AUDIT REPORT
OF
DUNDY COUNTY
JULY 1, 2024, THROUGH JUNE 30, 2025

DUNDY COUNTY

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DUNDY COUNTY

112 W 7th Ave
Benkelman, NE 69021

LIST OF COUNTY OFFICIALS
At June 30, 2025

Title	Name	Expires
Board of Commissioners	Aaron Keiser	Dec. 2026
	Tom Richard	Dec. 2026
	Sye Tecker	Dec. 2026
Assessor	Tish Burrel	Dec. 2026
Attorney	Arlan G. Wine	Dec. 2026
Clerk/ Register of Deeds	Mary Seybold	Dec. 2026
Surveyor	Ryan E. Dickinson	Dec. 2026
Clerk of the District Court	Pandora Garcia	Dec. 2026
Sheriff	Kenneth C Bang	Dec. 2026
Treasurer	Penny Denny	Dec. 2026

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Seward, NE 68434
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Jesse E. Skelton, CPA

DUNDY COUNTY

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Dundy County, Nebraska

Report on the Audit of the Financial Statements

Opinions

Unmodified Opinions

We have audited the cash-basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Dundy County, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, as listed in the table of contents.

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 Dundy County as of June 30, 2025, 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.

Adverse Opinions

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinions section of our report, the accompanying financial statements referred to above do not present fairly the financial position of the aggregate discretely presented component unit of the County as of June 30, 2025, or the changes in its financial position thereof for the year then ended in accordance with the cash basis of accounting.

Basis for Unmodified Opinions

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

Basis for Adverse Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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, as well as, unmodified audit opinions.

Matters Giving Rise to Adverse Opinion on the Aggregate Discretely Presented Component Units

The financial statements referred to above include only the primary government of Dundy County which consists of all funds, departments, and offices that comprise the County's legal entity. The financial statements do not include financial data for the County's legally separate component unit. Governmental accounting principles require financial data for the County's legally separate component unit to be reported with the financial data of the County's primary government. The amount by which

this departure would affect the assets, net position, revenues, and expenses 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.

Required Supplementary Information
Governmental accounting principles require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of

management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Matters

Management has omitted management's discussion and analysis that governmental accounting principles has determined is necessary to supplement, although not required to be part of, the basic financial statements. The auditor's opinion on the basic financial statements is not affected by this missing information.

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, page numbers as noted in the Table of Contents, 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 September 2, 2026, on our consideration of Dundy 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 Dundy County's internal control over financial reporting and compliance.



Seward, Nebraska
September 2, 2026

DUNDY COUNTY
STATEMENT OF NET POSITION - CASH BASIS
June 30, 2025

		Governmental Activities
ASSETS		
Cash and Cash Equivalents (Note 1.D)	$	1,512,840
Investments (Note 1.D)		500,000
TOTAL ASSETS	$	2,012,840
NET POSITION		
Restricted for:		
Visitor Promotion	$	26,420
911 Emergency Services		237,370
Drug Education		5,115
Law Enforcement		1,856
Preservation of Records		24,018
Unrestricted		1,718,061
TOTAL NET POSITION	$	2,012,840

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

DUNDY COUNTY
STATEMENT OF ACTIVITIES - CASH BASIS
June 30, 2025

Functions:	Cash Disbursements	Program Cash Receipts: Fees, Fines, and Charges for Services	Program Cash Receipts: Operating Grants and Contributions	Net (Disbursement) Receipts and Changes in Net Position
Governmental Activities:				
General Government	$ (938,089)	$ 346,287	$ 26,131	$ (565,671)
Public Safety	(1,008,233)	46,568	-	(961,665)
Public Works	(1,528,385)	484	827,350	(700,551)
Public Health	-	-	-	-
Public Assistance	(289,757)	1,226	-	(288,531)
Culture and Recreation	(8,745)	-	-	(8,745)
Miscellaneous	(587,358)	-	-	(587,358)
Debt Payments	(244,134)	-	-	(244,134)
Capital Outlays	(269,999)	-	-	(269,999)
Total Governmental Activities	$ (4,874,700)	$ 394,565	$ 853,481	$ (3,626,654)

General Receipts:	
Taxes	$ 2,530,225
Grants and Contributions Not Restricted to Specific Programs	647,522
Investment Income	112,668
Licenses and Permits	250
Health Insurance Settlements	4,166
Miscellaneous	39,402
Net Transfers	-
Total General Receipts	$ 3,334,233
Change in Net Position	$ (292,421)
Net Position - Beginning of year	2,305,261
Net Position - End of year	$ 2,012,840

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

DUNDY COUNTY
STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES
GOVERNMENTAL FUNDS
June 30, 2025

	General Fund	Road Fund	Inheritance Tax Fund	Nonmajor Funds	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents (Note 1.D)	$ 326,986	$ 297,798	$ 273,847	$ 614,209	$ 1,512,840
Investments (Note 1.D)	-	-	500,000	-	500,000
TOTAL ASSETS	$ 326,986	$ 297,798	$ 773,847	$ 614,209	$ 2,012,840
FUND BALANCES					
Restricted for:					
Visitor Promotion	$ -	$ -	$ -	$ 26,420	$ 26,420
911 Emergency Services	-	-	-	237,370	237,370
Drug Education	-	-	-	5,115	5,115
Law Enforcement	-	-	-	1,856	1,856
Preservation of Records	-	-	-	24,018	24,018
Committed to:					
Law Enforcement	-	-	-	4,920	4,920
Road and Bridge Maintenance	-	297,798	-	300,128	597,926
Aid and Assistance	-	-	-	10,399	10,399
Community Betterment	-	-	-	505	505
Hospital Bond	-	-	-	3,478	3,478
Assigned to:					
Other Purposes	-	-	773,847	-	773,847
Unassigned	326,986	-	-	-	326,986
TOTAL CASH BASIS FUND BALANCES	$ 326,986	$ 297,798	$ 773,847	$ 614,209	$ 2,012,840

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

DUNDY COUNTY
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2025

	General Fund	Road Fund	Inheritance Tax Fund	Nonmajor Funds	Total Governmental Funds
RECEIPTS					
Taxes	$ 1,550,737	$ 618,423	$ 48,196	$ 312,869	$ 2,530,225
Licenses and Permits	175	-	-	75	250
Investment Income	112,668	-	-	-	112,668
Intergovernmental	286,905	932,569	-	281,529	1,501,003
Charges for Services	340,792	484	-	53,289	394,565
Miscellaneous	17,584	-	-	25,984	43,568
TOTAL RECEIPTS	2,308,861	1,551,476	48,196	673,746	4,582,279
DISBURSEMENTS					
General Government	753,089	-	185,000	-	938,089
Public Safety	967,801	-	-	40,432	1,008,233
Public Works	13,373	1,390,739	-	124,273	1,528,385
Public Health	-	-	-	-	-
Public Assistance	10,381	-	-	279,376	289,757
Culture and Recreation	-	-	-	8,745	8,745
Miscellaneous	587,358	-	-	-	587,358
Debt Service:					
Principal Payments	-	120,019	-	124,115	244,134
Interest and Fiscal Charges	-	-	-	-	-
Capital Outlay	107,410	48,763	-	113,826	269,999
TOTAL DISBURSEMENTS	2,439,412	1,559,521	185,000	690,767	4,874,700
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	(130,551)	(8,045)	(136,804)	(17,021)	(292,421)
OTHER FINANCING SOURCES (USES)					
Transfers in	160,852	-	65,000	46,156	272,008
Transfers out	(60,000)	(5,000)	(160,000)	(47,008)	(272,008)
Proceeds from Sale of Bonds	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	100,852	(5,000)	(95,000)	(852)	-
Net Change in Fund Balances	(29,699)	(13,045)	(231,804)	(17,873)	(292,421)
CASH BASIS FUND BALANCES - BEGINNING	356,685	310,843	1,005,651	632,082	2,305,261
CASH BASIS FUND BALANCES - ENDING	$ 326,986	$ 297,798	$ 773,847	$ 614,209	$ 2,012,840

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

DUNDY COUNTY

STATEMENT OF CASH RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES
FIDUCIARY FUNDS

For the Year Ended June 30, 2025

	Custodial Fund Balances July 1, 2024	Receipts	Disbursements	Custodial Fund Balances June 30, 2025
ASSETS				
Cash and Cash Equivalents	$ 109,491	$ 10,637,239	$ 10,638,545	$ 108,185
LIABILITIES				
Due to other governments				
State - Collected by County Treasurer	39,930	682,131	679,964	42,097
State - Collected by Other Offices	5,160	49,964	53,589	1,535
Schools	45,725	6,568,435	6,568,875	45,285
Educational Service Units	476	142,226	141,782	920
Community College	2,414	363,119	364,196	1,337
Natural Resource Districts	3,556	1,706,313	1,703,847	6,022
Cemetery District	1,421	21,750	23,003	168
Fire Districts	223	116,282	115,869	636
Drainage Districts	628	88,174	88,802	-
Municipalities	7,537	316,196	316,338	7,395
Agricultural Society	179	53,362	53,196	345
Irrigation District	628	88,174	88,802	-
Historical Society	26	4,409	4,417	18
Hospital	956	280,215	279,376	1,795
Others- Collected by County Treasurer	632	156,489	156,489	632
TOTAL LIABILITIES	109,491	10,637,239	10,638,545	108,185
TOTAL NET POSITION	$ -	$ -	$ -	$ -

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

1. Summary of Significant Accounting Policies

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

A. Reporting Entity

Dundy 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 Dundy County Health Systems (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 governmental accounting principles. Complete financial statements of the Hospital can be obtained from the Hospital's administrative office.

Joint Organization.

Behavioral Health Region II – 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 II (Region) consists of the following counties: Arthur, Chase, Dawson, Dundy, Frontier, Gosper, Grant, Hayes, Hitchcock, Hooker, Keith, Lincoln, Logan, McPherson, Perkins, Red Willow, and Thomas.

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 $1,762 toward the operation of the Region during fiscal year 2025. 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 Southwest Nebraska Public Health Department (Department) to provide public health services. The agreement was established under authority of the Interlocal Cooperation Act for services to be provided per Neb. Rev. Stat. §§ 71-1626 to 71-1636 (Reissue 2018).

The Department's governing board is established by statute and includes representatives from the participating county boards and the health profession. Funding is provided by a combination of federal, state, local, and private funding. The County did not contribute toward the operation of the Department during fiscal year 2025. In the event of the termination of the agreement, assets would be disposed of in accordance with the terms of the agreement. The Department is audited in accordance with Neb. Rev. Stat.§ 84-304(4) (Supp. 2023). Financial information for the Department is available in that report.

B. Basis of Presentation

Government-Wide Financial Statements. The Statement of Net Position - Cash Basis and Statement of Activities - Cash Basis display information about the activities of the County and are in the format of government-wide statements, as required by GASB Statement Number 34. These statements include all the financial activities of the County, except for fiduciary

activities and the Hospital. Internal activities in these statements were considered immaterial and have not been eliminated. Governmental accounting principles require 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. Governmental accounting principles require 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.

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.

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 E911 Wireless Fund accounts for resources received and used for the acquisition or development of major capital improvements.

Debt Service Fund. The Hospital 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.

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 consist of all cash on hand, demand deposit accounts, and money market accounts with immediate liquidity.

Investments. The types of investments in which the County is authorized to invest funds are enumerated in Neb. Rev. Stat. § 77-2315, § 77-2340, and § 77-2341 (Reissue 2018) and generally include U.S. Government obligations, certificates of deposit, time deposits, and securities 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. This differs from governmental GAAP which requires capital assets, including property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), to be reported in the applicable governmental asset activities columns in the government-wide financial statements.

Depreciation expenses on capital assets were not recorded on the cash basis financial statements. Under governmental 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 $294,779 of restricted net position which is fully restricted by enabling legislation.

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

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

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

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).

Breakdown of Cash and Equivalents and Investments as of June 30, 2025:

Checking	$	1,704,849
Certificates of Deposit		500,000
Total Cash and Investments		2,204,849
Less: Agency Held Funds		(104,223)
Less: Balance Held by Other Offices		(87,786)
Total Cash Held by County	$	2,012,840

Custodial Credit Risk – For purposes of classifying categories of custodial credit risk, the bank balances of the County's deposits, as of June 30, were not entirely insured by the Federal Deposit Insurance Corporation (FDIC).

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Duration is a measure of a debt investment's exposure to fair value changes arising from changes in interest rates. It uses the present value of cash flows, weighted for those cash flows as a percentage of the investments full price.

The County invests primarily in certificates of deposit which effectively limits exposure to interest rate risk as certificates of deposit have fixed interest rates. The County's use of money market funds does expose the County to interest rate risk,

but the effects of such exposure do not put the County's current operating environment at risk for failure as the County is not dependent on the performance of such funds to maintain its current operations.

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. By investing primarily in certificates of deposit and money market accounts the County effectively limits exposure to credit risk. Bond ratings are not applicable to the County's portfolio of cash and investments.

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The County does have some exposure to concentration of credit risk as it keeps funds in investment vehicles that were not entirely insured by the FDIC or collateralized with securities held in the County's name.

The County does not have exposure to foreign currency risk.

3. Taxes

Property taxes are levied by the County Board on or before October 15 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.

As stated in Neb. Rev. Stat. § 77-3442 counties are permitted by the State Constitution to levy a tax of up to $.45/$100 of assessed valuation for general governmental services other than the payment of principal and interest on bonded debt plus an additional $.05/$100 for interlocal agreements. Counties may levy taxes in addition to this 50-cent limitation upon a vote of the people. The levy limit analysis of the largest possible district levy set in October 2024 was $.3045/$100 which complied with state statute.

The county general fund levy set in October 2024, for the 2024 taxes, which will be materially collected in May and September 2025, was set at $.278096/$100 of assessed valuation. The county general fund levy set in October 2023, for the 2023 taxes, which were materially collected in May and September 2024, was set at $.277899/$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.

4. Retirement Systems

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) and may be amended through legislative action.

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

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

A supplemental retirement plan was established on January 1, 2003, for the benefit of all present and future commissioned law enforcement personnel employed by the County. Employees contribute 1% of their salary, and the County contributes an amount equal to 100% of the employee's contribution. In a defined contribution plan, benefits depend solely on amounts contributed to the Plan plus investment earnings. For the year ended June 30, 2025, 59 employees contributed $79,993, and the County contributed $116,180.

5. Risk Management

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

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

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

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

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

6. Interfund Transfers

Interfund transfers for the year ended June 30, 2025, consisted of the following:

		Transfers Out					
		MAJOR FUNDS			NONMAJOR FUNDS		
		100	200	2700	2500	5907	
		General	Road	Inheritance Tax	Grants Fund	County 911	Total
Transfers In							
MAJOR FUNDS							
100	General			160,000	852		160,852
2700	Inheritance Tax	60,000	5,000				65,000
NONMAJOR FUNDS							
2913	E911 Wireless Fund					46,156	46,156
	Total	60,000	5,000	160,000	852	46,156	272,008

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

7. Long-Term Obligations

Governmental Activities	2025				
	Beginning Balance	Additions	Deductions	Ending Balance	Current Portion
Long-term debt					
Bonds payable	$ 565,000	$ -	$ 110,000	$ 455,000	$ 110,000
Notes payable	$ 361,752	$ -	$ 118,208	$ 243,544	$ 76,581
Total long-term debt	$ 926,752	$ -	$ 228,208	$ 698,544	$ 186,581

Governmental Type	Original Amount	Interest Rate	Principal Amount Outstanding
General Obligation Bonds			
General Obligation Bond, Hospital Series 2017	$ 565,000	2.05%	$ 455,000
Road Equipment Loans			
2019 JD Excavator	$ 381,850	5.989%	$ 243,544

	2025					
	Governmental Activities					
Year Ending	General Obligation Bonds		Notes Payable		Capital Lease	
June 30,	Principal	Interest	Principal	Interest	Principal	Interest
2026	$ 110,000	$ 11,460	$ 76,581	$ 14,838	$ -	$ -
2027	110,000	8,985	81,168	10,251	-	-
2028	115,000	6,290	86,030	5,389	-	-
2029	120,000	3,300	(235)	236	-	-
2030	-	-	-	-	-	-
2031-2035	-	-	-	-	-	-
	$ 455,000	$ 30,035	$ 243,544	$ 30,714	$ -	$ -

8. Subsequent Events

Subsequent events have been evaluated through September 2, 2026, which is the date the financial statements were issued. During the review of subsequent events no issues were noted that were required to be disclosed in the notes to the financial statements.

DUNDY COUNTY
BUDGET COMPARISON SCHEDULE – BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
RECEIPTS				
Taxes	$ 1,822,496	$ 1,822,496	$ 1,550,737	$ (271,759)
Licenses and Permits	-	-	175	175
Investment Income	75,000	75,000	112,668	37,668
Intergovernmental	340,615	340,615	286,905	(53,710)
Charges for Services	330,600	330,600	340,792	10,192
Miscellaneous	-	-	17,584	17,584
TOTAL RECEIPTS	2,568,711	2,568,711	2,308,861	(259,850)
DISBURSEMENTS				
General Government				
County Board	65,769	65,769	65,285	484
County Clerk	146,793	146,793	150,424	(3,631)
County Treasurer	139,806	139,806	129,993	9,813
County Assessor	172,394	172,394	152,884	19,510
Elections	16,500	16,500	8,841	7,659
Planning and Zoning	31,800	31,800	26,063	5,737
District Court	2,050	2,050	3,533	(1,483)
County Court	6,220	6,220	4,594	1,626
Building and Grounds	76,040	76,040	161,639	(85,599)
Agriculture Ext AG	54,410	54,410	49,833	4,577
Public Safety				
Sheriff	507,422	507,422	400,467	106,955
Attorney	147,234	147,234	147,728	(494)
Communications	217,500	217,500	298,373	(80,873)
Jail	30,500	30,500	52,597	(22,097)
Emergency Man	363,623	363,623	68,636	294,987
Public Works				
Noxious Weed Control	33,640	33,640	13,373	20,267
Public Welfare/Social Services				
Vets Serv	12,020	12,020	10,381	1,639
General Assistance	3,000	3,000	-	3,000

DUNDY COUNTY
BUDGET COMPARISON SCHEDULE – BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended June 30, 2025

Miscellaneous				
COVID American Rescue Plan	-	-	-	-
Miscellaneous	680,558	680,558	587,358	93,200
Capital Projects				
Capital Projects	128,117	128,117	107,410	20,707
TOTAL DISBURSEMENTS	2,835,396	2,835,396	2,439,412	395,984
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	(266,685)	(266,685)	(130,551)	136,134
OTHER FINANCING SOURCES (USES)				
Transfers in	160,000	160,000	160,852	852
Transfers out	-	-	(60,000)	(60,000)
TOTAL OTHER FINANCING	160,000	160,000	100,852	(59,148)
Net Change in Fund Balance	(106,685)	(106,685)	(29,699)	76,986
FUND BALANCE - BEGINNING	356,685	356,685	356,685	356,685
FUND BALANCE - ENDING	$ 250,000	$ 250,000	$ 326,986	$ 76,986

DUNDY COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
MAJOR FUNDS
For the Year Ended June 30, 2025

ROAD FUND	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
RECEIPTS				
Taxes	745,011	745,011	618,423	(126,588)
Intergovernmental	1,358,066	1,358,066	932,569	(425,497)
Licenses and Permits	-	-	-	-
Charges for Services	330,082	330,082	484	(329,598)
Earnings on Investments	-	-	-	-
Miscellaneous	2,300	2,300	-	(2,300)
TOTAL RECEIPTS	2,435,459	2,435,459	1,551,476	(883,983)
DISBURSEMENTS	2,496,302	2,496,302	1,559,521	936,781
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	(60,843)	(60,843)	(8,045)	52,798
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	(5,000)	(5,000)
Proceeds from Sale of Bonds	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	(5,000)	(5,000)
Net Change in Fund Balance	(60,843)	(60,843)	(13,045)	47,798
FUND BALANCE - BEGINNING	310,843	310,843	310,843	-
FUND BALANCE - ENDING	$ 250,000	$ 250,000	$ 297,798	$ 47,798
INHERITANCE TAX FUND				
RECEIPTS				
Taxes	50,000	50,000	48,196	(1,804)
Intergovernmental	-	-	-	-
Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Investment Income	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL RECEIPTS	50,000	50,000	48,196	(1,804)
DISBURSEMENTS	180,000	180,000	185,000	(5,000)
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	(130,000)	(130,000)	(136,804)	(6,804)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	65,000	65,000
Transfers out	(160,000)	(160,000)	(160,000)	-
Proceeds from Sale of Bonds	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(160,000)	(160,000)	(95,000)	65,000
Net Change in Fund Balance	(290,000)	(290,000)	(231,804)	58,196
FUND BALANCE - BEGINNING	1,005,651	1,005,651	1,005,651	-
FUND BALANCE - ENDING	$ 715,651	$ 715,651	$ 773,847	$ 58,196

DUNDY COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS
For the Year Ended June 30, 2025

PLANNING/ZONING FUND	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Receipts	$ -	$ -	$ 75	$ 75
Disbursements	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from Sale of Bonds	-	-	-	-
Net Change in Fund Balance	-	-	75	75
Fund Balance - Beginning	475	475	475	-
Fund Balance - Ending	$ 475	$ 475	$ 550	$ 75
LODGING PROMOTION				
Receipts	$ 5,400	$ 5,400	$ 4,787	$ (613)
Disbursements	(11,000)	(11,000)	(6,745)	4,255
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from Sale of Bonds	-	-	-	-
Net Change in Fund Balance	(5,600)	(5,600)	(1,958)	3,642
Fund Balance - Beginning	6,595	6,595	6,595	-
Fund Balance - Ending	$ 995	$ 995	$ 4,637	$ 3,642
LODGING IMPROVEMENT FUND				
Receipts	$ 5,400	$ 5,400	$ 4,786	$ (613)
Disbursements	(24,000)	(24,000)	(2,000)	22,000
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from Sale of Bonds	-	-	-	-
Net Change in Fund Balance	(18,600)	(18,600)	2,786	21,387
Fund Balance - Beginning	18,997	18,997	18,997	-
Fund Balance - Ending	$ 397	$ 397	$ 21,783	$ 21,387
LIBRARY FUND				
Receipts	$ 80,796	$ 80,796	$ 75,986	$ (4,810)
Disbursements	(100,285)	(100,285)	(75,718)	24,567
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from Sale of Bonds	-	-	-	-
Net Change in Fund Balance	(19,489)	(19,489)	268	19,727
Fund Balance - Beginning	19,489	19,489	237	(19,252)
Fund Balance - Ending	$ -	$ -	$ 505	$ 505

DUNDY COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS
For the Year Ended June 30, 2025

PRESERVATION & MODERNIZATION FUND	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Receipts	$ 2,000	$ 2,000	$ 5,495	$ 3,495
Disbursements	(20,000)	(20,000)	-	20,000
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from Sale of Bonds	-	-	-	-
Net Change in Fund Balance	(18,000)	(18,000)	5,495	23,495
Fund Balance - Beginning	18,523	18,523	18,523	-
Fund Balance - Ending	$ 523	$ 523	$ 24,018	$ 23,495
VETERANS' AID FUND				
Receipts	$ -	$ -	$ -	$ -
Disbursements	(1,000)	(1,000)	-	1,000
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from Sale of Bonds	-	-	-	-
Net Change in Fund Balance	(1,000)	(1,000)	-	1,000
Fund Balance - Beginning	10,399	10,399	10,399	-
Fund Balance - Ending	$ 9,399	$ 9,399	$ 10,399	$ 1,000
HIGHWAY BRIDGE BUYBACK PROGRAM FUND				
Receipts	$ 68,706	$ 68,706	$ 68,706	$ -
Disbursements	(160,000)	(160,000)	(48,555)	111,445
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from Sale of Bonds	-	-	-	-
Net Change in Fund Balance	(91,294)	(91,294)	20,151	111,445
Fund Balance - Beginning	279,427	279,427	279,427	-
Fund Balance - Ending	$ 188,133	$ 188,133	$ 299,578	$ 111,445
CANINE (K-9) FUND				
Receipts	$ -	$ -	$ 1,433	$ 1,433
Disbursements	(2,096)	(2,096)	(3,457)	(1,361)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from Sale of Bonds	-	-	-	-
Net Change in Fund Balance	(2,096)	(2,096)	(2,024)	72
Fund Balance - Beginning	2,096	2,096	2,096	-
Fund Balance - Ending	$ -	$ -	$ 72	$ 72

DUNDY COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS
For the Year Ended June 30, 2025
(Continued)

DARE PROGRAM FUND	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Receipts	$ -	$ -	$ 27	$ 27
Disbursements	(3,000)	(3,000)	(518)	2,482
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from Sale of Bonds	-	-	-	-
Net Change in Fund Balance	(3,000)	(3,000)	(491)	2,509
Fund Balance - Beginning	5,606	5,606	5,606	-
Fund Balance - Ending	$ 2,606	$ 2,606	$ 5,115	$ 2,509
E911 WIRELESS FUND				
Receipts	$ 37,748	$ 37,748	$ 37,747	$ (1)
Disbursements	(104,973)	(104,973)	(123,141)	(18,168)
Transfers in	-	-	46,156	46,156
Transfers out	(112,782)	(112,782)	-	112,782
Proceeds from Sale of Bonds	-	-	-	-
Net Change in Fund Balance	(180,007)	(180,007)	(39,238)	140,769
Fund Balance - Beginning	180,006	180,006	203,027	23,021
Fund Balance - Ending	$ (1)	$ (1)	$ 163,789	$ 163,790
HOSPITAL BOND FUND				
Receipts	$ 124,000	$ 124,000	$ 124,115	$ 115
Disbursements	(124,000)	(124,000)	(124,115)	(115)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from Sale of Bonds	-	-	-	-
Net Change in Fund Balance	-	-	-	-
Fund Balance - Beginning	1,683	1,683	1,683	-
Fund Balance - Ending	$ 1,683	$ 1,683	$ 1,683	$ -
AMBULANCE FUND				
Receipts	$ 40,000	$ 40,000	$ 40,574	$ 574
Disbursements	(74,781)	(74,781)	(27,142)	47,639
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from Sale of Bonds	-	-	-	-
Net Change in Fund Balance	(34,781)	(34,781)	13,432	48,213
Fund Balance - Beginning	44,781	44,781	44,781	-
Fund Balance - Ending	$ 10,000	$ 10,000	$ 58,213	$ 48,213

DUNDY COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS
For the Year Ended June 30, 2025
(Continued)

STOP PROGRAM FUND	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Receipts	$ 500	$ 500	$ 675	$ 175
Disbursements	(4,500)	(4,500)	-	4,500
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from Sale of Bonds	-	-	-	-
Net Change in Fund Balance	(4,000)	(4,000)	675	4,675
Fund Balance - Beginning	4,245	4,245	4,245	-
Fund Balance - Ending	$ 245	$ 245	$ 4,920	$ 4,675
DRUG TRUST FUND				
Receipts	$ -	$ -	$ -	$ -
Disbursements	(1,784)	(1,784)	-	1,784
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from Sale of Bonds	-	-	-	-
Net Change in Fund Balance	(1,784)	(1,784)	-	1,784
Fund Balance - Beginning	1,784	1,784	1,784	-
Fund Balance - Ending	$ -	$ -	$ 1,784	$ 1,784
GRANTS FUND				
Receipts	$ -	$ -	$ -	$ -
Disbursements	(852)	(852)	-	852
Transfers in	-	-	-	-
Transfers out	-	-	(852)	(852)
Proceeds from Sale of Bonds	-	-	-	-
Net Change in Fund Balance	(852)	(852)	(852)	-
Fund Balance - Beginning	852	852	852	-
Fund Balance - Ending	$ -	$ -	$ -	$ -
COUNTY 911 FUND				
Receipts	$ 9,000	$ 9,000	$ 28,169	$ 19,169
Disbursements	(65,490)	(65,490)	-	65,490
Transfers in	-	-	-	-
Transfers out	-	-	(46,156)	(46,156)
Proceeds from Sale of Bonds	-	-	-	-
Net Change in Fund Balance	(56,490)	(56,490)	(17,987)	38,503
Fund Balance - Beginning	56,490	56,490	33,355	(23,135)
Fund Balance - Ending	$ -	$ -	$ 15,368	$ 15,368

DUNDY COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS
For the Year Ended June 30, 2025
(Continued)

Hospital Fund	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Receipts	$ 281,000	$ 281,000	$ 281,171	$ 171
Disbursements	(281,000)	(281,000)	(279,376)	1,624
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from Sale of Bonds	-	-	-	-
Net Change in Fund Balance	-	-	1,795	1,795
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	$ -	$ -	$ 1,795	$ 1,795

DUNDY COUNTY
COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES
NONMAJOR FUNDS
For the Year Ended June 30, 2025

	Planning/Zoning Fund	Lodging Promotion Fund	Lodging Improvement Fund	Library Fund
RECEIPTS				
Taxes	$ -	$ 4,787	$ 4,786	$ 62,189
Investment Income	-	-	-	-
Intergovernmental	-	-	-	12,123
Licenses and Permits	75	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	1,674
TOTAL RECEIPTS	75	4,787	4,786	75,986
DISBURSEMENTS				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	78,518
Health and Sanitation	-	-	-	-
Public Assistance	-	-	-	-
Culture and Recreation	-	6,745	2,000	-
Miscellaneous	-	-	-	-
Debt Service:				
Principal Payments	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL DISBURSEMENTS	-	6,745	2,000	78,518
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	75	(1,958)	2,786	268
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from Sale of Bonds	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
Net Change in Fund Balances	75	(1,958)	2,786	268
FUND BALANCES - BEGINNING	475	6,594	18,997	237
FUND BALANCES - ENDING	$ 550	$ 4,636	$ 21,783	$ 505
FUND BALANCES:				
Restricted for:				
Visitor Promotion	-	4,636	21,783	-
911 Emergency Services	-	-	-	-
Drug Education	-	-	-	-
Law Enforcement	-	-	-	-
Preservation of Records	-	-	-	-
Debt Service				
Committed to:				
Law Enforcement	-	-	-	-
County Buildings	-	-	-	-
Road Bridge and Maintenance	550	-	-	-
Aid and Assistance	-	-	-	-
Equipment Purchases	-	-	-	-
Property Reappraisal	-	-	-	-
Community Betterment	-	-	-	505
Hospital Bond	-	-	-	-
TOTAL FUND BALANCES	$ 550	$ 4,636	$ 21,783	$ 505

DUNDY COUNTY
COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES
NONMAJOR FUNDS
For the Year Ended June 30, 2025

	Pres and Mod Fund	Veterans Aid Fund	Highway Bridge Buyback Program Fund	Canine Fund
RECEIPTS				
Taxes	$ -	$ -	$ -	$ -
Investment Income	-	-	-	-
Intergovernmental	-	-	68,706	-
Licenses and Permits	-	-	-	-
Charges for Services	5,495	-	-	1,433
Miscellaneous	-	-	-	-
TOTAL RECEIPTS	5,495	-	68,706	1,433
DISBURSEMENTS				
General Government	-	-	-	-
Public Safety	-	-	-	3,457
Public Works	-	-	48,555	-
Health and Sanitation	-	-	-	-
Public Assistance	-	-	-	-
Culture and Recreation	-	-	-	-
Miscellaneous	-	-	-	-
Debt Service:				
Principal Payments	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL DISBURSEMENTS	-	-	48,555	3,457
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	5,495	-	20,151	(2,024)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from Sale of Bonds	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
Net Change in Fund Balances	5,495	-	20,151	(2,024)
FUND BALANCES - BEGINNING	18,523	10,399	279,427	2,096
FUND BALANCES - ENDING	$ 24,018	$ 10,399	$ 299,578	$ 72
FUND BALANCES:				
Restricted for:				
Visitor Promotion	-	-	-	-
911 Emergency Services	-	-	-	-
Drug Education	-	-	-	-
Law Enforcement	-	-	-	72
Preservation of Records	24,018	-	-	-
Debt Service				
Committed to:				
Law Enforcement	-	-	-	-
County Buildings	-	-	-	-
Road Bridge and Maintenance	-	-	299,578	-
Aid and Assistance	-	10,399	-	-
Equipment Purchases	-	-	-	-
Property Reappraisal	-	-	-	-
Community Betterment	-	-	-	-
Hospital Bond	-	-	-	-
TOTAL FUND BALANCES	$ 24,018	$ 10,399	$ 299,578	$ 72

DUNDY COUNTY
COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES
NONMAJOR FUNDS
For the Year Ended June 30, 2025

	DARE Program Fund	E911 Wireless Fund	Hospital Bond Fund	Ambulance Fund
RECEIPTS				
Taxes	$ -	$ -	$ -	$ -
Investment Income	-	-	-	-
Intergovernmental	-	37,747	124,115	-
Licenses and Permits	-	-	-	-
Charges for Services	27	-	-	39,399
Miscellaneous	-	-	-	1,175
TOTAL RECEIPTS	27	37,747	124,115	40,574
DISBURSEMENTS				
General Government	-	-	-	-
Public Safety	518	9,629	-	26,828
Public Works	-	-	-	-
Health and Sanitation	-	-	-	-
Public Assistance	-	-	-	-
Culture and Recreation	-	-	-	-
Miscellaneous	-	-	-	-
Debt Service:				
Principal Payments	-	-	124,115	-
Interest and Fiscal Charges	-	-	-	-
Capital Outlay	-	113,512	-	314
TOTAL DISBURSEMENTS	518	123,141	124,115	27,142
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	(491)	(85,394)	-	13,432
OTHER FINANCING SOURCES (USES)				
Transfers in	-	46,156	-	-
Transfers out	-	-	-	-
Proceeds from Sale of Bonds	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	46,156	-	-
Net Change in Fund Balances	(491)	(39,238)	-	13,432
FUND BALANCES - BEGINNING	5,606	203,027	1,683	44,781
FUND BALANCES - ENDING	$ 5,115	$ 163,789	$ 1,683	$ 58,213
FUND BALANCES:				
Restricted for:				
Visitor Promotion	-	-	-	-
911 Emergency Services	-	163,789	-	58,213
Drug Education	5,115	-	-	-
Law Enforcement	-	-	-	-
Preservation of Records	-	-	-	-
Debt Service				
Committed to:				
Law Enforcement	-	-	-	-
County Buildings	-	-	-	-
Road Bridge and Maintenance	-	-	-	-
Aid and Assistance	-	-	-	-
Equipment Purchases	-	-	-	-
Property Reappraisal	-	-	-	-
Community Betterment	-	-	-	-
Hospital Bond	-	-	1,683	-
TOTAL FUND BALANCES	$ 5,115	$ 163,789	$ 1,683	$ 58,213

DUNDY COUNTY
COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES
NONMAJOR FUNDS
For the Year Ended June 30, 2025

	STOP Program Fund	Drug Trust Fund	Grants Fund	County 911 Fund
RECEIPTS				
Taxes	$ -	$ -	$ -	$ -
Investment Income	-	-	-	-
Intergovernmental	-	-	-	-
Licenses and Permits	-	-	-	-
Charges for Services	675	-	-	5,034
Miscellaneous	-	-	-	23,135
TOTAL RECEIPTS	675	-	-	28,169
DISBURSEMENTS				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health and Sanitation	-	-	-	-
Public Assistance	-	-	-	-
Culture and Recreation	-	-	-	-
Miscellaneous	-	-	-	-
Debt Service:				
Principal Payments	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL DISBURSEMENTS	-	-	-	-
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	675	-	-	28,169
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	(852)	(46,156)
Proceeds from Sale of Bonds	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	(852)	(46,156)
Net Change in Fund Balances	675	-	(852)	(17,987)
FUND BALANCES - BEGINNING	4,245	1,784	852	33,355
FUND BALANCES - ENDING	$ 4,920	$ 1,784	$ -	$ 15,368
FUND BALANCES:				
Restricted for:				
Visitor Promotion	-	-	-	-
911 Emergency Services	-	-	-	15,368
Drug Education	-	-	-	-
Law Enforcement	-	1,784	-	-
Preservation of Records	-	-	-	-
Debt Service				
Committed to:				
Law Enforcement	4,920	-	-	-
County Buildings	-	-	-	-
Road Bridge and Maintenance	-	-	-	-
Aid and Assistance	-	-	-	-
Equipment Purchases	-	-	-	-
Property Reappraisal	-	-	-	-
Community Betterment	-	-	-	-
Hospital Bond	-	-	-	-
TOTAL FUND BALANCES	$ 4,920	$ 1,784	$ -	$ 15,368

DUNDY COUNTY
COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES
NONMAJOR FUNDS
For the Year Ended June 30, 2025

	Hospital Fund	Total Nonmajor Funds
RECEIPTS		
Taxes	$ 241,107	$ 312,869
Investment Income	-	-
Intergovernmental	38,838	281,529
Licenses and Permits	-	75
Charges for Services	1,226	53,289
Miscellaneous	-	25,984
TOTAL RECEIPTS	281,171	673,746
DISBURSEMENTS		
General Government	-	-
Public Safety	-	40,432
Public Works	-	124,273
Health and Sanitation	-	-
Public Assistance	279,376	279,376
Culture and Recreation	-	8,745
Miscellaneous	-	-
Debt Service:		-
Principal Payments	-	124,115
Interest and Fiscal Charges	-	-
Capital Outlay	-	113,826
TOTAL DISBURSEMENTS	279,376	690,767
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	1,795	(17,021)
OTHER FINANCING SOURCES (USES)		
Transfers in	-	46,156
Transfers out	-	(47,008)
Proceeds from Sale of Bonds	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	(852)
Net Change in Fund Balances	1,795	(17,873)
FUND BALANCES - BEGINNING	-	632,082
FUND BALANCES - ENDING	$ 1,795	$ 614,209
FUND BALANCES:		
Restricted for:		
Visitor Promotion	-	26,420
911 Emergency Services	-	237,370
Drug Education	-	5,115
Law Enforcement	-	1,856
Preservation of Records	-	24,018
Debt Service		-
Committed to:		
Law Enforcement	-	4,920
County Buildings	-	-
Road Bridge and Maintenance	-	300,128
Aid and Assistance	-	10,399
Equipment Purchases	-	-
Property Reappraisal	-	-
Community Betterment	-	505
Hospital Bond	1,795	3,478
TOTAL FUND BALANCES	$ 1,795	$ 614,209

DUNDY COUNTY
SCHEDULE OF OFFICE ACTIVITIES
For the Year Ended June 30, 2025

	County Clerk	Clerk of the District Court	County Sheriff	County Attorney	Veterans' Service Officer	County Library	County Ambulance	Total
BALANCES JULY 1, 2024	$ 6,690	$ 21,826	$ 2,569	$ 229	$ 1,306	$ 19,221	$ 5,326	$ 57,167
RECEIPTS								
Charges for Services	30,828	4,176	149,744	11,417	-			196,165
Miscellaneous	-	-	-	-	-			-
State Fees	46,732	3,232	-	-	-			49,964
Other Receipts	-	404,093	9,337	-	-	78,887	2,649	494,966
TOTAL RECEIPTS	77,560	411,501	159,081	11,417	-	78,887	2,649	741,095
DISBURSEMENTS								
Payments to County Treasurer	29,875	3,655	149,744	11,646	-	-	-	194,920
Payments to State Treasurer	50,501	3,088	-	-	-	-	-	53,589
Petty Cash & Other Payments	-	-	-	-	-	-	800	800
Other Liabilities	-	376,362	10,838	-	-	73,423	544	461,167
TOTAL DISBURSEMENTS	80,376	383,105	160,582	11,646	-	73,423	1,344	710,476
BALANCES JUNE 30, 2025	$ 3,874	$ 50,222	$ 1,068	$ -	$ 1,306	$ 24,685	$ 6,631	$ 87,786
BALANCES CONSIST OF:								
Due to County Treasurer	$ 3,708	$ 1,340	$ 70	$ -	$ -	$ -	$ -	5,118
Petty Cash	-	-	-	-	1,306	-	800	2,106
Due to State Treasurer	166	1,369	-	-	-	-	-	1,535
Due to Others	-	47,513	998	-	-	24,685	5,831	79,027
BALANCES JUNE 30, 2025	$ 3,874	$ 50,222	$ 1,068	$ -	$ 1,306	$ 24,685	$ 6,631	$ 87,786

DUNDY COUNTY
SCHEDULE OF TAXES CERTIFIED AND COLLECTED
FOR ALL POLITICAL SUBDIVISIONS IN THE COUNTY
FOR THE YEAR ENDED JUNE 30, 2025

Item	2020	2021	2022	2023	2024
Tax Certified by Assessor					
Real Estate	$ 7,995,300	$ 8,153,670	$ 8,185,429	$ 8,645,090	$ 6,807,516
Personal	1,060,734	1,068,615	1,185,802	1,172,985	1,173,552
Occupation	348,077	324,871	307,132	326,401	421,910
Total	9,404,111	9,547,156	9,678,363	10,144,476	8,402,977
Corrections					
Additions	-	-	-	-	-
Deductions	-	-	-	-	-
Net Additions/ Deductions	-	-	-	-	-
Corrected Certified Tax	9,404,111	9,547,156	9,678,363	10,144,476	8,402,977
Net Tax Collected by County Treasurer by Fiscal Year Ending June 30, 2025	9,401,293	9,543,144	9,664,463	10,106,535	5,256,979
Total Net Collections	9,401,293	9,543,144	9,664,463	10,106,535	5,256,979
Total Uncollected Tax	$ 2,818	$ 4,012	$ 13,899	$ 37,941	$ 3,145,998
Percentage Uncollected Tax	0.03%	0.04%	0.14%	0.37%	37.44%

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

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DUNDY 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
Dundy County, Nebraska

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Dundy County, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated September 2, 2026. The report notes the financial statements were prepared on the basis of cash receipts and disbursements.

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 consider the deficiencies described in the accompanying Schedule of Findings and Responses as Findings 2025-1 to 2025-2 to be material weaknesses.

Report on Compliance and Other Matters
As part of obtaining reasonable assurance about whether Dundy 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.

Dundy County's Response to Findings
Government Auditing Standards require the auditor to perform limited procedures on the County's response to the finding identified in our audit and described previously. The County's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

Seward, Nebraska
September 2, 2026

DUNDY COUNTY, NEBRASKA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2025

Finding 2025-1 Financial Statement Preparation

Criteria: Good internal control requires entities have personnel in place to produce financial statements, which includes the notes to the financial statements, in accordance with the cash basis of accounting and other applicable standards.

Condition: Though management demonstrates the capability of running a governmental organization, we noted a lack of expertise and knowledge was evident in the area of financial statement preparation in accordance with cash basis and other applicable standards.

Effect: Without proper personnel, there is an increased risk the financial statements may be materially misstated.

Recommendation: We recommend the County weigh the cost benefit of providing training to current personnel in the areas of accounting principles and financial statement preparation or hiring additional personnel with this expertise.

Response: *The County will consider the cost benefit of training provisions or hiring additional personnel.*

Questioned Costs: No questioned costs were identified.

Finding 2025-2 Segregation of Duties

Criteria: Good internal control over financial reporting requires entities have proper segregation of duties in the accounting function so that no one person can authorize a transaction, record the transaction in account, and be responsible for the custody of the asset resulting from the transaction.

Condition: Though management demonstrates the capability of running a governmental organization, we noted a lack of segregation of duties as one person could handle all phases of a transaction from beginning to end.

Effect: Without proper segregation of duties, there is an increased risk the financial statements may be materially misstated.

Repeat Finding: Yes

Recommendation: We recommend the County weigh the cost benefit of hiring personnel with accounting function capabilities in order to properly segregate duties.

Response: *The County's Board will consider the cost benefit of hiring additional personnel. Additionally, the Board takes an active interest in the finances of the County and provides additional oversight.*

Questioned Costs: No questioned costs were identified.