local laws and regulations requiring the use of separate funds. The legally required funds used by the City include: Special Revenue, Debt Service, and Permanent Funds.

2. Deposit Laws and Regulations

Custodial credit risk is the risk that, in the event of a bank failure, a government's deposits may not be returned to it. The City's deposit policy for custodial credit risk requires compliance with the provisions of state law.

State law requires collateralization of all deposits with federal depository insurance or with U.S. Treasury and U.S. agency securities having an aggregate value at least equal to the amount of the deposits. The City's demand deposits are insured up to \$250,000 and certificates of deposit/savings accounts are insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). Any cash deposits or certificates of deposit in excess of the FDIC limits are insured by collateral held by the pledging institution in the City's name.

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2022

NOTE B – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY, continued

3. Revenue Restrictions

The City has various restrictions placed over certain revenue sources from state or local requirements. The primary restricted revenue sources are described in Note A2 for the various funds.

4. Debt Restrictions and Covenants

Bonds Payable

The various bond ordinances relating to the bonds payable contain some restrictions or covenants that are financial-related. These include covenants such as debt service coverage requirements and required reserve account balances. The City is in compliance with the bond restrictions and covenants.

5. Budgetary Data

The City is required by state laws to adopt annual budgets for all fund types. Each budget is presented on the cash basis of accounting, which is consistent with the requirements of the state budget act.

The Nebraska Budget Act provides the prescribed budget practices and procedures that governing bodies are required to follow. The amounts that may be budgeted for certain specific funds are subject to various expenditure and/or tax levy limitations.

The City follows these procedures in establishing the budgetary data reflected in the accompanying financial statements.

- a. On or before August 1, the City prepares a budget for the fiscal year commencing October 1. The budget includes proposed expenditures and resources available.
- b. The budget is published with subsequent public hearings to obtain taxpayer comments.

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2022

NOTE B – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY, continued

5. Budgetary Data, continued

- c. Prior to September 30, the City Council adopts the budget, which is then filed with the appropriate state and county officials.
- d. Total expenditures may not legally exceed total appropriations. Appropriations lapse at year end and any revisions require board approval.
- e. The County Clerk certifies a preliminary property tax levy for each fund of the City which levied property taxes in the county the previous year based on the combined valuation and amount required for the City the prior year. The preliminary levy becomes the final levy unless the governing board passes, by a majority vote, a resolution setting the levy at a different amount.
- f. The property tax requirements resulting from the budget process are utilized by the County Assessor to establish the tax levy. Taxes are levied annually on or before October 15. Real property taxes and personal property taxes are due December 31 with the first half delinquent May 1 and the second half delinquent September 1.
- g. Appropriations lapse at the end of the fiscal year, except for capital improvement appropriations and certain encumbrances against operating budgets.
- h. The City of Seward adopts a budget by resolution for all fund types.

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS

The following notes present detail information to support the amounts reported in the basic financial statements for its various assets, liabilities, equity, revenues, and expenditures/expenses.

1. Cash and Investments

Deposits

The City's policies regarding deposits of cash are discussed in Note A4. The table presented below is designed to disclose how its deposits were insured or secured with collateral at September 30, 2022. The categories of collateral are defined as follows:

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2022

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

1. Cash and Investments, continued

Deposits, continued

Category 1 – Insured by FDIC or collateralized with securities held by the City (or public trust) or by its agent in its name.

Category 2 – Uninsured but collateralized with securities held by the pledging financial institution’s trust department or agent in the City’s name.

Category 3 – Uninsured and uncollateralized; or collateralized with securities held by the pledging financial institution, or by its trust department or agent, but not in the City’s name; or collateralized with no written or approved collateral agreement.

<u>Types of Deposits</u>	<u>Total Bank Balance</u>	<u>Category 1</u>	<u>Category 2</u>	<u>Category 3</u>	<u>Total Carrying Value</u>
Demand deposits and certificates of deposit	\$ 24,859,059	\$ 1,523,726	\$ 23,335,333	\$ -	\$ <u>24,028,200</u>

Reconciliation to Government-wide Statement of Net Position:

Primary Government –	
Unrestricted cash and cash equivalents	\$ 13,747,444
Unrestricted certificates of deposit	4,140,930
Restricted cash and cash equivalents	4,402,777
Restricted certificates of deposit	1,387,015
Component Units –	
Unrestricted cash and cash equivalents	263,211
Unrestricted certificates of deposit	<u>86,823</u>
	<u>\$ 24,028,200</u>

Investments

The City’s policies and applicable laws regarding investments are discussed in Notes A4 and B2. The table presented below is designed to disclose whether the investments are insured or registered and who holds the security at September 30, 2022. The categories of investments are defined as follows:

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2022

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

1. Cash and Investments, continued

Investments, continued

Category 1 – Insured or registered with securities held by the entity or its agent in the entity’s name.

Category 2 – Uninsured and unregistered with securities held by the counterparty’s trust department or agent in the entity’s name.

Category 3 – Uninsured and unregistered with securities held by the counterparty or by its trust department or agent but not in the City’s name.

<u>Type of Investment</u>	Category <u>1</u>	Category <u>2</u>	Category <u>3</u>	<u>Carrying Amount</u>	<u>Fair Value</u>
Publicly Traded Equities	\$ -	\$ 604,098	\$ -	\$ <u>604,098</u>	\$ <u>604,098</u>

Reconciliation to Government-wide Statement of Net Position:

Component Units –

Unrestricted investments	\$ 518,482
Permanently restricted investments	<u>85,616</u>
	\$ <u>604,098</u>

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2022

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

2. Restricted Assets

The restricted assets as of September 30, 2022, are as follows:

	<u>Governmental Activities</u>	<u>Business- type Activities</u>	<u>Total Primary Government</u>	<u>Component Unit</u>
Type of Restricted Assets:				
Cash and cash equivalents	\$ 2,880,303	\$ 1,522,474	\$ 4,402,777	\$ -
Certificates of deposit	15,000	1,372,015	1,387,015	-
Investments	-	-	-	85,616
	<u>\$ 2,895,303</u>	<u>\$ 2,894,489</u>	<u>\$ 5,789,792</u>	<u>\$ 85,616</u>

Restricted cash and investments for governmental activities consists of \$1,843,483 of Street Fund cash restricted for street projects, \$348,222 of Debt Service Fund cash restricted for debt service, \$17,511 of CDBG Fund cash restricted for Federal programs, \$254,596 of LB840 Fund cash restricted for economic development, \$180,537 of TIF Fund cash restricted for economic development, and \$250,954 of Perpetual Care Fund cash and certificates of deposit restricted for cemetery perpetual care.

Restricted business-type assets consist of debt service reserves of \$552,111 for the Electric Fund, \$1,001,351 for the Water Fund, and \$582,148 for the Sewer Fund. The Electric Fund has \$120,107 and the Water Fund has \$200 restricted for customer deposits. The Water Fund also has \$638,572 restricted for Federal programs.

The Seward Library Foundation has \$85,616 of permanently restricted investments endowed for the income only to be used to support the Seward library.

3. Accounts and Notes Receivable

Accounts receivable of the business-type activities consist of utilities receivable. Accounts receivable for the component units consist of minor receivables. Receivables detail at September 30, 2022, is as follows:

	<u>Governmental Activities</u>	<u>Business- type Activities</u>	<u>Total Primary Government</u>	<u>Component Units</u>
Accounts receivable	\$ -	\$ 1,493,970	\$ 1,493,970	\$ 1,500
Allowance for doubtful accounts	-	(2,320)	(2,320)	-
Net accounts receivable	<u>\$ -</u>	<u>\$ 1,491,650</u>	<u>\$ 1,491,650</u>	<u>\$ 1,500</u>

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2022

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

3. Accounts and Notes Receivable, continued

Notes receivable for the governmental activities consist of the following at September 30, 2022:

<u>Type of Loan</u>	<u>Due From</u>	<u>Note Balance at September 30, 2022</u>	<u>Terms</u>
LB840	Squire Wards, LLC	\$ 26,027	1.625%; monthly payments due over 42 months; final payment due 9/1/24
LB840	La Cocina	20,000	5.0%; 20 percent forgivable annually if borrower retains improvements; due 1/7/24
LB840	Seward Hotel Group	38,849	3.25%; monthly payments over 15 years; final payment due 9/1/27
LB840	ECES, Inc	26,530	2.625%; monthly payments due over 10 years; final payment due 1/1/29
LB840	Barely Legal Distilling, LLC	70,000	2.25%; monthly payments due over 5 years; final payment due 2/1/25
LB840	Green Future Properties	195,411	2.75%; monthly payments due over 15 years; 12% of the loan will be forgiven after 166 payments have been made; final payment due 9/1/34
LB840	Cornerstone Interiors & Design	36,446	2.13%; monthly payments due over 10 years; final payment due 1/1/28
LB840	Gilgorevic	1,093	5.0%; 20 percent forgivable annually if borrower retains improvements; due 10/16/24
LB840	Turning Point Behavioral Health & Addiction Counseling	11,187	1.75%; monthly payments due over 10 years; final payment due 12/1/26

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2022

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

3. Accounts and Notes Receivable, continued

<u>Note Held By</u>	<u>Due From</u>	Note Balance at September 30, <u>2022</u>	<u>Terms</u>
LB840	Nixon Restaurant and Property, Inc.	45,181	1.625%; monthly payments due over 5 years; final payment due 3/1/27
LB840	14tin, LLC	55,443	1.625%; monthly payments due over 10 years; final payment due 9/1/32
LB840	Bottle Rocket Brewing	2,528	5.0%; 20 percent forgivable annually if borrower retains improvements; due 9/30/24
LB840	Kirby Roth Insurance	3,913	5.0%; 20 percent forgivable annually if borrower retains improvements; due 7/23/25
LB840	Hexagon Properties	67,830	1.875%; monthly payments due over 15 years; final payment due 3/30/32
LB840	Red Path Gallery & Tasting Room	33,713	2.375%; monthly payments due over 10 years; final payment due 8/1/28
LB840	The Alps Dog Retreat	55,464	2.375%; monthly payments due over 72 months; \$13,081.50 is forgivable after 64 payments; final payment due 12/1/26
LB840	Fullfield Ag, LLC	131,209	1.875%; monthly payments due over 15 years; final payment due 2/15/32
	Allowance for uncollectible note receivable	<u>(70,000)</u>	
	Total notes receivable	\$ <u>750,824</u>	
	Current portion	\$ 111,344	
	Noncurrent portion	<u>639,480</u>	
		\$ <u>750,824</u>	

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2022

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

4. Capital Assets

Capital asset activity for the year ended September 30, 2022, was as follows:

	<u>Balance at October 1, 2021</u>	<u>Additions</u>	<u>Disposals</u>	<u>Reclass</u>	<u>Balance at September 30, 2022</u>
<u>Governmental Activities:</u>					
Capital assets not being depreciated:					
Land	\$ 564,351	\$ 328,027	\$ (39,427)	\$ -	\$ 852,951
Construction in progress	4,112,111	465,678	-	(4,112,110)	465,679
Total capital assets not being depreciated	4,676,462	793,705	(39,427)	(4,112,110)	1,318,630
Other capital assets being depreciated:					
Infrastructure	17,175,792	1,373,381	-	4,099,875	22,649,048
Buildings	11,946,185	45,348	-	-	11,991,533
Machinery and equipment	6,728,545	298,010	(65,724)	12,235	6,973,066
Total other capital assets at historical cost	35,850,522	1,716,739	(65,724)	4,112,110	41,613,647
Less accumulated depreciation for:					
Infrastructure	(6,613,478)	(526,027)	-	-	(7,139,505)
Buildings	(3,957,199)	(240,620)	-	-	(4,197,819)
Machinery and equipment	(4,648,165)	(508,197)	65,724	-	(5,090,638)
Total accumulated depreciation	(15,218,842)	(1,274,844) *	65,724	-	(16,427,962)
Other capital assets, net	20,631,680	441,895	-	4,112,110	25,185,685
Governmental activities capital assets, net	<u>\$ 25,308,142</u>	<u>\$ 1,235,600</u>	<u>\$ (39,427)</u>	<u>\$ -</u>	<u>\$ 26,504,315</u>

* Depreciation expense was charged to governmental activities as follows:

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2022

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

4. Capital Assets, continued

Governmental Activities, continued:

General government	\$ 17,126
Public safety	
Fire	118,975
Police	<u>78,215</u>
Total public safety	197,190
Public works:	
Streets and storm sewers	566,406
Cemetery	<u>23,767</u>
Total public works	590,173
Environment and leisure:	
Civic Center	14,238
Golf	75,762
Library	112,440
Parks and recreation	185,604
Senior Center	19,394
Trails	<u>62,917</u>
Total environment and leisure	<u>470,355</u>
Total governmental depreciation expense	\$ <u>1,274,844</u>

Construction in progress at September 30, 2022, consists of \$52,112 for the East Seward Street project, \$62,718 for the Pinewood Avenue project, \$69,548 for the Plum Creek bridge project, \$127,578 for the Park Avenue/Bradford storm drainage project, \$11,860 for the Rail Campus borrow pit/detention project, and \$141,863 for the Seward Trail extension project. See Note D3 for additional details on these projects.

CITY OF SEWARD, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2022

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

4. Capital Assets, continued

	<u>Balance at</u> <u>October 1, 2021</u>	<u>Additions</u>	<u>Disposals</u>	<u>Reclass</u>	<u>Balance at</u> <u>September 30, 2022</u>
<u>Business-type Activities:</u>					
Capital assets not being depreciated:					
Land	\$ 1,931,102	\$ 167,072	\$ -	\$ -	\$ 2,098,174
Construction in progress	<u>4,115,543</u>	<u>1,302,657</u>	<u>-</u>	<u>(3,702,836)</u>	<u>1,715,364</u>
Total capital assets not being depreciated	6,046,645	1,469,729	-	(3,702,836)	3,813,538
Other capital assets being depreciated:					
Buildings	1,360,264	10,531	-	-	1,370,795
Distribution systems	45,906,877	699,283	-	3,702,836	50,308,996
Equipment	<u>4,160,397</u>	<u>695,846</u>	<u>(173,864)</u>	<u>-</u>	<u>4,682,379</u>
Total other capital assets at historical cost	51,427,538	1,405,660	(173,864)	3,702,836	56,362,170
Less accumulated depreciation for:					
Buildings	(568,407)	(36,509)	-	-	(604,916)
Distribution systems	(26,761,795)	(1,466,890)	-	-	(28,228,685)
Equipment	<u>(2,989,034)</u>	<u>(332,918)</u>	<u>164,761</u>	<u>-</u>	<u>(3,157,191)</u>
Total accumulated depreciation	<u>(30,319,236)</u>	<u>(1,836,317)</u> *	<u>164,761</u>	<u>-</u>	<u>(31,990,792)</u>
Other capital assets, net	<u>21,108,302</u>	<u>(430,657)</u>	<u>(9,103)</u>	<u>3,702,836</u>	<u>24,371,378</u>
Business-type capital assets, net	<u>\$ 27,154,947</u>	<u>\$ 1,039,072</u>	<u>\$ (9,103)</u>	<u>\$ -</u>	<u>\$ 28,184,916</u>

* Depreciation expense was charged to functions as follows:

Electric	\$ 921,084
Water	403,522
Sewer	<u>511,711</u>
Total business-type activities depreciation expense	<u>\$ 1,836,317</u>

Construction in progress at September 30, 2022, consists of \$173,724 for the electric meter system upgrade project, \$78,274 for the Dale’s Hotel electric update project, \$16,157 for the Petsource electric project, \$8,333 for the MC electrical project, \$917,715 for the SW3 and S4 well projects, \$125,165 for the water tower project, and \$395,996 for the wastewater treatment plant improvement project. See Note D3 for additional detail of the construction in progress at September 30, 2022.

CITY OF SEWARD, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2022

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

4. Capital Assets, continued

	<u>Balance at</u> <u>October 1, 2021</u>	<u>Additions</u>	<u>Disposals</u>	<u>Reclass</u>	<u>Balance at</u> <u>September 30, 2022</u>
<u>Airport Authority:</u>					
Capital assets not being depreciated:					
Land	\$ 105,156	\$ -	\$ -	\$ -	\$ 105,156
Other capital assets being depreciated:					
Buildings	4,301,093	10,260	-	-	4,311,353
Improvements	2,543,114	-	-	-	2,543,114
Equipment	238,973	26,700	-	-	265,673
Total other capital assets at historical cost	7,083,180	36,960	-	-	7,120,140
Less accumulated depreciation for:					
Buildings	(1,387,865)	(116,880)	-	-	(1,504,745)
Improvements	(1,483,157)	(83,180)	-	-	(1,566,337)
Equipment	(129,815)	(25,330)	-	-	(155,145)
Total accumulated depreciation	(3,000,837)	(225,390)	-	-	(3,226,227)
Other capital assets, net	4,082,343	(188,430)	-	-	3,893,913
Airport Authority capital assets, net	<u>\$ 4,187,499</u>	<u>\$ (188,430)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,999,069</u>

5. Accounts Payable

Payables in the general, capital projects, other governmental, and proprietary funds are primarily composed of payables to vendors.

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2022

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

6. Long-term Debt

The reporting entity’s long-term debt is segregated between the amounts to be repaid from governmental activities and amounts to be repaid from business-type activities.

Changes in Long-term Debt

The following is a summary of changes in long-term debt for the year ended September 30, 2022:

<u>Type of Debt</u>	<u>Balance 9/30/2021</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 9/30/2022</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds payable	\$ 5,874,000	\$ -	\$ (917,000)	\$ 4,957,000	\$ 883,000
Note payable	79,986	-	(53,020)	26,966	26,966
Financing agreements	369,944	-	(119,490)	250,454	72,181
Total governmental	<u>\$ 6,323,930</u>	<u>\$ -</u>	<u>\$ (1,089,510)</u>	<u>\$ 5,234,420</u>	<u>\$ 982,147</u>
Business-type Activities					
Bonds payable	<u>\$ 9,000,000</u>	<u>\$ -</u>	<u>\$ (960,000)</u>	<u>\$ 8,040,000</u>	<u>\$ 980,000</u>
Component Units:					
Airport Authority	<u>\$ 357,895</u>	<u>\$ -</u>	<u>\$ (94,629)</u>	<u>\$ 263,266</u>	<u>\$ 187,860</u>

Governmental Activities

As of September 30, 2022, the governmental long-term liabilities consisted of the following:

Bonds payable:

General obligation refunding bonds - series 2012, with original issue amount of \$1,373,850 (71 percent of the issue). Interest ranges from 0.30 to 2.15 percent with final maturity December 15, 2022. \$ 165,000

Highway allocation bonds - series 2012, with original issue amount of \$190,000. Interest is 2.35 percent with maturity December 15, 2023. 190,000

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2022

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

6. Long-term Debt, continued

Governmental Activities, continued

Bonds payable, continued:

General obligation refunding bonds - series 2020, with original issue amount of \$4,725,000. Interest ranges from 1.15 to 1.80 percent with final maturity April 15, 2030. 3,805,000

Public safety tax bonds - series 2014, with original issue amount of \$404,000. Interest ranges from 1.15 to 2.55 percent with final maturity April 1, 2024. 87,000

General obligation refunding bonds - series 2014, with original issue amount of \$500,000. Interest ranges from 0.20 to 2.25 percent with final maturity December 15, 2022. 40,000

Highway allocation bonds – series 2016, with original issue amount of \$825,000. Interest ranges from 2.0 to 4.0 percent with final maturity October 1, 2031. 510,000

General obligation refunding bonds - series 2016, with original issue amount of \$1,085,000. Interest ranges from 0.60 to 1.50 percent with final maturity December 15, 2022. 160,000

Total bonds payable 4,957,000

Note payable:

On February 19, 2016, the City borrowed \$350,000 from Jones National Bank to finance the golf course purchase. The note bears interest of 2.75 percent and is due in 14 semi-annual installments of \$27,430 through November 1, 2022. 26,966

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2022

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

6. Long-term Debt, continued

Governmental Activities, continued

Financing Agreements:

Financing agreement due to Cattle National Bank dated December 29, 2017, with original issue amount of \$56,737 to finance a Toro Workman mower for golf course. The note bears interest of 2.85 percent with annual principal and interest payments due July 1, 2018 through July 1, 2022.	-
Financing agreement due to Cattle National Bank dated January 18, 2019, with original issue amount of \$65,625 to finance a Groundmaster mower. The note bears interest of 3.75 percent and is due in five annual principal and interest payments of \$15,000 commencing June 30, 2019 through June 30, 2023.	11,055
Financing agreement due to Exchange Bank dated September 1, 2020, with original issue amount of \$148,882 to finance golf carts. The note bears interest of 3.25 percent and is due in 30 monthly principal and interest payments of \$3,300, commencing April 1, 2021 through September 1, 2025 (no note payments are due October through March each year), with a final installment of \$64,762 due September 1, 2025.	114,818
Financing agreement due to Jones National Bank dated November 20, 2019, with original issue amount of \$63,797 to finance a Kubota tractor and mower. The note bears interest of 3.29 percent and is due in five annual principal and interest payments of \$13,760, commencing March 21, 2020 through March 31, 2024.	26,219

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2022

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

6. Long-term Debt, continued

Governmental Activities, continued

Financing Agreements, continued:

Financing agreement due to Cattle National Bank dated October 1, 2020, with original issue amount of \$115,700 to finance a 2020 Case 621GXR wheel loader. The note bears interest of 2.20 percent and is due in five annual principal and interest payments of \$24,245, commencing November 30, 2020 through November 30, 2024. 69,649

Financing agreement due to Jones National Bank dated June 7, 2017, with original issue amount of \$161,925 to finance a street sweeper. The note bears interest of 2.22 percent and is due in ten semi-annual principal and interest payments of \$17,796, commencing November 1, 2017 through May 1, 2022. -

Financing agreement due to Jones National Bank dated December 4, 2020, with original issue amount of \$47,459 to finance a Toro Reelmaster 3555-D. The note bears interest of 2.13 percent and is due in five annual principal and interest payments of \$9,980, commencing April 30, 2021 through April 30, 2025. 28,713

Total financing agreements 250,454

Total governmental activities long-term obligations \$ 5,234,420

Current portion \$ 982,147

Noncurrent portion 4,252,273

Total \$ 5,234,420

The Debt Service Fund is making the bond payments, the General Fund is making the note payments, and the General Fund and Street Fund are making the payments on the financing agreements.

CITY OF SEWARD, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2022

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

6. Long-term Debt, continued

Business-type Activities

As of September 30, 2022, the long-term debt payable from proprietary fund resources consisted of the following:

Bonds and notes payable:

Electric revenue refunding bonds - series 2012, with original issue amount of \$1,855,000. Interest ranges from 0.40 to 2.55 percent with final maturity February 15, 2025.	\$ 295,000
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Electric revenue refunding bonds - series 2016, with original issue amount of \$4,755,000. Interest ranges from 0.85 to 3.20 percent with final maturity February 15, 2036.	3,085,000
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Water revenue refunding bonds - series 2020, with original issue amount of \$1,635,000. Interest ranges from 1.20 to 2.15 percent with final maturity February 15, 2036.	1,325,000
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Water revenue refunding bonds - series 2016, with original issue amount of \$1,205,000. Interest ranges from 0.95 to 1.80 percent with final maturity June 1, 2026.	800,000
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Sewer revenue refunding bonds – series 2021, with original issue amount of \$3,055,000. Interest ranges from 0.25 to 1.50 percent with final maturity September 1, 2032.	<u>2,535,000</u>
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Total business-type activity debt	\$ <u>8,040,000</u>
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Current portion	\$ 980,000
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Noncurrent portion	<u>7,060,000</u>
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Total	\$ <u>8,040,000</u>
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CITY OF SEWARD, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2022

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

6. Long-term Debt, continued

Component Unit

Airport debt:

Series 2011 bonds payable with original principal amount of \$545,000, bearing interest ranging from 1.20 to 3.55 percent with final maturity January 15, 2024.	\$ 70,000
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Series 2009 bonds payable with original principal amount of \$20,000, bearing interest of 4.75 percent with maturity January 15, 2024.	20,000
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Note payable with original principal amount of \$155,761, to fund project costs until Federal and state grant money is received, bearing interest of 6.20 percent, due December 31, 2022.	126,996
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Nebraska Department of Aeronautics loan with original principal amount of \$220,253, due in 120 monthly installments of \$1,322, bearing no interest through August 31, 2025.	<u>46,270</u>
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Total Airport notes and bonds payable	\$ <u>263,266</u>
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Current portion	\$ 187,860
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Noncurrent portion	<u>75,406</u>
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Total	\$ <u>263,266</u>
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CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2022

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

6. Long-term Debt, continued

Annual debt service requirements to maturity, including principal and interest, for long-term debt as of September 30, 2022, are as follows:

<u>Year Ending</u> <u>September 30,</u>	Governmental Activities			
	Direct Placement Debt		Other Debt Issues	
	<u>Principal</u>	<u>Interest</u>	<u>Interest</u>	<u>Interest</u>
2023	\$ 99,147	\$ 7,450	\$ 883,000	\$ 74,862
2024	62,780	5,005	759,000	71,903
2025	115,493	3,294	530,000	60,874
2026	-	-	535,000	52,800
2027	-	-	545,000	44,238
2028-2032	-	-	1,705,000	79,290
	\$ 277,420	\$ 15,749	\$ 4,957,000	\$ 383,967

<u>Year Ending</u> <u>September 30,</u>	Business-type Activities		Component Unit	
	Other Debt Issues		Other Debt Issues	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2023	\$ 980,000	\$ 139,243	\$ 187,860	\$ 2,636
2024	1,015,000	126,364	60,864	919
2025	1,035,000	111,082	14,542	-
2026	1,040,000	95,005	-	-
2027	595,000	80,385	-	-
2028-2032	2,445,000	265,861	-	-
2033-2037	930,000	52,300	-	-
	\$ 8,040,000	\$ 870,240	\$ 263,266	\$ 3,555

7. Interfund Transactions and Balances

The General Fund transferred \$990,000 to the Street Fund during the year ended September 30, 2022. Also, the Street Fund transferred \$151,138 to the Debt Service Fund during the year ended September 30, 2022.

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2022

NOTE D – OTHER NOTES

1. Employee Pension and Other Benefit Plans

Under Nebraska statutes, the City is to maintain a retirement plan for City police officers. This plan is funded through employee and employer contributions. The total contributions under this plan are deposited under a money purchase retirement plan with Ameritas Retirement. This plan requires that covered employees and the City contribute an amount equal to seven percent of the employee's monthly salary until such employee becomes eligible for regular retirement, at which time contributions shall cease. The eligible and covered payroll amounted to \$744,544 for the year ended September 30, 2022. Both the City and the covered employees' required contribution of \$51,714 was made for the year ended September 30, 2022. The employer contributions vest at the following rate: 0 to 2 years - 0 percent, 2 to 3 years - 40 percent, 4 years - 60 percent, 5 to 6 years - 80 percent, 7 years - fully vested. The employees also have the ability to make voluntary contributions to a deferred compensation plan in accordance with Internal Revenue Code Section 457. Voluntary 457 contributions totaled \$800 during the year ended September 30, 2022.

The City maintains a defined contribution plan for the City employees in accordance with Internal Revenue Code Sections 457 and 401(a). The plan is available to all full-time City employees after six months of service. This plan is funded through employee and employer contributions. The total contributions under this plan are deposited with Ameritas Retirement. This plan requires that both covered employees and the City contribute six percent of the employee's salary to the plan. The total payroll amounted to \$3,184,230 and the covered payroll amounted to \$2,544,150 for the year ended September 30, 2022. The City and the employees contributed \$152,649 and \$152,649, respectively, for the year ended September 30, 2022. The employees also contributed \$11,069 to a deferred compensation plan in accordance with Internal Revenue Code Section 457 during the year ended September 30, 2022.

2. Risk Management

Insurance

The City is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or natural disasters. The City purchases commercial insurance to protect against risks listed above. Insurance is maintained for the various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; dishonest employees; injuries to employees; and natural disasters. During the year ended September 30, 2022, the City did not reduce insurance coverage from levels in place during the prior year. No settlements have exceeded coverage levels in place during the past three fiscal years.

CITY OF SEWARD, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2022

NOTE D – OTHER NOTES, continued

2. Risk Management, continued

Deposits and Investments

Custodial Credit Risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. All of the underlying securities for the City’s investments at September 30, 2022, are held by the counterparties not in the name of the City. The underlying securities consist of cash, direct obligations of or guaranteed by the full faith and credit of the U.S. Government, and other similar obligations of the U.S. Government or its agencies.

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City’s investment policy requires that market conditions and investment securities be analyzed to determine the maximum yield to be obtained and to minimize the impact of rising interest rates. The certificate of deposit maturities are as follows:

<u>Maturities by Month</u>	<u>Amount</u>
October 2022	\$ 339,889
November 2022	704,716
January 2023	166,352
March 2023	1,808,028
May 2023	265,076
July 2023	221,949
August 2023	156,708
October 2023	124,562
December 2023	113,940
January 2024	457,538
March 2024	109,554
May 2024	83,878
June 2024	583,136
March 2025	81,444
September 2026	<u>311,175</u>
	\$ <u>5,527,945</u>

Credit Risk. Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. The City’s investments consist of certificates of deposit and money market funds, minimizing credit risk associated with the City’s investment portfolio.

CITY OF SEWARD, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2022

NOTE D – OTHER NOTES, continued

2. Risk Management, continued

Deposits and Investments, continued

Concentration of Credit Risk. The City’s investment policy places no limit on the amount that may be invested in any one issuer. At September 30, 2022, the City’s investments in certificates of deposit consisted of the following:

<u>Financial Institution</u>	<u>Amount</u>
Cattle National Bank	\$ 2,967,118
Jones National Bank	2,338,878
Union Bank	<u>221,949</u>
	<u>\$ 5,527,945</u>

Foreign Currency Risk. This risk relates to adverse effects on the fair value of an investment from changes in exchange rates. The City’s investments had no exposure to foreign currency risk and the City held no investments denominated in foreign currency at September 30, 2022.

3. Commitments

Construction/Contractual Commitments

The City has numerous construction projects and other contracts in progress. The City intends to fund the construction through operations or long-term financing.

<u>Project</u>	<u>Contract Amount</u>	<u>Paid Through 9/30/22</u>	<u>Obligation Pending</u>	<u>Expected Completion Date</u>
Water tower/transmission mains	\$ 45,850	\$ 37,950	\$ 7,900	August 2024
AMI electric metering system	838,505	173,724	664,781	September 2023
AMI water metering system	629,555	-	629,555	September 2024
E Seward St improvements	10,150	4,610	5,540	April 2024
Pinewood Ave improvements	13,250	6,650	6,600	September 2026
Park Ave/Bradford storm drainage	170,555	127,578	42,977	April 2024
Plum Creek bridge	138,850	69,547	69,303	September 2027
Fire truck tanker	273,465	-	273,465	September 2023
2023 Chevrolet Silverado	45,771	-	45,771	October 2022
Hotbox trailer	34,693	-	34,693	October 2022

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2022

NOTE D – OTHER NOTES, continued

3. Commitments, continued

Power Contract

In December 2015, the City entered into a contract with the Nebraska Public Power District (NPPD) for the purchase of electric power on a wholesale basis for a term of 20 years. The contract stipulates that if the City determines at any time that it wished to obtain power from another source, it must give written notice to NPPD five years prior to the time it proposes to change wholesale providers. Beginning on the date of the change, the City would be obligated to pay each month for an amount of power equal to an average of the maximum amounts of power purchased during the same month in each of the five years prior to the date of change. As of the date of this report, the City plans to continue its contract with NPPD and thus, no liability associated with this commitment has been accruing in the financial statements.

Other Commitments

On February 1, 2016, the City entered into a seven year lease through December 31, 2022 for the golf course. The lease calls for annual rent of \$1,950. In addition, the City must pay the real estate tax on the property.

The City also entered into a 60 month copier lease on February 1, 2020. The lease requires monthly payments of \$351 through January 2025.

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2022

NOTE D – OTHER NOTES, continued

4. Interlocal Agreements

The City has the following interlocal agreements in effect as of September 30, 2022:

Parties to Agreement	Agreement Period	Descriptions
Civil Defense	1981 - ongoing	Joint City/County Organization
Police Department	1990 – ongoing	Interlocal cooperative “RAP”/Rural Apprehension Program
Nebraska Community Energy Alliance	6/17/14 thru 6/17/2074	Advancement of Natural Gas & Electric Vehicle Infrastructure and Use
Seward County	6/01/2022 thru 5/31/2023	Prosecution Services/Per Year
Seward County	2004 – ongoing	Emergency Management Organization (Joint County-City)
Seward County	1997 – ongoing	EL overhead line-Section 27 & 28, Township N Range 3E
Seward County	1995 – ongoing	Combined Communications Center (Enhanced 911)
Seward County	1999 – ongoing	Police firearms range
Seward County	2011 – ongoing	Wellhead protection/City pays admin & Legal fees
Seward County Public Power	1980 – ongoing	Joint use of poles/SPPD to pay \$1.50/pole
South Crest Subdivision	1982 – ongoing	Sanity Imp Dist #3-WA & SE/City to provide routine maintenance
Staplehurst, Village of	2000 – ongoing	Use of burnsite for brush & untreated wood/Staplehurst pays \$1,000/yr
Statewide Communications Alliance	2002 – 2032	Jointly own, operate, regulate, manage and maintain statewide system
Upper Big Blue Natural Resources District	5/02/2017 thru 6/30/2023	Construction costs for hiking/bicycle trail \$150,000 paid by Upper Big Blue Natural Resource
Seward County Rural Fire Protection District	07/01/2020 thru 06/30/2021	Fire Protection/Equipment
Seward County Chamber & Development Partnership	10/1/2021 thru 9/30/2022	Economic Development
H-GAC	10/1/2021 thru 9/30/2022; auto renews	Cooperative purchasing program #17-5994
Seward County	4/26/2022 – project completion	E Seward St construction
Seward County School District	2/15/22 – 2/15/32	Wellness Center construction and board

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2022

NOTE D – OTHER NOTES, continued

5. Tax Abatements/Conduit Debt

The Community Development Agency (CDA), who is authorized by Nebraska statutes to enter into property tax abatement agreements for the purpose of developing properties in blighted areas, has entered into tax increment financing (TIF) agreements with various redevelopers. The TIF program has the stated purpose of increasing valuation, business activity and employment in the community.

Under the TIF program, redevelopers can apply for TIF financing whereby the property tax they pay on the increased valuation of property under a TIF agreement is returned to the redeveloper (in the form of payments on conduit debt) by the CDA to finance the project for a period of up to 15 years.

Information relevant to the abatements granted by the CDA for the year ended September 30, 2022 is as follows:

<u>TIF Project:</u>	<u>Years Remaining on TIF Agreements</u>	<u>2022 TIF Valuation</u>	<u>TIF Proceeds Received during the year 9-30-2022</u>
Progressive Sheet Metal	6	\$ 183,594	\$ 3,859
Sports Express	6	179,903	3,089
Cobblestone Inn	6	1,883,763	39,538
B & M Seed	6	449,098	4,094
Jones Bank	8	1,035,594	60,349
Jones Insurance	7	599,584	10,294
Grimes Construction	8	353,931	5,992
CNG, Inc.	9	5,084,054	81,939
Lindner	8	332,463	7,736
Two Creeks Holding	9	370,616	6,363
Bottle Rocket Brewing	9	290,847	15,716
Bradford	10	260,364	4,470
Peek Properties	8	95,061	2,624
Plex Homes	13	1,153,345	14,045
Project Superior	13	15,102,134	259,275
Green Futures	13	566,672	9,729

CITY OF SEWARD, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2022

NOTE D – OTHER NOTES, continued

5. Tax Abatements/Conduit Debt, continued

<u>TIF Project:</u>	<u>Years Remaining on TIF Agreements</u>	<u>2022 TIF Valuation</u>	<u>TIF Proceeds Received during the year 9-30-2022</u>
Kach 647	14	99,071	395
Kach 640/644	14	50,094	847
Else & Burger	14	314,315	5,447
Seward Dairy Queen	14	626,025	10,209
Alps Dog Retreat	15	249,640	-
GH Coffee	14	261,369	4,530
Levanders Body Shop	14	508,655	3,589
Two Creeks Storage	12	134,362	2,797
Old Town Square	15	194,900	-
Ironhide (IHC)	15	405,643	-
Plex Homes (Phase 2)	15	473,552	-
Fast Mart	11	744,665	<u>15,886</u>
			<u>\$ 572,812</u>

6. Related Party Transactions

A council member is the redeveloper on three TIF projects in Note D5 (Bradford, Kach 647, and Kach 640/644). Another entity owned by this council member (Kach 646) received CDBG grant proceeds totaling \$6,526 for downtown revitalization during the year ended September 30, 2022.

7. Subsequent Events

Management has evaluated subsequent events through December 21, 2022, the date on which the financial statements were available for issue.

On November 1, 2022, Council approved a \$243,862 contract with General Excavating for the Karol Kay box culvert project.

On November 15, 2022, Council approved a \$2,423,167 contract with Gehring Construction for the East Seward Street improvement project.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF SEWARD, NEBRASKA
BUDGETARY COMPARISON SCHEDULE -
GENERAL FUND

Year ended September 30, 2022

	Budget (Original and <u>Final</u>)	<u>Actual</u>	Variances - Actual Over (Under) Final <u>Budget</u>
RESOURCES (INFLOWS)			
Taxes:			
Property	\$ 1,821,962	\$ 1,816,083	\$ (5,879)
Motor vehicle	155,000	180,259	25,259
Sales tax	897,676	986,153	88,477
Franchise	1,281,459	1,354,240	72,781
Occupation	306,000	256,887	(49,113)
Intergovernmental	63,497	86,510	23,013
Charges for services	943,326	1,162,135	218,809
Interest income	7,843	16,382	8,539
Grants	322,683	20,700	(301,983)
Contributions	405,500	262,221	(143,279)
Sale of property	-	249,328	249,328
Insurance proceeds	-	516,530	516,530
Other	4,095	571	(3,524)
	<u>6,209,041</u>	<u>6,907,999</u>	<u>698,958</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS)			
General government	598,810	252,093	(346,717)
Public safety	2,269,702	1,467,450	(802,252)
Public works	600,841	454,792	(146,049)
Environment and leisure	2,744,066	2,413,954	(330,112)
Capital outlay	-	572,847	572,847
Principal payments on debt	-	63,181	63,181
Interest expense	-	7,469	7,469
	<u>6,213,419</u>	<u>5,231,786</u>	<u>(981,633)</u>
Resources over (under) charges to appropriations	(4,378)	1,676,213	1,680,591
OTHER FINANCING USES			
Transfers out	<u>(990,000)</u>	<u>(990,000)</u>	<u>-</u>
RESOURCES OVER (UNDER) CHARGES TO APPROPRIATIONS AND OTHER FINANCING USES	<u>\$ (994,378)</u>	<u>\$ 686,213</u>	<u>\$ 1,680,591</u>

CITY OF SEWARD, NEBRASKA

**BUDGETARY COMPARISON SCHEDULE -
STREET FUND**

Year ended September 30, 2022

	Budget (Original and <u>Final</u>)	<u>Actual</u>	Variances - Actual Over (Under) Final <u>Budget</u>
RESOURCES (INFLOWS)			
Taxes:			
Sales tax	\$ 220,000	\$ 260,541	\$ 40,541
Intergovernmental	822,828	919,808	96,980
Charges for services	27,750	33,740	5,990
Interest income	3	5	2
Grants	149,944	659,457	509,513
Insurance proceeds	-	33,527	33,527
Sale of property	-	3,483	3,483
	<hr/>	<hr/>	<hr/>
Total resources	1,220,525	1,910,561	690,036
CHARGES TO APPROPRIATIONS (OUTFLOWS)			
Public works	920,536	959,769	39,233
Capital projects	2,810,913	1,369,488	(1,441,425)
Principal payments on debt	-	56,309	56,309
Interest on long-term debt	-	2,623	2,623
	<hr/>	<hr/>	<hr/>
Total charges to appropriations	3,731,449	2,388,189	(1,343,260)
Resources under charges to appropriations	(2,510,924)	(477,628)	2,033,296
OTHER FINANCING SOURCES (USES)			
Transfers in	990,000	990,000	-
Transfers out	(141,624)	(151,138)	(9,514)
Net transfers	<hr/>	<hr/>	<hr/>
	848,376	838,862	(9,514)
RESOURCES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) CHARGES TO APPROPRIATIONS			
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	\$ (1,662,548)	\$ 361,234	\$ 2,023,782

CITY OF SEWARD, NEBRASKA

**BUDGETARY COMPARISON SCHEDULE -
DEBT SERVICE FUND**

Year ended September 30, 2022

	Budget (Original and <u>Final</u>)	<u>Actual</u>	Variances - Actual Over (Under) Final <u>Budget</u>
RESOURCES (INFLOWS)			
Sales tax	\$ 732,324	\$ 732,324	\$ -
Interest income	<u>1,500</u>	<u>2,027</u>	<u>527</u>
Total resources	733,824	734,351	527
CHARGES TO APPROPRIATIONS (OUTFLOWS)			
Principal payments	970,017	970,020	3
Interest and fees	<u>103,931</u>	<u>103,927</u>	<u>(4)</u>
Total charges to appropriations	<u>1,073,948</u>	<u>1,073,947</u>	<u>(1)</u>
Resources under charges to appropriations	(340,124)	(339,596)	528
OTHER FINANCING SOURCES			
Transfer in	<u>141,624</u>	<u>151,138</u>	<u>9,514</u>
RESOURCES AND OTHER FINANCING SOURCES UNDER CHARGES TO APPROPRIATIONS	<u>\$ (198,500)</u>	<u>\$ (188,458)</u>	<u>\$ 10,042</u>

CITY OF SEWARD, NEBRASKA

**BUDGETARY COMPARISON SCHEDULES -
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION**

Year ended September 30, 2022

**Note A - Explanation of Differences between Budgetary Inflows and Outflows and
GAAP Revenue and Expenditures**

	<u>General Fund</u>	<u>Street Fund</u>	<u>Debt Service Fund</u>
Sources/inflows of resources:			
Actual amounts of resources (budgetary basis) from the budgetary comparison schedules	\$ 6,907,999	\$ 1,910,561	\$ 734,351
Differences - budget to GAAP:			
Cash to accrual adjustments	<u>150,147</u>	<u>(457,398)</u>	<u>-</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 7,058,146</u>	<u>\$ 1,453,163</u>	<u>\$ 734,351</u>
Uses/outflows of resources:			
Actual amounts (budgetary basis) total charges to appropriations from the budgetary comparison schedules	\$ 5,231,786	\$ 2,388,189	\$ 1,073,947
Differences - budget to GAAP:			
Cash to accrual adjustments	<u>117,626</u>	<u>(214,917)</u>	<u>-</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 5,349,412</u>	<u>\$ 2,173,272</u>	<u>\$ 1,073,947</u>

SUPPLEMENTARY INFORMATION

CITY OF SEWARD, NEBRASKA
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS

September 30, 2022

	Special Revenue Funds			Permanent Fund	Total Nonmajor Governmental Funds
	<u>CDBG</u>	<u>LB840</u>	<u>TIF</u>	Perpetual Care	
ASSETS					
Interest receivable	\$ -	\$ -	\$ -	\$ 31	\$ 31
Restricted assets:					
Cash and cash equivalents	17,511	254,596	180,537	235,954	688,598
Certificates of deposit	-	-	-	15,000	15,000
Total assets	\$ 17,511	\$ 254,596	\$ 180,537	\$ 250,985	\$ 703,629
LIABILITIES AND FUND BALANCES					
Liabilities:	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balances:					
Nonspendable:					
Cemetery perpetual care	-	-	-	250,985	250,985
Restricted for:					
Federal programs	17,511	-	-	-	17,511
Economic development	-	254,596	180,537	-	435,133
Total fund balances	17,511	254,596	180,537	250,985	703,629
Total liabilities and fund balances	\$ 17,511	\$ 254,596	\$ 180,537	\$ 250,985	\$ 703,629

CITY OF SEWARD, NEBRASKA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS**

For the year ended September 30, 2022

	<u>Special Revenue Funds</u>			<u>Permanent Fund</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>CDBG</u>	<u>LB840</u>	<u>TIF</u>	<u>Perpetual Care</u>	
REVENUES					
Sales tax	\$ -	\$ 150,000	\$ -	\$ -	\$ 150,000
TIF proceeds	-	-	572,812	-	572,812
Grant revenue	20,698	-	-	-	20,698
Charges for services	-	-	3,000	40	3,040
Contributions	-	-	-	10,800	10,800
Loan collections	-	104,003	-	-	104,003
Interest income	-	603	587	858	2,048
Total revenues	<u>20,698</u>	<u>254,606</u>	<u>576,399</u>	<u>11,698</u>	<u>863,401</u>
EXPENDITURES					
General government	20,725	-	-	-	20,725
Economic development	-	105,449	597,208	-	702,657
Public works	-	-	-	145	145
Total expenditures	<u>20,725</u>	<u>105,449</u>	<u>597,208</u>	<u>145</u>	<u>723,527</u>
Net change in fund balances	(27)	149,157	(20,809)	11,553	139,874
Fund balances - September 30, 2021	<u>17,538</u>	<u>105,439</u>	<u>201,346</u>	<u>239,432</u>	<u>563,755</u>
Fund balances - September 30, 2022	<u>\$ 17,511</u>	<u>\$ 254,596</u>	<u>\$ 180,537</u>	<u>\$ 250,985</u>	<u>\$ 703,629</u>

CITY OF SEWARD, NEBRASKA

**COMBINING STATEMENT OF NET POSITION -
COMPONENT UNITS**

September 30, 2022

	<u>Seward Airport Authority</u>	<u>Seward Library Foundation</u>	<u>Total Component Units</u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 211,173	\$ 52,038	\$ 263,211
Certificates of deposit	30,000	56,823	86,823
County treasurer cash	3,781	-	3,781
Investments	-	518,482	518,482
Receivables:			
Property tax	5,276	-	5,276
Accounts receivable	1,500	-	1,500
Interest	7	-	7
Prepaid insurance	15,352	-	15,352
Total current assets	<u>267,089</u>	<u>627,343</u>	<u>894,432</u>
Noncurrent assets:			
Permanently restricted investments	-	85,616	85,616
Capital assets:			
Land	105,156	-	105,156
Other capital assets, net of depreciation	3,893,913	-	3,893,913
Net capital assets	<u>3,999,069</u>	<u>-</u>	<u>3,999,069</u>
Total noncurrent assets	<u>3,999,069</u>	<u>85,616</u>	<u>4,084,685</u>
Total assets	4,266,158	712,959	4,979,117
LIABILITIES			
Current liabilities:			
Accrued interest payable	5,337	-	5,337
Unearned revenue	22,359	-	22,359
Current portion of long-term debt	187,860	-	187,860
Total current liabilities	<u>215,556</u>	<u>-</u>	<u>215,556</u>
Noncurrent liabilities:			
Noncurrent portion of long-term debt	75,406	-	75,406
Total liabilities	<u>290,962</u>	<u>-</u>	<u>290,962</u>
NET POSITION			
Net investment in capital assets	3,735,803	-	3,735,803
Permanently restricted-Guthal	-	85,616	85,616
Unrestricted	239,393	627,343	866,736
Total net position	<u>\$ 3,975,196</u>	<u>\$ 712,959</u>	<u>\$ 4,688,155</u>

CITY OF SEWARD, NEBRASKA

**COMBINING STATEMENT OF ACTIVITIES -
COMPONENT UNITS**

For the year ended September 30, 2021

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Charges for Services</u>	<u>Program Revenues Operating Grants and Contributions</u>
Seward Airport Authority:			
Airport	\$ 420,233	\$ 113,185	\$ -
Seward Library Foundation:			
Library support	45,028	-	21,874
Total component units	\$ 465,261	\$ 113,185	\$ 21,874

Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position		
	Airport Authority	Seward Library Foundation	Total Component Units
\$ 32,000	\$ (275,048)	\$ -	\$ (275,048)
-	-	(23,154)	(23,154)
<u>\$ 32,000</u>	<u>(275,048)</u>	<u>(23,154)</u>	<u>(298,202)</u>
General revenues:			
Taxes:			
Property	200,684	-	200,684
Interest income	639	1,555	2,194
Dividends	-	255	255
Loss on investments	-	(205,044)	(205,044)
Other income	8,113	-	8,113
Total general revenues	<u>209,436</u>	<u>(203,234)</u>	<u>6,202</u>
Change in net position	(65,612)	(226,388)	(292,000)
Net position - beginning of year	<u>4,040,808</u>	<u>939,347</u>	<u>4,980,155</u>
Net position - end of year	<u>\$ 3,975,196</u>	<u>\$ 712,959</u>	<u>\$ 4,688,155</u>

**INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

SHAREHOLDERS:
Robert D. Almquist
Phillip D. Maltzahn
Marcy J. Luth
Heidi A. Ashby
Christine R. Shenk
Michael E. Hoback
Joseph P. Stump
Kyle R. Overturf
Tracy A. Cannon

To the Honorable Mayor and Members of the City Council
City of Seward, Nebraska

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Seward, Nebraska, as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City’s financial statements, and have issued our report thereon dated December 21, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Seward’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City’s internal control. Accordingly, we do not express an opinion on the effectiveness of the City’s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described below, that we consider to be a significant deficiency.

Segregation of Duties

Due to limited number of personnel, there is not adequate segregation of duties to ensure internal control over cash receipts, disbursements, and recording of transactions.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Seward's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City of Seward's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City of Seward's response to the findings identified in our audit and described above. The City of Seward's response to the findings identified in our audit is that due to the small size of the City, it is impractical to further segregate duties. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

AMGL, PC

Grand Island, Nebraska
December 21, 2022



To the Honorable Mayor and City Council
City of Seward
Seward, Nebraska

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Seward for the year ended September 30, 2022, and have issued our report thereon dated December 21, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated September 14, 2022. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City of Seward are described in Note A to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended September 30, 2022. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

Management's estimate of the collectability of accounts receivable is based on historical utility revenues, historical loss levels, and an analysis of the collectability of individual accounts. We evaluated the key factors and assumptions used to develop the collectability of accounts receivable in determining that it is reasonable in relation to the financial statements taken as a whole.

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Management's estimate of the depreciation of capital assets is based on the estimated useful life of the capital asset. We evaluated the key factors and assumptions used to develop the depreciation of capital assets in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. Seventeen audit adjustments decreased the fund balances of the City's governmental funds by \$160,417. Twelve audit adjustments increased the net position of the City's business-type funds by \$1,787,989. The following material misstatements detected as a result of audit procedures were corrected by management:

1. Sales tax receivable and revenue were both increased \$179,461 on the governmental funds.
2. Grants receivable and revenue were both decreased \$500,000 on the Street Fund.
3. General Fund accounts payable was increased \$72,331, Street Fund accounts payable was decreased \$215,155, LB840 accounts payable was decreased \$6, Electric fund accounts payable was decreased \$8,513, Water accounts payable was increased \$170,429, and Sewer accounts payable was increased \$19,715 with corresponding increases to various expenses.
4. Unbilled receivables and revenue were increased \$41,006 on the business-type funds.
5. Capital assets were increased and expenses decreased \$2,875,389 on the business-type funds.
6. Depreciation expense of \$1,836,317 was recorded on the business-type funds.
7. Long-term debt was decreased \$960,000 with corresponding decreases to expenses on the business-type funds.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction,

that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 21, 2022.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

In connection with our audit of the financial statements of the City of Seward as of September 30, 2022, we noted certain matters that we believe you should consider. Our observations were formed as a by-product of our audit procedures, which did not include a comprehensive review for the purpose of submitting detailed recommendations.

1. Currently, the City's chart of accounts is not broken down by funds. Accounts are mixed across funds in one trial balance. This makes it very difficult to budget, audit, and manage revenue and expenses by fund, which governmental entities must do. We recommend changing the accounting system to operate on a fund basis, with each fund being a self-balancing subset of the entire City's chart of accounts.
2. The account numbering system does not discern between assets, liabilities, equity, revenue and expenses. We recommend incorporating an account numbering system that makes it possible to identify what type of account it is by number. (For example, assets could have a 1 as the leading digit, liabilities could have 2, equity could have 3, revenue could have 4, and expenses could have 5.)

Other Matters

We applied certain limited procedures to the Management Discussion and Analysis and the budgetary comparison schedules, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the nonmajor governmental combining statements and the component unit combining statements, which accompany the financial statements but are not RSI. With respect to the supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the use of the City Council and management of the City of Seward and is not intended to be and should not be used by anyone other than these specified parties.

ANG L. AC.

Grand Island, Nebraska
December 21, 2022

To the Honorable Mayor and City Council
City of Seward
Seward, Nebraska

In planning and performing our audit of the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Seward as of and for the year ended September 30, 2022, in accordance with auditing standards generally accepted in the United States of America, we considered the City's internal control over financial reporting (internal control) as a basis for designing our auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiencies in the City of Seward's internal control to be significant deficiencies:

The size of the City's accounting and administrative staff precludes certain internal controls that would be preferred if the office staff were large enough to provide optimum segregation of duties. This lack of segregation of duties creates an opportunity for employees to commit fraud that may go undetected. This situation suggests that the City Council remain involved in the financial affairs of the City to provide oversight and independent review functions.

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This communication is intended solely for the information and use of management, the City Council, and others within the City, and is not intended to be and should not be used by anyone other than these specified parties.

AMGL, P.C.

Grand Island, Nebraska
December 21, 2022

	Reference	Recommended	2022	2021	2020	2019	2018
Population			7,643	7,643	6,964	6,964	6,964
Valuation		\$ 347,363,069	\$ 576,735,966	\$ 546,539,892	\$ 512,267,318	\$ 492,355,409	\$ 466,375,160
Per Capita		\$ 65,191	\$ 75,459	\$ 71,509	\$ 73,559	\$ 70,700	\$ 66,969
1) Unrestricted Net Position/Total Net Position							
Government Wide	Page 14	35%	29.01%	29.27%	34.88%	34.48%	36.03%
Governmental Activities	Page 14	25%	23.77%	23.97%	35.37%	27.45%	21.23%
Business-Type Activities	Page 14	40%	33.82%	34.06%	34.44%	40.39%	48.35%
2) Top 5 Sources of Revenues - Governmental Activities							
Sales Tax	Page 9	\$300 per Capita	\$ 302	\$ 278	\$ 310	\$ 260	\$ 234
Property Taxes		\$254 per Capita	239	225	232	223	212
State Allocation		\$169 per Capita	124	121	118	118	110
Grants and Contributions		\$235 per Capita	216	289	214	82	97
Franchise Tax		\$105 per Capita	177	168	166	165	167
3) State Allocations							
Highway Allocation		\$117 Per Capita	\$ 111	\$ 111	\$ 109	\$ 109	\$ 100
Municipal Equalization		\$52 Per Capita	4	2	-	-	-
4) Governmental Expenses (Excludes capital outlay)							
Administration		\$90 Per Capita	\$ 35	\$ 41	\$ 39	\$ 38	\$ 38
Cemetery		\$25 Per Capita	20	17	19	25	19
Civic Center		\$20 Per Capita	17	18	21	18	17
Dowding Pool		\$30 Per Capita	33	28	22	32	29
Fire and Rescue		\$70 Per Capita	18	18	14	19	17
Library		\$60 Per Capita	69	67	69	71	71
Recreation		\$40 Per Capita	45	36	33	31	29
Police		\$225 Per Capita	180	154	174	172	172
Building Inspection		\$10 Per Capita	18	9	10	12	13
Golf		\$50 Per Capita	59	54	51	47	46
Senior Center		\$30 Per Capita	21	17	18	17	18
5) Outstanding GO Debt/Valuation	Page 13	< 5%-Good < 3%-Excellent	0.91%	1.16%	1.43%	0.71%	0.87%

	Reference	Recommended	2022	2021	2020	2019	2018
6) Unassigned Fund Balance/General Fund Expenditures	Pages 16 & 18	30%	74.65%	89.94%	89.18%	80.29%	58.76%
7) Months Expense in Street Cash Reserve	Pages 16 & 18	12.0	10.1	6.7	5.4	4.6	7.0
8) Levy Rates							
General		0.38	0.318000	0.318000	0.318000	0.318000	0.318000
		\$241/Capita	\$ 240	\$ 227	\$ 234	\$ 225	\$ 213
Airport Authority		0.03	0.035000	0.035000	0.035000	0.035209	0.034653
		\$42/Capita	\$ 26	\$ 25	\$ 26	\$ 25	\$ 23
Total Levy			0.353000	0.353000	0.353000	0.353209	0.352653
9) Net Depreciable Capital Assets/Original Cost							
Governmental Activities	Page 47	> 35%	60.52%	57.55%	55.51%	56.98%	59.92%
Business-type Activities	Page 49	> 35%	43.24%	41.04%	42.41%	44.83%	47.54%
10) Operating Income/Total Operating Revenue	Page 21						
Electric Fund		15.00%	10.56%	8.48%	3.85%	1.73%	2.91%
Water Fund		15.00%	27.52%	31.69%	31.79%	28.11%	27.56%
Sewer Fund		15.00%	23.16%	24.42%	20.74%	16.27%	16.68%
11) Debt Coverage Ratio							
Electric Fund	Pages 21 & 22	1.50	4.25	3.43	2.36	1.99	2.09
Water Fund		1.50	3.17	2.82	2.48	2.15	2.02
Sewer Fund		1.50	3.28	2.99	2.29	2.15	2.00
12) Cash, Investments & Treasurer Cash							
General Fund (unassigned):	Pages 16/18/47						
Operating		2,390,000					
Replacement		-					
(Budgetary stabilization = \$2,288,743)		2,390,000	3,993,268	4,630,552	4,227,087	3,604,961	3,089,194
Business-type Activities (Excluding Depreciation/Amortization)	Pages 20/21/49						
Operating		5,710,000					
Restricted		3,810,000					
Replacement		2,775,000					
		12,295,000	11,709,969	12,168,842	10,828,159	12,077,337	13,884,075

2. Consideration of Approval of Service Provider Agreement with Caselle, Inc. for Provision of Accounting & Utilities Software - Finance Director Wolf

SOFTWARE USE AGREEMENT

CASELLE, INC.
1656 S. East Bay Blvd.
Suite 100
Provo, UT 84606

("Caselle")

CITY OF SEWARD
537 Main
PO Box 38
Seward, NE 68434

("You" or "Your")

You agree to Use the Software and Purchase the services detailed below ("Items"), and Caselle, Inc. agrees to provide them, subject to the terms and conditions on pages two and three of this Agreement.

Total Price \$46,496.00

Deposit: \$23,248.00

Balance Due \$23,248.00

Items

License Type	Hosted
Total Training	\$16,900.00
Total Setup	9,950.00
Total Conversion	19,646.00
Total Price	<u>\$46,496.00</u>

The attached Proposal is considered part of this Agreement.

The signatures below indicate each party's acceptance of this Agreement. Each party has caused this Agreement to be executed by its duly authorized representative.

CASELLE, INC.

By:



Name & Title: Alan S. Hutchings, President

Date: February 3, 2023

CITY OF SEWARD

By:

Name & Title:

Date:

CASELLE, INC.
SOFTWARE USE AGREEMENT

Grant of Right

Caselle, Inc. and its Licensors agrees to grant, and You agree to accept a limited, non-transferable, non-exclusive right ("Right") to use the computer programs, with the accompanying manuals, literature and other materials ("Software") as detailed under Items, subject to the terms and conditions of this Software Use Agreement and subject to termination as provided herein. The term Software shall also include all revisions, updates, enhancements and new modules or add-ons to the existing Software as detailed under Items.

Payment

The Deposit shall be paid by You upon execution of this Software Use Agreement with the Balance to be paid upon completion of Training. Payment shall be in U.S. Dollars and shall not be deemed to have been received by Caselle until Your check clears the banking process. Any costs incurred in collecting Your check, due to insufficient funds or any other reason, shall be reimbursed by you. Late payments shall be subject to a FINANCE CHARGE OF 1.5% PER MONTH, OR 18% PER ANNUM.

Taxes

Prices and fees are exclusive of all federal, state, municipal, or other government excise, duties, sales, use, occupational, or like taxes now or hereafter in force, and are therefore subject to increase in an amount equal to any tax Caselle may be required to collect or pay upon licensing or delivery of any Items, other than federal, state and local taxes based on Caselle's income. You also agree to pay all personal property taxes which accrue to you by reason of this Agreement.

Title and Confidentiality

Title and full ownership rights to the Software licensed under this Agreement, including, without limitation, all intellectual property rights therein and thereto, and any copies You make, remain with Caselle. It is agreed the Software is the proprietary, confidential, trade secret property of Caselle, whether or not any portions thereof are or may be copyrighted and You shall take all reasonable steps necessary to protect the confidential nature of the Software as You would take to protect Your own confidential and trade secret information. You further agree that You shall not make any disclosure of any or all such Software (including methods or concepts utilized therein) to anyone, except to employees, agents, or contractors working for You to whom such disclosure is necessary to the use for which rights are granted hereunder. You shall appropriately notify all employees, agents, and contractors to whom any such disclosure is made that such disclosure is made in confidence and shall be kept in confidence by them. Upon Caselle's request, such employees, agents, and contractors shall enter into an appropriate confidentiality agreement for secrecy and nonuse of such information which by its terms shall be enforceable by injunctive relief at the request of Caselle. If Caselle makes such a request, it shall provide You with the appropriate confidentiality agreements. The obligations imposed by this section upon You, Your employees, agents, and contractors, shall survive and continue after any termination of rights under this Agreement. It shall not be a breach of this Agreement if you are required to disclose or make the Software available to a third party or to a court if the Software is subpoenaed or otherwise ordered by an administrative agency or court of competent jurisdiction to be produced or disclosed.

Rights

You may not:

- a) Rent, lease, sublicense, assign, sell, loan or otherwise transfer this Right, in whole or in part, except as expressly permitted by this Agreement.
- b) Inspect, disassemble, decompile, reverse engineer or in any way attempt to determine the internal methods of the Software.
- c) Modify the Software or merge it into any other product without the express written consent of Caselle.
- d) Reproduce, prepare derivative works based upon, transmit or distribute the Software, or any part of it, in any form or by any means except as expressly permitted in this Agreement.
- e) Transfer or assign the Software and the rights under this agreement to another party without the express written consent of Caselle.

Any attempt to do any of the above (a to e) shall void and terminate this Agreement.

Term

This Software Use Agreement is and shall be effective from the date of full execution and shall remain in force until terminated. You may terminate this Agreement at any time by notifying Caselle in writing at least 30 days prior to the date of termination Your Right terminates automatically if you materially fail to comply with any terms or conditions of this Agreement.

Warranty

Caselle warrants that it has sufficient right and title to the Software to grant You this Right. For one (1) year from the date of receipt of the Software ("Warranty Period"), Caselle also warrants the Software media to be free from defects in materials and workmanship under normal use, and Software operation will substantially conform to the specification published by Caselle. If an error or a defect in the Software or its media becomes apparent within the Warranty Period You must promptly notify Caselle, in writing, describing the defect. Upon confirming the error or defect Caselle will, at its exclusive option, repair or replace the item or refund the price paid for the defective item. Caselle does not warrant that the functions contained in the Software will meet Your requirements or that the operation of the Software will be uninterrupted or error free. The warranty does not cover Software modified by anyone other than Caselle and problems with, or caused by, computer hardware or non-Caselle software. This limited warranty is VOID if failure of the licensed Software has resulted from accident, abuse or misapplication.

Disclaimers and Limitations of Warranty and Remedies

EXCEPT AS SPECIFICALLY STATED IN THE WARRANTY SECTION OF THIS AGREEMENT, THE SOFTWARE IS LICENSED "AS IS" WITHOUT ANY OTHER WARRANTY, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT SHALL CASELLE BE LIABLE FOR ANY INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOSS OF ANTICIPATED PROFITS, REVENUE OR SAVINGS, BUSINESS INTERRUPTION OR LOSS OF BUSINESS INFORMATION, ARISING FROM THE USE OF OR INABILITY TO USE THE SOFTWARE OR BREACH OF ANY EXPRESSED OR IMPLIED WARRANTY, EVEN IF CASELLE OR ITS AGENT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THESE LIMITATIONS SHALL APPLY NOTWITHSTANDING THE FAILURE OF AN ESSENTIAL PURPOSE OF ANY LIMITED REMEDY. CASELLE'S AGGREGATE LIABILITY UNDER THIS AGREEMENT FOR DAMAGE WILL NOT, IN ANY EVENT, WHETHER BASED UPON CONTRACT, NEGLIGENCE, STRICT LIABILITY IN TORT, WARRANTY, OR ANY OTHER BASIS, EXCEED THE LICENSE FEES PAID BY YOU FOR THE LICENSED SOFTWARE GIVING RISE TO SUCH LIABILITY.

Returns

- a) No returns will be accepted without a written request to Caselle. To receive full credit, less the cancellation fee (set forth below), such requests must be made in writing to and received by Caselle's corporate office within thirty (30) days of this agreement. No returns will be considered for credit until appropriate notice has occurred within the time limits specified and all related materials are returned to Caselle's corporate office within ten (10) days of notice.
- b) Pre-approved returns occurring after the thirty-day period has lapsed will be allowed 75% credit, if such requests are made in writing to and received by Caselle's corporate office within sixty (60) days of this agreement. Any returns attempted after the sixty-day period has lapsed will receive no credit.
- c) A minimum cancellation fee of 10% will be assessed to all pre-authorized returns.
- d) In addition, You agree that You will return all written materials received from Caselle, including program materials, instruction manuals, and any and all training materials to Caselle.

Additional Services

Support, Training and Data Conversion for the Software will be provided directly by Caselle, or its authorized support centers, and are subject to separate agreements.

General

- a) This Agreement shall be governed and construed in accordance with the laws of the State of Nebraska and You hereby consent to the jurisdiction of State and Federal courts in Nebraska. If any part of this Agreement violates applicable law, that part shall be deemed to be amended to the extent necessary to comply with the law.
- b) This Agreement constitutes the entire Agreement between Caselle and You and supersedes any prior Agreement or understanding, written or oral, relating to the subject matter of this Agreement. Except as provided herein, this Agreement may not be amended or supplemented except in writing and properly executed by both parties.
- c) If any provision of this Agreement shall be adjudged by a court to be void or unenforceable, the same shall in no way affect any other provision of this Agreement or the validity or the enforceability of this Agreement.
- d) All rights and remedies provided herein are cumulative and are in addition to all other rights and remedies available at law or equity.
- e) In the event that either party successfully takes legal action to enforce any provision of this Agreement the unsuccessful party shall pay full costs and expenses of such action, including reasonable attorney's fees.
- f) Any notice required by this Agreement shall be deemed to have been properly given if sent by registered or certified mail to the address set forth in this Agreement.
- g) The waiver of any breach or default of this Agreement shall constitute a waiver only as to such particular breach or default and shall not constitute a waiver of any other breach or default. Failure to act by either party in exercising any right, power, or remedy under this Agreement, except as specifically provided herein, shall not operate as a waiver of any such right, power or remedy, and will not affect the validity of the whole or any part of this Agreement, or prejudice such party's right to take subsequent action.
- h) Neither party shall be held liable for delays in any of its performance resulting from acts of God, war, civil disturbance, court order, labor dispute or any other cause beyond its control.
- i) The relationship of the Parties shall be solely that of independent contractors. No partnership, joint venture, employment, agency or other relationship is formed, intended or to be inferred under this Agreement. Neither party to this Agreement shall attempt to bind the other, incur liabilities on behalf of the other, act as agent of the other, or authorize any representation contrary to the foregoing.
- j) This Agreement is binding upon and shall inure to the benefit of the parties, their successors and assigns. However, this Agreement is not assignable by you. This Agreement is personal to you and neither the Agreement, nor the rights or duties hereunder, may be voluntarily or involuntarily, directly or indirectly, assigned or otherwise transferred without the prior written consent of Caselle. Any unauthorized assignment or transfer shall constitute a breach hereof and shall be voidable by Caselle.

663884 18/04

CASELLE, INC.

Software as a Service Agreement

Caselle, Inc.
1656 S East Bay Blvd
Suite 100
Provo, UT 84606

City of Seward
537 Main Street
PO Box 38
Seward, NE 68434

TERMS OF SERVICE

These Terms of Service constitute an agreement (this "Agreement") by and between Caselle, Inc., a Utah Corporation, ("Provider") and the City of Seward, NE, ("Recipient").

1. Definitions.

- (a) "Account" refers to the Service plans and features selected by Recipient at the time of this Agreement and accepted by Provider, as such plans and features may change by mutual consent of the parties, as recorded by Provider.
- (b) "AUP" refers to Provider's acceptable use policy as described in Schedule B.
- (c) "Authorized Representative" refers to an individual who is authorized under applicable law to bind and/or consent on behalf of the Provider or Recipient.
- (d) "Data Policy" refers to Provider's standard data deletion policy as described in Schedule A of this Agreement.
- (e) "Effective Date" refers to the date of this Agreement.
- (f) "Materials" refers to written and graphical content provided by or through the Service, including, without limitation, text, photographs, illustrations, and designs, whether provided by Provider, another customer of the Service, or any other third party.
- (g) "Recipient Data" refers to data in electronic form input or collected through the Service by or from Recipient.
- (h) "Service" refers to Provider's hosted version of the Caselle Connect software. The Service includes such features as are set forth on Provider's website (www.caselle.com), as Provider may change such features from time to time, in its sole discretion.
- (i) "Service Failure" refers to an event during which Recipient is unable to access or use the Service for more than four (4) hours.

2. Service & Payment.

- (a) *Service.* Provider will provide the Service to Recipient pursuant to its standard policies and procedures then in effect.

(b) *Payment.* Upon completion of data conversion and training, Recipient will pay Provider a monthly Service fee of \$2,700.00. The Service fee will be considered due five (5) days before the start of the calendar month of Service.

3. Service Level Agreement.

In the event of any "Service Failure," as that term is defined above, Provider will issue Recipient a credit. Credit will be 10% of the Recipient's monthly Service fee. Credits issued will apply to outstanding or future payments only and are forfeited upon termination of this Agreement. Provider is not required to issue refunds or to make payments against such credits under any circumstances, including without limitation termination of this Agreement. Credits issued are the Recipient's sole remedy for the Service Failure in question. Provider shall not be liable for service failures caused by factors beyond the reasonable control of the Provider, such as, but not limited to, strikes, insurrection, war, fire, lack of energy, acts of God, mechanical or electrical breakdown, governmental acts or regulations, computer malfunction, quality of data from the customer's software or acts of third parties.

4. Materials, Software, & IP.

(a) *Materials.* Recipient recognizes and agrees that: (i) the Materials are the property of Provider or its licensors and are protected by copyright, trademark, and other intellectual property laws; and (ii) Recipient does not acquire any right, title, or interest in or to the Materials except the limited and temporary right to use them as necessary for Recipient's use of the Service.

(b) *Intellectual Property in General.* Provider retains all right, title, and interest in and to the Service, including without limitation all software used to provide the Service and all logos and trademarks reproduced through the Service, and this Agreement does not grant Recipient any intellectual property rights in or to the Service or any of its components.

5. Online Policies.

(a) *AUP.* Recipient will comply with the AUP. In the event of Recipient's material breach of the AUP, including without limitation any copyright infringement, Provider may suspend or terminate Recipient's access to the Service, in addition to such other remedies as Provider may have at law or pursuant to this Agreement. Neither this Agreement nor the AUP requires that Provider take any action against Recipient or any other customer for violating the AUP, but Provider is free to take any such action it sees fit.

(b) *Privacy Policy.* The Privacy Policy applies only to the Service and does not apply to any third party site or service linked to the Service or recommended or referred to through the Service or by Provider's employees.

6. Each Party's Warranties.

(a) *Recipient's Identity.* Recipient warrants: (i) that it has accurately identified itself through its Account and will maintain the accuracy of such identification; and (ii) that it is a corporation or other business entity authorized to do business pursuant to applicable law.

(b) *Right to Do Business.* Each party warrants that it has the full right and authority to enter into, execute, and perform its obligations under this Agreement and that no pending or threatened

claim or litigation known to it would have a material adverse impact on its ability to perform as required by this Agreement.

- (c) *Disclaimers.* Except for the express warranties specified in this section, THE SERVICE IS PROVIDED “AS IS” AND AS AVAILABLE, AND PROVIDER MAKES NO WARRANTIES, EITHER EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR NONINFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS. Without limiting the generality of the foregoing, (i) PROVIDER HAS NO OBLIGATION TO INDEMNIFY OR DEFEND RECIPIENT AGAINST CLAIMS RELATED TO INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS; and (ii) Provider does not warrant that the Service will perform without error or immaterial interruption.

7. Limitation of Liability.

IN NO EVENT: (a) WILL PROVIDER’S LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT EXCEED THE AMOUNT PAID FOR 60 DAYS OF SERVICE; AND (b) WILL PROVIDER BE LIABLE FOR ANY CONSEQUENTIAL, INDIRECT, SPECIAL, INCIDENTAL, OR PUNITIVE DAMAGES. THE LIABILITIES LIMITED BY THIS SECTION 7 APPLY: (i) TO LIABILITY FOR NEGLIGENCE; (ii) REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT, STRICT PRODUCT LIABILITY, OR OTHERWISE; (iii) EVEN IF PROVIDER IS ADVISED IN ADVANCE OF THE POSSIBILITY OF THE DAMAGES IN QUESTION AND EVEN IF SUCH DAMAGES WERE FORESEEABLE; AND (iv) EVEN IF RECIPIENT’S REMEDIES FAIL OF THEIR ESSENTIAL PURPOSE. If applicable law limits the application of the provisions of this Section 7, Provider’s liability will be limited to the maximum extent permissible.

8. Data Management.

- (a) *Access, Use, & Legal Compulsion.* Unless it receives Recipient’s prior written consent, Provider: (i) will not access or use Recipient Data other than as necessary to facilitate the Service; and (ii) will not give any third party access to Recipient Data. Notwithstanding the foregoing, Provider may disclose Recipient Data as required by applicable law or by proper legal or governmental authority. Provider will give Recipient prompt notice of any such legal or governmental demand and reasonably cooperate with Recipient in any effort to seek a protective order or otherwise to contest such required disclosure, at Recipient’s expense.
- (b) *Recipient’s Rights.* Recipient possesses and retains all right, title, and interest in and to Recipient Data, and Provider’s use and possession thereof is solely as Recipient’s agent.
- (c) *Retention & Deletion.* Provider will retain all Recipient Data until erased pursuant to the Data Policy.
- (d) *Injunction.* Provider agrees that violation of the provisions of this Section 8 might cause Recipient irreparable injury, for which monetary damages would not provide adequate compensation, and that in addition to any other remedy, Recipient will be entitled to injunctive relief against such breach or threatened breach, without proving actual damage or posting a bond or other security.

9. Term & Termination.

- (a) *Term.* This Agreement will continue for one (1) year following the Effective Date (a “Term”). Thereafter, this Agreement will renew for subsequent terms (“Terms”) of thirty (30) days, unless

either party notifies the other of its intent not to renew thirty (30) or more days before the beginning of the next Term.

- (b) *Termination for Cause.* Either party may terminate this Agreement for material breach by written notice, effective in 30 days, unless the other party first cures such breach.
- (c) *Effects of Termination.* The following provisions will survive termination of this Agreement: (i) any obligation of Recipient to pay for Service rendered before termination; (ii) Sections 4, 5(b), 6(c), and 7 of this Agreement; and (iii) any other provision of this Agreement that must survive termination to fulfill its essential purpose.

10. Miscellaneous.

- (a) *Notices.* Provider may send notices pursuant to this Agreement to Recipient's address at City of Seward, 537 Main St, PO Box 38, Seward, NE 68434, and such notices will be deemed received ten (10) days after they are sent. Recipient may send notices pursuant to this Agreement to Caselle, Inc, 1656 S East Bay Blvd, Suite 100, Provo, UT 84606, and such notices will be deemed received ten (10) days after they are sent.
- (b) *Amendment.* Provider may amend this Agreement (including the SLA and Data Policy) from time to time by posting an amended version at its website and sending Recipient written notice thereof. Such amendment will be deemed accepted and become effective 30 days after such notice (the "Proposed Amendment Date") unless Recipient first gives Provider written notice of rejection of the amendment. In the event of such rejection, this Agreement will continue under its original provisions, and the amendment will become effective at the start of Recipient's next Term following the Proposed Amendment Date (unless Recipient first terminates this Agreement pursuant to Section 9 above). Recipient's continued use of the Service following the effective date of an amendment will confirm Recipient's consent thereto. This Agreement may not be amended in any other way except through a written agreement executed by Authorized Representatives of each party. Notwithstanding the foregoing, Provider may amend the AUP or Privacy Policy at any time by posting a new version at its website and/or sending Recipient notice thereof, and such amended version will become effective 30 business days after such notice is sent.
- (c) *Independent Contractors.* The parties are independent contractors and will so represent themselves in all regards. Neither party is the agent of the other and neither may bind the other in any way.
- (d) *No Waiver.* Neither party will be deemed to have waived any of its rights under this Agreement by lapse of time or by any statement or representation other than (i) by an Authorized Representative and (ii) in an explicit written waiver. No waiver of a breach of this Agreement will constitute a waiver of any prior or subsequent breach of this Agreement.
- (e) *Force Majeure.* To the extent caused by force majeure, no delay, failure, or default will constitute a breach of this Agreement.
- (f) *Assignment & Successors.* Neither party may assign this Agreement or any of its rights or obligations hereunder without the other's express written consent, except that either party may assign this Agreement to the surviving party in a merger of that party into another entity. Except to the extent forbidden in the previous sentence, this Agreement will be binding upon and inure to the benefit of the respective successors and assigns of the parties.

- (g) *Choice of Law & Jurisdiction.* This Agreement will be governed and construed solely by the laws of the State of Nebraska, without reference to such State’s principles of conflicts of law. The parties consent to the personal and exclusive jurisdiction of the state courts of Nebraska.
- (h) *Severability.* To the extent permitted by applicable law, the parties hereby waive any provision of law that would render any clause of this Agreement invalid or otherwise unenforceable in any respect. In the event that a provision of this Agreement is held to be invalid or otherwise unenforceable, such provision will be interpreted to fulfill its intended purpose to the maximum extent permitted by applicable law, and the remaining provisions of this Agreement will continue in full force and effect.
- (i) *Certain Notices.* Pursuant to 47 U.S.C. Section 230(d), Provider hereby notifies Recipient that parental control protections (such as computer hardware, software, or filtering services) are commercially available that may assist in limiting access to material that is harmful to minors. Information regarding providers of such protections may be found on the Internet by searching “parental control protection” or similar terms.
- (j) *Conflicts among Attachments.* In the event of any conflict between the terms of this main body of this Agreement and those of any accompanying schedule, the terms of this main body will govern. In the event of any conflict between this Agreement and any Provider policy posted online, including without limitation the AUP and Privacy Policy, the terms of this Agreement will govern.
- (k) *Entire Agreement.* This Agreement sets forth the entire agreement of the parties and supersedes all prior or contemporaneous writings, negotiations, and discussions with respect to the subject matter hereof. Neither party has relied upon any such prior or contemporaneous communications.

Note: The attached proposal is considered part of this Agreement.

The signatures below indicate each party’s acceptance of the Agreement. Each party has caused this Agreement to be executed by its duly Authorized Representative.

CASELLE, INC.

CITY OF SEWARD

By: 

By:

Name: Alan S. Hutchings

Name:

Title: President

Title:

Date: February 3, 2023

Date:

Schedule A – Data Policy

- (a) *Access, Use, & Legal Compulsion.* Unless it receives Recipient’s prior written consent, Provider: (i) will not access or use data in electronic form collected through the Services from Recipient’s customers or other third parties, or collected or accessible directly from Recipient, (collectively, “Data”) other than as necessary to facilitate the Services; and (ii) will not give any third party access to Data. Notwithstanding the foregoing, Provider may disclose Data as required by applicable law or by proper legal or governmental authority. Provider will give Recipient prompt notice of any such legal or governmental demand and reasonably cooperate with Recipient in any effort to seek a protective order or otherwise to contest such required disclosure, at Recipient’s expense.
- (b) *Recipient’s Rights.* Recipient possesses and retains all right, title, and interest in and to Project Data, and Provider’s use and possession thereof is solely as Recipient’s agent.
- (c) *Retention & Deletion.* Provider will retain any Data in its possession until Erased. Provider will Erase: (i) all copies of Data promptly after Recipient’s written request; and (ii) all copies of Data no sooner than 90 days after termination of this Agreement and no later than 120 days after such termination. Promptly after Erasure pursuant to this Subsection (c), Provider will certify such Erasure in writing to Recipient. (“Erase” and “Erasure” refer to the destruction of data so that no copy of the data remains or can be accessed or restored in any way.)
- (d) *Individuals’ Access.* Provider will not allow any of its employees to access Data, except to the extent that an employee needs access in order to facilitate the Services and executes a written agreement with Provider agreeing to comply with Provider’s obligations set forth in this Section.
- (e) *Compliance with Law & Policy.* Provider will comply with all applicable federal and state laws and regulations governing the handling of Data.
- (f) *Leaks.* Provider will promptly notify Recipient of any actual or potential exposure or misappropriation of Data (any “Leak”) that comes to Provider’s attention. Provider will cooperate with Recipient and with law enforcement authorities in investigating any such Leak, at Provider’s expense. Provider will likewise cooperate with Recipient and with law enforcement agencies in any effort to notify injured or potentially injured parties, and such cooperation will be at Provider’s expense, except to the extent that the Leak was caused by Recipient. The remedies and obligations set forth in this Subsection (f) are in addition to any others Recipient may have.

Schedule B – Acceptable Use Policy

A. Unacceptable Use

Provider requires that all customers and other users of Provider's service (the "Service") conduct themselves with respect for others. In particular, please observe the following rules in your use of the Service:

- 1) *Privacy*: Do not violate the privacy rights of any person. Do not collect or disclose any personal address, social security number, or other personally identifiable information without each holder's written permission. Do not cooperate in or facilitate identity theft.
- 2) *Intellectual Property*: Do not infringe upon the copyrights, trademark rights, trade secret rights, or other intellectual property rights of any person or entity. Do not reproduce, publish, or disseminate software, audio recordings, video recordings, photographs, articles, or other works of authorship without the written permission of the copyright holder.
- 3) *Hacking, Viruses, & Network Attacks*: Do not access any computer or communications system without authorization, including the computers used to provide the Service. Do not attempt to penetrate or disable any security system. Do not intentionally distribute a computer virus, launch a denial of service attack, or in any other way attempt to interfere with the functioning of any computer, communications system, or website. Do not attempt to access or otherwise interfere with the accounts of other users of the Service.
- 4) *Fraud*: Do not issue fraudulent offers to sell or buy products, services, or investments. Do not mislead anyone about the details or nature of a commercial transaction. Do not commit fraud in any other way.
- 5) *Violations of Law*: Do not violate any law.

B. Consequences of Violation

Violation of this Acceptable Use Policy (this "AUP") may lead to suspension or termination of the Recipient's use of the Service or legal action. In addition, the Recipient may be required to pay for the costs of investigation and remedial action related to AUP violations.

C. Reporting Unacceptable Use

Provider requests that anyone with information about a violation of this AUP report it to the following address: Caselle, Inc. 1656 S East Bay Blvd, Suite 100, Provo, Utah 84606. Please provide the date and time of the violation and any identifying information regarding the violator, including e-mail or IP (internet protocol) address if available, as well as details of the violation.

D. Revision of AUP

Provider may change this AUP at any time by posting a new version on its website (www.caselle.com) or by sending the Recipient written notice thereof. The new version will become effective on the date of such notice.



Caselle® Hosted Software & Services Proposal

City of Seward, NE

February 3, 2023

(Valid for 90 days)

From:

Wade Walker, Territory Manager
pww@caselle.com

Caselle[®] Hosted Software & Services Proposal
City of Seward, NE
February 3, 2023

Proposal Summary

License Type		Hosted
Total Training		\$16,900
Total Setup	\$14,950	
Special Consideration Discount	<5,000>	
	<hr/>	
Net Setup Cost		9,950
Total Conversion		19,646
		<hr/>
Total Investment		\$46,496
		<hr/> <hr/>

A deposit of 50% of the total proposal price is required with order. The remaining balance will be due upon completion of training.

Monthly Hosted Maintenance & Support will be \$2,700
and will not increase for three (3) years.
(This will save the City \$14,328 over the three years.)

I have read and agree to all terms & conditions proposed herein. I understand if the City of Seward is unable to provide data to Caselle in the requested format, additional fees will apply.

Signature

Printed Name & Title

Date

Caselle® Hosted Software & Services Proposal
 City of Seward, NE
 February 3, 2023

Proposal Detail

<i>Caselle</i> ® Application Software	License Type	Training	Setup	Conversion	Total
General Ledger	Hosted	\$2,250	\$700	\$3,000	\$5,950
Budgeting	Hosted	Included	-	-	-
Bank Reconciliation	Hosted	Included	-	1,500	1,500
miExcel GL	Hosted	Included	1,000	-	1,000
Payroll/Direct Deposit	Hosted	3,375	1,750	2,924	8,049
Electronic W2/1099	Hosted	Included	-	-	-
Timekeeping	Hosted	1,100	500	-	1,600
Online Pay Stubs/W2's	Hosted	-	3,000	-	3,000
Payroll Web Services	Hosted	-	-	-	-
Accounts Payable	Hosted	550	500	4,800	5,850
AP Direct Pay	Hosted	Included	-	-	-
Purchases & Requisitions	Hosted	550	-	-	550
Accounts Receivable	Hosted	1,100	500	40	1,640
Utility Management	Hosted	3,375	1,500	7,382	12,257
Utility Electronic Reading Interface	Hosted	Included	250	-	250
Utility Service Orders	Hosted	550	500	-	1,050
Online Mapping	Hosted	-	-	-	-
Cash Receipting	Hosted	550	500	-	1,050
Online/Electronic Payments Bundle	Hosted	500	2,250	-	2,750
Cash Receipting Web Services	Hosted	-	-	-	-
Utility Management Web Services	Hosted	-	-	-	-
Caselle Document Management	Hosted	3,000	2,000	-	5,000
Zonal OCR	Hosted	-	-	-	-
Eight (8) Concurrent User Licenses	Hosted	-	-	-	Included
Sub Total	-	\$16,900	\$14,950	\$19,646	\$51,496
Special Consideration Discount	-	-	(5,000)	-	(5,000)
Grand Total	Hosted	\$16,900	\$9,950	\$19,646	\$46,496

Caselle[®] Hosted Software & Services Proposal
City of Seward, NE
February 3, 2023

Notes:

1. The training will take place at Caselle.
2. Monthly credit card and electronic payment transaction fees are billed separately by Xpress Bill Pay.
3. Online Paystubs includes 172 employees paid bi-weekly and annual W2's. Software Assurance will be adjusted if the number of employees exceeds this estimate.
4. The subscription based Caselle Document Management includes: Full Text Search, Encryption, Drag and Drop, Role-Based Security, Versioning, Document Retention, Audit Trail, OCR (10,000 pages/month), three (3) Concurrent User Licenses, three (3) Advanced Workflow Licenses and the Caselle Integration.
5. Applicant Tracking fees are billed separately by ApplicantPro on a subscription basis based on number of applicants.
6. History Conversion is available on a per bid basis. Additional fees may apply upon review of existing legacy data.

Caselle® Hosted Software & Services Proposal

City of Seward, NE

February 3, 2023

Implementation Services

Data conversion is an involved, sometimes complicated procedure that must be completed with a high level of accuracy and precision. To make this process run smoothly, Caselle requires your assistance in providing the required materials for preliminary data conversion, offering clarification as needed during the conversion process, and supplying updated materials for the final data conversion. ***Please read the following information carefully.***

Gathering Preliminary Data

Assemble the following information and send it to Caselle.

- Complete the **Information Worksheets** during each phase of the conversion.
- Provide **data to be converted**.
 - You may need to clarify the data, as needed, during the conversion process.
 - Caselle will not convert the prior period detail during data conversion unless optional history conversion is specified in the contract.
- Send **printed or PDF reports** to verify account balances at the time data is sent to Caselle for preliminary conversion and again for final data conversion.

Submitting Conversion Data

You will be provided a file layout for each application that will have data conversion. The file layout details the required and/or optional fields that Caselle will need to provide the conversion. The cost of conversion quoted in this proposal is based on your submission of the necessary data in the requested formats. If data cannot be supplied in this format, additional costs will be billed to get your existing data into the desired formats ready for conversion, and could delay any proposed timeline. We may also need file layouts or descriptions of tables and where all of the necessary information is located within your existing data to complete the conversion.

Data Conversion Timeline

The timeline begins when the requested data and all required preliminary information has been received by Caselle. The timeline to complete an accurate data conversion can range from 120 – 180 days. This is dependent upon the condition of the data and the client's willingness to review the preliminary information for accuracy, including information requested in the discovery phase of the conversion.

Scheduling Training

Important! Training will only be scheduled after Caselle has completed the mock conversion and the customer has reviewed and approved the conversion.

After training is scheduled, a representative from the Implementation team will review the remaining steps to ensure a successful implementation, prior to going Live on Caselle.

Caselle® Hosted Software & Services Proposal
City of Seward, NE
February 3, 2023

Software Setup & Data Conversion

This section contains the items, per directory, that will be setup and converted in each module. Since estimating the exact quantity may be difficult, we will adjust the calculated conversion cost if the actual number of items converted is greater than or less than 25% of the original estimate.

Data conversion requires that data be submitted in the required format. It is the responsibility of the customer to provide data to Caselle. Conversion services to retrieve or modify your data to the required formats are available at an additional cost. These services will be billed at Caselle’s current hourly rate and are not included in this proposal.

General Ledger Setup

- Set up the control table in the General Ledger and Account Masks with the appropriate segments for funds, departments, revenue sources, object codes, and other account classifications.
- Modify the existing chart of accounts to utilize the advanced reporting features available with Caselle, if needed.
- Format five standard financial statements:
 - Balance Sheet with Revenue/Expenditures compared to budget
 - Allocation Reconciliation
 - Income Statement (All Funds)
 - Balance Sheet (All Funds)
 - Fund Summary Income Statement

Note: Additional fees may be required to set up additional financial statements.

- Establish all necessary journals for interfaced subsystems to allow the subsystems to update transactions to the General Ledger.
- Create a custom Checklist to document your organization’s daily, monthly, and fiscal year-end steps; as well as budget procedures.

Data Conversion

- The current year-to-date trial balance and budget will be entered and balanced to your existing system. Caselle will provide supporting reports that document the balance sheet accounts, revenues, and expenditure balance for auditing purposes. A trial balance period will be established and all periods from that period forward will contain detail transaction information, if provided.

1,500 accounts are included

**Bank Reconciliation
Data Conversion**

- Bank reconciliation for the desired cash accounts with outstanding deposits and checks will be established. A bank reconciliation will be completed and balanced to cash for the appropriate beginning period.

3 bank accounts are included



Caselle® Hosted Software & Services Proposal

City of Seward, NE

February 3, 2023

Payroll/Direct Deposit Setup

- Set up necessary pay codes for gross pay, deductions, taxes, and benefits.
- Set up check formats for the Employee Payroll Check and Vendor Remittance for applicable deductions.
- Create a custom Checklist to document all necessary payroll procedures for pay periods and year-end.
- Set up default reports for all necessary payroll reporting, including:
 - Transmittals
 - Standard State/Federal Reporting
- Set up header and batch information with the appropriate ACH/NACHA file information.
- Set up bank file with all necessary employee bank routing information.
- Format one direct deposit voucher and one transmittal voucher.
- Additional form set up, such as timesheets will be billed at the rate of \$100 per form. Forms that have multiple pages will be billed \$100 for each additional page included in the form.

Data Conversion

- Each employee's information will be converted. This information includes the employee name, address, Social Security number, exemptions, and worker's compensation status.
- Each employee's wage distribution for salary and benefits will be established.
- Employee pay codes for all wages, deductions, taxes, benefits, and reimbursements will be converted.
- Payroll YTD information will be entered and reviewed to ensure W-2 information is accurate at year-end.
- Payroll processing to verify data conversion is accurate will be completed.
- Payroll YTD totals, leave time, hours, and benefits will be balanced to the existing system if supporting reports are provided.
- Caselle will provide reports of the converted data for auditing purposes.
- Each employee file will be set up with the employee's bank routing account information for full ACH compatibility. A pre-notification test file will be generated and verified to ensure accuracy.

172 employees are included

Timekeeping Setup

- Establish activity codes and appropriate payroll overrides.
- Set up and define task codes, including descriptions and General Ledger override accounts, if necessary.
- Set up employee defaults for tasks, activities, and shifts.
- Set up applicable FLSA shifts.

Caselle® Hosted Software & Services Proposal

City of Seward, NE

February 3, 2023

Accounts Payable Setup

- Establish vendor defaults.
- Format one check form with requested stub detail.
- Create a Checklist to document Accounts Payable procedures, including the printing of 1099's.

Data Conversion

- Each vendor's information will be converted. This information includes the vendor name, street address, mailing address, remittance addresses, city, state, zip code, and 1099 status.
 - Exception: 1099 balances can be established, if provided.

2,400 vendors are included

AP Direct Pay Setup

- Set up header and batch information with the appropriate ACH/NACHA file information.
- Set up vendors with necessary routing and account numbers.
- Format one direct pay voucher.

Purchases & Requisitions Setup

- Format one purchase order form.
- Create a Checklist to document Purchase Order procedures.
- Additional custom purchase order form set up will be billed at the rate of \$100 per form. Forms that have multiple pages will be billed \$100 for each additional page included in the form.

Accounts Receivable Setup

- Set up the appropriate billing categories and penalty rates.
- Format standard reports for reporting and balancing of customer accounts.
- Format one of each of the following: statements, invoices, and delinquent notices.
- Create a Checklist to document Accounts Receivable procedures.
- Additional form layouts for statements, invoices, and delinquent notices will be billed at the rate of \$100 per form. Forms that have multiple pages will be billed \$100 for each additional page included in the form.

Data Conversion

- Each customer's account information will be converted. This information includes the customer's name, street address, mailing address, bill to information, city, state, and zip code.
- Customer balances will be converted.

20 accounts are included

Caselle® Hosted Software & Services Proposal

City of Seward, NE

February 3, 2023

Utility Management Setup

- Set up services, taxes, rate tables, and other fees for billing.
- Format one form for each of the following: utility bills, delinquent notices, and shut-off notices.
- Set up default reports for billing, meter proofing, and reviewing customer information.
- Create table lists to generate customer labels, reports for new connects, terminated customers with credit balances, and terminated customers with a zero balance.
- Create a Checklist to document daily, monthly, and billing procedures.
- Additional forms will be billed at the rate of \$100 per form. Forms that have multiple pages will be billed \$100 for each additional page included in the form.

Data Conversion

- Each customer's information will be entered and verified. This information depends on what is provided. Information will be converted as is and normally includes the customer number, name, service address, mailing address, city, state, zip code, telephone numbers, meter number, location, balances, and previous reads.
- All appropriate transactions for balancing the billing will be converted.
- Balancing totals, billing totals, receivable by service totals, if provided, will be balanced to the existing system using supporting reports.
- Caselle will provide reports of the converted data for auditing purposes.

3,691 meters or customers are included

Utility Electronic Reading Interface Setup

- Create the appropriate import/export formats and test with the interfaced meter reading equipment.

Service Orders Setup

- Set up the Service Order options (including user, department, and actions).
- Customize Service Order data entry screens.
- Format three Service Order form layouts.
- Set up the Utility Management interface.
- Additional form layouts will be billed at the rate of \$100 per form. Forms that have multiple pages will be billed \$100 for each additional page included in the form.

Cash Receipting Setup

- Set up the General Ledger accounts for bank deposits and standard receipting revenue.
- Set up category and distribution codes.
- Set up payment types, for example, check, cash, and credit card, and associated reports for balancing.
- Create default reports to assist in daily operation.
- Create a Checklist to document procedures for daily cash receipting transactions, updates, and posting of receipts.

Caselle® Hosted Software & Services Proposal
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February 3, 2023

**Online/Electronic
Payments Setup**

- Set up Online and Electronic Payment Processing (credit cards, electronic funds transfer, and online bank bill pay consolidation).
- Set up Utility Direct Pay.
- Set up Xpress Bill Pay, Caselle's authorized electronic payment vendor, including online bill presentation, online bill history, automatic recurring payments, and payment wallets with full integration to Cash Receipting.

3. Consideration of Special Designated License from the Nebraska Hop Growers Association for an event to be held at Bottle Rocket Brewery on March 11, 2023 -
City Administrator Butcher

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

Nebraska Hop Growers Association

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

PO Box 211 Seward, NE 68434

Retail Liquor License Address or Non-Profit Business Address

45-4970115

Retail License Number or Non-Profit Federal ID #

Consecutive Dates only 3/11/2023
Event Date(s): _____

Event Start Time(s): 1:00 pm _____

Event End Time(s): 6:00 pm _____

Alternate Date: N/A

Alternate Location Building & Address: N/A

Event Building Name: Bottle Rocket Brewery

Event Street Address/City: 230 S 5th St Seward, NE 68434

Indoor area to be licensed in length & width: 40 X 86

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

Type of Event: Beer tasting event Estimate # of attendees: 250

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

Event Contact Name: Courtney Fegter Event Contact Phone Number: 402-761-2216

Event Contact Email: courtney@youraam.com

*Signature Authorized Representative: Courtney Fegter Printed Name Courtney Fegter

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

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

Local Governing Body completes below:

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

Local Governing Body Authorized Signature

Date

4. Consideration of a Supplemental Construction Services Agreement with Short Elliott Hendrickson (SEH), Inc. for the E Seward Street Improvements Project and Authorization for Mayor to Sign All Documents - City Engineer Oneby

Supplemental Letter Agreement

In accordance with the Master Agreement for Professional Services between City of Seward ("Client"), and Short Elliott Hendrickson Inc. ("Consultant"), effective April 26, 2021, this Supplemental Letter Agreement dated February 2, 2023 authorizes and describes the scope, schedule, and payment conditions for Consultant's work on the Project described as: East Seward Street.

Client's Authorized Representative: Mike Oneby
Address: 537 Main St, PO Box 38, Seward, Nebraska, 68434, United States
Telephone: 4026432928 **email:** michael.oneby@cityofsewardne.gov

Project Manager: Jake Vasa
Address: 15750 West Dodge Road, Suite 304, Omaha, Nebraska, 68118
Telephone: 4024804096 **email:** jvasa@sehinc.com

The scope of this phase of the project includes construction services for during the installation of sanitary sewer, water main, storm sewer, and paving for this project.

Task 1: Construction Administration, Construction Staking, and On-Site Resident Project Representative

During the construction phase, Consultant shall:

- Attend one pre-construction meeting to include Client, Contractor and Geotechnical Consultant.
- Make visits to the site at intervals appropriate to the various stages of construction to observe as an experienced and qualified design professional the progress and quality of the executed work of the Contractor(s), and to determine in general, if such work is proceeding in accordance with the Contract Documents.
- Attend progress meetings as necessary.
- Provide construction field staking for contractor layout and construction of structures, pipe work, utilities, right-of-way, sidewalk, paving, and other miscellaneous items that may be requested by the contractor to adequately construct the project.
- Review samples, schedules, shop drawings, the results of tests and inspections, and other data which the Contractor is required to submit, but only for conformance with the design concept of the project and compliance with the information given in the Contract Documents.
- Consult with and advise the Client, act as the Client's representative at the Project site, issue all instructions of the Client to the Contractor, and prepare routine change orders as required.
- Review the Contractor's application for payment (assume seven), determine the amount owing the Contractor, and make recommendations to the Client regarding the payment thereof.
- Provide bi-weekly updates of construction progress to client.
- Provide Contractor with a list of outstanding items to be completed at the 90% stage of grading.
- Conduct one site visit to determine if the Project is substantially complete. Such site visits may include representatives from the Client. If the Contractor has fulfilled all of their obligations, Consultant may give written notice to the Client that the work is acceptable for final payment.
- Full time on-site presence is not anticipated. A Resident Project Representation (RPR) will make site visits to carry out the tasks listed in this agreement. The time on site can vary and may be dependent upon contractor performance, unknown site conditions, agency coordination, testing coordination, among other factors.
- Coordinate material testing sub-consultant (assumed to be Terracon, Inc.).
- NPDES monitoring and reporting, as necessary.

Not included:

- 1. Material Testing

Payment:

Task 1: Construction Administration, Construction Staking, and On-site Construction Coordination and Observation: The total fee is hourly and estimated to be **\$63,000**, excluding expenses and equipment.

The hourly rates, estimated hours, and expenses are as follows:

<u>Description</u>	<u>Rate</u>	<u>Estimated Hours</u>
Project Manager	\$220	48 hours
Project Engineer	\$112	96 hours
Survey Crew Chief	\$125	220 hours
RPR	\$108	96 hours

Estimated expenses: **\$5,500**.

The payment method, basis, frequency and other special conditions are set forth in attached Exhibit A-1. Additional work, if required, shall be compensated in accordance with the rate schedule shown above.

Other Terms and Conditions: Other or additional terms contrary to the Master Agreement for Professional Services that apply solely to this project as specifically agreed to by signature of the Parties and set forth herein: None.

Short Elliott Hendrickson Inc.

City of Seward

By: _____
 Full Name: _____
 Title: _____

By: _____
 Full Name: _____
 Title: _____

Exhibit A-1
to Supplemental Letter Agreement
Between City of Seward (Client)
and
Short Elliott Hendrickson Inc. (Consultant)
Dated February 2, 2023

Payments to Consultant for Services and Expenses
Using the Hourly Basis Option

The Agreement for Professional Services is amended and supplemented to include the following agreement of the parties:

A. Hourly Basis Option

The Client and Consultant select the hourly basis for payment for services provided by Consultant. Consultant shall be compensated monthly. Monthly charges for services shall be based on Consultant's current billing rates for applicable employees plus charges for expenses and equipment.

Consultant will provide an estimate of the costs for services in this Agreement. It is agreed that after 90% of the estimated compensation has been earned and if it appears that completion of the services cannot be accomplished within the remaining 10% of the estimated compensation, Consultant will notify the Client and confer with representatives of the Client to determine the basis for completing the work.

Compensation to Consultant based on the rates is conditioned on completion of the work within the effective period of the rates. Should the time required to complete the work be extended beyond this period, the rates shall be appropriately adjusted.

B. Expenses

The following items involve expenditures made by Consultant employees or professional consultants on behalf of the Client. Their costs are not included in the hourly charges made for services but instead are reimbursable expenses required in addition to hourly charges for services and shall be paid for as described in this Agreement:

1. Transportation and travel expenses.
2. Long distance services, dedicated data and communication services, teleconferences, Project Web sites, and extranets.
3. Lodging and meal expense connected with the Project.
4. Fees paid, in the name of the Client, for securing approval of authorities having jurisdiction over the Project.
5. Plots, Reports, plan and specification reproduction expenses.
6. Postage, handling and delivery.
7. Expense of overtime work requiring higher than regular rates, if authorized in advance by the Client.
8. Renderings, models, mock-ups, professional photography, and presentation materials requested by the Client.
9. All taxes levied on professional services and on reimbursable expenses.
10. Other special expenses required in connection with the Project.
11. The cost of special consultants or technical services as required. The cost of subconsultant services shall include actual expenditure plus 10% markup for the cost of administration and insurance.

The Client shall pay Consultant monthly for expenses.

C. Equipment Utilization

The utilization of specialized equipment, including automation equipment, is recognized as benefiting the Client. The Client, therefore, agrees to pay the cost for the use of such specialized equipment on the project. Consultant invoices to the Client will contain detailed information regarding the use of specialized equipment on the project and charges will be based on the standard rates for the equipment published by Consultant.

The Client shall pay Consultant monthly for equipment utilization.

5. Consideration of a Claim from Gene Selby, 504 N 8th Street, for Personal Property Damage in the Amount of \$3,236.39 - City Administrator Butcher



CITY OF SEWARD NEBRASKA
537 MAIN ST
PO BOX 38
SEWARD, NE 68434-0038

PH: 402-643-2928
FAX: 402-643-6491

CLAIM FORM

CONTACT INFORMATION

Name: Gene Selby Home Phone: _____
 Address: 504 11 8th St. Business Phone: _____
 Date & Time of Incident: 1-3-2023 - 9am? Cell Phone: ~~402-646~~ 402-803-9187
 Location of Incident: home - street parking Email: geneselby88@gmail.com
 Type of Incident: Injured Person Property Damage Automobile Accident (Check all that apply)

INJURED PERSON

Occupation: _____ Employed by: _____
 Did you see a doctor? Yes No Doctor's Name: _____
 Were you hospitalized? Yes No Hospital: _____
 Describe incident (nature & extent of injury): _____

 Any Witnesses? _____

PROPERTY DAMAGE

List Property Damaged: dented fender/hood
 Age of damaged property: 2002 Dodge Ram 1500 Estimated cost of repair: \$3,236.39
 How was the property damaged? tree branch fell & landed on truck

AUTOMOBILE ACCIDENT

Driver, if other than owner: _____
 Address: _____ Home Phone: _____
 Estimated cost of repair: _____ Business Phone: _____
 Vehicle: (year, make, model) _____ Police Notified? Yes No
 Your description of the accident: _____

INSURANCE INFORMATION

Amount of Claim: \$3,236.39 (COPIES OF BILLS MUST BE ATTACHED VERIFYING AMOUNT OF CLAIM)
 Your Insurance Company: State Farm Your Insurance Agent: Genny Noerlinger
 Insurance Company Phone: 1-800-782-8332 Insurance Agent Phone: 402-488-7853
 Did you report a claim? Yes No Did you receive payment? Yes No Deductible: \$1,000

ADDITIONAL INFORMATION

Any other pertinent information: (write on back if more space needed) _____

 Explain why you feel the City of Seward is responsible: The tree was on Seward right of way which is the city's responsibility; as well as the fact that the city worker Bob told me that it's the city's fault & responsibility.

SIGNATURE OF CLAIMANT: Gene Selby DATE: Jan 15, 2023

Bern's Body Shop Inc
 1221 w hwy 34, seaward, NE 68434
 Office: (402) 643-2810
 Fax: (402) 643-2810
 bernsbodysshop@yahoo.com
 Tax ID: 47079566

Estimate ID
 12479600
 Original

Owner
GENE SELBY
 (402) 803-9187 (Mobile)

Appraiser
Steve Rodenbaugh
 bernsbodysshop@yahoo.com

Classification
 None

Loss Type Deductible
 Unknown Unknown

2002 Dodge R1500 Pickup SLT 4 Door Crew Cab 140" WB 6 Foot Bed 5.9L 8 Cyl Gas Injected 4WD

VIN Drivable Mitchell Service Code
3D7HU18Z72G146593 Unknown 913530

Options

4 Wheel Drive Air Conditioning AM-FM Stereo Anti-Lock Brake Sys. (ABS) Cassette Player
 Driver-Front Air Bag Passenger-Front Air Bag Power Steering Vinyl Seat

GENE SELBY | 2002 Dodge R1500 Pickup SLT

Parts Profile Parts Profile Version
 Aftermarket 2.0

Line #	Description	LABOR				PART				
		Operation	Type	Total Units	CEG	Type	Number	Qty	Total Price	Tax
Hood										
1	300106 Hood Panel	Remove / Replace	Body	1.3	1.3	Aftermarket Certified	CH1230221P	1	\$785.00	Yes
2	AUTO Hood Outside	Refinish Only	Refinish	3.2 C	3.2					
3	AUTO Add For Hood Underside	Refinish Only	Refinish	1.6 C	1.6					
Front Fender										
4	300211 L Fender Outside	Blend	Refinish	0.8 C	1.0	Existing				
5	300216 R Fender Panel	Remove / Replace	Body	2.4#	2.4	Aftermarket Certified	CH1241232P	1	\$343.00	Yes
6	AUTO Headlamps	Check / Adjust	Body	0.4	0.4					
7	AUTO R Fender Outside	Refinish Only	Refinish	1.6 C	2.0					
8	AUTO R Add To Edge Fender	Refinish Only	Refinish	0.5 C	0.5					
Front Door										
9	305661 R Frt Door Outside	Blend	Refinish	1.1 C	1.4	Existing				

LABOR						PART				
Line #	Description	Operation	Type	Total Units	CEG	Type	Number	Qty	Total Price	Tax
10	301975 R Frt Door Belt Moulding	Remove / Install	Body	0.2	0.2	Existing				
11	301031 R Frt Door Mirror	Remove / Install	Body	0.2#	0.6	Existing				
12	301039 R Frt Door Adhesive Nameplate	Remove / Replace	Body	0.2	0.2	New	55077336AA	1	\$106.00	Yes
13	301045 R Frt Door Trim Panel	Remove / Install	Body	INC	0.4	Existing				
14	301077 R Frt Otr Door Handle	Remove / Install	Body	1.2#	1.2	Existing				
Additional Costs & Materials										
15	AUTO Paint/Materials	Additional Cost							\$544.50*	Yes
16	AUTO Hazardous Waste Disposal	Additional Cost							\$4.00*	
Additional Operations										
17	AUTO Clear Coat	Additional Operation	Refinish	2.8	0.0				\$0.00	
18	933003 Tint Color	Additional Operation	Refinish	0.5*	0.0				\$0.00	
19	933004 Undercoating	Additional Operation	Body	0.3*	0.0				\$10.00*	
20	933005 Restore Corrosion Protection	Additional Operation	Body	0.4*	0.0				\$0.00	
21	933018 Mask For Overspray	Additional Operation	Refinish	0.3*	0.0				\$14.00*	

* Judgment Item

T Included in Two Tone Calculation

Labor Note Applies

d Discontinued by Manufacturer

C Included in Clear Coat Calculation

A Included in Clear Coat and Two Tone Calculation

r CEG R&R Time Used for this Labor Operation

[] Verify the part number and price before ordering

Parts Vendors

KEYSTONE-INS QUALITY PRT
 8206 J ST.
 OMAHA NE 68127
 (402) 553-0230 (Work)
 (800) 642-1432 (Work)

Line	Part #	Total Price
1	CH1230221PP	\$785.00
5	CH1241232PP	\$343.00

Estimate Totals

Labor	Units	Rate	Sublet Add'l Amount	Totals
Body Labor	6.6	\$65.00	\$10.00	\$439.00
Refinish Labor	12.4	\$65.00	\$14.00	\$820.00
Total Labor	19.0			\$1,259.00
			Taxable	\$820.00
			Tax 7.5000%	\$61.50
			Non-Taxable	\$439.00
			Labor Total	\$1,320.50

Estimate Totals

Parts		Amount		
Taxable Parts		\$1,234.00		\$1,234.00
			Parts Adjustments	\$0.00
			Tax 7.5000%	\$92.55
			Non-Taxable	\$0.00
			Parts Total	\$1,326.55
Costs		Amount		
Other Additional Costs		\$4.00		\$4.00
Paint Materials		\$544.50		\$544.50
			Taxable	\$544.50
			Tax 7.5000%	\$40.84
			Non-Taxable	\$4.00
			Costs Total	\$589.34
Paint Materials Rate: \$45.00				
Rate Max: 99.9 units				
Additional Rate: \$0.00				
Gross Totals		Amount		
Gross Total		\$3,236.39		\$3,236.39
			Taxable	\$2,598.50
			Tax	\$194.89
			Non-Taxable	\$443.00
			Gross Total	\$3,236.39
Adjustments		Amount		
Total Customer Responsibility				\$0.00
			Net Estimate Total	\$3,236.39

Estimate Event Log

Job Created	1/3/2023 11:00 AM
Estimate Started	1/3/2023 11:01 AM
Estimate Printed	1/3/2023 11:08 AM
Estimate Committed	Estimate Not Committed

6. Update on the Wellness Center - City Administrator Butcher
 - A. Consideration of an Ordinance to Create an 'Wellness Center Executive Director' position and to Establish a Pay Range

ORDINANCE NO. 2023-5

AN ORDINANCE TO PROVIDE FOR ANNUAL CLASSIFICATION OF OFFICERS AND EMPLOYEES OF THE CITY OF SEWARD, NEBRASKA; TO CREATE THE EXECUTIVE DIRECTOR WELLNESS CENTER POSITION; TO PROVIDE FOR LONGEVITY PAY AND PAYMENT OF PART-TIME EMPLOYEES; TO PROVIDE FOR A DATE SUCH CLASSIFICATION AND PAY RANGES OF COMPENSATION SHALL BECOME EFFECTIVE; TO PROVIDE FOR PUBLICATION IN PAMPHLET FORM; TO PROVIDE FOR A TIME WHEN THIS ORDINANCE SHALL TAKE EFFECT.

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

Section 1. CLASSIFICATION, RANGES OF COMPENSATION. The classification of officers and employees of the City of Seward, Nebraska, pay grades and ranges of compensation for such classification are as follows:

2022-2023 SALARY SCHEDULE
PAY RANGE RATES

<u>POSITION</u>	<u>MINIMUM</u>	<u>MAXIMUM</u>
(A) CLERICAL (HOURLY)		
Payroll Clerk	19.43	26.25
Utility Billing/Account Clerk	17.26	24.26
Administrative Assistant	16.71	23.54
Admin Assistant - Municipal Bldg	15.83	21.57
Library Assistant II/Social Media/IT	17.86	23.50
Library Assistant I	13.65	15.94
Library Clerk	11.04	13.76
Aging Services Commission Assistant	16.65	23.94
Golf Shop Seasonal Employee	10.86	13.17
(B) LABOR & TRADES (HOURLY)		
Civic Center Assistant	10.83	12.65
Custodian	14.03	20.90
Electric Line Crew Chief	32.29	42.67
Electric Journeyman Lineman	29.98	40.36
Electric Lineman	27.36	34.65

Electric Seasonal Groundman	20.66	24.36
Meter Maintenance Utility Worker	19.11	25.12
Utilities Locator	18.52	34.65
Assistant Public Properties Director	22.98	28.94
Public Properties Maintenance Worker	16.39	24.21
Street Foreman	25.01	32.35
Street Maintenance Worker III	20.18	26.46
Street Maintenance Worker II	18.00	24.28
Street Maintenance Worker I	17.45	21.82
Burn Site Assistant	11.08	15.91
Recycling Center Worker	11.08	15.91
Facility Maintenance Supervisor	25.98	34.50
WW Treatment/Sanitary System Operator	21.63	28.77
Senior Utility Maintenance Worker II	23.82	32.03
Utility Maintenance Worker II	22.58	30.98
Utility Maintenance Worker I	20.48	27.30
Summer Seasonal Laborer	14.09	14.65
Pool Manager	13.22	15.63
Assistant Pool Manager	11.42	13.55
Swim Program Coordinator	11.13	13.16
Lifeguard	10.83	12.02
Pool Office/Concession Work	10.83	12.02
Water Safety Instructor	10.83	12.02
Water Safety Instructor Aide	7.21	7.82

(C) PUBLIC SAFETY (HOURLY)

Police Sergeant	28.35	37.09
Police Officer II	27.22	33.22
Police Officer I	25.03	31.15
Administrative Secretary/Records Clerk	17.47	24.02
Community Service Officer	15.23	21.55

(D) SUPERVISORY, TECHNICAL & ADMINISTRATIVE (MONTHLY)

City Administrator	10,556	12,740
Chief of Police	6,894	8,605
City Engineer	6,596	8,794
Police Captain	5,999	7,185

Electric Superintendent	5,997	7,920
Public Properties Director	5,629	6,999
City Clerk/Human Resources Director	5,550	7,705
Water/Wastewater Director	5,336	7,929
Street Superintendent	5,507	7,046
Finance Director/Treasurer	6,448	7,808
Library Director	4,881	6,056
Deputy Treasurer	4,688	5,733
Golf Course Grounds Superintendent	4,688	5,467
Building/Zoning/Code Enforcement Director	4,779	5,962
<u>Executive Director Wellness Center</u>	<u>4,688</u>	<u>5,467</u>
Assistant Recreation Director	3,407	5,016
Golf Shop Manager	3,277	4,264
Assistant Library Director	3,270	4,421
Civic Center Manager	3,469	3,844

Section 2. LONGEVITY PAY. Each employee, who has completed their introductory period, will, for each year of service to the City, receive three dollars and forty-seven cents (\$3.47) per month if classified as exempt, or two cents (\$0.02) per hour if classified as non-exempt. This pay will be in addition to the established base pay in their classification as set forth in Section One of this ordinance.

Section 3. COMPENSATION PAYABLE BIWEEKLY. The compensation and salary fixed for the respective officers and employees of the City by this ordinance shall be paid biweekly.

Section 4. PART-TIME EMPLOYEES. Persons employed by the City on a part-time or occasional basis shall be paid on an hourly rate and at such time as shall be fixed by the Mayor and Council by motion.

Section 5. REPEAL. Any City of Seward ordinance, resolution, or employee handbook or part of any ordinance, resolution, or employee handbook of the City of Seward, Nebraska in conflict with this Ordinance is hereby repealed to the extent of such conflict.

Section 6. WHEN OPERATIVE. This ordinance shall be effective after its approval, passage and publication as required by law and the ordinances of the City.

Passed and approved this 7th day of February, 2023.

ATTEST:

THE CITY OF SEWARD, NEBRASKA

Derek Bargmann
City Clerk

Joshua Eickmeier, Mayor



Job Title: Wellness Center Executive Director
Department: Wellness Center
FLSA Status: Exempt, Salaried, Full Time
Revised Date: 2/7/23 (Council created)

Accountability

Under the direct supervision of the City Administrator.

Job Summary

Responsible for the planning, promotion, development, organization, budget, day-to-day management, and administration of all aspects of the Seward Wellness Center and its employees.

Essential Job Functions

Supervises all day-to-day operations of the Seward Wellness Center, including oversight of maintenance; develops and maintains a comprehensive strategic plan detailing the components for sustainability of the Wellness Center, including infrastructure, administration, partnering organizations, training plans, policies, procedures, communications, and public relations; develops and maintains standard operating procedures for daily use and development of a membership database; creates and promotes membership drive program, with objective of continual growth and retention; coordinates Center activities and use with community sports organizations, non-profit organizations, partnering organizations, Concordia University, and local schools; supervises, promotes, implements, and evaluates various recreational programs for children and adults; assists in developing, preparing, and administering the Center's budget, including preparing cost estimates and justifications for budget recommendations, researching, and recommending capital improvement projects (CIP), and monitoring and controlling expenditures; participates in the development and implementation of related capital improvement projects as well as capital improvements on existing facilities; reviews manuals, reports, flyers, press releases, and social media promotions before launch; recruits, recommends, trains, schedules, supervises, and evaluates full-time, part-time, and volunteer staff in coordination with the HR Director and Assistant Recreation Director; develops, promotes, and administers fundraising events and programs; finds, applies for, and administers applicable grants to fund and sustain Wellness Center operations; oversees daily pool operations including working with the Pool Manager on programming, staffing, procedures, training, and maintenance; attends meetings of and works closely with the Seward Community Recreation Facilities Committee; works closely and collaboratively with Public Properties Director in assignment of duties for and utilization of shared staff, including the Assistant Recreation Director; keeps informed in all local, state and federal rules, regulations and laws affecting recreation programs, facilities, and activities; ensures compliance with any state or federal guidelines for pool or recreational facilities.

Additional Duties and Responsibilities

May attend City Council, Park & Recreation Board, and other meetings as requested; at the request of the Mayor, Council, or City Administrator may prepare reports on operations, usage, and projected revenues/expenses; may assist Assistant Recreation Director with dividing athletic teams, scheduling practices and games, and supervising youth/adult recreation programs as well as recruiting, selecting and training program coaches; and performs additional support for the Public Properties Department as requested.

Knowledge, Abilities and Skills

Knowledge of the operation, management, administration and promotion of all wellness center programming and services; modern principles and methods for developing and implementing a wide variety of recreation, social, and leisure activities for children and adults. Skill in assessing and monitoring community needs and trends including the ability to adapt programming; expertise in proactively developing, promoting, and administering creative fundraising programs/events, membership drives, and daily use procedures with little supervision; and proclivity to identify and administer long-range planning objectives. Good oral and written communication skills to effectively communicate on a daily basis with the public, committee members, community leaders, and other City Departments; high degree of organization skills to effectively administer Center objectives and associated recreation programs; aptitude to identify and maintain administrative systems for facility and program scheduling, calendaring, and other functions; comprehensive understanding of personnel, maintenance, and operations budgeting and ability to forecast revenues based on current and projected usage trends; strong supervisory skills required, with the ability including but not limited to: planning, coordinating, assigning, delegating, supervising, managing, and evaluating the work of subordinate personnel; ability to mentor, coach, and discipline employees in coordination with the HR Director; ability to establish and maintain effective working relationships with City officials, employees, volunteers, community leaders, contractors, and the general public; ability to work collaboratively and successfully with Concordia University, local

schools, local organizations, and local associations in scheduling and accommodating their programming; aptitude to learn and interpret rules, regulations, laws and ordinances affecting recreation programs and activities. Ability to: work evenings and/or weekends depending on programming and scheduled events; attend meetings and/or conferences in- or out-of-town; sit and/or stand for long periods of time; lift up to 50 lbs; experience occasional exposure to wet/humid conditions and pool chemicals.

Education and Experience

Graduation from high school or equivalent. Considerable experience—at least five (5) years of increasingly responsible experience in recreation facilities operations, management, or administration, including at least three (3) years in a director's (or equivalent) role; or Bachelor's Degree from an accredited four-year college or university with major course work related to either Health & Wellness, Exercise Science, Sports Management, Business Administration, or related field with at least one (1) year of comparable experience in a similar facility; at least two (2) years of experience with various computer programs and functions; or any equivalent combination of training and experience which provides the desirable skills, knowledge, and abilities deemed to be sufficient for the position.

Special Requirements

Possession of valid driver's license; possession of CPR and First Aid certificates, or the ability to obtain within six (6) months of start of employment.

Note: *The statements herein are intended to describe the general nature and level of work being performed by employees assigned to this classification. They are not intended to be constructed as an exhaustive list of all responsibilities, duties, and skills required of personnel so classified. This job description may be changed or updated at any time without notice.*

2022-2023 (EFFECTIVE 1ST FULL PAY PERIOD FOLLOWING OCTOBER 1, 2022)

CLERICAL (HOURLY)

POSITION	1	2	3	4	5	6	7	8	9
PAYROLL CLERK	19.43	20.28	21.13	21.98	22.84	23.69	24.54	25.40	26.25
UTIL BILLING/ACCOUNT CLERK	17.26	18.14	19.01	19.88	20.76	21.63	22.51	23.38	24.26
ADMIN ASSISTANT	16.71	17.56	18.41	19.27	20.12	20.98	21.83	22.69	23.54
ADMIN ASSISTANT - MUNI BUILDING	15.83	16.55	17.27	17.98	18.70	19.42	20.13	20.85	21.57
LIBRARY ASSISTANT II/Social Media/IT	17.86	18.57	19.27	19.97	20.68	21.38	22.09	22.79	23.50
LIBRARY ASSISTANT I	13.65	13.94	14.22	14.51	14.79	15.08	15.37	15.65	15.94
LIBRARY CLERK	11.04	11.38	11.72	12.06	12.40	12.74	13.08	13.42	13.76
AGING SERV. COMM. ASSISTANT	16.65	17.56	18.47	19.39	20.30	21.21	22.12	23.03	23.94
GOLF SHOP SEASONAL EMPLOYEE	10.86	11.15	11.43	11.72	12.01	12.30	12.59	12.88	13.17

LABOR & TRADES (HOURLY)

POSITION	1	2	3	4	5	6	7	8	9
CIVIC CENTER ASSISTANT	10.83	11.05	11.28	11.51	11.74	11.97	12.20	12.42	12.65
CUSTODIAN	14.03	14.89	15.74	16.60	17.46	18.32	19.18	20.04	20.90
ELECTRIC LINE CREW CHIEF	32.29	33.59	34.88	36.18	37.48	38.78	40.08	41.37	42.67
ELECTRIC JOURNEYMAN LINEMAN	29.98	31.28	32.57	33.87	35.17	36.47	37.77	39.06	40.36
ELECTRIC LINEMAN	27.36	28.27	29.18	30.10	31.01	31.92	32.83	33.74	34.65
ELECTRIC SEASONAL GROUNDMAN	20.66	21.13	21.59	22.05	22.51	22.97	23.44	23.90	24.36
METER MAINTENANCE UTILITY WORKER	19.11	19.86	20.61	21.36	22.11	22.86	23.61	24.37	25.12
UTILITIES LOCATOR	18.52	20.54	22.55	24.57	26.59	28.60	30.62	32.63	34.65
ASSIST. PUBLIC PROP. DIRECTOR	22.98	23.73	24.47	25.22	25.96	26.71	27.45	28.19	28.94
PUBLIC PROP. MAINTENANCE WORKER	16.39	17.37	18.35	19.32	20.30	21.28	22.26	23.24	24.21

LABOR & TRADES (HOURLY)

POSITION	1	2	3	4	5	6	7	8	9
STREET FOREMAN	25.01	25.93	26.85	27.76	28.68	29.60	30.52	31.43	32.35
STREET MAINT. WORKER III	20.18	20.97	21.75	22.54	23.32	24.11	24.89	25.68	26.46
STREET MAINT. WORKER II	18.00	18.78	19.57	20.35	21.14	21.92	22.71	23.49	24.28
STREET MAINT. WORKER I	17.45	18.00	18.54	19.09	19.64	20.18	20.73	21.27	21.82
RECYCLING WORKER	11.08	11.68	12.29	12.89	13.49	14.10	14.70	15.30	15.91
BURN SITE ASSISTANT	11.08	11.68	12.29	12.89	13.49	14.10	14.70	15.30	15.91
FACILITY MAINTENANCE SUPERV	25.98	27.04	28.11	29.17	30.24	31.31	32.37	33.44	34.50
WW TRMT / SANITARY SYS OPER	21.63	22.52	23.42	24.31	25.20	26.09	26.99	27.88	28.77
SENIOR UTIL. MAINT. WORKER II	23.82	24.85	25.87	26.90	27.92	28.95	29.97	31.00	32.03
UTIL MAINT. WORKER II	22.58	23.63	24.68	25.73	26.78	27.83	28.88	29.93	30.98
UTIL MAINT. WORKER I	20.48	21.33	22.18	23.03	23.89	24.74	25.59	26.45	27.30

SUMMER SEASONAL LABORER	14.09	14.65							
POOL MANAGER	13.22	13.52	13.82	14.13	14.43	14.73	15.03	15.33	15.63
ASST. POOL MANAGER	11.42	11.69	11.95	12.22	12.48	12.75	13.01	13.28	13.55
SWIM PROGRAM COORDINATOR	11.13	11.38	11.64	11.89	12.14	12.40	12.65	12.90	13.16
POOL LIFEGUARD	10.83	10.98	11.12	11.27	11.42	11.57	11.72	11.87	12.02
POOL OFFICE/CONCESSIONS	10.83	10.98	11.12	11.27	11.42	11.57	11.72	11.87	12.02
WATER SAFETY INSTR.	10.83	10.98	11.12	11.27	11.42	11.57	11.72	11.87	12.02
WATER SAFETY INSTR. AIDE	7.21	7.29	7.37	7.44	7.52	7.59	7.67	7.75	7.82

POLICE (HOURLY)

POSITION	1	2	3	4	5	6	7	8	9
POLICE SERGEANT	28.35	29.44	30.53	31.63	32.72	33.81	34.90	35.99	37.09
POLICE OFFICER II	27.22	27.97	28.72	29.47	30.22	30.97	31.72	32.47	33.22
POLICE OFFICER I	25.03	25.80	26.56	27.33	28.09	28.86	29.62	30.39	31.15
ADM/SEC RECORDS CLK PD	17.47	18.29	19.11	19.93	20.75	21.57	22.39	23.21	24.02
COMMUNITY SERVICE OFFICER	15.23	16.02	16.81	17.60	18.39	19.18	19.97	20.76	21.55

SUPERVISORY, TECHNICAL, ADMINISTRATIVE (MONTHLY)

POSITION	1	2	3	4	5	6	7	8	9
CITY ADMINISTRATOR	10,556	10,829	11,102	11,375	11,648	11,921	12,194	12,467	12,740
CHIEF OF POLICE	6,894	7,108	7,322	7,536	7,750	7,963	8,177	8,391	8,605
CITY ENGINEER	6,596	6,871	7,146	7,420	7,695	7,970	8,244	8,519	8,794
POLICE CAPTAIN	5,999	6,147	6,295	6,444	6,592	6,740	6,889	7,037	7,185
ELECTRIC SUPERINTENDENT	5,997	6,237	6,477	6,718	6,958	7,199	7,439	7,680	7,920
PUBLIC PROPERTIES DIRECTOR	5,629	5,800	5,972	6,143	6,314	6,485	6,657	6,828	6,999
CITY CLERK/HR DIRECTOR	5,550	5,820	6,089	6,358	6,628	6,897	7,166	7,436	7,705
W/WWTW DIRECTOR	5,336	5,660	5,984	6,308	6,632	6,956	7,280	7,604	7,929
STREET SUPERINTENDENT	5,507	5,700	5,892	6,084	6,276	6,469	6,661	6,853	7,046
FINANCE DIRECTOR/TREASURER	6,448	6,618	6,788	6,958	7,128	7,298	7,468	7,638	7,808
LIBRARY DIRECTOR	4,881	5,028	5,175	5,322	5,469	5,616	5,763	5,910	6,056
DEPUTY TREASURER	4,688	4,819	4,949	5,080	5,211	5,341	5,472	5,602	5,733
GOLF COURSE GROUNDS SUPERINTENDENT	4,688	4,786	4,883	4,980	5,078	5,175	5,273	5,370	5,467
BLDG/ZONING/CODE ENFORCEMENT	4,779	4,926	5,074	5,222	5,370	5,518	5,666	5,814	5,962
<u>EXECUTIVE DIRECTOR WELLNESS CENTER</u>	<u>4,688</u>	<u>4,786</u>	<u>4,883</u>	<u>4,980</u>	<u>5,078</u>	<u>5,175</u>	<u>5,273</u>	<u>5,370</u>	<u>5,467</u>
ASSISTANT RECREATION DIRECTOR	3,407	3,608	3,809	4,010	4,212	4,413	4,614	4,815	5,016
GOLF SHOP MANAGER	3,277	3,400	3,524	3,647	3,771	3,894	4,017	4,141	4,264
ASST LIBRARY DIRECTOR	3,270	3,414	3,557	3,701	3,845	3,989	4,133	4,277	4,421
CIVIC CENTER MANAGER	3,469	3,516	3,563	3,610	3,657	3,703	3,750	3,797	3,844

CITY ADMINISTRATOR'S REPORT

CITY ADMINISTRATORS REPORT – 2/7/23

- Monitoring a number of street projects bids on East Seward, design on East Hillcrest, and drainage near Park Street & Bradford Street.
- Assisting City Attorney with a number of real estate items and related matters.
- Assisted with Civic Center items and issues, working with Commission on Design Build RFP.
- Reviewed additional DTR items and worked with applicants on needed documents, met with applicants and SENDD.
- Worked with Water/Wastewater Department on a number of items including metering.
- Reviewed website updates with staff and Mayor.
- Final interviews with candidates for the Water/Wastewater Director.
- Worked with Roger Figuard (Rail Safety Board) on the BNSF crossing issues related to the proposed trail project.
- Worked on levee item in relation to Hughes Brothers project.
- Conducted visits to Beatrice, Holdrege, and Hastings YMCAs.
- Met with BVH Architecture for initial meetings on final design of Seward Wellness Center, processed a lot of design matters with Committee.
- Met with NEMA to audit 2019 Flood Disaster File and finish of remaining items.
- Assisted with Appointments to various boards and commissions as directed by the Mayor.
- Worked with HR Director on Registered Apprentice Program of Electric Lineman.
- Reviewed Golf survey with Golf Team and set expectations for 2023 season, discussed importance of customer service experience.
- Met with women from ladies league golf about ideas for upcoming 2023 season.
- Attended Safety Committee Meeting.
- Worked with Ben Benson and NPPD on items related to data processing in Rail Campus.
- Met with new Civic Center Commission Chair Rick Endicott on items related to Civic Center.
- Closed on Delcamp DTR projects and issued notices to proceed.
- Attended the Dr. Susan statue presentation for Jean Kolterman at the Civic Center.
- Met with Olsson and City Engineer to finalize items and calendar for re-bid of Seward Water Tower Project.
- Attended online WWTP design meeting with SEH, City Engineer, and WWTP staff.
- Reviewed items related to CCCFF grant application for Seward Wellness Center.
- Reviewed Census boundary data and plan with Building and Zoning Staff.

The departments are working on the following projects to name a few:

Police Department

- Concordia Career Fair on Friday.
- Accepting apps for PO-I position.

City Clerk/Human Resources/City Hall

- Annual Employee Appreciation event is Feb. 10 for the dinner. There will be a breakfast for some employees on Feb. 15. Sign up for the breakfast or dinner is due by 2/3; looking at costs, employee anniversaries, décor, programming, etc. Finalizing details of appreciation breakfast.
- The new City Website is under current progress for review by Mayor.
- CCCFF Grant.
- Collaborating with Jared to complete steps for the Electric Apprenticeship Program.

Water/Wastewater Department

- S4 and SW 3 Well electrical controls and SCADA changes next/ongoing until completed. State inspection took place on Thursday, everything passed, can now be put in service.
- Maintenance on Combo Truck.
- Repair on the claw valve at eh WTP will be scheduled.
- Scheduling cleaning of the RO membranes at the WTP.

Parks and Rec/Cemetery/Golf/Pool

- Baseball, softball, and soccer registration is going on.
- Working on shop's clean up and maintenance.
- Snow and ice removal.
- Installing new light fixtures and ceiling tiles at the Golf course Pro Shop.
- Install new countertop at the 4 plex concession stand.

Civic Center

- Usual meetings.
- Pump for boiler system has been replaced, still having issues with ice in north parking lot.

Electric Department

- Follow up on ALLO installations.
- Handling Petsource service.
- Work on SCADA.
- Dealing with the metering program.

Street Department

- 811 marking and stump removal.
- Ice and snow removal as needed.
- Doing signage.
- Tree removal.
- Shop repairs.

Library

- Children's programs continue through March.
- Seward Library Foundation annual meeting Tuesday.
- Interviews for new Library Clerk Tuesday.
- Library Board meeting Wednesday.

Building Inspection/Planning Department

- Working on the Prairie View Annexation, Code 410-32.5 Accessory building and garages text amendment (900sf missing from the text), Summit Minor Plat. 300-foot letters and zoning signs due out by Feb. 3 for Planning Commission.
- Sidewalk closures for Helmink Printing and the Berry Law Building.
- Plan review for remodel at the Library.
- Continued review of 2018 codes for updating.
- Inspections and plan reviews.

Engineering

- Schedule kickoff meeting, develop scope and negotiate fee for Levee Pump Station.
- Review divided plan sets for Water Tower.
- Storm sewer for East Seward Street (County).
- Comments for 90% design for Park St.
- Comments for 90% design for Bradford.

Finance Dept.

- Updating employee records.
- January financials for the City.

- Review that all year-end filings are completed.
- Gilmore & Bell Tax-Exempt Finance seminar.

**FUTURE REQUESTS FOR COUNCIL AGENDA ITEMS OR ADMINSTRATIVE
ACTION
ANNOUNCEMENT OF UPCOMING EVENTS
MOTION TO ADJOURN**

I, Derek Bargmann, the duly appointed qualified and acting City Clerk of the City of Seward, Nebraska, hereby certify that the foregoing Notice of Meeting and Agenda for such meeting has been posted in the following places: Seward City Hall, Seward Municipal Building, Seward County Courthouse, Seward Memorial Library and CityofSewardNE.gov

IN WITNESS WHEREOF, I have hereunto set my hand officially and affixed the seal of the City.

Derek Bargmann, City Clerk

Date