

Omaha Municipal Land Bank (OMLB)

AGENDA

9:00 A.M.

Wednesday, November 9, 2022

Meeting Location:

Metropolitan Community College-Fort Omaha Campus
The Mule Barn Building 21-Room 112

Omaha Municipal Land Bank Board Members: John Heine—Chair, Mary Byrnes—Treasurer, Sharlon Rodgers, Chris Rock, and Mike Riedmann

Non-Voting Members: Candice Price, Tiffany Hunter—Vice Chair

Non-Voting Ex-Officio Members: Juanita Johnson (City Council Member), David Fanslau (City of Omaha Planning Director)

Certification of Publication: Omaha Municipal Land Bank Board Administrator certifies publication of this agenda in the Daily Record, the official newspaper of the City of Omaha.

The Omaha Municipal Land Bank agenda and other information regarding the Omaha Municipal Land Bank are available on the Internet at <https://planning.cityofomaha.org/boards/omaha-municipal-land-bank>. The agendas available on the Internet are subject to change and are for convenience purposes only. The agenda may be altered no later than 24 hours before the scheduled commencement of the meeting. A copy of the official agenda, kept continually current, shall be available for public inspection during normal business hours at the City of Omaha Planning Department, 1819 Farnam Street, Suite 1100, Omaha, Nebraska. If an alternative (audio version) to this agenda is necessary, please notify the Omaha Municipal Land Bank at (402) 800-1246, 72 hours in advance. The order of agenda items is subject to change.

ITEM #	MATERIAL ATTACHED	ITEM TITLE
1.		PRELIMINARIES (5 MIN)
1.1		Call to Order
1.2		Announcement of Posted Location of Open Meetings Act
1.3		Recording of Notice of Public Meeting
1.4		Roll Call
1.5		Recognition of Supporters
2.		GENERAL PUBLIC COMMENTS
		Requests to Address the Board of Directors <i>Members of the public are asked to limit their comments to 3 minutes.</i>
3.		ACTION AGENDA (20 MIN)
3.1	X	Approval of Minutes of the October 12, 2022 Board of Directors Meeting
3.2	X	Approval of the October Financial Statements <ul style="list-style-type: none">• Presentation of Financial Statements• Presentation of Outside Funding Report
3.3	X	Acceptance of the 2021 Audited Financial Statements
3.4		Next Board Date
4.		CONSENT AGENDA (ITEMS #6.1, 6.2, 6.3, 6.4, 6.5, 6.6, 6.7, 6.8, 6.9, 6.10)

5.		ITEMS REMOVED FROM CONSENT AGENDA (IF ANY)
6.		DISPOSITIONS (10 MIN)
		These items have been recommended for disposition by the Acquisitions and Dispositions Committee of the Board.
		<i>Adjacent Lot</i>
6.1	X	2115 Lake Street (\$3,000)
6.2	X	2121 Lake Street (\$8,000)
6.3	X	2417 N 22 Street (\$7,000)
		<i>New Housing</i>
6.4	X	1307 Jaynes St (\$5,000)
6.5	X	1309 Jaynes St (\$5,300)
6.6	X	1311 Jaynes St (\$5,300)
6.7	X	1313 Jaynes St (\$5,300)
6.8	X	4522 N 40 St (\$10,000)
6.9	X	4528 N 40 St (\$18,500)
		<i>New Business</i>
6.10	X	1336 Sherwood Ave (\$10,000)
7.		REPORT AGENDA (5 MIN)
		Executive Director's Report <ul style="list-style-type: none"> • Bus Tour • New Jersey Trip • Board Social/Holiday Party • Other
7.1		Legislative Update
7.2		Out and About Report
8.		OTHER NEW BUSINESS
9.		EXECUTIVE SESSION
		Executive Session to discuss Labor Negotiations, Litigation, Personnel Matters, or Real Estate Matters
10.		Adjournment

Omaha Municipal Land Bank Board

MINUTES

October 12, 2022

Regular Meeting:

8:00 AM, The Mule Barn Building-Room 112
Metropolitan Community College-Fort Omaha Campus
5370 N 30th Street

Meeting Minutes: This document states the minutes before the Omaha Municipal Land Bank Board at their Public Hearing and Administrative meeting held on Wednesday, October 12, 2022.

Certification of Publication: Omaha Municipal Land Bank Board Administrator certifies publication of this agenda in the Daily Record, the official newspaper of the City of Omaha on Friday, October 7th, 2022

Voting Members Present:

John Heine (Chair)
Sharlon Rodgers
Chris Rock
Mike Riedmann
Mary Byrnes

Non-voting Members Present:

Juanita Johnson (City Council Representative)
David Fanslau
Tiffany Hunter

Members Not Present:

Candice Price

Director Present:

Shannon Snow, Executive Director

Staff Present:

Deana Walocha, In-house counsel
Andrea Purdy-Steenholdt, Director of Operations
Carisma Jano, Legal Assistant
Briana Erwin-Ingram, Office Administrator
Laura Schoenrock,
Jennifer Taylor, City Law Department

Public Meeting:

1.0 Preliminaries

1.1 Call to Order

Heine called the meeting to order at 8:06 a.m.

1.2 Announcement of Posted Location of Open Meetings Act

Heine stated that the Nebraska Open Meetings Law is in effect and a copy is available in the room for review.

1.3 Recording of Notice of Public Meeting

Heine informed the public that a notice of the meeting had been published and copies of the agenda were available in the room. Heine stated the procedures of the meeting.

1.4 Roll Call

Roll call was taken with 5 voting members present in person and 4 non-voting members present in person.

1.5 Recognition of Supporters

Heine recognized the following supporters of the Omaha Municipal Land Bank.

- Lamp Rynearson
- Turner Construction
- First National Bank of Nebraska
- Nebraska Investment Finance Authority
- Wells Fargo
- Project Control
- The City of Omaha
- The Sherwood Foundation
- The Hawks Foundation
- The Mutual of Omaha Foundation
- The Lozier Foundation
- The Weitz Family Foundation
- Oak Investment Real Estate
- Commercial Interior Solutions
- Embassy Suites – Downtown

Heine also acknowledged and thanked anonymous donors and any additional individual gifts given to the Land Bank.

2.0 General Public Comments

Heine called for any general public comments.

The following person appeared and spoke:
Cheryl Weston, 1811 Emmet Street Omaha, NE 68110

Cheryl Weston inquired what the Board and the Land Bank plans to do to make the purchase of properties more accessible for community members.

3.0 Action Agenda

3.1 Approval of Minutes of the July 13, 2022 Board of Directors' Meeting

Heine called for a motion to approve the July 13, 2022 Board of Director's meeting minutes.

Byrnes motioned to approve. Rodgers seconded.

Motion Carried 5-0

3.2 Resolution to Cancel Taxes

Heine called for a motion to approve the Resolution to Cancel Taxes.

Riedmann motioned to approve. Byrnes seconded.

Motion Carried 5-0

3.3 Resolution to Cancel Special Assessments.

Heine called for a motion to approve the Resolution to Cancel Special Assessments.

Byrnes motioned to approve. Rodgers seconded.

Motion Carried 5-0

3.4 Approval of July-September Financial Statements

Andrea Purdy-Steenholdt presented the financial states for the months of July, August, and September. Following the presentation of the financial statements, Shannon Snow presented the Outside Funding Report. Snow informed the Board that the Sherwood Foundation has made significant reductions in grant awards, however, the Land Bank does not expect this to impact its overall funding.

Heine called for a motion to approve the July-September Financial Statements.

Rodgers motioned to approve. Riedmann seconded.

Motion Carried 5-0.

3.5 Approval of 2023 Budget

Andrea Purdy-Steenholdt presented the 2023 Budget.

Heine called for a motion to approve the 2023 Budget.

Riedmann motioned to approve. Byrnes seconded.

Motion Carried 5-0

3.6 Approval of Disposition Policy—Presented by Amy Haase, RDG Planning & Design

Amy Haase presented the Disposition Strategy. The Land Bank's disposition strategy aimed to find effective and transparent guidelines to selling properties based on community feedback and existing disposition priorities.

Board members discussed and raised questions regarding the content of the disposition strategy. Riedmann stated that the disposition strategy presented should be viewed as guidelines that aid in how the Land Bank sells properties rather than definitive policies.

Byrnes motioned to amend the title to Disposition Guidelines. Rodgers seconded.

Motion Carried 5-0

Byrnes motioned to approve the Disposition Guidelines as presented. Rodgers seconded.

Motion Carried 5-0

3.7 Resolution to Adopt a Letter of Prequalification Policy

Riedmann motioned to approve the Resolution to Adopt a Letter of Prequalification Policy. Byrnes seconded.

Motion Carried 5-0

3.8 Next Board Date

Shannon Snow stated that the next Board meeting is scheduled for Wednesday, November 9th. The Land Bank will need to ensure that the Board has quorum for its next meeting.

Heine asked if each member of the Board is able to attend the November meeting. The following Board members stated that they will be attending the November 9th meeting: Rodgers, Byrnes, Rock, Riedmann, Heine, Price, Hunter, and Fanslau. Councilwoman Johnson stated that she was not sure if she could attend.

4.0 Consent Agenda (Items #6.1, 6.2, 6.3, 6.4, 6.5, 6.6, 6.7)

5.0 Items Removed from Consent Agenda (If Any)

6.0 Dispositions—Presented by Carisma Jano

Heine stated that the Acquisitions and Dispositions Committee recommended the disposition of these properties pending the approval of the disposition guidelines presented as agenda item 3.6.

Carisma Jano presented the disposition of properties.

New Housing

6.1 3522 Hamilton Street (\$8,000)

6.2 3532 Hamilton Street (\$2,000)

6.3 7409 N 42 Street (\$28,500)

6.4 5073 Kansas Ave (\$12,500)

Community Garden

6.5 5105 N 9 Street (\$2,025)

Side Lot

6.6 3502 N 36 St (\$1,750)

Adjacent Lot

6.7 3218 N 26 St (\$4,000)

Shannon Snow reviewed the previous and current application process. Under the previous application process, applicants were required to submit redevelopment plans and proof of financing upon applying for a property. This proved to be challenging for applicants and community members who were not experienced developers. Due to this, the Land Bank modified its application process. The new process requires interested buyers to fill out an application and indicate their proposed plans and financing for a property. Applications are reviewed and approved by the Board. Upon approval, applicants receive a purchase agreement to sign. The applicant is then given 90 days to obtain proper building permits to conduct

construction, submit final development plans, and submit proof that necessary funding has been secured.

Heine opened a Public Hearing on Items 6.1 through 6.7.

The following person appeared and spoke:

Cheryl Weston, 1811 Emmet Street Omaha, NE 68110

Weston requested the Board to clarify the Land Bank's current application process. Weston stated that the Land Bank would require that applicants show proof of funding and development plans when applying for a property. Weston further inquired whether the Land Bank had a list of buyers who have purchased property.

Riedmann responded and stated that any real estate transaction that involves the purchase of a property is public record and can be obtained through the Assessor's website. Any pending real estate transaction is confidential until the transaction is completed.

Heine called for a motion to approve the dispositions as presented.

Riedmann motioned to approve. Byrnes seconded.

Motion Carried 5-0

7.0 Report Agenda—Presented by Shannon Snow

Executive Director's Report

- 1024 Application: The Land Bank submitted 3 LB 1024 applications: Property Acquisition, Hope Village Redevelopment, and One-Stop Shop. An additional application was submitted to outline the Land Bank's support and willingness to partner with other community organizations.
- Bus Tour: The Land Bank will be hosting a Bus Tour in the coming weeks.
- Other

7.1 Legislative Update

There was no legislative update given.

7.2 Out and About Report

An Out and About Report printout was given to all Board members.

8.0 Other New Business

Heine stated that the Board has received an email regarding a letter sent to the Attorney General's Office. The Board is working on responding to the email.

9.0 Executive Session

The Board did not enter into Executive Session.

10. Conclusion of Regular Meeting

The Board concluded its regular meeting at 9:34 a.m.

11. Strategic Planning-Facilitated by Category1 Consulting

Strategic Planning began at 9:46 a.m.

The following person(s) appeared and spoke:

Amy McFeely, 4005 N 117th Street (Category1 Consulting)

Sanaa Kripal, 2616 N 164th Circle (Category1 Consulting)

Category 1 Consulting conducted a Strategic Planning workshop with Board members, staff, and a few Land Bank supporters. The workshop focused on refreshing the Land Bank's current strategic plan.

12. Adjournment

Riedmann motioned to adjourn. Rock seconded.

Motion Carried 5-0

The Public Meeting adjourned at 1:05 p.m.



October Reporting Package

Omaha Municipal Land Bank
2022 (YTD to Oct 2022)

Basis of Preparation

The accompanying financial statements were not subjected to an audit, review, compilation, or engagement by RG & Associates and RG & Associates does not express an opinion, a conclusion, nor provide any assurance on them. Substantially all the required disclosures have been omitted. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions. Accordingly, the financial statements are not designed for those who are not informed about such matters.



Omaha Municipal Land Bank

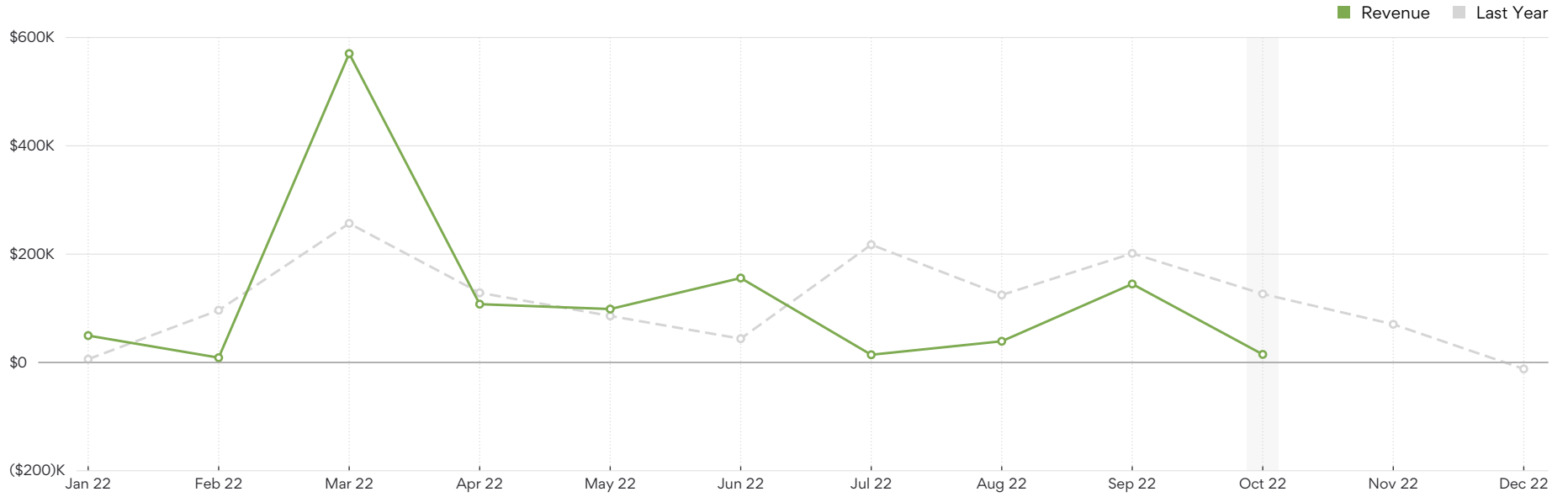
Statement of Revenues and Expenses by Class - Modified Cash Basis

January - October, 2022

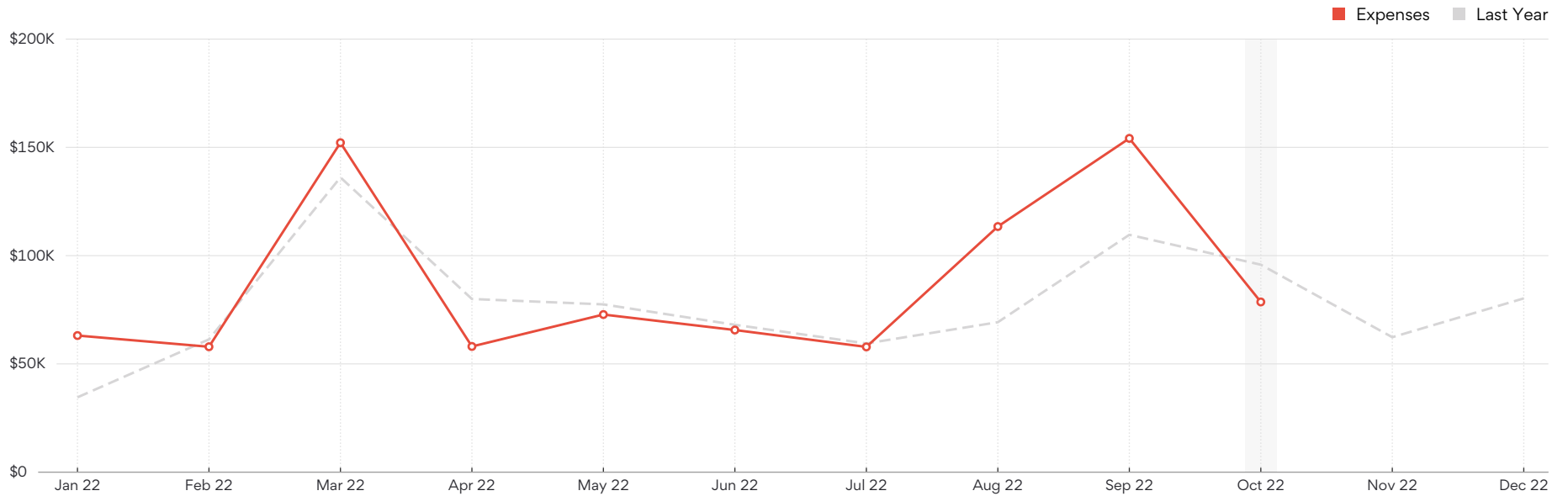
	A&D-EARNED	A&D-RESTRICTED	A&D-STAFF	AMBASSADOR PROGRAM	ANNUAL GO AWARD	GENERAL // OVERHEAD	LEGAL ASSISTANT STAFF	TECHNICAL ASSISTANCE	TLC INVESTMENT PROGRAM	TOTAL
Income										
Agency/Government Grants			110,539.14				30,000.00			\$140,539.14
Application Fees	1,375.00									\$1,375.00
Corporate/Business Grants		10,000.00				25,000.00				\$35,000.00
Foundation/Trust Grants		15,000.00		20,000.00	150,000.00	250,000.00				\$435,000.00
Individual/Small Business Contributions						5,845.30				\$5,845.30
PayPal Sales						0.00				\$0.00
Property Sales	332,068.96									\$332,068.96
Redemption of DC Tax Lien Certificates						7,873.71				\$7,873.71
Redemption of OMLB Tax Lien Certificates									77,871.59	\$77,871.59
Tax Recapture Revenue									165,656.93	\$165,656.93
Uncategorized Revenue						2,694.41				\$2,694.41
Total Income	\$333,443.96	\$25,000.00	\$110,539.14	\$20,000.00	\$150,000.00	\$291,413.42	\$30,000.00	\$0.00	\$243,528.52	\$1,203,925.04
GROSS PROFIT	\$333,443.96	\$25,000.00	\$110,539.14	\$20,000.00	\$150,000.00	\$291,413.42	\$30,000.00	\$0.00	\$243,528.52	\$1,203,925.04
Expenses										
Acquisitions										\$0.00
Property Acquisitions		2,252.34								\$2,252.34
Tax Lien Certificates									53,516.01	\$53,516.01
Taxes Paid									63,924.79	\$63,924.79
Total Acquisitions		2,252.34							117,440.80	\$119,693.14
Advertising/Promotional										\$0.00
Direct Marketing						12,060.27				\$12,060.27
Promotional Meals						287.70				\$287.70
Public Relations	726.80					6,284.44				\$7,011.24
Total Advertising/Promotional	726.80					18,632.41				\$19,359.21
Ambassador Program Expenses				19,347.05		4,800.00				\$24,147.05
Bank Charges						117.00				\$117.00
Computer, Software & Internet						29,216.32		5,784.88		\$35,001.20
Conferences & Training						5,176.28	362.50			\$5,538.78
Dues & Subscriptions						3,472.18				\$3,472.18
Employee Benefits						18,873.04	2,415.67			\$21,288.71
Entertainment Meals						3,056.35				\$3,056.35
Filing Fees		4,380.41				74.05			907.31	\$5,361.77
Insurance		2,400.00				23,512.90				\$25,912.90
Interest Expense						27.33				\$27.33
Lobbying	20,200.00									\$20,200.00
Office Expenses						20.90				\$20.90
Janitorial Services						1,214.50				\$1,214.50
Non-budgeted Office Supplies						20,744.22				\$20,744.22
Outside Services						240.00				\$240.00
Printing & Postage		123.36				430.32				\$553.68
Property [Title] Report									6,120.00	\$6,120.00
Publications		889.82				1,162.96				\$2,052.78
Supplies & Materials						6,564.44				\$6,564.44
Total Office Expenses		1,013.18				30,377.34			6,120.00	\$37,510.52
PayPal Fees	108.49									\$108.49
Payroll Expenditures										\$0.00
Contract Labor			8,386.09							\$8,386.09
Employee Benefits						8,667.07				\$8,667.07
Payroll Taxes						22,597.78	1,147.51			\$23,745.29
Salaries			134,692.36		92,072.33	76,153.61	15,000.00			\$317,918.30
Total Payroll Expenditures			143,078.45		92,072.33	107,418.46	16,147.51			\$358,716.75
Professional Services & Contracts										\$0.00

	A&D-EARNED	A&D-RESTRICTED	A&D-STAFF	AMBASSADOR PROGRAM	ANNUAL GO AWARD	GENERAL // OVERHEAD	LEGAL ASSISTANT STAFF	TECHNICAL ASSISTANCE	TLC INVESTMENT PROGRAM	TOTAL
Accounting Fees						26,200.75				\$26,200.75
Attorney Fees						4,645.50				\$4,645.50
Information Technology						6,240.09				\$6,240.09
Management (Consulting)	5,065.00	3,574.75				22,587.75				\$31,227.50
Payroll Fees						1,498.48				\$1,498.48
Total Professional Services & Contracts	5,065.00	3,574.75				61,172.57				\$69,812.32
Property Expenses										\$0.00
Preparation		11,000.10				455.00				\$11,455.10
Repair and Maintenance		22,197.88				32,434.01				\$54,631.89
Total Property Expenses		33,197.98				32,889.01				\$66,086.99
Rent or Lease						34,008.98				\$34,008.98
Telephone						6,508.97				\$6,508.97
Travel & Parking						16,692.76	1,080.55			\$17,773.31
Total Expenses	\$26,100.29	\$46,818.66	\$143,078.45	\$19,347.05	\$92,072.33	\$396,025.95	\$20,006.23	\$5,784.88	\$124,468.11	\$873,701.95
NET OPERATING INCOME	\$307,343.67	\$ -21,818.66	\$ -32,539.31	\$652.95	\$57,927.67	\$ -104,612.53	\$9,993.77	\$ -5,784.88	\$119,060.41	\$330,223.09
Other Income										
Interest Earned						3,715.69				\$3,715.69
Total Other Income	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3,715.69	\$0.00	\$0.00	\$0.00	\$3,715.69
NET OTHER INCOME	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3,715.69	\$0.00	\$0.00	\$0.00	\$3,715.69
NET INCOME	\$307,343.67	\$ -21,818.66	\$ -32,539.31	\$652.95	\$57,927.67	\$ -100,896.84	\$9,993.77	\$ -5,784.88	\$119,060.41	\$333,938.78

This year vs last year



Expenses This year vs last year



Balance Sheet YTD

BALANCE SHEET	2022 (YTD)	2021 (YTD)
ASSETS		
Cash & Equivalents		
Cash Reserves		
FNBO Money Market x9832	\$0	\$111,122
Security National Bank Savings 4451	\$613,625	\$0
Security National x7249	\$0	\$150,000
Total Cash Reserves	\$613,625	\$261,122
First National Bank Checking x6245	\$273,141	\$458,111
PayPal Bank	\$501	\$0
Petty Cash	\$421	\$421
Pinnacle Bank Checking x2235	\$866,833	\$785,015
Total Cash & Equivalents	\$1,754,520	\$1,504,668
Other Current Assets		
Properties		
Depository Properties Held	\$365	\$442
Properties Held for Sale		
Properties Held for Sale	\$831,350	\$1,285,700
Total Properties	\$831,715	\$1,286,142
Tax Lien Certificates		
Subsequent Taxes Paid on Tax Lien Certificates	\$48,631	\$74,960
Tax Lien Certificates	\$67,241	\$30,741
Total Tax Lien Certificates	\$115,872	\$105,701
Total Other Current Assets	\$947,587	\$1,391,843
Total Current Assets	\$2,702,107	\$2,896,511
Fixed Assets		
Accumulated Amortization	(\$73,818)	(\$73,818)
Accumulated Depreciation	(\$7,144)	(\$7,144)
Computer Software	\$59,576	\$59,576
Leasehold Improvements	\$24,460	\$24,460
Office Equipment	\$3,148	\$2,343
Total Fixed Assets	\$6,222	\$5,417
Intangible Assets		
Website	\$10,000	\$10,000
Total Non-Current Assets	\$16,222	\$15,417
Total Assets	\$2,718,329	\$2,911,928
LIABILITIES		
Short Term Debt		
Credit card (8063)	(\$25,000)	(\$25,000)
FNBO Credit Card - Deana x6494	\$3,159	\$1,330
FNBO Credit Card - Shannon x2388	\$1,190	\$2,381
Total Short Term Debt	(\$20,651)	(\$21,289)
Total Current Liabilities	(\$20,651)	(\$21,289)
Total Non-Current Liabilities	\$0	\$0
Total Liabilities	(\$20,651)	(\$21,289)
EQUITY		

	2022 (YTD)	2021 (YTD)
Retained Earnings		
Opening Balance Equity	\$25,000	\$25,000
Restricted Net Assets		
Restricted - A&D Program		
Restricted - TLC Investment Program	\$16,048	\$25,668
Restricted - A&D Program	\$0	\$25,000
Total Restricted - A&D Program	\$16,048	\$50,668
Restricted - Annual GO Award	\$0	\$31,604
Restricted - Legal Assistant Staff	\$27,206	\$30,000
Restricted - Technical Assistance	\$5,087	\$57,990
Total Restricted Net Assets	\$48,342	\$170,261
Unrestricted Net Assets	\$2,331,700	\$1,907,186
Total Retained Earnings	\$2,405,041	\$2,102,447
Current Earnings		
Net Income	\$333,939	\$830,770
Total Equity	\$2,738,980	\$2,933,217
Total Liabilities & Equity	\$2,718,329	\$2,911,928

2022 Budget vs Actual

PROFIT & LOSS	2022 (YTD)	Budget	Budget Variance (\$)	Budget Variance (%)
Revenue				
Agency/Government Grants	\$140,539	\$180,000	(\$39,461)	-21.92%
Application Fees	\$1,375	\$1,800	(\$425)	-23.61%
Corporate/Business Grants	\$35,000	\$50,000	(\$15,000)	-30.00%
Foundation/Trust Grants	\$435,000	\$460,000	(\$25,000)	-5.43%
Individual/Small Business Contributions	\$5,845	\$0	\$5,845	-
Property Sales	\$332,069	\$150,000	\$182,069	121.38%
Redemption of DC Tax Lien Certificates	\$7,874	\$17,000	(\$9,126)	-53.68%
Redemption of OMLB Tax Lien Certificates	\$77,872	\$46,800	\$31,072	66.39%
Sponsorships	\$0	\$50,000	(\$50,000)	-100.00%
Tax Recapture Revenue	\$165,657	\$50,000	\$115,657	231.31%
Uncategorized Revenue	\$2,694	\$0	\$2,694	-
Total Revenue	\$1,203,925	\$1,005,600	\$198,325	19.72%
Expenses				
Acquisitions				
Property Acquisitions	\$2,252	\$0	\$2,252	-
Tax Lien Certificates	\$53,516	\$75,000	(\$21,484)	-28.65%
Taxes Paid	\$63,925	\$45,000	\$18,925	42.06%
Total Acquisitions	\$119,693	\$120,000	(\$307)	-0.26%
Advertising/Promotional				
Direct Marketing	\$12,060	\$10,000	\$2,060	20.60%
Promotional Meals	\$288	\$3,300	(\$3,012)	-91.28%
Public Relations	\$7,011	\$5,500	\$1,511	27.48%
Total Advertising/Promotional	\$19,359	\$18,800	\$559	2.97%
Ambassador Program Expenses	\$24,147	\$7,200	\$16,947	235.38%
Bank Charges	\$117	\$0	\$117	-
Computer, Software & Internet	\$35,001	\$40,600	(\$5,599)	-13.79%
Conferences & Training	\$5,539	\$8,000	(\$2,461)	-30.77%
Dues & Subscriptions	\$3,472	\$4,500	(\$1,028)	-22.84%
Employee Benefits	\$21,289	\$45,000	(\$23,711)	-52.69%
Entertainment Meals	\$3,056	\$3,300	(\$244)	-7.38%
Filing Fees	\$5,362	\$12,750	(\$7,388)	-57.95%
Insurance	\$25,913	\$25,000	\$913	3.65%
Lobbying	\$20,200	\$20,500	(\$300)	-1.46%
Office Expenses				
Closing Costs	\$0	\$1,000	(\$1,000)	-100.00%
Commissions Paid	\$0	\$1,500	(\$1,500)	-100.00%
Janitorial Services	\$1,215	\$1,600	(\$386)	-24.09%
Non-budgeted Office Supplies	\$20,744	\$0	\$20,744	-
Outside Services	\$240	\$5,000	(\$4,760)	-95.20%
Printing & Postage	\$554	\$3,400	(\$2,846)	-83.72%
Property [Title] Report	\$6,120	\$12,750	(\$6,630)	-52.00%
Publications	\$2,053	\$11,100	(\$9,047)	-81.51%
Supplies & Materials	\$6,564	\$4,000	\$2,564	64.11%
Office Expenses	\$21	\$0	\$21	-
Total Office Expenses	\$37,511	\$40,350	(\$2,839)	-7.04%
PayPal Fees	\$108	\$100	\$8	8.49%
Payroll Expenditures				
Contract Labor	\$8,386	\$0	\$8,386	-
Employee Benefits				

	2022 (YTD)	Budget	Budget Variance (\$)	Budget Variance (%)
Employee Benefits	\$8,667	\$19,000	(\$10,333)	-54.38%
Payroll Taxes	\$23,745	\$23,200	\$545	2.35%
Salaries				
Salaries	\$317,918	\$350,000	(\$32,082)	-9.17%
Total Payroll Expenditures	\$358,717	\$392,200	(\$33,483)	-8.54%
Professional Services & Contracts				
Accounting Fees	\$26,201	\$20,200	\$6,001	29.71%
Attorney Fees	\$4,646	\$6,000	(\$1,355)	-22.58%
Information Technology	\$6,240	\$3,500	\$2,740	78.29%
Management (Consulting)				
Management (Consulting)	\$31,228	\$11,500	\$19,728	171.54%
Payroll Fees	\$1,498	\$1,250	\$248	19.88%
Total Professional Services & Contracts	\$69,812	\$42,450	\$27,362	64.46%
Property Expenses				
Preparation	\$11,455	\$15,000	(\$3,545)	-23.63%
Repair and Maintenance				
Repair and Maintenance	\$54,632	\$76,000	(\$21,368)	-28.12%
Supplies & Materials	\$0	\$2,000	(\$2,000)	-100.00%
Total Property Expenses	\$66,087	\$93,000	(\$26,913)	-28.94%
Rent or Lease	\$34,009	\$32,000	\$2,009	6.28%
Telephone	\$6,509	\$5,000	\$1,509	30.18%
Travel & Parking	\$17,773	\$7,000	\$10,773	153.90%
Total Expenses	\$873,675	\$917,750	(\$44,075)	-4.80%
Operating Profit	\$330,250	\$87,850	\$242,400	275.93%
Interest Income				
Interest Earned	\$3,716	\$0	\$3,716	-
Interest Expenses				
Interest Expense	\$27	\$0	\$27	-
Earnings Before Tax	\$333,939	\$87,850	\$246,089	280.12%
Net Income	\$333,939	\$87,850	\$246,089	280.12%

**Omaha Municipal Land Bank
FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT
For the year ended December 31, 2021**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Omaha Municipal Land Bank

Report on the Audit of the Financial Statements

Opinions

We have audited the modified cash basis financial statements of Omaha Municipal Land Bank (the Land Bank), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Land Bank's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective modified cash basis financial position of the Land Bank as of December 31, 2021, and the respective changes in financial position-modified cash basis and, where applicable, cash flows, thereof for the year then ended in accordance with the modified cash basis of accounting described in Note A.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. 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 Land Bank 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 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.

Responsibilities of Management for the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, 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 Land Bank'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 Land Bank'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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Land Bank’s basic financial statements. The management’s discussion and analysis and schedule of administrative expenditures – budget and actual on pages 5–7 and 17–18, which are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedule of administrative expenditures – budget and actual is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of administrative expenditures – budget and actual is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The management’s discussion and analysis has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated November XX, 2022 on our consideration of the Land Bank’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 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 Land Bank’s internal control over financial reporting and compliance.

Hayes & Associates, L.L.C.
Omaha, Nebraska
November XX, 2022

Omaha Municipal Land Bank
MANAGEMENT’S DISCUSSION AND ANALYSIS
Fiscal year ending December 31, 2021

Omaha Municipal Land Bank (OMLB) provides this Management’s Discussion and Analysis (MD&A) of its financial statements. This overview and analysis of the financial activities is for the fiscal year ending December 31, 2021. Readers are encouraged to use this information in conjunction with the OMLB Audit.

Basic Financial Statements

The OMLB receives revenue from donors and the sale of code enforcement, bank real estate-owned, donation and tax foreclosed real estate. In 2021, the OMLB had total operating revenue from donor gifts and various operating revenues totaling \$1,318,554.

The expenditures in 2021 totaled \$962,406. This figure includes administrative costs such as conferences, employee benefits, local travel, meals, office supplies, payroll, professional services, publications, rent, maintenance, and utilities paid for the operation of the agency. Donor agreements signed during early-2015 with the City of Omaha, Mutual of Omaha, Peter Kiewit Foundation, Robert B. Daugherty Foundation, and Suzanne and Walter Scott Foundation continue to financially benefit the OMLB. All agreements were for multiple years of operational support.

Government-Wide Financial Analysis

The following is a comparison of the OMLB’s net position for year-ends 2021 and 2020. As can be seen by the ending net position, the OMLB continued to move in a very positive direction overall during 2021. Expenses were kept in check and revenues were sufficient to fund the agency with a strong ending net position for the year.

	<u>2021</u>	<u>2020</u>	<u>Change</u>
Current assets	\$ 2,269,514	\$ 2,007,297	\$ 262,217
Property and equipment, less depreciation	3,724	12,801	(9,077)
Investments in tax liens certificates	77,658	57,349	20,309
Total revenues	1,318,554	1,571,719	(253,165)
Total expenses	962,406	747,724	214,682
Ending net position	2,350,896	2,077,447	273,449

Omaha Municipal Land Bank
MANAGEMENT’S DISCUSSION AND ANALYSIS
Fiscal year ending December 31, 2021

Analysis of Financial Position and Results of Operations

Property donations to the OMLB were up during 2021 totaling \$53,700. Property sales were strong and reported a total of \$235,088, along with donor dollars for administration and operations. The OMLB, through Donor Agreements, receives grant dollars to fund the OMLB. Donors required reporting of progress in order to continue to receive funding.

Analysis of Balances and Transactions of Individual Funds

The 2021-year was the sixth operational year for the OMLB. Each year since the first operational year in 2015, OMLB submits donor applications and reports to sustain operations. In 2021 the Land Bank had received contributions from 10 philanthropic organizations. Donor meetings have been held to update donors on the OMLB’s progress. Expenses were in line with the budget in the sixth year as OMLB experienced some transitions. An organizational restructure was completed in early 2021, resulting in increased efficiencies and accuracy which will help endure continued financial stability in the coming years. The table below shows the balance in the ending net position for 2021 with comparison to 2020.

Date	Ending Net Position	Change from Previous Year
December 31, 2020	2,077,447	-
December 31, 2021	2,350,896	273,449

The OMLB is the third generation of land banks in the United States. Land Banks began in St Louis, Missouri in 1971 as the first generation. The second generation were formed because of the mortgage recession in 2008 in Michigan and Ohio. As the third generation of land banks, the OMLB is one of over 240 similar agencies in the United States. The OMLB has excellent legislative authority for acquiring properties, building a sustainable administration, and making a difference in neighborhoods in Omaha. The agreement with the Land Reutilization Commission was modified in 2020. OMLB continues to receive and foreclose on LRC’s tax delinquent parcels. LRC is responsible for selling those parcels. Currently, OMLB does not recover all the costs associated with assisting LRC and evaluating the cost of this service to LRC was a priority in 2021. This evaluation will allow OMLB to identify the next best steps to recover costs associated with LRC parcels.

Budgetary Analysis

The OMLB’s budget for 2021 was \$995,840. Total actual expenditures were \$950,853. The budget decreased in 2021 due to a reduction in staff, reduced budgeted costs for acquisitions, demolitions, and purchase of tax lien certificates. Also, the OMLB property maintenance costs increased due to more inventory added to the agency’s oversight.

Omaha Municipal Land Bank
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal year ending December 31, 2021

Capital Asset and Long-term Debt Activity

The OMLB acquired 7 properties in 2021. These properties came from code enforcement purchases, bank real estate owned properties, donations, and depository properties. The OMLB writes to owners of code enforcement properties seeking to purchase their properties. Banks notify the OMLB after they have exhausted their donor databases seeking to sell the OMLB their properties. Donations result from individual who contact the OMLB seeking to donate their house or vacant lot for a tax credit. Non-profit organizations can deposit property into the OMLB inventory in order to fund raise and plan for future development and to shield those properties from taxes. All properties sold by the OMLB will yield fifty percent (50%) tax recapture as additional revenue. The OMLB has no debt and plans to continue to assess, acquire, prepare, and dispose of properties in 2021. There was no litigation in 2020 or 2021, and there is no pending litigation concerning the OMLB, or its Executive Director.

Currently Known Facts, Decisions or Conditions

The OMLB's 2021 total net position ending balance was \$2,350,896. A firm foundation of policies, procedures, and practice allowed the OMLB to fulfill its mission to transform distressed property into positive community assets. Launching a public presence through a website, social media, and additional community engagement required the Executive Director to train staff, write an Employee Manual, develop Human Relation policies, customize a sales process through a database management system, and to delegate to staff for acquisitions, communications, office oversight, and investments. If you have questions about this report or need additional information please contact us at 402-800-1240.

Looking to the future OMLB is focused on the continued improvement of processes. A priority for 2021 is diversifying funding through the cultivation of additional donors and identification of new revenue streams. With a refresh of the Strategic Plan planned for 2021, OMLB is focused on maximizing the ability to execute the mission.

Omaha Municipal Land Bank
STATEMENT OF FINANCIAL POSITION - MODIFIED CASH BASIS
December 31, 2021

ASSETS	
	<u>2021</u>
Current assets	
Cash and cash equivalents	\$ 1,399,586
Current portion of tax lien certificates	38,213
Properties held for sale	<u>831,715</u>
Total current assets	2,269,514
Noncurrent Assets	
Property and equipment	
Leasehold improvements	24,460
Office equipment	2,343
Computer software	69,436
Less: accumulated depreciation and amortization	<u>(92,515)</u>
Net property and equipment	3,724
Investments in tax lien certificates	<u>77,658</u>
Total noncurrent assets	<u>81,382</u>
Total assets	<u><u>\$ 2,350,896</u></u>
NET POSITION	
Net position	
Net investment in capital assets	\$ 3,724
Unrestricted	<u>2,347,172</u>
Total net position	<u><u>\$ 2,350,896</u></u>

See accompanying notes and independent auditor's report.

Omaha Municipal Land Bank
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION - MODIFIED CASH BASIS
For the year ended December 31, 2021

	2021
OPERATING REVENUES	
Contributions	\$ 786,840
Government grants	192,078
Proceeds from sale of property	235,088
Recapture of property taxes	102,020
Miscellaneous income	2,528
Total operating revenues	1,318,554
OPERATING EXPENSES AND LOSSES	
Salaries, payroll taxes, and fringe benefits	388,764
Contract labor	20,045
Acquisitions	108,951
Advertising and promotion	34,184
Bank charges	221
Dues and subscriptions	3,897
Insurance	36,207
Travel and parking	2,242
Conferences and training	3,675
Meals and entertainment	4,356
Office supplies	5,706
Office expenses	13,120
Printing and postage	3,238
Professional service fees	82,424
Property related expenses	15,289
Publications	3,752
Rent/lease expense	33,732
Repairs and maintenance	73,181
Utilities	117,869
Depreciation and amortization expense	11,553
Total operating expenses	962,406
INCOME (LOSS) FROM OPERATIONS	356,148
NON-OPERATING REVENUES	
Interest	647
Gain/(loss) related to properties	(163,436)
Redemption of tax lien certificates	80,091
Total non-operating revenues	(82,698)
CHANGE IN NET POSITION	273,450
NET POSITION, BEGINNING OF YEAR	2,077,446
NET POSITION, END OF YEAR	\$ 2,350,896

See accompanying notes and independent auditor's report.

Omaha Municipal Land Bank
STATEMENT OF CASH FLOWS - MODIFIED CASH BASIS
For the year ended December 31, 2021

	2021
CASH FLOWS FROM OPERATING ACTIVITIES	
Income/(loss) from operations	\$ 356,148
Adjustments to reconcile change in net assets to net cash from operating	
Depreciation and amortization	11,553
Contributions of properties held for sale	(53,700)
Net cash from operating activities	314,001
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase of office equipment and computer software	(2,477)
Acquisition of properties	173,607
Sale of properties	(163,436)
Net cash used in capital and related financing activities	7,694
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from tax lien certificate redemptions	68,029
Proceeds from interest earnings	647
Net cash from investing activities	68,676
NET DECREASE IN CASH AND CASH EQUIVALENTS	390,371
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	1,009,215
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 1,399,586

See accompanying notes and independent auditor's report.

Omaha Municipal Land Bank
NOTES TO FINANCIAL STATEMENTS
For the year ended December 31, 2021

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies of the Omaha Municipal Land Bank:

1. Organization

The Omaha Municipal Land Bank (the Land Bank) is a governmental entity, which was established under Nebraska State Statutes 19-5201 to 19-5218 as a political subdivision of the State, for the purpose of returning tax delinquent real property to revenue producing status by selling such property to the public. The Land Bank is exempt from state and federal income taxes.

2. Basic Financial Statements

The Land Bank's financial statements have been prepared 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. Under the modified cash basis of accounting, revenues are recognized when received rather than when earned and expenses are recognized when disbursed rather than when the obligation is incurred. Under the modified-cash basis used by the Organization, capital assets and related depreciation expense are recorded, as well as, both donated and purchased properties held for sale and tax lien certificates. The preparation of the financial statements in conformity with the modified cash basis method of reporting requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

The Land Bank's accounts are maintained as a single enterprise fund type. Enterprise fund financial statements include a statement of financial position, a statement of revenues, expenditures, and changes in net position, and a statement of cash flows for the enterprise fund. The statement of revenues, expenditures, and changes in net position presents increases and decreases in total net position.

3. Net Position Classifications

Net position is required to be classified into three components – net investment in capital assets; restricted net position, and unrestricted net position. These classifications are defined as follows:

Omaha Municipal Land Bank
NOTES TO FINANCIAL STATEMENTS - CONTINUED
For the year ended December 31, 2021

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

3. Net Position Classifications - Continued

Net investment in capital assets – consists of capital assets, net of accumulated depreciation and reduced by outstanding balances of bonds, notes, and other debt attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets.

Restricted net position – results when constraints placed on net position use through external constraints imposed by creditors (such as through debt covenants), contributors, or law or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. As of December 31, 2021, there was no restricted net position.

Unrestricted net position – consists of net position not meeting the definition of the preceding categories. Unrestricted net position is often subject to constraints imposed by management which can be removed or modified.

4. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

5. Budgets

The Board of Directors approves an annual budget for administrative expenditures prior to December 31 each year.

6. Cash and Cash Equivalents

For purposes of the statement of cash flows, cash equivalents are defined as short-term investments which are carried at cost and have an original maturity when purchased of less than 90 days.

Omaha Municipal Land Bank
NOTES TO FINANCIAL STATEMENTS - CONTINUED
For the year ended December 31, 2021

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

7. Capital Assets

Equipment with costs over \$1,000 and a useful life of more than one year is capitalized at historical cost. Other capital outlays that significantly extend the useful life of an asset are capitalized. Costs incurred for repairs and maintenance are expensed as incurred. Capital assets are depreciated using the straight-line method. The estimated useful lives of the capital assets are between 3-10 years.

8. Revenue Recognition

Contributions received are recorded as unrestricted net position or restricted net position, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in unrestricted net position if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in restricted net position, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), restricted net positions are reclassified to unrestricted net position.

9. Donated Properties – Held for Sale

In the course of business, the Land Bank may receive donated properties within the City of Omaha. When determining the valuation of these properties, the Land Bank records the property at the assessed value by the Douglas County Assessor. As a result, these properties tend to carry a higher book value than other properties. When these properties are sold in the future, this may result in the Land Bank recording a loss on the sale of those donated properties. Revenues are recorded when cash is received from the sale.

10. Custodial Credit Risk

The Organization maintains its cash and bank deposit accounts in financial institutions that, at times, may exceed federally insured limits. Interest and noninterest bearing accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At December 31, 2021, the Organization's cash balance was fully insured. The Organization has not experienced any losses on this account, and it is the opinion of management that the solvency of the referenced financial institutions is not a concern at this time.

Omaha Municipal Land Bank
NOTES TO FINANCIAL STATEMENTS - CONTINUED
For the year ended December 31, 2021

NOTE B. CAPITAL ASSETS

Capital asset and related accumulated depreciation balances at December 31, 2021, are as follows:

	Beginning balance	Additions	Deletions	Ending balance
Computer Software	\$ 58,259	\$ 1,177	\$ -	\$ 59,436
Leasehold Improvements	24,460	-	-	24,460
Office Equipment	1,044	1,299	-	2,343
Website	10,000	-	-	10,000
Less accumulated depreciation & amortization	(80,962)	(11,553)	-	(92,515)
	<u>\$ 12,801</u>	<u>\$ (9,077)</u>	<u>\$ -</u>	<u>\$ 3,724</u>

NOTE C. PROPERTIES HELD FOR SALE

For the year ended December 31, 2021, the Land Bank had property held for sale in the amount of \$831,715. The balance consists of 19 property that were donated, valued at \$75,800 and 335 properties that were purchased, valued at \$755,550. Purchased properties are valued at original cost plus costs incurred to prepare them for sale and donated properties are valued at fair market value on the date of donation based on the County's assessed value. The Land Bank sold 59 properties for a value of \$237,870 during the year ended December 31, 2021.

NOTE D. TAX LIEN CERTIFICATES

The Land Bank holds investments in tax lien certificates in the amount of \$115,871 for the year ending December 31, 2021. These tax lien certificates accrue interest and are redeemable after three years. The Land Bank may seek title by foreclosure if no property taxes are paid in that period. Assuming no payments are received by the Land Bank the investments in tax lien certificates will mature and become convertible into real property. If the tax lien certificate is redeemed by the original property owner, the Land Bank will receive in return their original principle balance and 14% APY simple interest on their principle balance for the period the certificate was outstanding. The Land Bank estimates that 50% of their tax lien certificates will be redeemed within the three-year period, at a rate of approximately 15% per year. The entire balance is included in long-term investments due to this uncertainty.

Omaha Municipal Land Bank
NOTES TO FINANCIAL STATEMENTS - CONTINUED
For the year ended December 31, 2021

NOTE E. CONCENTRATION OF REVENUES

For the year ended December 31, 2021, the Land Bank received 76.3% of its contribution revenues from contributions from four donors.

NOTE F. RISK MANAGEMENT

The Land Bank is exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets, error or omissions, injuries to employees and natural disasters. The Land Bank carries commercial insurance for these risks. The Land Bank contracts with reputable carriers and utilizes various deductibles. There were no claims filed during the year ended December 31, 2021.

NOTE G. LEASE COMMITMENTS

The Land Bank leases office space under a non-cancelable operating lease agreement which expires on July 31, 2022. Rent expense under the agreement was \$33,732 for the year ended December 31, 2021.

As of December 31, 2021, the Land Bank had future lease commitments as follows:

Minimum future lease payments	
2022	<u>\$ 17,500</u>

OTHER INFORMATION

Omaha Municipal Land Bank
 SCHEDULE OF ADMINISTRATIVE EXPENDITURES -
 BUDGET AND ACTUAL - BUDGETARY BASIS
 For the year ended December 31, 2021

	2021 Budget	2021 Actual	Variances Positive (Negative)
EXPENDITURES			
Salaries, payroll taxes, and fringe benefits	\$ 401,000	\$ 408,809	\$ (7,809)
Local travel and parking	8,400	2,242	6,158
Meals and entertainment	1,200	4,356	(3,156)
Communications and marketing	14,600	34,184	(19,584)
Conferences and training	6,000	3,675	2,325
Acquisition	160,000	108,951	51,049
Repair and maintenance	60,000	88,470	(28,470)
Professional service fees	132,300	82,424	49,876
Supplies	2,400	5,706	(3,306)
Insurance	20,000	36,207	(16,207)
Other expense	153,940	142,097	11,843
Rent or lease	36,000	33,732	2,268
Total Expenditures	<u>\$ 995,840</u>	<u>\$ 950,853</u>	<u>\$ 44,987</u>

Expenditures and other financing uses, on a budgetary basis \$ 950,853

Basis differences:

Depreciation and amortization expense	<u>11,553</u>
Total adjustments from recognition on a budgetary basis	<u>11,553</u>

Expenditures and other financing uses, on a modified cash basis \$ 962,406

See accompanying notes and independent auditor's report.

Omaha Municipal Land Bank
NOTES TO THE SCHEDULE OF ADMIN. EXPENDITURES – BUDGET AND ACTUAL
For the year ended December 31, 2021

Budget

The Land Bank follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Preparation of budget requests with a date or time frame is prepared by the Executive Director for the Finance/Audit committee due by September 1st of each year. A preliminary budget is received from the Executive Director for review.
2. The committee review takes place in September each year with one public reading taking place in September.
3. Approval process—adopted by full Board of Directors in October.
4. Budget is adopted and stated on a cash basis.
5. There were no budget amendments during the year.

Budgetary Control

The annual appropriated budget adopted by the Land Bank is prepared on a cash basis and, therefore, the budgetary basis differs from that used to present the modified cash basis financial statements. Such differences and their effect on the reported operations are summarized on the Schedule of Administrative Expenditures.

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 Board of Directors
Omaha Municipal Land Bank

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Omaha Municipal Land Bank (the Land Bank), as of and for the year ended December 31, 2021, and the related notes to the modified cash basis financial statements, which collectively comprise the Land Bank's basic financial statements, and have issued our report thereon dated November XX, 2022.

Internal Control Over Financial Reporting

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

Our consideration of internal control 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Land Bank's modified cash basis financial statements are free from 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*.

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.

Hayes & Associates, L.L.C.
Omaha Nebraska
November XX, 2022

Omaha Municipal Land Bank
SCHEDULE OF FINDINGS AND RESPONSES
For the year ended December 31, 2021

I. SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditors' reports issued:	Unmodified
Internal controls over financial reporting:	
• Material weaknesses identified:	None reported
• Significant deficiencies identified:	2021-001
Noncompliance material to financial statements noted:	None reported

II. FINDINGS—FINANCIAL STATEMENTS

2021-001 SIGNIFICANT DEFICIENCY

Consistency of and Availability of Internal Information

Condition: The Omaha Municipal Land Bank utilizes tracking software for properties held in its possession and historical information about properties sold. The auditor was made aware that this software had some inconsistencies in the information in the system and the actual financial data supported by closing documents related to sold and owned properties. In addition, some closing documents were not able to be supplied to the auditors, the necessary information was obtained by the Auditor directly from third party sources.

Criteria: Management is responsible for designing, implementing, and maintaining appropriate internal controls. This includes preparing and reconciling complete accounting records on a timely basis, ensuring that internally relied upon reports are accurate, and that the Land Bank is following formal policies and procedures to ensure the proper management of properties and funds.

Effect: Intentional or unintentional errors could be made and not detected within a timely period by Management in the normal course of performing their assigned functions if internal records are not adequately kept.

Recommendation: A remedy for this situation would be for Management to formally review the information in the software compared to financial data and supporting documents on a regular basis to ensure that the tracking information and the financial data are consistent.

Response: Management will review its accounting and internal control procedures and implement improvements where practical. See management's corrective action plan for further information.

Omaha Municipal Land Bank
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the year ended December 31, 2021

II. FINDINGS—FINANCIAL STATEMENTS

2020-001 SIGNIFICANT DEFICIENCY

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Response: Management will review its accounting and internal control procedures and implement improvements where practical. See management's corrective action plan for further information

Follow-up: Steps have been taken to improve the consistency and availability of internal information, however these changes were not fully in effect for the year ended December 31, 2021.

Audit – Corrective Action Plan

This Corrective Action Plan is presented to Hayes and Associates related to the significant deficiency finding related to Consistency of and Availability of Internal Information.

In early 2021 the Omaha Municipal Land Bank (Land Bank) began an internal data assessment to determine the accuracy and availability of information. At that time, we determined that our data did not meet internal standards, and that further training was needed on our data systems. Since that internal assessment we have completed the following tasks:

- Modified our internal data system, eProperty Plus, to store all necessary data points;
- Validated and updated sales date and sold price data;
- Identified properties that had sold but not closed;
 - o Closed all properties that were eligible for final sale;
- Conducted preliminary training with staff on critical data points.

At the time of our last audit the following tasks had been identified as needing improvement.

- Development of a data update process;
 - o Identification of individuals responsible for data update tasks;
 - o Written process that can be available to all parties as needed;
- Validation and update of non-critical financial data;
- Establishment of a quarterly data audit.

These steps were completed in the end of 2021 and beginning of 2022. We have made significant progress in our data integrity and believe that these issues have been addressed and that our internal audit processes are sufficient to identify data issues in the future.





Property Details

Address: 2115 Lake ST
 Omaha, NE 68110

Parcel Number: 0531360000
Owner: City of Omaha
Property Class: Residential Vacant
Zoned As: R4
Lot Size: 1542.97 ft
Proposed Use: Land Assembly
Buildable: Yes
Acquisitions Date: 11/25/2019

Property Budget

Acquisition Cost: Estimate

Purchase Price: (\$1.00)
 Foreclosure: (\$225.00)
 Title Search: (\$85.00)
Total: (\$310.00)

Operations Cost: Estimate

Insurance: (\$240.00)
 Maintenance: (\$480.00)
Total: (\$720.00)

Disposition Revenue: Estimate

Asking Price: \$1,000.00
Estimated Total Costs: -\$1,030.00
Estimated Total: \$0.00

Acquisition Cost: Actual

Purchase Price: (\$1.00)
 Foreclosure: (\$0.00)
 Title Search: (\$85.00)
Total: (\$86.00)

Operations Cost: Actual

Insurance: (\$0.00)
 Maintenance: (\$80.00)
Total: (\$80.00)

Disposition Revenue: Actual

Offer Amount: \$3,000.00
Actual Total Costs: -\$166.00
Actual Total: \$2,834.00



Property Details

Address:	2121 LAKE ST OMAHA, NE 68110
Parcel Number:	0531350000
Owner:	OMLB
Property Class:	Residential Vacant
Zoned As:	R4
Lot Size:	7141.66 ft
Proposed Use:	Land Assembly, New Housing
Buildable:	Yes
Acquisitions Date:	10/10/2019

Property Budget

Acquisition Cost: Estimate

Purchase Price:	(\$0.00)
Foreclosure:	(\$225.00)
Title Search:	(\$85.00)
Total:	(\$310.00)

Operations Cost: Estimate

Insurance:	(\$240.00)
Maintenance:	(\$480.00)
Total:	(\$720.00)

Disposition Revenue: Estimate

Asking Price:	\$3,550.00
Estimated Total Costs:	-\$1,030.00
Estimated Total:	\$2,520.00

Acquisition Cost: Actual

Purchase Price:	(\$0.00)
Foreclosure:	(\$371.12)
Title Search:	(\$85.00)
Total:	(\$456.12)

Operations Cost: Actual

Insurance:	(\$0.00)
Maintenance:	(\$120.00)
Total:	(\$120.00)

Disposition Revenue: Actual

Offer Amount:	\$8,000.00
Actual Total Costs:	-\$576.12
Actual Total:	\$7,423.88



Property Details

Address:	2417 N 22 ST OMAHA, NE 68110
Parcel Number:	0531370000
Owner:	OMLB
Property Class:	Residential Vacant
Zoned As:	R4
Lot Size:	5154.84 ft
Proposed Use:	New Affordable Housing, New Housing, Owner Occupant
Buildable:	Yes - With Modification
Acquisitions Date:	08/20/2019

Property Budget

Acquisition Cost: Estimate		Acquisition Cost: Actual	
Purchase Price:	(\$0.00)	Purchase Price:	(\$0.00)
Foreclosure:	(\$225.00)	Foreclosure:	\$369.50
Title Search:	(\$85.00)	Title Search:	(\$85.00)
Total:	(\$310.00)	Total:	(\$454.50)
Operations Cost: Estimate		Operations Cost: Actual	
Insurance:	(\$240.00)	Insurance:	(\$0.00)
Maintenance:	(\$480.00)	Maintenance:	(\$130.00)
Total:	(\$720.00)	Total:	(\$130.00)
Disposition Revenue: Estimate		Disposition Revenue: Actual	
Asking Price:	\$2,450.00	Offer Amount:	\$7,000.00
Estimated Total:	-\$1,030.00	Actual Total Costs:	-\$584.50
Estimated Total:	\$1,420.00	Actual Total:	\$6,415.50



Property Details

Address:	1307 Jaynes St -APPROX- OMAHA, NE 00000
Parcel Number:	2206250000
Owner:	OMLB
Property Class:	Residential Vacant
Zoned As:	R4-35
Lot Size:	5440.37 ft
Proposed Use:	Land Assembly, New Affordable Housing, New Housing
Buildable:	Yes
Acquisitions Date:	08/05/2019

Property Budget

Acquisition Cost: Estimate		Acquisition Cost: Actual	
Purchase Price:	(\$0.00)	Purchase Price:	(\$0.00)
Foreclosure:	(\$225.00)	Foreclosure:	(\$162.15)
Title Search:	(\$85.00)	Title Search:	(\$85.00)
Total:	(\$310.00)	Total:	(\$247.15)
Operations Cost: Estimate		Operations Cost: Actual	
Insurance:	(\$240.00)	Insurance:	(\$0.00)
Maintenance:	(\$480.00)	Maintenance:	(\$115.00)
Total:	(\$720.00)	Total:	(\$1,905.00)
Disposition Revenue: Estimate		Disposition Revenue: Actual	
Asking Price:	\$5,000.00	Offer Amount:	\$5,000.00
Estimated Total Costs:	-\$1,030.00	Actual Total Cost:	-\$2,152.15
Estimated Total:	\$3,970.00	Actual Total:	\$2,847.85

Property Details



Address: 1309 Jaynes St -APPROX-
OMAHA, NE 00000

Parcel Number: 2206260000

Owner: OMLB

Property Class: Residential Vacant

Zoned As: R4-35

Lot Size: 5339.88 ft

Proposed Use: Land Assembly, New Affordable
Housing, New Housing

Buildable: Yes

Acquisitions Date: 08/05/2019

Property Budget

Acquisition Cost: Estimate		Acquisition Cost: Actual	
Purchase Price:	(\$0.00)	Purchase Price:	(\$0.00)
Foreclosure:	(\$225.00)	Foreclosure:	(\$162.15)
Title Search:	(\$85.00)	Title Search:	(\$85.00)
Total:	(\$310.00)	Total:	(\$247.15)
Operations Cost: Estimate		Operations Cost: Actual	
Insurance:	(\$240.00)	Insurance:	(\$0.00)
Maintenance:	(\$480.00)	Maintenance:	(\$115.00)
Total:	(\$720.00)	Total:	(\$115.00)
Disposition Revenue: Estimate		Disposition Revenue: Actual	
Asking Price:	\$5,300.00	Offer Amount:	\$5,300.00
Estimated Total:	-\$1,030.00	Actual Total Cost:	-\$362.15
Estimated Total:	\$4,270.00	Actual Total:	\$4,937.85



Property Details

Address:	1311 Jaynes St -APPROX- OMAHA, NE 00000
Parcel Number:	2206270000
Owner:	OMLB
Property Class:	Residential Vacant
Zoned As:	R4-35
Lot Size:	4851.65 ft
Proposed Use:	Land Assembly, New Affordable Housing, New Housing
Buildable:	Yes
Acquisitions Date:	08/05/2019

Property Budget

Acquisition Cost: Estimate		Acquisition Cost: Actual	
Purchase Price:	(\$0.00)	Purchase Price:	(\$0.00)
Foreclosure:	(\$225.00)	Foreclosure:	(\$162.15)
Title Search:	(\$85.00)	Title Search:	(\$85.00)
Total:	(\$310.00)	Total:	(\$247.15)
Operations Cost: Estimate		Operations Cost: Actual	
Insurance:	(\$240.00)	Insurance:	(\$0.00)
Maintenance:	(\$480.00)	Maintenance:	(\$115.00)
Total:	(\$720.00)	Total:	(\$115.00)
Disposition Revenue: Estimate		Disposition Revenue: Actual	
Asking Price:	\$5,300.00	Offer Amount:	\$5,300.00
Estimated Total:	-\$1,030.00	Actual Total Cost:	-\$362.15
Estimated Total:	\$4,270.00	Actual Total:	\$4,937.85



Property Details

Address:	1313 Jaynes St -APPROX- OMAHA, NE 00000
Parcel Number:	2206280000
Owner:	OMLB
Property Class:	Residential Vacant
Zoned As:	R4-35
Lot Size:	5451.89 ft
Proposed Use:	Land Assembly, New Affordable Housing, New Housing
Buildable:	Yes
Acquisitions Date:	05/24/2019

Property Budget

Acquisition Cost: Estimate		Acquisition Cost: Actual	
Purchase Price:	(\$0.00)	Purchase Price:	(\$0.00)
Foreclosure:	(\$225.00)	Foreclosure:	(\$162.15)
Title Search:	(\$85.00)	Title Search:	(\$85.00)
Total:	(\$310.00)	Total:	(\$247.15)
Operations Cost: Estimate		Operations Cost: Actual	
Insurance:	(\$240.00)	Insurance:	(\$0.00)
Maintenance:	(\$480.00)	Maintenance:	(\$115.00)
Total:	(\$720.00)	Total:	(\$115.00)
Disposition Revenue: Estimate		Disposition Revenue: Actual	
Asking Price:	\$5,300.00	Offer Amount:	\$5,300.00
Estimated Total:	-\$1,030.00	Actual Total Cost:	-\$362.15
Estimated Total:	\$4,270.00	Actual Total:	\$4,937.85



Property Details

Address:	4522 N 40 St Omaha, NE 68111
Parcel Number:	1603600000
Owner:	OMLB
Property Class:	Residential Vacant
Zoned As:	R4-35
Lot Size:	7668.9 ft
Proposed Use:	New Affordable Housing, New Housing
Buildable:	Yes
Acquisitions Date:	12/28/2018

Property Budget

Acquisition Cost: Estimate		Acquisition Cost: Actual	
Purchase Price:	(\$1.00)	Purchase Price:	(\$1.00)
Foreclosure:	(\$225.00)	Foreclosure:	(\$0.00)
Title Search:	(\$85.00)	Title Search:	(\$85.00)
Total:	(\$310.00)	Total:	(\$86.00)
Operations Cost: Estimate		Operations Cost: Actual	
Insurance:	(\$240.00)	Insurance:	(\$0.00)
Maintenance:	(\$480.00)	Maintenance:	(\$875.00)
Total:	(\$720.00)	Total:	(\$875.00)
Disposition Revenue: Estimate		Disposition Revenue: Actual	
Asking Price:	\$10,000.00	Offer Amount:	\$10,000.00
Estimated Total:	-\$1,030.00	Actual Total Costs:	-\$961.00
Estimated Total:	\$8,970.00	Actual Total:	\$9,039.00



Property Details

Address:	4528 N 40 St Omaha, NE 68111
Parcel Number:	1603590002
Owner:	OMLB
Property Class:	Residential Vacant
Zoned As:	R4-35
Lot Size:	14256.72 ft
Proposed Use:	New Affordable Housing, New Housing
Buildable:	Yes
Acquisitions Date:	12/28/2018

Property Budget

Acquisition Cost: Estimate	
Purchase Price:	(\$1.00)
Foreclosure:	(\$225.00)
Title Search:	(\$85.00)
Total:	(\$310.00)
Operations Cost: Estimate	
Insurance:	(\$240.00)
Maintenance:	(\$480.00)
Total:	(\$720.00)
Disposition Revenue: Estimate	
Asking Price:	\$18,500.00
Estimated Total:	-\$1,030.00
Estimated Total:	\$17,470.00

Acquisition Cost: Actual	
Purchase Price:	(\$1.00)
Foreclosure:	(\$0.00)
Title Search:	(\$85.00)
Total:	(\$86.00)
Operations Cost: Actual	
Insurance:	(\$0.00)
Maintenance:	(\$635.00)
Total:	(\$635.00)
Disposition Revenue: Actual	
Offer Amount:	\$18,500.00
Actual Total Costs:	-\$721.00
Actual Total:	\$17,779.00



Property Details

Address:	1336 SHERWOOD AV OMAHA, NE 68110
Parcel Number:	2544730000
Owner:	OMLB
Property Class:	Residential Vacant
Zoned As:	HI
Lot Size:	12533.05 ft
Proposed Use:	Garden Lot, Recreation, Storage Garage
Buildable:	Yes - With Modification
Acquisitions Date:	06/11/2019

Property Budget

Acquisition Cost: Estimate		Acquisition Cost: Actual	
Purchase Price:	(\$0.00)	Purchase Price:	(\$0.00)
Foreclosure:	(\$225.00)	Foreclosure:	(\$294.77)
Title Search:	(\$85.00)	Title Search:	(\$85.00)
Total:	(\$310.00)	Total:	(\$379.77)
Operations Cost: Estimate		Operations Cost: Actual	
Insurance:	(\$240.00)	Insurance:	(\$0.00)
Maintenance:	(\$480.00)	Maintenance:	(\$260.00)
Total:	(\$720.00)	Total:	(\$260.00)
Disposition Revenue: Estimate		Disposition Revenue: Actual	
Asking Price:	\$14,000.00	Offer Amount:	\$10,000.00
Estimated Total:	-\$1,030.00	Actual Total:	-\$639.77
Estimated Total:	\$12,970.00	Actual Total:	\$9,360.23