

**AUDIT REPORT
OF
WEBSTER COUNTY
JULY 1, 2023, THROUGH JUNE 30, 2024**

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the Auditor of Public Accounts.**

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Issued on November 8, 2024

*The **Nebraska Auditor of Public Accounts Office** was created by the first territorial Legislature in 1855. The Auditor was the general accountant and revenue officer of the territory. Those duties have expanded and evolved over the decades, as modern accounting theory has been implemented. The office of the Auditor of Public Accounts is one of six offices making up the executive branch of Nebraska State Government. Mike Foley was elected in November 2006 and re-elected in November 2010 and November 2022 as the Nebraska Auditor of Public Accounts. He was sworn into office on January 5, 2023, and is Nebraska's 24th State Auditor.*

The mission of the Nebraska Auditor of Public Accounts' office is to provide independent, accurate, and timely audits, reviews, or investigations of the financial operations of Nebraska State and local governments.

We will provide this information, as required by statute, to all policymakers and taxpayers through written reports and our Internet-based Budget and Audit databases.

We will maintain a professionally prepared staff, utilizing up-to-date technology, and following current Government Auditing Standards.

Audit Staff Working On This Report

Dakota Christensen, CPA, CISA, CFE – Audit Manager

Derek Baumfalk – Auditor II

Jay Kannapareddy – Auditor II

Brady Neal – Auditor I

Jacob Placke – Auditor I

Our reports can be found electronically at: auditors.nebraska.gov

Additionally, you may request them by contacting us at:

Nebraska Auditor of Public Accounts

State Capitol, Suite 2303

P.O. Box 98917

Lincoln, Nebraska 68509

Phone: 402-471-2111

WEBSTER COUNTY

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WEBSTER COUNTY
621 N. Cedar Street
Red Cloud, NE 68970

LIST OF COUNTY OFFICIALS

At June 30, 2024

Title	Name	Term Expires
Board of Commissioners	Dan Shipman – District 1	Jan. 2027
	Trevor Karr – District 2	Jan. 2025
	TJ Vance – District 3*	Jan. 2027
	Tim Gilbert – District 4	Jan. 2025
	Gary Ratzlaff – District 5	Jan. 2027

**Jeff Pohlmeier-Mans was sworn in as District 3 Commissioner on September 3, 2024.*

Assessor Planning & Zoning	Tami Scheuneman	Jan. 2027 Appointed
Attorney	Patrick Calkins	Jan. 2027
Clerk Election Commissioner Register of Deeds Clerk of the District Court	Abbey Harig	Jan. 2027
Sheriff	Troy Schmitz	Jan. 2027
Treasurer	Janet Knehans	Jan. 2027
Surveyor	Thomas Krueger	Appointed
Veterans' Service Officer	Gary Ratzlaff	Appointed
Weed Superintendent	Brian Pedersen	Appointed
Highway Superintendent	Lance Harter	Appointed
Emergency Manager	Ron Sunday	Appointed



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

Mike Foley
State Auditor

Mike.Foley@nebraska.gov

PO Box 98917

State Capitol, Suite 2303

Lincoln, Nebraska 68509

402-471-2111, FAX 402-471-3301

auditors.nebraska.gov

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, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements 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 accompanying 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, 2024, or the changes in financial position for the year then ended in accordance with the basis of accounting described in Note 1.

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, 2024, 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 (*Government Auditing Standards*). 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 relating 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 unit. The County has not issued such reporting entity financial statements. The effects of not including the County's legally separate component unit on 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 20-32, 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 October 28, 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.

October 28, 2024

A handwritten signature in black ink that reads "Dakota Christensen". The signature is written in a cursive, flowing style.

Dakota Christensen, CPA, CISA, CFE
Audit Manager
Lincoln, Nebraska

WEBSTER COUNTY
STATEMENT OF NET POSITION - CASH BASIS
June 30, 2024

	Governmental Activities
	<hr/>
ASSETS	
Cash and Cash Equivalents (Note 1.D)	\$ 7,870,062
TOTAL ASSETS	<hr/> \$ 7,870,062 <hr/>
 NET POSITION	
Restricted for:	
Visitor Promotion	\$ 23,041
911 Emergency Services	6,410
Drug Education and Enforcement	10,466
Preservation of Records	9,077
Debt Service	138,896
Self-Insured Dental Plan	69,518
Federal Relief	57,787
County Museum	25,832
Unrestricted	7,529,035
TOTAL NET POSITION	<hr/> \$ 7,870,062 <hr/>

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, 2024

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	\$ (2,129,809)	\$ 215,236	\$ 72,705	\$ (1,841,868)
Public Safety	(1,176,884)	232,782	26,762	(917,340)
Public Works	(3,411,218)	11,519	1,671,370	(1,728,329)
Public Assistance	(27,513)	-	-	(27,513)
Culture and Recreation	(62,718)	1,166	-	(61,552)
Debt Payments	(221,287)	-	-	(221,287)
Capital Projects	(140,141)	-	-	(140,141)
Total Governmental Activities	<u>\$ (7,169,570)</u>	<u>\$ 460,703</u>	<u>\$ 1,770,837</u>	<u>(4,938,030)</u>

General Receipts:

Taxes:	
Property	3,843,967
Motor Vehicle	176,162
Inheritance	553,220
Lodging	8,550
Nameplate Capacity	306,704
Other	30,028
Grants and Contributions Not Restricted to Specific Programs	41,416
Investment Income	253,085
Miscellaneous	39,846
Total General Receipts	<u>5,252,978</u>
Change in Net Position	314,948
Net Position - Beginning of year	7,555,114
Net Position - End of year	<u>\$ 7,870,062</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, 2024

	General Fund	Road Fund	Inheritance Fund	Capital Construction Fund	Nonmajor Funds	Total Governmental Funds
ASSETS						
Cash and Cash Equivalents (Note 1.D)	\$ 2,444,252	\$ 1,354,981	\$ 2,607,968	\$ 329,009	\$ 1,133,852	\$ 7,870,062
TOTAL ASSETS	<u>\$ 2,444,252</u>	<u>\$ 1,354,981</u>	<u>\$ 2,607,968</u>	<u>\$ 329,009</u>	<u>\$ 1,133,852</u>	<u>\$ 7,870,062</u>
FUND BALANCES						
Restricted for:						
Visitor Promotion	-	-	-	-	23,041	23,041
911 Emergency Services	-	-	-	-	6,410	6,410
Drug Education and Enforcement	-	-	-	-	10,466	10,466
Preservation of Records	-	-	-	-	9,077	9,077
Debt Service	-	-	-	-	138,896	138,896
Self-Insured Dental Plan	-	-	-	-	69,518	69,518
Federal Relief	-	-	-	-	57,787	57,787
County Museum	-	-	-	-	25,832	25,832
Committed to:						
Law Enforcement	-	-	-	-	6,540	6,540
Road Maintenance	-	1,354,981	-	329,009	-	1,683,990
Aid and Assistance	-	-	-	-	20,258	20,258
Capital Projects	-	-	-	-	608,872	608,872
Noxious Weed Control	-	-	-	-	7,970	7,970
County Museum	-	-	-	-	56,630	56,630
Ambulance Services & Equipment	-	-	-	-	92,555	92,555
Assigned to:						
Other Purposes	-	-	2,607,968	-	-	2,607,968
Unassigned	2,444,252	-	-	-	-	2,444,252
TOTAL CASH BASIS FUND BALANCES	<u>\$ 2,444,252</u>	<u>\$ 1,354,981</u>	<u>\$ 2,607,968</u>	<u>\$ 329,009</u>	<u>\$ 1,133,852</u>	<u>\$ 7,870,062</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, 2024

	General Fund	Road Fund	Inheritance Fund	Capital Construction Fund	Nonmajor Funds	Total Governmental Funds
RECEIPTS						
Taxes:						
Property	\$ 3,554,398	\$ -	\$ -	\$ -	\$ 289,569	\$ 3,843,967
Motor Vehicle	176,162	-	-	-	-	176,162
Inheritance	-	-	553,220	-	-	553,220
Lodging	-	-	-	-	8,550	8,550
Nameplate Capacity	283,154	-	-	-	23,550	306,704
Other	22,974	6	-	-	7,048	30,028
Investment Income	247,753	-	-	-	5,332	253,085
Intergovernmental	64,521	1,470,848	-	226,325	50,559	1,812,253
Charges for Services	279,171	11,519	-	-	170,013	460,703
Miscellaneous	13,430	15,102	-	-	11,314	39,846
TOTAL RECEIPTS	4,641,563	1,497,475	553,220	226,325	565,935	7,484,518
DISBURSEMENTS						
General Government	1,889,406	-	198,146	-	42,257	2,129,809
Public Safety	975,479	-	-	-	201,405	1,176,884
Public Works	-	2,057,975	-	721,491	631,752	3,411,218
Public Assistance	21,268	-	-	-	6,245	27,513
Culture and Recreation	-	-	-	-	62,718	62,718
Debt Service:						
Principal Payments	-	-	-	-	205,000	205,000
Interest and Fiscal Charges	-	-	-	-	16,287	16,287
Capital Projects	-	-	-	-	140,141	140,141
TOTAL DISBURSEMENTS	2,886,153	2,057,975	198,146	721,491	1,305,805	7,169,570
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	1,755,410	(560,500)	355,074	(495,166)	(739,870)	314,948
OTHER FINANCING						
SOURCES (USES)						
Transfers in	23,399	205,309	-	709,726	294,122	1,232,556
Transfers out	(1,209,157)	-	-	-	(23,399)	(1,232,556)
TOTAL OTHER FINANCING	(1,185,758)	205,309	-	709,726	270,723	-
Net Change in Fund Balances	569,652	(355,191)	355,074	214,560	(469,147)	314,948
CASH BASIS FUND						
BALANCES - BEGINNING	1,874,600	1,710,172	2,252,894	114,449	1,602,999	7,555,114
CASH BASIS FUND						
BALANCES - ENDING	\$ 2,444,252	\$ 1,354,981	\$ 2,607,968	\$ 329,009	\$ 1,133,852	\$ 7,870,062

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

WEBSTER COUNTY
STATEMENT OF FIDUCIARY NET POSITION - CASH BASIS
June 30, 2024

	<u>Custodial Funds</u>
ASSETS	
Cash and Cash Equivalents	<u>\$ 1,235,136</u>
NET POSITION	
Restricted for:	
State - Collected by County Treasurer	95,106
State - Collected by Other Offices	1,020
Schools	107,026
Educational Service Units	1,421
Technical College	8,087
Natural Resource Districts	7,882
Fire Districts	2,265
Municipalities	13,174
Agricultural Society	579
Others - Collected by Other Offices	998,576
TOTAL NET POSITION	<u><u>\$ 1,235,136</u></u>

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

WEBSTER COUNTY
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - CASH BASIS
For the Year Ended June 30, 2024

	Custodial Funds
	<hr/>
ADDITIONS	
Collections for Other Governments	\$ 14,832,543
Miscellaneous Collections	<u>1,279,177</u>
TOTAL ADDITIONS	<u>16,111,720</u>
 DEDUCTIONS	
Payments to Other Governments	14,849,110
Other Miscellaneous Items Paid To Individuals	<u>288,958</u>
TOTAL DEDUCTIONS	<u>15,138,068</u>
 NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION	 973,652
 NET POSITION - BEGINNING OF YEAR	 <u>261,484</u>
NET POSITION - END OF YEAR	<u><u>\$ 1,235,136</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, 2024

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 \$8,806 toward the operation of the Region during fiscal year 2024. 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.

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).

WEBSTER COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

1. Summary of Significant Accounting Policies (Continued)

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 towards the operation of the Department during fiscal year 2024. 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) (2024 Neb. Laws, L.B. 1143, § 3). 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.

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 Funds. 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.

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.

WEBSTER COUNTY

NOTES TO FINANCIAL STATEMENTS (Continued)

1. Summary of Significant Accounting Policies (Continued)

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, 2024 Neb. Laws, L.B. 1074, § 96) 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.

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 \$341,027 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.

WEBSTER COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

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.

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 \$7,870,062 for County funds and \$1,235,136 for Fiduciary funds. The bank balances for all funds totaled \$9,032,807. For purposes of classifying categories of custodial credit risk, the bank balances of the County's deposits, as of June 30, 2024, 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.

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 2023, for the 2023 taxes, which will be materially collected in May and September 2024, was set at \$.323773/\$100 of assessed valuation. The levy set in October 2022, for the 2022 taxes, which were materially collected in May and September 2023, was set at \$.358486/\$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.

WEBSTER COUNTY

NOTES TO FINANCIAL STATEMENTS (Continued)

4. Retirement System

The Retirement System for Nebraska Counties (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; 2024 Neb. Laws, L.B. 198, § 4) 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. Through September 1, 2023, employees contributed 1% of their salary. Starting September 2, 2023, this contribution was increased to 2%. 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, 2024, 49 employees contributed \$92,212, and the County contributed \$135,624. Contributions included \$5,388 in cash contributions towards the supplemental law enforcement plan for six law enforcement employees. Lastly, the County paid \$312 directly to two retired employees for prior service benefits.

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 112 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.

WEBSTER COUNTY

NOTES TO FINANCIAL STATEMENTS
(Continued)

5. **Risk Management** (Concluded)

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	\$ 500,000	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, 2024, consisted of the following:

Transfers to	Transfers from		Total
	General Fund	Nonmajor Funds	
General Fund	\$ -	\$ 23,399	\$ 23,399
Road Fund	205,309	-	205,309
Capital Construction Fund	709,726	-	709,726
Nonmajor Funds	294,122	-	294,122
Total	<u>\$ 1,209,157</u>	<u>\$ 23,399</u>	<u>\$ 1,232,556</u>

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

In the year ended June 30, 2024, the County made one-time transfers from the Handi-Bus, Hospital Bond, and Bladen Highway North Project funds to close the funds and transfer the remaining fund balances to the General Fund.

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:

WEBSTER COUNTY

NOTES TO FINANCIAL STATEMENTS
(Continued)

7. Long-Term Obligations (Continued)

	Motor Graders
Balance July 1, 2023	\$ 1,118,319
Purchases	-
Payments	205,541
Balance June 30, 2024	<u>\$ 912,778</u>
Future Payments:	
Year	
2025	\$ 116,059
2026	116,059
2027	116,059
2028	116,059
2029	116,059
2030-2034	464,235
Total Payments	1,044,530
Less Interest	131,752
Present Value of Future Minimum Lease Payments	<u>\$ 912,778</u>
Carrying Value of the Related Fixed Asset	<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, 2024, was \$810,000. 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.

Future Payments:			
Year	Principal	Interest	Total
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>\$ 810,000</u>	<u>\$ 32,950</u>	<u>\$ 842,950</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, 2024, was \$1,080,000. 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.

WEBSTER COUNTY

NOTES TO FINANCIAL STATEMENTS
(Concluded)

7. Long-Term Obligations (Concluded)

Future Payments:

Year	Principal	Interest	Total
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	155,000	5,645	160,645
2030-2031	315,000	6,020	321,020
Total Payments	<u>\$ 1,080,000</u>	<u>\$ 47,623</u>	<u>\$ 1,127,623</u>

WEBSTER COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
RECEIPTS				
Taxes	\$ 4,121,203	\$ 4,121,203	\$4,036,688	\$ (84,515)
Investment Income	15,200	15,200	247,753	232,553
Intergovernmental	35,250	35,250	64,521	29,271
Charges for Services	247,420	247,420	279,171	31,751
Miscellaneous	1,700	1,700	13,430	11,730
TOTAL RECEIPTS	4,420,773	4,420,773	4,641,563	220,790
DISBURSEMENTS				
General Government:				
County Board	165,089	165,089	161,940	3,149
County Clerk	216,905	216,905	175,367	41,538
County Treasurer	221,369	221,369	193,406	27,963
County Assessor	207,343	207,343	184,718	22,625
Election Commissioner	32,000	32,000	20,528	11,472
Building and Zoning	14,906	14,906	10,239	4,667
Board of Equalization	104,985	104,985	71,869	33,116
Clerk of the District Court	7,600	7,600	4,526	3,074
County Court System	5,300	5,300	4,395	905
County Judge	800	800	7	793
Building and Grounds	272,656	272,656	96,230	176,426
Agricultural Extension Agent	100,837	100,837	87,687	13,150
Miscellaneous	1,314,339	1,314,339	878,494	435,845
Public Safety				
County Sheriff	863,977	863,977	803,839	60,138
County Attorney	115,062	115,062	96,037	19,025
County Jail	62,935	62,935	59,165	3,770
Emergency Management	21,060	21,060	16,438	4,622
Public Assistance				
Veterans' Service Officer	21,305	21,305	21,268	37
TOTAL DISBURSEMENTS	3,748,468	3,748,468	2,886,153	862,315
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	672,305	672,305	1,755,410	1,083,105
OTHER FINANCING SOURCES (USES)				
Transfers in	23,398	23,398	23,399	1
Transfers out	(1,175,303)	(1,175,303)	(1,209,157)	(33,854)
TOTAL OTHER FINANCING SOURCES (USES)	(1,151,905)	(1,151,905)	(1,185,758)	(33,853)
Net Change in Fund Balance	(479,600)	(479,600)	569,652	1,049,252
FUND BALANCE - BEGINNING	1,874,600	1,874,600	1,874,600	-
FUND BALANCE - ENDING	\$ 1,395,000	\$ 1,395,000	\$ 2,444,252	\$ 1,049,252

WEBSTER COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
MAJOR FUNDS

For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
ROAD FUND				
RECEIPTS				
Taxes	\$ 7	\$ 7	\$ 6	\$ (1)
Intergovernmental	1,452,415	1,452,415	1,470,848	18,433
Charges for Services	1,000	1,000	11,519	10,519
Miscellaneous	2,800	2,800	15,102	12,302
TOTAL RECEIPTS	<u>1,456,222</u>	<u>1,456,222</u>	<u>1,497,475</u>	<u>41,253</u>
DISBURSEMENTS	<u>2,346,703</u>	<u>2,346,703</u>	<u>2,057,975</u>	<u>288,728</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>(890,481)</u>	<u>(890,481)</u>	<u>(560,500)</u>	<u>329,981</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	205,309	205,309	205,309	-
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>205,309</u>	<u>205,309</u>	<u>205,309</u>	<u>-</u>
Net Change in Fund Balance	(685,172)	(685,172)	(355,191)	329,981
FUND BALANCE - BEGINNING	<u>1,710,172</u>	<u>1,710,172</u>	<u>1,710,172</u>	<u>-</u>
FUND BALANCE - ENDING	<u><u>\$ 1,025,000</u></u>	<u><u>\$ 1,025,000</u></u>	<u><u>\$ 1,354,981</u></u>	<u><u>\$ 329,981</u></u>
INHERITANCE FUND				
RECEIPTS				
Taxes	\$ 202,000	\$ 202,000	\$ 553,220	\$ 351,220
TOTAL RECEIPTS	<u>202,000</u>	<u>202,000</u>	<u>553,220</u>	<u>351,220</u>
DISBURSEMENTS	<u>2,454,894</u>	<u>2,454,894</u>	<u>198,146</u>	<u>2,256,748</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>(2,252,894)</u>	<u>(2,252,894)</u>	<u>355,074</u>	<u>2,607,968</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	40,000	40,000	-	(40,000)
Transfers out	(40,000)	(40,000)	-	40,000
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(2,252,894)	(2,252,894)	355,074	2,607,968
FUND BALANCE - BEGINNING	<u>2,252,894</u>	<u>2,252,894</u>	<u>2,252,894</u>	<u>-</u>
FUND BALANCE - ENDING	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,607,968</u></u>	<u><u>\$ 2,607,968</u></u>

(Continued)

WEBSTER COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
MAJOR FUNDS

For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>CAPITAL CONSTRUCTION FUND</u>				
RECEIPTS				
Intergovernmental	\$ 226,325	\$ 226,325	\$ 226,325	\$ -
TOTAL RECEIPTS	<u>226,325</u>	<u>226,325</u>	<u>226,325</u>	<u>-</u>
DISBURSEMENTS	<u>1,000,500</u>	<u>1,000,500</u>	<u>721,491</u>	<u>279,009</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>(774,175)</u>	<u>(774,175)</u>	<u>(495,166)</u>	<u>279,009</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	709,726	709,726	709,726	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>709,726</u>	<u>709,726</u>	<u>709,726</u>	<u>-</u>
Net Change in Fund Balance	(64,449)	(64,449)	214,560	279,009
FUND BALANCE - BEGINNING	<u>114,449</u>	<u>114,449</u>	<u>114,449</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ 329,009</u>	<u>\$ 279,009</u>
				(Concluded)

WEBSTER COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
SHERIFF'S DEPARTMENT FUNDRAISING FUND				
Receipts	\$ 8,150	\$ 8,150	\$ 50	\$ (8,100)
Disbursements	(11,648)	(11,648)	(2,984)	8,664
Net Change in Fund Balance	(3,498)	(3,498)	(2,934)	564
Fund Balance - Beginning	3,498	3,498	3,498	-
Fund Balance - Ending	\$ -	\$ -	\$ 564	\$ 564
VISITORS PROMOTION FUND				
Receipts	\$ 3,700	\$ 3,700	\$ 4,275	\$ 575
Disbursements	(9,321)	(9,321)	(3,300)	6,021
Net Change in Fund Balance	(5,621)	(5,621)	975	6,596
Fund Balance - Beginning	5,621	5,621	5,621	-
Fund Balance - Ending	\$ -	\$ -	\$ 6,596	\$ 6,596
VISITORS IMPROVEMENT FUND				
Receipts	\$ 3,700	\$ 3,700	\$ 4,275	\$ 575
Disbursements	(22,470)	(22,470)	(6,600)	15,870
Net Change in Fund Balance	(18,770)	(18,770)	(2,325)	16,445
Fund Balance - Beginning	18,770	18,770	18,770	-
Fund Balance - Ending	\$ -	\$ -	\$ 16,445	\$ 16,445
PRESERVATION AND MODERNIZATION FUND				
Receipts	\$ 3,000	\$ 3,000	\$ 2,474	\$ (526)
Disbursements	(12,655)	(12,655)	(3,052)	9,603
Net Change in Fund Balance	(9,655)	(9,655)	(578)	9,077
Fund Balance - Beginning	9,655	9,655	9,655	-
Fund Balance - Ending	\$ -	\$ -	\$ 9,077	\$ 9,077
SELF-INSURED DENTAL FUND				
Receipts	\$ -	\$ -	\$ 1,107	\$ 1,107
Disbursements	(93,761)	(93,761)	(39,205)	54,556
Transfers in	45,000	45,000	33,855	(11,145)
Transfers out	-	-	-	-
Net Change in Fund Balance	(48,761)	(48,761)	(4,243)	44,518
Fund Balance - Beginning	73,761	73,761	73,761	-
Fund Balance - Ending	\$ 25,000	\$ 25,000	\$ 69,518	\$ 44,518

(Continued)

WEBSTER COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
COUNTY RELIEF FUND				
Receipts	\$ 5	\$ 5	\$ 5	\$ -
Disbursements	(23,032)	(23,032)	(6,245)	16,787
Net Change in Fund Balance	(23,027)	(23,027)	(6,240)	16,787
Fund Balance - Beginning	23,027	23,027	23,027	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,787</u>	<u>\$ 16,787</u>
VETERANS' AID FUND				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(3,471)	(3,471)	-	3,471
Net Change in Fund Balance	(3,471)	(3,471)	-	3,471
Fund Balance - Beginning	3,471	3,471	3,471	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,471</u>	<u>\$ 3,471</u>
HANDI-BUS FUND				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(7,432)	(7,432)	(7,432)	-
Net Change in Fund Balance	(7,432)	(7,432)	(7,432)	-
Fund Balance - Beginning	7,432	7,432	7,432	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
OPIOID SETTLEMENT FUND				
Receipts	\$ 3,000	\$ 3,000	\$ 6,786	\$ 3,786
Disbursements	(6,680)	(6,680)	-	6,680
Net Change in Fund Balance	(3,680)	(3,680)	6,786	10,466
Fund Balance - Beginning	3,680	3,680	3,680	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,466</u>	<u>\$ 10,466</u>
DIVERSION PROGRAM FUND				
Receipts	\$ 1,000	\$ 1,000	\$ 1,800	\$ 800
Disbursements	(5,176)	(5,176)	-	5,176
Net Change in Fund Balance	(4,176)	(4,176)	1,800	5,976
Fund Balance - Beginning	4,176	4,176	4,176	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,976</u>	<u>\$ 5,976</u>
COVID AMERICAN RESCUE PLAN FUND				
Receipts	\$ 1,829	\$ 1,829	\$ 1,829	\$ -
Disbursements	(573,636)	(573,636)	(573,636)	-
Net Change in Fund Balance	(571,807)	(571,807)	(571,807)	-
Fund Balance - Beginning	571,807	571,807	571,807	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

WEBSTER COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
LOCAL ASSISTANCE AND TRIBAL CONSISTENCY FUND				
Receipts	\$ 50,000	\$ 50,000	\$ 50,000	\$ -
Disbursements	(91,853)	(91,853)	(34,066)	57,787
Net Change in Fund Balance	(41,853)	(41,853)	15,934	57,787
Fund Balance - Beginning	41,853	41,853	41,853	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 57,787</u>	<u>\$ 57,787</u>
911 EMERGENCY MANAGEMENT FUND				
Receipts	\$ -	\$ -	\$ 6,410	\$ 6,410
Disbursements	-	-	-	-
Net Change in Fund Balance	-	-	6,410	6,410
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,410</u>	<u>\$ 6,410</u>
HOSPITAL BOND FUND				
Receipts	\$ 25	\$ 25	\$ 25	\$ -
Disbursements	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(12,896)	(12,896)	(12,896)	-
Net Change in Fund Balance	(12,871)	(12,871)	(12,871)	-
Fund Balance - Beginning	12,871	12,871	12,871	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
BRIDGE BOND FUND				
Receipts	\$ 263,210	\$ 263,210	\$ 257,869	\$ (5,341)
Disbursements	(225,524)	(225,524)	(221,287)	4,237
Transfers in	40,000	40,000	-	(40,000)
Transfers out	(40,000)	(40,000)	-	40,000
Net Change in Fund Balance	37,686	37,686	36,582	(1,104)
Fund Balance - Beginning	102,314	102,314	102,314	-
Fund Balance - Ending	<u>\$ 140,000</u>	<u>\$ 140,000</u>	<u>\$ 138,896</u>	<u>\$ (1,104)</u>
REMODELING FUND				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(749,013)	(749,013)	(140,141)	608,872
Transfers in	200,000	200,000	200,000	-
Transfers out	-	-	-	-
Net Change in Fund Balance	(549,013)	(549,013)	59,859	608,872
Fund Balance - Beginning	549,013	549,013	549,013	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 608,872</u>	<u>\$ 608,872</u>

(Continued)

WEBSTER COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
BLADEN HIGHWAY NORTH PROJECT FUND				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(3,071)	(3,071)	(3,071)	-
Net Change in Fund Balance	(3,071)	(3,071)	(3,071)	-
Fund Balance - Beginning	3,071	3,071	3,071	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
NOXIOUS WEED FUND				
Receipts	\$ 32,000	\$ 32,000	\$ 576	\$ (31,424)
Disbursements	(97,510)	(97,510)	(58,116)	39,394
Transfers in	60,267	60,267	60,267	-
Transfers out	-	-	-	-
Net Change in Fund Balance	(5,243)	(5,243)	2,727	7,970
Fund Balance - Beginning	5,243	5,243	5,243	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,970</u>	<u>\$ 7,970</u>
COUNTY MUSEUM TAX FUND				
Receipts	\$ 63,594	\$ 63,594	\$ 58,248	\$ (5,346)
Disbursements	(56,000)	(56,000)	(52,818)	3,182
Net Change in Fund Balance	7,594	7,594	5,430	(2,164)
Fund Balance - Beginning	71,606	71,606	20,402	(51,204)
Fund Balance - Ending	<u>\$ 79,200</u>	<u>\$ 79,200</u>	<u>\$ 25,832</u>	<u>\$ (53,368)</u>
RED CLOUD AMBULANCE FUND				
Receipts	\$ 451,800	\$ 451,800	\$ 108,356	\$ (343,444)
Disbursements	(505,958)	(505,958)	(110,002)	395,956
Net Change in Fund Balance	(54,158)	(54,158)	(1,646)	52,512
Fund Balance - Beginning	54,158	54,158	54,158	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 52,512</u>	<u>\$ 52,512</u>
BLUE HILL AMBULANCE FUND				
Receipts	\$ 504,200	\$ 504,200	\$ 56,673	\$ (447,527)
Disbursements	(541,923)	(541,923)	(54,353)	487,570
Net Change in Fund Balance	(37,723)	(37,723)	2,320	40,043
Fund Balance - Beginning	37,723	37,723	37,723	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,043</u>	<u>\$ 40,043</u>

(Concluded)

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

For the Year Ended June 30, 2024

	Sheriff's Department Fundraising Fund	Visitors Promotion Fund	Visitors Improvement Fund	Preservation and Modernization Fund	Self-Insured Dental Fund	County Relief Fund
RECEIPTS						
Taxes:						
Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lodging	-	4,275	4,275	-	-	-
Nameplate Capacity	-	-	-	-	-	-
Other	-	-	-	-	-	5
Investment Income	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for Services	-	-	-	2,474	-	-
Miscellaneous	50	-	-	-	1,107	-
TOTAL RECEIPTS	50	4,275	4,275	2,474	1,107	5
DISBURSEMENTS						
General Government	-	-	-	3,052	39,205	-
Public Safety	2,984	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Assistance	-	-	-	-	-	6,245
Culture and Recreation	-	3,300	6,600	-	-	-
Debt Service:						
Principal Payments	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-
Capital Projects	-	-	-	-	-	-
TOTAL DISBURSEMENTS	2,984	3,300	6,600	3,052	39,205	6,245
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	(2,934)	975	(2,325)	(578)	(38,098)	(6,240)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	33,855	-
Transfers out	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	33,855	-
Net Change in Fund Balances	(2,934)	975	(2,325)	(578)	(4,243)	(6,240)
FUND BALANCES - BEGINNING	3,498	5,621	18,770	9,655	73,761	23,027
FUND BALANCES - ENDING	\$ 564	\$ 6,596	\$ 16,445	\$ 9,077	\$ 69,518	\$ 16,787
FUND BALANCES:						
Restricted for:						
Visitor Promotion	-	6,596	16,445	-	-	-
911 Emergency Services	-	-	-	-	-	-
Drug Education and Enforcement	-	-	-	-	-	-
Preservation of Records	-	-	-	9,077	-	-
Debt Service	-	-	-	-	-	-
Self-Insured Dental Plan	-	-	-	-	69,518	-
Federal Relief	-	-	-	-	-	-
County Museum	-	-	-	-	-	-
Committed to:						
Law Enforcement	564	-	-	-	-	-
Aid and Assistance	-	-	-	-	-	16,787
Capital Projects	-	-	-	-	-	-
Noxious Weed Control	-	-	-	-	-	-
County Museum	-	-	-	-	-	-
Ambulance Services & Equipment	-	-	-	-	-	-
TOTAL FUND BALANCES	\$ 564	\$ 6,596	\$ 16,445	\$ 9,077	\$ 69,518	\$ 16,787

(Continued)

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

For the Year Ended June 30, 2024

	Veterans' Aid Fund	Handi-Bus Fund	Opioid Settlement Fund	Diversion Program Fund	COVID American Rescue Plan Fund	Local Assistance and Tribal Consistency Fund
RECEIPTS						
Taxes:						
Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lodging	-	-	-	-	-	-
Nameplate Capacity	-	-	-	-	-	-
Other	-	-	-	-	-	-
Investment Income	-	-	-	-	1,829	-
Intergovernmental	-	-	-	-	-	50,000
Charges for Services	-	-	-	1,800	-	-
Miscellaneous	-	-	6,786	-	-	-
TOTAL RECEIPTS	-	-	6,786	1,800	1,829	50,000
DISBURSEMENTS						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	34,066
Public Works	-	-	-	-	573,636	-
Public Assistance	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
Debt Service:						
Principal Payments	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-
Capital Projects	-	-	-	-	-	-
TOTAL DISBURSEMENTS	-	-	-	-	573,636	34,066
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	-	-	6,786	1,800	(571,807)	15,934
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	(7,432)	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	(7,432)	-	-	-	-
Net Change in Fund Balances	-	(7,432)	6,786	1,800	(571,807)	15,934
FUND BALANCES - BEGINNING	3,471	7,432	3,680	4,176	571,807	41,853
FUND BALANCES - ENDING	\$ 3,471	\$ -	\$ 10,466	\$ 5,976	\$ -	\$ 57,787
FUND BALANCES:						
Restricted for:						
Visitor Promotion	-	-	-	-	-	-
911 Emergency Services	-	-	-	-	-	-
Drug Education and Enforcement	-	-	10,466	-	-	-
Preservation of Records	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Self-Insured Dental Plan	-	-	-	-	-	-
Federal Relief	-	-	-	-	-	57,787
County Museum	-	-	-	-	-	-
Committed to:						
Law Enforcement	-	-	-	5,976	-	-
Aid and Assistance	3,471	-	-	-	-	-
Capital Projects	-	-	-	-	-	-
Noxious Weed Control	-	-	-	-	-	-
County Museum	-	-	-	-	-	-
Ambulance Services & Equipment	-	-	-	-	-	-
TOTAL FUND BALANCES	\$ 3,471	\$ -	\$ 10,466	\$ 5,976	\$ -	\$ 57,787

(Continued)

WEBSTER COUNTY
**COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES**
NONMAJOR FUNDS
For the Year Ended June 30, 2024

	911 Emergency Management Fund	Hospital Bond Fund	Bridge Bond Fund	Remodeling Fund	Bladen Highway North Project Fund	Noxious Weed Fund
RECEIPTS						
Taxes:						
Property	\$ -	\$ 25	\$ 235,959	\$ -	\$ -	\$ -
Lodging	-	-	-	-	-	-
Nameplate Capacity	-	-	19,133	-	-	-
Other	6,410	-	515	-	-	-
Investment Income	-	-	1,807	-	-	-
Intergovernmental	-	-	455	-	-	-
Charges for Services	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	576
TOTAL RECEIPTS	6,410	25	257,869	-	-	576
DISBURSEMENTS						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	58,116
Public Assistance	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
Debt Service:						
Principal Payments	-	-	205,000	-	-	-
Interest and Fiscal Charges	-	-	16,287	-	-	-
Capital Projects	-	-	-	140,141	-	-
TOTAL DISBURSEMENTS	-	-	221,287	140,141	-	58,116
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	6,410	25	36,582	(140,141)	-	(57,540)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	200,000	-	60,267
Transfers out	-	(12,896)	-	-	(3,071)	-
TOTAL OTHER FINANCING SOURCES (USES)	-	(12,896)	-	200,000	(3,071)	60,267
Net Change in Fund Balances	6,410	(12,871)	36,582	59,859	(3,071)	2,727
FUND BALANCES - BEGINNING	-	12,871	102,314	549,013	3,071	5,243
FUND BALANCES - ENDING	\$ 6,410	\$ -	\$ 138,896	\$ 608,872	\$ -	\$ 7,970
FUND BALANCES:						
Restricted for:						
Visitor Promotion	-	-	-	-	-	-
911 Emergency Services	6,410	-	-	-	-	-
Drug Education and Enforcement	-	-	-	-	-	-
Preservation of Records	-	-	-	-	-	-
Debt Service	-	-	138,896	-	-	-
Self-Insured Dental Plan	-	-	-	-	-	-
Federal Relief	-	-	-	-	-	-
County Museum	-	-	-	-	-	-
Committed to:						
Law Enforcement	-	-	-	-	-	-
Aid and Assistance	-	-	-	-	-	-
Capital Projects	-	-	-	608,872	-	-
Noxious Weed Control	-	-	-	-	-	7,970
County Museum	-	-	-	-	-	-
Ambulance Services & Equipment	-	-	-	-	-	-
TOTAL FUND BALANCES	\$ 6,410	\$ -	\$ 138,896	\$ 608,872	\$ -	\$ 7,970

(Continued)

WEBSTER COUNTY
**COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES**
NONMAJOR FUNDS
For the Year Ended June 30, 2024

	County Museum Tax Fund	County Museum Fund	Red Cloud Ambulance Fund	Blue Hill Ambulance Fund	Total Nonmajor Funds
RECEIPTS					
Taxes:					
Property	\$ 53,585	\$ -	\$ -	\$ -	\$ 289,569
Lodging	-	-	-	-	8,550
Nameplate Capacity	4,417	-	-	-	23,550
Other	118	-	-	-	7,048
Investment Income	24	1,672	-	-	5,332
Intergovernmental	104	-	-	-	50,559
Charges for Services	-	1,166	108,128	56,445	170,013
Miscellaneous	-	2,339	228	228	11,314
TOTAL RECEIPTS	58,248	5,177	108,356	56,673	565,935
DISBURSEMENTS					
General Government	-	-	-	-	42,257
Public Safety	-	-	110,002	54,353	201,405
Public Works	-	-	-	-	631,752
Public Assistance	-	-	-	-	6,245
Culture and Recreation	52,818	-	-	-	62,718
Debt Service:					
Principal Payments	-	-	-	-	205,000
Interest and Fiscal Charges	-	-	-	-	16,287
Capital Projects	-	-	-	-	140,141
TOTAL DISBURSEMENTS	52,818	-	110,002	54,353	1,305,805
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	5,430	5,177	(1,646)	2,320	(739,870)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	294,122
Transfers out	-	-	-	-	(23,399)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	270,723
Net Change in Fund Balances	5,430	5,177	(1,646)	2,320	(469,147)
FUND BALANCES - BEGINNING	20,402	51,453	54,158	37,723	1,602,999
FUND BALANCES - ENDING	\$ 25,832	\$ 56,630	\$ 52,512	\$ 40,043	\$ 1,133,852
FUND BALANCES:					
Restricted for:					
Visitor Promotion	-	-	-	-	23,041
911 Emergency Services	-	-	-	-	6,410
Drug Education and Enforcement	-	-	-	-	10,466
Preservation of Records	-	-	-	-	9,077
Debt Service	-	-	-	-	138,896
Self-Insured Dental Plan	-	-	-	-	69,518
Federal Relief	-	-	-	-	57,787
County Museum	25,832	-	-	-	25,832
Committed to:					
Law Enforcement	-	-	-	-	6,540
Aid and Assistance	-	-	-	-	20,258
Capital Projects	-	-	-	-	608,872
Noxious Weed Control	-	-	-	-	7,970
County Museum	-	56,630	-	-	56,630
Ambulance Services & Equipment	-	-	52,512	40,043	92,555
TOTAL FUND BALANCES	\$ 25,832	\$ 56,630	\$ 52,512	\$ 40,043	\$ 1,133,852

(Concluded)

WEBSTER COUNTY
SCHEDULE OF OFFICE ACTIVITIES
For the Year Ended June 30, 2024

	County Clerk	Clerk of the District Court	County Sheriff	County Attorney	Highway Superintendent	County Museum	Total
BALANCES JULY 1, 2023	\$ 234,042	\$ 6,787	\$ 5,785	\$ -	\$ -	\$71,445	\$ 318,059
RECEIPTS							
Taxes	-	-	-	-	-	58,189	58,189
Intergovernmental	-	-	-	-	30,153	-	30,153
Charges for Services	183,584	1,652	64,692	-	10,763	1,166	261,857
Miscellaneous	95	-	-	-	10,727	4,035	14,857
State Fees	59,487	3,742	-	-	51	-	63,280
Other Liabilities	-	1,025,531	10,156	1,040	-	-	1,036,727
TOTAL RECEIPTS	243,166	1,030,925	74,848	1,040	51,694	63,390	1,465,063
DISBURSEMENTS							
Payments to County Treasurer	202,870	1,552	65,081	-	51,643	-	321,146
Payments to State Treasurer	68,839	3,530	-	-	51	-	72,420
Petty Cash & Other Payments	-	-	-	-	-	52,818	52,818
Other Liabilities	-	33,393	10,156	1,040	-	-	44,589
TOTAL DISBURSEMENTS	271,709	38,475	75,237	1,040	51,694	52,818	490,973
BALANCES JUNE 30, 2024	\$ 205,499	\$ 999,237	\$ 5,396	\$ -	\$ -	\$ 82,017	\$1,292,149
BALANCES CONSIST OF:							
Due to County Treasurer	\$ 204,938	\$ 202	\$ 4,846	\$ -	\$ -	\$ 82,017	\$ 292,003
Petty Cash	-	-	550	-	-	-	550
Due to State Treasurer	561	459	-	-	-	-	1,020
Due to Others	-	998,576	-	-	-	-	998,576
BALANCES JUNE 30, 2024	\$ 205,499	\$ 999,237	\$ 5,396	\$ -	\$ -	\$ 82,017	\$1,292,149

WEBSTER COUNTY
SCHEDULE OF TAXES CERTIFIED AND COLLECTED
FOR ALL POLITICAL SUBDIVISIONS IN THE COUNTY
June 30, 2024

Item	2019	2020	2021	2022	2023
Tax Certified by Assessor					
Real Estate	\$ 12,664,730	\$ 11,760,867	\$ 12,290,706	\$ 13,754,674	\$ 13,941,769
Personal and Specials	444,662	1,178,073	1,205,690	583,357	617,443
Total	<u>13,109,392</u>	<u>12,938,940</u>	<u>13,496,396</u>	<u>14,338,031</u>	<u>14,559,212</u>
Corrections					
Additions	790	3,105	12,332	3,936	-
Deductions	(9,210)	(11,805)	(10,052)	(6,013)	(2,654)
Net Additions/ (Deductions)	<u>(8,420)</u>	<u>(8,700)</u>	<u>2,280</u>	<u>(2,077)</u>	<u>(2,654)</u>
Corrected Certified Tax	<u>13,100,972</u>	<u>12,930,240</u>	<u>13,498,676</u>	<u>14,335,954</u>	<u>14,556,558</u>
Net Tax Collected by County Treasurer during Fiscal Year Ending:					
June 30, 2020	8,566,689	-	-	-	-
June 30, 2021	4,530,296	8,713,199	-	-	-
June 30, 2022	2,886	4,209,923	9,280,775	-	-
June 30, 2023	568	2,334	4,211,023	9,883,568	-
June 30, 2024	273	2,747	2,501	4,445,431	9,771,194
Total Net Collections	<u>13,100,712</u>	<u>12,928,203</u>	<u>13,494,299</u>	<u>14,328,999</u>	<u>9,771,194</u>
Total Uncollected Tax	<u>\$ 260</u>	<u>\$ 2,037</u>	<u>\$ 4,377</u>	<u>\$ 6,955</u>	<u>\$ 4,785,364</u>
Percentage Uncollected Tax	<u>0.00%</u>	<u>0.02%</u>	<u>0.03%</u>	<u>0.05%</u>	<u>32.87%</u>

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



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

Mike Foley
State Auditor

Mike.Foley@nebraska.gov

PO Box 98917

State Capitol, Suite 2303

Lincoln, Nebraska 68509

402-471-2111, FAX 402-471-3301

auditors.nebraska.gov

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 (*Government Auditing Standards*), 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, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated October 28, 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 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. We identified a certain deficiency in internal control, described below, that we consider to be a material weakness:

- The County offices lacked a segregation of duties, as one person could handle all aspects of processing a transaction from beginning to end. A proper system of 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 October 28, 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.

October 28, 2024

A handwritten signature in black ink that reads "Dakota Christensen". The signature is written in a cursive, flowing style.

Dakota Christensen, CPA, CISA, CFE
Audit Manager
Lincoln, Nebraska



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

Mike Foley
State Auditor

Mike.Foley@nebraska.gov

PO Box 98917

State Capitol, Suite 2303

Lincoln, Nebraska 68509

402-471-2111, FAX 402-471-3301

auditors.nebraska.gov

October 28, 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, 2024, and have issued our report thereon dated October 28, 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 AMBULANCE

County Funds in External Bank Account

During the fiscal year ending June 30, 2024, we noted that the Nebraska Department of Health and Human Services (DHHS) made three payments, totaling \$118,624, to the Webster County/Blue Hill Ambulance (Ambulance) to help purchase an ambulance and other EMS equipment. Based on the following information, these payments appear to have been intended for the benefit of the County:

1. In the State's accounting system, these payments were issued to an account ID in the system that was under the County's Federal Tax Identification Number (FTIN);
2. The ambulance that was purchased was titled under the County's name; and,
3. The County Treasurer has a separate fund for collecting fees paid for Ambulance billings.

Despite appearing to have been intended for the County, the three DHHS payments were deposited into a bank account outside of the County. The Ambulance maintains that bank account for holding donated funds and to make purchases for supplies not acquired with County funds. The Auditor of Public Accounts (APA) obtained the signature card associated with this bank account and noted that the account was not set up under the County's FTIN; however, the APA was unable to determine the entity with which the FTIN was associated. Further, the Ambulance is not registered with the Nebraska Secretary of State as a corporation or non-profit organization separate from the County.

Given the above information, it appears reasonable to conclude that the money in the Ambulance's outside bank account should be considered County funds.

Additionally, the Ambulance received \$25,000 from the County in May 2023, as noted in the prior audit report. As of July 1, 2023, the balance in the Ambulance's bank account was \$31,219, with the majority of this amount being comprised of funds received from the County.

For the fiscal year ended June 30, 2024, this Ambulance bank account received deposits, totaling \$118,643, of which \$118,624 was received from DHHS. Expenditures from this bank account totaled \$126,749. As of June 30, 2024, the account balance was \$23,113, of which \$16,875 was County grant funds.

If the funds received from DHHS were intended for the County, Neb. Rev. Stat. § 23-1601(1) (Reissue 2022) would apply, which states the following:

It 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. All money received by the county treasurer for the use of the county shall be paid out by him or her only on warrants issued by the county board according to law, except when special provision for payment of county money is otherwise made by law.

Good internal controls require procedures to ensure that all funds intended for the benefit of the County be paid to the County Treasurer. Expenditures of such funds should go through the claims process of the County.

Without such procedures, there is an increased risk for the loss, misuse, or theft of County funds, as well as inaccurate financial records being maintained by the County Treasurer.

We recommend the County review this situation and work with the Ambulance and the County Attorney to determine if the two are legally separate entities – and, if so, the remaining County funds held by the Ambulance are remitted to the County Treasurer. We further recommend the County implement procedures to ensure any County funds granted are spent appropriately and as intended, and any unused or excess funds are returned to the County Treasurer in a timely manner.

COUNTY CLERK

Ambulance Accounts Receivable

The County Clerk is tasked with handling billings and collections for both Blue Hill Ambulance and Red Cloud Ambulance. In January 2023, the County Clerk's office began using a third-party vendor to manage the ambulance billings. The following was noted regarding the accounts receivable for the ambulances:

- The County Clerk does not maintain an accurate accounts receivable balance. Based on documentation provided by the County Clerk and the third-party vendor, the accounts receivable balance as of June 30, 2024, was \$201,388; however, the actual accounts receivable balance on that date appears to have been \$184,305. The County Clerk's records show the accounts receivable balance being \$17,083 higher than the actual accounts receivable balance. The County Clerk was unable to determine if any of the accounts listed had previously been paid or written off.
- The County Clerk's records show that the accounts receivable balance for accounts billed prior to January 2023, when the County contracted with the third-party vendor, was \$168,638 as of June 30, 2024. Per discussion with the County Clerk, the County has taken very few steps to collect on these accounts, which were billed over one year ago. The County Clerk also thought that she was "done" with these accounts after the prior year audit was completed.

Good internal controls require procedures to ensure that the County Clerk maintains an accurate accounts receivable balance. Those same procedures should also include steps for actively tracking and following up on accounts receivable to ensure that payment is made in a timely manner.

Without such procedures, there is an increased risk of not only the County's financial statements being misstated but also failure to collect sufficient funds to maintain the operation of the County ambulances.

A similar finding was noted in prior audits.

We recommend the County Clerk implement procedures to ensure that an accurate accounts receivable balance is maintained. We further recommend that the County Clerk actively review the accounts receivable balances and attempt to collect payments owed to the County. If certain accounts cannot be collected, we recommend the County Clerk work with the County Board to determine if any can be written off. Any accounts written off must be approved by the County Board.

Accounting Procedures

During the audit, we noted the following issues with the County Clerk's accounting procedures:

- In the previous audit, it was noted that the County Clerk collected \$3,067 in fees between December 2022 and May 2023, as shown in the table below, that were not remitted to the County Treasurer in a timely manner. As of June 30, 2024, these fees still have not been remitted to the County Treasurer.

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

- During the fiscal year, the County Clerk's Fee Account earned \$43 of bank interest. As of June 30, 2024, no bank interest had been remitted to the County Treasurer.
- The County Clerk performed a monthly asset-to-liability reconciliation for the County Clerk's Fee Account; however, there was still a shortage of \$27 on June 30, 2024. This is an increase of \$4 from the \$23 shortage noted in the prior audit.

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

It 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 controls and sound business practices require procedures to ensure that 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 that receipts are remitted promptly 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.

A similar finding was noted in prior audits.

We recommend the County Clerk implement procedures 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 receipts are remitted to the County Treasurer in a timely manner.

COUNTY BOARD

Payroll and Leave Issues

During our testing of payroll and employee leave, we noted the following issues:

- For one of three employees tested, the County did not have a Form I-9 (Employment Eligibility Verification) on file.
- For one of three employees tested, the employee's vision deduction was not withheld pre-tax even though vision insurance is a qualified benefit under the County's Section 125 "Cafeteria Plan," and the employee elected to participate in that plan.
- For two employees, vacation and sick leave accrued at the beginning of the year. However, the County's employee manual is unclear whether vacation leave balances should be accrued at the beginning of the year or proportionally throughout the year.

The U.S. Department of Justice Immigration Reform and Control Act of 1986 requires an Employment Eligibility Verification Form I-9 to be completed for every employee hired after November 6, 1986. The Form I-9 must be kept by the employer either for three years after the date of hire or for one year after employment is terminated, whichever is later.

Qualified benefits (e.g., health, vision, dental insurance) offered under a "Cafeteria Plan" per Section 125 of the Internal Revenue Code are deducted pre-tax when the employee is offered a choice between at least one taxable benefit (e.g., cash-in-lieu payments) and at least one qualified benefit.

Below is an excerpt from the Webster County Employee Handbook (effective April 1, 2022), Chapter VIII ("Leave Policies"), Section 1 ("Vacation Leave"):

1. Vacation Leave

1.1 Introduction

Vacation is provided to employees for the mutual benefit of the employee and the County. Extended time away from work on a periodic basis gives the employee a break, allowing them to return to work refreshed.

1.2 Eligibility

Employees begin earning vacation leave on the first day of employment.

1.3 Accrual Rate and Maximum Cap

Years of Service	Hours Earned per Month	Total Earned per Year	Maximum Accrual Cap
Hire Date – 1 Year	3.33 Hours	40 Hours / 5 Days	40 Hours
2 Years – 9 Years	6.67 Hours	80 Hours / 10 Days	120 Hours
10 years – 19 Years	10.00 Hours	120 Hours / 15 Days	160 Hours
20 Years +	13.33 Hours	160 Hours / 20 Days	200 Hours

Full-time and regular part-time employees earn vacation leave in proportion to the time that they work. For example, a regular part-time employee who works on a half-time basis would earn one-half the vacation leave earned by a full-time employee who works 40 hours per week with the same length of service.

[Formula: Number of hours regular part-time employee works per week divided by 40 hours worked per week (maximum full-time hours) equals percentage of time worked. Then take the number of vacation hours earned by a full-time employee who works 40 hours per week with the same length of service as the regular part-time employee times the percentage of time worked by the regular part-time employee equals number of hours of vacation earned by that regular part-time employee.]

1.4 Vacation Usage; No Use Before Accrual

Vacation leave is paid at the employee's base pay. A full week of vacation leave is equal to forty (40) hours, and a vacation day for most full-time employees is considered to be an 8-hour day. Vacation leave can be taken in thirty (30) minute increments.

The Webster County Employee Handbook is clearer regarding sick leave accruals, as shown in the following excerpt from Chapter VIII (“Leave Policies”), Section 2 (“Sick Leave”):

Full-time and regular part-time employees begin earning sick leave on the first day of employment. Employees shall be credited with sick leave on a weekly basis at the rate of one-fifty second (1/52) of the total sick leave allotted for the year. Temporary or seasonal employees do not receive sick leave. Full-time employees who work 40 hours per week will accrue sick pay benefits at a rate of 80 hours per year. All other full-time and regular part-time employees earn sick leave in proportion to the time that they work. For example, a regular part-time employee who works on a half-time basis would earn one-half the sick leave earned by a 40 hour full-time employee.

Good internal controls and sound business practices require procedures to ensure the following: 1) required employment verification forms are maintained for all County employees; 2) qualified benefits under the County’s Section 125 “Cafeteria Plan” are properly withheld; and 3) the employee handbook clearly outlines how leave is accrued and leave earned is in accordance with such handbook.

Without such procedures, there is an increased risk of not only noncompliance with State statute and Federal regulations but also misuse of public funds and a significant liability against the County for leave balances owed.

We recommend the County implement procedures to ensure the following: 1) required employment verification forms are maintained for all County employees; 2) qualified benefits under the County’s Section 125 “Cafeteria Plan” are properly withheld; and 3) the Webster County Employee Handbook outlines clearly how leave is accrued, and earned leave is reviewed to ensure compliance with those guidelines.

COUNTY TREASURER

Nameplate Capacity Tax Distribution

During testing, we noted that the distribution of the Nameplate Capacity Tax for the Little Blue Wind Farm was not calculated correctly, as the distribution calculation did not utilize the correct number of wind turbines in each tax district. The following table summarizes the overpayments and underpayments noted:

Subdivision	Over/(Under) Payment
Adams Central Schools	\$ (5,616)
Adams Central Schools Bond	(609)
Silver Lake Schools	5,263
Silver Lake Schools Bond	406
County Funds	378
Central Community College	100
Lower Republican NRD	31
Campbell Fire District	23
ESU #9	18
Agricultural Society	7
Bladen Fire District	(4)
Little Blue NRD	3
Total	-

Neb. Rev. Stat. § 77-6204 (Reissue 2018) states, in relevant part, the following:

(1) The county treasurer shall distribute all revenue received from the Department of Revenue pursuant to section 77-6203 to local taxing entities which, but for such personal property tax exemption, would have received distribution of personal property tax revenue from depreciable personal property used directly in the generation of electricity using wind, solar, biomass, or landfill gas as the fuel source.

* * * *

(3) The distribution to each eligible local taxing entity shall be calculated by determining the amount of taxes that the eligible local taxing entity levied during the taxable year and dividing this amount by the total tax levied by all of the eligible local taxing entities during the year. Each eligible entity's resulting fraction shall then be multiplied by the revenue distributed to the county treasurer by the department to determine the portion of such revenue due each local taxing entity.

Good internal controls require procedures to ensure that Nameplate Capacity Tax distributions are calculated correctly.

Without such procedures, there is an increased risk of political subdivisions not receiving the correct amount of tax proceeds, increasing the risk for loss or misuse of funds.

We recommend the County Treasurer correct the erroneous distributions noted. Additionally, we recommend the County Treasurer implement procedures to ensure future Nameplate Capacity Tax distributions are calculated correctly.

CLERK OF THE DISTRICT COURT

Overdue Case Balances

During the audit, we tested three balances listed on the Overdue Case Account Report (Report). While doing so, we noted that, for one \$1,480 balance, the District Court failed to take subsequent action, such as the issuance of a warrant and/or suspension or the designation of the balance as uncollectible, to ensure its timely collection and/or resolution. Per the Deputy Clerk of the District Court, this balance had been overlooked, but it was corrected on the same day the APA inquired about it.

As of August 30, 2024, overdue case balances, excluding restitution judgments, decreased by \$411, to a total of \$7,553. Of the cases included on the Report, none were flagged with a current warrant or suspension.

Good internal controls and sound accounting practices require procedures to ensure that the Report is reviewed on an ongoing, timely basis to determine what action should be taken to collect or otherwise address the balances listed therein. Such review and any resulting follow-up action should be adequately documented.

Without such procedures, there is an increased risk of overdue balances either not having proper follow-up action taken timely, resulting in the District Court not collecting all funds owed to it, or having been resolved previously and no longer needing to be reflected as overdue in the accounting system.

A similar comment was noted in the prior year's report.

We recommend the District Court implement procedures to ensure that the Report is reviewed on an ongoing, timely basis, and such review and any resulting follow-up action is documented adequately. Potential courses of action for follow-up on overdue case balances would include the issuance of warrants, a judge's determination and order to waive certain costs, if allowable, or a designation of certain balances as being uncollectible. If a determination should be made that no further action is necessary on a specific balance, we recommend the District Court document both that determination and the reason therefore.

COUNTY OVERALL

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.

A proper system of 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. The County declined to respond.

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,



Dakota Christensen, CPA, CISA, CFE
Audit Manager