

**AUDIT REPORT
OF
WEBSTER COUNTY**

JULY 1, 2022, THROUGH JUNE 30, 2023

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the Auditor of Public Accounts.**

**Modification of this document may change the accuracy of the original
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Issued on March 25, 2024

WEBSTER COUNTY

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WEBSTER COUNTY
621 N Cedar Street
Red Cloud, NE 68970

LIST OF COUNTY OFFICIALS
At June 30, 2023

<u>Title</u>	<u>Name</u>	<u>Term Expires</u>
Board of Commissioners	Dan Shipman	Jan. 2027
	Trevor Karr	Jan. 2025
	TJ Vance	Jan. 2027
	Tim Gilbert	Jan. 2025
	Gary Ratzlaff	Jan. 2027
Assessor	Tami Scheuneman	Jan. 2027
Attorney	Patrick Calkins	Jan. 2027
Clerk	Abbey Harig	Jan. 2027
Election Commissioner		
Register of Deeds		
Clerk of the District Court		
Sheriff	Troy Schmitz	Jan. 2027
Treasurer	Janet Knehans	Jan. 2027
Surveyor	Joshua Grummert	Appointed
Veterans' Service Officer	Gary Ratzlaff	Appointed
Weed Superintendent	Brian Pedersen	Appointed
Highway Superintendent	Lance Harter	Appointed
Emergency Manager	Ron Sunday	Appointed
Planning & Zoning	Tami Scheuneman	Appointed



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WEBSTER COUNTY

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Webster County, Nebraska

Report on the Audit of Financial Statements

Adverse and Unmodified Opinions

We have audited the cash-basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Webster County, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the basic financial statements of the County's primary government, as listed in the table of contents.

Summary of Opinions

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental Activities	Unmodified
Discretely Presented Component Unit	Adverse
Major Funds	Unmodified
Aggregate Remaining Fund Information	Unmodified

Adverse Opinion on Discretely Presented Component Unit

In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the financial statements referred to above do not present fairly the financial position of the discretely presented component unit of Webster County, as of June 30, 2023, or the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions on Governmental Activities, Each Major Fund, and Aggregate Remaining Fund Information

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective cash-basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Webster County, as of June 30, 2023, and the respective changes in cash-basis financial position for the year then ended in accordance with the basis of accounting described in Note 1.

Basis for Adverse and Unmodified 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 County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse, and unmodified audit opinions.

Matters Giving Rise to Adverse Opinion on the Discretely Presented Component Unit

The financial statements do not include financial data for the County's legally separate component unit. Accounting principles generally accepted in the United States of America require the financial data for that component unit to be reported with the financial data of the County's primary government unless the County also issues financial statements for the financial reporting entity that include the financial data for its component units. The County has not issued such reporting entity financial statements. The amount by which this departure would affect the assets, net position, receipts, and disbursements of the government-wide financial statements has not been determined.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 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 1, 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 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 GAAS 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 County'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 County'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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County’s basic financial statements. The combining nonmajor fund financial statement, budgetary comparison information, schedule of office activity, and schedule of taxes certified and collected, pages 19-31, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole on the basis of accounting described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 22, 2024, on our consideration of Webster County’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 County’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 Webster County’s internal control over financial reporting and compliance.

March 22, 2024



Rachel Wittler, CPA, CFE
Audit Manager
Lincoln, Nebraska

WEBSTER COUNTY
STATEMENT OF NET POSITION - CASH BASIS
 June 30, 2023

	Governmental Activities
ASSETS	
Cash and Cash Equivalents (Note 1.D)	\$ 7,555,114
TOTAL ASSETS	\$ 7,555,114
NET POSITION	
Restricted for:	
Visitor Promotion	\$ 24,391
Drug Education and Enforcement	3,680
Preservation of Records	9,655
Debt Service	102,314
Self-Insured Dental Plan	73,761
Federal Relief	613,660
County Museum	71,855
Unrestricted	6,655,798
TOTAL NET POSITION	\$ 7,555,114

The notes to the financial statements are an integral part of this statement.

WEBSTER COUNTY
STATEMENT OF ACTIVITIES - CASH BASIS
For the Year Ended June 30, 2023

Functions:	Cash Disbursements	Program Cash Receipts		Net (Disbursement) Receipts and Changes in Net Position
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	
Governmental Activities:				
General Government	\$ (1,942,184)	\$ 233,433	\$ 15,555	\$ (1,693,196)
Public Safety	(970,437)	210,999	26,707	(732,731)
Public Works	(4,501,753)	58,977	1,571,206	(2,871,570)
Public Assistance	(23,555)	-	-	(23,555)
Culture and Recreation	(78,335)	1,806	-	(76,529)
Debt Payments	(388,219)	-	-	(388,219)
Capital Outlay	(101,245)	-	-	(101,245)
Total Governmental Activities	\$ (8,005,728)	\$ 505,215	\$ 1,613,468	(5,887,045)

General Receipts:

Taxes:	
Property	3,857,031
Motor Vehicle	170,890
Inheritance	606,537
Nameplate Capacity	352,030
Other	57,743
Grants and Contributions Not Restricted to Specific Programs	
Investment Income	87,898
Proceeds from Sale of Capital Assets	93,078
Miscellaneous	173,465
Total General Receipts	<u>41,381</u>
Change in Net Position	(446,992)
Net Position - Beginning of year	8,002,106
Net Position - End of year	<u>\$ 7,555,114</u>

The notes to the financial statements are an integral part of this statement.

WEBSTER COUNTY
STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES
GOVERNMENTAL FUNDS
June 30, 2023

	General Fund	Road Fund	Inheritance Fund	Capital Construction Fund	Bladen Highway North Project Fund	Nonmajor Funds	Total Governmental Funds
ASSETS							
Cash and Cash Equivalents (Note 1.D)	\$ 1,874,600	\$ 1,710,172	\$ 2,252,894	\$ 114,449	\$ 3,071	\$ 1,599,928	\$ 7,555,114
TOTAL ASSETS	<u>\$ 1,874,600</u>	<u>\$ 1,710,172</u>	<u>\$ 2,252,894</u>	<u>\$ 114,449</u>	<u>\$ 3,071</u>	<u>\$ 1,599,928</u>	<u>\$ 7,555,114</u>
FUND BALANCES							
Restricted for:							
Visitor Promotion	-	-	-	-	-	24,391	24,391
Drug Education and Enforcement	-	-	-	-	-	3,680	3,680
Preservation of Records	-	-	-	-	-	9,655	9,655
Debt Service	-	-	-	-	-	102,314	102,314
Self-Insured Dental Plan	-	-	-	-	-	73,761	73,761
Federal Relief	-	-	-	-	-	613,660	613,660
County Museum	-	-	-	-	-	71,855	71,855
Committed to:							
Law Enforcement	-	-	-	-	-	7,674	7,674
Road Maintenance	-	1,710,172	-	114,449	-	-	1,824,621
Aid and Assistance	-	-	-	-	-	33,930	33,930
Noxious Weed Control	-	-	-	-	-	5,243	5,243
Ambulance Services	-	-	-	-	-	91,881	91,881
Capital Projects	-	-	-	-	-	549,013	549,013
Road Improvements	-	-	-	-	3,071	-	3,071
County Hospital Facilities and Equipment	-	-	-	-	-	12,871	12,871
Assigned to:							
Other Purposes	-	-	2,252,894	-	-	-	2,252,894
Unassigned	1,874,600	-	-	-	-	-	1,874,600
TOTAL CASH BASIS FUND BALANCES	<u>\$ 1,874,600</u>	<u>\$ 1,710,172</u>	<u>\$ 2,252,894</u>	<u>\$ 114,449</u>	<u>\$ 3,071</u>	<u>\$ 1,599,928</u>	<u>\$ 7,555,114</u>

The notes to the financial statements are an integral part of this statement.

WEBSTER COUNTY
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES**
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2023

	General Fund	Road Fund	Inheritance Fund	Capital Construction Fund	Bladen Highway North Project Fund	Nonmajor Funds	Total Governmental Funds
RECEIPTS							
Taxes:							
Property	\$ 3,576,626	\$ -	\$ -	\$ -	\$ -	\$ 280,405	\$ 3,857,031
Motor Vehicle	170,890	-	-	-	-	-	170,890
Inheritance	-	-	606,537	-	-	-	606,537
Nameplate Capacity	352,030	-	-	-	-	-	352,030
Other	21,895	6	-	-	-	35,842	57,743
Investment Income	83,376	-	-	-	2,497	7,205	93,078
Intergovernmental	45,173	1,372,978	-	228,381	-	54,834	1,701,366
Charges for Services	291,045	58,977	-	-	-	155,193	505,215
Miscellaneous	9,228	9,640	-	-	-	22,513	41,381
TOTAL RECEIPTS	4,550,263	1,441,601	606,537	228,381	2,497	555,992	7,385,271
DISBURSEMENTS							
General Government	1,730,230	-	153,776	-	-	58,178	1,942,184
Public Safety	832,875	-	-	-	-	137,562	970,437
Public Works	-	1,756,020	-	1,204,058	1,354,395	187,280	4,501,753
Public Assistance	19,572	-	-	-	-	3,983	23,555
Culture and Recreation	-	-	-	-	-	78,335	78,335
Debt Service:							
Principal Payments	-	150,000	-	-	-	205,000	355,000
Interest and Fiscal Charges	-	13,477	-	-	-	19,742	33,219
Capital Outlay	-	-	-	-	59,245	42,000	101,245
TOTAL DISBURSEMENTS	2,582,677	1,919,497	153,776	1,204,058	1,413,640	732,080	8,005,728
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS							
	1,967,586	(477,896)	452,761	(975,677)	(1,411,143)	(176,088)	(620,457)
OTHER FINANCING							
SOURCES (USES)							
Transfers in	-	780,000	10,000	-	-	307,275	1,097,275
Transfers out	(1,077,275)	-	(10,000)	-	-	(10,000)	(1,097,275)
Proceeds from Sale of Capital Assets	-	173,465	-	-	-	-	173,465
TOTAL OTHER FINANCING							
SOURCES (USES)	(1,077,275)	953,465	-	-	-	297,275	173,465
Net Change in Fund Balances	890,311	475,569	452,761	(975,677)	(1,411,143)	121,187	(446,992)
CASH BASIS FUND							
BALANCES - BEGINNING	984,289	1,234,603	1,800,133	1,090,126	1,414,214	1,478,741	8,002,106
CASH BASIS FUND							
BALANCES - ENDING	\$ 1,874,600	\$ 1,710,172	\$ 2,252,894	\$ 114,449	\$ 3,071	\$ 1,599,928	\$ 7,555,114

The notes to the financial statements are an integral part of this statement.

WEBSTER COUNTY
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES**
FIDUCIARY FUNDS
For the Year Ended June 30, 2023

	Custodial Fund Balances July 1, 2022	Receipts	Disbursements	Custodial Fund Balances June 30, 2023
ASSETS				
Cash and Cash Equivalents (Note 1.D)	\$ 235,339	\$ 14,734,382	\$ 14,708,237	\$ 261,484
LIABILITIES				
Due to other governments				
State - Collected by County Treasurer	99,749	1,179,845	1,181,338	98,256
State - Collected by Other Offices	1,868	89,084	80,792	10,160
Schools	96,343	10,338,388	10,322,478	112,253
Educational Service Units	1,111	175,969	175,749	1,331
Technical College	6,799	1,063,679	1,062,466	8,012
Natural Resource Districts	2,145	737,637	734,767	5,015
Fire Districts	1,712	366,183	364,923	2,972
Municipalities	13,319	581,304	580,092	14,531
Agricultural Society	510	79,321	79,234	597
Others - Collected by County Treasurer	3,357	68,297	69,735	1,919
Others - Collected by Other Offices	8,426	54,675	56,663	6,438
TOTAL LIABILITIES	<u>235,339</u>	<u>14,734,382</u>	<u>14,708,237</u>	<u>261,484</u>
TOTAL NET POSITION	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The notes to the financial statements are an integral part of this statement.

WEBSTER COUNTY

NOTES TO FINANCIAL STATEMENTS

For the Fiscal Year Ended June 30, 2023

1. **Summary of Significant Accounting Policies**

The following is a summary of the significant accounting policies utilized in the accounting system of Webster County.

A. Reporting Entity

Webster County, Nebraska, (County) is a governmental entity established under and governed by the laws of the State of Nebraska (State). The County is managed by county officials who are elected on a political ballot for four-year terms. As a political subdivision of the State, the County is exempt from State and Federal income taxes. The financial statements include all funds of the County that are not legally separate. The County has also considered all potential component units for which it is financially accountable, as well as other organizations that are either fiscally dependent on the County or maintain a significant relationship with the County, such that exclusion would be misleading or incomplete. The Governmental Accounting Standards Board (GASB) has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the County to impose its will on that organization, or (2) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the County. The County is also considered financially accountable if an organization is fiscally dependent on and there is potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the County regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government, or (3) a jointly appointed board.

Component Unit. These financial statements present the County (the primary government). The Webster County Community Hospital (Hospital) is a component unit of the County because of the significance of its operational and financial relationships with the County. The financial statements do not include the data of the Hospital necessary for reporting in conformity with generally accepted accounting principles (GAAP). Complete financial statements of the Hospital can be obtained from the Hospital's administrative office.

Joint Organization.

Behavioral Health Region III – The County has entered into an agreement with surrounding counties and the Nebraska Department of Health and Human Services to provide services to carry out the provisions of the Nebraska Behavioral Health Services Act (Act). Agreements were established under the authority of the Interlocal Cooperation Act for services to be provided under the Act. Region III (Region) consists of the following counties: Blaine, Loup, Garfield, Wheeler, Custer, Valley, Greeley, Sherman, Howard, Buffalo, Hall, Phelps, Kearney, Adams, Clay, Furnas, Harlan, Hamilton, Merrick, Franklin, Webster, and Nuckolls.

The governing board for the Region includes representatives from the participating county boards. Each county contributes to the financial support of the Region activities based on formulas developed by the Region governing board and as required by the Act. Funding is provided by a combination of Federal, State, local, and private funding. The County contributed \$9,029 toward the operation of the Region during fiscal year 2023. In the event of the termination of the agreement, assets would be disposed of in accordance with the terms of the agreement. The Nebraska Department of Health and Human Services requires the Region to be audited annually in accordance with State statute. Financial information for the Region is available in those audit reports.

WEBSTER COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

1. **Summary of Significant Accounting Policies** (Continued)

Health Department – The County has entered into an agreement with the South Heartland District Health Department (Department) to provide public health services. The agreement was established under authority of the Interlocal Cooperation Act for services to be provided per Neb. Rev. Stat. §§ 71-1626 to 71-1636 (Reissue 2018).

The Department’s governing board is established by statute and includes representatives from the participating county boards and the health profession. Funding is provided by a combination of Federal, State, local, and private funding. The County did not contribute toward the operation of the Department during fiscal year 2023. In the event of the termination of the agreement, assets would be disposed of in accordance with the terms of the agreement. The Department is audited in accordance with Neb. Rev. Stat. § 84-304(4) (Supp. 2023). Financial information for the Department is available in that report.

B. Basis of Presentation

Government-Wide Financial Statements. The Statement of Net Position - Cash Basis and Statement of Activities - Cash Basis display information about the activities of the County and are in the format of government-wide statements, as required by GASB Statement Number 34. These statements include all the financial activities of the County, except for fiduciary activities and the Hospital. Internal activities in these statements were considered immaterial and have not been eliminated. Governmental Generally Accepted Accounting Principles (GAAP) requires internal activity to be eliminated to minimize double counting. The County reports governmental activities only. Governmental activities are generally financed through taxes, intergovernmental receipts, and other nonexchange transactions. The County is reported separately from certain legally separate component units for which the primary government is financially accountable. The Statement of Net Position presents the County’s non-fiduciary assets in two categories:

Restricted. This category results when constraints are externally imposed on net asset use by creditors, grantors, or contributors, or imposed by law through constitutional provisions or enabling legislation. When both restricted and unrestricted resources are available for use, it is the County’s policy to use restricted resources first, then the unrestricted resources as they are needed.

Unrestricted. This category represents resources that do not meet the definition of the preceding category. Unrestricted resources often have constraints on resources that are imposed by management, but those constraints can be removed or modified.

The statement of activities demonstrates the degree to which the direct disbursement of a given function or segment is offset by program receipts. Direct disbursements are those that are clearly identifiable with a specific function or segment. Program receipts include the following: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program receipts are reported instead as general receipts.

Fund Financial Statements. The fund financial statements provide information about the County’s funds, including its fiduciary funds. GAAP requires separate statements by fund category – governmental, proprietary, and fiduciary. The County uses only the governmental and fiduciary fund categories. The County Board is the highest level of decision-making authority and has the authority, by resolution, to establish, modify or rescind the commitment or assignment of a fund balance to a specific purpose. When resources for a specific purpose are available in more than one fund balance classification, the County’s policy is to use resources in the following order: restricted, committed, assigned, and unassigned. The emphasis of fund financial statements is on major governmental funds. All remaining governmental funds are aggregated and reported as nonmajor funds.

WEBSTER COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

1. Summary of Significant Accounting Policies (Continued)

The County reports the following major governmental funds:

General Fund. This is the County's primary operating fund. It accounts for financial resources of the general government, except those required to be accounted for in another fund.

Road Fund. This fund is used to account for costs associated with the repair and maintenance of roads and bridges and is primarily funded by State tax receipts.

Inheritance Fund. This fund is used to account for the receipts generated from inheritance taxes and is used for various projects.

Capital Construction Fund. This fund is used to account for costs associated with the repair and maintenance of roads and bridges in the County. It is primarily funded by amounts received from the State of Nebraska through the Federal Funds Purchase Program.

Bladen Highway North Project Fund. This fund is used to account for costs associated with the Bladen Highway North project and is primarily funded by proceeds from the sale of bonds and transfers from the Road Fund received in prior years.

The County reports the following additional non-major governmental fund types:

Special Revenue Funds. These funds account for the proceeds from a specific receipt source that is restricted to disbursements for a specified purpose.

Custodial Funds. These funds account for assets held by the County as an agent for various local governments.

Capital Project Fund. The Remodeling Fund accounts for all resources received and used for the acquisition or development of major capital improvements.

Debt Service Fund. The Bridge Bond Fund accounts for the resources for, and the payment of, general long-term debt principal, interest, and related costs.

The County designates fund balances as follows:

Restricted. The fund balance is restricted by external impositions, such as creditors, grantors, or laws or regulations of other governments.

Committed. The fund balance has been designated by the County Board for a specific purpose.

Assigned. The fund balance has not been designated by the County Board for a specific purpose, but it has been separated based on the type of revenue.

Unassigned. This portion of the General Fund is not restricted, committed, or assigned for a specific purpose.

WEBSTER COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

1. **Summary of Significant Accounting Policies** (Continued)

C. Measurement Focus, Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus and basis of accounting. The accounting records of the County are maintained, and the government-wide financial statements were reported on the basis of cash receipts and disbursements. As such, the measurement focus includes only those assets and fund balances arising from cash transactions on the Statement of Net Position – Cash Basis and the Statement of Activities – Cash Basis. Receipts are recognized when received, and disbursements are recognized when paid. This differs from governmental GAAP, which requires the government-wide and fiduciary fund financial statements to be reported using the economic resources measurement focus and the accrual basis of accounting. Under this measurement focus and basis of accounting, receipts are recorded when earned, and disbursements are recorded when a liability is incurred, regardless of the timing of related cash flows.

The governmental fund financial statements were also reported on the cash receipt and disbursement basis of accounting. As such, the same measurement focus and basis of accounting were used, as described above. This differs from governmental GAAP, which requires governmental fund financial statements to be reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this measurement focus and basis of accounting, receipts are recognized as soon as they are both measurable and available. Receipts are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Disbursements are generally recorded when a liability is incurred, as under accrual accounting. However, disbursements related to compensated absences, and claims and judgments are recorded only when payment is due.

D. Assets and Net Position

Cash and Cash Equivalents. The County's cash and cash equivalents are considered to be cash on hand, certificates of deposit, and demand deposits.

Investments. The types of investments in which the County is authorized to invest funds are enumerated in Neb. Rev. Stat. § 77-2315, § 77-2340, and § 77-2341 (Reissue 2018) and generally include U.S. Government obligations and securities, which are authorized by the Nebraska Investment Council.

Capital Assets. Under the cash receipts and disbursements basis of accounting, capital assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisitions are reflected as disbursements in governmental funds. GAAP requires capital assets, which would include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), to be reported in the applicable governmental activities columns in the government-wide financial statements.

Depreciation expenses on capital assets were not recorded on the cash basis financial statements. Under GAAP, depreciation expenses would be recorded in the Statement of Activities. The cost of normal maintenance and repairs that does not add to the value of the asset or extend asset life is not capitalized.

Compensated Absences. Vested or accumulated vacation leave that is liquidated with expendable available financial resources is reported as a disbursement of the County funds as paid. Upon termination, employees are paid for any unused vacation. Under the receipts and disbursements basis of accounting, the liabilities for compensated absences are not reported since they do not represent liabilities arising from cash transactions. Under GAAP, the compensated absences liability would be reported in the government-wide financial statements and would be recorded in accordance with the County's policy, which is to recognize the expense and accrued liability when vacation and compensatory leave is earned.

WEBSTER COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

1. **Summary of Significant Accounting Policies** (Concluded)

Restricted Net Position. When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then the unrestricted resources, as they are needed. Net position is reported as restricted when constraints placed on its use are either externally imposed or imposed by law through constitutional provisions or enabling legislation. The government-wide statement of net position reports \$899,316 of restricted net position which is fully restricted by enabling legislation.

Budgetary Process. The County adopts an annual budget in accordance with the statutory requirements of the Nebraska Budget Act and County Budget Act of 1937. The budget is prepared on the cash receipts and disbursements basis of accounting. The budget contains only those receipts actually received by the County Treasurer. The County does not utilize an encumbrance accounting system. All appropriated spending authority lapses at the end of the fiscal year.

On or before August 1, the County budget-making authority prepares and transmits a budget for each County fund to the County Board. The budget includes the requirements, the outstanding warrants, the operating reserves to be maintained, the cash on hand at the close of the preceding fiscal year, the receipts from sources other than taxation, and the amount to be raised by taxation. The County Board must hold at least one public hearing on the proposed budget. On or before September 30, the County Board adopts the budget and appropriates the amounts specified in the budget for the departments, offices, activities, and funds of the County.

The County Board is authorized to transfer budgeted amounts between departments within any fund through resolution; however, if revisions are made that alter the total disbursements of any fund, an additional public hearing must be held. The legal level of budgetary control for the General Fund is at the function level, and the special revenue fund types are at the fund level. The County Board is also authorized to budget for the transfer of money between County funds.

Excess of Disbursements Over Appropriations. For the year ended June 30, 2023, disbursements exceeded budgeted appropriations in the County Assessor function of the General Fund by \$2,548, and in the County Museum Fund by \$25,120. These over-expenditures were funded by the available fund balance in the General Fund and County Museum Fund.

2. **Deposits and Investments**

The County has generally pooled the cash resources of the various funds for investment purposes. Interest earned on pooled funds is credited to the County General Fund in accordance with Neb. Rev. Stat. § 77-2315 (Reissue 2018).

At year end, the County's carrying amount of deposits was \$7,555,114 for County funds and \$261,484 for Fiduciary funds. The bank balances for all funds totaled \$7,827,254. For purposes of classifying categories of custodial credit risk, the bank balances of the County's deposits, as of June 30, 2023, were either entirely insured or collateralized with securities held by the County's agent in the County's name.

3. **Taxes**

Property taxes are levied by the County Board on or before October 20 of each year for all political subdivisions in the County. Real estate and personal property taxes are due and attach as an enforceable lien on January 1 following the levy date, and they become delinquent in two equal installments on May 1 and September 1. Motor vehicle taxes are due when application is made for registration of a motor vehicle.

WEBSTER COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

3. **Taxes** (Concluded)

Counties are permitted by the State Constitution to levy a tax of up to \$.50/\$100 of assessed valuation for general governmental services other than the payment of principal and interest on bonded debt. Counties may levy taxes in addition to the 50-cent limitation upon a vote of the people.

The levy set in October 2022, for the 2022 taxes, which will be materially collected in May and September 2023, was set at \$.358486/\$100 of assessed valuation. The levy set in October 2021, for the 2021 taxes, which were materially collected in May and September 2022, was set at \$.359405/\$100 of assessed valuation. The amount collected for the motor vehicle tax is outlined in State statute.

Additionally, there is currently a statutory lid limitation, which limits taxation to the prior year's level, with provisions for growth. The lid may be increased by 1% upon the approval of a three-fourths majority of the County Board.

The tax receipts classification also contains collections from the assessment of inheritance taxes, nameplate capacity taxes, and lodging taxes.

4. **Retirement System**

The Retirement System for Nebraska Counties (the Plan) is a multiple-employer plan administered by the Public Employees Retirement Board in accordance with the provisions of the County Employees Retirement Act. The Plan consists of a defined contribution option and a cash balance benefit. The cash balance benefit is a type of defined benefit plan. The Plan provisions are established under Neb. Rev. Stat. §§ 23-2301 through 23-2334 (Reissue 2022, Supp. 2023) and may be amended through legislative action.

Participation in the Plan is required of all full-time employees. Part-time (working less than one - half of the regularly scheduled hours) employees may elect voluntary participation upon reaching age 18. Part-time elected officials may exercise the option to join.

County employees and elected officials contribute 4.5% of their total compensation. In addition, the County contributes an amount equal to 150% of the employee's contribution. The contribution rates are established by § 23-2307 and § 23-2308 and may be amended through legislative action. The employee's and employer's contributions are kept in separate accounts. The employee's account is fully vested. The employer's account is fully vested after three years of participation in the system or credit for participation in another governmental plan prior to actual contribution to the Plan. Non-vested County contributions are forfeited upon termination. Forfeitures are used to cover a portion of the pension plan's administrative expenses. Prior service benefits are paid directly by the County to the retired employee. The Plan's financial statements, including pension costs and obligations, are audited annually and can be obtained from the State of Nebraska Public Employees Retirement System.

A supplemental retirement plan was established on January 1, 2003, for the benefit of all present and future commissioned law enforcement personnel employed by the County. Employees contribute 1% of their salary, and the County contributes an amount equal to 100% of the employee's contribution. In a defined contribution plan, benefits depend solely on amounts contributed to the Plan plus investment earnings.

For the year ended June 30, 2023, 49 employees contributed \$92,558, and the County contributed \$137,097. Contributions included \$3,482 in cash contributions towards the supplemental law enforcement plan for six law enforcement employees. Lastly, the County paid \$354 directly to two retired employees for prior service benefits.

WEBSTER COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

5. Risk Management

The County is exposed to various risks of loss related to the following: torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County is a member of the Nebraska Intergovernmental Risk Management Association (NIRMA), a public entity risk pool currently operating as a common risk management and insurance program for 107 counties and local governments throughout Nebraska.

The County pays an annual deposit premium, as calculated by the administrator of the pool. The premium is based on the losses and exposures of each County and the entire pool. If the pool becomes insolvent or otherwise unable to discharge its legal liabilities and obligations, the County may be assessed for an additional contribution. Each county remains liable for such assessments, regardless of the county's withdrawal from participation or the termination of the agreement, as well as for liabilities of the pool incurred during the county's period of membership.

The agreement with NIRMA requires the risk pool to provide coverage for up to a maximum amount per occurrence and purchase commercial insurance for claims in excess of coverage provided. In the event of a liability exceeding the commercial insurance, the County would be responsible for funding the excess amount.

	NIRMA Coverage	Maximum Coverage
General Liability Claim	\$ 500,000	\$ 5,000,000
Workers' Compensation Claim	\$ 550,000	Statutory Limits
Property Damage Claim	\$ 250,000	Insured Value at Replacement Cost

The County has not paid any additional assessments to the pool or paid out any amounts that exceeded coverage provided by the pool in the last three fiscal years. There were no significant reductions in insurance coverage from the prior year coverage.

The County administers the County's self-insured dental plan. Details of the coverage are available upon request from the County Clerk. The self-insured dental plan is funded through County contributions. The activity of the plan is reflected in the County's financial statements under the Self-Insured Dental Fund. No settlements exceeded coverage in any of the past three fiscal years. The County's total exposure is limited to \$4,000 per enrolled member, per calendar year.

6. Interfund Transfers

Interfund transfers for the year ended June 30, 2023, consisted of the following:

	Transfers from			
Transfers to	General Fund	Inheritance Fund	Nonmajor Funds	Total
Road Fund	\$ 780,000	\$ -	\$ -	\$ 780,000
Inheritance Fund	-	-	10,000	10,000
Nonmajor Funds	297,275	10,000	-	307,275
Total	\$ 1,077,275	\$ 10,000	\$ 10,000	\$ 1,097,275

WEBSTER COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

6. **Interfund Transfers** (Concluded)

Transfers are used to move unrestricted receipts collected in the General Fund and Inheritance Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

In the year ended June 30, 2023, the County made a one-time transfer of \$10,000 from the Bridge Bond Fund to the Inheritance Fund to repay previous unspent transfers.

7. **Long-Term Obligations**

Lease-Purchase Agreements

Changes to the commitments under a lease agreement for equipment and amounts to provide for annual rental payments are as follows:

	<u>Motor Graders</u>
Balance July 1, 2022	\$ 162,302
Purchases	1,000,961
Payments	44,944
Balance June 30, 2023	<u>\$ 1,118,319</u>
Future Payments:	
Year	
2024	\$ 140,432
2025	164,805
2026	164,806
2027	116,059
2028	116,059
2029-2033	580,294
Total Payments	<u>1,282,455</u>
Less Interest	<u>164,136</u>
Present Value of Future Minimum Lease Payments	<u>\$ 1,118,319</u>
Carrying Value of the Related Fixed Assets	<u>\$ 1,265,080</u>

Bonds

Bridge Bonds. The County issued bonds on April 24, 2013, in the amount of \$2,700,000 for the purpose of paying the costs of repairing, renovating, and constructing improvements to certain bridges on roads of the County, and paying certain costs of issuing the bonds. The County issued bonds on May 12, 2020, in the amount of \$1,615,000 for the purpose of paying the costs of the principal and interest on the County's General Obligation Bonds, Series 2013, and paying certain costs of issuing the bonds. The bond payable balance, as of June 30, 2023, was \$1,015,000. The County has the ability to levy taxes as necessary to cover the annual required principal and interest payments over the term of these bonds. Future tax resources will be used to pay off the bonds.

WEBSTER COUNTY

NOTES TO FINANCIAL STATEMENTS

(Concluded)

7. **Long-Term Obligations** (Concluded)

Future Payments:

Year	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 205,000	\$ 16,262	\$ 221,262
2025	215,000	13,290	228,290
2026	215,000	10,065	225,065
2027	215,000	6,625	221,625
2028	165,000	2,970	167,970
Total Payments	<u>\$ 1,015,000</u>	<u>\$ 49,212</u>	<u>\$ 1,064,212</u>

Highway Allocation Bonds. The County issued bonds on March 25, 2021, in the amount of \$1,525,000 for the purpose of paying the costs of road improvements constructed within the County, and to pay costs of the issuance of the bonds. The bond payable balance, as of June 30, 2023, was \$1,230,000. The County has the ability to levy taxes as necessary to cover the annual required principal and interest payments over the term of these bonds. Future highway allocation funds will be used to pay off the bonds.

Future Payments:

Year	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 150,000	\$ 11,437	\$ 161,437
2025	150,000	10,613	160,613
2026	150,000	9,637	159,637
2027	155,000	8,513	163,513
2028	155,000	7,195	162,195
2029-2031	470,000	11,665	481,665
Total Payments	<u>\$ 1,230,000</u>	<u>\$ 59,060</u>	<u>\$ 1,289,060</u>

WEBSTER COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
RECEIPTS				
Taxes	\$ 3,970,423	\$ 3,970,423	\$ 4,121,441	\$ 151,018
Investment Income	15,200	15,200	83,376	68,176
Intergovernmental	57,700	57,700	45,173	(12,527)
Charges for Services	251,645	251,645	291,045	39,400
Miscellaneous	5,200	5,200	9,228	4,028
TOTAL RECEIPTS	<u>4,300,168</u>	<u>4,300,168</u>	<u>4,550,263</u>	<u>250,095</u>
DISBURSEMENTS				
General Government:				
County Board	159,094	159,694	159,678	16
County Clerk	225,304	225,304	198,732	26,572
County Treasurer	232,574	232,574	206,981	25,593
County Assessor	192,849	195,389	197,937	(2,548)
Election Commissioner	32,000	32,000	17,962	14,038
Building and Zoning	16,220	16,220	10,747	5,473
Board of Equalization	78,197	75,657	58,284	17,373
Clerk of the District Court	7,200	7,200	3,229	3,971
County Court System	5,300	5,300	3,543	1,757
County Judge	800	800	7	793
Building and Grounds	224,389	224,389	78,211	146,178
Agricultural Extension Agent	98,785	98,785	92,853	5,932
Miscellaneous	879,784	878,334	702,066	176,268
Public Safety				
County Sheriff	790,507	790,507	691,086	99,421
County Attorney	87,509	88,359	88,312	47
County Jail	59,539	59,539	41,578	17,961
Emergency Management	21,060	21,060	11,899	9,161
Public Assistance				
Veterans' Service Officer	20,740	20,740	19,572	1,168
TOTAL DISBURSEMENTS	<u>3,131,851</u>	<u>3,131,851</u>	<u>2,582,677</u>	<u>549,174</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>1,168,317</u>	<u>1,168,317</u>	<u>1,967,586</u>	<u>799,269</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	315,000	315,000	-	(315,000)
Transfers out	(1,523,000)	(1,523,000)	(1,077,275)	445,725
TOTAL OTHER FINANCING SOURCES (USES)	<u>(1,208,000)</u>	<u>(1,208,000)</u>	<u>(1,077,275)</u>	<u>130,725</u>
Net Change in Fund Balance	(39,683)	(39,683)	890,311	929,994
FUND BALANCE - BEGINNING	984,289	984,289	984,289	-
FUND BALANCE - ENDING	<u>\$ 944,606</u>	<u>\$ 944,606</u>	<u>\$ 1,874,600</u>	<u>\$ 929,994</u>

WEBSTER COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
MAJOR FUNDS

For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
ROAD FUND				
RECEIPTS				
Taxes	\$ 6	\$ 6	\$ 6	\$ -
Intergovernmental	1,286,000	1,286,000	1,372,978	86,978
Charges for Services	4,300	4,300	58,977	54,677
Miscellaneous	57,500	57,500	9,640	(47,860)
TOTAL RECEIPTS	<u>1,347,806</u>	<u>1,347,806</u>	<u>1,441,601</u>	<u>93,795</u>
DISBURSEMENTS	<u>2,365,156</u>	<u>2,365,156</u>	<u>1,919,497</u>	<u>445,659</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>(1,017,350)</u>	<u>(1,017,350)</u>	<u>(477,896)</u>	<u>539,454</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	780,000	780,000	780,000	-
Transfers out	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	173,465	173,465
TOTAL OTHER FINANCING SOURCES (USES)	<u>780,000</u>	<u>780,000</u>	<u>953,465</u>	<u>173,465</u>
Net Change in Fund Balance	(237,350)	(237,350)	475,569	712,919
FUND BALANCE - BEGINNING	<u>1,234,603</u>	<u>1,234,603</u>	<u>1,234,603</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 997,253</u>	<u>\$ 997,253</u>	<u>\$1,710,172</u>	<u>\$ 712,919</u>
INHERITANCE FUND				
RECEIPTS				
Taxes	\$ 502,000	\$ 502,000	\$ 606,537	\$ 104,537
TOTAL RECEIPTS	<u>502,000</u>	<u>502,000</u>	<u>606,537</u>	<u>104,537</u>
DISBURSEMENTS	<u>15,000</u>	<u>15,000</u>	<u>153,776</u>	<u>(138,776)</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>487,000</u>	<u>487,000</u>	<u>452,761</u>	<u>(34,239)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	40,000	40,000	10,000	(30,000)
Transfers out	(787,000)	(787,000)	(10,000)	777,000
TOTAL OTHER FINANCING SOURCES (USES)	<u>(747,000)</u>	<u>(747,000)</u>	<u>-</u>	<u>747,000</u>
Net Change in Fund Balance	(260,000)	(260,000)	452,761	712,761
FUND BALANCE - BEGINNING	<u>1,800,133</u>	<u>1,800,133</u>	<u>1,800,133</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 1,540,133</u>	<u>\$ 1,540,133</u>	<u>\$2,252,894</u>	<u>\$ 712,761</u>

(Continued)

WEBSTER COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
MAJOR FUNDS

For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
CAPITAL CONSTRUCTION FUND				
RECEIPTS				
Intergovernmental	\$ 162,000	\$ 228,381	\$ 228,381	\$ -
TOTAL RECEIPTS	162,000	228,381	228,381	-
DISBURSEMENTS	771,500	1,268,507	1,204,058	64,449
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	(609,500)	(1,040,126)	(975,677)	64,449
Net Change in Fund Balance	(609,500)	(1,040,126)	(975,677)	64,449
FUND BALANCE - BEGINNING	1,090,126	1,090,126	1,090,126	-
FUND BALANCE - ENDING	<u>\$ 480,626</u>	<u>\$ 50,000</u>	<u>\$ 114,449</u>	<u>\$ 64,449</u>
BLADEN HIGHWAY NORTH PROJECT FUND				
RECEIPTS				
Investment Income	\$ 1,500	\$ 1,500	\$ 2,497	\$ 997
TOTAL RECEIPTS	1,500	1,500	2,497	997
DISBURSEMENTS	1,414,200	1,414,200	1,413,640	560
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	(1,412,700)	(1,412,700)	(1,411,143)	1,557
Net Change in Fund Balance	(1,412,700)	(1,412,700)	(1,411,143)	1,557
FUND BALANCE - BEGINNING	1,414,214	1,414,214	1,414,214	-
FUND BALANCE - ENDING	<u>\$ 1,514</u>	<u>\$ 1,514</u>	<u>\$ 3,071</u>	<u>\$ 1,557</u>

(Concluded)

WEBSTER COUNTY
**BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS**

For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
SHERIFF'S DEPARTMENT FUNDRAISING FUND				
Receipts	\$ 8,150	\$ 8,150	\$ 4,624	\$ (3,526)
Disbursements	(14,859)	(14,859)	(7,835)	7,024
Net Change in Fund Balance	(6,709)	(6,709)	(3,211)	3,498
Fund Balance - Beginning	6,709	6,709	6,709	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,498</u>	<u>\$ 3,498</u>
VISITORS PROMOTION FUND				
Receipts	\$ 4,500	\$ 4,500	\$ 3,954	\$ (546)
Disbursements	(9,432)	(9,432)	(3,265)	6,167
Net Change in Fund Balance	(4,932)	(4,932)	689	5,621
Fund Balance - Beginning	4,932	4,932	4,932	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,621</u>	<u>\$ 5,621</u>
VISITORS IMPROVEMENT FUND				
Receipts	\$ 4,900	\$ 4,900	\$ 3,954	\$ (946)
Disbursements	(19,716)	(19,716)	-	19,716
Net Change in Fund Balance	(14,816)	(14,816)	3,954	18,770
Fund Balance - Beginning	14,816	14,816	14,816	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,770</u>	<u>\$ 18,770</u>
PRESERVATION AND MODERNIZATION FUND				
Receipts	\$ 3,500	\$ 5,140	\$ 3,101	\$ (2,039)
Disbursements	(4,150)	(5,790)	(2,298)	3,492
Net Change in Fund Balance	(650)	(650)	803	1,453
Fund Balance - Beginning	8,852	8,852	8,852	-
Fund Balance - Ending	<u>\$ 8,202</u>	<u>\$ 8,202</u>	<u>\$ 9,655</u>	<u>\$ 1,453</u>
SELF-INSURED DENTAL FUND				
Receipts	\$ 45,000	\$ 45,000	\$ 900	\$ (44,100)
Disbursements	(35,200)	(72,332)	(38,746)	33,586
Transfers in	-	-	34,275	34,275
Transfers out	-	-	-	-
Net Change in Fund Balance	9,800	(27,332)	(3,571)	23,761
Fund Balance - Beginning	77,332	77,332	77,332	-
Fund Balance - Ending	<u>\$ 87,132</u>	<u>\$ 50,000</u>	<u>\$ 73,761</u>	<u>\$ 23,761</u>

(Continued)

WEBSTER COUNTY
**BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS**

For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
COUNTY RELIEF FUND				
Receipts	\$ 4	\$ 4	\$ 4	\$ -
Disbursements	(21,500)	(21,500)	(3,983)	17,517
Net Change in Fund Balance	(21,496)	(21,496)	(3,979)	17,517
Fund Balance - Beginning	27,006	27,006	27,006	-
Fund Balance - Ending	<u>\$ 5,510</u>	<u>\$ 5,510</u>	<u>\$ 23,027</u>	<u>\$ 17,517</u>
VETERANS' AID FUND				
Receipts	\$ -	\$ -	\$ 1	\$ 1
Disbursements	(3,470)	(3,470)	-	3,470
Net Change in Fund Balance	(3,470)	(3,470)	1	3,471
Fund Balance - Beginning	3,470	3,470	3,470	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,471</u>	<u>\$ 3,471</u>
HANDI-BUS FUND				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	-	-	-	-
Net Change in Fund Balance	-	-	-	-
Fund Balance - Beginning	7,432	7,432	7,432	-
Fund Balance - Ending	<u>\$ 7,432</u>	<u>\$ 7,432</u>	<u>\$ 7,432</u>	<u>\$ -</u>
OPIOID SETTLEMENT FUND				
Receipts	\$ 959	\$ 959	\$ 3,680	\$ 2,721
Disbursements	(959)	(959)	-	959
Net Change in Fund Balance	-	-	3,680	3,680
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,680</u>	<u>\$ 3,680</u>
DIVERSION PROGRAM FUND				
Receipts	\$ 1,500	\$ 1,500	\$ 1,300	\$ (200)
Disbursements	(4,300)	(4,300)	-	4,300
Net Change in Fund Balance	(2,800)	(2,800)	1,300	4,100
Fund Balance - Beginning	2,876	2,876	2,876	-
Fund Balance - Ending	<u>\$ 76</u>	<u>\$ 76</u>	<u>\$ 4,176</u>	<u>\$ 4,100</u>

(Continued)

WEBSTER COUNTY
**BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS**

For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
COVID AMERICAN RESCUE PLAN FUND				
Receipts	\$ 700	\$ 3,500	\$ 6,353	\$ 2,853
Disbursements	(675,585)	(678,385)	(109,432)	568,953
Net Change in Fund Balance	(674,885)	(674,885)	(103,079)	571,806
Fund Balance - Beginning	674,885	674,885	674,886	1
Fund Balance - Ending	\$ -	\$ -	\$ 571,807	\$ 571,807
LOCAL ASSISTANCE AND TRIBAL CONSISTENCY FUND				
Receipts	\$ -	\$ 50,000	\$ 50,000	\$ -
Disbursements	-	(50,000)	(8,147)	41,853
Net Change in Fund Balance	-	-	41,853	41,853
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	\$ -	\$ -	\$ 41,853	\$ 41,853
HOSPITAL BOND FUND				
Receipts	\$ -	\$ -	\$ 44	\$ 44
Disbursements	(2,500)	(2,500)	-	2,500
Net Change in Fund Balance	(2,500)	(2,500)	44	2,544
Fund Balance - Beginning	12,827	12,827	12,827	-
Fund Balance - Ending	\$ 10,327	\$ 10,327	\$ 12,871	\$ 2,544
BRIDGE BOND FUND				
Receipts	\$ 236,685	\$ 236,685	\$ 254,916	\$ 18,231
Disbursements	(225,524)	(225,524)	(224,742)	782
Transfers in	40,000	40,000	10,000	(30,000)
Transfers out	(40,000)	(40,000)	(10,000)	30,000
Net Change in Fund Balance	11,161	11,161	30,174	19,013
Fund Balance - Beginning	72,140	72,140	72,140	-
Fund Balance - Ending	\$ 83,301	\$ 83,301	\$ 102,314	\$ 19,013
REMODELING FUND				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	-	-	(50,987)	(50,987)
Transfers in	200,000	200,000	200,000	-
Transfers out	(600,000)	(600,000)	-	600,000
Net Change in Fund Balance	(400,000)	(400,000)	149,013	549,013
Fund Balance - Beginning	400,000	400,000	400,000	-
Fund Balance - Ending	\$ -	\$ -	\$ 549,013	\$ 549,013

(Continued)

WEBSTER COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
NOXIOUS WEED FUND				
Receipts	\$ 30,400	\$ 30,400	\$ 2,631	\$ (27,769)
Disbursements	(115,023)	(115,023)	(77,848)	37,175
Transfers in	95,000	95,000	63,000	(32,000)
Transfers out	-	-	-	-
Net Change in Fund Balance	10,377	10,377	(12,217)	(22,594)
Fund Balance - Beginning	17,460	17,460	17,460	-
Fund Balance - Ending	<u>\$ 27,837</u>	<u>\$ 27,837</u>	<u>\$ 5,243</u>	<u>\$ (22,594)</u>
COUNTY MUSEUM FUND				
Receipts	\$ 56,255	\$ 56,255	\$ 66,348	\$ 10,093
Disbursements	(49,950)	(49,950)	(75,070)	(25,120)
Net Change in Fund Balance	6,305	6,305	(8,722)	(15,027)
Fund Balance - Beginning	80,876	80,876	80,577	(299)
Fund Balance - Ending	<u>\$ 87,181</u>	<u>\$ 87,181</u>	<u>\$ 71,855</u>	<u>\$ (15,326)</u>
RED CLOUD AMBULANCE FUND				
Receipts	\$ 422,200	\$ 422,200	\$ 83,415	\$ (338,785)
Disbursements	(457,935)	(457,935)	(65,337)	392,598
Net Change in Fund Balance	(35,735)	(35,735)	18,078	53,813
Fund Balance - Beginning	36,080	36,080	36,080	-
Fund Balance - Ending	<u>\$ 345</u>	<u>\$ 345</u>	<u>\$ 54,158</u>	<u>\$ 53,813</u>
BLUE HILL AMBULANCE FUND				
Receipts	\$ 423,700	\$ 423,700	\$ 70,767	\$ (352,933)
Disbursements	(454,660)	(454,660)	(64,390)	390,270
Net Change in Fund Balance	(30,960)	(30,960)	6,377	37,337
Fund Balance - Beginning	31,346	31,346	31,346	-
Fund Balance - Ending	<u>\$ 386</u>	<u>\$ 386</u>	<u>\$ 37,723</u>	<u>\$ 37,337</u>
JAIL BOND FUND				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(7,980,000)	(7,980,000)	-	7,980,000
Transfers in	1,480,000	1,480,000	-	(1,480,000)
Transfers out	-	-	-	-
Proceeds from Sale of Bonds	6,500,000	6,500,000	-	(6,500,000)
Net Change in Fund Balance	-	-	-	-
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Concluded)

WEBSTER COUNTY
**COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES**
NONMAJOR FUNDS

For the Year Ended June 30, 2023

	Sheriff's Department Fundraising Fund	Visitors Promotion Fund	Visitors Improvement Fund	Preservation and Modernization Fund	Self-Insured Dental Fund
RECEIPTS					
Taxes:					
Property	\$ -	\$ -	\$ -	\$ -	\$ -
Other	-	3,954	3,954	-	-
Investment Income	-	-	-	-	-
Intergovernmental	4,274	-	-	-	-
Charges for Services	-	-	-	3,101	-
Miscellaneous	350	-	-	-	900
TOTAL RECEIPTS	<u>4,624</u>	<u>3,954</u>	<u>3,954</u>	<u>3,101</u>	<u>900</u>
DISBURSEMENTS					
General Government	-	-	-	2,298	38,746
Public Safety	7,835	-	-	-	-
Public Works	-	-	-	-	-
Public Assistance	-	-	-	-	-
Culture and Recreation	-	3,265	-	-	-
Debt Service:					
Principal Payments	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
Capital Outlay	-	-	-	-	-
TOTAL DISBURSEMENTS	<u>7,835</u>	<u>3,265</u>	<u>-</u>	<u>2,298</u>	<u>38,746</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>(3,211)</u>	<u>689</u>	<u>3,954</u>	<u>803</u>	<u>(37,846)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	34,275
Transfers out	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>34,275</u>
Net Change in Fund Balances	(3,211)	689	3,954	803	(3,571)
FUND BALANCES - BEGINNING	<u>6,709</u>	<u>4,932</u>	<u>14,816</u>	<u>8,852</u>	<u>77,332</u>
FUND BALANCES - ENDING	<u>\$ 3,498</u>	<u>\$ 5,621</u>	<u>\$ 18,770</u>	<u>\$ 9,655</u>	<u>\$ 73,761</u>
FUND BALANCES:					
Restricted for:					
Visitor Promotion	-	5,621	18,770	-	-
Drug Education and Enforcement	-	-	-	-	-
Preservation of Records	-	-	-	9,655	-
Debt Service	-	-	-	-	-
Self-Insured Dental Plan	-	-	-	-	73,761
Federal Relief	-	-	-	-	-
County Museum	-	-	-	-	-
Committed to:					
Law Enforcement	3,498	-	-	-	-
Aid and Assistance	-	-	-	-	-
Noxious Weed Control	-	-	-	-	-
Ambulance Services	-	-	-	-	-
Capital Projects	-	-	-	-	-
County Hospital Facilities and Equipment	-	-	-	-	-
TOTAL FUND BALANCES	<u>\$ 3,498</u>	<u>\$ 5,621</u>	<u>\$ 18,770</u>	<u>\$ 9,655</u>	<u>\$ 73,761</u>

(Continued)

WEBSTER COUNTY
**COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES**
NONMAJOR FUNDS
For the Year Ended June 30, 2023

	County Relief Fund	Veterans' Aid Fund	Handi-Bus Fund	Opioid Settlement Fund	Diversion Program Fund
RECEIPTS					
Taxes:					
Property	\$ -	\$ -	\$ -	\$ -	\$ -
Other	4	1	-	-	-
Investment Income	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Charges for Services	-	-	-	-	1,300
Miscellaneous	-	-	-	3,680	-
TOTAL RECEIPTS	<u>4</u>	<u>1</u>	<u>-</u>	<u>3,680</u>	<u>1,300</u>
DISBURSEMENTS					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	-
Public Works	-	-	-	-	-
Public Assistance	3,983	-	-	-	-
Culture and Recreation	-	-	-	-	-
Debt Service:					
Principal Payments	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
Capital Outlay	-	-	-	-	-
TOTAL DISBURSEMENTS	<u>3,983</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>(3,979)</u>	<u>1</u>	<u>-</u>	<u>3,680</u>	<u>1,300</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(3,979)	1	-	3,680	1,300
FUND BALANCES - BEGINNING	<u>27,006</u>	<u>3,470</u>	<u>7,432</u>	<u>-</u>	<u>2,876</u>
FUND BALANCES - ENDING	<u>\$ 23,027</u>	<u>\$ 3,471</u>	<u>\$ 7,432</u>	<u>\$ 3,680</u>	<u>\$ 4,176</u>
FUND BALANCES:					
Restricted for:					
Visitor Promotion	-	-	-	-	-
Drug Education and Enforcement	-	-	-	3,680	-
Preservation of Records	-	-	-	-	-
Debt Service	-	-	-	-	-
Self-Insured Dental Plan	-	-	-	-	-
Federal Relief	-	-	-	-	-
County Museum	-	-	-	-	-
Committed to:					
Law Enforcement	-	-	-	-	4,176
Aid and Assistance	23,027	3,471	7,432	-	-
Noxious Weed Control	-	-	-	-	-
Ambulance Services	-	-	-	-	-
Capital Projects	-	-	-	-	-
County Hospital Facilities and Equipment	-	-	-	-	-
TOTAL FUND BALANCES	<u>\$ 23,027</u>	<u>\$ 3,471</u>	<u>\$ 7,432</u>	<u>\$ 3,680</u>	<u>\$ 4,176</u>

(Continued)

WEBSTER COUNTY
**COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES
NONMAJOR FUNDS**

For the Year Ended June 30, 2023

	COVID American Rescue Plan Fund	Local Assistance and Tribal Consistency Fund	Hospital Bond Fund	Bridge Bond Fund	Remodeling Fund
RECEIPTS					
Taxes:					
Property	\$ -	\$ -	\$ 44	\$ 230,617	\$ -
Other	-	-	-	22,987	-
Investment Income	6,353	-	-	852	-
Intergovernmental	-	50,000	-	460	-
Charges for Services	-	-	-	-	-
Miscellaneous	-	-	-	-	-
TOTAL RECEIPTS	<u>6,353</u>	<u>50,000</u>	<u>44</u>	<u>254,916</u>	<u>-</u>
DISBURSEMENTS					
General Government	-	8,147	-	-	8,987
Public Safety	-	-	-	-	-
Public Works	109,432	-	-	-	-
Public Assistance	-	-	-	-	-
Culture and Recreation	-	-	-	-	-
Debt Service:					
Principal Payments	-	-	-	205,000	-
Interest and Fiscal Charges	-	-	-	19,742	-
Capital Outlay	-	-	-	-	42,000
TOTAL DISBURSEMENTS	<u>109,432</u>	<u>8,147</u>	<u>-</u>	<u>224,742</u>	<u>50,987</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>(103,079)</u>	<u>41,853</u>	<u>44</u>	<u>30,174</u>	<u>(50,987)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	10,000	200,000
Transfers out	-	-	-	(10,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>200,000</u>
Net Change in Fund Balances	(103,079)	41,853	44	30,174	149,013
FUND BALANCES - BEGINNING	<u>674,886</u>	<u>-</u>	<u>12,827</u>	<u>72,140</u>	<u>400,000</u>
FUND BALANCES - ENDING	<u>\$ 571,807</u>	<u>\$ 41,853</u>	<u>\$ 12,871</u>	<u>\$ 102,314</u>	<u>\$ 549,013</u>
FUND BALANCES:					
Restricted for:					
Visitor Promotion	-	-	-	-	-
Drug Education and Enforcement	-	-	-	-	-
Preservation of Records	-	-	-	-	-
Debt Service	-	-	-	102,314	-
Self-Insured Dental Plan	-	-	-	-	-
Federal Relief	571,807	41,853	-	-	-
County Museum	-	-	-	-	-
Committed to:					
Law Enforcement	-	-	-	-	-
Aid and Assistance	-	-	-	-	-
Noxious Weed Control	-	-	-	-	-
Ambulance Services	-	-	-	-	-
Capital Projects	-	-	-	-	549,013
County Hospital Facilities and Equipment	-	-	12,871	-	-
TOTAL FUND BALANCES	<u>\$ 571,807</u>	<u>\$ 41,853</u>	<u>\$ 12,871</u>	<u>\$ 102,314</u>	<u>\$ 549,013</u>

(Continued)

WEBSTER COUNTY
**COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES
NONMAJOR FUNDS**

For the Year Ended June 30, 2023

	Noxious Weed Fund	County Museum Fund	Red Cloud Ambulance Fund	Blue Hill Ambulance Fund	Total Nonmajor Funds
RECEIPTS					
Taxes:					
Property	\$ -	\$ 49,744	\$ -	\$ -	\$ 280,405
Other	-	4,942	-	-	35,842
Investment Income	-	-	-	-	7,205
Intergovernmental	-	100	-	-	54,834
Charges for Services	-	1,806	83,317	65,669	155,193
Miscellaneous	2,631	9,756	98	5,098	22,513
TOTAL RECEIPTS	<u>2,631</u>	<u>66,348</u>	<u>83,415</u>	<u>70,767</u>	<u>555,992</u>
DISBURSEMENTS					
General Government	-	-	-	-	58,178
Public Safety	-	-	65,337	64,390	137,562
Public Works	77,848	-	-	-	187,280
Public Assistance	-	-	-	-	3,983
Culture and Recreation	-	75,070	-	-	78,335
Debt Service:					
Principal Payments	-	-	-	-	205,000
Interest and Fiscal Charges	-	-	-	-	19,742
Capital Outlay	-	-	-	-	42,000
TOTAL DISBURSEMENTS	<u>77,848</u>	<u>75,070</u>	<u>65,337</u>	<u>64,390</u>	<u>732,080</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>(75,217)</u>	<u>(8,722)</u>	<u>18,078</u>	<u>6,377</u>	<u>(176,088)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	63,000	-	-	-	307,275
Transfers out	-	-	-	-	(10,000)
TOTAL OTHER FINANCING SOURCES (USES)	<u>63,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>297,275</u>
Net Change in Fund Balances	(12,217)	(8,722)	18,078	6,377	121,187
FUND BALANCES - BEGINNING	<u>17,460</u>	<u>80,577</u>	<u>36,080</u>	<u>31,346</u>	<u>1,478,741</u>
FUND BALANCES - ENDING	<u>\$ 5,243</u>	<u>\$ 71,855</u>	<u>\$ 54,158</u>	<u>\$ 37,723</u>	<u>\$ 1,599,928</u>
FUND BALANCES:					
Restricted for:					
Visitor Promotion	-	-	-	-	24,391
Drug Education and Enforcement	-	-	-	-	3,680
Preservation of Records	-	-	-	-	9,655
Debt Service	-	-	-	-	102,314
Self-Insured Dental Plan	-	-	-	-	73,761
Federal Relief	-	-	-	-	613,660
County Museum	-	71,855	-	-	71,855
Committed to:					
Law Enforcement	-	-	-	-	7,674
Aid and Assistance	-	-	-	-	33,930
Noxious Weed Control	5,243	-	-	-	5,243
Ambulance Services	-	-	54,158	37,723	91,881
Capital Projects	-	-	-	-	549,013
County Hospital Facilities and Equipment	-	-	-	-	12,871
TOTAL FUND BALANCES	<u>\$ 5,243</u>	<u>\$ 71,855</u>	<u>\$ 54,158</u>	<u>\$ 37,723</u>	<u>\$ 1,599,928</u>

(Concluded)

WEBSTER COUNTY
SCHEDULE OF OFFICE ACTIVITIES
For the Year Ended June 30, 2023

	County Clerk	Clerk of the District Court	County Sheriff	County Attorney	Highway Superintendent	County Museum	Total
BALANCES JULY 1, 2022	\$ 147,238	\$ 8,596	\$ 5,627	\$ -	\$ -	\$ 80,223	\$ 241,684
RECEIPTS							
Intergovernmental	-	-	-	-	-	54,729	54,729
Charges for Services	282,717	1,946	59,473	30	55,850	1,806	401,822
Miscellaneous	441	-	2,776	-	181,720	9,756	194,693
State Fees	84,425	4,536	-	-	123	-	89,084
Other Liabilities	-	40,903	13,607	165	-	-	54,675
TOTAL RECEIPTS	367,583	47,385	75,856	195	237,693	66,291	795,003
DISBURSEMENTS							
Payments to County Treasurer	204,469	1,944	59,344	30	237,570	-	503,357
Payments to State Treasurer	76,310	4,359	-	-	123	-	80,792
Petty Cash & Other Payments	-	-	2,747	-	-	75,069	77,816
Other Liabilities	-	42,891	13,607	165	-	-	56,663
TOTAL DISBURSEMENTS	280,779	49,194	75,698	195	237,693	75,069	718,628
BALANCES JUNE 30, 2023	<u>\$ 234,042</u>	<u>\$ 6,787</u>	<u>\$ 5,785</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 71,445</u>	<u>\$ 318,059</u>
BALANCES CONSIST OF:							
Due to County Treasurer	\$ 224,129	\$ 102	\$ 5,235	\$ -	\$ -	\$ 71,445	\$ 300,911
Petty Cash	-	-	550	-	-	-	550
Due to State Treasurer	9,913	247	-	-	-	-	10,160
Due to Others	-	6,438	-	-	-	-	6,438
BALANCES JUNE 30, 2023	<u>\$ 234,042</u>	<u>\$ 6,787</u>	<u>\$ 5,785</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 71,445</u>	<u>\$ 318,059</u>

WEBSTER COUNTY
SCHEDULE OF TAXES CERTIFIED AND COLLECTED
FOR ALL POLITICAL SUBDIVISIONS IN THE COUNTY
June 30, 2023

Item	2018	2019	2020	2021	2022
Tax Certified by Assessor					
Real Estate	\$ 13,189,912	\$ 12,664,730	\$ 11,760,867	\$ 12,290,706	\$ 13,754,674
Personal and Specials	454,903	444,662	1,178,073	1,205,690	583,357
Total	13,644,815	13,109,392	12,938,940	13,496,396	14,338,031
Corrections					
Additions	1,779	790	3,105	12,332	3,936
Deductions	(3,247)	(9,210)	(11,804)	(10,052)	(6,013)
Net Additions/ (Deductions)	(1,468)	(8,420)	(8,699)	2,280	(2,077)
Corrected Certified Tax	13,643,347	13,100,972	12,930,241	13,498,676	14,335,954
Net Tax Collected by County Treasurer during Fiscal Year Ending:					
June 30, 2019	8,747,931	-	-	-	-
June 30, 2020	4,894,965	8,566,689	-	-	-
June 30, 2021	351	4,530,296	8,713,199	-	-
June 30, 2022	100	2,886	4,209,923	9,280,775	-
June 30, 2023	-	568	2,334	4,211,023	9,883,568
Total Net Collections	13,643,347	13,100,439	12,925,456	13,491,798	9,883,568
Total Uncollected Tax	\$ -	\$ 533	\$ 4,785	\$ 6,878	\$ 4,452,386
Percentage Uncollected Tax	0.00%	0.00%	0.04%	0.05%	31.06%

Note: Tax refunds are netted against tax collections to determine Net Tax Collected.



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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WEBSTER COUNTY

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

Board of Commissioners
Webster County, Nebraska

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Webster County, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 22, 2024. The report notes the financial statements were prepared on the basis of cash receipts and disbursements and do not include the financial data of the Webster County Community Hospital, a component unit of Webster County.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County'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 County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County'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 County'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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We consider the following deficiency in the County's internal control to be a significant deficiency:

- The County offices lacked a segregation of duties, as one person could handle all aspects of processing a transaction from beginning to end. Good internal control includes a plan of organization, procedures, and records designed to safeguard assets and provide reliable financial records. Inadequate segregation of duties could lead to the misappropriation of assets or improper reporting. Due to a limited number of personnel, an adequate segregation of duties may not be possible without additional cost.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Webster County'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 financial statements. 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*.

Additional Items

We also noted certain matters that we reported to the management of Webster County in a separate letter dated March 22, 2024.

Webster County's Response to Findings

Webster County declined to respond to the finding described above.

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 County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

March 22, 2024



Rachel Wittler, CPA, CFE
Audit Manager
Lincoln, Nebraska



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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March 22, 2024

Board of Commissioners
Webster County, Nebraska

Dear Commissioners:

We have audited the basic financial statements of Webster County (County) for the fiscal year ended June 30, 2023, and have issued our report thereon dated March 22, 2024. In planning and performing our audit of the basic financial statements of the County, we considered internal control in order to determine our auditing procedures for the purpose of expressing our opinion on the basic financial statements. An audit does not include examining the effectiveness of internal control and does not provide assurance on internal control. We also performed tests of the County's compliance with certain provisions of laws, regulations, contracts, and grants.

During our audit, we noted certain matters involving internal control over financial reporting and other operational matters that are presented here. These comments and recommendations are intended to improve the internal control over financial reporting or result in operational efficiencies in the following areas:

COUNTY BOARD

Claims Documentation

During testing, concerns arose regarding both claims that provided donations and funding requests to other entities in the County to support their operations and claims that were paid that lacked adequate supporting documentation, as detailed below.

Donations

On April 4, 2023, the County Board approved payments of \$25,000 each, totaling \$150,000, to four volunteer fire departments and two individuals who work as emergency medical technicians (EMTs), as shown in the following table:

Payee	Claim Number	Claim Date	Amount
Bladen Volunteer Fire Department	23050064	5/2/2023	\$ 25,000
Marlys Schmidt - Blue Hill EMTS	23050065	5/2/2023	25,000
Blue Hill Volunteer Fire Department	23050066	5/2/2023	25,000
Guide Rock Volunteer Fire Department	23050067	5/2/2023	25,000
Gene Horne - Red Cloud EMT'S	23050068	5/2/2023	25,000
Red Cloud Volunteer Department	23050069	5/2/2023	25,000
Total			\$ 150,000

The County Board meeting minutes state that the funds "will be for buildings, equipment, or vehicles," and each payee would report to the County Board "how the money was used by June 2026." However, no agreement or contract was entered into by the County Board to ensure the payees complied with these requirements. Given that the County appears not to have contracted with the payees for anything specific in return, these payments would seemingly constitute a donation of public funds.

Payments to Charitable Organizations

During the fiscal year, we tested one grant payment, totaling \$2,000, paid to Revive Ministries/Horizon Recovery, a charitable organization. However, the County did not undertake any subsequent inquiry including obtaining actual documentation from the charitable organization, such as invoices, receipts, etc., to ensure that the funding provided by the County was used appropriately.

Other Claims

Additionally, we noted that the County paid \$4,225 on claim #23060024 on June 6, 2023, to Krueger Land Surveying, for surveying services provided by the County Board-appointed County Surveyor; however, there was no contract or agreement on file to support the amount paid for the surveying services. A total of \$12,850 was paid to the County Surveyor during the fiscal year.

According to the Nebraska Supreme Court, a county’s authority is limited to the powers granted to that political subdivision by statute:

It is well settled in this state that counties have no inherent power, and that their commissioners, or agents, acting for them, have only such powers, generally, as are especially granted to them by statute, or such as are incidentally necessary to carry into effect those which are granted. And the grant of power must be strictly construed.

* * * *

There being no question then upon the necessity of the grant of power before authority exists, it is only necessary to examine the statute and ascertain whether the grant has been made.

State ex rel. Grady v. Comm’rs Lincoln Co., 18 Neb. 283, 283-284, 25 N.W. 91, 91 (1885) (internal citations omitted). We are unaware of any express statutory authority for the County to make the type of donations and payments at issue.

Further, good internal controls and sound business practices require procedures to ensure that all County payments and funding requests are supported by adequate documentation, including a contract or agreement and support showing how those funds were spent by the receiving entity. No less important, those same procedures should ensure also that the County has the essential authority for every disbursement of its funds – and, whenever doubt exists regarding such authority, as appears to be the case regarding donations, legal guidance from the County Attorney should be sought.

Without such procedures, there is an increased risk for the loss, misuse, or improper expenditure of County funds.

A similar finding was noted in prior audits.

We recommend the County Board implement procedures to ensure adequate supporting documentation is received for all expenditures of County funds. Those same procedures should ensure also that the County Board has the essential authority for every disbursement of its funds – and, whenever doubt exists regarding such authority, as appears to be the case regarding donations, legal guidance from the County Attorney should be sought.

Over-Budget Projects

We noted the County Board approved claims #23050158 and #23040052, totaling \$161,849, for an engineering project with Van Kirk Brothers Contracting, a construction company based in Sutton, Nebraska. That total approved claim amount exceeded the awarded \$153,528 bid amount by \$8,321.

Additionally, the County Board approved claims #23020079 and #23040052, totaling \$166,194, for a culvert project with the same contractor. Based on the second invoice to the County, the total culvert project cost increased to \$215,780 which exceeded the awarded \$214,721 bid amount by \$1,059.

However, the County Board never approved, by change orders or any other methods, the increases to the estimated costs for these two projects.

Neb. Rev. Stat. § 39-1407 (Cum. Supp. 2022) states, in relevant part, the following:

Whenever contracts are to be let for road improvements, it shall be the duty of the county board to cause to be prepared and filed with the county clerk an estimate of the nature of the work and the cost thereof. After such estimate has been filed, bids for such contracts shall be advertised by publication of a notice thereof once a week for three consecutive weeks in a legal newspaper of the county prior to the date set for receiving bids. Bids shall be let to the lowest responsible bidder.

Good internal controls and sound business practices require procedures to ensure that all payments made on County contracts comply with either the awarded bid amount or a formal change order approved by the County Board.

Without such procedures, there is an increased risk for not only violation of State law but also waste or other mismanagement of public funds.

We recommend the County implement procedures to ensure all payments on County contracts comply with the awarded bid amount, and any increase to such contract amount has been approved by the County Board prior to payment.

COUNTY CLERK

Balancing and Recordkeeping Procedures

We noted the following issues regarding the County Clerk’s financial recordkeeping and balancing procedures:

- The County Clerk collected \$3,067 in fees during the months of December 2022 through May 2023, as shown in the table below; however, these fees were not properly remitted to the County Treasurer as of June 30, 2023:

Description	Amount
Political Filing Fees	\$ 2,351
Documentary Stamps	589
Filing & Recording Fees	118
Marriage Licenses	9
Total	\$ 3,067

- No asset-to-liability reconciliation was performed for the County Clerk’s Fee Account during the fiscal year, resulting in a shortage of \$23 on June 30, 2023. This is a decrease of \$36 from the \$59 shortage noted in the prior audit.
- We noted an unknown variance of \$56 between the amount deposited into the County Clerk’s Fee Account and the receipts recorded in the County Clerk’s fee book. The receipts recorded in the fee book were less than the amount deposited into the bank.
- During the fiscal year, the County changed its ambulance billing service provider from Petsch Billing to Metro Billing Services; however, an accurate accounts receivable balance for both providers was not maintained. As a result, we noted an unknown variance of \$13,911 between the accounts receivable at year-end and the accounts receivable records maintained for the Ambulance Account. The County Clerk was unable to determine who the \$13,911 was due from.
- We noted a complete and accurate monthly bank reconciliation for the Ambulance Account was not completed during the fiscal year. Specifically, we noted ambulance fees, totaling \$264, were collected in February 2023, but they were not recorded in the Ambulance Account check register. As a result, these fees were not properly remitted to the County Treasurer as of June 30, 2023.

- We noted the County Clerk was not completing an accurate monthly bank reconciliation for the Vendor Imprest Account. As of June 30, 2023, there was an unknown shortage of \$627 between the bank and book balance for the account. This is an increase of \$620 from the shortage noted in the prior audit. The County Clerk was unable to identify the cause of this variance.

Neb. Rev. Stat. § 23-1601(1) (Reissue 2022) states, as is relevant, the following:

[I]t is the duty of the county treasurer to receive all money belonging to the county, from whatsoever source derived and by any method of payment provided by section 77-1702, and all other money which is by law directed to be paid to him or her.

Further, Neb. Rev. Stat. § 33-130 (Reissue 2016) provides the following:

Each county clerk or register of deeds shall, not later than the fifteenth day of the month following the calendar month in which fees are received, pay over to the county treasurer all fees received and take the receipt of the county treasurer therefor. Except as provided by section 25-2712, all fees received by the county treasurer pursuant to this section shall be credited to the general fund of the county.

Good internal control and sound business practice require procedures to ensure timely, complete, and accurate bank reconciliations are performed at least monthly, office assets agree with office liabilities at all times, and any variances are identified and resolved in a timely manner. Such procedures should also ensure accounts receivable activity, balances, and fees are recorded properly in the County's financial records, and receipts are properly remitted to the County Treasurer in accordance with State statute.

Without such procedures, the County is susceptible to intentional and/or unintentional errors or irregularities not being identified and corrected in a timely manner, increasing the risk of loss, theft, or misuse of County funds. Further, there is an increased risk of financial statements being materially misstated, and any such misstatements remaining undetected.

This finding was also noted in prior audits.

We recommend the County Clerk implement procedures for timely, complete, and accurate bank reconciliations, performed at least monthly, to ensure office assets agree with office liabilities at all times, and any variances noted are resolved in a timely manner. We further recommend procedures are implemented to ensure accounts receivable activity and balances are recorded properly, fees are properly recorded in the County's financial records, and those receipts are remitted to the County Treasurer in a timely manner.

COUNTY OVERALL

Expenditures in Excess of Budget

For the year ended June 30, 2023, disbursements exceeded budgeted appropriations in the County Assessor function of the General Fund by \$2,548 and in the County Museum Fund by \$25,120. These over-expenditures were funded by the available fund balance in the General Fund and County Museum Fund.

Neb. Rev. Stat. § 23-916 (Reissue 2022) provides the following:

After the adoption of the county budget, no officer, department or other expending agency shall expend or contract to be expended any money, or incur any liability, or enter into any contract which, by its terms, involves the expenditure of money not provided for in the budget, or which involves the expenditure of any money for any of the purposes for which provision is made in the budget in excess of the amounts provided in said budget for such office, department or other expending agency, or purpose, for such fiscal year. Any contract, verbal or written, made in violation of this section shall be null and void as to the county, and no money belonging thereto shall be paid thereon.

Good internal controls require procedures to ensure disbursements do not exceed budgeted appropriations without an appropriate resolution or amendment by the County Board.

When expenditures are made in excess of amounts budgeted, with no appropriate adjustments by the County Board to address those excesses, the County is not in compliance with State statute.

We recommend the County Board implement procedures for monitoring closely its budget status on an ongoing basis to avoid any individual function or Fund incurring expenses in excess of the budgeted amount.

Segregation of Duties

We noted that the offices of the County each lacked a segregation of duties, as one person could handle all aspects of processing a transaction from beginning to end. A lack of segregation of duties increases the risk of possible errors or irregularities; however, due to a limited number of personnel, an adequate segregation of duties may not be possible without additional cost.

Good internal control includes a plan of organization, procedures, and records designed to safeguard assets and provide reliable financial records. A system of internal control should include a proper segregation of duties, so no one individual is capable of handling all phases of a transaction from beginning to end.

This was also noted in prior audits.

We recommend the County review this situation. As always, the County must weigh the cost of hiring additional personnel versus the benefit of a proper segregation of duties.

* * * * *

It should be noted this report is critical in nature, as it contains only our comments and recommendations on the areas noted for improvement and does not include our observations on any strong features of the County.

Draft copies of this report were furnished to the County to provide management with an opportunity to review the report and to respond to the comments and recommendations included in this report. All formal responses received have been incorporated into this report. Where no response has been included, the County declined to respond. Responses that indicate corrective action has been taken were not verified at this time, but they will be verified in the next audit.

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Sincerely,



Rachel Witter, CPA, CFE
Audit Manager