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

**PIERCE COUNTY**

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**PIERCE COUNTY**

111 W Court St
Pierce, NE 68767

**LIST OF COUNTY OFFICIALS**
At June 30, 2025

| Title | Name | Expires |
|---|---|---|
| Board of Commissioners | | |
| | John Steinkraus | Jan. 2029 |
| | Brad Albers | Jan. 2027 |
| | Carl Martinson | Jan. 2027 |
| Assessor | Jean Lubke | Jan. 2027 |
| Attorney | Ted Lohrberg | Jan. 2027 |
| Clerk<br>Register of Deeds<br>Election Commissioner | Shannon Wragge | Jan. 2027 |
| Clerk of the District Court | Vickie Prince | Jan. 2027 |
| Sheriff | Rick Eberhardt | Jan. 2027 |
| Treasurer | Christine Bahr | Jan. 2027 |

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Seward, NE 68434
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Ryan L. Burger, CPA
Jesse E. Skelton, CPA

PIERCE COUNTY

**INDEPENDENT AUDITOR'S REPORT**

Board of Commissioners
Pierce County, Nebraska

***Report on the Audit of the Financial Statements***

**Opinions**

We have audited the cash-basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Pierce 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 Pierce 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.

**Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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.

**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, 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 June 10, 2026, on our consideration of Pierce 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 Pierce County's internal control over financial reporting and compliance.



Seward, Nebraska
June 10, 2026

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

| | | Governmental Activities |
|---|---|---|
| **ASSETS** | | |
| Cash and Cash Equivalents (Note 1.D) | $ | 611,979 |
| Investments (Note 1.D) | | 8,927,719 |
| TOTAL ASSETS | $ | 9,539,698 |
| **NET POSITION** | | |
| Restricted for: | | |
| Visitor Promotion | $ | 17,734 |
| 911 Emergency Services | | 95,763 |
| Drug Education | | 7,100 |
| Law Enforcement | | 67,597 |
| Preservation of Records | | 17,865 |
| Debt Service | | 14,860 |
| Aid and Assistance | | 9,492 |
| Unrestricted | | 9,309,287 |
| TOTAL NET POSITION | $ | 9,539,698 |

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

**PIERCE 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 | $ (1,183,418) | $ 379,446 | $ 26,639 | $ (777,333) |
| Public Safety | (915,466) | 29,842 | - | (885,624) |
| Public Works | (3,879,175) | 2,130 | 1,915,917 | (1,961,128) |
| Public Assistance | (39,224) | - | - | (39,224) |
| Culture and Recreation | (20,732) | - | - | (20,732) |
| Miscellaneous | (1,705,835) | - | - | (1,705,835) |
| Debt Payments | (265,470) | - | - | (265,470) |
| Capital Outlays | (1,162,050) | - | - | (1,162,050) |
| Total Governmental Activities | $ (9,171,370) | $ 411,418 | $ 1,942,556 | $ (6,817,396) |

| | |
|---|---|
| General Receipts: | |
| Taxes | $ 4,754,363 |
| Grants and Contributions Not Restricted to Specific Programs | 1,482,937 |
| Investment Income | 400,703 |
| Licenses and Permits | 14,509 |
| Miscellaneous | 23,406 |
| Total General Receipts | $ 6,675,918 |
| | |
| Change in Net Position | (141,478) |
| Net Position - Beginning of year | 9,681,176 |
| Net Position - End of year | $ 9,539,698 |

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

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

| | General Fund | Road Fund | Buyback Fund | Inheritance Tax Fund | Nonmajor Funds | Total Governmental Funds |
|---|---|---|---|---|---|---|
| **ASSETS** | | | | | | |
| Cash and Cash Equivalents (Note 1.D) | $ (2,284,508) | $ 1,026,556 | $ 409,284 | $ 1,084,191 | $ 376,456 | $ 611,979 |
| Investments (Note 1.D) | 4,459,223 | - | - | 4,468,496 | - | 8,927,719 |
| TOTAL ASSETS | $ 2,174,715 | $ 1,026,556 | $ 409,284 | $ 5,552,687 | $ 376,456 | $ 9,539,698 |
| **FUND BALANCES** | | | | | | |
| Restricted for: | | | | | | |
| Visitor Promotion | - | - | - | - | 17,734 | 17,734 |
| 911 Emergency Services | - | - | - | - | 95,763 | 95,763 |
| Drug Education | - | - | - | - | 7,100 | 7,100 |
| Law Enforcement | - | - | - | - | 67,597 | 67,597 |
| Preservation of Records | - | - | - | - | 17,865 | 17,865 |
| Debt Service | - | - | - | - | 14,860 | 14,860 |
| Aid and Assistance | - | - | - | - | 9,492 | 9,492 |
| Committed to: | | | | | | |
| Road Maintenance | - | 1,026,556 | - | - | - | 1,026,556 |
| Aid and Assistance | - | - | - | - | 122,758 | 122,758 |
| Reappraisal Services | - | - | - | - | 23,287 | 23,287 |
| Assigned to: | | | | | | |
| Other Purposes | - | - | 409,284 | - | - | 409,284 |
| Unassigned | 2,174,715 | - | - | 5,552,687 | - | 7,727,402 |
| TOTAL CASH BASIS FUND BALANCES | $ 2,174,715 | $ 1,026,556 | $ 409,284 | $ 5,552,687 | $ 376,456 | $ 9,539,698 |

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

**PIERCE 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 | Buyback Fund | Inheritance Tax Fund | Nonmajor Funds | Total Governmental Funds |
|---|---|---|---|---|---|---|
| **RECEIPTS** | | | | | | |
| Taxes | $ 4,742,383 | $ - | $ - | $ - | $ 11,980 | $ 4,754,363 |
| Licenses and Permits | 14,509 | - | - | - | - | 14,509 |
| Investment Income | 400,703 | - | - | - | - | 400,703 |
| Intergovernmental | 829,803 | 1,926,933 | 313,133 | 287,870 | 67,754 | 3,425,493 |
| Charges for Services | 403,834 | 2,130 | - | - | 5,454 | 411,418 |
| Miscellaneous | 23,406 | - | - | - | - | 23,406 |
| TOTAL RECEIPTS | 6,414,638 | 1,929,063 | 313,133 | 287,870 | 85,188 | 9,029,892 |
| DISBURSEMENTS | | | | | | |
| General Government | 1,141,717 | - | - | 35,688 | 6,013 | 1,183,418 |
| Public Safety | 888,135 | - | - | - | 27,331 | 915,466 |
| Public Works | - | 2,785,186 | 1,093,989 | - | - | 3,879,175 |
| Public Health | - | - | - | - | - | - |
| Public Assistance | 39,224 | - | - | - | - | 39,224 |
| Culture and Recreation | - | - | - | - | 20,732 | 20,732 |
| Miscellaneous General | 1,697,401 | - | - | - | 8,434 | 1,705,835 |
| Debt Service: | | | | | | |
| Principal Payments | - | - | - | - | 260,000 | 260,000 |
| Interest and Fiscal Charges | - | - | - | - | 5,470 | 5,470 |
| Capital Outlay | 90,318 | 1,061,732 | - | - | 10,000 | 1,162,050 |
| TOTAL DISBURSEMENTS | 3,856,795 | 3,846,918 | 1,093,989 | 35,688 | 337,980 | 9,171,370 |
| EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBRUSEMENTS | 2,557,843 | (1,917,855) | (780,856) | 252,182 | (252,792) | (141,478) |
| **OTHER FINANCING SOURCES (USES)** | | | | | | |
| Transfers in | 18,875 | 1,700,000 | - | - | 5,010 | 1,723,885 |
| Transfers out | (1,704,677) | - | - | - | (19,208) | (1,723,885) |
| Proceeds from Sale of Bonds | | | | | | |
| TOTAL OTHER FINANCING SOURCES (USES) | (1,685,802) | 1,700,000 | - | - | (14,198) | - |
| Net Change in Fund Balances | 872,041 | (217,855) | (780,856) | 252,182 | (266,990) | (141,478) |
| **CASH BASIS FUND BALANCES - BEGINNING** | 1,302,674 | 1,244,411 | 1,190,140 | 5,300,505 | 643,446 | 9,681,176 |
| **CASH BASIS FUND BALANCES - ENDING** | $ 2,174,715 | $ 1,026,556 | $ 409,284 | $ 5,552,687 | $ 376,456 | $ 9,539,698 |

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

**PIERCE 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 | $ 665,800 | $27,942,829 | $ 28,054,553 | $ 554,076 |
| LIABILITIES | | | | |
| Due to other governments | | | | |
| State - Collected by County Treasurer | 225,167 | 2,621,303 | 2,581,302 | 265,168 |
| State - Collected by Other Offices | 10,752 | 108,253 | 111,147 | 7,858 |
| Schools | 239,292 | 19,850,661 | 19,898,804 | 191,149 |
| Educational Service Units | 3,413 | 378,049 | 378,713 | 2,749 |
| Technical College | 20,479 | 989,722 | 1,006,424 | 3,777 |
| Natural Resource Districts | 5,139 | 503,918 | 505,578 | 3,479 |
| Fire Districts | 6,660 | 710,947 | 713,206 | 4,401 |
| Municipalities | 47,690 | 2,187,107 | 2,182,180 | 52,617 |
| Agricultural Society | 1,237 | 127,601 | 127,935 | 903 |
| Others - Collected by County Treasurer | 3,785 | 130,485 | 134,270 | - |
| Others - Collected by Other Offices | 102,186 | 334,783 | 414,994 | 21,975 |
| TOTAL LIABILITIES | 665,800 | 27,942,829 | 28,054,553 | 554,076 |
| 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 Pierce County.

### A. Reporting Entity

Pierce 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. As required by Generally Accepted Accounting Principles (GAAP), these financial statements present the County (the primary government). No component units were identified.

### 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. 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 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.

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.

**Buyback Fund.** This fund is used to account for the allocation of street and bridge funds to expenditures pertaining to the County streets and bridges.

**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.

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. 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 $230,411 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.

## 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 as of June 30, 2025:**

| | |
|---|---|
| Checking | $ 1,176,572 |
| Money Market | 1,577,125 |
| Certificates of Deposit | 7,350,594 |
| Total Cash and Equivalents | 10,104,291 |
| Less: Agency Held | (524,243) |
| Less: Balance Held by Other Offices | (40,350) |
| Total Cash Held by County | $ 9,539,698 |

*Custodial Credit Risk* – For purposes of classifying categories of custodial credit risk, the bank balances of the County's deposits, as of June 30, 2025, were either entirely insured or collateralized with securities held by the County's agent in the County's name.

*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 not have exposure to concentration of credit risk as it keeps funds in investment vehicles that were 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 $.2180/$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 $.1900/$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 $.1963/$100 of assessed valuation. The amount collected for the motor vehicle tax is outlined in State statute.

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

The tax receipts classification also contains collections from the assessment of inheritance taxes, 911 surcharges, and lodging taxes.

## 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) 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, 62 employees contributed $125,225 to the Plan and the County contributed $183,312 to the Plan.

## 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 over 100 counties and local governments throughout Nebraska.

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

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

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

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

The County self-insures for employee health insurance and has contracted with Mid-American Benefits to administer the County's self-insured plan. Details of the coverage are available upon request from the County Clerk. The self-insured plan is funded through a combination of employee and County contributions, and reimbursements received from the County's secondary insurance provider. The activity of the plan is reflected in the County's financial statements under the Health Insurance Fund. No settlements exceeded coverage in any of the past three fiscal years.

## 6. Interfund Transfers

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

| | | Transfers Out | | | |
|---|---|---|---|---|---|
| | | MAJOR FUND | NONMAJOR FUNDS | | |
| | | 100 | 5400 | 5000 | |
| | | General | 911 Wireless Fund | 911 Emergency Management Fund | Total |
| **Transfers In** | | | | | |
| **MAJOR FUNDS** | | | | | |
| 100 | General | $ - | $ 18,875 | $ - | $ 18,875 |
| 300 | Road | 1,700,000 | - | - | 1,700,000 |
| **NONMAJOR FUND** | | | | | |
| 2606 | Development Fund | 4,677 | - | - | 4,677 |
| 5400 | 911 Wireless Fund | - | - | 333 | 333 |
| | Total | $ 1,704,677 | $ 18,875 | $ 333 | $ 1,723,885 |

In the year ended June 30, 2025, the County made a one-time transfer of $1,700,000 from the General Fund to the Road Fund for repairs, road project costs, and the purchase of equipment.

## 7. Long Term Obligations

The following is a summary of long-term debt activity for the years ended June 30:

| **Governmental Activities** | **2025** | | | | |
|---|---|---|---|---|---|
| | **Beginning Balance** | **Additions** | **Deductions** | **Ending Balance** | **Current Portion** |
| Long-term debt | | | | | |
| Bonds payable | $ 260,000 | $ - | $ 260,000 | $ - | $ - |
| Total long-term debt | $ 260,000 | $ - | $ 260,000 | $ - | $ - |

Long-term debt is comprised of the following individual issues:

| **Governmental Type** | **Original Amount** | **Interest Rate** | **Principal Amount Outstanding** |
|---|---|---|---|
| Highway Allocation Bonds | | | |
| Highway Allocation Bonds Series 2019 due serially through 2025 | $ 1,250,000 | 1.95% | $ - |

## 8. Subsequent Events

Subsequent events have been evaluated through June 10, 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.

**PIERCE COUNTY**
**BUDGETARY 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 | $ 5,525,000 | $ 5,525,000 | $ 4,742,383 | $ (782,617) |
| Licenses and Permits | - | - | 14,509 | 14,509 |
| Investment Income | 145,880 | 145,880 | 400,703 | 254,823 |
| Intergovernmental | 68,800 | 68,800 | 829,803 | 761,003 |
| Charges for Services | 364,000 | 364,000 | 403,834 | 39,834 |
| Miscellaneous | - | - | 23,406 | 23,406 |
| TOTAL RECEIPTS | 6,103,680 | 6,103,680 | 6,414,638 | 310,958 |
| **DISBURSEMENTS** | | | | |
| ***General Government:*** | | | | |
| County Board | 127,310 | 127,310 | 126,132 | 1,178 |
| County Clerk | 212,383 | 212,383 | 170,212 | 42,171 |
| County Treasurer | 246,880 | 246,880 | 225,502 | 21,378 |
| Register of Deeds | - | - | - | - |
| County Assessor | 220,540 | 220,540 | 184,760 | 35,780 |
| Election Commissioner | 37,750 | 37,750 | 21,255 | 16,495 |
| Building and Zone | 74,526 | 74,526 | 66,599 | 7,927 |
| Board of Equalization | - | - | - | - |
| Clerk of the District Court | 124,425 | 124,425 | 123,203 | 1,222 |
| County Court System | 7,404 | 7,404 | 5,348 | 2,056 |
| Building and Grounds | 182,400 | 182,400 | 116,854 | 65,546 |
| Reappraisal | 91,450 | 91,450 | 22,321 | 69,129 |
| Cooperative Extension Agent | 83,800 | 83,800 | 79,532 | 4,268 |
| ***Public Safety:*** | | | | |
| County Sheriff | 504,585 | 504,585 | 435,306 | 69,279 |
| County Attorney | 151,334 | 151,334 | 118,391 | 32,943 |
| County Jail | 429,750 | 429,750 | 334,437 | 95,313 |
| ***Public Assistance:*** | | | | |
| Veterans' Service Officer | 42,100 | 42,100 | 39,224 | 2,876 |
| ***Miscellaneous General:*** | | | | |
| Miscellaneous | 1,796,227 | 1,796,227 | 1,697,401 | 98,826 |
| ***Capital Projects:*** | | | | |
| Capital Outlay | 143,472 | 143,472 | 90,318 | 53,154 |
| TOTAL DISBURSEMENTS | 4,476,336 | 4,476,336 | 3,856,795 | 619,541 |
| EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS | 1,627,344 | 1,627,344 | 2,557,843 | 930,499 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Transfers in | 20,000 | 20,000 | 18,875 | (1,125) |
| Transfers out | (1,700,000) | (1,700,000) | (1,704,677) | (4,677) |
| Proceeds from Sale of Bonds | - | - | - | - |
| **TOTAL OTHER FINANCING SOURCES (USES)** | (1,680,000) | (1,680,000) | (1,685,802) | (5,802) |
| Net Change in Fund Balance | (52,656) | (52,656) | 872,041 | 924,697 |
| **FUND BALANCE - BEGINNING** | 1,302,674 | 1,302,674 | 1,302,674 | - |
| **FUND BALANCE - ENDING** | $ 1,250,018 | $ 1,250,018 | $ 2,174,715 | $ 924,697 |

**PIERCE 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 | - | - | - | - |
| Intergovernmental | $ 1,996,095 | $ 1,996,095 | $ 1,926,933 | $ (69,162) |
| Licenses and Permits | - | - | - | - |
| Charges for Services | - | - | 2,130 | 2,130 |
| Earnings on Investments | - | - | - | - |
| Miscellaneous | - | - | - | - |
| TOTAL RECEIPTS | 1,996,095 | 1,996,095 | 1,929,063 | (67,032) |
| DISBURSEMENTS | 5,440,506 | 5,440,506 | 3,846,918 | 1,593,588 |
| EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS | (3,444,411) | (3,444,411) | (1,917,855) | 1,526,556 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | 2,200,000 | 2,200,000 | 1,700,000 | (500,000) |
| Transfers out | - | - | - | - |
| Proceeds from Sale of Bonds | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | 2,200,000 | 2,200,000 | 1,700,000 | (500,000) |
| Net Change in Fund Balance | (1,244,411) | (1,244,411) | (217,855) | 1,026,556 |
| FUND BALANCE - BEGINNING | 1,244,411 | 1,244,411 | 1,244,411 | - |
| FUND BALANCE - ENDING | $ - | $ - | $ 1,026,556 | $ 1,026,556 |
| **BUYBACK FUND** | | | | |
| RECEIPTS | | | | |
| Taxes | - | - | - | - |
| Intergovernmental | $ 338,860 | $ 338,860 | $ 313,133 | $ (25,727) |
| Licenses and Permits | - | - | - | - |
| Charges for Services | - | - | - | - |
| Investment Income | - | - | - | - |
| Miscellaneous | - | - | - | - |
| TOTAL RECEIPTS | 338,860 | 338,860 | 313,133 | (25,727) |
| DISBURSEMENTS | 1,529,000 | 1,529,000 | 1,093,989 | 435,011 |
| EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS | (1,190,140) | (1,190,140) | (780,856) | 409,284 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | - | - | - | - |
| Transfers out | - | - | - | - |
| Proceeds from Sale of Bonds | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | - | - | - | - |
| Net Change in Fund Balance | (1,190,140) | (1,190,140) | (780,856) | 409,284 |
| FUND BALANCE - BEGINNING | 1,190,140 | 1,190,140 | 1,190,140 | - |
| FUND BALANCE - ENDING | $ - | $ - | $ 409,284 | $ 409,284 |

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

| **INHERITANCE TAX FUND** | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| RECEIPTS | | | | |
| Taxes | 599,495 | 599,495 | - | (599,495) |
| Intergovernmental | - | - | 287,870 | 287,870 |
| Licenses and Permits | - | - | - | - |
| Charges for Services | - | - | - | - |
| Investment Income | - | - | - | - |
| Miscellaneous | - | - | - | - |
| TOTAL RECEIPTS | 599,495 | 599,495 | 287,870 | (311,625) |
| DISBURSEMENTS | 5,400,000 | 5,400,000 | 35,688 | 5,364,312 |
| EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS | (4,800,505) | (4,800,505) | 252,182 | 5,052,687 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | - | - | - | - |
| Transfers out | (500,000) | (500,000) | - | 500,000 |
| Proceeds from Sale of Bonds | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | (500,000) | (500,000) | - | 500,000 |
| Net Change in Fund Balance | (5,300,505) | (5,300,505) | 252,182 | 5,552,687 |
| FUND BALANCE - BEGINNING | 5,300,505 | 5,300,505 | 5,300,505 | - |
| FUND BALANCE - ENDING | $ - | $ - | $ 5,552,687 | $ 5,552,687 |

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

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| **VISITORS PROMOTION FUND** | | | | |
| Receipts | $ 6,123 | $ 6,123 | $ 5,990 | $ (133) |
| Disbursements | (8,149) | (8,149) | (3,934) | 4,215 |
| Transfers in | - | - | - | - |
| Transfers out | - | - | - | - |
| Proceeds from Sale of Bonds | - | - | - | - |
| Net Change in Fund Balance | (2,026) | (2,026) | 2,056 | 4,082 |
| Fund Balance - Beginning | 2,026 | 2,026 | 2,026 | - |
| Fund Balance - Ending | $ - | $ - | $ 4,082 | $ 4,082 |
| **VISITORS IMPROVEMENT FUND** | | | | |
| Receipts | $ 6,123 | $ 6,123 | $ 5,990 | $ (133) |
| Disbursements | (8,388) | (8,388) | (4,500) | 3,888 |
| Transfers in | - | - | - | - |
| Transfers out | - | - | - | - |
| Proceeds from Sale of Bonds | - | - | - | - |
| Net Change in Fund Balance | (2,265) | (2,265) | 1,490 | 3,755 |
| Fund Balance - Beginning | 2,265 | 2,265 | 2,265 | - |
| Fund Balance - Ending | $ - | $ - | $ 3,755 | $ 3,755 |
| **PRESERVATION AND MODERNIZATION FUND** | | | | |
| Receipts | $ 4,576 | $ 4,576 | $ 5,454 | $ 878 |
| Disbursements | (23,000) | (23,000) | (6,013) | 16,987 |
| Transfers in | - | - | - | - |
| Transfers out | - | - | - | - |
| Proceeds from Sale of Bonds | - | - | - | - |
| Net Change in Fund Balance | (18,424) | (18,424) | (559) | 17,865 |
| Fund Balance - Beginning | 18,424 | 18,424 | 18,424 | - |
| Fund Balance - Ending | $ - | $ - | $ 17,865 | $ 17,865 |
| **VETERANS' AID FUND** | | | | |
| Receipts | $ - | $ - | $ - | $ - |
| Disbursements | (9,492) | (9,492) | - | 9,492 |
| Transfers in | - | - | - | - |
| Transfers out | - | - | - | - |
| Proceeds from Sale of Bonds | - | - | - | - |
| Net Change in Fund Balance | (9,492) | (9,492) | - | 9,492 |
| Fund Balance - Beginning | 9,492 | 9,492 | 9,492 | - |
| Fund Balance - Ending | $ - | $ - | $ 9,492 | $ 9,492 |

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

| 911 EMERGENCY MANAGEMENT FUND | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| Receipts | $ 20,175 | $ 20,175 | $ 17,666 | $ (2,509) |
| Disbursements | (59,000) | (59,000) | (14,254) | 44,746 |
| Transfers in | - | - | - | - |
| Transfers out | (25,000) | (25,000) | (333) | 24,667 |
| Proceeds from Sale of Bonds | - | - | - | - |
| Net Change in Fund Balance | (63,825) | (63,825) | 3,079 | 66,904 |
| Fund Balance - Beginning | 63,825 | 63,825 | 63,825 | - |
| Fund Balance - Ending | $ - | $ - | $ 66,904 | $ 66,904 |
| **911 WIRELESS FUND** | | | | |
| Receipts | $ 26,618 | $ 26,618 | $ 42,096 | $ 15,478 |
| Disbursements | (50,000) | (50,000) | (13,077) | 36,923 |
| Transfers in | 25,000 | 25,000 | 333 | (24,667) |
| Transfers out | (20,000) | (20,000) | (18,875) | 1,125 |
| Proceeds from Sale of Bonds | - | - | - | - |
| Net Change in Fund Balance | (18,382) | (18,382) | 10,477 | 28,859 |
| Fund Balance - Beginning | 18,382 | 18,382 | 18,382 | - |
| Fund Balance - Ending | $ - | $ - | $ 28,859 | $ 28,859 |
| **COUNTY DRUG LAW FUND** | | | | |
| Receipts | $ 3,241 | $ 3,241 | $ - | $ (3,241) |
| Disbursements | (5,000) | (5,000) | - | 5,000 |
| Transfers in | - | - | - | - |
| Transfers out | - | - | - | - |
| Proceeds from Sale of Bonds | - | - | - | - |
| Net Change in Fund Balance | (1,759) | (1,759) | - | 1,759 |
| Fund Balance - Beginning | 1,759 | 1,759 | 1,759 | - |
| Fund Balance - Ending | $ - | $ - | $ 1,759 | $ 1,759 |
| **OPIOD SETTLEMENT FUND** | | | | |
| Receipts | $ 10,318 | $ 10,318 | $ 5,605 | $ (4,713) |
| Disbursements | (28,000) | (28,000) | - | 28,000 |
| Transfers in | - | - | - | - |
| Transfers out | - | - | - | - |
| Proceeds from Sale of Bonds | - | - | - | - |
| Net Change in Fund Balance | (17,682) | (17,682) | 5,605 | 23,287 |
| Fund Balance - Beginning | 17,682 | 17,682 | 17,682 | - |
| Fund Balance - Ending | $ - | $ - | $ 23,287 | $ 23,287 |

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

| GRANTS FUND | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| Receipts | $ 697,242 | $ 697,242 | $ - | $ (697,242) |
| Disbursements | (820,000) | (820,000) | - | 820,000 |
| Transfers in | - | - | - | - |
| Transfers out | - | - | - | - |
| Proceeds from Sale of Bonds | - | - | - | - |
| Net Change in Fund Balance | (122,758) | (122,758) | - | 122,758 |
| Fund Balance - Beginning | 122,758 | 122,758 | 122,758 | - |
| Fund Balance - Ending | $ - | $ - | $ 122,758 | $ 122,758 |
| **COURTHOUSE JAIL FUND** | | | | |
| Receipts | $ - | $ - | $ - | $ - |
| Disbursements | (75,838) | (75,838) | (10,000) | 65,838 |
| Transfers in | - | - | - | - |
| Transfers out | - | - | - | - |
| Proceeds from Sale of Bonds | - | - | - | - |
| Net Change in Fund Balance | (75,838) | (75,838) | (10,000) | 65,838 |
| Fund Balance - Beginning | 75,838 | 75,838 | 75,838 | - |
| Fund Balance - Ending | $ - | $ - | $ 65,838 | $ 65,838 |
| **LOTTERY/KENO FUND** | | | | |
| Receipts | $ 440 | $ 440 | $ 337 | $ (103) |
| Disbursements | (10,000) | (10,000) | - | 10,000 |
| Transfers in | - | - | - | - |
| Transfers out | - | - | - | - |
| Proceeds from Sale of Bonds | - | - | - | - |
| Net Change in Fund Balance | (9,560) | (9,560) | 337 | 9,897 |
| Fund Balance - Beginning | 9,560 | 9,560 | 9,560 | - |
| Fund Balance - Ending | $ - | $ - | $ 9,897 | $ 9,897 |
| **STOP PROGRAM FUND** | | | | |
| Receipts | $ 9,950 | $ 9,950 | $ 2,050 | $ (7,900) |
| Disbursements | (15,000) | (15,000) | - | 15,000 |
| Transfers in | - | - | - | - |
| Transfers out | - | - | - | - |
| Proceeds from Sale of Bonds | - | - | - | - |
| Net Change in Fund Balance | (5,050) | (5,050) | 2,050 | 7,100 |
| Fund Balance - Beginning | 5,050 | 5,050 | 5,050 | - |
| Fund Balance - Ending | $ - | $ - | $ 7,100 | $ 7,100 |

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

| **BOND FUND** | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| Receipts | $ - | $ - | $ - | $ - |
| Disbursements | (280,347) | (280,347) | (265,470) | 14,877 |
| Transfers in | - | - | - | - |
| Transfers out | - | - | - | - |
| Proceeds from Sale of Bonds | - | - | - | - |
| Net Change in Fund Balance | (280,347) | (280,347) | (265,470) | 14,877 |
| Fund Balance - Beginning | 280,330 | 280,330 | 280,330 | - |
| Fund Balance - Ending | $ (17) | $ (17) | $ 14,860 | $ 14,877 |
| **COMMUNITY DEVELOPMENT FUND** | | | | |
| Receipts | $ 4,678 | $ 4,678 | $ - | $ (4,678) |
| Disbursements | (20,733) | (20,733) | (20,732) | 1 |
| Transfers in | - | - | 4,677 | 4,677 |
| Transfers out | - | - | - | - |
| Proceeds from Sale of Bonds | - | - | - | - |
| Net Change in Fund Balance | (16,055) | (16,055) | (16,055) | - |
| Fund Balance - Beginning | 16,055 | 16,055 | 16,055 | - |
| Fund Balance - Ending | $ - | $ - | $ - | $ - |
| **COVID RESCUE FUND** | | | | |
| Receipts | $ - | $ - | $ - | $ - |
| Disbursements | - | - | - | - |
| Transfers in | - | - | - | - |
| Transfers out | - | - | - | - |
| Proceeds from Sale of Bonds | - | - | - | - |
| Net Change in Fund Balance | - | - | - | - |
| Fund Balance - Beginning | - | - | - | - |
| Fund Balance - Ending | $ - | $ - | $ - | $ - |

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

| | Visitors Promotion Fund | Visitors Improvement Fund | Preservation and Modernization Fund | Vets Aid |
|---|---|---|---|---|
| **RECEIPTS** | | | | |
| Taxes | $ 5,990 | $ 5,990 | $ - | $ - |
| Investment Income | - | - | - | - |
| Intergovernmental | - | - | - | - |
| Licenses and Permits | - | - | - | - |
| Charges for Services | - | - | 5,454 | - |
| Miscellaneous | - | - | - | - |
| TOTAL RECEIPTS | 5,990 | 5,990 | 5,454 | - |
| **DISBURSEMENTS** | | | | |
| General Government | - | - | 6,013 | - |
| Public Safety | - | - | - | - |
| Public Works | - | - | - | - |
| Health and Sanitation | - | - | - | - |
| Public Assistance | - | - | - | - |
| Culture and Recreation | - | - | - | - |
| Miscellaneous | 3,934 | 4,500 | - | - |
| Debt Service: | | | | |
| Principal Payments | - | - | - | - |
| Interest and Fiscal Charges | - | - | - | - |
| Capital Outlay | - | - | - | - |
| TOTAL DISBURSEMENTS | 3,934 | 4,500 | 6,013 | - |
| EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS | 2,056 | 1,490 | (559) | - |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Transfers in | - | - | - | - |
| Transfers out | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | - | - | - | - |
| Net Change in Fund Balances | 2,056 | 1,490 | (559) | - |
| **FUND BALANCES - BEGINNING** | 2,026 | 2,265 | 18,424 | 9,492 |
| **FUND BALANCES - ENDING** | $ 4,082 | $ 3,755 | $ 17,865 | $ 9,492 |
| **FUND BALANCES:** | | | | |
| Restricted for: | | | | |
| Visitor Programs | 4,082 | 3,755 | - | - |
| 911 Emergency Services | - | - | - | - |
| Drug Education | - | - | - | - |
| Law Enforcement | - | - | - | - |
| Preservation of Records | - | - | 17,865 | - |
| Debt Service | - | - | - | - |
| Road & Bridge Projects | - | - | - | - |
| Aid and Assistance | - | - | - | 9,492 |
| Committed to: | | | | |
| Law Enforcement | - | - | - | - |
| Road Maintenance | - | - | - | - |
| Aid and Assistance | - | - | - | - |
| County Buildings & Equipment | - | - | - | - |
| Reappraisal Services | - | - | - | - |
| Problem Solving Court | - | - | - | - |
| **TOTAL FUND BALANCES** | $ 4,082 | $ 3,755 | $ 17,865 | $ 9,492 |

**PIERCE COUNTY**
**COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,**
**AND CHANGES IN CASH BASIS FUND BALANCES**
**NONMAJOR FUNDS**
For the Year Ended June 30, 2025
(Continued)

| | 911 Emergency Management Fund | 911 Wireless Fund | County Drug Law Fund | Opiod Settlement |
|---|---|---|---|---|
| **RECEIPTS** | | | | |
| Taxes | $ - | $ - | $ - | $ - |
| Investment Income | - | - | - | - |
| Intergovernmental | 17,666 | 42,096 | - | 5,605 |
| Licenses and Permits | - | - | - | - |
| Charges for Services | - | - | - | - |
| Miscellaneous | - | - | - | - |
| TOTAL RECEIPTS | 17,666 | 42,096 | - | 5,605 |
| **DISBURSEMENTS** | | | | |
| General Government | - | - | - | - |
| Public Safety | 14,254 | 13,077 | - | - |
| Public Works | - | - | - | - |
| Health and Sanitation | - | - | - | - |
| Public Assistance | - | - | - | - |
| Culture and Recreation | - | - | - | - |
| Miscellaneous | - | - | - | - |
| Debt Service: | | | | |
| Principal Payments | - | - | - | - |
| Interest and Fiscal Charges | - | - | - | - |
| Capital Outlay | - | - | - | - |
| TOTAL DISBURSEMENTS | 14,254 | 13,077 | - | - |
| EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS | 3,412 | 29,019 | - | 5,605 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Transfers in | - | 333 | - | - |
| Transfers out | (333) | (18,875) | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | (333) | (18,542) | - | - |
| Net Change in Fund Balances | 3,079 | 10,477 | - | 5,605 |
| **FUND BALANCES - BEGINNING** | 63,825 | 18,382 | 1,759 | 17,682 |
| **FUND BALANCES - ENDING** | $ 66,904 | $ 28,859 | $ 1,759 | $ 23,287 |
| **FUND BALANCES:** | | | | |
| Restricted for: | | | | |
| Visitor Promotion | - | - | - | - |
| 911 Emergency Services | 66,904 | 28,859 | - | - |
| Drug Education | - | - | - | - |
| Law Enforcement | - | - | 1,759 | - |
| Preservation of Records | - | - | - | - |
| Debt Service | - | - | - | - |
| Road & Bridge Projects | - | - | - | - |
| Aid and Assistance | - | - | - | - |
| Committed to: | | | | |
| Law Enforcement | - | - | - | - |
| Road Maintenance | - | - | - | - |
| Aid and Assistance | - | - | - | - |
| County Buildings & Equipment | - | - | - | - |
| Reappraisal Services | - | - | - | 23,287 |
| Problem Solving Court | - | - | - | - |
| **TOTAL FUND BALANCES** | $ 66,904 | $ 28,859 | $ 1,759 | $ 23,287 |

**PIERCE COUNTY**
**COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,**
**AND CHANGES IN CASH BASIS FUND BALANCES**
**NONMAJOR FUNDS**
For the Year Ended June 30, 2025
(Continued)

| | Grants Fund | Courthouse Jail Fund | Lottery/Keno Fund | STOP Program Fund |
|---|---|---|---|---|
| **RECEIPTS** | | | | |
| Taxes | $ - | $ - | $ - | $ - |
| Investment Income | - | - | - | - |
| Intergovernmental | - | - | 337 | 2,050 |
| Licenses and Permits | - | - | - | - |
| Charges for Services | - | - | - | - |
| Miscellaneous | - | - | - | - |
| TOTAL RECEIPTS | - | - | 337 | 2,050 |
| **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 | - | 10,000 | - | - |
| TOTAL DISBURSEMENTS | - | 10,000 | - | - |
| EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS | - | (10,000) | 337 | 2,050 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Transfers in | - | - | - | - |
| Transfers out | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | - | - | - | - |
| Net Change in Fund Balances | - | (10,000) | 337 | 2,050 |
| **FUND BALANCES - BEGINNING** | 122,758 | 75,838 | 9,560 | 5,050 |
| **FUND BALANCES - ENDING** | $ 122,758 | $ 65,838 | $ 9,897 | $ 7,100 |
| **FUND BALANCES:** | | | | |
| Restricted for: | | | | |
| Visitor Promotion | - | - | 9,897 | - |
| 911 Emergency Services | - | - | - | - |
| Drug Education | - | - | - | 7,100 |
| Law Enforcement | - | 65,838 | - | - |
| Preservation of Records | - | - | - | - |
| Debt Service | - | - | - | - |
| Road & Bridge Projects | - | - | - | - |
| Aid and Assistance | - | - | - | - |
| Committed to: | | | | |
| Law Enforcement | - | - | - | - |
| Road Maintenance | - | - | - | - |
| Aid and Assistance | 122,758 | - | - | - |
| County Buildings & Equipment | - | - | - | - |
| Reappraisal Services | - | - | - | - |
| Problem Solving Court | - | - | - | - |
| **TOTAL FUND BALANCES** | $ 122,758 | $ 65,838 | $ 9,897 | $ 7,100 |

**PIERCE COUNTY**
**COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,**
**AND CHANGES IN CASH BASIS FUND BALANCES**
**NONMAJOR FUNDS**
For the Year Ended June 30, 2025
(Continued)

| | Bond Fund | Development Fund | COVID Rescue Fund | Total Nonmajor Funds |
|---|---|---|---|---|
| **RECEIPTS** | | | | |
| Taxes | $ - | $ - | $ - | $ 11,980 |
| Investment Income | - | - | - | - |
| Intergovernmental | - | - | - | 67,754 |
| Licenses and Permits | - | - | - | - |
| Charges for Services | - | - | - | 5,454 |
| Miscellaneous | - | - | - | - |
| TOTAL RECEIPTS | - | - | - | 85,188 |
| **DISBURSEMENTS** | | | | |
| General Government | - | - | - | 6,013 |
| Public Safety | - | - | - | 27,331 |
| Public Works | - | - | - | - |
| Health and Sanitation | - | - | - | - |
| Public Assistance | - | - | - | - |
| Culture and Recreation | - | 20,732 | - | 20,732 |
| Miscellaneous | - | - | - | 8,434 |
| Debt Service: | | | | - |
| Principal Payments | 260,000 | - | - | 260,000 |
| Interest and Fiscal Charges | 5,470 | - | - | 5,470 |
| Capital Outlay | - | - | - | 10,000 |
| TOTAL DISBURSEMENTS | 265,470 | 20,732 | - | 337,980 |
| EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS | (265,470) | (20,732) | - | (252,792) |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Transfers in | - | 4,677 | - | 5,010 |
| Transfers out | - | - | - | (19,208) |
| TOTAL OTHER FINANCING SOURCES (USES) | - | 4,677 | - | (14,198) |
| Net Change in Fund Balances | (265,470) | (16,055) | - | (266,990) |
| **FUND BALANCES - BEGINNING** | 280,330 | 16,055 | - | 643,446 |
| **FUND BALANCES - ENDING** | $ 14,860 | $ - | $ - | $ 376,456 |
| **FUND BALANCES:** | | | | |
| Restricted for: | | | | |
| Visitor Promotion | - | - | - | 17,734 |
| 911 Emergency Services | - | - | - | 95,763 |
| Drug Education | - | - | - | 7,100 |
| Law Enforcement | - | - | - | 67,597 |
| Preservation of Records | - | - | - | 17,865 |
| Debt Service | 14,860 | - | - | 14,860 |
| Road & Bridge Projects | - | - | - | - |
| Aid and Assistance | - | - | - | 9,492 |
| Committed to: | | | | |
| Law Enforcement | - | - | - | - |
| Road Maintenance | - | - | - | - |
| Aid and Assistance | - | - | - | 122,758 |
| County Buildings & Equipment | - | - | - | - |
| Reappraisal Services | - | - | - | 23,287 |
| Problem Solving Court | - | - | - | - |
| **TOTAL FUND BALANCES** | $ 14,860 | $ - | $ - | $ 376,456 |

**PIERCE 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 | Total |
|---|---|---|---|---|---|---|
| BALANCES JULY 1, 2024 | $ 15,378 | $ 25,945 | $ 79,667 | $ 234 | $ 544 | $ 121,768 |
| RECEIPTS | | | | | | |
| Taxes | - | - | - | - | - | - |
| Licenses and Permits | 1,050 | - | - | - | - | 1,050 |
| Intergovernmental | - | - | - | - | - | - |
| Charges for Services | 71,829 | 31,101 | 31,554 | 50 | - | 134,534 |
| Miscellaneous | - | - | - | - | - | - |
| State Fees | 101,573 | 6,680 | - | - | - | 108,253 |
| Other Receipts | - | 246,352 | 87,160 | 752 | 519 | 334,783 |
| TOTAL RECEIPTS | 174,452 | 284,133 | 118,714 | 802 | 519 | 578,620 |
| DISBURSEMENTS | | | | | | |
| Payments to County Treasurer | 72,762 | 30,814 | 30,271 | 50 | - | 133,897 |
| Payments to State Treasurer | 104,434 | 6,713 | - | - | - | 111,147 |
| Petty Cash & Other Payments | - | - | - | - | - | - |
| Other Liabilities | - | 247,392 | 166,650 | 952 | - | 414,994 |
| TOTAL DISBURSEMENTS | 177,196 | 284,919 | 196,921 | 1,002 | - | 660,038 |
| BALANCES JUNE 30, 2025 | $ 12,634 | $ 25,159 | $ 1,460 | $ 34 | $ 1,063 | $ 40,350 |
| BALANCES CONSIST OF: | | | | | | |
| Due to County Treasurer | $ 5,853 | $ 3,579 | $ 397 | $ - | $ - | $ 9,829 |
| Petty Cash | - | - | - | - | 1,063 | 1,063 |
| Due to State Treasurer | 6,781 | 1,435 | - | - | - | 8,216 |
| Due to Others | - | 20,145 | 1,063 | 34 | - | 21,242 |
| BALANCES JUNE 30, 2025 | $ 12,634 | $ 25,159 | $ 1,460 | $ 34 | $ 1,063 | $ 40,350 |

**PIERCE COUNTY, NEBRASKA**

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 | $ 9,659,984 | $ 19,933,987 | $ 21,579,610 | $ 21,905,233 | $ 7,208,943 |
| Personal and Specials | 1,243,057 | 1,315,344 | 1,514,011 | 1,567,543 | 1,466,978 |
| Total | 20,903,041 | 21,249,331 | 23,093,621 | 23,472,776 | 18,675,921 |
| Corrections | | | | | |
| Additions | 4,921 | 5,293 | 5,843 | 388 | 385 |
| Deductions | (7,221) | (13,057) | (7,919) | - | (1,833) |
| Net Additions/ | | | | | |
| Deductions | (2,300) | (7,764) | (2,076) | 388 | (1,448) |
| Corrected Certified Tax | 20,900,741 | 21,241,567 | 23,091,545 | 23,473,164 | 18,674,473 |
| Net Tax Collected by | | | | | |
| County Treasurer during | | | | | |
| Fiscal Year Ending | | | | | |
| June 30, 2021 | 13,119,249 | - | - | - | - |
| June 30, 2022 | 7,774,882 | 14,020,859 | - | - | - |
| June 30, 2023 | 9,493 | 7,212,603 | 15,469,266 | - | - |
| June 30, 2024 | (4,024) | 2,061 | 7,613,321 | 15,441,433 | - |
| June 30, 2025 | - | 164 | 1,162 | 8,021,728 | 11,452,692 |
| Total Net Collections | 20,899,600 | 21,235,687 | 23,083,749 | 23,463,161 | 11,452,692 |
| Total Uncollected Tax | $ 1,141 | $ 5,880 | $ 7,796 | $ 10,003 | $ 7,221,781 |
| Percentage Uncollected Tax | 0.01% | 0.03% | 0.03% | 0.04% | 38.67% |

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Jesse E. Skelton, CPA

**PIERCE 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
Pierce 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 Pierce 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 June 10, 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 Pierce 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.

**Pierce 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
June 10, 2026

**PIERCE 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 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. Additionally, numerous material audit adjustments were brought to management's attention during the audit.

**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 costs 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 costs 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.