

MCCOOK CITY COUNCIL

REGULAR MEETING

**Monday, January 17, 2022
5:30 PM - City Council Chambers**

Call to Order and Roll Call.

Excuse Absences.

Open Meetings Act Announcement.

Pledge of Allegiance.

Items.

1. Announcements & Recognitions.
2. Presentations.
 - A. Accept the Financial Statements and Supplemental Information for Fiscal Year ending September 30, 2021 prepared by AMGL CPAs and Advisors.
3. Consent Agenda.
 - A. Approve the minutes of the January 3, 2022 regular City Council meeting and the January 11, 2022 joint City Council and Airport Advisory Commission meeting.
 - B. Approve the specifications for the 2022 Crack Sealing Project and set that time and date of bid at 2:30 P.M. on February 8, 2022.
 - C. Approve the specifications for the 2022 Armor Coating Project and set the time and date to receive bids at 2:30 P.M. February 8, 2022.
 - D. Ratify an agreement between Nebraska Department of Health and Human Services and the City of McCook to accept payments from the Low Income Household Water Assistance Program.
 - E. Receive and file the claims for the month of December 2021, published January 6, 2022.
 - F. Receive and file the Financial Report for the period ending December 31, 2021.
 - G. Receive and file the First Amendment to the Fee Agreement and Authority to Represent between the City of McCook and Nathaniel J. Mustion, City Attorney.
 - H. Receive and file the minutes of the September 20, 2021 Airport Advisory Commission meeting.
4. Regular Agenda.
 - A. Requested discussion from Rosanne Olson and Cheryl Bridgmon related to their denied property damage claims from the City's insurance carrier.

- B. Discussion regarding establishing schedules for selecting insurance brokers for property/casualty insurance and health insurance.
- C. Ordinance No. 2022-3034 redacting Section 31.05 to the City of McCook Code of Ordinances, Chapter 31: City Policies, Travel Expenses, and adopting Section 34.40 - to the City of McCook Code of Ordinances, Chapter 34: Purchasing Regulations, Travel Expenses and Miscellaneous Expenses.
 - 1. Chairperson asks Clerk to read Ordinance by title.
 - 2. Consider approval of Ordinance No. 2022-3034 upon its first reading.
- D. Recommend to the Department of Transportation to accept the proposal from Denver Air to operate 12 nonstop round trips per week from McCook Ben Nelson Regional Airport to Denver International Airport for a 2-year contract as recommended by the Airport Advisory Commission.
- E. Council Comments.

Adjournment.

**CITY MANAGER'S REPORT
JANUARY 17, 2022 CITY COUNCIL MEETING**

ITEM: **2.A.**

Accept the Financial Statements and Supplemental Information for Fiscal Year ending September 30, 2021 prepared by AMGL CPAs and Advisors.

BACKGROUND:

At Monday's meeting a representative from AMGL CPAs and Advisors will present, via zoom, a review of the audit report and address any questions from the Council.

A pdf of the audit is attached to the packet, if you would like to review a paper report before Monday, you may pick up a copy at the City Office.

**FISCAL
IMPACT:** None.

APPROVALS:



Lea Ann Doak, City Clerk-Treasurer

January 13, 2022



Nathan A. Schneider, City Manager

January 13, 2022

CITY OF MCCOOK, NEBRASKA

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

September 30, 2021

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT	3
MANAGEMENT'S DISCUSSION AND ANALYSIS	6
FINANCIAL STATEMENTS	
Government-wide Financial Statements	
Statement of Net Position	18
Statement of Activities	19
Fund Financial Statements	
Balance Sheet - Modified Cash Basis - Governmental Funds	20
Reconciliation of the Balance Sheet - Modified Cash Basis - Governmental Funds to the Statement of Net Position	21
Statement of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis - Governmental Funds	22
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis - Governmental Funds to the Statement of Activities	23
Statement of Fund Net Position - Proprietary Funds	24
Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds	25
Statement of Cash Flows - Proprietary Funds	26
Statement of Assets and Liabilities - Modified Cash Basis - Fiduciary Funds	28
Notes to Financial Statements	29
SUPPLEMENTARY AND OTHER INFORMATION	
Budgetary Comparison Schedules - Modified Cash Basis	
General Fund	69
Street Fund	71
Economic Development Fund	72
Capital Projects Fund	73
Grant Fund	74
Debt Service Fund	75
Combining Statement of Assets and Liabilities - Modified Cash Basis - Fiduciary Funds	76
Combining Statement of Revenues and Expenditures - Modified Cash Basis - General Fund Departments	77

TABLE OF CONTENTS, Continued

	Page
SUPPLEMENTARY AND OTHER INFORMATION, continued	
Combining Statement of Net Position – Component Units	79
Combining Statement of Activities – Component Units	80
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 <i>Government Auditing Standards</i>	81

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

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the governmental activities - modified cash basis, the business-type activities - accrual basis, the aggregate discretely presented component units - accrual basis, each major fund - modified cash basis for the governmental funds and accrual basis for the proprietary funds, and the aggregate remaining fund information - modified cash basis for the governmental funds of the City of McCook, Nebraska, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City's financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash and accrual bases of accounting described in Note A; this includes determining that the modified cash and accrual bases of accounting are acceptable bases for the preparation of the financial statements in the circumstances. Management is also responsible 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation

1203 W 2nd Street
P.O. Box 1407
Grand Island, NE 68802
P 308-381-1810
F 308-381-4824
EMAIL cpa@gicpas.com

and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities – modified cash basis, the business-type activities – accrual basis, the aggregate discretely presented component units - accrual basis, each major fund – modified cash basis for the governmental funds and accrual basis for the proprietary funds, and the aggregate remaining fund information - modified cash basis for the governmental funds of the City of McCook, Nebraska, as of September 30, 2021, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in accordance with the basis of accounting as described in Note A.

Basis of Accounting

We draw attention to Note A of the financial statements, which describes the basis of accounting for the governmental activities, governmental funds, and fiduciary funds. The governmental and fiduciary fund financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of McCook, Nebraska's financial statements. The management's discussion and analysis and supplementary and other information as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements.

The fiduciary funds combining statement, statement of general fund departmental revenue and expenditures, and component unit combining statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the

United States of America. In our opinion, the supplementary information described in the first sentence of this paragraph is fairly stated, in all material respects, in relation to the financial statements as a whole.

The management's discussion and analysis and budgetary comparison schedules, which are the responsibility of management, have not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2021, on our consideration of the City of McCook, 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 McCook, Nebraska'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 McCook, Nebraska's internal control over financial reporting and compliance.

AMGL, PC.

Grand Island, Nebraska
December 30, 2021

CITY OF MCCOOK, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
For The Year Ended September 30, 2021

This discussion and analysis of the City of McCook's financial performance provides an overall review of the City's financial activities for the fiscal year ended September 30, 2021. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the financial statements to enhance their understanding of the City's financial performance.

Financial Highlights

The City's General Fund levy remained \$.349044. In FY16/17 the City increased the levy by \$0.03, to \$.349044, which was the first increase since 2002. The City does not have a levy for bonded debt.

Pursuant to a 2015 sales tax ballot question, McCook's residents approved a 1.5% local option sales tax. 1/6 of the total sales tax receipts are utilized to fund economic development through a voter approved LB 840 Program administered by the McCook Economic Development Corporation. The remaining 5/6 of the total sales tax receipts generated are utilized for the following purposes: property tax relief, capital improvement projects, capital outlay purchases, and debt reduction.

Total sales tax receipts were \$2,908,422, of which, \$292,677 were from motor vehicle sales restricted to Street Department use. Staff believes there are two reasons for this 11% growth in sales tax receipts. First, during the COVID-19 pandemic, many people chose to shop locally as opposed to shopping elsewhere. Second, the State of Nebraska passed legislation requiring on-line sales to be taxed, which coincided with more people shifting to on-line shopping during the pandemic.

For Capital Improvement Projects the Council committed \$345,000 for One & Longer Street Plan Improvements - which included the final payment of \$78,500 for Phase III of "B" Street improvements; \$150,000 for annual street maintenance, \$40,000 for drainage maintenance; and \$75,000 for Memorial Auditorium roof replacement. Funds designated for One & Longer Street Improvement projects were carried forward to provide funding for the larger reconstruction of North Cherokee Street. An emergency repair of the storm sewer around Weiland Field was completed utilizing \$206,000 of funds committed for drainage improvements.

The 1/6th sales tax receipts generated \$484,540 for funding of the LB 840, which included \$48,760 from motor vehicle sales restricted to Street Department use. The MEDC focused on development of workforce housing, utilizing \$150,000 for purchase of land in the North Pointe subdivision and \$70,000 as a down payment for land in the Seminole/Park area, planning for development of workforce housing.

The MEDC proposed the creation of a \$750,000 Rural Workforce Housing Investment Fund to be used for low interest, deferred loans hoping to lower the cost of construction of homes and to provide housing rehabilitation assistance. Funding was proposed through a \$250,000 Rural Workforce Housing Fund grant, a \$250,000 grant from the Nebraska Investment Finance Authority, and to raise \$250,000 locally. Contributions of \$54,300 from LB840 funds and \$25,000 from the City's ACE funds were contributed to the local match.

In March 2021, the Council extended for another five-year term the agreement with McCook Keno, LLC for the operation of Keno within the City of McCook. A fourth kiosk was also added at that time. The annual revenue for FY20/21 was \$101,300, an increase of 12% from last year, due to local bars and restaurants reopening after the COVID-19 Pandemic. Of note, keno revenues have declined across the state of Nebraska. Revenues derived from the keno operation are to be used for "community betterment purposes". A transfer of \$45,000 was made to offset General Fund expenses.

CITY OF MCCOOK, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
For The Year Ended September 30, 2021

Three ambulance Power Load Systems and cots, plus a Lucas devise were purchased through a FEMA Assistance to Firefighters Grant of \$147,400. The City's match was 5%.

The City received \$684,600 from the Coronavirus Relief Fund for presumptive payroll reimbursement for our Police, Firefighters, Paramedics, and E911 Dispatchers. The City also received its first installment of the expected \$1,338,000 from the American Rescue Plan Act. The City will determine how these funds will be utilized during the FY 21/22 Budget process.

The McCook Fire Department received \$14,365 from the CARES Act Provider Relief Fund for reimbursement of supplies and equipment needed by EMS employees during the COVID-19 Pandemic. The McCook Ben Nelson Regional Airport received \$43,000 from the CARES Act Airport Grant for payroll reimbursement.

In October 2018, the City renewed the Professional Retail Operations Agreement with Nebraska Public Power District (NPPD) for the lease of its electric system. The term was extended from fifteen years to twenty-five years, commencing on January 1, 2019, with the City being paid 12.5% of the retail revenues. The agreement allows for the City to implement additional one-half percent incremental increases to an overall cap of 14%. Any one-half percent increase, if opted in the future, must be done annually. The current year's lease generated \$1,361,900. Of this amount, the City transferred \$375,000 to the Self Insured Health Insurance Fund and \$986,900 to the General Fund.

The natural gas franchise agreement with Black Hills Energy is for a term of 10 years with the franchise fee paid to the City quarterly. The franchise fee is \$0.018 per therm delivered. The annual revenue received was \$55,000.

The 4% Hotel Occupation tax established by the Council in April 2018 generated \$133,800 for the General Fund.

The City provides medical and dental insurance for eligible employees using a self-insurance fund. The fund is financed by operating transfers from the Governmental and Proprietary Fund of an average amount per employee, which is based on management's previous experience. Employee premiums per two-week period are \$20.00 for a single member, \$47.00 for an employee and spouse, \$40.00 for an employee and children, and \$80.00 for an employee and family. The fund covers up to \$35,000 in costs per employee. Any expenses over that amount are covered by an insurance carrier. The City uses a claims service to handle the insurance claims. For the current fiscal year, the City budgeted \$23,000 per employee for insurance. The actual cost per employee averaged \$29,200 due to the increased cost of medications and services provided. In FY16/17 the City had one potential \$650,000 laser claim. Because of this laser, it was necessary to utilize a portion of the \$300,000 reserve held for a "worst case year." In order to replace the reserve, the City borrowed \$450,000 from Water Department Reserves, with a term of five years. The fourth annual payment of \$95,000 was made in FY20/21. The City continues to work with Hays Companies to monitor these costs and assist in developing options to help contain these costs.

In FY15/16 the General Fund financed the purchase of several capital equipment items with a loan of \$295,567 from Water Fund Reserves. The loan had a term of five years with an annual lease payment of \$60,000. The final payment was made in January 2021.

CITY OF MCCOOK, NEBRASKA
MANAGEMENT’S DISCUSSION AND ANALYSIS, continued
For The Year Ended September 30, 2021

In March 2015 the City approved a disability pension annuity distribution for a former police officer. The City will pay the former employee \$1,573 per month for the remainder of the individual’s life, per the disability annuity agreement.

During FY20/21 no new Redevelopment Plans or Redevelopment Contracts were authorized by the Community Development Agency.

In October 2017 the City issued \$8,605,000 of Series 2016 Combined Utilities Revenue Refunding Bonds to refinance the Water Department 2006 loan from the Nebraska Department of Environmental Quality Safe Water State Revolving Loan for \$9,922,000 to construct an Ion Exchange drinking water treatment facility to remove unsafe levels of Arsenic, Uranium, and Nitrate from the municipal water supply and the Wastewater Treatment Department loan from the Clean Water State Revolving Loan for \$3,930,000 for construction and improvements to meet Ammonia limits required by the National Pollutant Discharge Elimination System (NPDES) Permit. The S&P Global Ratings assigned its ‘A+’ long-term rating to these refunding bonds.

In April 2021 the Council called for the early redemption of the Series 2015 Combined Utilities Revenue Refunding Bonds and authorized the issuance of the Series 2021 Combined Utilities Revenue Refunding Bonds, in an amount not to exceed \$6,600,000. The proposed savings was an estimated \$545,000 over the course of the 15 year bond. The final bond issued was \$6,555,000.

In June 2015 the Water Department received a Nebraska Department of Environmental Quality Safe Water State Revolving Loan for \$1,320,072 for 16" transmission main replacement, East “H” Street water main replacement, and East “C” Street water main improvements. Total disbursements were \$1,650,090, with loan forgiveness of \$330,018. This loan is to be repaid over twenty years and was not included in the refinance because of loan terms that allow for no prepayment within five years of the Loan Date for those receiving loan forgiveness. In FY 20/21 a prepayment of \$50,000 was made.

Ordinance No. 2021-3015 provided for a 3% per month rate increase for the base and 100 cubic feet charge, for both residential and commercial Sewer Use Charges. The last rate increase for the Sewer Enterprise was in 2019. Ordinance No. 2021-3014 provided for a 2½% per month rate increase for the base and 100 cubic feet charge, for both residential and commercial Water Use Charges. The last rate increase for the Water Enterprise was in 2019. These rates are monitored and adjusted annually if necessary, to insure funds are available for payment of the State Revolving Loans for the sewer and water improvements, Combined Utilities Bond, and to offset any increases in operating costs. This annual monitoring will continue now that these loans have been refinanced with refunding bonds.

The last rate increase for Solid Waste Collection occurred in 2019.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of McCook’s financial statements. The City’s financial statements comprise:

- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements

CITY OF MCCOOK, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
For The Year Ended September 30, 2021

- Supplementary and other information which further explains and supports the information in the financial statements

Government-wide Financial Statements. The *government-wide financial statements* report information about the City as a whole using accounting methods similar to those used by a private-sector business.

The government-wide financial statements distinguish the following functions of the City:

- *Governmental activities* are primarily supported by taxes and intergovernmental revenues. The governmental activities of the City include general government, economic development, public safety, public works, parks, cultural activities, and human service.
- *Business-type activities* are supported by user fees and charges which are intended to recover all or a significant portion of their costs. The City's electric, water, wastewater, and solid waste collection services are all included as business-type activities.

Fund Financial Statements. The fund financial statements provide detailed information about the City's most significant funds, not the City as a whole. Funds are groupings of activities that enable the City to maintain control over resources that have been segregated for particular purposes or objectives. All of the funds of the City of McCook can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

- *Governmental Funds.* The governmental funds are used to account for the financial activity of the City's basic services, similar to that described for the governmental activities in the government-wide financial statements. However, unlike the government-wide statements, which provide a long-term focus of the City, the fund financial statements focus on a short-term view of the inflows and outflows of spendable resources, as well as on the balances of spendable resources available at the end of the fiscal year.
- *Proprietary Funds.* The proprietary funds are used to account for the financial activity of the City's operations for which customers are charged a user fee; they provide both a long- and short-term view of financial information. The City maintains four enterprise funds which are a type of proprietary fund - the electric, water, wastewater, and solid waste operations. These enterprise funds are the same as the business-type activities in the government-wide financial statements.
- *Fiduciary Funds.* The City maintains fiduciary funds, which are used to account for resources held by the City in a trustee capacity or as a custodian for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the City's own programs.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in both the government-wide and fund financial statements. The notes can be found immediately following the financial statements.

CITY OF MCCOOK, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
For The Year Ended September 30, 2021

Government-wide Financial Analysis

Summary Statements of Net Position

	Year Ended September 30, 2021			Year Ended September 30, 2020		
	Governmental Activities (Modified Cash Basis)	Business-type Activities (Accrual Basis)	Total	Governmental Activities (Modified Cash Basis)	Business-type Activities (Accrual Basis)	Total
Current and Other Assets	\$ 9,313,412	\$ 9,999,388	\$ 19,312,800	\$ 6,840,835	\$ 9,935,506	\$ 16,776,341
Capital Assets	22,551,920	15,987,005	38,538,925	23,031,212	16,369,075	39,400,287
Total Assets	31,865,332	25,986,393	57,851,725	29,872,047	26,304,581	56,176,628
Long-term Liabilities	294,340	7,121,018	7,415,358	394,872	7,810,361	8,205,233
Other Liabilities	270,077	1,141,448	1,411,525	156,219	961,063	1,117,282
Total Liabilities	564,417	8,262,466	8,826,883	551,091	8,771,424	9,322,515
Net Position:						
Net Investment in						
Capital Assets	22,156,503	9,028,389	31,184,892	22,539,121	8,755,886	31,295,007
Restricted	5,189,541	926,093	6,115,634	3,124,199	1,028,115	4,152,314
Unrestricted	3,954,871	7,769,445	11,724,316	3,657,636	7,749,156	11,406,792
Total Net Position	\$ 31,300,915	\$ 17,723,927	\$ 49,024,842	\$ 29,320,956	\$ 17,533,157	\$ 46,854,113

Net position may serve over time as a useful indicator of a government's financial position. At the close of the current fiscal year, the City of McCook's assets exceeded its liabilities by \$49,024,842.

Capital assets (land, infrastructure, buildings, streets, improvements, and equipment), net of any debt issued to acquire these assets, comprise 63.6 percent of the City's net position. Although these capital assets assist the City in providing services to its citizens, they are generally not available to fund the operations of future periods.

An additional 12.5 percent of the City's net position is subject to external restrictions as to how it may be used. The remaining component of net position (\$11,724,316) is the unrestricted net position.

CITY OF MCCOOK, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
For The Year Ended September 30, 2021

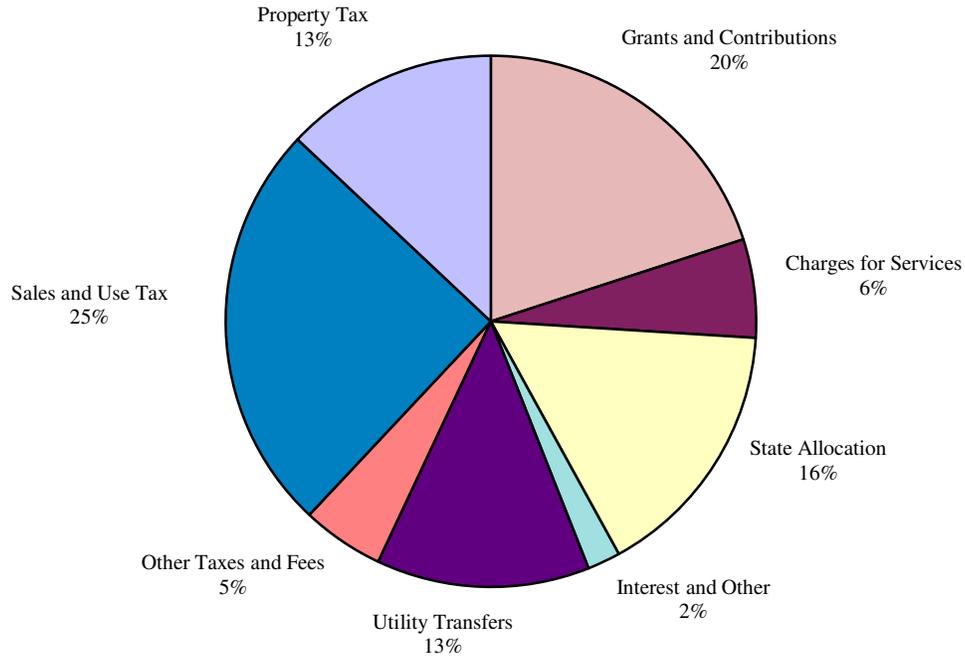
Changes in Net Position

The following table presents a summary of revenues and expenses of the governmental and business-type activities:

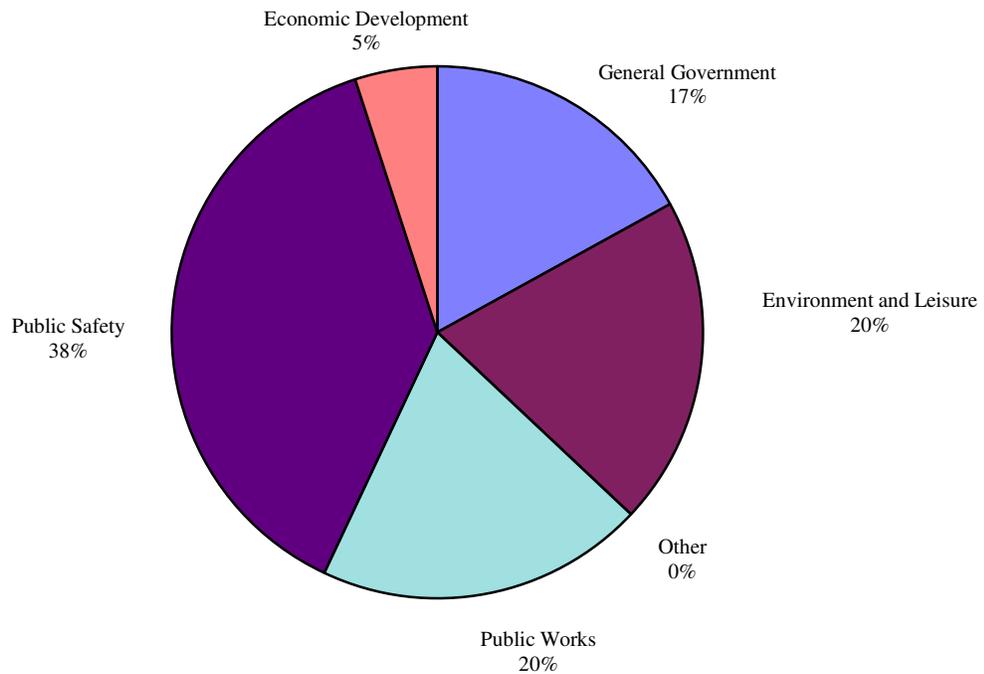
	<u>September 30, 2021</u>			<u>September 30, 2020</u>		
	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
Revenues						
Program Revenues:						
Charges for Services	\$ 694,489	\$ 7,503,738	\$ 8,198,227	\$ 559,654	\$ 7,439,397	\$ 7,999,051
Operating Grants and Contributions	443,876	-	443,876	398,967	-	398,967
Capital Grants and Contributions	1,854,407	-	1,854,407	2,903,265	-	2,903,265
General Revenues:						
Property Taxes	1,520,750	-	1,520,750	1,474,416	-	1,474,416
Sales and Use Taxes	2,908,422	-	2,908,422	2,614,771	-	2,614,771
Other Taxes and Fees	598,730	-	598,730	535,945	-	535,945
State Allocation	1,829,285	-	1,829,285	1,606,357	-	1,606,357
Interest Income	26,809	19,667	46,476	75,160	92,544	167,704
Other	239,175	-	239,175	198,230	-	198,230
Total Revenues	<u>10,115,943</u>	<u>7,523,405</u>	<u>17,639,348</u>	<u>10,366,765</u>	<u>7,531,941</u>	<u>17,898,706</u>
Expenses						
General Government	1,578,431	-	1,578,431	1,390,609	-	1,390,609
Economic Development	476,659	-	476,659	170,607	-	170,607
Public Safety	3,662,980	-	3,662,980	3,495,591	-	3,495,591
Public Works	1,962,482	-	1,962,482	2,087,511	-	2,087,511
Environmental and Leisure	1,945,812	-	1,945,812	1,771,095	-	1,771,095
Interest Expense	24,541	-	24,541	22,526	-	22,526
Electric Utility	-	3,539	3,539	-	3,539	3,539
Water	-	2,533,284	2,533,284	-	2,310,291	2,310,291
Sewer	-	1,232,112	1,232,112	-	1,182,536	1,182,536
Solid Waste	-	2,048,779	2,048,779	-	2,070,617	2,070,617
Total Expenses	<u>9,650,905</u>	<u>5,817,714</u>	<u>15,468,619</u>	<u>8,937,939</u>	<u>5,566,983</u>	<u>14,504,922</u>
Increase in Net Position Before Transfers	465,038	1,705,691	2,170,729	1,428,826	1,964,958	3,393,784
Net Transfers	1,514,921	(1,514,921)	-	1,475,012	(1,475,012)	-
Increase in Net Position	<u>\$ 1,979,959</u>	<u>\$ 190,770</u>	<u>\$ 2,170,729</u>	<u>\$ 2,903,838</u>	<u>\$ 489,946</u>	<u>\$ 3,393,784</u>

CITY OF MCCOOK, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
For The Year Ended September 30, 2021

2021 Revenues by Source - Governmental Activities

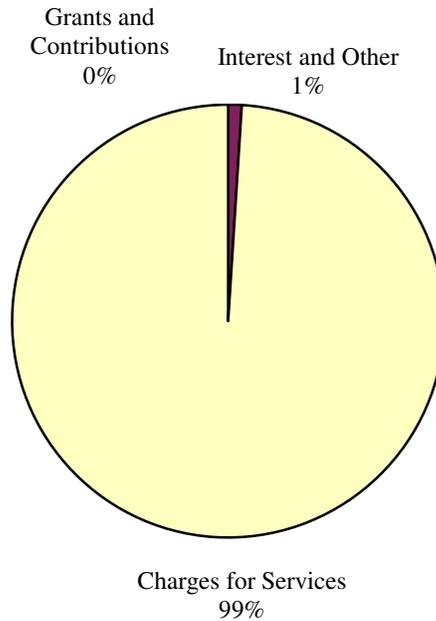


2021 Expenses - Governmental Activities

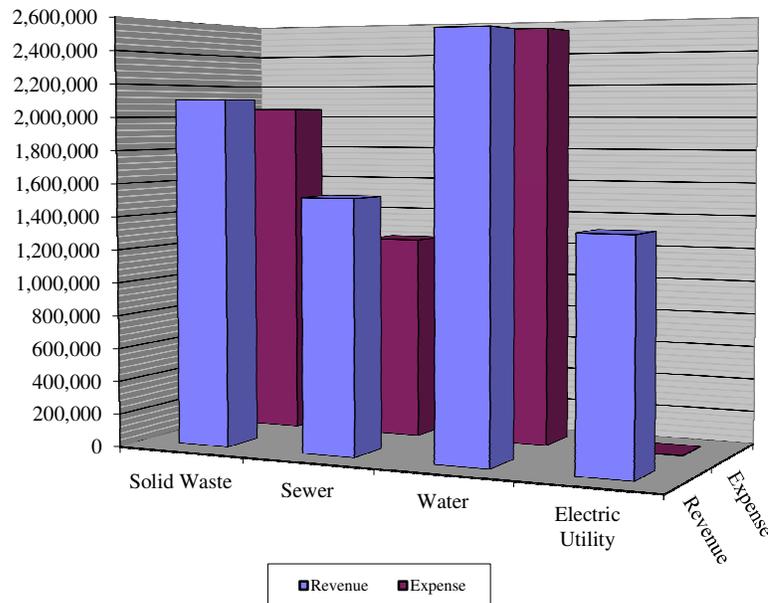


CITY OF MCCOOK, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
For The Year Ended September 30, 2021

2021 Revenues by Source - Business-type Activities



2021 Expenses and Program Revenues - Business-type Activities



CITY OF MCCOOK, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
For The Year Ended September 30, 2021

Financial Analysis of the Government's Funds

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

Governmental Funds. The focus of the City of McCook'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 McCook'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 McCook's governmental funds reported combined ending fund balances of \$8,313,990. Approximately 4.8 percent of this total amount (\$398,294) 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 (\$395,909), 2) restricted to fund capital projects (\$837,548), 3) endowed as nonspendable to fund perpetual care (\$151,527), 4) restricted for community betterment (\$43,165), 5) restricted to fund economic development projects (\$879,313), 6) restricted for federal projects (\$1,752,880), 7) restricted for street projects (\$1,129,199), 8) committed for capital projects (\$551,506), 9) assigned for storm/hail repairs (\$472,195), or 10) assigned for budgetary stabilization (\$1,702,454).

The General Fund is the chief operating fund of the City of McCook. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$398,294, while total fund balance reached \$2,803,781. As a measure of the General Fund's liquidity, it may be useful to compare unassigned and total fund balance to total fund expenditures. Unassigned fund balance represents 6.1 percent of General Fund total expenditures, while total fund balance represents 43.0 percent of General Fund total expenditures.

The fund balance of the City of McCook's General Fund increased by \$505,204 during the current fiscal year.

Proprietary funds. The City of McCook'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 and Emergency Fund - \$0, Water Fund - \$5,736,375, Sewer Fund - \$1,873,550, and Solid Waste Fund - \$159,520. The growth (decrease) in net position for the proprietary funds was as follows: Electric and Emergency Fund - decrease of \$(3,540), Water Fund - decrease of \$(17,825), Sewer Fund - \$205,603, and Solid Waste Fund - \$6,532. Other factors concerning the finances of these four funds have already been addressed in the discussion of the City of McCook's business-type activities.

CITY OF MCCOOK, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
For The Year Ended September 30, 2021

Budgetary Highlights

No amendments to the 2020-2021 budget were made.

Capital Asset and Debt Administration

Capital Assets. The City of McCook's investment in capital assets for its governmental and business-type activities as of September 30, 2021, amounts to \$38,538,925 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, distribution systems, buildings and improvements, machinery and equipment, office furniture and equipment, and vehicles.

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

- Construction in progress on Weiland Field storm sewer - \$204,603
- Auditorium front steps - \$57,072
- Auditorium roof replacement - \$74,980
- Three Power Pro ambulance cots - \$135,595
- Dispatch console/furniture - \$55,633
- 2016 Freightliner dump truck for water department - \$42,610
- West 5th water transmission main - \$350,930
- East 14th water main replacement - \$159,933
- 2020 water meter replacement - \$42,685
- West golf course lift station rehab - \$214,704
- 2020 container replacement - \$25,740
- 1991 Terra-gator - \$27,925

CITY OF MCCOOK, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
For The Year Ended September 30, 2021

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

	<u>Year Ended September 30, 2021</u>			<u>Year Ended September 30, 2020</u>		
	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
Land	\$ 776,893	\$ 485,735	\$ 1,262,628	\$ 776,893	\$ 485,735	\$ 1,262,628
Construction in Progress	227,253	-	227,253	132,270	-	132,270
Infrastructure	11,519,554	-	11,519,554	11,893,487	-	11,893,487
Buildings and Improvements	8,585,833	2,837,813	11,423,646	8,772,911	2,957,744	11,730,655
Machinery and Equipment	300,803	696,755	997,558	356,895	770,916	1,127,811
Distribution Systems	-	11,966,702	11,966,702	-	12,154,680	12,154,680
Office Furniture and Equipment	534,619	-	534,619	338,496	-	338,496
Vehicles	606,965	-	606,965	760,260	-	760,260
Total	<u>\$ 22,551,920</u>	<u>\$ 15,987,005</u>	<u>\$ 38,538,925</u>	<u>\$ 23,031,212</u>	<u>\$ 16,369,075</u>	<u>\$ 39,400,287</u>

Additional information on the City of McCook's capital assets can be found in Note C4 on pages 51-53 of this report.

Long-term Debt

Outstanding Long-term Debt

	<u>Year Ended September 30, 2021</u>			<u>Year Ended September 30, 2020</u>		
	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
Notes Payable	\$ 395,417	\$ -	\$ 395,417	\$ 492,091	\$ -	\$ 492,091
Revenue Bonds	-	6,555,000	6,555,000	-	7,100,000	7,100,000
Capital Leases	-	-	-	-	27,926	27,926
Water SRF Loan	-	403,616	403,616	-	485,263	485,263
Total Long-term Outstanding Debt	<u>\$ 395,417</u>	<u>\$ 6,958,616</u>	<u>\$ 7,354,033</u>	<u>\$ 492,091</u>	<u>\$ 7,613,189</u>	<u>\$ 8,105,280</u>

The City's long-term debt decreased \$751,247 (9.3 percent) during the year ended September 30, 2021, due primarily to scheduled principal payments. The City also issued \$6,555,000 of Series 2021 Combined Utilities Revenue Refunding Bonds to refinance the Series 2016 Combined Utilities Revenue Bonds.

Additional information on the City of McCook's long-term debt can be found in Note C5 on pages 53-60 of this report.

CITY OF MCCOOK, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
For The Year Ended September 30, 2021

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the City of McCook compares favorably to the State's average unemployment and the national average rate.
- Inflationary trends in the region compare favorably to national indices.
- Property tax asking for the year ending September 30, 2022, is \$1,640,450, a \$123,299 (8.1 percent) increase over the prior year.
- The City had a contractual commitment of \$17,750 on the swimming pool study. As of September 30, 2021, \$7,100 had been paid on this contract, leaving a remaining commitment of \$10,650 expected to be completed by May 2022.
- The City had contractual commitments totaling \$203,086 for the Weiland Field storm sewer project. As of September 30, 2021, \$181,555 had been paid on this project, leaving a remaining commitment of \$21,531 expected to be completed during October 2021.
- The City had a \$422,131 contractual commitment for the police radio consoles project. Nothing had been paid on this project as of September 30, 2021. The project is expected to be completed during October 2021.
- The City had a \$620,326 contractual commitment for the West 5th and East 14th water system improvement project. As of September 30, 2021, \$468,806 had been paid on this project, leaving a remaining commitment of \$151,520 expected to be completed by December 2021.

All of these factors were considered in preparing the City of McCook's budget for the 2022 fiscal year.

Financial Contact

This financial report is designed to provide the citizens, taxpayers, customers, investors, and creditors with a general overview of the City of McCook's finances and to demonstrate the City's accountability for the money with which the City is entrusted. If you have questions concerning any of the information presented in this report or requests for additional information, contact the City of McCook, 505 West C Street, P.O. Box 1059, McCook, NE 69001-1059, or call (308) 345-2022.

CITY OF MCCOOK, NEBRASKA
STATEMENT OF NET POSITION
September 30, 2021

	Primary Government			Component Units (Accrual Basis)
	Governmental Activities (Modified Cash Basis)	Business-type Activities (Accrual Basis)	Total	
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 3,439,741	\$ 7,836,248	\$ 11,275,989	\$ 72,402
County treasurer cash	46,053	-	46,053	-
Current portion of notes receivable	78,273	-	78,273	416,325
Accounts receivable	-	134,018	134,018	-
Unbilled revenue	-	672,503	672,503	-
Reinsurance receivable	197,500	-	197,500	-
Due from (to) other funds	(93,293)	93,293	-	-
Inventory	-	200,386	200,386	-
Total current assets	<u>3,668,274</u>	<u>8,936,448</u>	<u>12,604,722</u>	<u>488,727</u>
Noncurrent assets:				
Restricted cash and cash equivalents	5,189,541	1,062,940	6,252,481	-
Noncurrent portion of notes receivable	455,597	-	455,597	3,203,653
Capital assets:				
Land	776,893	485,735	1,262,628	-
Construction in progress	227,253	-	227,253	-
Other capital assets, net of depreciation	21,547,774	15,501,270	37,049,044	-
Net capital assets	<u>22,551,920</u>	<u>15,987,005</u>	<u>38,538,925</u>	<u>-</u>
Total noncurrent assets	<u>28,197,058</u>	<u>17,049,945</u>	<u>45,247,003</u>	<u>3,203,653</u>
Total assets	<u>31,865,332</u>	<u>25,986,393</u>	<u>57,851,725</u>	<u>3,692,380</u>
LIABILITIES				
Current liabilities:				
Accounts payable	-	254,038	254,038	-
Accrued expenses	-	188,731	188,731	-
Customer deposits	-	86,157	86,157	-
Accrued interest	-	9,234	9,234	-
Claims incurred not paid	169,000	-	169,000	-
Current portion of long-term obligations	101,077	603,288	704,365	416,325
Total current liabilities	<u>270,077</u>	<u>1,141,448</u>	<u>1,411,525</u>	<u>416,325</u>
Noncurrent liabilities:				
Accrued landfill closure costs	-	715,000	715,000	-
Accrued deep well abandonment costs	-	50,690	50,690	-
Noncurrent portion of long-term obligations	294,340	6,355,328	6,649,668	3,203,653
Total noncurrent liabilities	<u>294,340</u>	<u>7,121,018</u>	<u>7,415,358</u>	<u>3,203,653</u>
Total liabilities	<u>564,417</u>	<u>8,262,466</u>	<u>8,826,883</u>	<u>3,619,978</u>
NET POSITION				
Net investment in capital assets	22,156,503	9,028,389	31,184,892	-
Restricted for:				
Street improvements	1,129,199	-	1,129,199	-
Landfill postclosure	-	86,322	86,322	-
Deep injection well closure	-	32,875	32,875	-
Debt service	395,909	806,896	1,202,805	-
Economic development	879,313	-	879,313	-
Perpetual care	151,527	-	151,527	-
Capital projects	837,548	-	837,548	-
Federal projects	1,752,880	-	1,752,880	-
Community betterment	43,165	-	43,165	-
Unrestricted	3,954,871	7,769,445	11,724,316	72,402
Total net position	<u>\$ 31,300,915</u>	<u>\$ 17,723,927</u>	<u>\$ 49,024,842</u>	<u>\$ 72,402</u>

See notes to financial statements.

CITY OF MCCOOK, NEBRASKA
STATEMENT OF ACTIVITIES
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>
Primary government:			
Governmental activities			
(modified cash basis):			
General government	\$ 1,569,272	\$ 24,785	\$ 76,144
Economic development	476,659	-	-
Public safety	3,344,883	471,328	9,575
Public works	1,472,890	79,560	-
Environment and leisure	1,574,521	118,816	358,157
Depreciation - unallocated	1,188,139	-	-
Interest and fees on long-term debt	24,541	-	-
Total governmental activities	9,650,905	694,489	443,876
Business-type activities			
(accrual basis):			
Electric and emergency	3,539	1,361,888	-
Water	2,533,284	2,510,616	-
Sewer	1,232,112	1,526,698	-
Solid waste	2,048,779	2,104,536	-
Total business-type activities	5,817,714	7,503,738	-
Total primary government	\$ 15,468,619	\$ 8,198,227	\$ 443,876
Component units:			
Community Development Agency	\$ 641,029	\$ 5,895	\$ 196,500
McCook Leasing Corporation	-	-	-
Total component units	\$ 641,029	\$ 5,895	\$ 196,500

See notes to financial statements.

Net (Expenses) Revenues and Changes in Net Position				
Primary Government				
Capital Grants and Contributions	Governmental Activities (Modified Cash Basis)	Business-type Activities (Accrual Basis)	Total	Component Units (Accrual Basis)
\$ -	\$ (1,468,343)		\$ (1,468,343)	
-	(476,659)		(476,659)	
148,504	(2,715,476)		(2,715,476)	
834,648	(558,682)		(558,682)	
871,255	(226,293)		(226,293)	
-	(1,188,139)		(1,188,139)	
-	(24,541)		(24,541)	
<u>1,854,407</u>	<u>(6,658,133)</u>	<u>\$ -</u>	<u>(6,658,133)</u>	
-		1,358,349	1,358,349	
-		(22,668)	(22,668)	
-		294,586	294,586	
-		55,757	55,757	
<u>-</u>	<u>-</u>	<u>1,686,024</u>	<u>1,686,024</u>	
<u>\$ 1,854,407</u>	<u>(6,658,133)</u>	<u>1,686,024</u>	<u>(4,972,109)</u>	
\$ -				\$ (438,634)
-				-
<u>\$ -</u>				<u>(438,634)</u>
General revenues:				
Taxes:				
Property	1,520,750	-	1,520,750	-
Motor vehicle	190,046	-	190,046	-
Payments in lieu of taxes	121,159	-	121,159	12,599
Occupation	154,813	-	154,813	-
Sales tax	2,908,422	-	2,908,422	-
Franchise	96,781	-	96,781	-
Special assessments	35,931	-	35,931	-
State allocation	1,829,285	-	1,829,285	-
TIF proceeds	-	-	-	431,825
Keno proceeds	101,356	-	101,356	-
Gain on disposal of capital assets	14,467	-	14,467	-
Miscellaneous	123,352	-	123,352	-
Interest income	26,809	19,667	46,476	118
Net transfers	1,514,921	(1,514,921)	-	-
Total general revenues	<u>8,638,092</u>	<u>(1,495,254)</u>	<u>7,142,838</u>	<u>444,542</u>
Change in net position	1,979,959	190,770	2,170,729	5,908
Net position - September 30, 2020	<u>29,320,956</u>	<u>17,533,157</u>	<u>46,854,113</u>	<u>66,494</u>
Net position - September 30, 2021	<u>\$ 31,300,915</u>	<u>\$ 17,723,927</u>	<u>\$ 49,024,842</u>	<u>\$ 72,402</u>

CITY OF MCCOOK, NEBRASKA
BALANCE SHEET - MODIFIED CASH BASIS -
GOVERNMENTAL FUNDS

September 30, 2021

	General <u>Fund</u>	Street <u>Fund</u>	Economic Development <u>Fund</u>
ASSETS			
Cash and cash equivalents	\$ 2,757,728	\$ 1,129,199	\$ 879,313
County treasurer cash	46,053	-	-
	<u>2,803,781</u>	<u>1,129,199</u>	<u>879,313</u>
Total assets	<u>\$ 2,803,781</u>	<u>\$ 1,129,199</u>	<u>\$ 879,313</u>
LIABILITIES AND FUND BALANCES			
Liabilities:	\$ -	\$ -	\$ -
Fund balances:			
Nonspendable:			
Perpetual care	151,527	-	-
Restricted for:			
Capital projects	-	-	-
Street improvements	-	1,129,199	-
Economic development	-	-	879,313
Debt service	-	-	-
Federal projects	-	-	-
Community betterment	-	-	-
Committed for:			
Capital projects	551,506	-	-
Assigned for:			
Budgetary stabilization	1,702,454	-	-
Storm/hail repairs	-	-	-
Unassigned	398,294	-	-
	<u>2,803,781</u>	<u>1,129,199</u>	<u>879,313</u>
Total fund balances	<u>2,803,781</u>	<u>1,129,199</u>	<u>879,313</u>
Total liabilities and fund balances	<u>\$ 2,803,781</u>	<u>\$ 1,129,199</u>	<u>\$ 879,313</u>

See notes to financial statements.

<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Grant Fund</u>	<u>Other Governmental Fund (Keno)</u>	<u>Total Governmental Funds</u>
\$ 395,909	\$ 837,548	\$ 2,225,075	\$ 43,165	\$ 8,267,937
-	-	-	-	46,053
<u>\$ 395,909</u>	<u>\$ 837,548</u>	<u>\$ 2,225,075</u>	<u>\$ 43,165</u>	<u>\$ 8,313,990</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	151,527
-	837,548	-	-	837,548
-	-	-	-	1,129,199
-	-	-	-	879,313
395,909	-	-	-	395,909
-	-	1,752,880	-	1,752,880
-	-	-	43,165	43,165
-	-	-	-	551,506
-	-	-	-	1,702,454
-	-	472,195	-	472,195
-	-	-	-	398,294
<u>395,909</u>	<u>837,548</u>	<u>2,225,075</u>	<u>43,165</u>	<u>8,313,990</u>
<u>\$ 395,909</u>	<u>\$ 837,548</u>	<u>\$ 2,225,075</u>	<u>\$ 43,165</u>	<u>\$ 8,313,990</u>

CITY OF MCCOOK, NEBRASKA

RECONCILIATION OF THE BALANCE SHEET - MODIFIED
CASH BASIS - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION

September 30, 2021

Total fund balances - governmental funds \$ 8,313,990

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

The Internal Service Fund is included as a governmental activity in the statement of changes in net position. 296,552

LB840 notes receivables are not due in the current period and therefore are not reported as assets in the governmental funds. 533,870

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 \$43,771,079 and the accumulated depreciation is \$21,219,159. 22,551,920

Long-term liabilities, including notes 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:

Note payable (395,417)

Total net position - governmental activities \$ 31,300,915

See notes to financial statements.

CITY OF MCCOOK, NEBRASKA

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

For the year ended September 30, 2021

	<u>General Fund</u>	<u>Street Fund</u>	<u>Economic Development Fund</u>
REVENUES			
Taxes:			
Property	\$ 1,520,750	\$ -	\$ -
Motor vehicle	190,046	-	-
Payments in lieu of taxes	121,159	-	-
Occupation	154,813	-	-
Sales tax	1,572,962	243,917	484,543
Franchise	96,781	-	-
Special assessments	-	-	-
Intergovernmental	667,808	1,161,477	-
Grants	401,249	160,634	-
Keno proceeds	-	-	-
Charges for services	837,184	22,386	-
Contributions	118,881	-	-
Interest income	4,835	493	1,215
Loan collections	-	-	131,873
Sale of assets	14,467	-	-
Insurance proceeds	-	-	-
Other revenue	103,700	-	-
Total revenues	<u>5,804,635</u>	<u>1,588,907</u>	<u>617,631</u>
EXPENDITURES			
General government	1,386,493	-	-
Economic development	-	-	476,659
Public safety	3,056,534	-	-
Public works	282,760	1,369,377	-
Environment and leisure	1,464,998	-	-
Capital outlay	282,488	211,595	-
Principal payments on debt	42,139	54,535	-
Interest on long-term debt	10,156	11,001	-
Total expenditures	<u>6,525,568</u>	<u>1,646,508</u>	<u>476,659</u>
Excess (deficiency) of revenues over expenditures	(720,933)	(57,601)	140,972
OTHER FINANCING SOURCES (USES)			
Transfers in	1,232,389	491,385	-
Transfers out	(6,252)	-	-
Net transfers	<u>1,226,137</u>	<u>491,385</u>	<u>-</u>
Net change in fund balances	505,204	433,784	140,972
Fund balances - September 30, 2020	<u>2,298,577</u>	<u>695,415</u>	<u>738,341</u>
Fund balances - September 30, 2021	<u>\$ 2,803,781</u>	<u>\$ 1,129,199</u>	<u>\$ 879,313</u>

See notes to financial statements.

<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Grant Fund</u>	<u>Other Governmental Funds (Keno)</u>	<u>Total Governmental Funds</u>
\$ -	\$ -	\$ -	\$ -	\$ 1,520,750
-	-	-	-	190,046
-	-	-	-	121,159
-	-	-	-	154,813
-	607,000	-	-	2,908,422
-	-	-	-	96,781
35,931	-	-	-	35,931
-	-	51,415	-	1,880,700
-	-	1,528,883	-	2,090,766
-	-	-	101,356	101,356
-	-	27,662	-	887,232
-	-	-	-	118,881
878	1,414	2,368	42	11,245
-	-	-	-	131,873
-	-	-	-	14,467
-	-	51,144	-	51,144
-	-	19,652	-	123,352
<u>36,809</u>	<u>608,414</u>	<u>1,681,124</u>	<u>101,398</u>	<u>10,438,918</u>
-	-	51,118	26,832	1,464,443
-	-	-	-	476,659
-	-	41,748	-	3,098,282
-	-	10,000	-	1,662,137
-	850	15,825	-	1,481,673
-	76,980	100,297	-	671,360
-	-	-	-	96,674
-	-	-	-	21,157
<u>-</u>	<u>77,830</u>	<u>218,988</u>	<u>26,832</u>	<u>8,972,385</u>
36,809	530,584	1,462,136	74,566	1,466,533
-	-	-	-	1,723,774
-	(491,385)	(41,216)	(45,000)	(583,853)
<u>-</u>	<u>(491,385)</u>	<u>(41,216)</u>	<u>(45,000)</u>	<u>1,139,921</u>
36,809	39,199	1,420,920	29,566	2,606,454
<u>359,100</u>	<u>798,349</u>	<u>804,155</u>	<u>13,599</u>	<u>5,707,536</u>
<u>\$ 395,909</u>	<u>\$ 837,548</u>	<u>\$ 2,225,075</u>	<u>\$ 43,165</u>	<u>\$ 8,313,990</u>

CITY OF MCCOOK, NEBRASKA

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

For the year ended September 30, 2021

Total net change in fund balances - governmental funds	\$ 2,606,454
Amounts reported for <i>governmental activities</i> 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 (\$708,847) was exceeded by depreciation expense (\$1,188,139). Asset additions of \$37,487 were funded directly by donations.	(479,292)
Principal payments received on LB840 loans are reported as revenue in the governmental fund statements, but these payments decrease the note receivable balance in the statement of activities.	(117,336)
The increase in net position of the Internal Service Fund is included as a governmental activity in the government wide statements.	(126,541)
Repayment of bond and note principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	<u>96,674</u>
Change in net position of governmental activities	<u><u>\$ 1,979,959</u></u>

See notes to financial statements.

CITY OF MCCOOK, NEBRASKA
STATEMENT OF FUND NET POSITION - PROPRIETARY FUNDS
September 30, 2021

	Electric and Emergency Fund	Water Fund
ASSETS		
Current assets:		
Cash and cash equivalents	\$ -	\$ 5,305,576
Accounts receivable	-	23,943
Unbilled revenue	-	387,439
Reinsurance receivable	-	-
Due from other funds	-	93,293
Inventory	-	200,386
Total current assets	-	6,010,637
Noncurrent assets:		
Restricted cash and cash equivalents	-	776,622
Capital assets:		
Land	-	295,625
Distribution systems	170,000	22,452,333
Buildings and improvements	-	639,392
Tools and equipment	-	803,969
Accumulated depreciation	(147,877)	(15,349,712)
Net capital assets	22,123	8,841,607
Total noncurrent assets	22,123	9,618,229
Total assets	22,123	15,628,866
LIABILITIES		
Current liabilities:		
Accounts payable	-	182,533
Due to other funds	-	-
Sales tax payable	-	16,523
Claims incurred not paid	-	-
Accrued payroll	-	13,663
Accrued vacation	-	30,592
Accrued sick leave	-	22,362
Customer deposits	-	86,157
Accrued interest	-	8,589
Current portion of long-term obligations	-	383,288
Total current liabilities	-	743,707
Noncurrent liabilities:		
Accrued landfill postclosure costs	-	-
Accrued deep well abandonment costs	-	50,690
Noncurrent portion of long-term obligations	-	5,370,328
Total noncurrent liabilities	-	5,421,018
Total liabilities	-	6,164,725
NET POSITION		
Net investment in capital assets	22,123	3,087,991
Restricted for:		
Landfill postclosure	-	-
Deep injection well closure	-	32,875
Debt service	-	606,900
Unrestricted	-	5,736,375
Total net position	\$ 22,123	\$ 9,464,141

See notes to financial statements.

Business-type Activities - Enterprise Funds

Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
Sewer Fund	Solid Waste Fund	Total	
\$ 1,688,512	\$ 842,160	\$ 7,836,248	\$ 361,345
45,557	64,518	134,018	-
172,620	112,444	672,503	-
-	-	-	197,500
-	-	93,293	-
-	-	200,386	-
<u>1,906,689</u>	<u>1,019,122</u>	<u>8,936,448</u>	<u>558,845</u>
199,996	86,322	1,062,940	-
-	190,110	485,735	-
9,954,591	-	32,576,924	-
3,922,162	920,680	5,482,234	-
1,050,852	1,832,537	3,687,358	-
<u>(8,592,421)</u>	<u>(2,155,236)</u>	<u>(26,245,246)</u>	<u>-</u>
<u>6,335,184</u>	<u>788,091</u>	<u>15,987,005</u>	<u>-</u>
<u>6,535,180</u>	<u>874,413</u>	<u>17,049,945</u>	<u>-</u>
<u>8,441,869</u>	<u>1,893,535</u>	<u>25,986,393</u>	<u>558,845</u>
11,795	59,710	254,038	-
-	-	-	93,293
4,844	-	21,367	-
-	-	-	169,000
14,532	16,794	44,989	-
1,092	41,663	73,347	-
231	26,435	49,028	-
-	-	86,157	-
645	-	9,234	-
220,000	-	603,288	-
<u>253,139</u>	<u>144,602</u>	<u>1,141,448</u>	<u>262,293</u>
-	715,000	715,000	-
-	-	50,690	-
<u>985,000</u>	<u>-</u>	<u>6,355,328</u>	<u>-</u>
<u>985,000</u>	<u>715,000</u>	<u>7,121,018</u>	<u>-</u>
<u>1,238,139</u>	<u>859,602</u>	<u>8,262,466</u>	<u>262,293</u>
5,130,184	788,091	9,028,389	-
-	86,322	86,322	-
-	-	32,875	-
199,996	-	806,896	-
1,873,550	159,520	7,769,445	296,552
<u>\$ 7,203,730</u>	<u>\$ 1,033,933</u>	<u>\$ 17,723,927</u>	<u>\$ 296,552</u>

CITY OF MCCOOK, NEBRASKA

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN NET POSITION - PROPRIETARY FUNDS**

For the year ended September 30, 2021

	Electric and Emergency Fund	Water Fund
Operating revenues:		
Charges for services	\$ 1,361,888	\$ 2,346,771
Miscellaneous revenues	-	163,845
Total operating revenues	1,361,888	2,510,616
Operating expenses:		
Salaries and benefits	-	523,956
Insurance and bonds	-	85,893
Utilities and telephone	-	153,544
Repairs and maintenance	-	145,780
Equipment rent	-	9,108
Contracted services	-	27,851
Supplies	-	12,828
Plant chemicals	-	270,626
Transportation	-	13,852
Professional fees	-	10,445
Sales tax	-	117,428
Miscellaneous	-	77,794
Depreciation	3,539	836,781
Insurance claims and health premiums	-	-
Total operating expenses	3,539	2,285,886
Operating income (loss)	1,358,349	224,730
Nonoperating revenues (expenses):		
Interest income	-	15,023
Interest expense	-	(162,448)
Loan fees	-	(84,950)
Total nonoperating revenues (expenses)	-	(232,375)
Income (loss) before transfers	1,358,349	(7,645)
Interfund transfers:		
Transfers in	-	49,820
Transfers out	(1,361,889)	(60,000)
Net transfers	(1,361,889)	(10,180)
Change in net position	(3,540)	(17,825)
Net position - September 30, 2020	25,663	9,481,966
Net position - September 30, 2021	\$ 22,123	\$ 9,464,141

See notes to financial statements.

Business-type Activities - Enterprise Funds

<u>Sewer Fund</u>	<u>Solid Waste Fund</u>	<u>Total</u>	Governmental Activities - Internal Service <u>Fund</u>
\$ 1,518,213	\$ 2,101,969	\$ 7,328,841	\$ 1,907,522
8,485	2,567	174,897	-
<u>1,526,698</u>	<u>2,104,536</u>	<u>7,503,738</u>	<u>1,907,522</u>
348,406	795,906	1,668,268	-
63,161	61,663	210,717	-
113,548	7,812	274,904	-
95,717	120,428	361,925	-
5,108	1,611	15,827	-
17,088	803,020	847,959	-
14,427	9,880	37,135	-
-	-	270,626	-
3,245	138,327	155,424	-
9,511	7,131	27,087	-
91,075	-	208,503	-
17,007	3,735	98,536	-
407,400	98,800	1,346,520	-
-	-	-	2,406,707
<u>1,185,693</u>	<u>2,048,313</u>	<u>5,523,431</u>	<u>2,406,707</u>
341,005	56,223	1,980,307	(499,185)
3,110	1,534	19,667	1,028
(28,424)	(466)	(191,338)	(3,384)
(17,995)	-	(102,945)	-
<u>(43,309)</u>	<u>1,068</u>	<u>(274,616)</u>	<u>(2,356)</u>
297,696	57,291	1,705,691	(501,541)
-	-	49,820	375,000
<u>(92,093)</u>	<u>(50,759)</u>	<u>(1,564,741)</u>	<u>-</u>
<u>(92,093)</u>	<u>(50,759)</u>	<u>(1,514,921)</u>	<u>375,000</u>
205,603	6,532	190,770	(126,541)
<u>6,998,127</u>	<u>1,027,401</u>	<u>17,533,157</u>	<u>423,093</u>
<u>\$ 7,203,730</u>	<u>\$ 1,033,933</u>	<u>\$ 17,723,927</u>	<u>\$ 296,552</u>

CITY OF MCCOOK, NEBRASKA

**STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS**

For the year ended September 30, 2021

	<u>Electric and Emergency Fund</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from customers	\$ 1,361,888
Receipts from other funds	-
Payments to suppliers	-
Payments to employees	-
Net cash provided (used) by operating activities	<u>1,361,888</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Transfers from other funds	-
Transfers to other funds	(1,361,889)
Change in due from/to other funds	-
Net cash provided (used) by noncapital financing activities	<u>(1,361,889)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Purchase of property and equipment	-
Increase in accrued deep well abandonment costs	-
Proceeds from issuance of capital debt	-
Principal payments on capital debt	-
Interest paid on capital debt	-
Loan fees paid	-
Net cash used by capital and related financing activities	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest received	<u>1</u>
Increase (decrease) in cash and cash equivalents	-
Cash and cash equivalents - beginning of the year	<u>-</u>
Cash and cash equivalents - end of the year	<u><u>\$ -</u></u>
Composition of cash and cash equivalents:	
Cash and cash equivalents	\$ -
Restricted cash and cash equivalents	-
Total cash and cash equivalents	<u><u>\$ -</u></u>

See notes to financial statements.

Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Solid Waste Fund</u>	<u>Total</u>	
\$ 2,530,248	\$ 1,499,023	\$ 2,096,289	\$ 7,487,448	\$ -
-	-	-	-	1,800,422
(940,124)	(431,818)	(1,136,004)	(2,507,946)	(2,296,707)
(509,985)	(345,653)	(789,828)	(1,645,466)	-
<u>1,080,139</u>	<u>721,552</u>	<u>170,457</u>	<u>3,334,036</u>	<u>(496,285)</u>
49,820	-	-	49,820	375,000
(60,000)	(92,093)	(50,759)	(1,564,741)	-
147,955	-	-	147,955	(91,617)
<u>137,775</u>	<u>(92,093)</u>	<u>(50,759)</u>	<u>(1,366,966)</u>	<u>283,383</u>
(524,409)	(275,085)	(26,742)	(826,236)	-
3,945	-	-	3,945	-
5,350,000	1,205,000	-	6,555,000	-
(5,781,647)	(1,400,000)	(27,926)	(7,209,573)	-
(196,144)	(34,541)	(753)	(231,438)	(3,384)
(84,950)	(17,995)	-	(102,945)	-
<u>(1,233,205)</u>	<u>(522,621)</u>	<u>(55,421)</u>	<u>(1,811,247)</u>	<u>(3,384)</u>
15,023	3,110	1,534	19,668	1,028
(268)	109,948	65,811	175,491	(215,258)
<u>6,082,466</u>	<u>1,778,560</u>	<u>862,671</u>	<u>8,723,697</u>	<u>576,603</u>
<u>\$ 6,082,198</u>	<u>\$ 1,888,508</u>	<u>\$ 928,482</u>	<u>\$ 8,899,188</u>	<u>\$ 361,345</u>
\$ 5,305,576	\$ 1,688,512	\$ 842,160	\$ 7,836,248	\$ 361,345
776,622	199,996	86,322	1,062,940	-
<u>\$ 6,082,198</u>	<u>\$ 1,888,508</u>	<u>\$ 928,482</u>	<u>\$ 8,899,188</u>	<u>\$ 361,345</u>

CITY OF MCCOOK, NEBRASKA

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

For the year ended September 30, 2021

	<u>Electric and Emergency Fund</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	\$ 1,358,349
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation expense	3,539
Change in assets and liabilities:	
Accounts receivable	-
Reinsurance receivable	-
Inventories	-
Customer deposits	-
Accounts payable	-
Claims incurred not paid	-
Sales tax payable	-
Accrued expenses	-
Net cash provided (used) by operating activities	<u>\$ 1,361,888</u>

See notes to financial statements.

Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Solid Waste Fund</u>	<u>Total</u>	
\$ 224,730	\$ 341,005	\$ 56,223	\$ 1,980,307	\$ (499,185)
836,781	407,400	98,800	1,346,520	-
22,326	(25,231)	(8,247)	(11,152)	-
-	-	-	-	(107,100)
(25,194)	-	-	(25,194)	-
(5,946)	-	-	(5,946)	-
10,219	(1,931)	17,603	25,891	-
-	-	-	-	110,000
3,252	(2,444)	-	808	-
13,971	2,753	6,078	22,802	-
<u>\$ 1,080,139</u>	<u>\$ 721,552</u>	<u>\$ 170,457</u>	<u>\$ 3,334,036</u>	<u>\$ (496,285)</u>

CITY OF MCCOOK, NEBRASKA

**STATEMENT OF ASSETS AND LIABILITIES - MODIFIED CASH BASIS -
FIDUCIARY FUNDS**

September 30, 2021

	Custodial <u>Funds</u>
ASSETS	
Cash	<u>\$ 136,868</u>
LIABILITIES HELD FOR OTHERS	
Held for other purposes	<u>\$ 136,868</u>

See notes to financial statements.

CITY OF MCCOOK, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

INDEX

	Page
NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	
1. Financial Reporting Entity	30
2. Basis of Presentation	31
3. Measurement Focus and Basis of Accounting	34
4. Assets, Liabilities, and Equity	36
5. Revenues, Expenditures, and Expenses	41
NOTE B – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY	
1. Fund Accounting Requirements	43
2. Deposit Laws and Regulations	44
3. Revenue Restrictions	44
4. Debt Restrictions and Covenants	44
5. Budgetary Data	46
NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS	
1. Cash	47
2. Restricted Assets	48
3. Accounts and Notes Receivable	49
4. Capital Assets	51
5. Long-term Debt	53
6. Interfund Transactions and Balances	60
NOTE D – OTHER NOTES	
1. Employee Pension and Other Benefit Plans	62
2. Risk Management	64
3. Commitments and Contingencies	65
4. Interlocal Agreements	67
5. Union Agreements	67
6. Tax Abatements	68
7. Subsequent Events	68

CITY OF MCCOOK, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of McCook, Nebraska (City) are prepared in accordance with the modified cash basis of accounting for governmental and fiduciary funds and the accrual basis for the proprietary funds and discretely presented component unit. 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 McCook, Nebraska, was incorporated as a City of the first class in 1933. The City operates under a City Manager form of government. The Mayor is elected by the Council. All members of the City Council are elected on four-year terms. The administration of the City government is performed under the direction of the Council by the City Manager. Services provided to residents include public safety, highways and streets, parks, recreation, water and sanitary sewer systems, garbage collection, and general administrative services.

The City’s financial reporting entity comprises the following:

Primary Government:	City of McCook
Discretely Presented Component Units:	Community Development Authority McCook Leasing Corporation

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 MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

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**

McCook Community

Development Agency

On February 20, 2006, the City Council passed an ordinance repealing the CRA and creating a CDA for the City of McCook. The Mayor and the members of the City Council shall constitute the Agency and the City Manager shall serve as the director of the CDA.

McCook Leasing Corporation

Created in 2011 to provide for the construction and issuance of bonds for the construction of the combined Administration and Public Safety building. This entity had no activity during the year ended September 30, 2021.

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. 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 MCCOOK, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2021

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.
- 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 is 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.

Capital Project Funds

Capital Project Funds are used to account for resources restricted for the acquisition or construction of specific capital projects.

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

2. Basis of Presentation, continued

Governmental Funds, continued

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.

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.

Internal Service Fund

The Internal Service Fund accounts for activities that provide goods and services to other funds, departments or agencies of the primary government and its component units on a cost-reimbursement basis.

Fiduciary Funds (Not included in government-wide statements)

Custodial Funds

Custodial funds account for assets held by the City in a purely custodial capacity. The reporting entity includes ten custodial funds. Since these funds are custodial in nature (i.e., assets equal liabilities), they do not involve the measurement of results of operations.

CITY OF MCCOOK, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

2. Basis of Presentation, continued

Major and Nonmajor Funds

The funds are further classified as major or nonmajor as follows:

<u>Fund</u>	<u>Brief Description</u>
<i>Major:</i>	
Governmental:	
General Fund	See page 32 for description.
Street Fund	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 Fund	See page 33 for description.
Capital Projects Fund	See page 32 for description.
Grant Fund	The Grant Fund is a Special Revenue Fund that accounts for grant revenue and expenditures.
Economic Development Fund	The Economic Development Fund is a Special Revenue Fund that accounts for sales tax proceeds to be used for LB840 economic development.
Proprietary:	
Enterprise:	
Electric and Emergency, Water, Sewer, and Solid Waste	See page 33 for description.
<i>Nonmajor:</i>	
Governmental:	
Keno Fund	The Keno Fund is a Special Revenue Fund that accounts for Keno proceeds and community betterment expenditures.

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.

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

3. Measurement Focus and Basis of Accounting, continued

Measurement Focus

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

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.
- c. Fiduciary funds are not involved in the measurement of results of operations; therefore, the measurement focus is not applied to them.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, governmental activities are presented using the modified cash basis of accounting. This basis recognizes assets, liabilities, net position, revenues, and expenses when they result from cash transactions with a provision for depreciation. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As a result of the use of this modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) *are not recorded* in these financial statements. Under the modified cash basis of accounting, proceeds from the issuance of long-term debt increase liabilities and payment of long-term debt reduces liabilities. Capital assets are capitalized and depreciation is recognized over the estimated lives of the related assets.

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

3. Measurement Focus and Basis of Accounting, continued

Basis of Accounting, continued

Business-type activities 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 cash basis of accounting using a flow of current financial resources measurement focus. Proceeds from issuance of long-term debt are recognized as revenue when received and payment of long-term debt principal is reported as an expenditure when paid. Capital asset purchases are recorded as expenditures and depreciation is not recognized.

All proprietary funds and the 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 and the modified cash basis of accounting 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.

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

4. Assets, Liabilities, and Equity, continued

Cash and Investments, continued

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.

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. Business-type activities report utility billings as their major receivables.

In the fund financial statements, proprietary fund receivables consist of all revenues earned at year end and not yet received. Utility accounts receivable compose the majority of proprietary fund receivables. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable.

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.

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.

CITY OF MCCOOK, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

4. Assets, Liabilities, and Equity, continued

Capital Assets, continued

Government-wide Statements

In the government-wide financial statements, property and equipment are accounted for as capital assets. The City has a \$5,000 capitalization threshold. All 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 for 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	25-50 years
Improvements	10-50 years
Machinery and Equipment	3-20 years
Utility System	25-50 years

Beginning October 1, 2003, governmental funds' infrastructure assets were capitalized under the retroactive capitalization method. These assets have been valued at 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.

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.

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

4. Assets, Liabilities, and Equity, continued

Compensated Absences

The City's policies regarding vacation time and sick leave permit employees to accumulate earned but unused leave. In the event of termination, an employee is paid for all unused accumulated vacation time, accumulated compensatory time, and one-fourth of accumulated sick leave. Accumulated leave is accrued in the accompanying proprietary funds financial statement but not in the governmental funds.

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.

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.

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.

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

4. Assets, Liabilities, and Equity, continued

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.

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.

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

4. Assets, Liabilities, and Equity, continued

Equity Classifications, continued

Fund Financial Statements, continued

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 20). 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.

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. As of October 1, 2006, sales tax collected on the sale of motor vehicles is recorded in the Street Fund as required by LB904. The LB840 Fund received 16.67 percent of the non-motor vehicle sales tax collections for economic development. The balance of the sales tax may be used for budgeted General Fund appropriations and capital projects; purchase of capital equipment; improving, repairing or replacing the City's infrastructure, including but not limited to water quality improvements, City streets, parks, and other public facilities; and repaying or redeeming water, sewer and other City debt.

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

5. Revenues, Expenditures, and Expenses, continued

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 Red Willow 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.

Property taxes levied for 2020-2021 are recorded as revenue when received by the County.

Electrical Distribution System Lease and Wholesale Power Contract

The City of McCook, Nebraska, recognizes revenue under a net lease of the electric distribution system. Rental payments are equal to 12.5 percent of retail revenues from the distribution system, adjusted to eliminate revenues from tax-supported agencies and fuel cost and similar adjustments. The lessee will maintain the electric distribution system pursuant to prudent utility practice and provide insurance thereon.

The lease, entered into on January 1, 2019, is for a 25-year period. The lease is annually renewable thereafter, unless terminated by a minimum of five years prior written notice.

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. It also includes all revenue and expenses not related to capital and related financing, noncapital financing, or investing activities.

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

5. Revenues, Expenditures, and Expenses, continued

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 Funds – 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.

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, Capital Projects, and Agency Funds.

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

NOTE B – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY, continued

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.

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.

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

NOTE B – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY, continued

4. Debt Restrictions and Covenants, continued

Sewer Loans

The City has established the following accounts to comply with the covenants listed in the sewer loan agreements.

1. Dedicated Source of Revenue for Repayment of the Loans – The City pledges the sewer user charge as the dedicated source of revenue for repayment of the loans.
2. Loan Principal and Interest Redemption Account - Out of the McCook Sewer Fund there shall be credited monthly, on or before the 15th day of each month to the Loan Principal and Interest Redemption Account, the following amounts:
 - a) An amount equal to 1/6th of the next maturing semi-annual interest payments. The loan interest reserve was \$739 at September 30, 2021.
 - b) An amount equal to 1/12th of the next maturing annual principal payments. The loan principal reserve was \$33,000 at September 30, 2021.
3. Debt Service Reserve – The debt service reserve was \$166,257 at September 30, 2021.

Water Loans

The City has established the following accounts to comply with the covenants listed in the water loan agreements.

1. Dedicated Source of Revenue for Repayment of the Loans – The City pledges the water user charge as the dedicated source of revenue for repayment of the loans.
2. Loan Principal and Interest Redemption Account - Out of the McCook Water Fund there shall be credited monthly, on or before the 15th day of each month to the Loan Principal and Interest Redemption Account, the following amounts:
 - a) An amount equal to 1/6th of the next maturing semi-annual interest payments. The loan interest reserve was \$10,671 at September 30, 2021.
 - b) An amount equal to 1/6th of the next maturing semi-annual principal payments. The loan principal reserve was \$62,161 at September 30, 2021.
3. Debt Service Reserve – The debt service reserve was \$534,068 at September 30, 2021.

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

NOTE B – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY, continued

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.
- c. Prior to September 20, 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. Appropriations lapse at the end of the fiscal year, except for capital improvement appropriations and certain encumbrances against operating budgets.
- f. 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.

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

NOTE B – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY, continued

5. Budgetary Data, continued

- g. 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.
- h. The City of McCook adopts a budget by ordinance for all funds.

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS

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

1. Cash

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, 2021. The categories of collateral are defined as follows:

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.

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

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

1. Cash, continued

Deposits, continued

<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	\$ 18,334,318	\$ 250,000	\$ 18,084,318	\$ -	\$ <u>17,737,740</u>

Reconciliation to Government-wide Statement of Net Position:

Primary Government –	
Unrestricted cash and cash equivalents	\$ 11,275,989
Restricted cash and cash equivalents	6,252,481
Fiduciary Funds –	
Custodial Funds cash	136,868
Component Unit –	
Unrestricted cash and cash equivalents	<u>72,402</u>
	<u>\$ 17,737,740</u>

2. Restricted Assets

The restricted assets as of September 30, 2021, are as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Type of Restricted Assets:			
Cash and cash equivalents	\$ <u>5,189,541</u>	\$ <u>1,062,940</u>	\$ <u>6,252,481</u>

The General Fund has \$151,527 of cash restricted for cemetery perpetual care. The Street Fund has \$1,129,199 of cash restricted for street improvements. The Economic Development Fund has \$879,313 of cash restricted for economic development. The Debt Service Fund has \$395,909 of cash restricted for debt service. The Capital Projects Fund has \$837,548 of cash restricted for Capital Projects. The Grant Fund has \$1,752,880 of cash restricted for Federal programs. The Keno Fund has \$43,165 of cash restricted for community betterment.

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

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

2. Restricted Assets, continued

The Water Fund has \$83,565 restricted for future closure costs on the deep injection well, \$86,157 restricted for customer deposits, and \$606,900 restricted for debt service. Funds of \$199,996 are restricted in the Sewer Fund for debt service. The Solid Waste Fund has funds of \$86,322 that are restricted for the future landfill postclosure costs. See Note B4 for additional disclosures.

3. Accounts and Notes Receivable

Accounts receivable of the business-type activities consist of utilities receivables. Receivables detail at September 30, 2021, is as follows:

	<u>Business-type Activities</u>
Accounts receivable	\$ 134,018
Unbilled revenue	<u>672,503</u>
Total accounts receivable	<u>\$ 806,521</u>

As of September 30, 2021, the City had the following LB840 notes receivable:

	<u>Balance</u>	<u>Terms</u>
Clary Village	\$ 116,315	4%; due as TIF proceeds are collected; final maturity 3/31/31
McCook Economic Development Corporation	108,448	0%; due as TIF proceeds are collected over 15 years
McCook Economic Development Corporation	111,536	0%; due as TIF proceeds are collected over 15 years
Head 2 Toe Spas	3,356	3%; 60 monthly payments of \$179.69 due 6/1/18 - 5/1/23

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

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

3. Accounts and Notes Receivable, continued

C5, LLC	12,041	3%; 120 monthly payments of \$482.80 due 3/1/19 – 2/1/29
Early Morning Cackle	48,863	3%; 120 monthly payments of \$538.42 due 5/1/20 – 4/1/30
Straight Align LLC	41,540	3%; 120 monthly payments of \$482.80 due 11/1/19 – 10/1/29
Young Bison Daycare	49,912	3%; 120 monthly payments of \$545.61 due 6/1/20 – 5/1/30
American Agricultural Laboratory	<u>41,859</u>	2%; 120 monthly payments of \$690.10 due 2/5/17 – 1/5/27
	<u>\$ 533,870</u>	

The Community Development Agency had the following TIF receivables and payables as of September 30, 2021:

	<u>TIF Receivable</u>	<u>TIF Payable</u>
North Pointe	\$ 108,448	\$ 108,448
Clary Village	111,536	111,536
Cobblestone	511,332	511,332
Quillan Courts	86,705	86,705
N-Stant Convenience	196,500	196,500
Holiday Inn	1,128,634	1,128,634
Next Generation	<u>1,476,823</u>	<u>1,476,823</u>
	<u>\$ 3,619,978</u>	<u>\$ 3,619,978</u>
Current portion	\$ 416,325	\$ 416,325
Long-term portion	<u>3,203,653</u>	<u>3,203,653</u>
	<u>\$ 3,619,978</u>	<u>\$ 3,619,978</u>

CITY OF MCCOOK, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2021

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

4. Capital Assets

Capital asset activity for the year ended September 30, 2021, was as follows:

	Balance at October 1, <u>2020</u>	<u>Additions</u>	<u>Disposals</u>	<u>Reclass</u>	Balance at September 30, <u>2021</u>
<u>Governmental Activities:</u>					
Capital assets not being depreciated:					
Land	\$ 776,893	\$ -	\$ -	\$ -	\$ 776,893
Construction in progress	132,270	227,253	-	(132,270)	227,253
Total capital assets not being depreciated	909,163	227,253	-	(132,270)	1,004,146
Other capital assets being depreciated:					
Infrastructure	16,475,400	-	-	-	16,475,400
Buildings and improvements	19,068,370	158,436	-	132,270	19,359,076
Machinery and equipment	1,042,650	13,396	-	-	1,056,046
Furniture and equipment	2,352,587	297,762	(15,428)	-	2,634,921
Vehicles	3,229,490	12,000	-	-	3,241,490
Total other capital assets at historical cost	42,168,497	481,594	(15,428)	132,270	42,766,933
Less accumulated depreciation for:					
Infrastructure	(4,581,913)	(373,933)	-	-	(4,955,846)
Buildings and improvements	(10,295,459)	(477,784)	-	-	(10,773,243)
Machinery and equipment	(685,755)	(69,488)	-	-	(755,243)
Furniture and equipment	(2,014,091)	(101,639)	15,428	-	(2,100,302)
Vehicles	(2,469,230)	(165,295)	-	-	(2,634,525)
Total accumulated depreciation	(20,046,448)	(1,188,139) *	15,428	-	(21,219,159)
Other capital assets, net	22,122,049	(706,545)	-	132,270	21,547,774
Governmental activities capital assets, net	<u>\$ 23,031,212</u>	<u>\$ (479,292)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,551,920</u>

* Depreciation expense was incurred by the following governmental activities:

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

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

4. Capital Assets, continued

General Fund:

General government:

Administration	\$ 9,159
----------------	----------

Public safety:

Fire	82,663
Civil defense	11,387
Ambulance	34,595
Municipal Center	122,516
Public safety	505
Police	<u>66,431</u>
Total public safety	318,097

Public works:

Public works	908
Cemetery	<u>13,638</u>
Total public works	14,546

Environment and leisure:

Airport	143,882
Library	50,390
Parks	77,017
Ball park	21,059
Pool	12,185
Auditorium	21,262
Public transportation	10,508
Senior Center	<u>34,988</u>
Total environment and leisure	<u>371,291</u>

Total General Fund	713,093
--------------------	---------

Special Revenue Funds:

Street	<u>475,046</u>
Total Governmental Activities depreciation expense	<u>\$ 1,188,139</u>

Construction in progress at September 30, 2021 consists of \$204,603 of costs incurred on the Weiland Field storm sewer project, \$15,550 of costs incurred on the airport master plan update project, and \$7,100 of costs incurred on the swimming pool planning project. See note D3 for additional details regarding commitments remaining on these projects.

CITY OF MCCOOK, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

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

4. Capital Assets, continued

	Balance at October 1, <u>2020</u>	<u>Additions</u>	<u>Disposals</u>	Balance at September 30, <u>2021</u>
<u>Business-type Activities:</u>				
Capital assets not being depreciated:				
Land	\$ 485,735	\$ -	\$ -	\$ 485,735
Other capital assets being depreciated:				
Distribution systems	31,691,362	885,562	-	32,576,924
Buildings and improvements	5,468,681	13,553	-	5,482,234
Machinery and equipment	3,694,792	65,335	(72,769)	3,687,358
Total other capital assets at historical cost	<u>40,854,835</u>	<u>964,450</u>	<u>(72,769)</u>	<u>41,746,516</u>
Less accumulated depreciation for:				
Distribution systems	(19,536,682)	(1,073,540)	-	(20,610,222)
Buildings and improvements	(2,510,937)	(133,484)	-	(2,644,421)
Machinery and equipment	(2,923,876)	(139,496)	72,769	(2,990,603)
Total accumulated depreciation	<u>(24,971,495)</u>	<u>(1,346,520) *</u>	<u>72,769</u>	<u>(26,245,246)</u>
Other capital assets, net	<u>15,883,340</u>	<u>(382,070)</u>	<u>-</u>	<u>15,501,270</u>
Business-type capital assets, net	<u>\$ 16,369,075</u>	<u>\$ (382,070)</u>	<u>\$ -</u>	<u>\$ 15,987,005</u>

* Depreciation expense was charged to functions as follows:

Electric and Emergency	\$ 3,539
Water	836,781
Sewer	407,400
Solid Waste	98,800
Total Business-type Activities depreciation expense	<u>\$ 1,346,520</u>

5. 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.

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

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

5. Long-term Debt, continued

Changes in Long-term Debt

The following is a summary of changes in long-term debt for the year ended September 30, 2021:

<u>Type of Debt</u>	<u>Balance October 1, 2020</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2021</u>	<u>Amounts Due Within One Year</u>
Governmental Activities:					
Notes payable	\$ 492,091	\$ -	\$ (96,674)	\$ 395,417	\$ 101,077
Business-type Activities:					
Bonds payable	\$ 7,100,000	\$ 6,555,000	\$ (7,100,000)	\$ 6,555,000	\$ 570,000
Notes payable	485,263	-	(81,647)	403,616	33,288
Capital lease obligations	27,926	-	(27,926)	-	-
Deep well abandonment costs	46,745	3,945	-	50,690	-
Landfill closure costs	715,000	-	-	715,000	-
Total Business-type Activities	<u>\$ 8,374,934</u>	<u>\$ 6,558,945</u>	<u>\$ (7,209,573)</u>	<u>\$ 7,724,306</u>	<u>\$ 603,288</u>
Component Units:					
CDA notes payable	<u>\$ 3,472,845</u>	<u>\$ 568,451</u>	<u>\$ (421,318)</u>	<u>\$ 3,619,978</u>	<u>\$ 416,325</u>

Governmental Activities

The General and Street Funds are making the principal and interest payments on the governmental notes payable. As of September 30, 2021, the governmental long-term liabilities consisted of the following:

Notes payable:

Note payable of \$127,451 due to Horizon Bank, bearing interest of 3.99 percent. Annual principal and interest payments of \$21,227 are due commencing November 1, 2018, through November 1, 2024. The note is secured by self-contained breathing apparatuses.

\$ 74,298

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

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

5. Long-term Debt, continued

Governmental Activities, continued

Notes payable, continued:

Note payable of \$159,955 due to McCook National Bank, bearing interest of 4.50 percent. Annual principal and interest payments of \$31,068 are due commencing April 1, 2020, through April 1, 2025. The note is secured by a 2019 Ford F-550 ambulance. 111,190

Note payable of \$114,040 due to McCook National Bank, bearing interest of 3.75 percent. Annual principal and interest payments of \$31,170 are due commencing November 1, 2020, through November 1, 2023. The note is secured by a 2020 Caterpillar 926M wheel loader. 86,932

Note payable of \$178,691 due to McCook National Bank, bearing interest of 4.50 percent. Annual principal and interest payments of \$34,365 are due commencing November 1, 2019, through November 1, 2024. The note is secured by a 2019 Mac Queen street sweeper. 122,996
\$ 395,417

Current portion	\$ 101,077
Noncurrent portion	<u>294,340</u>
Total	<u>\$ 395,417</u>

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

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

5. Long-term Debt, continued

Business-type Activities

As of September 30, 2021, the long-term debt payable from proprietary fund resources consisted of the following:

Note payable:

\$1,650,090 of Water DEQ Notes Payable, due in semi-annual principal and interest payments of \$41,195 commencing June 15, 2015, through June 15, 2032. The note bears interest of 2.0 percent. \$ 403,616

Bond payable:

On August 24, 2021, the City issued \$6,555,000 of Series 2021 Combined Utility Revenue Refunding Bonds to refinance the Series 2016 Combined Utility Revenue Refunding Bonds. The bonds are due in annual principal payments commencing June 15, 2022 through June 15, 2036. Interest ranging from 0.35 percent to 2.0 percent is due in semi-annual payments on December 15 and June 15. At September 30, 2021, the Water Fund owed \$5,350,000 and the Sewer Fund owed \$1,205,000 of the outstanding bonds. 6,555,000

Capital lease:

Capital lease of \$132,475 for a caterpillar loader for solid waste through Caterpillar Financial Services Corporation, bearing interest of 2.70 percent. Annual principal and interest payments of \$28,679 are due commencing May 14, 2017 through May 14, 2021. -

Total business-type activity notes payable \$ 6,958,616

Current portion \$ 603,288

Noncurrent portion 6,355,328

Total \$ 6,958,616

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

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

5. Long-term Debt, continued

Component Units:

Community Development Agency:

During the year ended September 30, 2015, the CDA issued a \$208,000 note payable to McCook Economic Development Corporation (MEDC) to finance North Pointe redevelopment expenses. This note is non-interest bearing and will be paid off as North Pointe TIF proceeds are collected over 15 years. \$ 108,448

During the year ended September 30, 2015, the CDA issued a \$180,000 note payable to MEDC to finance Clary Village redevelopment expenses. This note will be paid off as Clary Village TIF proceeds are collected over 15 years. 111,536

During the year ended September 30, 2016, the CDA entered into a TIF agreement with McCook Hotel Group, LLC for the Cobblestone Hotel Project. This note will be paid to the redeveloper as TIF proceeds are collected over 15 years. 511,332

During the year ended September 30, 2016, the CDA issued a \$110,000 note payable to MEDC to finance the Quillan Courts Project. This note will be paid to the redeveloper as Quillan Courts TIF proceeds are collected over 15 years. 86,705

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

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

5. Long-term Debt, continued

Component Units, continued:

Community Development Agency, continued:

During the year ended September 30, 2020, the CDA entered into a TIF agreement with N-Stant Convenience to finance up to \$196,500 on the Next Generation project. This note will be paid to the redeveloper as Next Generation TIF proceeds are collected over 15 years. 196,500

During the year ended September 30, 2016, the CDA entered into a TIF agreement with McCook Lodging, LLC to finance up to \$1,400,000 on the Holiday Inn project. TIF collections were deferred until the 2019 tax year due to delays on this project. This note will be paid to the redeveloper as Holiday Inn TIF proceeds are collected over 15 years. 1,128,634

During the year ended September 30, 2018, the CDA entered into a TIF agreement with Next Generation, Inc. to finance up to \$1,744,000 on the Next Generation project. This note will be paid to the redeveloper as Next Generation TIF proceeds are collected over 15 years. 1,476,823

Total component unit debt \$ 3,619,978

Current portion \$ 416,325

Noncurrent portion 3,203,653

Total \$ 3,619,978

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

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

5. Long-term Debt, continued

Annual debt service requirements to maturity, including principal and interest, for long-term debt as of September 30, 2021, are as follows:

Year Ending September 30,	Governmental Activities		Business-type Activities				
	Direct Placement - Notes		Direct Placement - Note & Capital Lease			Other Debt Issues - Bonds	
	Principal	Interest	Principal	Interest	Fees	Principal	Interest
2022	\$ 101,078	\$ 16,753	\$ 33,288	\$ 7,907	\$ 3,953	\$ 570,000	\$ 55,080
2023	105,323	12,507	33,957	7,238	3,619	550,000	66,145
2024	109,770	8,082	34,639	6,555	3,278	540,000	63,945
2025	79,246	3,468	35,335	5,859	2,929	545,000	61,245
2026	-	-	36,046	5,148	2,574	680,000	57,975
2027-2031	-	-	191,393	14,579	7,290	1,650,000	233,735
2032-2036	-	-	38,958	577	289	2,020,000	124,625
	<u>\$ 395,417</u>	<u>\$ 40,810</u>	<u>\$ 403,616</u>	<u>\$ 47,863</u>	<u>\$ 23,932</u>	<u>\$ 6,555,000</u>	<u>\$ 662,750</u>

Year Ending September 30,	Component Units	
	Direct Placement Debt	
	Principal	Interest
2022	\$ 416,325	\$ -
2023	429,425	-
2024	429,425	-
2025	403,073	-
2026	395,725	-
2027-2031	1,278,566	-
2032-2036	254,339	-
2037	13,100	-
	<u>\$ 3,619,978</u>	<u>\$ -</u>

Municipal Solid Waste Landfill Postclosure

The City recognizes a proportionate share of the estimated total current cost of closure and postclosure care costs of the municipal solid waste landfill as an expense and a liability in each period that the landfill accepts solid waste.

CITY OF MCCOOK, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2021

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

5. Long-term Debt, continued

Municipal Solid Waste Landfill Postclosure, continued

Under an agreement with the Nebraska Department of Environmental Quality, the City of McCook discontinued acceptance of solid waste after the completion of the current cell on September 1, 1996. According to the engineering study performed for the municipal solid waste landfill, the revised closure costs for the landfill were estimated at \$36,000. The postclosure care costs were estimated at \$43,161 annually for 30 years after closure as required by EPA rule “Solid Waste Disposal Facility Criteria.” The amount accrued has been adjusted for inflation. The total closure and postclosure cost estimate is \$1,330,830. The cumulative liability, which is based on the capacity of the landfill used to date, was \$715,000 at September 30, 2021. The City of McCook considers this amount available through the normal annual budgeting process. The City has a restricted cash reserve of \$86,322 as of September 30, 2021, consisting of a landfill postclosure reserve of \$86,322. The City was released from its landfill remedial action reserve in December 2016, so it no longer restricts cash for the remedial action reserve.

Deep Well Abandonment Costs

The City recognizes a proportionate share of the estimated total current cost of well abandonment for the deep injection well as an expense and a liability in each period that the well operates.

Under an agreement with the Nebraska Department of Environmental Quality, the City of McCook established an escrow account with a balance at September 30, 2021, of \$83,565 to be used for future deep well abandonment costs. The estimated cost of abandonment is being recognized over the 30-year estimated life of the well. The accrued deep well abandonment cost was \$50,690 at September 30, 2021.

6. Interfund Transactions and Balances

Operating transfers:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund:		
Keno	\$ 45,000	\$ -
Grant Fund	30,000	-
Electric and Emergency	986,889	-
Water	60,000	(6,252)
Sewer	60,000	-
Solid Waste	<u>50,500</u>	<u>-</u>
Total General Fund	1,232,389	(6,252)

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

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

6. Interfund Transactions and Balances, continued

Operating transfers, continued:

	<u>Transfers In</u>	<u>Transfers Out</u>
Street Fund:		
Capital Projects	491,385	-
Keno Fund:		
General	-	(45,000)
Internal Service Fund:		
Electric	375,000	-
Grant Fund:		
Water	-	(11,216)
General	-	(30,000)
Total Grant Fund	-	(41,216)
Capital Projects Fund:		
Street	-	(491,385)
Water Fund:		
General	6,252	(60,000)
Grant	11,216	-
Sewer	32,093	-
Solid Waste	259	-
Total Water Fund	49,820	(60,000)
Electric Fund:		
Internal Service Fund	-	(375,000)
General	-	(986,889)
Total Electric Fund	-	(1,361,889)
Sewer Fund:		
General	-	(60,000)
Water	-	(32,093)
Total Sewer Fund	-	(92,093)
Solid Waste Fund:		
General	-	(50,500)
Water	-	(259)
Total Solid Waste Fund	-	(50,759)
Total Operating Transfers	<u>\$ 2,148,594</u>	<u>\$ (2,148,594)</u>

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

NOTE D – OTHER NOTES

1. Employee Pension and Other Benefit Plans

The City participates in three employee benefit plans as follows:

<u>Name of Plan</u>	<u>Type of Plan</u>
City General Plan	Defined Contribution Plan
City Manager Plan	Defined Contribution Plan
Police and Firefighters Plan	Defined Contribution Plan

The City Manager Plan is administered by the City, and the Police and Firefighters Plan and the City General Plan are administered by a third party. None of the plans are included in these financial statements.

City General Plan

The City provides pension benefits for substantially all of the full-time employees (excluding all uniformed personnel covered under other retirement plans) through a defined contribution plan. The defined contribution plan includes all General and Proprietary Fund employees. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings.

Public employees are eligible to participate on the first day of the month following the date on which the employee meets the eligibility requirements. The City contributes up to six percent of the participant's base salary and the employee contributes from six percent to 15 percent of his or her base salary. The City's contributions for each employee (and interest allocated to the employee's account) are fully vested after seven years of continuous service. The City's total payroll and eligible compensation (excluding uniformed personnel) in the year ended September 30, 2021, was \$2,952,890 and \$2,402,571, respectively. All contributions, including \$201,066 in employee contributions and \$138,453 in City contributions, have been transferred to the plan's trustee during the year ended September 30, 2021.

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

NOTE D – OTHER NOTES, continued

1. Employee Pension and Other Benefit Plans, continued

City General Plan, continued

The Public Employee Plan, which is administered by CPI Qualified Plan Consultants, Inc., had plan assets with a market value of \$7,220,599 at September 30, 2021.

City Manager Plan

The City Manager currently participates in the City General pension plan. No contributions were made to the City Manager Plan during the year ended September 30, 2021. The balance of \$262,777 in the plan at September 30, 2021 represents balances for former City Managers.

Police and Firefighters Plan

The City provides pension benefits for the policemen and the firemen under separate defined contribution plans established by statutes of the State of Nebraska, effective January 1, 1984. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate from the date of employment. The City contributes 7 percent to the policemen's fund and 13 percent to the firemen's fund while the policemen contribute 7 percent and the firemen contribute 6.5 percent. The City's contributions for each fire employee (and interest allocated to the employee's account) are fully vested after seven years of continuous service. The City contributions for each police employee (and interest allocated to the employee's account) vest as follows: 40 percent after 2 years, 60 percent after 4 years, 80 percent after 6 years, and 100 percent after 7 years.

The City's total payroll and eligible compensation for policemen and firemen in the year ended September 30, 2021, was \$999,576 and \$765,617, respectively. All contributions, including \$69,970 and \$49,765, respectively, in employee contributions and \$69,970 and \$99,530, respectively, in City contributions, have been transferred to the plan's trustee during the year ended September 30, 2021. The City did not use any of the unallocated account in the policemen's and firemen's pension funds for the City's contribution during the year ended September 30, 2021.

The policemen and firemen plans had plan assets with a market value of \$3,097,576 and \$3,672,889, respectively, at September 30, 2021.

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

NOTE D – OTHER NOTES, continued

2. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City purchases commercial insurance to minimize the effect of possible exposure to these risks. There have been no significant reductions in insurance coverage from coverage in the prior year. During the past three fiscal years, there have been no settlements exceeding the amount of the City's insurance coverage.

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, 2021, 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 City had no certificates of deposit as of September 30, 2021.

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, money market funds, and other securities backed by U.S. Government obligations, minimizing credit risk associated with the City's investment portfolio.

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, 2021, the City's bank balances, totaling \$17,737,740, were all held at McCook National Bank.

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, 2021.

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

NOTE D – OTHER NOTES, continued

3. Commitments and Contingencies

Claims and Lawsuits

Various claims and lawsuits are pending against the City. In the opinion of City management, the potential loss on all claims and lawsuits as of September 30, 2021, will not be significant to the City’s financial statements.

Construction and Commitments

As of September 30, 2021, the City had the following construction obligations:

<u>Project</u>	<u>Contract Amount</u>	<u>Paid Through 9/30/21</u>	<u>Remaining Commitment</u>	<u>Expected Date of Completion</u>
Police radio consoles:				
Vendor	\$ 422,131	\$ -	\$ 422,131	October 2021
Weiland Field storm sewer:				
Contractor	203,086	181,555	21,531	October 2021
Swimming pool study:				
Engineer	17,750	7,100	10,650	May 2022
West 5 th and East 14 th water system:				
Contractor	620,326	468,806	151,520	December 2021

Contingencies

As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen worldwide. While the disruption this pandemic is causing is currently expected to be temporary, there is considerable uncertainty around the duration. Therefore, the financial impact to the City that could occur as a result of this issue is unknown and cannot be reasonably estimated at this time.

CITY OF MCCOOK, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2021

NOTE D – OTHER NOTES, continued

3. Commitments and Contingencies, continued

Self-Insurance Fund

The City provides medical and dental insurance for eligible employees using a self-insurance fund. The fund is reported in the Internal Service Fund and is financed by operating transfers from the Proprietary and General Funds of an average amount per employee, which is based on management’s previous experience. The Self-Insurance Fund covers up to \$35,000 in costs per employee. Any expenses over that amount are covered by an insurance carrier. The City also uses a claims service to handle the insurance claims.

Disability Pension Annuity

On March 16, 2015, the City approved a disability pension annuity distribution for a former police officer. Under terms of the disability annuity agreement, the City will pay the former employee \$1,573 per month for the rest of the individual’s life.

Operating Leases

The City is party to eight operating leases for five copiers, a digital mailing system, land for the ballparks, and tower space from McCook Public Power District. As of September 30, 2021, future lease obligations are as follows:

<u>Year Ended September 30,</u>	<u>Lease Commitments</u>
2022	\$ 21,103
2023	8,598
2024	4,063
2025	601
2026	601
Thereafter	<u>1,966</u>
	<u>\$ 36,932</u>

Total rent expense was \$22,302 for the year ended September 30, 2021.

CITY OF MCCOOK, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2021

NOTE D – OTHER NOTES, continued

4. Interlocal Agreements

The City has the following interlocal agreements in effect as of September 30, 2021:

<u>Parties to Agreement</u>	<u>Term</u>	<u>Description</u>
Red Willow County	8/7/06 - indefinite	Establish and provide E-911 services
McCook Public Schools and Red Willow County	10/1/11 - indefinite	Joint grant writer services
Red Willow Western Rural Fire Protection District	3/2/02 - indefinite	Hazmat response team assistance
Red Willow County Fire Districts and Municipal Fire Departments	6/18/01 - indefinite	Mutual fire assistance
Red Willow County	10/1/96 - indefinite	Ambulance services
Red Willow County	3/16/20 - 3/16/30	Building inspection and permitting services for Calabria Subdivion
McCook Public Schools	1/19/02 - indefinite	School resource officer
Red Willow County	4/1/05 - indefinite	Fuel purchases
Nebraska First Class Cities	10/18/10 - indefinite	Federal transportation funding
Public Alliance for Community Energy	2/19/88 - indefinite	Acquisition, management, distribution, and sale of energy
Red Willow County	10/1/11 - indefinite	Snow removal

5. Union Agreements

The City is subject to the following union contracts:

- McCook Professional Firefighter’s Association Local 2100, Lieutenants CBA
- McCook Professional Firefighter’s Association Local 2100, Firefighters CBA
- McCook Fraternal Order of Police Lodge 57

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

NOTE D – OTHER NOTES, continued

6. Tax Abatements

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 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, 2021 is as follows:

<u>TIF Project:</u>	<u>Date of TIF Agreement</u>	<u>2021 TIF Valuation</u>	<u>TIF Proceeds Received during the year ended 9/30/2021</u>
Keystone	May 2009	\$ 1,496,500	\$ 28,487
North Pointe	July 2014	1,777,774	33,730
Clary Village	March 2015	452,345	8,611
Cobblestone Hotel	May 2015	2,738,437	52,128
Quillan Courts	June 2016	427,610	6,510
Holiday Inn	March 2016	4,975,021	95,609
Next Generation, Inc.	February 2017	11,261,851	<u>206,713</u>
			\$ <u>431,788</u>

7. Subsequent Events

Management has evaluated subsequent events through December 30, 2021, the date on which the financial statements were available for issue.

On November 15, 2021, Council approved a \$91,000 agreement with ESC Engineering to update SCADA equipment that controls the drinking water wells.

SUPPLEMENTARY AND OTHER INFORMATION

CITY OF MCCOOK, NEBRASKA

**BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
GENERAL FUND**

Year ended September 30, 2021

	Budget (Original and Final)	Actual	Variances - Actual Over (Under) Final Budget
RESOURCES (INFLOWS)			
Taxes:			
Property	\$ 1,521,151	\$ 1,520,750	\$ (401)
Motor vehicle	165,000	190,046	25,046
Payments in lieu of taxes	110,000	121,159	11,159
Occupation	141,500	154,813	13,313
Franchise	98,000	96,781	(1,219)
Sales	1,238,162	1,572,962	334,800
Intergovernmental	572,200	667,808	95,608
Grants	342,030	401,249	59,219
Charges for services	556,178	837,184	281,006
Interest income	10,000	4,835	(5,165)
Contributions	102,500	118,881	16,381
Sale of assets	-	14,467	14,467
Other	160,000	103,700	(56,300)
Total resources	<u>5,016,721</u>	<u>5,804,635</u>	<u>787,914</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS)			
General government:			
Administrative	1,116,112	609,569	(506,543)
Publicity	7,750	6,216	(1,534)
City Council	645,785	77,212	(568,573)
Health operating	706,000	705,996	(4)
Total general government	<u>2,475,647</u>	<u>1,398,993</u>	<u>(1,076,654)</u>
Public safety:			
Fire	1,367,701	1,331,057	(36,644)
Ambulance	162,392	149,562	(12,830)
Police	1,882,623	1,812,649	(69,974)
Civil defense	14,613	72,149	57,536
Total public safety	<u>3,427,329</u>	<u>3,365,417</u>	<u>(61,912)</u>
Public works:			
Building and zoning	84,142	79,166	(4,976)
Cemetery	199,736	203,596	3,860
Total public works	<u>283,878</u>	<u>282,762</u>	<u>(1,116)</u>
Environment and leisure:			
Public transportation	163,435	159,430	(4,005)
Senior Center	415,348	380,307	(35,041)
Library	348,537	325,566	(22,971)
Parks	221,148	208,620	(12,528)
Ballparks	122,427	130,752	8,325
Auditorium	45,640	41,188	(4,452)
Pool	98,559	79,950	(18,609)
Airport	168,078	152,583	(15,495)
Total environment and leisure	<u>1,583,172</u>	<u>1,478,396</u>	<u>(104,776)</u>
Total charges to appropriations	<u>7,770,026</u>	<u>6,525,568</u>	<u>(1,244,458)</u>

CITY OF MCCOOK, NEBRASKA

**BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
GENERAL FUND, Continued**

Year ended September 30, 2021

	Budget (Original and <u>Final</u>)	<u>Actual</u>	Variances - Actual Over (Under) Final <u>Budget</u>
Resources under charges to appropriations	(2,753,305)	(720,933)	2,032,372
OTHER FINANCING SOURCES (USES)			
Transfers in	1,436,702	1,232,389	(204,313)
Transfers out	-	<u>(6,252)</u>	<u>(6,252)</u>
Net transfers	<u>1,436,702</u>	<u>1,226,137</u>	<u>(210,565)</u>
 RESOURCES AND OTHER FINANCING SOURCES OVER (UNDER) CHARGES TO APPROPRIATIONS	 <u>\$ (1,316,603)</u>	 <u>\$ 505,204</u>	 <u>\$ 1,821,807</u>

CITY OF MCCOOK, NEBRASKA

**BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
STREET FUND**

Year ended September 30, 2021

	Budget (Original and <u>Final</u>)	<u>Actual</u>	Variances - Actual Over (Under) Final <u>Budget</u>
RESOURCES (INFLOWS)			
Sales tax	\$ 185,000	\$ 243,917	\$ 58,917
Intergovernmental	951,000	1,161,477	210,477
Grants	150,000	160,634	10,634
Charges for services	-	22,386	22,386
Interest income	-	493	493
	<hr/>	<hr/>	<hr/>
Total resources	1,286,000	1,588,907	302,907
CHARGES TO APPROPRIATIONS (OUTFLOWS)			
Public works	1,134,876	1,369,377	234,501
Capital outlay	361,295	211,595	(149,700)
Principal payments on debt	54,535	54,535	-
Interest expense	11,000	11,001	1
	<hr/>	<hr/>	<hr/>
Total charges to appropriations	1,561,706	1,646,508	84,802
Resources under charges to appropriations	(275,706)	(57,601)	218,105
OTHER FINANCING SOURCES (USES)			
Transfers in	-	491,385	491,385
Transfers out	-	-	-
	<hr/>	<hr/>	<hr/>
Net transfers	-	491,385	491,385
	<hr/>	<hr/>	<hr/>
RESOURCES AND OTHER FINANCING SOURCES OVER (UNDER) CHARGES TO APPROPRIATIONS	\$ (275,706)	\$ 433,784	\$ 709,490

CITY OF MCCOOK, NEBRASKA

**BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
ECONOMIC DEVELOPMENT FUND**

Year ended September 30, 2021

	Budget (Original and <u>Final</u>)	<u>Actual</u>	Variances - Actual Over (Under) Final <u>Budget</u>
RESOURCES (INFLOWS)			
Sales tax	\$ 393,748	\$ 484,543	\$ 90,795
Interest income	-	1,215	1,215
Loan collections	90,000	131,873	41,873
Total resources	<u>483,748</u>	<u>617,631</u>	<u>133,883</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS)			
Economic development	925,351	476,659	(448,692)
Capital outlay	244,283	-	(244,283)
Total charges to appropriations	<u>1,169,634</u>	<u>476,659</u>	<u>(692,975)</u>
RESOURCES OVER (UNDER) CHARGES TO APPROPRIATIONS	<u>\$ (685,886)</u>	<u>\$ 140,972</u>	<u>\$ 826,858</u>

CITY OF MCCOOK, NEBRASKA

**BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
CAPITAL PROJECTS FUND**

Year ended September 30, 2021

	Budget (Original and <u>Final</u>)	<u>Actual</u>	Variances - Actual Over (Under) Final <u>Budget</u>
RESOURCES (INFLOWS)			
Sales tax	\$ 607,000	\$ 607,000	\$ -
Interest income	-	1,414	1,414
Total resources	<u>607,000</u>	<u>608,414</u>	<u>1,414</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS)			
Environment and leisure	-	850	850
Capital projects	<u>957,978</u>	<u>76,980</u>	<u>(880,998)</u>
Total charges to appropriations	<u>957,978</u>	<u>77,830</u>	<u>(880,148)</u>
Resources over (under) charges to appropriations	(350,978)	530,584	881,562
OTHER FINANCING USES			
Transfers out	<u>-</u>	<u>(491,385)</u>	<u>(491,385)</u>
RESOURCES AND OTHER FINANCING USES OVER (UNDER) CHARGES TO APPROPRIATIONS	<u>\$ (350,978)</u>	<u>\$ 39,199</u>	<u>\$ 390,177</u>

CITY OF MCCOOK, NEBRASKA

**BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
GRANT FUND**

Year ended September 30, 2021

	Budget (Original and <u>Final</u>)	<u>Actual</u>	Variances - Actual Over (Under) Final <u>Budget</u>
RESOURCES (INFLOWS)			
Intergovernmental	\$ 51,400	\$ 51,415	\$ 15
Grant revenue	66,000	1,528,883	1,462,883
Charges for services	40,000	27,662	(12,338)
Interest income	-	2,368	2,368
Insurance proceeds	-	51,144	51,144
Other revenues	-	19,652	19,652
Total resources	<u>157,400</u>	<u>1,681,124</u>	<u>1,523,724</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS)			
General government	425,879	51,118	(374,761)
Public safety	330,630	41,748	(288,882)
Public works	-	10,000	10,000
Environment and leisure	-	15,825	15,825
Capital outlay	247,991	100,297	(147,694)
Total charges to appropriations	<u>1,004,500</u>	<u>218,988</u>	<u>(785,512)</u>
Resources over (under) charges to appropriations	(847,100)	1,462,136	2,309,236
OTHER FINANCING USES			
Transfers out	<u>-</u>	<u>(41,216)</u>	<u>(41,216)</u>
RESOURCES AND OTHER FINANCING USES OVER (UNDER) CHARGES TO APPROPRIATIONS	<u>\$ (847,100)</u>	<u>\$ 1,420,920</u>	<u>\$ 2,268,020</u>

CITY OF MCCOOK, NEBRASKA

**BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
DEBT SERVICE FUND**

Year ended September 30, 2021

	Budget (Original and <u>Final</u>)	<u>Actual</u>	Variances - Actual Over (Under) Final <u>Budget</u>
RESOURCES (INFLOWS)			
Special assessments	\$ 4,400	\$ 35,931	\$ 31,531
Interest	1,000	878	(122)
Total resources	<u>5,400</u>	<u>36,809</u>	<u>31,409</u>
 CHARGES TO APPROPRIATIONS (OUTFLOWS)			
Other improvements	<u>364,722</u>	<u>-</u>	<u>(364,722)</u>
 RESOURCES OVER (UNDER) CHARGES TO APPROPRIATIONS	 <u>\$ (359,322)</u>	 <u>\$ 36,809</u>	 <u>\$ 396,131</u>

CITY OF MCCOOK, NEBRASKA

**COMBINING STATEMENT OF ASSETS AND LIABILITIES -
MODIFIED CASH BASIS - FIDUCIARY FUNDS**

September 30, 2021

	<u>Special Fire</u>	<u>Senior Center Contributions</u>	<u>School</u>	<u>Library Memorial</u>
ASSETS				
Cash	<u>\$ 1,158</u>	<u>\$ 67,752</u>	<u>\$ 1,214</u>	<u>\$ 36,158</u>
LIABILITIES HELD FOR OTHERS				
Held in trust for other purposes	<u>\$ 1,158</u>	<u>\$ 67,752</u>	<u>\$ 1,214</u>	<u>\$ 36,158</u>

<u>Von Reissen Library</u>	<u>McCook Volunteer Fire and Rescue</u>	<u>Ambulance</u>	<u>Public Works</u>	<u>Community Paramedic Program</u>	<u>K-9</u>	<u>Police/ DARE</u>	<u>Total Custodial Funds</u>
<u>\$ 1</u>	<u>\$ 7,867</u>	<u>\$ 9,501</u>	<u>\$ 4,994</u>	<u>\$ 4,316</u>	<u>\$ 1,465</u>	<u>\$ 2,442</u>	<u>\$ 136,868</u>
<u>\$ 1</u>	<u>\$ 7,867</u>	<u>\$ 9,501</u>	<u>\$ 4,994</u>	<u>\$ 4,316</u>	<u>\$ 1,465</u>	<u>\$ 2,442</u>	<u>\$ 136,868</u>

CITY OF MCCOOK, NEBRASKA

**COMBINING STATEMENT OF REVENUES AND EXPENDITURES -
MODIFIED CASH BASIS - GENERAL FUND DEPARTMENTS**

Year ended September 30, 2021

	<u>Administrative</u>	<u>Publicity</u>	<u>Auditorium</u>	<u>City Council</u>
REVENUES				
Taxes:				
General property tax	\$ 1,520,750	\$ -	\$ -	\$ -
Motor vehicle tax	190,046	-	-	-
Payments in lieu of taxes	121,159	-	-	-
Occupation tax	154,813	-	-	-
Franchise	96,781	-	-	-
Sales	1,572,962	-	-	-
Intergovernmental revenue:				
State assistance	505,393	-	-	-
County assistance	-	-	-	-
Rural fire	-	-	-	-
School resource officer	-	-	-	-
Licenses and permits	3,985	-	-	-
Rental and fees	281,630	-	-	-
Admission fees and concessions	-	-	-	-
Grants	-	-	-	-
Contributions	5,000	-	-	-
Interest income	4,581	-	-	-
Other receipts	103,700	-	-	-
Total revenues	<u>4,575,267</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Personnel services:				
Salaries and benefits	403,506	-	9,794	9,689
Operating expenses:				
Insurance	7,155	-	10,291	2,955
Interlocal agreement	-	-	-	42,041
Contract services	25,765	1,260	207	5,289
Professional fees	65,971	-	-	-
Meetings, seminars, and dues	21,526	505	-	3,430
Repairs and maintenance	31,977	-	4,457	-
Printing, postage, and publications	7,908	-	-	-
Transportation	1,330	-	-	1,062
Utilities and telephone	3,953	-	16,270	-
Total operating expenses	<u>165,585</u>	<u>1,765</u>	<u>31,225</u>	<u>54,777</u>
Supplies	10,252	2,291	-	699
Other expenses	9,611	2,160	169	4,547
Capital outlay	5,000	-	-	7,500
Principal payments	-	-	-	-
Interest on long-term debt	-	-	-	-
Total expenditures	<u>593,954</u>	<u>6,216</u>	<u>41,188</u>	<u>77,212</u>
Excess (deficiency) of revenues over expenditures before transfers	3,981,313	(6,216)	(41,188)	(77,212)
TRANSFERS FROM (TO) OTHER FUNDS	<u>1,202,389</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AFTER TRANSFERS	<u>\$ 5,183,702</u>	<u>\$ (6,216)</u>	<u>\$ (41,188)</u>	<u>\$ (77,212)</u>

<u>Police</u>	<u>Fire</u>	<u>Ambulance</u>	<u>Civil Defense</u>	<u>Building and Zoning</u>	<u>Library</u>	<u>Cemetery</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	3,495	-
67,808	-	-	-	-	-	-
-	54,719	-	-	-	-	-
34,000	-	-	-	-	-	-
-	-	-	-	23,828	-	-
8,170	5,655	378,200	-	-	5,667	1,530
-	-	-	-	-	-	23,395
9,575	-	-	147,398	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>119,553</u>	<u>60,374</u>	<u>378,200</u>	<u>147,398</u>	<u>23,828</u>	<u>9,162</u>	<u>24,925</u>
1,484,108	938,413	-	-	71,626	220,081	121,925
57,040	121,490	6,399	568	3,286	10,550	10,640
-	-	-	-	-	-	-
6,232	3,027	52,051	-	-	-	5,000
3,646	641	-	-	-	-	20
8,064	5,070	1,565	-	556	60	-
89,788	49,602	16,146	4,289	1,542	9,141	17,574
-	-	264	-	-	775	-
34,761	5,318	7,822	-	350	392	3,857
<u>76,756</u>	<u>4,550</u>	<u>4,617</u>	<u>4,086</u>	<u>944</u>	<u>16,141</u>	<u>36,284</u>
276,287	189,698	88,864	8,943	6,678	37,059	73,375
4,606	2,964	7,630	-	830	8,475	8,288
23,934	14,127	16,955	-	32	59,951	8
23,714	164,628	5,045	63,206	-	-	-
-	17,425	24,714	-	-	-	-
-	3,802	6,354	-	-	-	-
<u>1,812,649</u>	<u>1,331,057</u>	<u>149,562</u>	<u>72,149</u>	<u>79,166</u>	<u>325,566</u>	<u>203,596</u>
(1,693,096)	(1,270,683)	228,638	75,249	(55,338)	(316,404)	(178,671)
<u>30,000</u>	<u>(6,252)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ (1,663,096)</u>	<u>\$ (1,276,935)</u>	<u>\$ 228,638</u>	<u>\$ 75,249</u>	<u>\$ (55,338)</u>	<u>\$ (316,404)</u>	<u>\$ (178,671)</u>

CITY OF MCCOOK, NEBRASKA

**COMBINING STATEMENT OF REVENUES AND EXPENDITURES -
MODIFIED CASH BASIS - GENERAL FUND DEPARTMENTS, Continued**

Year ended September 30, 2021

	<u>Parks</u>	<u>Ballparks</u>	<u>Pool</u>	<u>Airport</u>
REVENUES				
Taxes:				
General property tax	\$ -	\$ -	\$ -	\$ -
Motor vehicle tax	-	-	-	-
Payments in lieu of taxes	-	-	-	-
Occupation tax	-	-	-	-
Franchise	-	-	-	-
Sales	-	-	-	-
Intergovernmental revenue:				
State assistance	-	-	-	-
County assistance	-	-	-	-
Rural fire	-	-	-	-
School resource officer	-	-	-	-
Licenses and permits	-	-	-	-
Rental and fees	-	-	-	83,134
Admission fees and concessions	-	-	13,890	-
Grants	-	-	-	-
Contributions	-	-	-	-
Interest income	-	-	-	-
Sale of assets	-	-	-	-
Other receipts	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>13,890</u>	<u>83,134</u>
EXPENDITURES				
Personnel services:				
Salaries and benefits	121,158	55,569	43,019	75,878
Operating expenses:				
Insurance	12,578	6,816	3,349	20,097
Interlocal agreement	-	-	-	-
Contract services	-	-	-	-
Professional fees	321	125	188	855
Meetings, seminars, and dues	80	-	80	700
Repairs and maintenance	22,183	17,509	3,576	28,794
Printing, postage, and publications	-	-	-	-
Transportation	2,393	1,855	-	2,846
Utilities and telephone	33,831	25,798	7,359	16,440
Total operating expenses	<u>71,386</u>	<u>52,103</u>	<u>14,552</u>	<u>69,732</u>
Supplies	16,076	8,843	16,635	614
Other expenses	-	842	5,744	6,359
Capital outlay	-	13,395	-	-
Principal payments	-	-	-	-
Interest on long-term debt	-	-	-	-
Total expenditures	<u>208,620</u>	<u>130,752</u>	<u>79,950</u>	<u>152,583</u>
Excess (deficiency) of revenues over expenditures before transfers	(208,620)	(130,752)	(66,060)	(69,449)
TRANSFERS FROM (TO) OTHER FUNDS	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AFTER TRANSFERS	<u>\$ (208,620)</u>	<u>\$ (130,752)</u>	<u>\$ (66,060)</u>	<u>\$ (69,449)</u>

<u>Unemployment</u>	<u>Uncollectible Tax</u>	<u>Senior Center</u>	<u>HandiBus</u>	<u>Health Operating</u>	<u>Perpetual Care</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,520,750
-	-	-	-	-	-	190,046
-	-	-	-	-	-	121,159
-	-	-	-	-	-	154,813
-	-	-	-	-	-	96,781
-	-	-	-	-	-	1,572,962
-	-	237	2,156	-	-	511,281
-	-	-	-	-	-	67,808
-	-	-	-	-	-	54,719
-	-	-	-	-	-	34,000
-	-	-	-	-	-	27,813
-	-	-	3,600	-	4,500	772,086
-	-	-	-	-	-	37,285
-	-	113,448	130,828	-	-	401,249
-	-	104,175	9,706	-	-	118,881
-	-	-	-	-	254	4,835
-	-	-	-	-	-	14,467
-	-	-	-	-	-	103,700
-	-	<u>217,860</u>	<u>146,290</u>	-	<u>4,754</u>	<u>5,804,635</u>
174	-	178,629	137,947	705,996	-	4,577,512
-	-	12,187	5,303	-	-	290,704
-	-	-	-	-	-	42,041
-	-	360	-	-	-	99,191
-	-	2,000	1,000	-	-	74,767
-	-	342	125	-	-	42,103
-	-	10,491	2,664	-	-	309,733
-	-	1,114	1	-	-	10,062
-	-	76	6,416	-	-	68,478
-	-	<u>14,105</u>	<u>1,904</u>	-	-	<u>263,038</u>
-	-	40,675	17,413	-	-	1,200,117
-	-	23,533	39	-	-	111,775
-	15,441	137,470	4,031	-	-	301,381
-	-	-	-	-	-	282,488
-	-	-	-	-	-	42,139
-	-	-	-	-	-	10,156
<u>174</u>	<u>15,441</u>	<u>380,307</u>	<u>159,430</u>	<u>705,996</u>	-	<u>6,525,568</u>
(174)	(15,441)	(162,447)	(13,140)	(705,996)	4,754	(720,933)
-	-	-	-	-	-	1,226,137
<u>\$ (174)</u>	<u>\$ (15,441)</u>	<u>\$ (162,447)</u>	<u>\$ (13,140)</u>	<u>\$ (705,996)</u>	<u>\$ 4,754</u>	<u>\$ 505,204</u>

CITY OF MCCOOK, NEBRASKA

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

September 30, 2021

	<u>Community Development Agency</u>	<u>McCook Leasing Corporation</u>	<u>Total</u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 72,402	\$ -	\$ 72,402
Current portion of note receivable	<u>416,325</u>	<u>-</u>	<u>416,325</u>
Total current assets	488,727	-	488,727
Noncurrent assets:			
Noncurrent portion of note receivable	<u>3,203,653</u>	<u>-</u>	<u>3,203,653</u>
Total assets	3,692,380	-	3,692,380
LIABILITIES			
Current liabilities:			
Current portion of long-term obligations	416,325	-	416,325
Noncurrent liabilities:			
Noncurrent portion of long-term obligations	<u>3,203,653</u>	<u>-</u>	<u>3,203,653</u>
Total liabilities	<u>3,619,978</u>	<u>-</u>	<u>3,619,978</u>
NET POSITION			
Unrestricted	<u>\$ 72,402</u>	<u>\$ -</u>	<u>\$ 72,402</u>

See notes to financial statements.

CITY OF MCCOOK, 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>
Component units:			
Community Development Agency	\$ 641,029	\$ 5,895	\$ 196,500
McCook Leasing Corporation	-	-	-
Total component units	\$ 641,029	\$ 5,895	\$ 196,500

See notes to financial statements.

	Net (Expenses) Revenues and Changes in Net Position		
	Primary Government		
<u>Capital Grants and Contributions</u>	<u>Community Development Agency</u>	<u>McCook Leasing Corporation</u>	<u>Total</u>
\$ -	\$ (438,634)	\$ -	\$ (438,634)
-	-	-	-
<u>\$ -</u>	<u>(438,634)</u>	<u>-</u>	<u>(438,634)</u>
General revenues:			
TIF proceeds	431,825	-	431,825
Payments in lieu of tax	12,599	-	12,599
Interest income	118	-	118
	<u>5,908</u>	<u>-</u>	<u>5,908</u>
Change in net position	5,908	-	5,908
Net position - September 30, 2020	<u>66,494</u>	<u>-</u>	<u>66,494</u>
Net position - September 30, 2021	<u>\$ 72,402</u>	<u>\$ -</u>	<u>\$ 72,402</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**

To the Honorable Mayor and
Members of the City Council
City of McCook, 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 - modified cash basis, the business-type activities - accrual basis, the aggregate discretely presented component units - accrual basis, each major fund - modified cash basis for the governmental funds and accrual basis for the proprietary funds, and the aggregate remaining fund information - modified cash basis for the governmental funds of the City of McCook, Nebraska, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City's financial statements, and have issued our report thereon dated December 30, 2021. Our report on the financial statements disclosed that, as described in Note A to the financial statements, the City of McCook, Nebraska, prepares its financial statements for the governmental funds on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of McCook's internal control over financial reporting (internal control) to determine the 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

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

1203 W 2nd Street
P.O. Box 1407
Grand Island, NE 68802
P 308-381-1810
F 308-381-4824
EMAIL cpa@gicpas.com

control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control 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. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described below that we consider to be significant deficiencies.

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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of McCook'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 McCook's Response to Findings

The City of McCook'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, P.C.

Grand Island, Nebraska
December 30, 2021

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

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, the aggregate remaining fund information, and the fiduciary funds of the City of McCook for the year ended September 30, 2021, and have issued our report thereon dated December 30, 2021. 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 August 25, 2021. 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 McCook 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, 2021. 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.

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

1203 W 2nd Street
P.O. Box 1407
Grand Island, NE 68802
P 308-381-1810
F 308-381-4824
EMAIL cpa@gicpas.com

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. Five audit adjustments decreased the fund balances of the City's governmental funds by \$46,740. Eighteen audit adjustments increased the net position of the City's business-type funds by \$46,000. Two audit adjustments did not change the net position of the City's component units. The following material misstatements detected as a result of audit procedures were corrected by management:

1. Depreciation expense of \$1,346,519 was recorded on the business-type funds, decreasing capital assets and increasing expenses.
2. Unbilled revenue and revenue were decreased \$40,975 on the business-type funds.
3. Capital asset additions of \$964,450 were reclassified on the business-type funds, increasing capital assets and decreasing expenses.
4. Inventory was increased and expenses decreased \$25,193 on the business-type funds.
5. Accounts payable and various expenses were increased \$214,490 on the business-type funds.
6. Accrued interest payable and interest expense were both decreased \$40,100 on the business-type funds.
7. County treasurer cash and property tax revenue were decreased \$101,943 on the General Fund.
8. Principal payments were reclassified, decreasing long-term debt \$654,573 on the business-type funds.
9. Due from other funds was decreased \$147,954 and revenue was decreased this amount on the Water Fund to adjust interfund loan balances to actual.
10. Due to Water Fund and expenses were decreased \$56,338 on the General Fund.

11. Due to Water Fund and expenses were decreased \$91,617 on the Self Insurance Fund.

12. TIF receivables and TIF payables were both increased \$152,133.

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 30, 2021.

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 McCook as of September 30, 2021, 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. During our review of ambulance billings, we noted accounts receivable has increased \$88,211 (93 percent) when compared to the outstanding balance at September 30, 2020. In addition, 75.4 percent of the outstanding billings at September 30, 2021 have been outstanding for greater than 60 days compared to 29.5 percent at September 30, 2020. Current procedures are to send the patient two invoices and no further action is being taken to collect payment on outstanding accounts. We recommend reviewing outstanding billings to determine if any of the uncollected accounts should be sent to collections. We also recommend implementing additional

procedures to follow up on outstanding billings each month to better collect payments and keep billings current.

2. During our audit, we noted a variance between the pension contributions submitted by the City, and the contributions noted by John Hancock. We recommend preparing the annual report necessary to reconcile on a timely basis to allow John Hancock to find and fix any variances.

Other Matters

We were engaged to report on the Fiduciary Funds combining statement of assets and liabilities, General Fund departmental combining statement of revenues and expenditures, and 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.

We were not engaged to report on the management's discussion and analysis and budgetary comparison schedules, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the use of the City Council and management of the City of McCook 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 30, 2021

To the Honorable Mayor and City Council
City of McCook
McCook, 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 McCook as of and for the year ended September 30, 2020, 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 McCook'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.

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

1203 W 2nd Street
P.O. Box 1407
Grand Island, NE 68802
P 308-381-1310
F 308-381-4824
EMAIL cpa@gcpas.com

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, PC.

Grand Island, Nebraska
January 7, 2021

**CITY MANAGER'S REPORT
JANUARY 17, 2022 CITY COUNCIL MEETING**

ITEM: 3.A.

Approve the minutes of the January 3, 2022 regular City Council meeting and the January 11, 2022 joint City Council and Airport Advisory Commission meeting.

BACKGROUND:

Receive and approve the minutes.

**FISCAL
IMPACT:** None.

APPROVALS:



Lea Ann Doak, City Clerk

January 12, 2022

McCook City Council
January 3, 2022
5:30 P.M. Central

A MEETING OF THE MAYOR AND COUNCIL OF THE CITY OF MCCOOK, NEBRASKA convened in open, regular, and public session at 5:30 o'clock P.M. in the City Council Chambers.

Present: Mayor Gonzales, Councilmembers Calvin, Weedon, Muehlenkamp, Rambali.

Absent: None.

City Officials present: City Manager Schneider, City Attorney Mustion, City Clerk Doak, Utilities Director Dutcher, Water Superintendent Fawver, Fire Chief Harpham, Public Works Director Potthoff, Senior Services Director Siegfried, and Police Chief Smith.

Notice of the meeting was given in advance thereof by publication in the McCook Daily Gazette on December 30, 2021, the designated method of giving notice, a copy of the proof of publication being attached to these minutes. Advance notice of the meeting was also given to the Mayor and members of the City Council and a copy of the Acknowledgement of Receipt of such notice is attached to these minutes. Availability of the agenda was communicated in the advance notice to the Mayor and Council. All proceedings hereafter shown were taken while the meeting was open to the attendance of the public.

Mayor Gonzales announced that a copy of the Open Meetings Act was posted by the entrance to the Council Chambers and available for public review. Following the Pledge of Allegiance to the flag of the United States of America, Mayor Gonzales called the meeting to order.

1. Announcements & Recognitions.

Police Chief Smith informed the Council that the recent high-speed chase on North Highway 83 highlighted the need for new communications equipment. With the current dispatch equipment, city police involved with the chase lost communication with others, including the State Patrol, shortly after leaving the city limits. For officer safety, the new equipment is very needed. It is hoped that the installation will be completed in March or April.

2. Consent Agenda.

Motion to approve the consent agenda. This motion, made by Weedon and seconded by Rambali, passed.

Gonzales: YEA, Calvin: YEA, Weedon: YEA, Muehlenkamp: YEA, Rambali: YEA
YEA: 5, NAY: 0

2.A. Approve the minutes of the December 20, 2021 regular City Council meeting.

- 2.B. Accept City Manager Nate Schneider's appointment of Greg A. Wolford, Class A License S-875 and Professional Engineer License No. E-6362, as the City of McCook Street Superintendent January 1 through December 31, 2022, for the purpose of the 2022 calendar year Highway Incentive Payment, to be issued to the City by the Nebraska Department of Transportation, in February 2023.
- 2.C. Recommend approval to the Nebraska Liquor Control Commission the Application for Manager submitted by Heritage Hills Golf Course, 600 Clubhouse Drive, which holds License #IB-010450, the applicant being Tyler R. Loop.
- 2.D. Recommend approval to the Nebraska Liquor Control Commission the Application for Manager submitted by Suhr Enterprises, Inc. - Gary's Super Foods IV, 212 Westview Plaza, which holds License #C-122060, the applicant being MaKayla M. Frisch.
- 2.E. Approve Resolution No. 2022-01, adopting modifications to the City of McCook Employee Retirement Plan allowing for Roth elective deferrals and allowing a transfer from the vested portion of an employee's account.

3. Regular Agenda.

- 3.A. Presentation from Phil Lyons, attorney for Scott Snyder, regarding Mr. Snyder's request to purchase property from the City of McCook.

Phil Lyons, attorney for Scott Snyder, presented the request from Mr. Snyder to purchase property located in the 2100 block of Norris Avenue from the City.

It was the consensus of the Council to wait until the City hears back from the MRNRD as to whether there are any legal obligations to follow if the property is sold; and, once received, requested the City Attorney to present the options and outline the process for selling the property.

- 3.B. Discussion regarding setting a date for a joint meeting with the Airport Advisory Commission and McCook City Council for the purpose of reviewing Essential Air Service proposal forms and conducting interviews with the Essential Air Service providers.

A joint meeting of the Council and Airport Advisory Commission was set for January 11, 2022, at 6:00 P.M., in the McCook Municipal Center upstairs training room.

- 3.C. Discussion regarding setting a date for a town hall meeting regarding the potential McCook Swimming Pool project.

The Pool Project town hall meeting was tentatively set for February 2, 2022, at 7:00 P.M., in the Memorial Auditorium.

- 3.D. Update from City Attorney, Nathaniel J. Mustion, regarding ongoing discussions with local municipalities with respect to the establishment of a regional land bank.

City Attorney Mustion gave an update of the establishment of a regional land bank. Regional meetings are planned to be held in North Platte, McCook, and Elwood during the last week of January or the first week of February.

3.E. Receive and file a report from staff regarding annexation.

Following discussion, the Council directed City Attorney Mustion to provide information regarding the process and the effects of annexing agricultural land; identify costs and feasibility of annexing certain areas; to consult with Craig Bennett of Miller & Associates to identify areas best suited for future growth; and to identify proposed areas for annexation.

3.F. Council Comments.

Councilmember Muehlenkamp thanked the Public Works crews for completing snow removal this past weekend and Mayor Gonzales wished all a Happy Healthy New Year.

Adjournment.

There being no further business to come before the Council, Mayor Gonzales declared the meeting adjourned at 6:42 P.M.

Michael D. Gonzales, Mayor

ATTEST:

Lea Ann Doak, City Clerk-Treasurer

Joint McCook City Council and
Airport Advisory Commission
January 11, 2022
6:00 P.M. Central

A JOINT MEETING OF THE MAYOR AND COUNCIL AND THE AIRPORT ADVISORY COMMISSION OF THE CITY OF MCCOOK, NEBRASKA convened in open, regular, and public session at 5:30 o'clock P.M. in the McCook Municipal Center upstairs training room.

Council Members Present: Mayor Gonzales, Councilmembers Calvin, Weedin, Muehlenkamp, Rambali.

Council Members Absent: None.

Airport Advisory Commission Members Present: Kugler, Pfeffer, Taylor, Trail, Skiles, Williams.

Airport Advisory Commission Members Absent: Malleck.

City Officials present: City Manager Schneider, City Attorney Mustion, Public Works Director Potthoff, Deputy City Clerk Burkey.

Notice of the meeting was given in advance thereof by publication in the McCook Daily Gazette on January 6, 2022, the designated method of giving notice, a copy of the proof of publication being attached to these minutes. Advance notice of the meeting was also given to the Mayor and members of the City Council and a copy of the Acknowledgement of Receipt of such notice is attached to these minutes. Availability of the agenda was communicated in the advance notice to the Mayor and Council. All proceedings hereafter shown were taken while the meeting was open to the attendance of the public.

Mayor Gonzales announced that a copy of the Open Meetings Act was posted by the entrance to the Council Chambers and available for public review and called the meeting to order.

1. Presentations.

Presentations and interviews were conducted with the following Essential Air Service providers during their designated times.

- 1.A. 6:00 P.M. - Air Charter Express.
- 1.B. 6:30 P.M. - Air Choice One.
- 1.C. 7:00 P.M. - Denver Air Connection.
- 1.D. 7:30 P.M. - Boutique Air.
- 1.E. 8:00 P.M. - Southern Airways Express.

2. Regular Agenda.

2.A. Council Comments.

There were no council comments.

Adjournment.

There being no further business to come before the Council, Mayor Gonzales declared the meeting adjourned at 8:45 P.M.

Michael D. Gonzales, Mayor

ATTEST:

Lea Ann Doak, City Clerk-Treasurer

**CITY MANAGER'S REPORT
JANUARY 17, 2022 CITY COUNCIL MEETING**

ITEM: 3.B.

RECOMMENDATION:

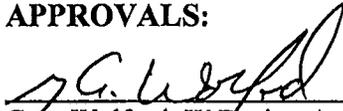
APPROVE THE SPECIFICATIONS FOR THE 2022 CRACK SEALING PROJECT AND SET THE TIME AND DATE OF BID AT 2:30 P.M. ON FEBRUARY 8, 2022.

BACKGROUND

This is the annual crack sealing specifications done by the City of McCook. The bid is for one semi load of crack sealing material, applied.

FISCAL IMPACT: None.

APPROVALS:



Greg Wolford, W Design Associates

Date: 11 Jan 22



Kyle Potthoff, Public Works Director

Date: 1/11/22



Nate Schneider, City Manager

Date: 1-11-22

ADVERTISEMENT FOR BIDS

The CITY OF McCOOK, Nebraska will receive sealed bids for the 2022 Crack Sealing Project and associated work as described in the Plans and Specifications at the Office of the City Clerk, McCook Municipal Center, P.O. Box 1059, 505 West "C" Street, McCook, Nebraska until 2:30 P.M. CST on February 8, 2022 and then such bids shall be publicly opened and read aloud in the City Council Chambers, McCook Municipal Center.

All bids must be made on the Proposal Form provided with the Plans and Specifications as prepared by W DESIGN ASSOCIATES, Consulting Engineers and Architects. Bids received after the closing will be returned unopened and shall not be considered.

Contractors may obtain paper copies of the Plans and Specifications from W Design Associates, 214 East 1st Street, McCook, Nebraska 69001 upon payment of \$15.00 for each set requested. Electronic copies may be obtained by email from breanna@wdesignea.com at no cost.

Each bid shall be accompanied by a certified check, cashier's check, or bid bond in an amount of not less than five percent (5%) of the total bid amount, and shall be made payable to the City of McCook, Nebraska as security that the bidder to whom the contract may be awarded will enter into contract to construct the project and give bond in the sum of the total contract amount for the construction of the project. Checks accompanying bids not accepted shall be returned to the bidders. Performance and Payment Bonds will be required for this project.

This project is the crack sealing of various City streets in McCook.

No bid shall be withdrawn after opening the bids without the consent of the McCook City Council for a period of 45 days.

The City of McCook reserves the right to accept or reject any or all bids and to waive any informalities in the bidding.

Dated this 17th day of January, 2022.

-s- Lea Ann Doak
City Clerk

Publish: January 20, 27, and February 3, 2022.

SPECIFICATIONS

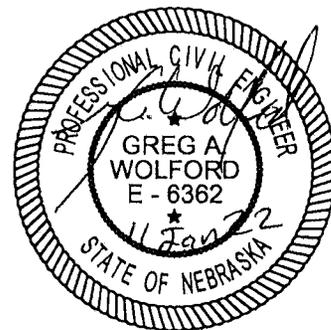
FOR

CITY STREET CRACK SEALING

McCOOK, NEBRASKA

2022 CRACK SEALING PROJECT

JANUARY, 2022



W DESIGN ASSOCIATES
CONSULTING ARCHITECTS & ENGINEERS
McCOOK/HASTINGS, NEBRASKA

TABLE OF CONTENTS

<u>GENERAL INSTRUCTIONS</u>	<u>SECTION OR PAGE</u>
Advertisement for Bids	00020
Instructions to Bidders	00100
Proposal Form	00310
Contract	00500
 <u>GENERAL CONDITIONS AND CONSTRUCTION CONTRACT</u>	
General Conditions –	
NDOT Standard Specifications for Highway Construction - 2017	**
Supplementary Conditions	00800
 <u>DETAILED SPECIFICATIONS</u>	
SUMMARY OF WORK	01010
ALTERNATE MATERIALS OR METHODS	01100
EXISTING FACILITIES	01800
CHANGES TO STANDARD SPECIFICATIONS - TECHNICAL	01805

** *These NDOT Documents shall be considered a part of these written Contract Documents as if attached hereto and herein written.*

SECTION 00020 - ADVERTISEMENT FOR BIDS

The CITY OF McCOOK, Nebraska will receive sealed bids for the 2022 Crack Sealing Project and associated work as described in the Plans and Specifications until 2:30 P.M. CST at the Office of the City Clerk, McCook, Nebraska on February 8, 2022 and then at said office publicly open and read aloud.

All bids must be made on the Proposal Form provided with the Plans and Specifications as prepared by W DESIGN ASSOCIATES, Consulting Engineers and Architects. Bids received after the closing will be returned unopened and shall not be considered.

Contractors may obtain paper copies of the Plans and Specifications from W Design Associates, 214 East 1st Street, McCook, Nebraska 69001 upon payment of \$15.00 for each set requested. Electronic copies may be obtained by email from breanna@wdesignea.com at no cost.

Each bid shall be accompanied by a certified check, cashier's check or bid bond in an amount of not less than five percent (5%) of the total bid amount and shall be made payable to the City of McCook, Nebraska as security that the bidder to whom the contract may be awarded will enter into contract to construct the project and give bond in the sum of the total contract amount for the construction of the project. Checks accompanying bids not accepted shall be returned to the bidders. Performance and Payment Bonds will be required for this project.

This project is the crack sealing of various City streets in McCook.

No bid shall be withdrawn after opening the bids without the consent of the McCook City Council for a period of 45 days.

The City of McCook reserves the right to accept or reject any or all bids and to waive any informalities in the bidding.

Date: January 11, 2022
Publish: January 20, 27 and February 3, 2022

Lea Ann Doak, City Clerk
City of McCook, NE

SECTION 00100 - INSTRUCTIONS TO BIDDERS

To be considered, Proposals must be made in accord with these Instructions to Bidders.

1. EXAMINATION

Bidders shall carefully examine the documents and the construction site to obtain first-hand knowledge of existing conditions. Contractors will not be given extra payments for conditions which can be determined by examining the site and documents.

2. QUESTIONS

Submit all questions about the Plans and Specifications to the Engineer in writing. The Engineer and the Owner will not be responsible for oral clarification.

3. SUBSTITUTIONS

To obtain approval to use unspecified products, bidders shall submit written requests at least ten (10) days before the bid date. Requests received after this time may not be considered. Requests shall clearly describe the product for which approval is asked, including all data necessary to demonstrate acceptability. If the product is acceptable, the Engineer will approve it in an Addendum issued to all prime bidders on record.

4. PROPOSALS

Proposals shall be made on unaltered Proposal Forms furnished by the Engineer. Fill in all blank spaces and submit one copy. Proposals shall be signed with name typed below signature. Where bidder is a corporation, Proposals must be signed with the legal name of the corporation followed by the name of the State of Incorporation and the legal signature of an officer authorized to bind the corporation to a contract.

5. BID SECURITY

Bid security shall be made payable to the City of McCook in the amount of five percent (5%) of the Proposal sum. Security shall be either certified check, cashier's check or bid bond issued by surety licensed to conduct business in the State of Nebraska. The successful bidder's security will be retained until he has signed the contract. The Owner reserves the right to retain the security of the next two lowest bidders until the lower bidder enters into contract or until ten days after bid opening whichever is the shorter. All other bid security will be returned as soon as practicable. If a bidder refuses to enter into a Contract, the Owner will retain his Bid Security as liquidated damages, but not as a penalty.

6. BONDS

Performance and Payment Bonds are required in the amount of 100% of the contract price.

7. SUBMITTAL

Submit Proposal and Bid Security in an opaque, sealed envelope. Identify the envelope with: (1) Project name; (2) Name of Bidder. Submit Proposals in accord with the Advertisement for Bids.

8. MODIFICATION AND WITHDRAWAL

Proposals may not be modified after submittal. Bidders may withdraw at any time before bid opening but may not resubmit them. No Proposal may be withdrawn or modified after the bid opening except where the award of Contract has been delayed for 45 days.

9. DISQUALIFIED

The Owner reserves the right to disqualify Proposals, before or after opening, upon evidence of collusion with intent to defraud or other illegal practices upon the part of the bidder.

10. OPENING

Proposals will be opened as announced in the Advertisement for Bids.

11. AWARD

The Contracts will be awarded on the basis of lowest responsible bid and the time of completion bid.

12. SALES TAX

The Contractor who is awarded the construction contract shall be appointed to act as a "Purchasing Agent" for the Exempt Organization for all materials to be incorporated into the Project. The Contractor will be supplied with a combination Purchasing Agent Appointment and Exempt Sale Certificate by the Exempt Organization. In turn the Contractor and/or his subcontractors shall provide their suppliers with copies of the document to enable them to purchase materials to be incorporated into the Project without payment of sales/use tax.

Billings from suppliers must be made out in the name of the Exempt Organization which appointed the Contractor as its Purchasing Agent and shall also show the name of the Contractor.

13. SPECIAL INSTRUCTIONS TO BIDDERS

During the performance of this contract, the Contractor agrees as follows:

A. The Contractor will not discriminate against any employee or applicant for employment because of race, creed, sex, color, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, sex, color or national origin. Such action shall include, but not be limited to, the following: employment,

upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

B. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, sex, color or national origin.

C. The Contractor agrees to abide by the provisions of the Nebraska Fair Employment Practices Act, as provided by Neb. Rev. Stat. §48-1101 through 48-1126 (Reissue 1998). The Contractor shall include this requirement in all subcontracts entered into pursuant to this agreement.

D. The Contractor shall comply with Fair Labor Standards as required by Neb. Rev. Stat. Sections 73-101 through 73-104 in the pursuit of his business and in the execution of this agreement.

SECTION 00310 - PROPOSAL FORM

_____, 2022

City Council
McCook, NE 69001

The undersigned, having inspected the site for the proposed construction and being familiar with all conditions of the work, including Drawings and Specifications thereof entitled "2022 CRACK SEALING PROJECT", McCook, Nebraska dated January, 2022 and including Addenda or Instructions issued during the estimate period, all as prepared by W DESIGN ASSOCIATES, hereby offers to furnish all plant, labor, equipment, materials and operations required for the complete and prompt execution of all work described in, or shown in, or reasonably implied by the above mentioned documents for such sums as detailed hereinafter:

ITEM	DESCRIPTION	QUANTITY	UNITS	PRICE EA.	TOTALS
1.	Pallet of Crafcro RoadSaver 221 Crack Sealer, Applied	20	Ea.	\$ _____	\$ _____

Total Base Bid – _____
_____ Dollars (\$ _____)

* The City of McCook will seal cracks in streets based on "Full Pallet Loads" of crack sealer applied. The City will purchase 20 pallet loads with an option to purchase additional pallet loads. The bid price per pallet of crack sealer includes the cost of the sealer, application of sealer, cleaning of the cracks, labor and equipment required to seal the cracks in the streets. See Sections 01010 and 01805 of these specifications. *One pallet shall be considered 75 ea. 30 lb. boxes of crack filler for a total pallet weight of 2250 lbs.*

Proposed START DATE _____

Proposed COMPLETION DATE _____

Receipt of Addenda is hereby acknowledged:

No. _____ Date _____ No. _____ Date _____ No. _____ Date _____

I (we) acknowledge that the Owner reserves the right to reject any or all bids, to waive any informalities or technical defects or negotiate with any of the Contractors who have submitted Proposals if the Owner deems it to be for his best interests.

If written notice of the acceptance of this bid is mailed or delivered to the undersigned within thirty days after the date set for the opening of this bid, or at any other time thereafter before it is withdrawn, the undersigned will execute and deliver the contract Documents and Bonds to the

Owner in accordance with this bid as accepted, and will also furnish and deliver to the Owner proof of insurance coverage, all within ten days after personal delivery or after deposit in the mails of the notification of acceptance of this bid.

Time is of the essence and it is the Owner's desire to have this work completed no later than April 15, 2022. The Contractor agrees to complete the work no later than the completion date bid. The Contractor further agrees that if work is completed after that date, he/she will pay to the Owner liquidated damages in the amount of \$100.00 per calendar day after the completion date required to complete the work.

This Proposal shall remain in effect for a period of forty-five (45) days after the closing time for the receipt of bids.

By

Address

Seal (If Corporation)

SECTION 00500 – 2022 CRACK SEALING CONTRACT

THIS AGREEMENT entered into this _____ day of _____ in the year TWO THOUSAND AND TWENTY-TWO by and between _____ of _____ hereinafter referred to as the "CONTRACTOR" and the CITY OF McCOOK, McCook, Nebraska hereinafter referred to as the "OWNER".

WITNESSETH: That the parties under the CONTRACT agree that the CONTRACTOR shall carry out the following generally described work on the owner's property in consideration of the unit prices as hereby set forth. 2022 CRACK SEALING PROJECT

ITEM DESCRIPTION	EST. QUANTITY	UNITS	PRICE EA.	TOTALS
1. Pallet of Crafcoc RoadSaver 221 Crack Sealer, Applied	20	Ea.	\$ _____	\$ _____

The City of McCook agrees to purchase full pallet loads of Crack Sealer at the above unit price per pallet with the option to purchase additional full pallets.

All work shall be done in accordance with the Plans and Specifications provided to the CONTRACTOR and dated January, 2022.

Payment requests shall be made monthly and shall be sent to the ENGINEER.

TO WIT: The CONTRACTOR shall at his cost and under his sole responsibility furnish all labor, tools, materials, transportation, equipment and perform all work required for the completion of the work.

Further, the CONTRACTOR agrees to complete all work by _____, 2022 and accepts the liquidated damages clause included in the Proposal Form.

The CONTRACTOR shall comply with all of the State and Federal laws governing and shall hold the OWNER blameless for any and all liabilities arising out of his operations under the Contract. The CONTRACTOR shall provide the OWNER with a Certificate of Insurance for

Worker's Compensation, Comprehensive General Liability, Contractual Liability, Personal Injury and Comprehensive Automobile Liability.

IN WITNESS WHEREOF, the parties to this contract have severally affixed their signatures executing this instrument this _____ day of _____ 2022.

APPROVED:

By _____

By _____

Date _____

Date _____

City of McCook
P. O. Box 1059
McCook, NE 69001

SECTION 00800 - SUPPLEMENTARY CONDITIONS

INTRODUCTION

The following supplements modify, change, delete from or add to the "General Conditions of the Contract for Construction". Where any Article of the General Conditions is modified or any Paragraph, Subparagraph or Clause thereof is modified or deleted by these Supplementary Conditions, the unaltered provisions of that Article, Paragraph, Subparagraph or Clause shall remain in effect.

1. All such variations shall be shown on the field documents which shall be delivered to the Engineer before final payment is made.

2. The Contractor shall provide a Certificate of Insurance of the following types and in amounts not less than the following:
 - A. Worker's Compensation:

(a) State:	Statutory
(b) Applicable Federal:	Statutory
(c) Employer's Liability	\$1,000,000.00

 - B. Comprehensive General Liability (including Premises-Operations; Independent Contractors' Protective; Products and Completed Operations; Broad Form Property Damage):

(a) Bodily Injury:		
\$1,000,000.00	Each Occurrence	
\$1,000,000.00/\$1,000,000	Annual Aggregate	
(b) Property Damage:		
\$1,000,000.00	Each Occurrence	
\$1,000,000.00	Annual Aggregate	
(c) Products and Completed Operations to be maintained for one year after final payment.		
(d) Property Damage Liability Insurance will provide X, C or U coverage, as applicable.		

 - C. Contractual Liability:

(a) Bodily Injury:		
\$1,000,000.00/\$1,000,000	Each Occurrence	
(b) Property Damage:		
\$1,000,000.00	Each Occurrence	
\$1,000,000.00	Annual Aggregate	

 - D. Personal Injury, with Employment Exclusion deleted:

\$1,000,000.00	Annual Aggregate	
----------------	------------------	--

- E. Comprehensive Automobile Liability:
 - (a) Bodily Injury:

\$1,000,000.00	Each Person
\$1,000,000.00/\$1,000,000	Each Occurrence
 - (b) Property Damage:

\$1,000,000.00	Each Occurrence
----------------	-----------------

- F. Umbrella Liability Coverage
 - (a) \$1,000,000.00

This umbrella coverage shall be over and above the stated coverages and amounts.

- G. Additional insurance required. Contractor shall carry in addition to that specifically named by the 'General Conditions', as follows:
 - (a) Completed Operations and Products Liability.
Maintained for one (1) year, commencing with issuance of Final Certificate for Payment.

3. FORM OF AGREEMENT

The form of agreement to be used for this project shall be as provided in the specifications.

4. SANITARY CONVENIENCES

Sanitary conveniences for use of all persons employed on the work shall be provided by the contractor.

5. SCHEDULING OF WORK

Insofar as is practicable, the contractor shall confine his operations to those parts of the site in which the construction work is located.

SECTION 01010 - SUMMARY OF THE WORK

GENERAL

The general contractor and its subcontractors will be required to follow these specifications as well as all Federal, State and local laws, ordinances, rules and regulations.

PROJECT DESCRIPTION

This project involves crack sealing various city streets and alleys in accordance with the NDOT 2017 Standard Specifications for Highway Construction. For this work the Crafcro RoadSaver 221 grade sealant will be used. The City Staff will direct the Contractor as to which streets and alleys will be crack sealed.

The work will be completed based on full pallets of crack sealing material supplied and installed. The Contractor will be directed by the city as to how many pallets will be used and the contractor will seal the cracks on designated streets until all the material is used.

TIME OF COMPLETION

The Contractor shall bid the proposed start and completion of this work on the proposal form. It is the City's desire that the work be completed no later than April 15, 2022.

TRAFFIC CONTROL

The Contractor shall provide traffic control in the areas of work until the crack sealing material has sufficiently cured to allow opening the street to traffic.

PALLET DEFINITION

A pallet shall be considered 75 ea. 30 lb. boxes of crack filler for a total pallet weight of 2250 lbs.

SECTION 01100 - ALTERNATE MATERIALS OR METHODS

1. ALTERNATE MATERIALS

A. Standard Manufacturer

Wherever the terms "Standard", "Recognized" or "Reputable" manufacturer are used, they shall be construed as meaning manufacturers who have been engaged in the business of fabricating materials, equipment or supplies for a period of over twelve months prior to the date fixed for opening bids.

B. "Or Equal" Clause

Whenever, in any section of the contract documents, plans or specifications, any article, material, or equipment is defined by describing a proprietary product, or by using the name of a manufacturer or vendor, the term "or approved equal", if not inserted, shall be implied. The specific article, material or equipment mentioned shall be understood as indicating the type, function, minimum standard of design, efficiency and quality desired and shall not be construed in such a manner as to exclude manufacturers of comparable quality, design and efficiency.

A bidder wishing to substitute a material or product in lieu of an item specified shall submit all appropriate information as called out in the Instructions to Bidders. No changes shall be accepted after submission of proposals unless they result in an improvement to the project and are accepted in writing by the Architect/Engineer or result in an acceptable credit to the owner without prejudice to the project and then only if accepted in writing by the Architect/Engineer.

SECTION 01800 - EXISTING FACILITIES

1. GENERAL

Attention is called to the existence of buried water lines, gas lines, sewer lines and telephone lines within the project limits. The Contractor assumes full responsibility for the location and protection of all utilities, buried or overhead, during the construction operations.

SECTION 01805 – CHANGES TO STANDARD SPECIFICATIONS - TECHNICAL

GENERAL

This section describes the changes to technical portions of the NDOT 2017 Standard Specifications for Highway Construction.

MATERIALS

1. The material used for sealing cracks and joints on all streets and alleys shall be Crafcro RoadSaver 221 or equal.

MEASURE AND PAYMENT

1. The sealing of cracks shall be measured and paid for by the pallet of crack filling material supplied and installed, by type. The item shall include all labor, material and incidentals needed, including cleaning the cracks. Only full pallets of material will be used.

END OF ...

SPECIFICATIONS

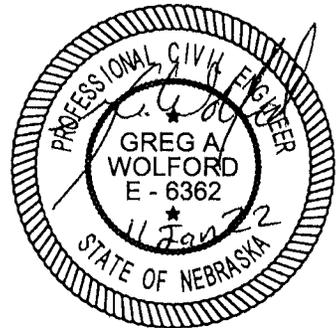
FOR

CITY STREET CRACK SEALING

McCOOK, NEBRASKA

2022 CRACK SEALING PROJECT

JANUARY, 2022



**W DESIGN ASSOCIATES
CONSULTING ARCHITECTS & ENGINEERS
McCOOK/HASTINGS, NEBRASKA**

**CITY MANAGER'S REPORT
JANUARY 17, 2022 CITY COUNCIL MEETING**

ITEM: 3.C.

RECOMMENDATION:

APPROVE THE SPECIFICATIONS FOR THE 2022 ARMOR COATING PROJECT AND SET THE TIME AND DATE TO RECEIVE BIDS AS 2:30 P.M. FEBRUARY 8, 2020

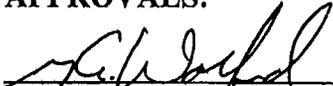
BACKGROUND

This is the annual armor coating maintenance done by the City.

As has been done in the past, the City will receive bids for the contractor to supply oil in full transport loads. Included in the contractor's bid is applying the oil; then placing and rolling the gravel. The gravel is supplied by the City. The Specifications call for one complete transport of oil with the option of adding a second if funds are available.

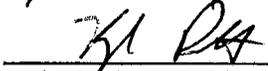
FISCAL IMPACT: None.

APPROVALS:



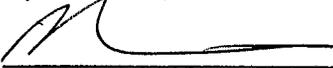
Greg Wolford, W Design Associates

Date: 11 Jan 22



Kyle Potthoff, Public Works Director

Date: 1/11/22



Nate Schneider, City Manager

Date: 1-11-22

ADVERTISEMENT FOR BIDS

The CITY OF McCOOK, Nebraska will receive sealed bids for the 2022 Armor Coating Project and associated work as described in the Plans and Specifications until 2:30 P.M. CST at the Office of the City Clerk, McCook Municipal Center, P.O. Box 1059, 505 West "C" Street, McCook, Nebraska on February 8, 2022 and then such bids shall be publicly opened and read aloud in the City Council Chambers, McCook Municipal Center.

All bids must be made on the Proposal Form provided with the Plans and Specifications as prepared by W DESIGN ASSOCIATES, Consulting Engineers and Architects. Bids received after the closing will be returned unopened and shall not be considered.

Contractors may obtain paper copies of the Plans and Specifications from W Design Associates, 214 East 1st Street, McCook, Nebraska 69001 upon payment of \$15.00 for each set requested. Electronic copies may be obtained by email from Breanna@wdesignea.com at no cost.

Each bid shall be accompanied by a certified check, cashier's check, or bid bond in an amount of not less than five percent (5%) of the total bid amount, and shall be made payable to the City of McCook, Nebraska as security that the bidder to whom the contract may be awarded will enter into contract to construct the project and give bond in the sum of the total contract amount for the construction of the project. Checks accompanying bids not accepted shall be returned to the bidders. Performance and Payment Bonds will be required for this project.

This project is the armor coating of various City streets in McCook.

No bid shall be withdrawn after opening the bids without the consent of the McCook City Council for a period of 45 days.

The City of McCook reserves the right to accept or reject any or all bids and to waive any informalities in the bidding.

Date: January 17, 2022

-s- Lea Ann Doak
City Clerk

Publish: January 20, 27, and February 3, 2022.

SPECIFICATIONS

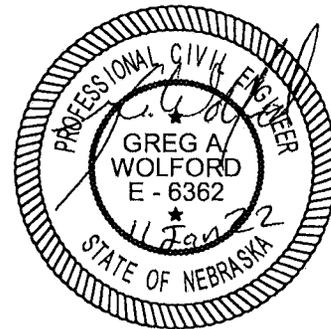
FOR

CITY STREET ARMOR COATING

McCOOK, NEBRASKA

2022 ARMOR COATING PROJECT

JANUARY, 2022



W DESIGN ASSOCIATES
CONSULTING ARCHITECTS & ENGINEERS
McCOOK/HASTINGS, NEBRASKA

TABLE OF CONTENTS

<u>GENERAL INSTRUCTIONS</u>	<u>SECTION OR PAGE</u>
Advertisement for Bids	00020
Instructions to Bidders	00100
Proposal form	00310
Contract	00500

GENERAL CONDITIONS AND CONSTRUCTION CONTRACT

General Conditions –	
NDOT Standard Specifications for Highway Construction - 2007	**
Supplementary Conditions	00800

DETAILED SPECIFICATIONS

SUMMARY OF WORK	01010
ALTERNATE MATERIALS OR METHODS	01100
EXISTING FACILITIES	01800
CHANGES TO STANDARD SPECIFICATIONS - TECHNICAL	01805

** *These NDOT Documents shall be considered a part of these written Contract Documents as if attached hereto and herein written.*

SECTION 00020 - ADVERTISEMENT FOR BIDS

The CITY OF McCOOK, Nebraska will receive sealed bids for the 2022 Armor Coating Project and associated work as described in the Plans and Specifications until 2:30 P.M. CDST at the Office of the City Clerk, McCook, Nebraska on February 8, 2022, and then such bids shall be publicly opened and read aloud in the City Council Chambers, McCook Municipal Center.

All bids must be made on the Proposal Form provided with the Plans and Specifications as prepared by W DESIGN ASSOCIATES, Consulting Engineers and Architects. Bids received after the closing will be returned unopened and shall not be considered.

Contractors may obtain paper copies of the Plans and Specifications from W Design Associates, 214 East 1st Street, McCook, Nebraska 69001 upon payment of \$15.00 for each set requested. Electronic copies may be obtained by email from Breanna@wdesignea.com at no cost.

Each bid shall be accompanied by a certified check, cashier's check or bid bond in an amount of not less than five percent (5%) of the total bid amount and shall be made payable to the City of McCook, Nebraska as security that the bidder to whom the contract may be awarded will enter into contract to construct the project and give bond in the sum of the total contract amount for the construction of the project. Checks accompanying bids not accepted shall be returned to the bidders. Performance and Payment Bonds will be required for this project.

This project is the armor coating of various City streets in McCook.

No bid shall be withdrawn after opening the bids without the consent of the McCook City Council for a period of 45 days.

The City of McCook reserves the right to accept or reject any or all bids and to waive any informalities in the bidding.

Date: January 11, 2022
-s- Lea Ann Doak, City Clerk
City of McCook, NE

Publish: January 20, 27 and February 3, 2022.

SECTION 00100 - INSTRUCTIONS TO BIDDERS

To be considered, Proposals must be made in accord with these Instructions to Bidders.

1. EXAMINATION

Bidders shall carefully examine the documents and the construction site to obtain first-hand knowledge of existing conditions. Contractors will not be given extra payments for conditions which can be determined by examining the site and documents.

2. QUESTIONS

Submit all questions about the Plans and Specifications to the Engineer in writing. The Engineer and the Owner will not be responsible for oral clarification.

3. SUBSTITUTIONS

To obtain approval to use unspecified products, bidders shall submit written requests at least ten (10) days before the bid date. Requests received after this time may not be considered. Requests shall clearly describe the product for which approval is asked, including all data necessary to demonstrate acceptability. If the product is acceptable, the Engineer will approve it in an Addendum issued to all prime bidders on record.

4. PROPOSALS

Proposals shall be made on unaltered Proposal Forms furnished by the Engineer. Fill in all blank spaces and submit one copy. Proposals shall be signed with name typed below signature. Where bidder is a corporation, Proposals must be signed with the legal name of the corporation followed by the name of the State of Incorporation and the legal signature of an officer authorized to bind the corporation to a contract.

5. BID SECURITY

Bid security shall be made payable to the City of McCook in the amount of five percent (5%) of the Proposal sum. Security shall be either certified check, cashier's check or bid bond issued by surety licensed to conduct business in the State of Nebraska. The successful bidder's security will be retained until he has signed the contract. The Owner reserves the right to retain the security of the next two lowest bidders until the lower bidder enters into contract or until ten days after bid opening whichever is the shorter. All other bid security will be returned as soon as practicable. If a bidder refuses to enter into a Contract, the Owner will retain his Bid Security as liquidated damages, but not as a penalty.

6. BONDS

Performance and Payment Bonds are required in the amount of 100% of the contract price.

7. SUBMITTAL

Submit Proposal and Bid Security in an opaque, sealed envelope. Identify the envelope with: (1) Project name; (2) Name of Bidder. Submit Proposals in accord with the Advertisement for Bids.

8. MODIFICATION AND WITHDRAWAL

Proposals may not be modified after submittal. Bidders may withdraw at any time before bid opening but may not resubmit them. No Proposal may be withdrawn or modified after the bid opening except where the award of Contract has been delayed for 45 days.

9. DISQUALIFIED

The Owner reserves the right to disqualify Proposals, before or after opening, upon evidence of collusion with intent to defraud or other illegal practices upon the part of the bidder.

10. OPENING

Proposals will be opened as announced in the Advertisement for Bids.

11. AWARD

The Contracts will be awarded on the basis of lowest responsible bid and the time of completion bid.

12. SALES TAX

The Contractor who is awarded the construction contract shall be appointed to act as a "Purchasing Agent" for the Exempt Organization for all materials to be incorporated into the Project. The Contractor will be supplied with a combination Purchasing Agent Appointment and Exempt Sale Certificate by the Exempt Organization. In turn the Contractor and/or his subcontractors shall provide their suppliers with copies of the document to enable them to purchase materials to be incorporated into the Project without payment of sales/use tax.

Billings from suppliers must be made out in the name of the Exempt Organization which appointed the Contractor as its Purchasing Agent and shall also show the name of the Contractor.

13. SPECIAL INSTRUCTIONS TO BIDDERS

During the performance of this contract, the Contractor agrees as follows:

- a. The Contractor will not discriminate against any employee or applicant for employment because of race, creed, sex, color, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, sex, color or national

origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

b. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, sex, color or national origin.

c. The Contractor agrees to abide by the provisions of the Nebraska Fair Employment Practices Act, as provided by Neb. Rev. Stat. §48-1101 through 48-1126 (Reissue 1998). The Contractor shall include this requirement in all subcontracts entered into pursuant to this agreement.

d. The Contractor shall comply with Fair Labor Standards as required by Neb. Rev. Stat. Sections 73-101 through 73-104 in the pursuit of his business and in the execution of this agreement.

SECTION 00310 – PROPOSAL FORM

_____, 2022

City Council
McCook, NE 69001

The undersigned, having inspected the site for the proposed construction and being familiar with all conditions of the work, including Drawings and Specifications thereof entitled "2022 ARMOR COATING PROJECT", McCook, Nebraska dated January, 2022 and including Addenda or Instructions issued during the estimate period, all as prepared by W DESIGN ASSOCIATES, hereby offers to furnish all plant, labor, equipment, materials and operations required for the complete and prompt execution of all work described in, or shown in, or reasonably implied by the above mentioned documents for such sums as detailed hereinafter:

ITEM	DESCRIPTION	QUANTITY	UNITS	PRICE EA.	TOTALS
1.	Armor Coat Oil*	1	Gal.	\$ _____	\$ _____

* The City of McCook armor coat streets based on "Full Transport Loads" of oil applied. The city will purchase one transport load with an option for a second. The bid price per gallon of oil includes the cost of the oil, application of gravel, labor and equipment required to armor coat the streets. See Section 01805.

Proposed START DATE _____

Proposed COMPLETION DATE _____

Receipt of Addenda is hereby acknowledged:

No. _____ Date _____ No. _____ Date _____ No. _____ Date _____

I (we) acknowledge that the Owner reserves the right to reject any or all bids, to waive any informalities or technical defects or negotiate with any of the Contractors who have submitted Proposals if the Owner deems it to be for his best interests.

If written notice of the acceptance of this bid is mailed or delivered to the undersigned within thirty days after the date set for the opening of this bid, or at any other time thereafter before it is withdrawn, the undersigned will execute and deliver the contract Documents and Bonds to the Owner in accordance with this bid as accepted, and will also furnish and deliver to the Owner proof of insurance coverage, all within ten days after personal delivery or after deposit in the mails of the notification of acceptance of this bid.

Time is of the essence and it is the Owner's desire to have this work complete before the start of school. The Contractor agrees to complete the work no later than the completion date bid. The

Contractor further agrees that if work is completed after that date, he/she will pay to the Owner liquidated damages in the amount of \$100.00 per calendar day after the completion date required to complete the work.

This Proposal shall remain in effect for a period of forty-five (45) days after the closing time for the receipt of bids.

By

Address

Seal (If Corporation)

SECTION 00500 – 2022 ARMOR COATING CONTRACT

THIS AGREEMENT entered into this _____ day of _____ in the year TWO THOUSAND AND TWENTY-TWO by and between _____ of _____ hereinafter referred to as the "CONTRACTOR" and the CITY OF McCOOK, McCook, Nebraska hereinafter referred to as the "OWNER".

WITNESSETH: That the parties under the CONTRACT agree that the CONTRACTOR shall carry out the following generally described work on the owner’s property in consideration of the unit prices as hereby set forth. 2022 ARMOR COATING PROJECT

ITEM DESCRIPTION	EST. QUANTITY	UNITS	PRICE EA.	TOTALS
			\$	\$
1. Armor Coat Oil	1	Gal.	_____	_____

The City of McCook agrees to purchase one full transport load of Armor Coat Oil at the above unit price per gallon with the option to purchase a second full load.

All work shall be done in accordance with the Plans and Specifications provided to the CONTRACTOR and dated January, 2022.

Payment requests shall be made monthly and shall be sent to the ENGINEER.

TO WIT: The CONTRACTOR shall at his cost and under his sole responsibility furnish all labor, tools, materials, transportation, equipment and perform all work required for the completion of the work.

Further, the CONTRACTOR agrees to complete all work by _____, 2022 and accepts the liquidated damages clause included in the Proposal Form.

The CONTRACTOR shall comply with all of the State and Federal laws governing and shall hold the OWNER blameless for any and all liabilities arising out of his operations under the Contract. The CONTRACTOR shall provide the OWNER with a Certificate of Insurance for

Worker's Compensation, Comprehensive General Liability, Contractual Liability, Personal Injury and Comprehensive Automobile Liability.

IN WITNESS WHEREOF, the parties to this contract have severally affixed their signatures executing this instrument this _____ day of _____ 2022.

APPROVED:

By _____

By _____

Date _____

Date _____

City of McCook
P. O. Box 1059
McCook, NE 69001

SECTION 00800 - SUPPLEMENTARY CONDITIONS

INTRODUCTION

The following supplements modify, change, delete from or add to the "General Conditions of the Contract for Construction". Where any Article of the General Conditions is modified or any Paragraph, Subparagraph or Clause thereof is modified or deleted by these Supplementary Conditions, the unaltered provisions of that Article, Paragraph, Subparagraph or Clause shall remain in effect.

1. All such variations shall be shown on the field documents which shall be delivered to the Engineer before final payment is made.
2. The Contractor shall provide a Certificate of Insurance of the following types and in amounts not less than the following:
 - A. Worker's Compensation:
 - (a) State: Statutory
 - (b) Applicable Federal: Statutory
 - (c) Employer's Liability: \$1,000,000.00
 - B. Comprehensive General Liability (including Premises-Operations; Independent Contractors' Protective; Products and Completed Operations; Broad Form Property Damage):
 - (a) Bodily Injury:

\$1,000,000.00	Each Occurrence
\$1,000,000.00/\$1,000,000	Annual Aggregate
 - (b) Property Damage:

\$1,000,000.00	Each Occurrence
\$1,000,000.00	Annual Aggregate
 - (c) Products and Completed Operations to be maintained for one year after final payment.
 - (d) Property Damage Liability Insurance will provide X, C or U coverage, as applicable.
 - C. Contractual Liability:
 - (a) Bodily Injury:

\$1,000,000.00/\$1,000,000	Each Occurrence
----------------------------	-----------------
 - (b) Property Damage:

\$1,000,000.00	Each Occurrence
\$1,000,000.00	Annual Aggregate
 - D. Personal Injury, with Employment Exclusion deleted:

\$1,000,000.00	Annual Aggregate
----------------	------------------

- E. Comprehensive Automobile Liability:
 - (a) Bodily Injury:
 - \$1,000,000.00 Each Person
 - \$1,000,000.00/\$1,000,000 Each Occurrence
 - (b) Property Damage:
 - \$1,000,000.00 Each Occurrence

- F. Umbrella Liability Coverage
 - (a) \$1,000,000.00

This umbrella coverage shall be over and above the stated coverages and amounts.

- G. Additional insurance required. Contractor shall carry in addition to that specifically named by the 'General Conditions', as follows:
 - (a) Completed Operations and Products Liability. Maintained for one (1) year, commencing with issuance of Final Certificate for Payment.

3. FORM OF AGREEMENT

The form of agreement to be used for this project shall be as provided in the specifications.

4. SANITARY CONVENIENCES

Sanitary conveniences for use of all persons employed on the work shall be provided by the contractor.

5. SCHEDULING OF WORK

Insofar as is practicable, the contractor shall confine his operations to those parts of the site in which the construction work is located.

SECTION 01010 - SUMMARY OF THE WORK

GENERAL

The general contractor and its subcontractors will be required to follow these specifications as well as all Federal, State and local laws, ordinances, rules and regulations.

PROJECT DESCRIPTION

This project involves armor coating various city streets in accordance with the NDOT 2017 Standard Specifications for Highway Construction. The City Staff will direct the Contractor as to which streets will be armor coated.

NOTIFICATION OF RESIDENTS

The Contractor shall provide the City with a schedule of construction 10 days prior to starting the armor coating. The City will be responsible for notifying affected residents through media outlets five (5) days prior to construction.

In addition, the Contractor shall be responsible for hanging flyers on the doors of residences along streets being armor coated the day before armor coating to inform the residents to move vehicles off the streets.

SECTION 01100 - ALTERNATE MATERIALS OR METHODS

1. ALTERNATE MATERIALS

A. Standard Manufacturer

Wherever the terms "Standard", "Recognized" or "Reputable" manufacturer are used, they shall be construed as meaning manufacturers who have been engaged in the business of fabricating materials, equipment or supplies for a period of over twelve months prior to the date fixed for opening bids.

B. "Or Equal" Clause

Whenever, in any section of the contract documents, plans or specifications, any article, material, or equipment is defined by describing a proprietary product, or by using the name of a manufacturer or vendor, the term "or approved equal", if not inserted, shall be implied. The specific article, material or equipment mentioned shall be understood as indicating the type, function, minimum standard of design, efficiency and quality desired and shall not be construed in such a manner as to exclude manufacturers of comparable quality, design and efficiency.

A bidder wishing to substitute a material or product in lieu of an item specified shall submit all appropriate information as called out in the Instructions to Bidders. No changes shall be accepted after submission of proposals unless they result in an improvement to the project and are accepted in writing by the Architect/Engineer or result in an acceptable credit to the owner without prejudice to the project and then only if accepted in writing by the Architect/Engineer.

SECTION 01800 - EXISTING FACILITIES

1. GENERAL

Attention is called to the existence of buried water lines, gas lines, sewer lines and telephone lines within the project limits. The Contractor assumes full responsibility for the location and protection of all utilities, buried or overhead, during the construction operations.

SECTION 01805 – CHANGES TO STANDARD SPECIFICATIONS - TECHNICAL

GENERAL

This section describes the changes to technical portions of the NDOT 2017 Standard Specifications for Highway Construction.

MATERIALS

1. Oil for Armor Coating. The Contractor shall provide all oil for armor coating. The oil shall be Grade CRS-2P. The city will complete this project using full transport loads of oil only. The city realizes that the Contractor will run out of oil before completing all streets desired. Those streets not completed will be done in next year's project.

The City will provide the Contractor with a list of streets to be armor coated upon arrival to begin work.

2. Gravel. The City shall provide all gravel for the project. The city will stockpile the gravel at the City street shop on South Street in McCook. The Contractor will be responsible for loading the gravel into his trucks at that point. Any gravel left over after completion of the project shall remain the property of the City.

WORKMANSHIP

1. The City of McCook will be responsible for cleaning and killing all grass and weeds in the cracks of streets to be armor coated.
2. The Contractor shall be responsible for all other street cleaning.
3. The City shall "pre-advertise" the streets to be armor coated, as well as the Contractor's schedule. The Contractor shall be responsible for all traffic control.
4. The Contractor shall notify residents via flyers per Section 01010, Summary of the Work.
5. The Contractor shall be responsible for placing the oil and gravel; initial rolling of the armor coat and repair of "bleeding" for 24 hours after the armor coat is placed.
6. The City of McCook shall maintain the streets after the 24-hour period as well as being responsible for removal of excess gravel on armor coated streets.

MEASUREMENT AND PAYMENT

1. The Engineer shall approve rates of application for oil and gravel on the streets.
2. The only item for which direct payment will be made is "Armor Coat Oil." This item will be paid for by the gallon as provided on transport weight tickets, adjusted to 60° F. All other items shall be subsidiary to this item.

END OF ...

SPECIFICATIONS

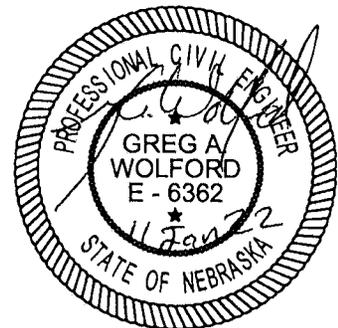
FOR

CITY STREET ARMOR COATING

McCOOK, NEBRASKA

2022 ARMOR COATING PROJECT

JANUARY, 2022



**W DESIGN ASSOCIATES
CONSULTING ARCHITECTS & ENGINEERS
McCOOK/HASTINGS, NEBRASKA**

CITY MANAGER'S REPORT
JANUARY 17, 2022 CITY COUNCIL MEETING

ITEM: **3.D.**

RECOMMENDATION:

RATIFY AN AGREEMENT BETWEEN NEBRASKA DEPARTMENT OF HEALTH AND HUMAN SERVICES AND THE CITY OF McCOOK TO ACCEPT PAYMENTS FROM THE LOW INCOME HOUSEHOLD WATER ASSISTANCE PROGRAM.

BACKGROUND:

The Low income Household Water Assistance Program Vendor Agreement (LIHWAP), allows the City of McCook Public Water System to receive payments from the assistance program for eligible low income customers that are delinquent on payments to the utility.

Federal funds are made available through DHHS for households with arrearages, rates and fees associated with reconnections or prevention of disconnection of services. Low income households can take advantage of the LIHWAP by contacting NDHHS. Additional any person seeking public assistance from HHS will be informed of the program.

The program provides for a one time payments that will bring the households account up-to-date. Once a payment amount is provided to HHS funds will be electronically deposited to the City's account. HHS will also provide notification of the payment to the City.

The City or HHS may terminated the agreement with 30 days' notice.

FISCAL IMPACT: None



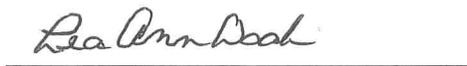
Jesse Dutcher, Utility Director

Date: 1-10-22



Nate Schneider, City Manager

Date: 1-11-22



Lea Ann Doak, City Clerk/Treasurer

Date: _____



Low Income Household Water Assistance Program Vendor Agreement

PURPOSE: This Agreement ("Agreement") between the State of Nebraska, Department of Health and Human Services, ("DHHS"), and the [City of McCook] ("Vendor") shall govern the purchase of water services from the Vendor on behalf of households eligible for the Low Income Household Water Assistance Program (LIHWAP). The federal funds will be used to assist eligible households with arrearages, rates and fees associated with reconnection or prevention of disconnection of service, and rate reduction for such services.

The parties acknowledge that this Agreement and the services provided by the Vendor are governed by and subject to the federal and state laws and regulations per General Terms and Conditions for Mandatory: Formula, Block and Entitlement Grants and LIHWAP [supplemental terms and conditions](#). Expenditure of LIHWAP funds is governed by the Notice of Award, Nebraska's approved LIHWAP state plan, and the requirements of the Administration for Children and Families Office of Community Services.

1. DURATION

- 1.1 **Term.** This Agreement shall be in effect beginning on the date that DHHS notifies the Vendor that they have been approved for enrollment. The Agreement shall not bind, nor purport to bind, DHHS for any commitment over the original Agreement period.
- 1.2 **Modifications.** All modifications to this Agreement shall be in writing and agreed upon by both parties.
- 1.3 **Termination.** This Agreement will terminate effective immediately upon a determination by DHHS that the Vendor is not in compliance with the terms of this Agreement. The Vendor will be notified within 15 calendar days of the termination.
 - 1.3.1 Either DHHS or the Vendor may terminate this Agreement with or without cause and without cost by giving the other party at least 30 calendar days' written notice. Termination by either party shall not discharge any obligation owed by either party on behalf of the household that has been awarded the benefit.

2. RESPONSIBILITIES

- 2.1 **DHHS.** DHHS shall:
 - 2.1.1 Equitably provide outreach activities to potentially eligible households.
 - 2.1.2 Based on established criteria, determine household eligibility promptly for LIHWAP.
 - 2.1.3 Provide the household notification of approved services.
 - 2.1.4 Review utility account documentation. DHHS will request additional documentation or clarification of charges as needed. No payment will be made without all required documentation of charges.
 - 2.1.5 Provide payment to the Vendor for eligible households after receipt of all required documentation for services rendered, according to this Agreement, and upon full compliance by the Vendor with the terms herein.
 - 2.1.6 Issue payments to the Vendor by Electronic Funds Transfer (EFT). Payments will be issued in a lump sum. DHHS will identify to the Vendor each eligible customer on whose behalf DHHS will make payment for water services, and the payment amount each customer is eligible to receive. The Vendor will be notified of payment details via the email address provided by the Vendor.

The detailed payment information will arrive via e-mail two (2) to three (3) days after payment is issued or via mail five (5) to seven (7) days after payment is issued.

- 2.1.7 Comply with all relevant state and federal laws and regulations, the Notice of Award, terms and conditions set forth by the Administration for Children and Families, program policies, and Nebraska's approved LIHWAP state plan in the implementation of LIHWAP.
- 2.1.8 Establish such fiscal control and fund accounting procedures as may be necessary to assure the proper disbursement of and accounting for federal funds paid to the state per all relevant state and federal laws and regulations, the Notice of Award, terms and conditions, program policies, and Nebraska's approved LIHWAP state plan, including procedures for monitoring the assistance provided under this title.
- 2.1.9 Monitor a portion of the Vendors to ensure compliance with the Vendor Agreement and program policies. By signing the Vendor Agreement, Vendors agree to be periodically monitored and provide necessary monitoring information when requested.
- 2.1.10 Provide the Vendors selected for compliance monitoring with a LIHWAP Monitoring Report to describe the information needed.

2.2 Vendor. The Vendor shall:

- 2.2.1 Provide DHHS a copy of the Employer Identification Number document or Social Security card which was issued to the Vendor and which displays the number used by the IRS as the Vendor's tax identification number. Notify DHHS immediately when the tax identification number is changed. A new W-9 form must be completed and returned to DHHS.
- 2.2.2 Provide DHHS with at least one designated contact person who shall be available to respond by telephone and electronic mail to all reasonable inquiries regarding LIHWAP household accounts, including but not limited to: address; account holder name; account number; line item accounting of amount owed and service it is owed for, water burden, payment history; how the LIHWAP payment was applied; and the impact of the payment.
- 2.2.3 Notify DHHS within ten (10) days when: the name of the company; ownership of the company; contact person; contact or billing information; services to be provided; or service coverage area changes.
- 2.2.4 Notify DHHS within ten (10) days if a LIHWAP payment is made for a customer residing in the Vendor's service area but with incorrect account information.
- 2.2.5 Notify DHHS if the business owner or another key employee is employed by DHHS, as well as if a member of his or her immediate family is employed by DHHS. Immediate family is a spouse or other person who resides in the same household as the owner and is a dependent of the owner.
 - 2.2.5.1 DHHS will evaluate the relationship to determine if there is a conflict of interest that will preclude the Vendor from providing LIHWAP services to a designated locality(s). Conflict of interest is defined as a situation that has the potential to undermine the impartiality of a person in an official position because of the possibility of a clash between the person's self-interest and professional interest or public interest.
- 2.2.6 Not serve as the Vendor for a household in which he or she is a current recipient of assistance from LIHWAP. Current is defined as during the present federal fiscal year.
- 2.2.7 Not serve as the Vendor for a dwelling or property that he or she owns.
- 2.2.8 Apply LIHWAP payments to the approved services for the LIHWAP eligible households identified by DHHS. Provide the services to each eligible and approved residential household for which payment is provided under LIHWAP.
- 2.2.9 Charge LIHWAP households using the Vendor's normal billing process the difference between the actual amount due and the amount of the payment made with LIHWAP funds.
- 2.2.10 Charge LIHWAP eligible households the same price for services that are charged to non-eligible households, as determined by the Vendor approved rate-setting process.
- 2.2.11 Not treat LIHWAP eligible households adversely because of such assistance under applicable provisions of state, territorial or tribal law, or public regulatory requirements.

- 2.2.12 Not apply LIHWAP payments to account balances that have previously been written off or paid with other funds.
- 2.2.13 Not apply LIHWAP payments to commercial accounts. LIHWAP payments must only be applied to residential accounts.
- 2.2.14 Accept payment guarantees from DHHS to restore services and eliminate arrearages. The Vendor must immediately apply payment guarantees to the customer accounts for the appropriate services.
- 2.2.15 Within 1 business day of receipt of the payment guarantee inform DHHS of the following: the payment guarantee was applied to the customer account; the new balance; and whether reconnection occurred or disconnection was alleviated.
- 2.2.16 Not terminate water service to an eligible customer covered by this Agreement except under the conditions set forth in the Nebraska Rev. Stat. §§ 70-1603 through 70-1614.
- 2.2.17 Identify LIHWAP payments made for eligible household accounts as payment received from the LIHWAP.
- 2.2.18 Provide a statement to LIHWAP households indicating the cost of home drinking water and/or wastewater services provided.
- 2.2.19 Maintain any credit amount, on the designated account, as a credit until used by the customer for water services or the customer ends service with the Vendor.
- 2.2.20 Transfer any credit balance to the new account, within thirty (30) days, if the customer moves and remains with the same Vendor.
- 2.2.21 Not exchange the household's credit authorization for cash or give any cash equivalent for excess credit.
- 2.2.22 Return to DHHS within thirty (30) days of service ending any credit balance of LIHWAP funds.
- 2.2.23 Return to DHHS within thirty (30) days any LIHWAP payment for a customer not residing in the Vendor service area.
- 2.2.24 Return to DHHS within thirty (30) days of Vendor closing or being sold any LIHWAP credit balance. Funds may not be transferred to another Vendor.
- 2.2.25 Returned funds must be remitted to DHHS – Accounting PO Box 94906 Lincoln, NE 68509-9947.
- 2.2.26 All funds returned to DHHS must include the following:
 - 2.2.26.1 Name of client the payment was issued for;
 - 2.2.26.2 Client ID number the payment was issued for;
 - 2.2.26.3 Address and city the payment was issued for;
 - 2.2.26.4 Account holder's name the payment was issued for;
 - 2.2.26.5 Account number the payment was issued for;
 - 2.2.26.6 Date the original payment was posted to the account;
 - 2.2.26.7 Reason funds are being returned; and,
 - 2.2.26.8 Amount of funds being returned for each account.
- 2.2.27 Maintain current records and comply with any state or local regulations required for service provision.
- 2.2.28 Cooperate with any federal, state, or local investigation, audit, or program review. The Vendor shall allow DHHS representatives access to all records relating to LIHWAP households for compliance verification with this Agreement.
- 2.2.29 Understand that failure to cooperate with any federal, state, or local investigation, audit, or program review may result in immediate disqualification from participation in LIHWAP.
- 2.2.30 Take corrective action in the time frame specified by DHHS if violations of this Agreement are discovered. Corrective action may include but is not limited to providing detailed documentation of the changes made and detailed plans for future changes that will bring the Vendor into compliance.

- 2.2.30.1 Understand that failure to implement corrective actions may result in immediate disqualification from participation in the LIHWAP.
 - 2.2.31 Collect and provide data within the time frame specified by DHHS and in the format requested by DHHS. The data must be provided to DHHS (or an authorized agent of DHHS) for verification, research, evaluation, analysis, and reporting. The household's signed LIHWAP application will authorize the Vendor to release this information to DHHS.
 - 2.2.32 Retain all books, records, and other documents relevant to this agreement for a minimum of five (5) years or until litigation, claim, negotiation, audit, or other action involving the records has been completed, if it was initiated prior to the expiration of this five (5) year period. These records may be used for a variety of program purposes including: program planning; program capacity building; assessing the impact of LIHWAP and other benefits on low-income households; and supporting funding decisions.
 - 2.2.33 Provide at no cost to DHHS, in the format requested:
 - 2.2.33.1 Written account information, including: account number; address; accountholder name; and other household-specific information.
 - 2.2.33.2 Written information regarding the household's home drinking water and/or wastewater usage, current balance and itemized charges, bill payment history, and arrearage.
 - 2.2.33.3 Immediate written confirmation that the payment guarantee was applied to the household account, inform of the new balance, and inform whether reconnection occurred or disconnection was alleviated.
 - 2.2.33.4 Other data as requested.
 - 2.2.34 Complete the Vendor Monitoring Report and supply the report and supporting documentation to DHHS within five business days of the request when selected for compliance monitoring.
- 2.3 **JOINT DUTIES.** Both the Vendor and DHHS shall:
- 2.3.1 Meet as needed to discuss any issues, recommendations, unmet needs, and lessons learned.

3. **CONDITIONS**

- 3.1 **Authorities.** Nothing herein shall be construed as authority for either party to make commitments that will bind the other party beyond the scope of services contained herein.
- 3.2 **Discrimination.** The Vendor shall not discriminate against any household because of race, religion, color, sex, national origin, age, disability, political beliefs, sexual orientation, gender identity, or any other basis prohibited by state law relating to discrimination. The Vendor shall not discriminate against a LIHWAP eligible household concerning terms, deferred payment plans, credit, conditions of sale, deposit, water rate, including service charges, reconnection charges payment plan arrangements, or discounts offered to other customers. The Vendor shall comply with all LIHWAP regulations, state and federal statutes and regarding civil rights and equal opportunity employment, including Title VI of the Civil Rights Act of 1964, 42 U.S.C. §§ 2000d et seq.; the Rehabilitation Act of 1973, 29 U.S.C. §§ 794 et seq.; the Americans with Disabilities Act of 1990, 42 U.S.C. §§ 12101 et seq.; and the Nebraska Fair Employment Practice Act, Neb. Rev. Stat. §§ 48-1101 to 48-1125.
- 3.3 **Confidentiality.** The Vendor agrees that any information and data obtained related to households shall be collected and held confidential, during and following the term of this Agreement. Household information shall not be disclosed without the individual's and DHHS's written consent and only per federal or state law. Vendors who utilize, access, or store personally identifiable information as part of the performance of this Agreement are required to safeguard this information and immediately notify DHHS of any breach or suspected breach in the security of such information. The Vendor shall allow DHHS to both participate in the investigation of incidents and exercise control over decisions regarding external reporting.
- 3.4 **Subcontracts.** DHHS reserves the right to require the Vendor to obtain permission to subcontract any portion of the work. If requested by DHHS, the Vendor shall furnish DHHS with the names, qualifications, and experience of their proposed subcontractors. The Vendor shall, however, remain

liable for the work to be done by its subcontractor(s) and shall assure compliance with all requirements of the Agreement.

- 3.5 Fraud. The Vendor will be permanently disqualified from participating in LIHWAP upon the first finding of LIHWAP fraud. Fraud includes, but is not limited to: intentionally providing false information to DHHS or knowingly allowing others to do so; intentional failure to notify DHHS of a change in circumstances that affects payments received by the Vendor; intentionally accepting payments that the Vendor knows or by reasonable diligence would know, the Vendor is not entitled to under an overpayment or otherwise; or intentionally making a claim for a payment to which the Vendor is not entitled under the terms of this Agreement and all applicable rules, regulations, laws, and statutes. Repayment must be made unless contrary to a court order.
- 3.6 Non-fraud overpayments. For overpayments received by the Vendor that are not the result of intent to defraud, the Vendor shall be required to repay the full amount to DHHS.
- 3.7 Reporting fraud. The Vendor agrees to report any known fraud activity by the household to DHHS. This may include but is not limited to the following:
- 3.7.1 The LIHWAP participant not disclosing all income.
 - 3.7.2 The LIHWAP participant not using awards appropriately.
 - 3.7.3 The LIHWAP participant not giving truthful information.
- 3.8 Business practices. The Vendor certifies that neither it nor its principals are debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any state or federal department or agency. No Vendor may participate in LIHWAP in any capacity or be a recipient of federal funds designated for this program if the provider has been debarred or suspended or otherwise found to be ineligible for participation in federal assistance programs under Executive Order 12549, "Debarment and Suspension." (See 45 CFR 75.212.)
- 3.9 Binding on heirs and assigns. This Agreement shall be binding upon and inure to the benefit of the respective successors and assign of each party but does not otherwise create, and shall not be construed as creating, any rights enforceable by any person not a party to this Agreement.
- 3.10 Due authorization. The persons executing this Agreement on behalf of a party represent and warrant to the other party that he or she has been duly authorized by such party executing this Agreement.
- 3.11 Severability. If any provision of this Agreement or the application thereof to any person or circumstance is held to be invalid, the invalidity shall not affect other provisions of this Agreement, which shall be given effect without regard to the invalid provision or application.

The parties to this Agreement acknowledge the information, specified above, and will provide the accomplishment of this service in a mutually acceptable and efficient manner.

Vendor Name: City of McClark


Signature of Authorized Representative for Vendor

Nathan A. Schneider City Manager
Printed Name/Title of Representative for Vendor

10-29-2021
Date

4. WATER UTILITY INFORMATION FORM

Vendor Name: <u>City of McCook</u>	Doing Business As (DBA), if applicable:	
Vendor Legal Name (as used on Federal Tax Return for Business): <u>City of McCook</u>	Owner Name:	
Type of Entity: <input type="checkbox"/> Sole Proprietor <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation <input checked="" type="checkbox"/> Government Entity <input type="checkbox"/> Trust <input type="checkbox"/> Estate Utility: <input type="checkbox"/> Investor-Owned <input checked="" type="checkbox"/> Municipal <input type="checkbox"/> Cooperative <input type="checkbox"/> Other <input type="checkbox"/> Limited Liability Company (LLC) Is the LLC incorporated? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Single Member or <input type="checkbox"/> Multiple Member	Taxpayer Identification (ID) Number: <u>47-6006273</u> <input type="checkbox"/> Social Security Number (SSN) <input checked="" type="checkbox"/> Employer Identification Number (EIN) <input type="checkbox"/> Individual Taxpayer Identification Number (ITIN)	
Vendor Contact/Title: <u>Lee Ann Dock City Clerk</u>	Telephone Number: <u>308 345 2022 ext 226</u>	
Physical Address: <u>505 West C St McCook NE</u>	Mailing Address: <u>POB 1059 McCook NE 69001</u>	
Email Address: <u>ldock@cityofmccook.com</u>	Office Fax Number: <u>308 341 1461</u>	
Account Inquiry/Payment Guarantees Contact:	Telephone Number:	
Mailing Address: <u>POB 1059 McCook NE 69001</u>	Email Address:	
Payments Contact/Title: <u>Jasmine Pritchett ^{Water} Clerk</u>	Telephone Number: <u>308-345-2022 Ext 222</u>	
Mailing Address: <u>P.O. B. 1059 McCook NE 69001</u>	Email Address Regarding Payments: <u>^{Water Clerk} City of McCook.com</u>	
SERVICES PROVIDED AND BILLED BY VENDOR		
<input checked="" type="checkbox"/> Water Fees	<input checked="" type="checkbox"/> Wastewater/Sewer Fees	<input checked="" type="checkbox"/> Other
<input type="checkbox"/> Storm water Fees	<input type="checkbox"/> Groundwater Fees	<u>Trash</u>
OTHER SERVICES INCLUDED ON WATER BILL		
<input type="checkbox"/> None	<input type="checkbox"/> Electricity	<input type="checkbox"/> Other
<input type="checkbox"/> Natural Gas	<input checked="" type="checkbox"/> Trash	

LOCALITIES SERVED			
Please indicate which localities you will serve by entering each name of the locality in a box.			
<u>McCook, NE</u>			

After signing the agreement and completing the vendor profile data pages, email pages to:
DHHS.LIHWAPMailbox@nebraska.gov

Remember to keep a copy for your records.

**CITY MANAGER'S REPORT
JANUARY 17, 2022 CITY COUNCIL MEETING**

ITEM: 3.E.

Receive and file the claims for the month of December 2021, published January 6, 2022.

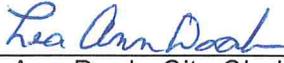
BACKGROUND:

Claims are presented to the Council and published each month as outlined in the City Code of Ordinances.

Staff is always available to address any questions that the Council may have regarding a specific claim.

**FISCAL
IMPACT:** None.

APPROVALS:



Lea Ann Doak, City Clerk

January 13, 2022

CITY OF MCCOOK
CLAIMS FOR DECEMBER 2021

ABBREVIATIONS FOR LEGALS: PS - PERSONAL SERVICES; S- SUPPLIES; SC - SERVICES & CHARGES; CO - CAPITAL OUTLAY; BT - BUDGET TRANSFERS

20/20 TECHS-SC 36143.00; 911 CUSTOM-S 265.72; ACE-S 1732.90; ADAPTABLE TOWING & RECOVERY-S 165.00; AKRS-S 569.06; AMERICAN AG LAB-SC 2231.52; AMERITAS-SC AMERICAN ELECTRIC-S 112.86; AMERITAS-SC 961.30; ANYTIME TRI-STATE TOWING-SC 150.00; ARROW CAR WASH-S 35.10; BARCO MUNICIPAL-S 199.80; BETTER HOMES AND GARDENS-S 36.28; BLACK HILLS ENERGY-SC 4715.00; BOYD'S ELECTRICAL-S 545.00; BW TELCOM-SC 144.14; C&K-S 329.04; CAMBRIDGE TELEPHONE-SC 244.51; CAROLINA SOFTWARE-S 617.75; CARQUEST-S 3158.93; CASH WA-S 15474.21; CDW-G-SC 209.00; CENTURY LINK-SC 1201.20; CITY OF MCCOOK-PS 374362.44; CITY SELF INS-BT 173258.00; UTILITIES-SC 6247.85; TOY BOX SC-225.00; CLASS 1 INJ WELL FIN-SC 927.03; MEMORIAL BENCHES-S 657.50; CITY TRANSFER STATION-S 12.06; CPS HR CONSULTING-SC 370.30; CRAWFORD SUPPLY-S 53.99; J. CROCKER-SC 249.59; CULLIGAN-S 95.58; CUMMINS SALES & SRVS-SC 780.22; D & L PEST CONTROL-S 182.00; D & S HARDWARE-S 1055.27; DANKO-S 384.00; K. DARLING-SC 85.00; DAS STATE-SC 918.00; DIAMOND VOGEL-S 86.69; DOUBLE D-S 100.02; DVORAK LAW-SC 429.00; EAKES-S 1401.87; FASTENAL-S 346.94; FICA-PS 18501.37; FRENCHHMAN VALLEY COOP-S 20681.45; FRONTIER COMMUNICATIONS-SC 34.19; FUSION CLOUD-SC 83.04; GALLS-S 196.79; GARDNER MEDIA-S 240.56; GARRISONS-S 79.50; GARVER-SC 16059.95; GOOGLE SVCS-SC 481.60; GOTCHA GLASS-S 780.00; GPM-S 588.00; GREAT PLAINS COMM-SC 2506.42; HAMPTON INN-SC 258.50; HAYS COMPANIES-SC 10000.00; HENNING BROS-SC 59.00; HIGH PLAINS RADIO-SC 27.00; HOMETOWN LEASING-SC 1508.46; IDEAL-S 152.09; INDELCO PLASTICS CO-S 373.30; IPMA-HR-SC 207.94; J BAR J LANDFILL-SC 42649.32; M JORDAN-SC 85.00; K & C GRAIN-S 33069.00; K-C MOTOR-CO 1262.82; KOHL'S AUTO-S 655.00; LAMP RYNEARSON-SC 2343.80, CO 318.70; LIFE-ASSIST-S 1815.71; MALLECK OIL-S 6.50; MATHESON-LINWELD-S 99.89; MATT FRIEND TRUCK-SC 13612.40; MBSM&S-SC 3492.13; MC CLINIC-SC 481.63; MC GAZETTE-SC 1246.83; MC HUMANE SOCIETY-S 3436.92; MPPD-SC 1038.67; MPS-SC 300.00; MC NET-SC 121.40; MCKESSON MEDICAL-S

2863.82; MEAD-S 149.44; MEDICARE PS 5228.63; D. MELLE-SC 182.72; MENARDS-S 790.63; MERCHANT SRVS-SC 1282.20; MICROMARKETING-S 2394.67; MIDLAND'S TOXICOLOGY-SC 65.00; MIDWEST LABS-SC 215.00; MILLER AND ASSOC-CO 5006.50;MOBOTREX-SC 473.00, S 736.00; MOTOROLA-CO 139048.60, S 3040.50; MUNICIPAL SUPPLY-S 3628.63; MUTUAL OF OMAHA-SC 1854.02; MYERS CONSTRUCTION-CO 152344.48; NDEE-SC 460.00; NE DEPT OF HEALTH LABS-SC 164.00; NE DEPT REVENUE-SC 8931.44; NE STATE FIRE MARSHALL-SC 120.00, S 120.00; NE LAW ENFORCEMENT-SC 135.00; NE TRUCK CENTER-S 420.83; NEBRASKA LAND TIRE-S 1979.01; NICK'S DIST-S 1194.79; NE MACHINERY-SC 2273.96, S 1591.92; NPPD-SC 20813.47, S 1605.04; ONE CALL CONCEPTS-SC 67.65; PAPER TIGER-S 90.00; PAULSEN INC-S 946.52; PLATTE VALLEY COMM-S 6881.52; PROTEX CENTRAL-S 98.00; PSYCHOLOGICAL RESOURCES-SC 135.00; QUICK MED-SC 7749.17; QUILL-S 410.18; RAVENSWOOD ELECTRIC-S 225.00; RED WILLOW CO TREAS-SC 51.56; S & S TIRE-CO 1814.60; SANDRY FIRE-CO 8339.50, S 901.43, SC 142.90; SAYLER SCREENPRINTING-S 92.50; SCHINDLER ELEVATOR-S 460.50; SCHOLASTIC INC-S 667.30; SCOTTIES POTTIES-S 194.00; SENSEL WELDING-S 41.15; SIRCHIE FINGER PRINT LAB-S 43.90; SOUTHWEST FARM & AUTO-S 363.15; SOUTHWESTERN EQUIP-S 184.20; STRYKER MEDICAL-S 132.09; SWANSON SIGN CO-SC 105.00; TELEFLEX-S 677.50; THE PIT CREW-S 16.00; TITAN MACHINERY-S 1413.86; TK ELEVATOR-SC 349.11; TOTAL TURF-S 209.00; TREE REBATE-SC 250.00; TRAVELERS-SC 21648.75; TYLER TECH-SC 292.50; UMR-SC 153799.35; UNION BANK-SC 1386.00; USPS-SC 1908.39; US FOODS-S 2171.52; USA BLUEBOOK-S 643.27; VANGUARD SAFETY WEAR-S 1049.70; VERIZON-SC 4233.64; VOICE PRODUCTS-SC 3506.00; VOLZ-S 130.00; W DESIGN-CO 2830.57; WAGNER CHEVY-S 166.32; WAGNER FORD-S 1540.77; WALMART-S 1228.44; WPCI-SC 29.50; ZOLL-S 193.52.

-s- Lea Ann Doak
City Clerk

Publish: January 6, 2022

**CITY MANAGER'S REPORT
JANUARY 17, 2022 CITY COUNCIL MEETING**

ITEM: 3.F.

Receive and file the Financial Report for the period ending December 31, 2021.

BACKGROUND:

The Treasurer's Report (Attachment A) gives the beginning cash balances as of October 1, 2021, plus Total (YTD) Receipts, minus Total (YTD) Disbursements, giving the ending cash balance on December 31, 2021.

Per the Banking Services Agreement with McCook National Bank, all funds are deposited into the Public Funds Account at a higher rate of interest. The bank then sweeps in increments of \$100,000 to the Primary Operating Account to cover disbursements as they clear the bank. The Payroll Account is also a sweep account and maintains a \$1,000 balance.

All of the bank accounts are interest bearing, except the Payroll Account and the Purchase Account. The Purchase Account is our VISA credit card.

Attachment B gives the ending cash balances by fund as of December 31, 2021.

Attachment C is a Financial Summary of Revenue and Expense by Fund for the quarter ending December 31, 2021.

Staff is always available to address any questions that the Council may have. The Department Heads receive monthly financial reports and it is their responsibility to monitor their individual budgets. It is the bottom-line per department that is monitored. If they go over on a line item, that must adjust for it in another line item.

**FISCAL
IMPACT:** None.

APPROVALS:



Lea Ann Doak, City Clerk-Treasurer

January 13, 2022



Nathan A. Schneider, City Manager

January 13, 2022

ATTACHMENT

A

City of McCook, Nebraska
 TREASURER'S REPORT
 Period Ending December 31, 2021 (unaudited)

Beginning Cash on Hand, October 1, 2021			
McCook National Bank - Public Funds	\$	17,042,616.65	
McCook National Bank - Primary Operating	\$	(279,443.92)	
McCook National Bank - LB840 Funds	\$	879,312.54	
McCook National Bank - Payroll	\$	1,000.00	
McCook National Bank - CRA	\$	57.93	
Purchases Account	\$	9,630.65	
Petty Cash	\$	1,000.00	
NDEQ Irrevocable Escrow	\$	83,564.97	
McCook National Bank - Pension	\$	5,212.19	
TOTAL BEGINNING CASH			\$ 17,742,951.01
Receipts:			
Taxes	\$	961,339.48	
Fees, Permits and Licenses	\$	114,449.09	
Intergovernmental Services	\$	360,931.73	
Charges - Current Services	\$	495,708.67	
Public Utilities	\$	1,169,408.63	
Use of Money & Property	\$	502,086.37	
Interfund Transfers	\$	1,213,818.51	
Other Revenue	\$	366,000.69	
Unapplied/Accounts Payable	\$	(489.20)	
PLUS TOTAL RECEIPTS			\$ 5,183,253.97
Disbursements:			
Personal Services	\$	1,607,682.13	
Supplies	\$	356,367.44	
Services & Charges	\$	1,626,458.65	
Budget Transfers	\$	906,233.01	
Capital Outlay	\$	869,110.26	
Unapplied/Accounts Payable	\$	-	
MINUS TOTAL DISBURSEMENTS			\$ 5,365,851.49
Ending Cash Balance December 31, 2021			
McCook National Bank - Public Funds	\$	16,548,948.77	
McCook National Bank - Primary Operating	\$	40,754.44	
McCook National Bank - LB840 Funds	\$	857,805.28	
McCook National Bank - Payroll	\$	1,000.00	
McCook National Bank - CRA	\$	57.93	
Petty Cash	\$	900.00	
Purchase Account	\$	9,882.11	
NDEQ Irrevocable Escrow	\$	84,510.44	
McCook National Bank - Pension	\$	16,494.52	
TOTAL ENDING CASH	\$	17,560,353.49	\$ 17,560,353.49

Dated: December 31, 2021

-s- Lea Ann Doak, City Clerk

ATTACHMENT B

City of McCook, Nebraska
 TREASURER'S REPORT
 CASH BALANCE BY FUNDS
 Period Ending December 31, 2021 (unaudited)

Beginning Cash on Hand, October 1, 2020	Beginning Cash	YTD Revenue	YTD Expenditures	Ending Cash
General Fund - 10	\$ 3,166,009.66	\$ 1,565,480.10	\$ 1,880,064.02	\$ 2,851,425.74
General Fund Unapplied/Accts. Payable	\$ 6,930.00	\$ (530.00)	\$ -	\$ 6,400.00
Street Fund - 15	\$ 562,460.09	\$ 184.00	\$ -	\$ 562,644.09
Special Revenue - 20	\$ 2,225,074.50	\$ 22,634.97	\$ 362,764.76	\$ 1,884,944.71
Special Revenue Unapplied/Accts. Payable	\$ -		\$ -	\$ -
Debt Service - 30	\$ 395,909.07	\$ 166.00	\$ -	\$ 396,075.07
Community Redevelopment Authority - 40	\$ 72,402.36	\$ 2,135.02	\$ 2,104.02	\$ 72,433.36
Economic Development Fund - 45	\$ 879,312.54	\$ 147,472.14	\$ 168,979.40	\$ 857,805.28
Pension Trust - 50	\$ 5,212.19	\$ 16,000.82	\$ 4,718.49	\$ 16,494.52
Trust & Agency - 60	\$ 331,559.78	\$ 48,379.26	\$ 27,162.61	\$ 352,776.43
Internal Service Fund - 65	\$ 361,345.20	\$ 757,750.94	\$ 551,738.32	\$ 567,357.82
Enterprise Fund - 70	\$ 8,899,188.10	\$ 2,463,190.93	\$ 2,322,352.68	\$ 9,040,026.35
Enterprise Fund Unapplied/Accts. Payable	\$ -	\$ 40.80	\$ -	\$ 40.80
Capital Improvement - 80	\$ 837,547.52	\$ 160,348.99	\$ 45,967.19	\$ 951,929.32
BALANCES	\$ 17,742,951.01	\$ 5,183,253.97	\$ 5,365,851.49	\$ 17,560,353.49

Dated: December 31, 2021

-s- Lea Ann Doak, City Clerk

ATTACHMENT C

CITY OF MCCOOK
 STATEMENT OF REVENUES - BUDGET VS. ACTUAL
 AS OF: DECEMBER 31ST, 2021

10 -GENERAL FUND
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 25.00

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
REVENUE SUMMARY							
GENERAL REVENUE	9,439,695	9,439,695	517,674.59	1,531,791.10	1,737,880.81	7,907,903.90	83.77
RESERVES/CO TREASURER BAL	<u>1,756,659</u>	<u>1,756,659</u>	<u>11,229.00</u>	<u>33,689.00</u>	<u>0.00</u>	<u>1,722,970.00</u>	<u>98.08</u>
TOTAL REVENUES	<u>11,196,354</u>	<u>11,196,354</u>	<u>528,903.59</u>	<u>1,565,480.10</u>	<u>1,737,880.81</u>	<u>9,630,873.90</u>	<u>86.02</u>
	=====	=====	=====	=====	=====	=====	=====
	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE EXPENDITURES	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
ADMINISTRATION	762,814	762,814	40,296.19	128,937.90	126,587.35	633,876.10	83.10
PUBLICITY	8,750	8,750	201.30	768.03	754.49	7,981.97	91.22
AUDITORIUM	50,056	50,056	1,966.73	9,353.97	11,712.63	40,702.03	81.31
COUNCIL	562,228	562,228	19,423.20	56,820.46	101,811.38	505,407.54	89.89
POLICE	2,188,434	2,188,434	147,760.13	407,094.35	403,397.95	1,781,339.65	81.40
MUNICIPAL CENTER	117,179	117,179	5,019.32	30,979.59	35,845.73	86,199.41	73.56
FIRE	1,609,965	1,609,965	99,244.51	311,123.52	343,208.45	1,298,841.48	80.68
AMBULANCE	174,880	174,880	16,949.65	31,739.73	23,424.84	143,140.27	81.85
CIVIL DEFENSE	10,075	10,075	47.58	259.74	394.63	9,815.26	97.42
BUILDING & ZONING	99,604	99,604	6,798.38	22,862.54	20,527.28	76,741.46	77.05
LIBRARY	361,567	361,567	23,700.44	73,726.33	76,847.87	287,840.67	79.61
STREET	1,050,567	1,050,567	62,950.82	262,027.96	263,289.59	788,539.04	75.06
CEMETERY	236,078	236,078	16,117.22	61,608.06	50,040.56	174,469.94	73.90
PARKS	281,264	281,264	13,230.25	49,793.58	44,459.51	231,470.42	82.30
BALL PARKS	156,669	156,669	7,272.14	26,458.57	24,305.96	130,210.43	83.11
POOL	99,232	99,232	195.55	1,351.26	2,044.53	97,880.74	98.64
AIRPORT	173,619	173,619	9,267.68	34,284.27	36,260.82	139,334.73	80.25
UNEMPLOYMENT	10,000	10,000	0.00	0.00	0.00	10,000.00	100.00
UNCOLLECTABLE TAX	15,000	15,000	45.01	465.52	1,449.55	14,534.48	96.90
SENIOR CENTER	447,304	447,304	34,918.29	96,959.84	89,611.37	350,344.16	78.32
PUBLIC TRANSPORTATION	177,330	177,330	12,462.60	39,775.30	39,114.24	137,554.70	77.57
HEALTH OPERATING	787,075	787,075	65,589.50	196,768.50	176,499.00	590,306.50	75.00
RESERVES/CO TREASURER BAL	<u>656,659</u>	<u>656,659</u>	<u>25,612.40</u>	<u>36,905.00</u>	<u>0.00</u>	<u>619,754.00</u>	<u>94.38</u>
TOTAL EXPENDITURES	<u>10,036,349</u>	<u>10,036,349</u>	<u>609,068.89</u>	<u>1,880,064.02</u>	<u>1,871,587.73</u>	<u>8,156,284.98</u>	<u>81.27</u>
	=====	=====	=====	=====	=====	=====	=====
REVENUES OVER/(UNDER) EXPENDITURES	1,160,005	1,160,005	(80,165.30)	(314,583.92)	(133,706.92)	1,474,588.92	127.12

CITY OF MCCOOK
 STATEMENT OF REVENUES - BUDGET VS. ACTUAL
 AS OF: DECEMBER 31ST, 2021

15 -STREET FUND
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 25.00

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
REVENUE SUMMARY							
STREET IMPROVEMENTS	<u>522,367</u>	<u>522,367</u>	<u>79.00</u>	<u>184.00</u>	<u>91.00</u>	<u>522,183.00</u>	<u>99.96</u>
TOTAL REVENUES	<u>522,367</u>	<u>522,367</u>	<u>79.00</u>	<u>184.00</u>	<u>91.00</u>	<u>522,183.00</u>	<u>99.96</u>
	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE EXPENDITURES	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
STREET IMPROVEMENTS	<u>522,367</u>	<u>522,367</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>522,367.00</u>	<u>100.00</u>
TOTAL EXPENDITURES	<u>522,367</u>	<u>522,367</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>522,367.00</u>	<u>100.00</u>
REVENUES OVER/(UNDER) EXPENDITURES	0	0	79.00	184.00	91.00 (	184.00)	0.00

CITY OF MCCOOK
STATEMENT OF REVENUES - BUDGET VS. ACTUAL
AS OF: DECEMBER 31ST, 2021

20 -SPECIAL REVENUE
FINANCIAL SUMMARY

% OF YEAR COMPLETED: 25.00

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
REVENUE SUMMARY							
FAA GRANTS	7,262	7,262	0.00	0.00	0.00	7,262.00	100.00
PUBLIC TRANSIT GRANTS	66,000	66,000	0.00	0.00	0.00	66,000.00	100.00
ACE REVENUE SHARING	30,961	30,961	4.00	14.00	23.00	30,947.00	99.95
MCCOOK RECREATIONAL TRAIL	53,979	53,979	8.00	23.00	24.00	53,956.00	99.96
CCCCFF GRANT-SWIMMING POOL	25,000	25,000	0.00	0.00	0.00	25,000.00	100.00
MCCOOK COMM FOUNDATION	0	0	0.00	0.00	0.00	0.00	0.00
COVID-19 CARES ACT	718,337	718,337	97.00	301.00	684,586.70	718,036.00	99.96
ENHANCED E911	166,497	166,497	3,219.97	7,777.79	5,565.15	158,719.21	95.33
RAVENSWOOD RD PROJECT	0	0	0.00	0.00	0.00	0.00	0.00
INSURANCE REIMBURSEMENT	426,233	426,233	66.00	193.00	6,979.40	426,040.00	99.95
PSAP FUNDS	117,992	117,992	9,360.12	14,055.18	14,064.18	103,936.82	88.09
MUNICIPAL FACILITY CONST	34,785	34,785	0.00	0.00	0.00	34,785.00	100.00
SKATE PARK IMPROVEMENTS	4,642	4,642	0.00	0.00	0.00	4,642.00	100.00
AUD/CONVEN CTR FEASIBILI	0	0	0.00	0.00	0.00	0.00	0.00
AME RESCUE PLAN ACT-ARPA	<u>1,338,028</u>	<u>1,338,028</u>	<u>83.00</u>	<u>271.00</u>	<u>0.00</u>	<u>1,337,757.00</u>	<u>99.98</u>
TOTAL REVENUES	<u>2,989,716</u>	<u>2,989,716</u>	<u>12,838.09</u>	<u>22,634.97</u>	<u>711,242.43</u>	<u>2,967,081.03</u>	<u>99.24</u>
	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE EXPENDITURES	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
FAA GRANTS	7,262	7,262	16,059.95	45,636.73	66.00 (	38,374.73)	528.43-
PUBLIC TRANSIT GRANTS	66,000	66,000	0.00	0.00	0.00	66,000.00	100.00
ACE REVENUE SHARING	30,961	30,961	20,843.00	25,939.00	1,117.80	5,022.00	16.22
MCCOOK RECREATIONAL TRAIL	53,979	53,979	0.00	0.00	0.00	53,979.00	100.00
CCCCFF GRANT-SWIMMING POOL	25,000	25,000	2,343.80	7,031.80	0.00	17,968.20	71.87
MCCOOK COMM FOUNDATION	0	0	0.00	0.00	0.00	0.00	0.00
COVID-19 CARES ACT	718,337	718,337	162,286.62	195,619.62	0.00	522,717.38	72.77
ENHANCED E911	166,497	166,497	1,903.18	6,791.34	8,292.77	159,705.66	95.92
RAVENSWOOD RD PROJECT	0	0	0.00	0.00	0.00	0.00	0.00
INSURANCE REIMBURSEMENT	426,233	426,233	0.00	0.00	6,793.40	426,233.00	100.00
PSAP FUNDS	117,992	117,992	3,534.44	9,269.52	8,544.19	108,722.48	92.14
MUNICIPAL FACILITY CONST	34,785	34,785	0.00	0.00	0.00	34,785.00	100.00
SKATE PARK IMPROVEMENTS	4,642	4,642	0.00	0.00	0.00	4,642.00	100.00
AUD/CONVEN CTR FEASIBILI	0	0	0.00	0.00	0.00	0.00	0.00
AME RESCUE PLAN ACT-ARPA	<u>1,338,028</u>	<u>1,338,028</u>	<u>0.00</u>	<u>72,476.75</u>	<u>0.00</u>	<u>1,265,551.25</u>	<u>94.58</u>
TOTAL EXPENDITURES	<u>2,989,716</u>	<u>2,989,716</u>	<u>206,970.99</u>	<u>362,764.76</u>	<u>24,814.16</u>	<u>2,626,951.24</u>	<u>87.87</u>
REVENUES OVER/(UNDER) EXPENDITURES	0	0 (	194,132.90)(	340,129.79)	686,428.27	340,129.79	0.00

CITY OF MCCOOK
 STATEMENT OF REVENUES - BUDGET VS. ACTUAL
 AS OF: DECEMBER 31ST, 2021

30 -DEBT SERVICE
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 25.00

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
REVENUE SUMMARY							
GENERAL OBLIGATION	0	0	0.00	0.00	0.00	0.00	0.00
AIRBASE JUDGEMENT	0	0	0.00	0.00	0.00	0.00	0.00
SPECIAL ASSESSMENTS	395,856	395,856	55.00	166.00	36,311.82	395,690.00	99.96
BOND RESERVE	0	0	0.00	0.00	0.00	0.00	0.00
TOTAL REVENUES	395,856	395,856	55.00	166.00	36,311.82	395,690.00	99.96
	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE EXPENDITURES	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
GENERAL OBLIGATION	0	0	0.00	0.00	0.00	0.00	0.00
AIRBASE JUDGEMENT	0	0	0.00	0.00	0.00	0.00	0.00
SPECIAL ASSESSMENTS	395,856	395,856	0.00	0.00	0.00	395,856.00	100.00
BOND RESERVE	0	0	0.00	0.00	0.00	0.00	0.00
TOTAL EXPENDITURES	395,856	395,856	0.00	0.00	0.00	395,856.00	100.00
REVENUES OVER/(UNDER) EXPENDITURES	0	0	55.00	166.00	36,311.82 (	166.00)	0.00

CITY OF MCCOOK
 STATEMENT OF REVENUES - BUDGET VS. ACTUAL
 AS OF: DECEMBER 31ST, 2021

40 -COMMUNITY DEVELOPMENT
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 25.00

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
REVENUE SUMMARY							
KEYSTONE BUS CENTER PROJ	31,000	31,000	0.00	0.00	0.00	31,000.00	100.00
CITY INVESTMENTS	72,489	72,489	10.00	31.00	29.00	72,458.00	99.96
NORTH POINTE	30,000	30,000	0.00	0.00	4,095.12	30,000.00	100.00
CLARY VILLAGE LLC	9,500	9,500	0.00	0.00	0.00	9,500.00	100.00
MCCOOK HOTEL GROUP/COBBL	60,000	60,000	0.00	0.00	0.00	60,000.00	100.00
QUILLAN COURTS	15,000	15,000	0.00	2,104.02	0.00	12,895.98	85.97
MCCOOK LODGING/HOLIDAY I	134,000	134,000	0.00	0.00	0.00	134,000.00	100.00
NEXT GENERATION	200,000	200,000	0.00	0.00	0.00	200,000.00	100.00
N-STANT CONVENIENCE	20,000	20,000	0.00	0.00	0.00	20,000.00	100.00
BLACKWOOD ENTERPRISES	<u>200,000</u>	<u>200,000</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>200,000.00</u>	<u>100.00</u>
TOTAL REVENUES	771,989	771,989	10.00	2,135.02	4,124.12	769,853.98	99.72
=====							
	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE EXPENDITURES	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
KEYSTONE BUS CENTER PROJ	31,000	31,000	0.00	0.00	0.00	31,000.00	100.00
CITY INVESTMENTS	72,489	72,489	0.00	0.00	0.00	72,489.00	100.00
NORTH POINTE	30,000	30,000	0.00	0.00	0.00	30,000.00	100.00
CLARY VILLAGE LLC	9,500	9,500	0.00	0.00	0.00	9,500.00	100.00
MCCOOK HOTEL GROUP/COBBL	60,000	60,000	0.00	0.00	0.00	60,000.00	100.00
QUILLAN COURTS	15,000	15,000	0.00	2,104.02	0.00	12,895.98	85.97
MCCOOK LODGING/HOLIDAY I	134,000	134,000	0.00	0.00	0.00	134,000.00	100.00
NEXT GENERATION	200,000	200,000	0.00	0.00	0.00	200,000.00	100.00
N-STANT CONVENIENCE	20,000	20,000	0.00	0.00	0.00	20,000.00	100.00
BLACKWOOD ENTERPRISES	<u>200,000</u>	<u>200,000</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>200,000.00</u>	<u>100.00</u>
TOTAL EXPENDITURES	771,989	771,989	0.00	2,104.02	0.00	769,884.98	99.73
=====							
REVENUES OVER/(UNDER) EXPENDITURES	0	0	10.00	31.00	4,124.12 (	31.00)	0.00

CITY OF MCCOOK
 STATEMENT OF REVENUES - BUDGET VS. ACTUAL
 AS OF: DECEMBER 31ST, 2021

45 -ECONOMIC DEVELOPMENT FUND
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 25.00

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
<u>REVENUE SUMMARY</u>							
ECONOMIC DEVELOPMENT FUN	1,268,739	1,268,739	59,607.03	147,472.14	128,664.76	1,121,266.86	88.38
KEYSTONE BOND RESERVE	0	0	0.00	0.00	0.00	0.00	0.00
KEYSTONE BOND REDEMPTION	0	0	0.00	0.00	0.00	0.00	0.00
TOTAL REVENUES	1,268,739	1,268,739	59,607.03	147,472.14	128,664.76	1,121,266.86	88.38
	=====	=====	=====	=====	=====	=====	=====
	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE EXPENDITURES	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
ECONOMIC DEVELOPMENT FUN	1,268,739	1,268,739	122,041.70	168,979.40	42,071.00	1,099,759.60	86.68
KEYSTONE BOND RESERVE	0	0	0.00	0.00	0.00	0.00	0.00
KEYSTONE BOND REDEMPTION	0	0	0.00	0.00	0.00	0.00	0.00
TOTAL EXPENDITURES	1,268,739	1,268,739	122,041.70	168,979.40	42,071.00	1,099,759.60	86.68
	=====	=====	=====	=====	=====	=====	=====
REVENUES OVER/(UNDER) EXPENDITURES	0	0	(62,434.67)	(21,507.26)	86,593.76	21,507.26	0.00

CITY OF MCCOOK
 STATEMENT OF REVENUES - BUDGET VS. ACTUAL
 AS OF: DECEMBER 31ST, 2021

50 -PENSION TRUST
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 25.00

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
REVENUE SUMMARY							
POLICE OFFICER DISABILIT	21,213	21,213	16,000.47	16,000.82	1.82	5,212.18	24.57
TOTAL REVENUES	21,213	21,213	16,000.47	16,000.82	1.82	5,212.18	24.57
	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE EXPENDITURES	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
POLICE OFFICER DISABILIT	21,213	21,213	1,572.83	4,718.49	4,718.49	16,494.51	77.76
TOTAL EXPENDITURES	21,213	21,213	1,572.83	4,718.49	4,718.49	16,494.51	77.76
REVENUES OVER/(UNDER) EXPENDITURES	0	0	14,427.64	11,282.33	(4,716.67)	(11,282.33)	0.00

CITY OF MCCOOK
 STATEMENT OF REVENUES - BUDGET VS. ACTUAL
 AS OF: DECEMBER 31ST, 2021

60 -AGENCY FUND
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 25.00

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
REVENUE SUMMARY							
PERPETUAL CARE	157,271	157,271	472.00	2,764.00	1,564.00	154,507.00	98.24
SENIOR CENTER CONTRIBUTIO	65,064	65,064	3,745.00	5,102.50	8,343.00	59,961.50	92.16
SCHOOL	8,050	8,050	295.00	1,320.00	670.00	6,730.00	83.60
FIRE CONTRIBUTIONS	5,228	5,228	773.55	3,773.55	100.00	1,454.45	27.82
LIBRARY MEMORIAL	38,714	38,714	0.00	10,989.00	920.00	27,725.00	71.61
COMMUNITY BETTERMENT	141,634	141,634	6,673.55	23,385.27	20,664.13	118,248.73	83.49
DARE CONTRIBUTIONS	3,152	3,152	0.00	0.00	0.00	3,152.00	100.00
PUBLIC WORKS CONTRIBUTION	6,365	6,365	0.00	0.00	0.00	6,365.00	100.00
AMBULANCE CONTRIBUTIONS	9,246	9,246	0.00	0.00	1,520.00	9,246.00	100.00
COMMUNITY PARAMEDIC PROG	4,316	4,316	0.00	0.00	0.00	4,316.00	100.00
POLICE CONTRIBUTIONS	2,771	2,771	973.56	1,044.94	20.00	1,726.06	62.29
TOTAL REVENUES	441,811	441,811	12,932.66	48,379.26	33,801.13	393,431.74	89.05
<hr/>							
	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE EXPENDITURES	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
PERPETUAL CARE	157,271	157,271	0.00	0.00	0.00	157,271.00	100.00
SENIOR CENTER CONTRIBUTIO	65,064	65,064	503.69	503.69	1,895.88	64,560.31	99.23
SCHOOL	8,050	8,050	350.00	1,025.00	375.00	7,025.00	87.27
FIRE CONTRIBUTIONS	5,228	5,228	0.00	0.00	0.00	5,228.00	100.00
LIBRARY MEMORIAL	38,714	38,714	0.00	749.40	13,723.26	37,964.60	98.06
COMMUNITY BETTERMENT	141,634	141,634	6,058.00	23,971.00	5,370.00	117,663.00	83.08
DARE CONTRIBUTIONS	3,152	3,152	73.50	913.52	0.00	2,238.48	71.02
PUBLIC WORKS CONTRIBUTION	6,365	6,365	0.00	0.00	0.00	6,365.00	100.00
AMBULANCE CONTRIBUTIONS	9,246	9,246	0.00	0.00	0.00	9,246.00	100.00
COMMUNITY PARAMEDIC PROG	4,316	4,316	0.00	0.00	0.00	4,316.00	100.00
POLICE CONTRIBUTIONS	2,771	2,771	0.00	0.00	77.98	2,771.00	100.00
TOTAL EXPENDITURES	441,811	441,811	6,985.19	27,162.61	21,442.12	414,648.39	93.85
<hr/>							
REVENUES OVER/(UNDER) EXPENDITURES	0	0	5,947.47	21,216.65	12,359.01	(21,216.65)	0.00

CITY OF MCCOOK
 STATEMENT OF REVENUES - BUDGET VS. ACTUAL
 AS OF: DECEMBER 31ST, 2021

65 -INTERNAL SERVICE FUND
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 25.00

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
REVENUE SUMMARY							
FLEX DEPENDENT CARE	11,994	11,994	230.78	692.34	1,153.86	11,301.66	94.23
FLEX - MEDICAL	65,297	65,297	2,616.38	7,849.14	7,905.66	57,447.86	87.98
SELF INSURED HEALTH INSUR	<u>2,588,281</u>	<u>2,588,281</u>	<u>181,851.00</u>	<u>749,209.46</u>	<u>579,100.89</u>	<u>1,839,071.54</u>	<u>71.05</u>
TOTAL REVENUES	2,665,572	2,665,572	184,698.16	757,750.94	588,160.41	1,907,821.06	71.57
	=====	=====	=====	=====	=====	=====	=====
	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE EXPENDITURES	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
FLEX DEPENDENT CARE	11,994	11,994	461.52	923.04	1,984.39	11,070.96	92.30
FLEX - MEDICAL	65,297	65,297	5,630.47	6,785.09	2,061.74	58,511.91	89.61
SELF INSURED HEALTH INSUR	<u>2,588,281</u>	<u>2,588,281</u>	<u>159,747.80</u>	<u>544,030.19</u>	<u>559,118.96</u>	<u>2,044,250.81</u>	<u>78.98</u>
TOTAL EXPENDITURES	2,665,572	2,665,572	165,839.79	551,738.32	563,165.09	2,113,833.68	79.30
	=====	=====	=====	=====	=====	=====	=====
REVENUES OVER/(UNDER) EXPENDITURES	0	0	18,858.37	206,012.62	24,995.32	(206,012.62)	0.00

CITY OF MCCOOK
STATEMENT OF REVENUES - BUDGET VS. ACTUAL
AS OF: DECEMBER 31ST, 2021

70 -ENTERPRISE FUND
FINANCIAL SUMMARY

% OF YEAR COMPLETED: 25.00

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
REVENUE SUMMARY							
SOLID WASTE-LANDFILL POST	0	0	0.00	0.00	0.00	0.00	0.00
SOLID WASTE - RECYCLING	360,800	360,800	14,371.44	26,071.45	17,687.57	334,728.55	92.77
SOLID WASTE - COLLECTION	955,830	955,830	72,623.22	211,837.01	205,349.13	743,992.99	77.84
SOLID WASTE - TRANSFER ST LANDFILL RESERVE	1,293,095	1,293,095	84,680.08	272,821.74	217,602.56	1,020,273.26	78.90
SOLID WASTE - DISPOSAL	786,644	786,644	6,351.00	19,049.00	271.00	767,595.00	97.58
WATER MAINTENANCE & OPERA	357,996	357,996	26,178.97	92,580.04	66,665.70	265,415.96	74.14
WATER BOND & INTEREST RED	4,458,576	4,458,576	219,163.88	783,241.26	751,434.63	3,675,334.74	82.43
WATER CAPITAL - REPLACEME	1,383,272	1,383,272	36,633.00	109,859.00	57,975.37	1,273,413.00	92.06
WATER CAPITAL - DEVELOPME	3,913,215	3,913,215	27,242.00	81,804.00	1,106.00	3,831,411.00	97.91
WATER QUALITY SOLUTION	0	0	0.00	0.00	0.00	0.00	0.00
SEWER MAINTENANCE & OPERA	170,527	170,527	28.51	90.44	93.54	170,436.56	99.95
SEWER BOND & INTEREST RES	2,669,422	2,669,422	166,701.44	420,633.52	367,806.34	2,248,788.48	84.24
SEWER CAPITAL - REPLACEME	122,212	122,212	17.00	52.00	53.00	122,160.00	99.96
SEWER CAPITAL - DEVELOPME	2,789,990	2,789,990	35,591.00	106,750.00	314.00	2,683,240.00	96.17
COMBINED UTILITIES	1,356	1,356	0.00	0.00	0.00	1,356.00	100.00
ELECTRIC UTILITY	700,325	700,325	0.00	0.00	0.00	700,325.00	100.00
TOTAL REVENUES	21,293,260	21,293,260	778,399.85	2,463,190.93	2,029,729.72	18,830,069.07	88.43
	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE EXPENDITURES	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
SOLID WASTE-LANDFILL POST	14,550	14,550	0.00	884.23	0.00	13,665.77	93.92
SOLID WASTE - RECYCLING	387,706	387,706	8,644.32	25,891.44	26,235.12	361,814.56	93.32
SOLID WASTE - COLLECTION	955,830	955,830	61,179.71	195,063.12	136,254.89	760,766.88	79.59
SOLID WASTE - TRANSFER ST LANDFILL RESERVE	1,251,639	1,251,639	85,875.19	269,708.86	190,097.69	981,930.14	78.45
SOLID WASTE - DISPOSAL	786,644	786,644	0.00	0.00	0.00	786,644.00	100.00
WATER MAINTENANCE & OPERA	357,996	357,996	24,928.97	93,830.04	66,665.70	264,165.96	73.79
WATER BOND & INTEREST RED	4,458,576	4,458,576	184,675.88	571,452.03	342,210.68	3,887,123.97	87.18
WATER CAPITAL - REPLACEME	1,383,272	1,383,272	693.00	42,347.93	91,832.82	1,340,924.07	96.94
WATER CAPITAL - DEVELOPME	3,913,215	3,913,215	158,646.03	448,480.47	24,170.00	3,464,734.53	88.54
WATER QUALITY SOLUTION	0	0	0.00	0.00	0.00	0.00	0.00
SEWER MAINTENANCE & OPERA	170,527	170,527	0.00	0.00	0.00	170,527.00	100.00
SEWER BOND & INTEREST RES	2,669,422	2,669,422	93,857.59	300,629.84	183,560.60	2,368,792.16	88.74
SEWER CAPITAL - REPLACEME	122,212	122,212	0.00	0.00	0.00	122,212.00	100.00
SEWER CAPITAL - DEVELOPME	2,789,990	2,789,990	693.00	35,663.25	39,708.09	2,754,326.75	98.72
COMBINED UTILITIES	1,356	1,356	0.00	0.00	0.00	1,356.00	100.00
ELECTRIC UTILITY	700,325	700,325	0.00	0.00	0.00	700,325.00	100.00
TOTAL EXPENDITURES	21,293,260	21,293,260	708,012.00	2,322,352.68	1,444,106.47	18,970,907.32	89.09
REVENUES OVER/(UNDER) EXPENDITURES	0	0	70,387.85	140,838.25	585,623.25	(140,838.25)	0.00

STATESTATEMENT OF EXPENDITURES - BUDGET vs ACTUAL
AS OF: DECEMBER 31ST, 202180 -CAPITAL IMPROVEMENTS FUND
CAPITAL IMPROVE 2018

% OF YEAR COMPLETED: 25.00

DEPARTMENTAL EXPENDITURES	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE EXPENDITURES	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
<u>OTHER SERVICES & CHARGES</u>							
80-012-54671 STR ANNUAL CAP IMPRO	0	0	0.00	0.00	0.00	0.00	0.00
TOTAL OTHER SERVICES & CHARGES	0	0	0.00	0.00	0.00	0.00	0.00
<u>CAPITAL OUTLAY</u>							
80-012-56000 CAPITAL OUTLAY	104,315	104,315	0.00	0.00	0.00	104,315.00	100.00
80-012-56100 STREET/HWY IMPROVEMEN	652,760	652,760	0.00	0.00	78,504.55	652,760.00	100.00
80-012-56250 POOL IMPROVEMENTS	0	0	318.70	955.70	0.00	(955.70)	0.00
80-012-56410 AIRPORT IMPROVEMENTS	50,000	50,000	0.00	0.00	0.00	50,000.00	100.00
80-012-56420 STREET MAINTENANCE	188,707	188,707	0.00	1,520.00	0.00	187,187.00	99.19
80-012-56430 DRAINAGE MAINTENANCE	40,000	40,000	0.00	28,475.92	0.00	11,524.08	28.81
80-012-56510 AUDITORIUM ROOF REPLA	0	0	0.00	0.00	72,000.00	0.00	0.00
TOTAL CAPITAL OUTLAY	<u>1,035,782</u>	<u>1,035,782</u>	<u>318.70</u>	<u>30,951.62</u>	<u>150,504.55</u>	<u>1,004,830.38</u>	<u>97.01</u>
TOTAL CAPITAL IMPROVE 2018	1,035,782	1,035,782	318.70	30,951.62	150,504.55	1,004,830.38	97.01

**CITY MANAGER'S REPORT
JANUARY 17, 2022 MCCOOK CITY COUNCIL MEETING**

ITEM 3.G.

Receive and file the First Amendment to the Fee Agreement and Authority to Represent between the City of McCook and Nathaniel J. Mustion, City Attorney.

BACKGROUND:

The City of McCook has contracted with Nathaniel J. Mustion to serve as its City Attorney since 2015, with the current contract between the parties dating back to 2016. Mr. Mustion has served the City of McCook well during the term of the contract. During the past 6 years, the agreement has not been modified and Mr. Mustion's contracted hourly fee has remained the same. Mr. Mustion has requested that the contracted hourly fee be modified to account for inflation. The current rate established in the agreement is \$125 per hour. McCook's City Manager Nate Schneider has reviewed city attorney contracts from other similarly situated communities, and based upon the data, asserts that a rate adjustment is warranted. The parties agree that a rate adjustment from \$125 per hour to \$150 per hour is agreeable. At \$150 per hour, Mr. Mustion is discounting his established rate to accommodate the City of McCook's budget. The amended agreement will be subject to a 2 year term. All of the other terms of the agreement shall remain the same.

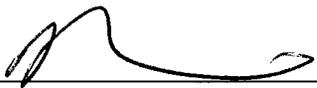
Per the McCook Code of Ordinances, Section 30.036, the City Attorney is appointed by the City Manager. As a services contract, the City Manager has the authority to enter into the contract for legal services unilaterally. This item has been included as an agenda item to keep the City Council and public informed of the changes to the agreement.

APPROVALS:



Lea Ann Doak, City Clerk

January 13, 2022



Nate Schneider, City Manager

January 13, 2022

**FIRST AMENDMENT TO THE
FEE AGREEMENT AND AUTHORITY TO REPRESENT**

The City of McCook, the undersigned client (hereinafter referred to as "I," "me" or the "Client"), does hereby retain and employ Nathaniel J. Mustion, and his law firm, Mousel, Brooks, Schneider, Mustion, & Shifflet, P.C., L.L.O. (hereinafter referred to as "Attorney"), as its Attorney to represent it in connection with the following matters:

To serve as McCook City Attorney under the direction of the City Manager. The duties of McCook City Attorney will include, but not be limited to, prosecuting all municipal citations and attending all city council meetings, planning commission meetings and board of zoning and adjustment meetings.

1. **ATTORNEY'S FEES.** As compensation for legal services provided under this Agreement, Client agrees to pay Attorney as follows:

Hourly Fee

Client agrees to pay Attorney's Fees at the rate of \$150.00 per hour. Client agrees that time is billed in increments of 6 minutes.

Client agrees to pay all invoices submitted by the firm within 30 days of receipt. Client agrees that, pursuant to this Agreement, Attorney shall have, in addition to other rights, the right to withdraw as Client's Attorney based on Client's failure substantially to fulfill an obligation to Attorney.

It is understood and agreed that Attorney is authorized, with Client's prior knowledge and written consent, to employ other attorneys to work on Client's legal matters under this Agreement. Said additional attorney's fees shall be paid solely by Client

2. **COSTS AND EXPENSES.** In addition to paying Attorney's fees, Client agrees to pay all costs and expenses in connection with Attorney's handling of Client's legal matters under this Agreement. These costs may include (but are not limited to) the following: postage, publication costs, subpoena costs, court costs, sheriff's and service fees. If any of these costs can be billed directly to the Client, they should be so billed and the Client shall be responsible for timely paying the expense upon the Client receiving notice of it. However, if the expense cannot be billed directly to the Client, the Attorney shall pay the expense and the Client shall be responsible for timely reimbursing the Attorney upon the Attorney's presentation of proof of payment to the Client.
3. **NO GUARANTEE.** Client acknowledges that Attorney has made no promise or guarantee regarding the outcome of Client's legal matter. In fact, Attorney has advised Client that litigation in general is risky, can take a long time, can be very costly and can be very frustrating. Client further acknowledges that Attorney shall have the right to cancel this Agreement and withdraw from this matter if, in Attorney's professional opinion, the matter does not have merit, Client does not have a reasonably good possibility of recovery, Client refuses to follow the recommendations of Attorney and/or Client fails to abide by the terms of this Agreement and/or if the Attorney's continued representation would result in a violation of the Rules of

Professional conduct, or at any other time as or permitted under by the Rules of Professional Conduct.

4. **NEBRASKA LAW.** This Agreement shall be governed by Nebraska law.
5. **TERMS OF AGREEMENT.** This agreement shall become effective January 1, 2022 and shall terminate September 30, 2023. Notwithstanding termination of agreement is subject to provisions of Section 6. **TERMINATION OF REPRESENTATION.**
6. **TERMINATION OF REPRESENTATION.** Client understands that Client has the right to terminate the representation upon written notice to that effect. Client understands that Client will be responsible for any fees or costs incurred prior to the discharge or termination. At that time of any termination in the representation, Client understands that Client will be given an accounting for all fees, expenses and costs.
7. **ENTIRE AGREEMENT.** Client has read this Agreement in its entirety and Client agrees to and understands the terms and conditions set forth herein. Client acknowledges that there are no other terms or oral agreements existing between Attorney and Client. This Agreement may not be amended or modified in any way without the prior written consent of Attorney and Client.

This agreement is executed by the undersigned Client, on this _____ day of _____, 2022.

CITY OF MCCOOK, NEBRASKA

By:

Nathan A. Schneider, City Manager

ATTEST:

Lea Ann Doak, City Clerk

The foregoing agreement is hereby accepted on this _____ day of _____, 2022.

ATTORNEY:

Nathaniel J. Mustion

**CITY MANAGER'S REPORT
JANUARY 17, 2022 CITY COUNCIL MEETING**

ITEM: 3.H.

RECOMMENDATION:

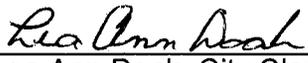
Receive and file the minutes of the September 20, 2021 Airport Advisory Commission meeting.

BACKGROUND:

Receive minutes from the various board and commission meetings.

**FISCAL
IMPACT:** None.

APPROVALS:



Lea Ann Doak, City Clerk

January 13, 2022

**AIRPORT ADVISORY COMMISSION
MEETING MINUTES
Monday, September 20, 2021
12:00 P.M.
Senior Center**

The Airport Advisory Commission of the City of McCook was called to order by Chair Trail at 12:13 p.m. Trail stated that the Open Meetings Act is posted by the entrance to the Heritage Senior Center and available for public review.

Present: Doug Skiles, Dick Trail, Mike Kugler, Trevor Taylor, Jeff Williams, and Dave Pfeffer

Absent: Griff Malleck

Others: Ken Vontz, Nate Schneider, Airport Manager, Kyle Potthoff, and Jessica Cock

ITEM NO. 1 APPROVE MINUTES OF THE SEPTEMBER 28, 2020 REGULAR BUSINESS MEETING

Motion made by Trail and seconded by Taylor, the minutes of the September 28, 2020 regular business meeting were approved upon the following roll call vote: Yea: Taylor, Kugler, Skiles, Trail, Williams, Pfeffer Nay: None. Absent: Malleck

ITEM NO. 2 ELECTION OF OFFICERS

Trail made a motion for all elected positions to remain as they are currently Trail: Chairman, Skiles: Vice Chairman, Taylor: Secretary. Taylor seconded. Motion passed following roll call vote: Yea: Taylor, Kugler, Skiles, Trail, Williams, and Pfeffer Nay: None. Absent: Malleck.

ITEM NO. 3 UPDATE ON AIRPORT MASTER PLAN

Wednesday September 22, 2021 at noon at the City Offices/Airport there will be a master plan meeting. They will take inventory of the infrastructure. This master plan will be paid for with COVID-19 funds. The plan will take about 18-24 months to complete.

ITEM NO. 4 UPDATE ON EAS

EAS contract with Boutique Air is until June 2022, so we will need to look into our options in the near future.

ITEM NO. 5 STAKEHOLDER MEETING

A future meeting will be held with operators that use the airport regularly, just to get an idea of needs, wants, and ways to improve the airport.

Potthoff stated the annual inspection went well.

ITEM NO. 5 ADJOURN MEETING

Adjournment made by Trail 12:32pm



Jessica Cock, Recording Secretary

**CITY MANAGER'S REPORT
JANUARY 17, 2022 MCCOOK CITY COUNCIL MEETING**

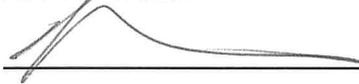
ITEM NO. 4.A. Requested discussion from Rosanne Olson and Cheryl Bridgmon related to their denied property damage claims from the City's insurance carrier.

BACKGROUND:

Staff has received requests from Rosanne Olson and Cheryl Bridgmon to be placed on the McCook City Council Agenda to discuss their property damage claims related to a water main leak that occurred in the 1500 Block of Norris Avenue on July 20-21, 2021. On September 7, 2021, the McCook City Council forwarded Ms. Olson's and Ms. Bridgmon's claims to EMC. The claims were denied by EMC, citing that the City was not negligent. At the request of the property owners, EMC reopened the claim to review the matter further. EMC denied the claims a second time in December of 2021.

Staff has discussed the matter with both property owners. Nebraska's Political Subdivisions Tort Claims Act provides property owners the right to bring suit against a political subdivision following final disposition of a claim. The process outlined in the Act is the only remedy provided by Nebraska law following the final disposition of a negligence claim. The City of McCook does not pay for negligence claims following a denial from its insurance company.

APPROVALS:



January 13, 2022

Nathan A. Schneider, City Manager



January 13, 2022

Lea Ann Doak, City Clerk



January 13, 2022

Jesse Dutcher, Utilities Director

CITY MANAGER'S REPORT
JANUARY 17, 2022 MCCOOK CITY COUNCIL MEETING

ITEM **4.B.** Discussion regarding establishing schedules for selecting insurance brokers for property/casualty insurance and health insurance.

BACKGROUND:

The City of McCook contracts with Hayes Companies, Inc. for its medical insurance brokerage services. For property/casualty insurance, the City of McCook contracts with Ellerbrock-Norris. In order to give competing companies a fair opportunity to bid out the City of McCook's insurance brokerage services, the McCook City Council has stated that it will hold competitive insurance selections on a cyclical basis. Staff is recommending that the City of McCook solicit bids and select its health insurance broker in 2022, while completing the same solicitation and selection process for property/casualty insurance in 2023. The two processes could rotate on a three year basis which would prevent overlapping of the selection time lines.

If the City Council approves of the proposed schedule, staff will begin preparations for soliciting bids for health insurance brokerage services.

APPROVALS:



Nathan A. Schneider, City Manager

January 13, 2022



Lea Ann Doak, City Clerk

January 13, 2022

**CITY MANAGER'S REPORT
JANUARY 17, 2022 MCCOOK CITY COUNCIL MEETING**

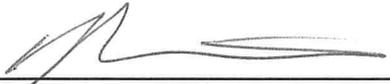
ITEM NO. 4.0 Approve Ordinance No. 2022- 3034 on first reading redacting § 31.05 to the City of McCook Code of Ordinances, Chapter 31: City Policies, Travel Expenses, and adopting § 34.40 to the City of McCook Code of Ordinances, Chapter 34: Purchasing Regulations, Travel Expenses and Miscellaneous Expenses.

BACKGROUND:

Per McCook Code of Ordinances § 31.05 (B)(2)(c), Travel Expenses: Nonalcoholic Beverages and Meals, the expenditure of public funds is authorized, pursuant to the State of Nebraska Local Government Miscellaneous Expenditure Act for one recognition dinner each year held for elected and appointed officials, employees, or volunteers. Our ordinance states that the maximum cost per person for such dinner shall not exceed \$25. In contrast, under the State of Nebraska's Local Government Miscellaneous Expenditure Act (ie. Neb. Rev. Stat. 13-2203), the maximum cost per person for a dinner shall not exceed \$50. Staff is recommending that the City adopt the State of Nebraska's per person maximum cost of \$50. Over the past few years, when city staff has planned the annual employee recognition banquet, it has been extremely difficult to find vendors that can provide a meal at the \$25 per person amount established by City ordinance. By adopting the State of Nebraska's maximum per person amount, the city can pay a rate that should be acceptable to most vendors.

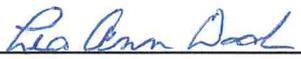
With respect to the portion of the proposed ordinance that redacts § 31.05, the purpose behind the redaction is to place the law in a section of McCook's Code of Ordinances that best fits. By redacting ordinance § 31.05 and recategorizing it in Chapter 34, the travel and miscellaneous expense rules will be located within the purchasing rules as opposed to the general provisions section of the City's policies. Staff believes the modification will make it easier for individuals to locate the travel and miscellaneous rules.

APPROVALS:



Nathan A. Schneider, City Manager

January 13, 2022



Lea Ann Doak, City Clerk

January 13, 2022



Nathaniel J. Mustion, City Attorney

January 13, 2022

ORDINANCE NO. 2022-3034

AN ORDINANCE PROVIDING FOR THE AMENDMENT OF THE CITY OF MCCOOK CODE OF ORDINANCES; REPEALING SECTION 31.05 - TRAVEL EXPENSES; ADDING SECTION 34.40 - MISCELLANEOUS AND TRAVEL EXPENDITURES; TO HARMONIZE WITH STATE LAW; TO REPEAL CONFLICTING ORDINANCES AND SECTIONS; AND TO PROVIDE AN EFFECTIVE DATE.

NO, THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF MCCOOK, NEBRASKA:

Section 1. The City of McCook's Code of Ordinances is hereby revised, repealing Section 31.05 - Travel Expenses, in its entirety.

Section 2. That Chapter 34 - Purchasing Regulations of the City of McCook Code of Ordinances is hereby amending, adding Section 34.40 - Miscellaneous and Travel Expenditures; shall be amended to read as follows:

§ 34.40 MISCELLANEOUS AND TRAVEL EXPENDITURES.

(A) The expenditure of public funds is hereby subject, pursuant to the State of Nebraska Local Government Miscellaneous Expenditure Act, to the following:

(1) Authorized expenses may include:

(a) Registration costs, tuition costs, fees or charges;

(b) Mileage at the then current rate allowed by Neb. RS 81-1176, or actual travel expense if travel is by commercial or charter means. In-state mileage shall be calculated by using the Official State Highway Map Mileage Chart, plus five miles per each day, or part thereof, that the person is engaged in city business. Out of state travel will be at actual odometer readings. When travel mode is optional, the lower of the reimbursable cost is authorized;

(c) 1. Meals for travel requiring an overnight trip, \$30 per day (no receipts necessary), or pro-rata, based on the following:

A. Breakfast - \$5;

B. Lunch - \$10;

C. Dinner - \$15.

2. Actual receipts may be substituted for per diem when the total meal expenses for the trip exceeds the per diem. Banquets, lunches and other meals included in the registration fee or prepaid with the conference will be deducted from the per diem rate;

(d) When required to travel away from home overnight, and traveling includes a partial day on the departure day or a partial day on the return day, departures must occur prior to 6:00 a.m. for breakfast per diem and return must be after 8:00 p.m. for supper per diem;

(e) Actual cost of meals (receipts required), not to exceed the applicable federal per diem rate for Meals and Incidentals (M&I), when not required to travel when away from home overnight; and

(f) Other transportation, lodging and miscellaneous expenses at actual cost upon the submission of proper vouchers/receipts.

(2) Authorized expenditures shall not include expenditures for meals of City Council members provided while attending a public meeting of the City Council unless such meeting is a joint meeting with one or more other governing bodies.

(3) Authorized expenditures shall not include expenditures for any expenses incurred by a spouse of an elected or appointed official, employee, or volunteer unless the spouse is also an elected or appointed official, employee, or volunteer of the city.

(B) The expenditure of public funds is hereby authorized, pursuant to the State of Nebraska Local Government Miscellaneous Expenditure Act, for the following purposes:

(1) Nonalcoholic beverages provided to individuals attending public meetings of the City Council.

(2) Nonalcoholic beverages and meals:

(a) Provided for any individuals while performing or immediately after performing relief, assistance, or support activities in emergency situations, including, but not limited to, tornado, severe storm, fire or accident;

(b) Provided for any volunteers during or immediately following their participation in any activity approved by the City Council, including but not limited to, mowing parks, picking up litter, removing graffiti or snow removal;

(c) Provided at one recognition dinner each year held for elected and appointed officials, employees, or volunteers. The maximum cost per person for such dinner shall not exceed \$50. The annual recognition dinner may be held separately for employees of each department or separately for volunteers, or any of them in combination.

(3) Plaques, certificates of achievement, or items of value awarded to elected or appointed officials, employees, or volunteers, including persons serving on local government boards or commissions, are subject to a \$300 limit on value. This amount shall not be amended or altered more than once in

any 12-month period. This amount may be amended by resolution, only after a public hearing has been held.

(C) The following procedures shall be used for business travel:

(1) Transportation method: when travel is by air, advance ticketing will be utilized whenever possible to obtain the lowest available coach fare.

(2) Lodging:

(a) Reimbursement for non-commercial lodging is not permitted.

(b) When city personnel are accompanied by non-city personnel, only the costs attributed to the city personnel are reimbursable.

(3) Expenses:

(a) The following expenses are reimbursable upon submission of paid receipts: parking fees; taxi fares; shuttle fares; bus fares; highway tolls; registration fees; lodging; tuition fees; supplies or equipment required for travel or training; rental cars; fees for official functions related to travel and traveler's checks fees.

(b) The following expenses are not reimbursable: entertainment, including television rentals; personal expenses, such as, hygiene items, laundry, magazines; travel insurance and alcoholic beverages.

(4) Travel advances: employees shall receive approval by the City Manager for any trip, and any travel advance, before departing and before incurring any expenses (including prepaid transportation, lodging expenses, and registration fees). Travel advances will only be authorized when employees are required to travel away from home overnight. All travel expenses require the approval of the department head and City Manager.

(5) Expense claims:

(a) Personnel on authorized travel must submit expense claims to the Finance Administrative Assistant Department immediately upon return, but not later than ten working days after return to duty.

(b) All receipts, unexpended city funds, and funds due the city, shall be returned at that time.

(c) All expenses (including prepaid expenses) shall be summarized and accounted for on a "Report of Expense" form.
(Ord. 2008-2814, passed 11-3-2008)

Section 3. Any other ordinance or code section passed and approved prior to passage, approval, and publication or posting of this ordinance and in conflict with its provisions is repealed.

Section 4. This ordinance shall take effect and be in full force from and after its passage, approval, and publication as required by law in its entirety or in pamphlet form.

PASSED AND APPROVED this _____ day of _____, 2022.

Michael D. Gonzales, Mayor

ATTEST:

Lea Ann Doak, City Clerk

Publish:

West's Revised Statutes of Nebraska Annotated
Chapter 13. Cities, Counties, and Other Political Subdivisions
Article 22. Local Government Miscellaneous Expenditures

Neb.Rev.St. § 13-2203

13-2203. Additional expenditures; governing body; powers; procedures

Effective: September 1, 2019
Currentness

In addition to other expenditures authorized by law, each governing body may approve:

(1)(a) The expenditure of public funds for the payment or reimbursement of actual and necessary expenses incurred by elected and appointed officials, employees, or volunteers at educational workshops, conferences, training programs, official functions, hearings, or meetings, whether incurred within or outside the boundaries of the local government, if the governing body gave prior approval for participation or attendance at the event and for payment or reimbursement either by the formal adoption of a uniform policy or by a formal vote of the governing body. Authorized expenses may include:

(i) Registration costs, tuition costs, fees, or charges;

(ii) Mileage at the rate allowed by section 81-1176 for travel by personal automobile, but if travel by rental vehicle or commercial or charter means is economical and practical, then authorized expenses shall include only the actual cost of the rental vehicle or commercial or charter means. The governing body may establish different mileage rates based on whether the personal automobile usage is at the convenience of the local government or at the convenience of the local government's elected or appointed official, employee, or volunteer; and

(iii) Meals and lodging at a rate not exceeding the applicable federal rate unless a fully itemized claim is submitted substantiating the costs actually incurred in excess of such rate and such additional expenses are expressly approved by the governing body; and

(b) Authorized expenditures shall not include expenditures for meals of paid members of a governing body provided while such members are attending a public meeting of the governing body unless such meeting is a joint public meeting with one or more other governing bodies;

(2) The expenditure of public funds for:

(a) Nonalcoholic beverages provided to individuals attending public meetings of the governing body; and

(b) Nonalcoholic beverages and meals:

(i) Provided for any individuals while performing or immediately after performing relief, assistance, or support activities in emergency situations, including, but not limited to, tornado, severe storm, fire, or accident;

(ii) Provided for any volunteers during or immediately following their participation in any activity approved by the governing body, including, but not limited to, mowing parks, picking up litter, removing graffiti, or snow removal; or

(iii) Provided at one recognition dinner each year held for elected and appointed officials, employees, or volunteers of the local government. The maximum cost per person for such dinner shall be established by formal action of the governing body, but shall not exceed fifty dollars. An annual recognition dinner may be held separately for employees of each department or separately for volunteers, or any of them in combination, if authorized by the governing body; and

(3) The expenditure of public funds for plaques, certificates of achievement, or items of value awarded to elected or appointed officials, employees, or volunteers, including persons serving on local government boards or commissions. Before making any such expenditure, the governing body shall, by official action after a public hearing, establish a uniform policy which sets a dollar limit on the value of any plaque, certificate of achievement, or item of value to be awarded. Such policy, following its initial adoption, shall not be amended or altered more than once in any twelve-month period.

Credits

Laws 1993, LB 734, § 11; Laws 2018, LB 1036, § 1, eff. July 19, 2018; Laws 2019, LB 609, § 1, eff. Sept. 1, 2019.

Neb. Rev. St. § 13-2203, NE ST § 13-2203

Current through legislation effective October 1, 2020, of the 2nd Regular Session of the 106th Legislature (2020).

End of Document

© 2020 Thomson Reuters. No claim to original U.S. Government Works.

**CITY MANAGER'S REPORT
JANUARY 17, 2022 CITY COUNCIL MEETING**

ITEM: 4.D.

RECOMMENDATION:

RECOMMEND TO THE DEPARTMENT OF TRANSPORTATION TO ACCEPT THE PROPOSAL FROM DENVER AIR TO OPERATE 12 NONSTOP ROUND TRIPS PER WEEK FROM McCOOK BEN NELSON REGIONAL AIRPORT TO DENVER INTERNATIONAL AIRPORT FOR A 2 YEAR CONTRACT AS RECOMMENDED BY THE AIRPORT ADVISORY COMMISSION.

BACKGROUND:

On January 12, 2022 the McCook Airport Advisory Commission met and discussed the proposals from Air Charter Express, Air Choice One, Denver Air Connection, Boutique Air and Southern Airways Express to provide essential air service for the City of McCook/McCook Ben Nelson Regional Airport. All five airlines provided subsidy proposals for two or four years. On a unanimous vote, the Airport Advisory Commission voted to recommend to the McCook City Council the proposal submitted by Denver Air Connection. If the Department of Transportation does not accept the recommendation of Denver Air Connection, the Airport Advisory Commission voted unanimously to recommend Southern Airways Express as its second option.

The Denver Air Connection proposal would include 12 nonstop weekly round trips to Denver International Airport. These flights would consist of 2 daily flights, Monday thru Friday and 1 daily flight each on Saturday and Sunday. Denver Air plans to use the Fairchild Metro 23 aircraft that have a 9 passenger commuter configuration. The Metro contains twin turboprop engines. The Metro can cruise at a speed of 330 mph and has a maximum range of 1,000 miles. The aircraft has a pressurized cabin. The flights will be manned by two pilots. Denver Air requires that its pilots carry an ATP rating. The subsidy being requested by Denver Air is \$2,010,856 in year 1 and \$2,969,074 in year 2. Denver Air proposes to spend at least \$20,000.00 annually in advertising and marketing. They plan to utilize local media including radio, print, billboard, TV and internet advertising.

Denver Air has an interline agreement with United Airlines. The agreement with United Airlines provides communities with travel network access benefits including the convenience to search, book, and purchase tickets on the United's web site, as well as baggage transfers and thru-checks to and from any of United's 500 destinations.

The Airport Commission members feel that the Denver Air proposal gives the airport the best opportunity to provide reliable service at a fair price without a financial impact.

**FISCAL
IMPACT:** None.

APPROVALS:

1s/ Kyle Potthoff
Kyle Potthoff, Public Works Director

January 12, 2022

[Signature]
Nate Schneider, City Manager

January 12, 2022