



# CITY OF MILFORD, NEBRASKA

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CPAs & Consultants | Wealth Management

# AUDIT REPORT AND OPINIONS

- **Audit Opinions**
  - Qualified (Government-Wide Statements and Governmental Fund Statements)
  - Unmodified (Proprietary Fund Statements)
- **Basis of Accounting**
  - Modified cash basis (Government-Wide Statements and Governmental Fund Statements)
  - Accrual basis (Proprietary Fund Statements)
- **City Council and Management's Role**
  - Preparation and fair presentation of the financial statements
- **Independent Auditor's Role**
  - To audit the financial statements of the governmental activities, the business-type activities, each major fund, and aggregate remaining fund information, and express opinions

# AUDIT REPORT AND OPINIONS

- **The Audit Process**
  - Plan, gain an understand internal controls, risk assessments, confirmations, fieldwork, analytical procedures, inquiries, testing, financial statement preparation
- **Other Reports and Letters**
  - Reporting on Internal Control over Financial Reporting and Compliance
  - Communication to Governance Letter

# RECEIPTS - GOVERNMENTAL ACTIVITIES

<b>Receipts - Governmental Activities</b>	<b>2025</b>	<b>2024</b>
Taxes	\$ 1,204,964	\$ 1,193,382
Intergovernmental	696,242	657,716
Charges for Services	232,694	266,448
Investment Income (Interest)	55,374	59,373
Grants and Donations	398,146	270,195
<b>TOTAL RECEIPTS</b>	<b>\$ 2,587,420</b>	<b>\$ 2,447,114</b>



PEOPLE AND RESULTS YOU CAN COUNT ON

# REVENUES - BUSINESS-TYPE ACTIVITIES

Revenues - Business-Type Activities	2025	2024
Water		
User Fees	\$ 488,516	\$ 507,491
Miscellaneous income	26,666	29,597
Interest income	21,660	13,998
Gain on debt extinguishment	32,550	1,112,078
Sewer		
User Fees	200,920	203,930
Miscellaneous Income	718	113
Interest income	16,418	6,702
<b>TOTAL REVENUES</b>	<b>\$ 787,448</b>	<b>\$ 1,873,909</b>



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# DISBURSEMENTS/EXPENSES

<b>Disbursements - Governmental Activities</b>	<b>2025</b>	<b>2024</b>
General Government	\$ 344,076	\$ 330,167
Public Safety	466,264	449,855
Streets	341,726	453,217
Public Welfare	231,781	162,798
Culture and Recreation	368,229	349,547
Debt Service (Principal and Interest)	67,693	67,693
TIF	23,007	10,862
Capital Outlay and Capital Projects	703,904	427,948
<b>TOTAL DISBURSEMENTS</b>	<b>\$ 2,546,680</b>	<b>\$ 2,252,087</b>



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# DISBURSEMENTS/EXPENSES

<b>Expenses - Business-Type Activities</b>	<b>2025</b>	<b>2024</b>
Personnel (Salaries, Taxes, Benefits, Retirement)	\$ 153,449	\$ 171,058
Meetings and Training	2,032	2,416
Repairs and Maintenance	286,327	220,748
Utilities	39,398	40,427
Telephone	1,590	1,681
Insurance	36,260	32,518
Operating Supplies	22,245	30,128
Office Supplies	25,171	5,369
Legal and Professional	7,050	5,295
Gas and Oil	3,345	3,142
Interest Expense	15,115	17,080
Depreciation	119,616	119,008
Miscellaneous and Other Expenses	11,539	12,230
<b>TOTAL EXPENSES</b>	<b>\$ 723,137</b>	<b>\$ 661,100</b>



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# SUMMARY RESULTS

<b>Actual</b>	<b>2025</b>	<b>2024</b>
Governmental Activities:		
Receipts	\$ 2,587,420	\$ 2,447,114
Disbursements	(2,546,680)	(2,252,087)
	<b>\$ 40,740</b>	<b>\$ 195,027</b>
Business-Type Activities:		
Revenues	\$ 787,448	\$ 1,873,909
Expenses	(723,137)	(661,100)
	<b>\$ 64,311</b>	<b>\$ 1,212,809</b>



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# ASSETS AND LIABILITIES

<b>Assets - Governmental Activities</b>	<b>2025</b>	<b>2024</b>
Unrestricted Cash	\$ 3,088,297	\$ 3,077,005
Restricted Cash	809,888	781,504
Certificates of Deposit	719,536	718,472
<b>TOTAL ASSETS</b>	<b>\$ 4,617,721</b>	<b>\$ 4,576,981</b>



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# ASSETS AND LIABILITIES

<b>Assets - Business-Type Activities</b>	<b>2025</b>	<b>2024</b>
Unrestricted Cash	\$ 1,433,821	\$ 1,405,691
Restricted Cash	34,677	35,659
Accounts Receivable	68,328	91,510
Lease Receivable	375,752	383,782
Accrued Interest Receivable	1,059	1,082
Inventory	23,327	20,545
Certificates of Deposit	600,000	600,000
Capital Assets	5,368,394	5,362,820
<b>TOTAL ASSETS</b>	<b>\$ 7,905,358</b>	<b>\$ 7,901,089</b>

<b>Liabilities - Business-Type Activities</b>	<b>2025</b>	<b>2024</b>
Accounts Payable	\$ 38,199	\$ 15,171
Accrued Expenses	16,039	16,514
Customer Deposits	14,988	15,837
Debt	2,454,310	2,517,902
<b>TOTAL ASSETS</b>	<b>\$ 2,523,536</b>	<b>\$ 2,565,424</b>



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# NET POSITION

<b>Net Position/Fund Balance</b>	<b>2025</b>	<b>2024</b>
<b>Governmental Activities:</b>		
Restricted	\$ 809,888	\$ 781,504
Committed	105,641	49,486
Assigned	2,500,170	2,487,165
Unassigned	1,202,022	1,258,826
	<b>\$ 4,617,721</b>	<b>\$ 4,576,981</b>
<b>Business-Type Activities:</b>		
Invested in Capital Assets, net of debt	\$ 2,914,084	\$ 2,844,918
Restricted	19,689	19,822
Unrestricted	2,118,701	2,123,423
	<b>\$ 5,052,474</b>	<b>\$ 4,988,163</b>



PEOPLE AND RESULTS YOU CAN COUNT ON

# OTHER REPORTS AND LETTERS

- **Reporting on Internal Control over Financial Reporting and Compliance in accordance with *Government Auditing Standards***
  - Segregation of Duties
  - Financial Statement Preparation
- **Communication with Governance Letter**
  - Significant Risks: Improper revenue recognition, management override of controls, improper journal entries
  - No material audit adjustments