

VILLAGE OF PETERSBURG, NEBRASKA

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY AND OTHER INFORMATION**

September 30, 2024

TABLE OF CONTENTS

| | Page |
|---|------|
| INDEPENDENT AUDITOR’S REPORT | 2 |
| MANAGEMENT’S DISCUSSION AND ANALYSIS | 5 |
| FINANCIAL STATEMENTS | |
| Government-wide Financial Statements | |
| Statement of Net Position - Modified Cash Basis | 13 |
| Statement of Activities - Modified Cash Basis | 14 |
| Fund Financial Statements | |
| Balance Sheet - Modified Cash Basis - Governmental Funds | 15 |
| Statement of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis - Governmental Funds | 16 |
| Statement of Fund Net Position - Modified Cash Basis - Proprietary Funds | 17 |
| Statement of Revenues, Expenses, and Changes in Fund Net Position - Modified Cash Basis - Proprietary Funds | 18 |
| Statement of Cash Flows - Proprietary Funds | 19 |
| Notes to Financial Statements | 20 |
| SUPPLEMENTARY AND OTHER INFORMATION | |
| Budgetary Comparison Schedules - Modified Cash Basis | |
| General Fund | 39 |
| Street Fund | 40 |
| Sales Tax Fund | 41 |
| Combining Statement of Revenues and Expenditures - Modified Cash Basis - General Fund Departments | 42 |
| 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> | 43 |

SHAREHOLDERS:

Marcy J. Luth
Heidi A. Ashby
Christine R. Shenk
Michael E. Hoback
Joseph P. Stump
Kyle R. Overturf
Tracy A. Cannon
Jamie L. Clemans
Travis L. Arnold

INDEPENDENT AUDITOR'S REPORT

To the Honorable Chairman and Members of the Village Board
Village of Petersburg, Nebraska

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying modified cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Petersburg, Nebraska, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Village's financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Petersburg, Nebraska, as of September 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with the basis of accounting as described in Note A.

Basis for Opinions

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

Emphasis of Matter—Basis of Accounting

We draw attention to Note A of the financial statements, which describes the basis of accounting. The 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 opinions are not modified with respect to this matter.

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting described in Note A and for determining that the modified cash basis of accounting is an acceptable basis 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village of Petersburg, Nebraska's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Supplementary Information

The accompanying statement of general fund departmental revenue and expenditures is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The 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 second sentence of this paragraph is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Information

Management is responsible for the other information included in the financial statements. The other information comprises the management's discussion and analysis and budgetary comparison schedules, but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report on February 25, 2025, on our consideration of the Village of Petersburg, 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 Village of Petersburg'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 Village of Petersburg, Nebraska's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "AMGL, P.C." in a stylized, cursive-like font.

Grand Island, Nebraska
February 25, 2025

**VILLAGE OF PETERSBURG, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For The Year Ended September 30, 2024**

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Village of Petersburg, we offer readers of the Village of Petersburg financial statements this narrative overview and analysis of the financial activities of the Village of Petersburg for the fiscal year ended September 30, 2024.

Financial Highlights

- The assets of the Village of Petersburg exceeded its liabilities at the close of the most recent fiscal year by \$754,073 (*net position*). Of this amount, \$409,921 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- As of the close of the current fiscal year, the Village of Petersburg's governmental funds reported combined ending net position of \$391,929. Approximately 12.2 percent of this total amount, \$47,777, is *unrestricted net position*.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$47,777 or 21.7 percent of total General Fund expenditures.

Overview of the Financial Statements

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

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

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

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year.

VILLAGE OF PETERSBURG, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
For The Year Ended September 30, 2024

Both of the government-wide financial statements distinguish functions of the Village of Petersburg that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Village of Petersburg include general government, parks and recreation and highways and streets. The business-type activities of the Village of Petersburg include the Water, Sewer and Trash Enterprise Funds.

The government-wide financial statements can be found on pages 13 and 14 of this report.

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions.

The Village of Petersburg maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, Street and Sales Tax Funds, all of which are considered to be major funds, and the Keno Fund, which is another governmental fund.

The Village of Petersburg adopts an annual appropriated budget for its governmental funds. A budgetary comparison statement has been provided for the General, Street and Sales Tax Funds to demonstrate compliance with this budget.

The governmental fund financial statements can be found on pages 15 and 16 of this report.

**VILLAGE OF PETERSBURG, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
For The Year Ended September 30, 2024**

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

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water, Sewer and Trash Funds, all of which are considered to be major funds of the Village of Petersburg.

The proprietary fund financial statements can be found on pages 17-19 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 20-38 of this report.

Other information. In addition to the financial statements and accompanying notes, this report also presents certain *supplementary and other information* concerning the Village of Petersburg's budgetary comparison schedules and revenues and expenditures by General Fund department. Supplementary and other information can be found on pages 39-42 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Village of Petersburg, assets exceeded liabilities by \$754,073 at the close of the most recent fiscal year.

Summary Statements of Net Position

| | <u>September 30, 2024</u> | | | <u>September 30, 2023</u> | | |
|--------------------------|---------------------------|----------------------|-------------------|---------------------------|----------------------|-------------------|
| | <u>Governmental</u> | <u>Business-type</u> | | <u>Governmental</u> | <u>Business-type</u> | |
| | <u>Activities</u> | <u>Activities</u> | <u>Total</u> | <u>Activities</u> | <u>Activities</u> | <u>Total</u> |
| Current and Other Assets | <u>\$ 391,929</u> | <u>\$ 362,144</u> | <u>\$ 754,073</u> | <u>\$ 336,128</u> | <u>\$ 352,449</u> | <u>\$ 688,577</u> |
| Net Position: | | | | | | |
| Restricted | \$ 344,152 | \$ - | \$ 344,152 | \$ 265,930 | \$ 18,299 | \$ 284,229 |
| Unrestricted | 47,777 | 362,144 | 409,921 | 70,198 | 334,150 | 404,348 |
| Total Net Position | <u>\$ 391,929</u> | <u>\$ 362,144</u> | <u>\$ 754,073</u> | <u>\$ 336,128</u> | <u>\$ 352,449</u> | <u>\$ 688,577</u> |

**VILLAGE OF PETERSBURG, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
For The Year Ended September 30, 2024**

A portion of the Village of Petersburg's net position (45.6 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (\$409,921) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the Village of Petersburg is able to report positive balances in both categories of net position for the governmental and business-type activities.

Expenses and Program Revenues - Governmental Activities

| <u>Function</u> | <u>Year Ended September 30, 2024</u> | | <u>Year Ended September 30, 2023</u> | |
|--------------------------|---|--------------------------------|---|--------------------------------|
| | <u>Program Revenues</u> | <u>Program Expenses</u> | <u>Program Revenues</u> | <u>Program Expenses</u> |
| General Government | \$ 3,568 | \$ 112,463 | \$ 4,371 | \$ 101,101 |
| Public Safety | - | 57,315 | - | 41,358 |
| Public Works | - | 125,446 | - | 98,478 |
| Environment and Leisure | 2,077 | 37,328 | 89,235 | 41,820 |
| Economic Development | - | 2,561 | - | 7,406 |
| Capital Outlay | - | 2,950 | - | 73,087 |
| Debt Service | - | 12,560 | - | 12,808 |
| Total | 5,645 | 350,623 | 93,606 | 376,058 |
| Transfers to Other Funds | - | 4,000 | - | 12,000 |
| | <u>\$ 5,645</u> | <u>\$ 354,623</u> | <u>\$ 93,606</u> | <u>\$ 388,058</u> |

VILLAGE OF PETERSBURG, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
For The Year Ended September 30, 2024

Revenues by Source - Governmental Activities

SOURCES OF REVENUE

| | <u>Year Ended September 30, 2024</u> | | | <u>Year Ended September 30, 2023</u> | | |
|--------------------------|---|----------------|-----------------|---|----------------|-----------------|
| Charges for Services | \$ | 3,051 | 0.74 % | \$ | 4,371 | 0.94 % |
| Grants and Contributions | | 2,594 | 0.63 | | 89,235 | 19.12 |
| Property Taxes | | 111,638 | 27.20 | | 107,526 | 23.04 |
| Motor Vehicle Tax | | 15,411 | 3.75 | | 16,138 | 3.46 |
| Franchise Fees | | 42,578 | 10.37 | | 43,608 | 9.34 |
| Sales Tax | | 91,088 | 22.19 | | 77,864 | 16.68 |
| Occupation Tax | | 360 | 0.09 | | 480 | 0.10 |
| TIF Proceeds | | 40,546 | 9.88 | | 37,149 | 7.96 |
| State Allocation | | 87,315 | 21.27 | | 81,799 | 17.53 |
| Lottery Proceeds | | 5,638 | 1.38 | | 3,022 | 0.65 |
| Other | | 3,749 | 0.92 | | 1,125 | 0.24 |
| Interest | | 6,456 | 1.58 | | 4,417 | 0.94 |
| Total | \$ | <u>410,424</u> | <u>100.00 %</u> | \$ | <u>466,734</u> | <u>100.00 %</u> |

Net position increased \$55,801 in the governmental funds during the year ended September 30, 2024.

Business-type activities. Business-type activities increased the Village of Petersburg's net position by \$9,695. Key elements of this increase are as follows:

Expenses and Program Revenues - Business-type Activities

| <u>Function</u> | <u>Year Ended September 30, 2024</u> | | <u>Year Ended September 30, 2023</u> | |
|--------------------------|---|--------------------------------|---|--------------------------------|
| | <u>Program Revenues</u> | <u>Program Expenses</u> | <u>Program Revenues</u> | <u>Program Expenses</u> |
| Water | \$ 80,749 | \$ 75,104 | \$ 93,817 | \$ 95,791 |
| Sewer | 58,959 | 55,983 | 70,945 | 65,982 |
| Trash | 44,455 | 47,381 | 36,854 | 39,028 |
| Total | <u>184,163</u> | <u>178,468</u> | <u>201,616</u> | <u>200,801</u> |
| Transfers to Other Funds | 4,000 | - | 12,000 | - |
| Total | <u>\$ 188,163</u> | <u>\$ 178,468</u> | <u>\$ 213,616</u> | <u>\$ 200,801</u> |

**VILLAGE OF PETERSBURG, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
For The Year Ended September 30, 2024**

Revenues by Source - Business-type Activities

SOURCES OF REVENUE

| | <u>Year Ended September 30, 2024</u> | | | <u>Year Ended September 30, 2023</u> | | |
|------------------------------------|---|----------------|-----------------|---|----------------|-----------------|
| Charges for Services | \$ | 184,163 | 97.87 % | \$ | 191,116 | 89.47 % |
| Operating Grants and Contributions | | - | - | | 10,500 | 4.92 |
| Net Transfers | | 4,000 | 2.13 | | 12,000 | 5.61 |
| Total | \$ | <u>188,163</u> | <u>100.00 %</u> | \$ | <u>213,616</u> | <u>100.00 %</u> |

Financial Analysis of the Government's Funds

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

Governmental Funds. The focus of the Village of Petersburg's *governmental* funds is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Village of Petersburg'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 Village of Petersburg's governmental funds reported combined ending fund balances of \$391,929. Approximately 12.2 percent of this total amount (\$47,777) 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 for community betterment (\$14,608), 2) restricted for street improvements (\$165,641), 3) restricted for infrastructure (\$81,952), or 4) restricted for economic development (\$81,951).

The General Fund is the chief operating fund of the Village of Petersburg. At the end of the current fiscal year, unassigned and total fund balance of the General Fund were \$47,777. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned and total fund balance to total fund expenditures. Unassigned and total fund balances represent 21.7 percent of total General Fund expenditures.

The fund balance of the Village of Petersburg's General Fund decreased by \$22,421 during the current fiscal year.

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

**VILLAGE OF PETERSBURG, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
For The Year Ended September 30, 2024**

Unrestricted net position of the proprietary funds at the end of the year was as follows: Water Fund – \$222,667, Sewer Fund – \$123,089 and Trash Fund – \$16,388. The change in net position for the proprietary funds was as follows: Water Fund – increase of \$7,645, Sewer Fund – increase of \$4,976 and Trash Fund – decrease of \$(2,926). Other factors concerning the finances of these three funds have already been addressed in the discussion of the Village of Petersburg's business-type activities.

General Fund Budgetary Highlights

The Village of Petersburg did not amend its budget during the year ended September 30, 2024.

Capital Asset and Debt Administration

Capital Assets. The Village of Petersburg paid for the following significant (greater than \$5,000) capital outlays during the current fiscal year:

- The Village did not have any capital outlays greater than \$5,000 during the current fiscal year.

Long-term debt. At the end of the current fiscal year, the Village of Petersburg had the following long-term debt outstanding:

Village of Petersburg's Outstanding Debt

| | September 30, 2023 | | | September 30, 2022 | | |
|---------------|----------------------------|-----------------------------|------------------|----------------------------|-----------------------------|------------------|
| | Governmental Activities | Business-type Activities | Total | Governmental Activities | Business-type Activities | Total |
| Note Payable | \$ - | \$ - | \$ - | \$ - | \$ 3,902 | \$ 3,902 |
| Bonds Payable | 80,000 | - | 80,000 | 90,000 | - | 90,000 |
| Total | <u>\$ 80,000</u> | <u>\$ -</u> | <u>\$ 80,000</u> | <u>\$ 90,000</u> | <u>\$ 3,902</u> | <u>\$ 93,902</u> |

The Village of Petersburg's total long-term debt decreased by \$13,902 (14.8 percent) during the current fiscal year due to scheduled loan payments.

The Village of Petersburg does not have a credit rating.

Additional information on the Village of Petersburg's long-term debt can be found in Note D2 on pages 34-36 of this report.

**VILLAGE OF PETERSBURG, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
For The Year Ended September 30, 2024**

Economic Factors and Next Year's Budgets and Rates

- The Village's property tax asking for the year ending September 30, 2025 is \$101,097, a \$3,443 (3.5 percent) increase from the prior year.
- The Village's taxable valuation for September 30, 2025 is \$34,166,886, a \$1,163,626 (3.5 percent) increase from the prior year.

Request for Information

This financial report is designed to provide a general overview of the Village of Petersburg's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Village Clerk, Village of Petersburg, P.O. Box 147, Petersburg, NE 68652.

VILLAGE OF PETERSBURG, NEBRASKA

STATEMENT OF NET POSITION - MODIFIED CASH BASIS

September 30, 2024

| | Governmental Activities | Business-type Activities | Total |
|--------------------------------------|----------------------------|-----------------------------|--------------------------|
| ASSETS | | | |
| Current assets: | | | |
| Cash and cash equivalents | \$ (20,436) | \$ 362,144 | \$ 341,708 |
| Certificates of deposit | 63,018 | - | 63,018 |
| County treasurer cash | 7,296 | - | 7,296 |
| Total current assets | <u>49,878</u> | <u>362,144</u> | <u>412,022</u> |
| Noncurrent assets: | | | |
| Restricted cash and cash equivalents | <u>342,051</u> | <u>-</u> | <u>342,051</u> |
| Total assets | 391,929 | 362,144 | 754,073 |
| LIABILITIES | <u>-</u> | <u>-</u> | <u>-</u> |
| NET POSITION | | | |
| Restricted for: | | | |
| Community betterment | 14,608 | - | 14,608 |
| Street improvements | 165,641 | - | 165,641 |
| Infrastructure | 81,952 | - | 81,952 |
| Economic development | 81,951 | - | 81,951 |
| Unrestricted | <u>47,777</u> | <u>362,144</u> | <u>409,921</u> |
| Total Net Position | <u><u>\$ 391,929</u></u> | <u><u>\$ 362,144</u></u> | <u><u>\$ 754,073</u></u> |

See notes to financial statements.

VILLAGE OF PETERSBURG, NEBRASKA
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
For the Year Ended September 30, 2024

| <u>Functions/Programs</u> | <u>Expenses</u> | <u>Program Revenues</u> | |
|----------------------------------|--------------------------|---------------------------------|---|
| | | <u>Charges for Services</u> | <u>Operating Grants and Contributions</u> |
| Governmental activities: | | | |
| General government | \$ 112,463 | \$ 3,051 | \$ 517 |
| Public safety | 57,315 | - | - |
| Public works | 125,446 | - | - |
| Environment and leisure | 37,328 | - | - |
| Economic development | 2,561 | - | - |
| Capital outlay | 2,950 | - | - |
| Debt service | 12,560 | - | - |
| Total governmental activities | <u>350,623</u> | <u>3,051</u> | <u>517</u> |
| Business-type activities: | | | |
| Water | 75,104 | 80,749 | - |
| Sewer | 55,983 | 58,959 | - |
| Trash | 47,381 | 44,455 | - |
| Total business-type activities | <u>178,468</u> | <u>184,163</u> | <u>-</u> |
| Total primary government | <u><u>\$ 529,091</u></u> | <u><u>\$ 187,214</u></u> | <u><u>\$ 517</u></u> |

| Capital Grants and Contributions | Net (Expenses) Revenues and Changes in Net Position | | |
|--|--|-----------------------------|-------------------|
| | Governmental Activities | Business-type Activities | Total |
| \$ - | \$ (108,895) | | \$ (108,895) |
| - | (57,315) | | (57,315) |
| - | (125,446) | | (125,446) |
| 2,077 | (35,251) | | (35,251) |
| - | (2,561) | | (2,561) |
| - | (2,950) | | (2,950) |
| - | (12,560) | | (12,560) |
| <u>2,077</u> | <u>(344,978)</u> | <u>\$ -</u> | <u>(344,978)</u> |
| - | - | 5,645 | 5,645 |
| - | - | 2,976 | 2,976 |
| - | - | (2,926) | (2,926) |
| <u>-</u> | <u>-</u> | <u>5,695</u> | <u>5,695</u> |
| <u>\$ 2,077</u> | <u>(344,978)</u> | <u>5,695</u> | <u>(339,283)</u> |
| General revenues: | | | |
| Taxes: | | | |
| Property | 111,638 | - | 111,638 |
| Motor vehicle | 15,411 | - | 15,411 |
| Franchise fees | 42,578 | - | 42,578 |
| Sales | 91,088 | - | 91,088 |
| Occupation | 360 | - | 360 |
| TIF proceeds | 40,546 | - | 40,546 |
| State allocation | 87,315 | - | 87,315 |
| Lottery proceeds | 5,638 | - | 5,638 |
| Miscellaneous | 3,749 | - | 3,749 |
| Interest income | 6,456 | - | 6,456 |
| Net transfers | (4,000) | 4,000 | - |
| Total general revenues | <u>400,779</u> | <u>4,000</u> | <u>404,779</u> |
| Change in net position | 55,801 | 9,695 | 65,496 |
| Net position - September 30, 2023 | <u>336,128</u> | <u>352,449</u> | <u>688,577</u> |
| Net position - September 30, 2024 | <u>\$ 391,929</u> | <u>\$ 362,144</u> | <u>\$ 754,073</u> |

VILLAGE OF PETERSBURG, NEBRASKA
BALANCE SHEET - MODIFIED CASH BASIS -
GOVERNMENTAL FUNDS

September 30, 2024

| | General <u>Fund</u> | Street <u>Fund</u> | Sales Tax <u>Fund</u> | Other Governmental Funds (Keno Fund) | Total Governmental <u>Funds</u> |
|--|-------------------------|--------------------------|--------------------------|---|---------------------------------------|
| ASSETS | | | | | |
| Cash and cash equivalents | \$ (20,436) | \$ 163,540 | \$ 163,903 | \$ 14,608 | \$ 321,615 |
| Certificates of deposit | 63,018 | - | - | - | 63,018 |
| County treasurer cash | 5,195 | 2,101 | - | - | 7,296 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Total assets | <u><u>\$ 47,777</u></u> | <u><u>\$ 165,641</u></u> | <u><u>\$ 163,903</u></u> | <u><u>\$ 14,608</u></u> | <u><u>\$ 391,929</u></u> |
| LIABILITIES AND FUND BALANCES | | | | | |
| Liabilities | \$ - | \$ - | \$ - | \$ - | \$ - |
| Fund balances: | | | | | |
| Restricted for: | | | | | |
| Community betterment | - | - | - | 14,608 | 14,608 |
| Street improvements | - | 165,641 | - | - | 165,641 |
| Infrastructure | - | - | 81,952 | - | 81,952 |
| Economic development | - | - | 81,951 | - | 81,951 |
| Unassigned | 47,777 | - | - | - | 47,777 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Total fund balances | <u><u>47,777</u></u> | <u><u>165,641</u></u> | <u><u>163,903</u></u> | <u><u>14,608</u></u> | <u><u>391,929</u></u> |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Total liabilities and fund balances | <u><u>\$ 47,777</u></u> | <u><u>\$ 165,641</u></u> | <u><u>\$ 163,903</u></u> | <u><u>\$ 14,608</u></u> | <u><u>\$ 391,929</u></u> |

See notes to financial statements.

VILLAGE OF PETERSBURG, NEBRASKA

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

For the Year Ended September 30, 2024

| | General <u>Fund</u> | Street <u>Fund</u> | Sales Tax <u>Fund</u> | Other Governmental Funds (Keno Fund) | Total Governmental <u>Funds</u> |
|--|------------------------|-----------------------|--------------------------|---|---------------------------------------|
| REVENUES | | | | | |
| Taxes: | | | | | |
| Property | \$ 79,803 | \$ 31,835 | \$ - | \$ - | \$ 111,638 |
| Motor vehicle tax | 15,411 | - | - | - | 15,411 |
| Franchise fees | 42,578 | - | - | - | 42,578 |
| Sales tax | 4,629 | - | 86,459 | - | 91,088 |
| Occupation tax | 360 | - | - | - | 360 |
| TIF proceeds | 40,546 | - | - | - | 40,546 |
| Intergovernmental | 11,235 | 76,080 | - | - | 87,315 |
| Charges for services | 3,051 | - | - | - | 3,051 |
| Interest income | 6,347 | - | - | 109 | 6,456 |
| Contributions and grants | 2,594 | - | - | - | 2,594 |
| Lottery proceeds | - | - | - | 5,638 | 5,638 |
| Miscellaneous income | 2,327 | 1,422 | - | - | 3,749 |
| Total revenues | <u>208,881</u> | <u>109,337</u> | <u>86,459</u> | <u>5,747</u> | <u>410,424</u> |
| EXPENDITURES | | | | | |
| General government | 112,463 | - | - | - | 112,463 |
| Public safety | 57,315 | - | - | - | 57,315 |
| Public works | - | 125,446 | - | - | 125,446 |
| Environment and leisure | 37,328 | - | - | - | 37,328 |
| Economic development | - | - | 2,461 | 100 | 2,561 |
| Capital outlay | - | 2,950 | - | - | 2,950 |
| Principal payments on debt | 10,000 | - | - | - | 10,000 |
| Interest payments on debt | 2,560 | - | - | - | 2,560 |
| Total expenditures | <u>219,666</u> | <u>128,396</u> | <u>2,461</u> | <u>100</u> | <u>350,623</u> |
| Excess (deficiency) of revenues over expenditures | (10,785) | (19,059) | 83,998 | 5,647 | 59,801 |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers from (to) other funds | <u>(11,636)</u> | <u>21,546</u> | <u>(13,910)</u> | <u>-</u> | <u>(4,000)</u> |
| Net change in fund balances | (22,421) | 2,487 | 70,088 | 5,647 | 55,801 |
| Fund balances - September 30, 2023 | <u>70,198</u> | <u>163,154</u> | <u>93,815</u> | <u>8,961</u> | <u>336,128</u> |
| Fund balances - September 30, 2024 | <u>\$ 47,777</u> | <u>\$ 165,641</u> | <u>\$ 163,903</u> | <u>\$ 14,608</u> | <u>\$ 391,929</u> |

See notes to financial statements.

VILLAGE OF PETERSBURG, NEBRASKA

**STATEMENT OF FUND NET POSITION - MODIFIED CASH BASIS -
PROPRIETARY FUNDS**

September 30, 2024

| | <u>Enterprise Funds</u> | | | <u>Total</u> |
|---------------------------|-------------------------|-----------------------|-----------------------|-------------------|
| | <u>Water Fund</u> | <u>Sewer Fund</u> | <u>Trash Fund</u> | |
| ASSETS | | | | |
| Current assets: | | | | |
| Cash and cash equivalents | \$ 222,667 | \$ 123,089 | \$ 16,388 | \$ 362,144 |
| LIABILITIES | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| NET POSITION | | | | |
| Unrestricted | <u>\$ 222,667</u> | <u>\$ 123,089</u> | <u>\$ 16,388</u> | <u>\$ 362,144</u> |

See notes to financial statements.

VILLAGE OF PETERSBURG, NEBRASKA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION - MODIFIED CASH BASIS - PROPRIETARY FUNDS

For the year ended September 30, 2024

| | Enterprise Funds | | | |
|--|--------------------------|--------------------------|-------------------------|--------------------------|
| | Water Fund | Sewer Fund | Trash Fund | Total |
| Operating revenues: | | | | |
| Sales | \$ 80,724 | \$ 58,959 | \$ 44,335 | \$ 184,018 |
| Other revenue | 25 | - | 120 | 145 |
| Total operating revenues | <u>80,749</u> | <u>58,959</u> | <u>44,455</u> | <u>184,163</u> |
| Operating expenses: | | | | |
| Personnel services | 14,006 | 14,006 | - | 28,012 |
| Contracted services | - | - | 46,600 | 46,600 |
| Repairs and maintenance | 43,227 | 22,774 | - | 66,001 |
| Professional fees | 1,271 | 2,975 | - | 4,246 |
| Supplies | 3,764 | 1,233 | 781 | 5,778 |
| Utilities | 5,890 | 5,230 | - | 11,120 |
| Insurance | 3,660 | 3,082 | - | 6,742 |
| Dues, memberships, and training | 948 | 150 | - | 1,098 |
| Miscellaneous | 400 | - | - | 400 |
| Total operating expenses | <u>73,166</u> | <u>49,450</u> | <u>47,381</u> | <u>169,997</u> |
| Operating income (loss) | 7,583 | 9,509 | (2,926) | 14,166 |
| Nonoperating expenses: | | | | |
| Capital outlay | - | (4,533) | - | (4,533) |
| Loan principal | (1,920) | (1,982) | - | (3,902) |
| Interest expense | (18) | (18) | - | (36) |
| Total nonoperating expenses | <u>(1,938)</u> | <u>(6,533)</u> | <u>-</u> | <u>(8,471)</u> |
| Excess (deficiency) of revenues over expenditures | 5,645 | 2,976 | (2,926) | 5,695 |
| Other financing sources: | | | | |
| Transfers from other funds | <u>2,000</u> | <u>2,000</u> | <u>-</u> | <u>4,000</u> |
| Change in Net Position | 7,645 | 4,976 | (2,926) | 9,695 |
| Net Position - September 30, 2023 | <u>215,022</u> | <u>118,113</u> | <u>19,314</u> | <u>352,449</u> |
| Net Position - September 30, 2024 | <u><u>\$ 222,667</u></u> | <u><u>\$ 123,089</u></u> | <u><u>\$ 16,388</u></u> | <u><u>\$ 362,144</u></u> |

See notes to financial statements.

VILLAGE OF PETERSBURG, NEBRASKA

**STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS**

For the Year Ended September 30, 2024

| | <u>Water Fund</u> |
|--|--------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | |
| Receipts from customers | \$ 80,749 |
| Payments to suppliers | (59,160) |
| Payments to employees | (14,006) |
| Net cash provided (used) by operating activities | <u>7,583</u> |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES: | |
| Transfers from other funds | 2,000 |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES: | |
| Purchase of capital assets | - |
| Principal payments on capital debt | (1,920) |
| Interest paid on capital debt | (18) |
| Net cash used by capital and related financing activities | <u>(1,938)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES: | |
| Decrease in restricted cash | <u>-</u> |
| Increase (decrease) in cash and cash equivalents | 7,645 |
| Cash and cash equivalents - beginning of the year | <u>215,022</u> |
| Cash and cash equivalents - end of the year | <u><u>\$ 222,667</u></u> |

Enterprise Funds

| <u>Sewer Fund</u> | <u>Trash Fund</u> | <u>Total</u> |
|-----------------------|-----------------------|-------------------|
| \$ 58,959 | \$ 44,455 | \$ 184,163 |
| (35,444) | (47,381) | (141,985) |
| (14,006) | - | (28,012) |
| <u>9,509</u> | <u>(2,926)</u> | <u>14,166</u> |
| 2,000 | - | 4,000 |
| (4,533) | - | (4,533) |
| (1,982) | - | (3,902) |
| (18) | - | (36) |
| <u>(6,533)</u> | <u>-</u> | <u>(8,471)</u> |
| 18,299 | - | 18,299 |
| 23,275 | (2,926) | 27,994 |
| 99,814 | 19,314 | 334,150 |
| <u>\$ 123,089</u> | <u>\$ 16,388</u> | <u>\$ 362,144</u> |

VILLAGE OF PETERSBURG, NEBRASKA

NOTES TO FINANCIAL STATEMENTS

INDEX

| | Page |
|--|------|
| NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES | |
| 1. Financial Reporting Entity | 21 |
| 2. Basis of Presentation | 22 |
| 3. Measurement Focus and Basis of Accounting | 24 |
| 4. Assets, Liabilities, and Equity | 26 |
| 5. Revenues, Expenditures, and Expenses | 28 |
| NOTE B – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY | |
| 1. Fund Accounting Requirements | 29 |
| 2. Deposit Laws and Regulations | 29 |
| 3. Revenue Restrictions | 30 |
| 4. Budgetary Data | 30 |
| NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS | |
| 1. Cash and Certificates of Deposit | 31 |
| 2. Interfund Transactions | 32 |
| 3. Restricted Cash and Cash Equivalents | 33 |
| NOTE D – OTHER NOTES | |
| 1. Risk Management | 33 |
| 2. Long-term Debt | 34 |
| 3. Conduit Debt | 36 |
| 4. Tax Increment Financing (TIF) Receivables and Payables | 37 |
| 5. Economic Development Lot Receivable | 37 |
| 6. Pension Plan | 37 |
| 7. Commitment | 38 |
| 8. Tax Abatement | 38 |
| 9. Subsequent Events | 38 |

VILLAGE OF PETERSBURG, NEBRASKA

NOTES TO FINANCIAL STATEMENTS

September 30, 2024

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Village of Petersburg, Nebraska (Village) are prepared in accordance with the modified cash basis of accounting. The Village'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 Village operates under a Board of Trustees form of government with an elected Board, composed of five members. The Village Board members are elected to four-year terms. The Board chairperson is elected by the Board of Trustees. The administration of the Village government is performed under the direction of the Board of Trustees by the Village Clerk. Services provided to residents include highways and streets, parks and recreation, water, sanitary sewer systems, garbage collection and general administrative services.

The Village's financial reporting entity comprises the following:

Primary Government:

Village of Petersburg

In determining the financial reporting entity, the Village complies with the provisions of GASB Statement No. 61, and has addressed all potential component units (traditionally separate reporting entities) for which the Village may be financially accountable, and, as such, should be included within the Village's financial statements. The Village (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 Village. 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.

VILLAGE OF PETERSBURG, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2024

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 Village Board or the component unit provides services entirely to the Village. These component units' funds are blended into those of the Village by appropriate activity type to compose the primary government presentation. Currently, the Village 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 Village has no discretely presented component units.

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.

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 Village or meets the following criteria:

VILLAGE OF PETERSBURG, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2024

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

2. Basis of Presentation, continued

Government-wide Financial Statements, continued

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

The funds of the financial reporting entity are described below:

Governmental Funds

General Fund

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

Special Revenue Funds

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

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.

VILLAGE OF PETERSBURG, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2024

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

2. Basis of Presentation, continued

Major Funds

The funds further classified as major are as follows:

| <u>Fund</u> | <u>Brief Description</u> |
|-------------------------|---|
| <i><u>Major:</u></i> | |
| Governmental: | |
| General Fund | See page 23 for description. |
| Street Fund | The Street Fund is a Special Revenue Fund that accounts for the Village's share of highway allocation from the State of Nebraska. |
| Sales Tax Fund | The Sales Tax Fund is a Special Revenue Fund that accounts for the collection of the Village Sales Tax. |
| Proprietary: | |
| Enterprise: | |
| Water, Sewer and Trash | See page 23 for description. |
| <i><u>Nonmajor:</u></i> | |
| Governmental: | |
| Keno | A Special Revenue Fund that accounts for the Village's use of Keno funds for community betterment. |

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.

VILLAGE OF PETERSBURG, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2024

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.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, governmental and business-type 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, certificate of deposit, investment and county treasurer cash transactions. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

VILLAGE OF PETERSBURG, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2024

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

3. Measurement Focus and Basis of Accounting, continued

Basis of Accounting, continued

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 are reflected as revenue and payment of long-term debt is recognized as expense. Capital outlay is expensed and depreciation is not recognized. Right of use assets and related lease liabilities, as defined by GASB 87, and right to use subscription assets and corresponding subscription liabilities, as defined by GASB 96, are not reflected in the accompanying modified cash basis financial statements.

4. Assets, Liabilities, and Equity

Cash and Certificates of Deposit

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 Village.

The certificates of deposit are carried at cost, which approximates fair market value. Additional cash and certificate of deposit disclosures are presented in Notes B2, C1, and D1.

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

Capital Assets

In the government-wide and fund financial statements, capital assets are accounted for as capital outlay expenditures upon acquisition.

Long-term Debt

Long-term debt for both the government-wide and fund statements is not reported as liabilities. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures.

VILLAGE OF PETERSBURG, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2024

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 two components:

- a. 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. Governmental fund equity is classified as fund balance. Proprietary fund equity is classified the same as in the government-wide statements.
- b. Unrestricted net position – All other net position that does not meet the definition of “restricted.”

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 Village has 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 Village Charter, Village Code, state or federal laws or externally imposed conditions by grantors or creditors.

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

Assigned—Amounts that are designated by Management for a specific purpose but are not spendable until a budget ordinance is passed by the Village Board.

Unassigned—All amounts not included in other spendable classifications.

VILLAGE OF PETERSBURG, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2024

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

4. Assets, Liabilities, and Equity, continued

Equity Classifications, continued

Fund Financial Statements, continued

The details of the fund balances are included in the Governmental Funds Balance Sheet (page 15). Restricted funds are used first as appropriate. Assigned Funds are reduced to the extent that expenditure authority has been budgeted by the Village Board or the Assignment has been changed by Management. 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

Property Taxes

The Village has the power to levy taxes each year sufficient to pay any judgment existing against the Village, 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 Boone County are certified by the County Board on or before October 20. 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 2023-2024 are recorded as revenue when received by the County.

Operating Revenues and Expenses

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

VILLAGE OF PETERSBURG, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2024

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 Fund – by Operating and Nonoperating

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

NOTE B – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

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

1. Fund Accounting Requirements

The Village complies with all state and local laws and regulations requiring the use of separate funds. The legally required funds used by the Village are the Special Revenue Funds.

2. Deposit Laws and Regulations

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

VILLAGE OF PETERSBURG, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2024

NOTE B – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY, continued

2. Deposit Laws and Regulations, continued

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 Village'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 bank deposits in excess of the FDIC limits are insured by collateral held by the pledging institution in the Village's name.

3. Revenue Restrictions

The Village 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. Budgetary Data

The Village is required by state laws to adopt annual budgets for all fund types. Each budget is presented on the modified 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 Village follows these procedures in establishing the budgetary data reflected in the accompanying financial statements.

- a. On or before September 30, the Village 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 30, the Village Board adopts the budget, which is then filed with the appropriate state and county officials.

VILLAGE OF PETERSBURG, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2024

NOTE B – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY, continued

4. Budgetary Data, continued

- d. Total expenditures may not legally exceed total appropriations. Appropriations lapse at year end and any revisions require board approval.
- e. The County Clerk certifies a preliminary property tax levy for each fund of the Village which levied property taxes in the county the previous year, based on the combined valuation and amount required for the Village the prior year. The preliminary levy becomes the final levy unless the governing board passes, by a majority vote, a resolution setting the levy at a different amount.
- f. The property tax requirements resulting from the budget process are utilized by the County Assessor to establish the tax levy. Taxes are levied annually on or before October 20. Real property taxes and personal property taxes are due December 31 with the first half delinquent May 1 and the second half delinquent September 1.
- g. Appropriations lapse at the end of the fiscal year, except for capital improvement appropriations and certain encumbrances against operating budgets.
- h. The Village of Petersburg adopts a budget by resolution 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 Village's various assets, liabilities, equity, revenues, and expenditures/expenses.

1. Cash and Certificates of Deposit

Deposits

The Village's policies regarding deposits of cash are discussed in Note A4. The table presented below is designed to disclose how the Village's deposits were insured or secured with collateral at September 30, 2024. The categories of collateral are defined as follows:

Category 1 – Insured by FDIC or collateralized with securities held by the Village (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 Village's name.

VILLAGE OF PETERSBURG, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2024

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

1. Cash and Certificates of Deposit, continued

Deposits, continued

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 Village's name; or collateralized with no written or approved collateral agreement.

| <u>Types of Deposits</u> | <u>Total Bank Balance</u> | <u>Category 1</u> | <u>Category 2</u> | <u>Category 3</u> | <u>Total Carrying Value</u> |
|--|----------------------------------|--------------------------|--------------------------|--------------------------|------------------------------------|
| Demand deposits and certificates of deposit | \$ 746,858 | \$ 250,000 | \$ 496,858 | \$ - | \$ <u>746,777</u> |
| Reconciliation to Government-wide Statement of Net Position: | | | | | |
| Unrestricted cash and cash equivalents | | | | | \$ 341,708 |
| Restricted cash and cash equivalents | | | | | 342,051 |
| Unrestricted certificates of deposit | | | | | <u>63,018</u> |
| Total | | | | | \$ <u>746,777</u> |

2. Interfund Transactions

Operating transfers:

| | <u>Transfers In</u> | <u>Transfers Out</u> |
|--------------------------------|----------------------------|-----------------------------|
| Governmental Activities: | | |
| General Fund | \$ - | \$ 11,636 |
| Street Fund | 21,546 | - |
| Sales Tax Fund | - | 13,910 |
| Total Governmental Activities | <u>21,546</u> | <u>25,546</u> |
| Business-type Activities: | | |
| Water Fund | 2,000 | - |
| Sewer | 2,000 | - |
| Total Business-type Activities | <u>4,000</u> | <u>-</u> |
| Total operating transfers | <u><u>\$ 25,546</u></u> | <u><u>\$ 25,546</u></u> |

VILLAGE OF PETERSBURG, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2024

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

3. Restricted Cash and Cash Equivalents

The governmental activities have restricted cash and cash equivalents of \$342,051. The Street Fund has \$163,540 of cash and cash equivalents restricted for street improvements. The Sales Tax Fund has \$81,952 of cash and cash equivalents restricted for infrastructure improvements and \$81,951 to be used for economic development. Cash of \$14,608 in the Keno fund is to be used for community betterment.

NOTE D – OTHER NOTES

1. Risk Management

The Village 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 Village 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 Village'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 Village 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 Village's investments at September 30, 2024, are held by banks in the name of the Village.

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

| <u>Maturities by Month</u> | <u>Amount</u> |
|----------------------------|------------------|
| September 2025 | \$ <u>63,018</u> |

VILLAGE OF PETERSBURG, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2024

NOTE D – OTHER NOTES, continued

1. Risk Management, continued

Deposits and Investments, continued

Credit Risk. Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. The Village'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 Village's investment portfolio.

Concentration of Credit Risk. The Village's investment policy places no limit on the amount that may be invested in any one issuer. At September 30, 2024, the Village's certificates of deposit consisted of the following:

| <u>Financial Institution</u> | <u>Amount</u> |
|------------------------------|------------------|
| Great Plains State Bank | \$ <u>63,018</u> |

Foreign Currency Risk. This risk relates to adverse effects on the fair value of an investment from changes in exchange rates. The Village's investments had no exposure to foreign currency risk and the Village held no investments denominated in foreign currency at September 30, 2024.

2. Long-term Debt

Changes in Long-term Debt

The reporting entity's long-term debt is not reported as a liability in the financial statements due to the Village's use of the modified cash basis of accounting.

The following is a summary of changes in long-term debt for the year ended September 30, 2024:

| <u>Type of Debt</u> | <u>Balance October 1, 2023</u> | <u>Additions</u> | <u>Deductions</u> | <u>Balance September 30, 2024</u> | <u>Amounts Due Within One Year</u> |
|---------------------------|--|------------------|-------------------|---|--|
| Governmental Activities: | | | | | |
| Bonds payable | \$ 90,000 | \$ - | \$ (10,000) | \$ 80,000 | \$ 10,000 |
| Business-type Activities: | | | | | |
| Note payable | \$ 3,902 | \$ - | \$ (3,902) | \$ - | \$ - |

VILLAGE OF PETERSBURG, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2024

NOTE D – OTHER NOTES, continued

2. Long-term Debt, continued

Governmental Activities

As of September 30, 2024, the governmental long-term liabilities consisted of the following:

| | | |
|--|--|------------------|
| General obligation various purpose bonds dated October 7, 2014, with original issue amount of \$170,000. Interest is charged semi-annually with annual principal payments. Interest ranges from 0.45 to 3.30 percent with final maturity November 15, 2029. Paid from the Street Fund. | | \$ <u>80,000</u> |
| Current portion | | \$ 10,000 |
| Noncurrent portion | | <u>70,000</u> |
| Total | | \$ <u>80,000</u> |

Business-type Activities

As of September 30, 2024, the long-term debt payable from proprietary fund resources consisted of the following:

| | | |
|---|--|------|
| Note payable to Great Plains State Bank, dated January 16, 2020, with an original issue amount of \$44,000. Interest charged at 4.25 percent. Principal and interest payments are due in monthly installments of \$1,000. Note was paid in full during the year ended September 30, 2024. Paid from the Water and Sewer Fund. | | \$ - |
|---|--|------|

VILLAGE OF PETERSBURG, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2024

NOTE D – OTHER NOTES, continued

2. Long-term Debt, continued

Annual debt service requirements to maturity, including principal and interest, for long-term debt as of September 30, 2024, are as follows:

| Year Ending September 30, | Governmental Activities Other Debt | |
|------------------------------|---------------------------------------|-----------------|
| | <u>Principal</u> | <u>Interest</u> |
| 2025 | \$ 10,000 | \$ 2,298 |
| 2026 | 10,000 | 2,023 |
| 2027 | 15,000 | 1,661 |
| 2028 | 15,000 | 1,207 |
| 2029 | 15,000 | 735 |
| 2030 | 15,000 | 247 |
| | <u>\$ 80,000</u> | <u>\$ 8,171</u> |

3. Conduit Debt

In 2012, the Community Development Agency (CDA) issued tax increment revenue bonds in the original amount of \$36,700 for Rae Valley Market, LLC. These bonds constitute a limited obligation of the Agency payable exclusively from that portion of the ad valorem real estate taxes mentioned in subdivision (1)(b) of Section 18-2147, Nebraska Revised Statutes, as levied, collected and apportioned from year to year with respect to certain real estate located within the “Project” as defined in the Resolution. The conduit debt has a principal balance of \$21,608 as of September 30, 2024.

VILLAGE OF PETERSBURG, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2024

NOTE D – OTHER NOTES, continued

4. Tax Increment Financing (TIF) Receivables and Payables

The governmental activities are reported on the modified cash basis of accounting so receivables and payables are not reported as an asset or liability in the financial statements.

| | <u>TIF Receivable</u> | <u>TIF Payable</u> |
|---|---------------------------|------------------------|
| In 2012, the Village entered into a TIF agreement with Rae Valley Market to build a grocery store in the Village. Tax increment financing on the increased valuation of the property is estimated to be \$988,745. Under terms of the agreement, the Village will collect property taxes and remit one-half of collections to the Rae Valley Market in the form of debt service payments on the Revenue bond issued to Rae Valley Market. The TIF receivable and payable is not reflected in the modified cash basis financial statements. TIF proceeds collected and paid to the redeveloper under the terms of this agreement during the year ended September 30, 2024 totaled \$6,427. | \$ <u>19,000</u> | \$ <u>9,500</u> |
| Current portion | \$ 6,427 | \$ 3,214 |
| Noncurrent portion | <u>12,573</u> | <u>6,286</u> |
| Totals | \$ <u>19,000</u> | \$ <u>9,500</u> |

5. Economic Development Lot Receivable

On November 5, 2019, the Village entered into an agreement with the Petersburg Industrial Development Corp. to help fund the purchase of eight lots of land for a new housing development for \$64,000. The receivable is non-interest bearing. The Village will receive \$8,000 for every lot sold. One lot was sold during the year ended September 30, 2023. The remaining receivable balance at September 30, 2024 is \$32,000. The governmental activities are reported on the modified cash basis of accounting so receivables are not reported as assets in the financial statements.

6. Pension Plan

Full-time employees of the Village are eligible to participate in a SIMPLE IRA retirement plan administered by Great American Insurance Group and Charles Schwab. The Village will match up to 3 percent of deferred compensation contributed to the plan. During the year ended September 30, 2024, the Village contributed \$2,441.

VILLAGE OF PETERSBURG, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2024

NOTE D – OTHER NOTES, continued

7. Commitment

Leases

On July 22, 2024, the Village entered into a 12-month lease for office space from the Petersburg Community Foundation, Inc. Monthly payments of \$350 are due through July 2025.

8. Tax Abatement

The Community Redevelopment Agency (CRA), who is authorized by Nebraska's Statutes to enter into a property tax abatement agreement for the purpose of developing properties in blighted areas, has entered into a tax increment finance (TIF) agreement with a redeveloper. 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 CRA to finance the project for a period of up to 15 years.

Information relevant to the abatements impacting the CRA for the year ending September 30, 2024 is as follows:

| <u>TIF Project:</u> | <u>Years Remaining On TIF Agreements</u> | <u>2023 TIF Valuation</u> | <u>TIF Proceeds Received during the year 9-30-2024</u> |
|---------------------|--|-------------------------------|--|
| Redevelopment 1 | 2 | \$ 1,258,380 | \$ 15,046 |
| Redevelopment 2 | 3 | 1,314,220 | 15,713 |
| Redevelopment 3 | 4 | <u>845,350</u> | <u>10,107</u> |
| | | <u>\$ 3,417,950</u> | <u>\$ 40,866</u> |

9. Subsequent Events

In January 2025 the board approved to increase utility rates effective January 1, 2025. The base water rate will now be \$21.38 per month, usage will be \$1.75 per thousand gallons. The sewer base rate will be \$22.02 per month with \$1.75 per thousand gallons of water used.. The trash rate will be \$18.25 for residents with one tote, non-residents \$20.00 per month, additional totes are \$5.00. Businesses will be \$20.00 per month, \$24.50 with dumpster.

Management has evaluated subsequent events through February 25, 2025, the date on which the financial statements were available for issue.

SUPPLEMENTARY AND OTHER INFORMATION

VILLAGE OF PETERSBURG, NEBRASKA

BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS GENERAL FUND

Year Ended September 30, 2024

| | Budget (Original and <u>Final</u>) | <u>Actual</u> | Variances - Actual Over (Under) <u>Final Budget</u> |
|---|---|--------------------|---|
| RESOURCES (INFLOWS) | | | |
| Taxes: | | | |
| Property | \$ 70,400 | \$ 79,803 | \$ 9,403 |
| Motor vehicle | - | 15,411 | 15,411 |
| Franchise fees | 30,000 | 42,578 | 12,578 |
| Sales | 4,500 | 4,629 | 129 |
| Occupation | 300 | 360 | 60 |
| TIF proceeds | - | 40,546 | 40,546 |
| Intergovernmental | 10,000 | 11,235 | 1,235 |
| Charges for services | 2,980 | 3,051 | 71 |
| Interest income | 1,000 | 6,347 | 5,347 |
| Contributions and grants | 6,000 | 2,594 | (3,406) |
| Other | <u>300</u> | <u>2,327</u> | <u>2,027</u> |
| Total resources | 125,480 | 208,881 | 83,401 |
| CHARGES TO APPROPRIATIONS (OUTFLOWS) | | | |
| Governmental: | | | |
| General government | 137,924 | 125,023 | (12,901) |
| Public safety: | | | |
| Police protection | 20,000 | 16,500 | (3,500) |
| Fire | <u>53,500</u> | <u>40,815</u> | <u>(12,685)</u> |
| Total public safety | 73,500 | 57,315 | (16,185) |
| Environment and leisure | | | |
| Park | 47,029 | 34,606 | (12,423) |
| Library | <u>3,650</u> | <u>2,722</u> | <u>(928)</u> |
| Total environment and leisure | 50,679 | 37,328 | (13,351) |
| Total charges to appropriations | <u>262,103</u> | <u>219,666</u> | <u>(42,437)</u> |
| Resources under charges to appropriations before transfers | (136,623) | (10,785) | 125,838 |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers out | <u>-</u> | <u>(11,636)</u> | <u>(11,636)</u> |
| RESOURCES UNDER CHARGES TO APPROPRIATIONS | <u>\$ (136,623)</u> | <u>\$ (22,421)</u> | <u>\$ 114,202</u> |

VILLAGE OF PETERSBURG, NEBRASKA

BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS STREET FUND

Year Ended September 30, 2024

| | Budget (Original and Final) | Actual | Variances - Actual Over (Under) Final Budget |
|---|-----------------------------------|-----------------|--|
| RESOURCES (INFLOWS) | | | |
| Taxes: | | | |
| Property | \$ 24,000 | \$ 31,835 | \$ 7,835 |
| Intergovernmental | 63,200 | 76,080 | 12,880 |
| Miscellaneous | - | 1,422 | 1,422 |
| | | | |
| Total resources | 87,200 | 109,337 | 22,137 |
| CHARGES TO APPROPRIATIONS (OUTFLOWS) | | | |
| Personnel services | 15,229 | 14,006 | (1,223) |
| Repairs and maintenance | 55,000 | 90,723 | 35,723 |
| Supplies | 5,000 | 8,493 | 3,493 |
| Utilities | 10,000 | 9,174 | (826) |
| Insurance | 6,000 | 3,050 | (2,950) |
| Capital outlay | 95,000 | 2,950 | (92,050) |
| | | | |
| Total charges to appropriations | 186,229 | 128,396 | (57,833) |
| | | | |
| Resources under charges to appropriations | (99,029) | (19,059) | 79,970 |
| OTHER FINANCING SOURCES | | | |
| Transfers in | 10,000 | 21,546 | 11,546 |
| | | | |
| RESOURCES AND OTHER FINANCING SOURCES OVER (UNDER) CHARGES TO APPROPRIATIONS | <u>\$ (89,029)</u> | <u>\$ 2,487</u> | <u>\$ 91,516</u> |

VILLAGE OF PETERSBURG, NEBRASKA

**BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
SALES TAX FUND**

Year Ended September 30, 2024

| | Budget (Original and <u>Final</u>) | <u>Actual</u> | Variances - Actual Over (Under) <u>Final Budget</u> |
|---|---|------------------|---|
| RESOURCES (INFLOWS) | | | |
| Taxes: | | | |
| Sales tax | \$ 62,000 | \$ 86,459 | \$ 24,459 |
| CHARGES TO APPROPRIATIONS (OUTFLOWS) | | | |
| Economic development | <u>35,000</u> | <u>2,461</u> | <u>(32,539)</u> |
| Resources over charges to appropriations | 27,000 | 83,998 | 56,998 |
| OTHER FINANCING USES | | | |
| Transfers out | <u>(14,000)</u> | <u>(13,910)</u> | <u>90</u> |
| RESOURCES AND OTHER FINANCING USES OVER APPROPRIATIONS | <u>\$ 13,000</u> | <u>\$ 70,088</u> | <u>\$ 57,088</u> |

VILLAGE OF PETERSBURG, NEBRASKA

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

Year ended September 30, 2024

| | General | Fire | Library | Park | Total |
|---|-----------------|-------------------|---------------|--------------------|--------------------|
| REVENUES | | | | | |
| Taxes: | | | | | |
| Property taxes | \$ 44,219 | \$ 25,989 | \$ 3,050 | \$ 6,545 | \$ 79,803 |
| Motor vehicles tax | 15,411 | - | - | - | 15,411 |
| Franchise fees | 42,578 | - | - | - | 42,578 |
| Sales tax | 4,629 | - | - | - | 4,629 |
| TIF proceeds | 40,546 | - | - | - | 40,546 |
| Occupation tax | 360 | - | - | - | 360 |
| Intergovernmental revenue | - | 11,235 | - | - | 11,235 |
| Charges for services | 1,666 | - | - | 1,385 | 3,051 |
| Interest income | 6,347 | - | - | - | 6,347 |
| Grants and contributions | 517 | - | - | 2,077 | 2,594 |
| Other revenues | 2,224 | 103 | - | - | 2,327 |
| Total revenues | <u>158,497</u> | <u>37,327</u> | <u>3,050</u> | <u>10,007</u> | <u>208,881</u> |
| EXPENDITURES | | | | | |
| Personnel services: | | | | | |
| Salaries, taxes, and benefits | 46,424 | - | - | 14,310 | 60,734 |
| Operating expenses: | | | | | |
| Insurance | 4,442 | 12,261 | 153 | 1,525 | 18,381 |
| Interlocal agreements | 16,500 | - | - | - | 16,500 |
| Professional fees | 15,960 | - | - | - | 15,960 |
| Printing, postage and publications | 3,582 | - | - | - | 3,582 |
| Repairs and maintenance | 1,982 | 2,382 | - | 9,515 | 13,879 |
| Utilities and telephone | 8,498 | 6,541 | 2,569 | 1,763 | 19,371 |
| Total operating expenses | <u>50,964</u> | <u>21,184</u> | <u>2,722</u> | <u>12,803</u> | <u>87,673</u> |
| Supplies | 17,374 | 16,942 | - | 7,493 | 41,809 |
| Other expenses | 14,201 | 2,689 | - | - | 16,890 |
| Interest expense | 2,560 | - | - | - | 2,560 |
| Principal payments on debt | 10,000 | - | - | - | 10,000 |
| Total expenditures | <u>141,523</u> | <u>40,815</u> | <u>2,722</u> | <u>34,606</u> | <u>219,666</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE TRANSFERS | 16,974 | (3,488) | 328 | (24,599) | (10,785) |
| OTHER FINANCING USES | | | | | |
| Transfers to other funds | (11,636) | - | - | - | (11,636) |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | <u>\$ 5,338</u> | <u>\$ (3,488)</u> | <u>\$ 328</u> | <u>\$ (24,599)</u> | <u>\$ (22,421)</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 Chairman and Members of the Village Board
Village of Petersburg, 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 modified cash basis financial statements of the governmental, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Petersburg, Nebraska, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Village's financial statements, and have issued our report thereon dated February 25, 2025. Our report on the financial statements disclosed that, as described in Note A to the financial statements, the Village of Petersburg, Nebraska, prepares its financial statements 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.

Report on Internal Control Over Financial Reporting

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

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

SHAREHOLDERS:

Marcy J. Luth
Heidi A. Ashby
Christine R. Shenk
Michael E. Hoback
Joseph P. Stump
Kyle R. Overturf
Tracy A. Cannon
Jamie L. Clemans
Travis L. Arnold

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

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

Segregation of Duties

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village of Petersburg'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*.

Village of Petersburg's Response to Findings

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

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.

A M G L, P. C.

Grand Island, Nebraska
February 25, 2025