

*Lower Platte South Natural Resources District
Lincoln, Nebraska*

June 30, 2025

*Financial Statements
and
Independent Auditor's Report*

Lower Platte South Natural Resources District

Year ended June 30, 2025

TABLE OF CONTENTS

	<u>Page No.</u>
Independent Auditor's Report	1-3
Management's Discussion and Analysis	4-8
Basic Financial Statements	
Governmental Fund Balance Sheet/Statement of Net Position	9
Statement of Governmental Fund Revenues, Expenditures and Changes in Fund Balance/Statement of Activities	10
Notes to Financial Statements	11-18
Required Supplementary Information	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	20
Supplementary Information	
Schedule of Administrative Expenditures - Budget and Actual - General Fund	22
Schedule of Project and Improvement Costs and Capital Outlay - Budget and Actual - General Fund	23
Schedule of Personnel Costs - Budget and Actual - General Fund	24
Schedule of Information Required by Nebraska Statutes - Budgetary Basis	25
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 <i>Government Auditing Standards</i>	27-28
Schedule of Findings and Responses	29
Corrective Action Plan	30

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Lower Platte South Natural Resources District
Lincoln, Nebraska

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and the major fund of Lower Platte South Natural Resources District (the District) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the District, as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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* (GAS), 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 District 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.

Responsibilities of Management for the Financial Statements

The District's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 GAS 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 GAS, 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 District'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 District'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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information, as identified in the table of contents, including revenue and expenditures with budget comparison,, are presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information, as identified in the table of contents, 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 supplementary information, as identified in the table of contents, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October XX, 2025 our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Lincoln, Nebraska
October XX, 2025

Lower Platte South Natural Resources District

Management's Discussion and Analysis

This section of the Lower Platte South Natural Resources District's (the District) financial report presents a narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2025.

Overview of Financial Statements

The District's financial statements include government-wide financial statements of the General Fund. The District did not maintain any proprietary funds or fiduciary funds and no component units for the District were identified. Government-wide financial statements are designed to provide readers with a broad overview of the District's finances. These government-wide financial statements include the statement of net position and the statement of activities, which are presented using the accrual basis of accounting. Under the accrual basis of accounting, the current year's revenues and expenses are reported as soon as the underlying event occurs regardless of when cash is received or paid.

The Statement of Net Position presents information on all the District's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the economic position of the District is improving or deteriorating.

The Statement of Activities presents information showing how the District's net position changed during the most recent fiscal year.

Financial Highlights

Financial highlights for this fiscal year include increases in cash & investments and sinking funds primarily for future projects or programs. Expenditures also increased as many projects have been completed.

The District's primary source of funding is from property taxes, followed by funding from other Federal, State or Local sources. Property tax receipts continue to be received in a timely manner from each of the six counties. This enables the District to financially plan and invest additional available funds, although in a limited capacity. Interest rates showed a steady increase which contributed to improvement in the District's financial situation.

The overall financial situation for the District is good. The short-term needs of the District appear to be able to be met utilizing a combination of property taxes and federal, state, and local funding sources. State funding from the Nebraska Environmental Trust remains uncertain as priorities at the State level have undergone change.

The District is interested in future projects that will make the District more resilient to natural resource disasters, such as flooding along Salt Creek and other streams and rivers in the District. The financial requirements for meaningful solutions to these problems is sizable, and they will require funding from multiple sources. State and federal assistance must be pursued. The District will need to continue to consider increased savings, sinking funds, and explore bonding authority to meet the potential future local funding needs of the District.

Lower Platte South Natural Resources District

Management's Discussion and Analysis

Financial Highlights - Continued

The District offers a number of programs that provide cost-sharing with individual landowners, communities, and home owners associations to complete projects that benefit primarily water quality, stormwater management and flood control. District payments for these programs totaled \$953K with the landowners share of the cost exceeding the District's share. Local interest in contributing toward projects that benefits natural resources remains high.

	2025	2024
Capital assets	\$ 75,931,836	\$ 72,964,043
Other assets	24,509,022	23,521,022
Total assets	<u>\$ 100,440,858</u>	<u>\$ 96,485,065</u>
Liabilities	\$ 2,460,179	\$ 1,729,680
Net investment in capital assets	75,931,836	72,964,043
Unrestricted	22,048,843	21,791,342
Total net position	<u>97,980,679</u>	<u>94,755,385</u>
Total liabilities and net position	<u>\$ 100,440,858</u>	<u>\$ 96,485,065</u>

The District's expenditures for fiscal year 2025 did not exceed the budgeted amount, as shown in the following table.

	Actual (Budgetary Basis)	Budget
Receipts		
Federal	\$ 1,429,140	\$ 1,278,370
State	1,523,737	2,583,895
Local	450,358	3,197,609
Property taxes	10,829,709	10,865,780
Other	867,495	-
Total receipts	<u>\$ 15,100,439</u>	<u>\$ 17,925,654</u>
Expenditures		
Administration	\$ 1,112,039	\$ 1,232,550
Project	4,502,159	10,802,770
Personnel	3,516,194	3,884,451
Other	3,882,666	10,936,323
Total expenditures	<u>\$ 13,013,058</u>	<u>\$ 26,856,094</u>

Budgetary basis receipts exceeded expenditures by \$2.1M during the fiscal year ended June 30, 2025.

Management's Discussion and Analysis

Financial Highlights - Continued

Significant differences between budgeted and actual expenditures included:

- **Deadman's Run Flood Reduction Project** – The project did not progress as originally anticipated. The District separated from the USACE due to escalating costs and engaged a consulting firm for design and engineering. Replacement of the 48th and 38th Street bridges is no longer required, and the overall project design has been modified. To date, limited District funds have been expended with design nearing 30 percent. With the conveyance channel still in the design stage, substantial District funding is not expected until right-of-way acquisition and channel construction begin. Approximately \$4.1 million of the budgeted funds remained unspent in the current year.
- **Trail Corridor Repair Projects** – Repairs on the MoPac, Homestead, and Oak Creek Trails were budgeted at \$2.2 million. Design, permitting, and several bridge improvements were completed; however, one bridge project was delayed. Nearly \$1.7 million was expended, leaving unspent funds of approximately \$0.5 million.
- **Cost-Share with Landowners on Land Treatment Programs** – The District budgets annually for a variety of cost-share conservation practices. Landowner applications and project completions were below average this year, primarily due to drought conditions that prevented proper soil compaction for terrace systems and other practices. Of the \$1.5 million budgeted, approximately \$1.0 million was not expended.
- **Community Assistance Program (CAP)** – Of the \$376,000 budgeted, approximately 42% was not expended due to weather conditions that delayed construction activities.
- **Prairie Corridor on Haines Branch (PCHB) – Improvements** – The District anticipated \$620,800 in project expenditures; however, only \$161,558 was spent as several planned improvements were not completed.
- **Prairie Corridor on Haines Branch (PCHB) – Easements** – The District budgeted \$1.1 million for easement acquisitions. One easement was finalized early in the fiscal year, with other negotiations continuing. A total of \$302,866 was expended.
- **Saline Wetland Projects and Easements** – Of the \$590,250 budgeted, just over \$173,000 was spent. The remaining balance was reserved as matching funds for anticipated wetland acquisitions and improvements that did not move forward. Delays in the WFPO program through USDA/NRCS also contributed to reduced expenditures.
- **Repair Projects on Drainage Structures and Bank Stabilization** – Approximately \$3.2 million was budgeted for work on the Salt Creek Levee system, Oak Creek, Deadman's Run, and Antelope Creek. Nearly \$1.1 million was expended, primarily for design, permitting, and partial construction. Permit delays prevented completion of a number of planned projects.

Groundwater Management and Monitoring – Of the \$849,115 budgeted, \$499,882 was expended across monitoring, best management practices, geophysical mapping, and studies. Approximately \$349,000 remains to be spent and progress is being made in all areas.

Lower Platte South Natural Resources District

Management's Discussion and Analysis

Financial Highlights - Continued

Significant differences between budgeted and actual expenditures included:

- **NACD Technical Assistance Grant** – Federal revenues totaled \$23,100, compared to the \$94,200 budgeted/expected.
- **Deadman's Run Flood Reduction Project** – Revenues were lower than anticipated due to project delays and changes in scope. Of the \$2.0 million budgeted from the Water Sustainability Fund, \$1.0 million was received. No funds were received from the City of Lincoln, despite \$1.6 million budgeted.
- **Prairie Corridor on Haines Branch (PCHB)** – Anticipated reimbursements from the City of Lincoln totaled \$688,300; however, only \$38,643 was received as improvements were not completed as planned.
- **Twin Lakes Section 319 Project** – Although \$350,380 in federal funding was allocated, drought conditions delayed construction of many planned conservation projects. Only \$12,701 in reimbursements was received.

Budget Process

The adopted budget was not amended during the fiscal year. Where specific line items exceeded the budget, the Board of Directors reviewed and approved the overages. The District also conducts an annual review and update of its five-year Long Range Implementation Plan, with the first year aligned to the adopted budget.

Request for Information

Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Lower Platte South Natural Resources District, P.O. Box 83581, Lincoln, NE 68501-3581.

This summary of significant accounting policies of Lower Platte South Natural Resources District (the District) is presented to assist in understanding the District's government-wide and governmental fund financial statements. The District's management is responsible for the integrity and objectivity of these financial statements and notes. The following accounting policies have been consistently applied in the preparation of the government-wide and governmental fund financial statements.

Reporting Entity. The District was created on July 1, 1972 by an act of the Nebraska Legislature. The District was organized with its main responsibilities in the area of conservation including erosion control, flood prevention, soil conservation, water supply, ground and surface water management, pollution control, fish and wildlife habitat, recreation, and forestry and range management. The District serves an area encompassing portions of six Nebraska counties: Butler, Cass, Lancaster, Otoe, Saunders, and Seward. Its governmental authority includes the power to levy property taxes and the right of eminent domain.

The District is a local government governed by an elected twenty-one member board. As required by accounting principles generally accepted in the United States of America, these financial statements present only the Lower Platte South Natural Resources District. There are no legally separate organizations for which the elected officials of the District are financially accountable or for which exclusion from these financial statements would cause them to be misleading or incomplete.

Lower Platte South Natural Resources District

Management's Discussion and Analysis

Request for Information – Continued

Government-wide and Fund Financial Statements. Due to the District's status as a special-purpose government engaged only in governmental activities as described by GASB 34, the fund financial statements and the government-wide financial statements have been combined.

The government-wide financial statements include the statement of net position and the statement of activities, which report financial information for the District as a whole. The statements include governmental activities, which are generally supported by property taxes and grants from other governments.

Governmental fund financial statements use the current financial resources measurement focus and the accrual basis of accounting. Revenues are recognized when they are earned. Expenditures are recorded when the related fund liability is incurred.

Lower Platte South Natural Resources District

GOVERNMENTAL FUND BALANCE SHEET/
STATEMENT OF NET POSITION

June 30, 2025

	General Fund	Adjustments (Note H)	Statement of Net Position
ASSETS			
Cash (note B)	\$ 696,313	\$ -	\$ 696,313
Investments (note B)	18,295,493	-	18,295,493
Cash at County Treasurer	182,359	-	182,359
Accounts receivable (notes A and D)	687,984	-	687,984
Property taxes receivable (note A)	4,646,873	-	4,646,873
Capital assets (notes A and E)			
Land	-	24,065,764	24,065,764
Other capital assets	-	62,603,473	62,603,473
Accumulated depreciation	-	(10,737,401)	(10,737,401)
Total assets	<u>\$ 24,509,022</u>	<u>\$ 75,931,836</u>	<u>\$ 100,440,858</u>
LIABILITIES			
Accounts payable	\$ 1,080,312	\$ -	\$ 1,080,312
Deposits	2,500	-	2,500
Compensated absences payable (note A)	-	276,194	276,194
Accrued salaries and benefits payable	131,064	-	131,064
Funds held for interlocal agreements (note A)	970,109	-	970,109
Total liabilities	<u>2,183,985</u>	<u>276,194</u>	<u>2,460,179</u>
FUND BALANCE/NET POSITION			
Fund balance (notes A and C)			
Committed	4,984,279	(4,984,279)	-
Assigned	9,299,942	(9,299,942)	-
Unassigned	8,040,816	(8,040,816)	-
Total fund balance	<u>22,325,037</u>	<u>(22,325,037)</u>	<u>-</u>
Total liabilities and fund balance	<u>\$ 24,509,022</u>		
Net position (note A)			
Net investment in capital assets		75,931,836	75,931,836
Unrestricted		22,048,843	22,048,843
Total net position		<u>75,655,642</u>	<u>97,980,679</u>
Total liabilities and net position		<u>\$ 75,931,836</u>	<u>\$ 100,440,858</u>

See accompanying notes to financial statements.

Lower Platte South Natural Resources District

STATEMENT OF GOVERNMENTAL FUND REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE/
STATEMENT OF ACTIVITIES

For the year ended June 30, 2025

	General Fund	Adjustments (Note H)	Statement of Activities
Revenues			
State grants and funds	\$ 1,379,846	\$ -	\$ 1,379,846
Federal grants and funds	245,775	-	245,775
Local grants and reimbursements	504,979	-	504,979
Property taxes	11,009,095	-	11,009,095
Investment earnings	849,645	-	849,645
Miscellaneous income	5,837	-	5,837
Gain from sale of assets	-	21,693	21,693
Total revenues	13,995,177	21,693	14,016,870
Expenditures/expenses			
Administration	1,100,905	-	1,100,905
Projects and improvements	5,094,751	-	5,094,751
Personnel	3,533,963	147,085	3,681,048
Depreciation	-	914,872	914,872
Capital outlay	3,882,666	(3,882,666)	-
Total expenditures/expenses	13,612,285	(2,820,709)	10,791,576
Excess (deficit) of revenues over expenditures/expenses	382,892	(382,892)	-
Change in net position	-	3,225,294	3,225,294
Fund balance/net position			
Beginning of year	21,942,145	72,813,240	94,755,385
End of year	\$ 22,325,037	\$ 75,655,642	\$ 97,980,679

See accompanying notes to financial statements.

Lower Platte South Natural Resources District

NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Governmental Major Fund. The District reports the following major governmental fund:

General Fund. The General Fund is the primary operating fund of the District. All financial resources of the District are accounted for in the General Fund.

Budgets and Budgetary Accounting. As prescribed by State Statutes, the District adopts an annual budget using the cash basis of accounting. This method of accounting demonstrates compliance with budget laws of the State of Nebraska. All appropriations lapse at year end.

Receivables. The General fund accounts receivable are stated at the amount management expects to collect from balances outstanding at year-end. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to trade accounts receivable. Changes in the valuation allowance have not been material to the financial statements.

Property taxes receivable includes the second half of 2024 taxes due August 1 and September 1, 2025. All delinquent prior years' taxes are determined to be uncollectible and are not included in taxes receivable. The District considers 2024 taxes receivable to be fully collectible.

Capital Assets. Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, dams, and similar items), are reported in the statement of net position. Capital assets are defined by the District as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of two years. Capital assets are recorded at cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their estimated fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital assets are carried at cost, less accumulated depreciation. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated useful lives computed on the straight-line method. The estimated lives by asset class are as follows:

Vehicles	5 years
Office equipment	5-7 years
Machinery and other equipment	5-7 years
Buildings	15-40 years
Infrastructure	50-99 years

Property Tax Calendar. Property tax levies are set by the local governing board and filed with the County Clerk on or before September 30. Real and personal property taxes are due and become an enforceable lien on property on December 31. The first half of real estate and personal property taxes become delinquent on either April 1 or May 1 and the second half become delinquent on either August 1 or September 1 following the levy date.

Compensated Absences. It is the District's policy to permit employees to accumulate earned but unused vacation and comp time benefits. Employees may earn up to 400 hours of vacation and any employees who terminate with accumulated vacation leave will be paid for any unused time at their current hourly rate of pay. Part time employees can accrue a maximum of 400 hours of sick day which are not subject to compensation upon termination. Full time employees may accrue up to 800 hours of sick days, and only amounts above 400 hours of sick days accrual are subject to compensation upon termination.

Lower Platte South Natural Resources District

NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Deferred Revenue. Deferred revenue represents advances of grant funds received prior to the incurrence of related costs by the District.

Funds Held for Interlocal Agreements. The District has several interlocal agreements in place for cost-shared projects. Some partners paid their share of estimated costs in advance of expenses being incurred.

Equity. In the government-wide financial statements, equity is classified as net position and displayed in three components:

Net investment in capital assets. Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.

Restricted. Consists of net assets with constraints placed on the use either by 1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or 2) law through constitutional provisions or enabling legislation.

Unrestricted. Consists of all other assets that do not meet the definition of "invested in capital assets, net of related debt" or "restricted."

In the governmental fund financial statements, equity is classified as fund balance. Beginning with fiscal year 2011, the District implemented GASB Statement 54 "Fund Balance Reporting and Governmental Fund Type Definitions". This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used.

Nonspendable. Amounts that are not in a spendable form or are required to be maintained intact.

Restricted. Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation. The District does not currently have any restricted fund balances.

Committed. Amounts constrained to specific purposes by the District itself, using its highest level of decision-making authority, to be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest level action to remove or change the constraint.

Assigned. Amounts the District intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

Unassigned. Amounts that are available for any purpose.

The Board establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the District. Assigned fund balance is established by the Board through adoption or amendment of the budget or by Management as intended for specific purpose (such as the purchase of fund assets or construction or for other purposes).

Lower Platte South Natural Resources District

NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

When fund balance resources are available for a specific purpose in more than one classification, it is the District's policy to use the most restrictive funds first in the following order: restricted, committed, assigned and unassigned as they are needed.

Use of Estimates. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures (such as estimated useful lives in determining depreciation expense); accordingly, actual results could differ from those estimates.

NOTE B - CASH AND INVESTMENTS

State Statutes authorize the District to invest in certificates of deposit and time deposits in any state or national bank in the State of Nebraska. Additionally, State Statutes require banks either to give bond or to pledge government securities (types of which are specifically identified in the Statutes) to the extent that deposits exceed the amount insured by the Federal Deposit Insurance Corporation (FDIC). At June 30, 2025, all of the District's deposits were collateralized.

NOTE C - COMMITTED, ASSIGNED, AND NONSPENDABLE FUND BALANCES

Committed fund balance consists of the following constraints on use of the District's fund balance imposed by the Board of Directors. Assigned fund balance consists of the following constraints on the use of the District's fund balance imposed by Management as of June 30, 2025.

Project	Remaining Total Cost	Remaining Reimbursement	Net District Cost	Committed	Assigned
INFORMATION & EDUCATION					
I&E Env. Education	\$ 138,700	\$ -	\$ 138,700	\$ 61,000	\$ 77,700
I&E General Awareness	315,300	-	315,300	18,935	296,365
LAND BEST MANAGEMENT PRACTICES					
GIS Support	19,000	-	19,000	19,000	-
GIS Aerial Imagery Project	18,400	-	18,400	13,400	5,000
GIS Mapping ROW	5,000	-	5,000	-	5,000
Surface Water Quality Practices	650,000	-	650,000	290,061	359,939
NACD Technical Assistant Grant	-	61,600	(61,600)	-	(61,600)
Special Practices	25,000	-	25,000	14,400	10,600
Filter and Buffer Strip Programs	53,400	42,000	11,400	1,400	10,000
Targeted Areas Assistance					
Salt Valley Lakes	125,000	-	125,000	25,000	100,000
Stevens Creek Watershed	75,000	-	75,000	-	75,000
Cover Crop	100,000	-	100,000	-	100,000
Water Quality BMP Projects	416,964	241,179	175,785	87,858	87,927
PLATTE RIVER					
Lower Platte River Corridor Alliance Programs					
Alliance Coordinator / Operations	3,330	8,000	(4,670)	-	(4,670)
Programs, Studies & Projects	159,512	159,512	-	-	-

Lower Platte South Natural Resources District

NOTES TO FINANCIAL STATEMENTS

NOTE C - COMMITTED, ASSIGNED, AND NONSPENDABLE FUND BALANCES – CONTINUED

Project	Remaining Total Cost	Remaining Reimbursement	Net District Cost	Committed	Assigned
Lower Platte South NRD Platte River Programs					
Lower Platte River Consultant Services	28,800	-	28,800	28,800	-
Platte River Ice Jam Agreement	26,000	-	26,000	3,500	22,500
Endangered Species Studies	5,000	-	5,000	5,000	-
Monitor Lower Platte River Instream Flow	10,000	-	10,000	-	10,000
Nebraska Land Trust	50,000	-	50,000	30,000	20,000
Water Quality Management Plan	4,137	-	4,137	4,137	-
Invasive Species Cost-Share	60,000	-	60,000	30,000	30,000
Western Sarpy / Clear Creek Project O&M	50,000	-	50,000	-	50,000
LPRCA Program Reimbursements	48,100	-	48,100	47,600	500
LPRCA Dues	1,000	-	1,000	1,000	-
TRAILS / CONSERVATION CORRIDORS					
Trail Administration- MoPac East Trail/Conservation	3,500	3,500	-	-	-
Operation & Maintenance- Oak Creek Trail	422,500	-	422,500	218,700	203,800
Oak Creek Trail O&M (combined funding)	125,000	-	125,000	-	125,000
Recreational Trails Community Assistance	50,000	-	50,000	50,000	-
Nebraska Trails Foundation ATIIP Grant	120,000	120,000	-	-	-
Operation & Maintenance - MoPac Trail	2,145,000	1,250,000	895,000	-	895,000
MoPac Trail O&M (combined funding)	125,000	-	125,000	-	125,000
Operation & Maintenance-Homestead Trail	15,000	-	15,000	-	15,000
Homestead Trail O&M (combined funding)	125,000	-	125,000	-	125,000
Planning & Development - Oak Creek Trail/Conservati	5,000	-	5,000	-	5,000
WILDLIFE MANAGEMENT AREAS					
Wildlife Management Areas-Operation & Maintenance	189,500	26,250	163,250	19,500	143,750
HABITAT IMPROVEMENT					
Diversify Grassland	53,000	-	53,000	3,000	50,000
CONSERVATION EASEMENTS					
PCHB O&M / Project Coordination	320,800	110,500	210,300	162,300	48,000
Prairie Corridor on Haines Branch	475,000	-	475,000	290,000	185,000
Conservation Easements	110,000	-	110,000	-	110,000
WETLANDS					
Saline Wetland Partnership Support	1,065,000	949,500	115,500	75,500	40,000
Wetland Operation & Maintenance	67,750	8,500	59,250	-	59,250
Saline Wetland Conservation Easements	10,000	-	10,000	-	10,000
TREE PLANTING					
UNL / NRD Forester Agreement	40,000	-	40,000	40,000	-
Rural Forestry Program	74,200	46,000	28,200	11,150	17,050
Landscape Tree Program	5,000	-	5,000	115	4,885
Community Forestry Program	32,000	-	32,000	-	32,000
URBAN STORMWATER MANAGEMENT					
BMP Demonstrations and Cost-Share	15,000	-	15,000	158,000	(143,000)
Urban Water Quality BMP Cost-Share	10,000	-	10,000	-	10,000
Basin Master Planning	150,000	-	150,000	100,000	50,000
Salt Creek Flood Warning System	73,000	29,000	44,000	29,000	15,000
Lincoln Stormwater Management Programs	15,000	-	15,000	-	15,000
Administration Erosion/Sediment Program	30,000	-	30,000	-	30,000
Conservation Easement Inspections	25,000	-	25,000	-	25,000
Non Basin Master Plans	300,000	-	300,000	-	300,000
Structural Measures Analysis	250,000	-	250,000	163,846	86,154
South Salt Creek	900,000	450,000	450,000	67,500	382,500
DMR Flood Reduction Project	3,513,000	2,686,500	826,500	785,948	40,552

Lower Platte South Natural Resources District

NOTES TO FINANCIAL STATEMENTS

NOTE C - COMMITTED, ASSIGNED, AND NONSPENDABLE FUND BALANCES - CONTINUED

Project	Remaining Total Cost	Remaining Reimbursement	Net District Cost	Committed	Assigned
F&P Planning					
Hazard Mitigation Plan Update	-	-	-	206	(206)
O&M STORMWATER FACILITIES					
Salt Creek Pipe SWIF & O&M manual update	23,486	-	23,486	23,486	-
Salt Creek Routine O&M (Lincoln & Ashland)	1,041,943	-	1,041,943	175,703	866,240
Deadmans Run Routine O&M	92,000	-	92,000	-	92,000
Antelope Creek Routine O&M	190,000	-	190,000	7,000	183,000
Antelope Valley Routine O&M	55,000	-	55,000	-	55,000
Stevens Creek	10,000	-	10,000	-	10,000
Oak Creek Routine O&M	263,769	-	263,769	53,569	210,200
Beal Slough Routine O&M	340,000	-	340,000	171,965	168,035
Lynn Creek Routine O&M	10,000	-	10,000	-	10,000
Equipment, Supplies and Chemicals	60,000	-	60,000	-	60,000
Salt Creek Major O&M, Lincoln	1,701,700	-	1,701,700	76,700	1,625,000
Middle Creek Major O & M	852,000	426,000	426,000	56,000	370,000
COMMUNITY ASSISTANCE PROGRAMS					
General Projects	446,739	108,625	338,114	146,739	191,375
Flood Plain Acquisition	128,500	-	128,500	-	128,500
FLOOD CONTROL DAMS & ROAD STRUCTURES					
Watershed Dams O&M	105,000	-	105,000	-	105,000
Flood Control Dams O&M	15,000	-	15,000	-	15,000
Road Structure O&M	355,000	80,000	275,000	151,985	123,015
Clearing & Snagging Cost-Share	1,000	-	1,000	-	1,000
Road Structures	35,000	-	35,000	-	35,000
Piening Flood Control Dam	425,000	-	425,000	400,000	25,000
Watershed Dams O&M (Major)	476,000	-	476,000	284,854	191,146
STREAM BANK AND CHANNEL EROSION					
Stream Stabilization Above Clean Lakes	1,000	-	1,000	-	1,000
Lower Salt Creek Stream Stability Cost-Share	1,000	-	1,000	-	1,000
Stream Stability Demos with Agencies	1,000	-	1,000	-	1,000
Stream Degradation Control Projects w/Landowners	1,000	-	1,000	-	1,000
SURFACE WATER MONITORING					
Cooperative Stream Gages with USGS	79,000	-	79,000	79,000	-
Surface Water Quality Monitoring	1,000	-	1,000	-	1,000
GROUNDWATER MANAGEMENT					
CWSPA Phase I, II, & III Implementation	20,000	70,120	(50,120)	-	(50,120)
Monitoring Quality & Quantity	415,000	24,000	391,000	261,400	129,600
BMP Cost-Share Programs	506,705	57,350	449,355	13,400	435,955
Geophysical Mapping Project	43,000	-	43,000	28,000	15,000
ENWRA Dues/Geocloud Dues	30,000	5,000	25,000	25,000	-
Monitoring Wells	80,000	-	80,000	35,000	45,000
ENWRA (Eastern NE Water Resources Assessment)					
ENWRA Partnership	382,380	320,758	61,622	61,622	-
ENWRA Coordinator	67,000	-	67,000	67,000	-
INTEGRATED MANAGEMENT STUDIES					
IMP-Water Inventory	50,000	-	50,000	-	50,000
IMP-Water Supply Management	5,000	-	5,000	-	5,000
IMP-Water Use Management	1,000	-	1,000	-	1,000
Lower Platte River Basin Coalition Planning	10,000	-	10,000	10,000	-
Total	\$ 21,568,115	\$ 7,283,894	\$ 14,284,221	\$ 4,984,279	\$ 9,299,942

Lower Platte South Natural Resources District

NOTES TO FINANCIAL STATEMENTS

NOTE D - ACCOUNTS RECEIVABLE

Accounts receivable consists of the following:

Federal grants and cost share agreements	\$ 103,775
Intergovernmental reimbursements	84,614
State grants	499,580
General	15
	<u>\$ 687,984</u>

NOTE E - CAPITAL ASSETS

	2024	Additions During Year	Disposals During Year	Reclass	2025
Capital assets, not depreciated					
Land	\$ 23,162,801	\$ 902,963	\$ -	\$ -	\$ 24,065,764
Capital assets, depreciated					
Infrastructure	49,332,902	790,680	-	2,858,810	52,982,392
Buildings	3,780,655	130,481	-	-	3,911,136
Construction in progress	5,183,337	1,819,517	-	(2,858,810)	4,144,044
Office equipment	209,375	58,096	62,216	-	205,255
Machinery and equipment	613,098	34,634	-	-	647,732
Vehicles	622,215	154,048	63,349	-	712,914
Total capital assets, depreciated	59,741,582	2,987,456	125,565	-	62,603,473
Less accumulated depreciation for:					
Infrastructure	7,222,206	703,716	-	-	7,925,922
Buildings	1,531,225	92,223	-	-	1,623,448
Office equipment	172,632	17,418	54,462	-	135,588
Machinery and equipment	491,856	38,421	-	-	530,277
Vehicles	522,421	63,094	63,349	-	522,166
Total accumulated depreciation	9,940,340	914,872	117,811	-	10,737,401
Total capital assets, depreciated, net	49,801,242	2,072,584	7,754	-	51,866,072
Total capital assets, net	\$ 72,964,043	\$ 2,975,547	\$ 7,754	\$ -	\$ 75,931,836

NOTE F - DEFINED CONTRIBUTION PENSION PLAN

The District employees participate in the Nebraska Association of Resource Districts Employees Governmental Retirement Plan (the Plan), a multiple-employer public employee retirement plan (PERS). On January 1, 1998, the Plan was converted from a defined benefit to a defined contribution pension plan under IRS Code Section 414(h). All District employees who are working at least 1,000 hours in a year, have 6 months of service, and have reached the age of 19 are eligible to participate in the Plan.

Plan members are required to contribute 6.5% of their covered salary. The District is required to contribute 7% of covered salary to the plan. The contribution requirement for the year ended June 30, 2025 was \$293,101, which consisted of \$139,628 from the District and \$153,473 from employees.

Lower Platte South Natural Resources District

NOTES TO FINANCIAL STATEMENTS

NOTE G - DEFERRED COMPENSATION PLAN

On July 1, 1994, the District began offering its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all District employees, permits them to defer a portion of their salary until future years.

NOTE H - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Reconciliation between governmental fund balance and the net position of governmental activities:

The total fund balance of the District's governmental fund differs from the total net position of governmental activities reported in the statement of net position. The difference results from the long-term economic focus of the statement of net position versus the current financial resources focus of the governmental fund balance sheet.

Fund balance of governmental fund	\$ 22,325,037
Accrued compensated absences represent amounts not due and payable in the current period and therefore, are not reported in the fund.	(276,194)
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the fund.	<u>75,931,836</u>
Net position of the governmental activities	<u>\$ 97,980,679</u>

Reconciliation between excess of revenues over expenditures and change in net position of statement of activities:

The excess of revenues over expenditures differs from the change in net position for governmental activities. The differences arise from the long-term economic focus of the statement of activities versus the current financial resources focus of the governmental fund.

Excess of revenues over expenditures	\$ 382,892
In the statement of activities, the loss on the sale of assets is reported, but doesn't represent the use of current financial resources in the fund.	
Gain from sale of assets	21,693
Governmental fund reports capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:	
Capital outlay	3,882,666
Depreciation expense	(914,872)
Compensated absences reported in the statement of activities do not require the use of current financial resources and, therefore are not reported as a governmental expenditure.	<u>(147,085)</u>
Change in net position	<u>\$ 3,225,294</u>

Lower Platte South Natural Resources District

NOTES TO FINANCIAL STATEMENTS

NOTE I – NEW ACCOUNTING STANDARD

In June 2022, the Governmental Accounting Standards Board (GASB) issued GASB 101, *Compensated Absences*. The standard establishes a unified recognition and measurement model for compensated absences, requiring liabilities to be recognized for leave that has not been used and leave that has been used by not yet paid. This model eliminates comparability issues between different types of leave.

The District adopted the statement, effective for the year ended June 30, 2025, using a modified retrospective approach with the effective date option, which allows the District to apply the statement at the effective date, July 1, 2024. The adoption of the statement did not result in an adjustment to the opening balance of net position in the period of adoption.

NOTE J - SUBSEQUENT EVENTS

Subsequent events have been evaluated through the audit report date, the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

Lower Platte South Natural Resources District

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND

For the year ended June 30, 2025

	Original and Final Budget	Actual (Budgetary Basis)	Variance Favorable (Unfavorable)	Budget to GAAP Differences (Over) Under	Actual Amounts GAAP Basis
Revenues					
State grants and funds	\$ 2,583,895	\$ 1,523,737	\$ (1,060,158)	\$ (143,891)	\$ 1,379,846
Federal grants and funds	1,278,370	1,429,140	150,770	(1,183,365)	245,775
Local grants and reimbursements	3,197,609	450,358	(2,747,251)	54,621	504,979
Property taxes	10,865,780	10,829,709	(36,071)	179,386	11,009,095
Investment earnings	-	849,645	849,645	-	849,645
Miscellaneous income	-	17,850	17,850	(12,013)	5,837
Gain from sale of assets	-	-	-	21,693	21,693
Total revenues	17,925,654	15,100,439	(2,825,215)	(1,083,569)	14,016,870
Expenditures					
Administration	1,232,550	1,112,039	120,511	(11,134)	1,100,905
Projects and improvements	10,802,770	4,502,159	6,300,611	592,592	5,094,751
Personnel	3,884,451	3,516,194	368,257	164,854	3,681,048
Depreciation	-	-	-	914,872	914,872
Capital outlay	10,936,323	3,882,666	7,053,657	(3,882,666)	-
Total expenditures	26,856,094	13,013,058	13,843,036	(2,221,482)	10,791,576
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(8,930,440)	2,087,381	11,017,821	1,137,913	3,225,294

The District prepares its budget on the cash basis rather than the accrual basis resulting in the following differences:

Depreciation expense	\$ (914,872)
Loss on disposal of assets	21,693
Capital asset cash purchases	3,882,666
Increase (decrease) in assets	
Accounts receivable	(1,278,766)
Property taxes receivable	179,386
(Increase) decrease in liabilities	
Accounts payable	(524,018)
Deposits	9,680
Compensated absences payable	(147,085)
Accrued payroll liabilities	59,377
Accrued salaries and benefits payable	(131,728)
Funds held for interlocal agreements	(18,420)
Excess of revenues over expenditures - budget to GAAP	\$ 1,137,913

SUPPLEMENTARY INFORMATION

Lower Platte South Natural Resources District

SCHEDULE OF ADMINISTRATIVE EXPENDITURES
BUDGET AND ACTUAL - GENERAL FUND

For the year ended June 30, 2025

	Budget	Actual (Budgetary Basis)	Variance Favorable (Unfavorable)	Budget to GAAP Differences (Over) Under	Actual Amounts GAAP Basis
Auto and truck expense	\$ 70,000	\$ 63,579	\$ 6,421	\$ 226	\$ 63,805
Directors expense	49,000	31,888	17,112	(745)	31,143
Directors per diem	59,000	59,420	(420)	-	59,420
Dues and memberships	65,000	53,387	11,613	-	53,387
Personnel expenses	65,000	45,332	19,668	(2,458)	42,874
Fees and licenses	30,000	166,025	(136,025)	(38,089)	127,936
Bonding expense	1,500	1,118	382	-	1,118
Insurance	150,000	138,878	11,122	2,500	141,378
Legal notices	7,000	3,831	3,169	(151)	3,680
Office supplies and expense	265,000	233,250	31,750	10,396	243,646
Postage	5,500	5,492	8	-	5,492
Professional services	225,750	144,616	81,134	15,887	160,503
Telephone	40,800	40,043	757	1,503	41,546
Utilities	35,000	25,973	9,027	981	26,954
Miscellaneous	4,500	10,495	(5,995)	-	10,495
Small equipment	59,500	-	59,500	-	-
Building maintenance	100,000	88,712	11,288	(1,184)	87,528
	<u>\$ 1,232,550</u>	<u>\$ 1,112,039</u>	<u>\$ 120,511</u>	<u>\$ (11,134)</u>	<u>\$ 1,100,905</u>

Lower Platte South Natural Resources District

SCHEDULE OF PROJECT AND IMPROVEMENT COSTS AND CAPITAL OUTLAY
BUDGET AND ACTUAL - GENERAL FUND

For the year ended June 30, 2025

	<u>Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget to GAAP Differences (Over) Under</u>	<u>Actual Amounts GAAP Basis</u>
Fees and licenses	\$ 2,430,706	\$ 1,387,017	\$ 1,043,689	\$ (19,669)	\$ 1,367,348
Information and education	489,000	345,523	143,477	(38,726)	306,797
Professional services	37,000	18,728	18,272	-	18,728
Project operation and maintenance	4,900,493	2,279,507	2,620,986	355	2,279,862
Development of district holdings	191,040	93,478	97,562	12,478	105,956
Wildlife habitat	232,450	97,559	134,891	157	97,716
Land and water treatment	1,585,615	486,329	1,099,286	27,363	513,692
Intergovernmental cost sharing	936,466	301,681	634,785	102,971	404,652
Land	-	902,963	(902,963)	(902,963)	-
Buildings	800,000	130,481	669,519	(130,481)	-
Construction in progress	-	1,819,517	(1,819,517)	(1,819,517)	-
Infrastructure	10,136,323	275,264	9,861,059	(275,264)	-
Machinery	-	34,634	(34,634)	(34,634)	-
Office equipment	-	58,096	(58,096)	(58,096)	-
	<u>\$21,739,093</u>	<u>\$ 8,384,825</u>	<u>\$ 13,354,268</u>	<u>\$ (3,290,074)</u>	<u>\$ 5,094,751</u>

Lower Platte South Natural Resources District

SCHEDULE OF PERSONNEL COSTS
BUDGET AND ACTUAL - GENERAL FUND

For the year ended June 30, 2025

	Budget	Actual (Budgetary Basis)	Variance Favorable (Unfavorable)	Budget to GAAP Differences (Over) Under	Actual Amounts GAAP Basis
Employee benefits	\$ 735,000	\$ 613,087	\$ 121,913	\$ (4,610)	\$ 608,477
Payroll taxes	210,000	242,121	(32,121)	(60,486)	181,635
Salaries, administrative	413,079	236,410	176,669	161,964	398,374
Salaries, clerical	270,681	235,004	35,677	19,107	254,111
Salaries, maintenance and construction	220,000	199,095	20,905	(32,265)	166,830
Fuel and supplies	30,000	-	30,000	-	-
Salaries, technical	2,005,691	1,990,477	15,214	81,144	2,071,621
	<u>\$ 3,884,451</u>	<u>\$ 3,516,194</u>	<u>\$ 368,257</u>	<u>\$ 164,854</u>	<u>\$ 3,681,048</u>

Lower Platte South Natural Resources District

SCHEDULE OF INFORMATION REQUIRED
BY NEBRASKA STATUTES - BUDGETARY BASIS

For the year ended June 30, 2025

Gross income from all sources	\$ 15,100,439
Amount expended for maintenance, improvements and other such programs	\$ 8,473,537
Amount of depreciation on property	\$ 914,872
Number of employees as of June 30	33
Salaries paid to employees	\$ 2,660,986

Bidding practices of the District

The District lets bids as prescribed by State Statutes and in instances where a project co-sponsor requires bids. Invitations for bids are published and circulated to interested prospective bidders. Sealed bids are publicly opened at a specified date, time, and place. The Board of Directors awards the contract after considering price and other factors.

(This page left blank intentionally)

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 Directors
Lower Platte South Natural Resources District
Lincoln, Nebraska

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the General fund of the Lower Platte South Natural Resources District (the District) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October XX, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District'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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District'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 District'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 have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and responses as item 2025-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 *Governmental Auditing Standards*.

Lower Platte South Natural Resources District's Response to Findings

Lower Platte South Natural Resources District's response to the findings identified in our audit is described in the schedule of findings and responses. Lower Platte South Natural Resources District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 District's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Lower Platte South Natural Resources District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Lincoln, Nebraska
October XX, 2025

Lower Platte South Natural Resources District
SCHEDULE OF FINDINGS AND RESPONSES

Year ended June 30, 2025

Findings – Financial Statements Audit

2025-001 Preparation of the Financial Statements

Criteria: SAS 115 requires the communication, in writing, to management and those charged with governance, of material weaknesses identified in an audit.

Condition: The District does not have an internal control system designed to provide for the preparation of the financial statements being audited.

Cause: Accounting personnel of the District do not have the expertise to prepare financial statements, including note disclosures in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Effect or protentional effect: The control deficiency is a material weakness that results in a reasonable possibility that a material misstatement of the financial statements and schedule of expenditures of federal awards will not be prevented, or detected and corrected, on a timely basis.

Repeat Finding 2024-001

Recommendation: The District should continue to rely on the board of director's review functions to mitigate risks of potential misstatements.

Views of responsible officials: The District will continue to rely on its system of oversight provided by the board of directors in reviewing the financial statements, including note disclosures, of the District.

Year ended June 30, 2025

The corrective action plan for the findings included in the schedule of findings and responses is summarized as follows:

2025-001 - Preparation of the Financial Statements

Corrective Action Planned: The District will rely on its system of oversight provided by the board of directors in reviewing the financial statements, including note disclosures to mitigate this inherent material weakness in its internal control system.

Anticipated Completion Date: Continuous.

Responsible: Management and Board of Directors.

David Potter, General Manager

September XX, 2025

1895-000

PRIVATE AND CONFIDENTIAL

The Board of Directors
Lower Platte South Natural Resources District
P.O. Box 83581
Lincoln, NE 68501-3581

Dear Board Members:

Enclosed are 25 copies of the audited financial statements of Lower Platte South Natural Resources District as of June 30, 2025.

It was our pleasure to provide services to Lower Platte South Natural Resources District and we appreciate your assistance while conducting the audit.

We will also provide a copy of the audited financial statements directly to the Nebraska State Auditor.

If we can be of further assistance, please do not hesitate to contact our office.

Very truly yours,

HBE LLP

Kiley A. Wiechman, CPA
Partner

KAW/smg

Enclosure

September XX, 2025

1895-000

PRIVATE AND CONFIDENTIAL

Auditor of Public Accounts
Room 2303 State Capitol
P.O. Box 94786
Lincoln, NE 68509

Dear Sir/Madam:

At the request of Lower Platte South Natural Resources District, we are enclosing one copy of the audited financial statements of Lower Platte South Natural Resources District as of June 30, 2025.

Very truly yours,

HBE LLP

Kiley A. Wiechman, CPA
Partner

KAW/smg

Enclosure

cc: Lower Platte South Natural Resources District

October XX, 2025

Lower Platte South Natural Resources District
P.O. Box 83581
Lincoln, NE 68501-3581

Dear Board Members:

We have audited the financial statements of Lower Platte South Natural Resources District as of and for the year ended June 30, 2025, and have issued our report thereon dated October XX, 2025. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated August 15, 2022, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of Lower Platte South Natural Resources District solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our findings regarding significant control deficiencies over financial reporting and material noncompliance, and other matters noted during our audit in our report to you dated October XX, 2025.

Lower Platte South Natural Resources District
Lincoln, NE 68501-3581

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

Significant Risks Identified

We use a risk-based approach to perform our audit whereby we focus our procedures on financial statement areas that may be susceptible to the risk of material misstatement due to error or fraud. Many factors can increase the risk of an audit area, including size of account balances, complexity of account balances, internal control weaknesses, etc. Additionally, auditing standards require some financial statement areas to be identified due to inherent risk.

We have identified the following significant risks:

- Improper revenue recognition due to error or fraud (mandatory identification)
- Management override of controls (mandatory identification)
- Improper journal entries

Based on our audit procedures performed, no findings were noted in relation to the above identified risks.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by Lower Platte South Natural Resources District is included in Note A to the financial statements. As described in Note I to the financial statements, during the year, the District adopted GASB 101, *Compensated Absences*. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates and Related Disclosures

Accounting estimates and related disclosures are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

Lower Platte South Natural Resources District
Lincoln, NE 68501-3581

Financial Statement Disclosures

The financial statement disclosures are neutral, consistent, and clear.

Significant Unusual Transactions

For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit. We did not identify any unusual transactions identified as a result of our audit procedures to bring to the attention of management.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards also require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. The attached schedule summarizes uncorrected financial statement misstatements whose effects in the current and prior periods, as determined by management, are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. None of the misstatements identified by us as a result of our audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to Lower Platte South Natural Resources District's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated October XX, 2025.

Lower Platte South Natural Resources District
Lincoln, NE 68501-3581

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with Lower Platte South Natural Resources District, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as Lower Platte South Natural Resources District's auditors.

This report is intended solely for the information and use of the Board of Directors and management of Lower Platte South Natural Resources District and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

HBE LLP

Kiley A. Wiechman, CPA
Partner

KAW/arc

UNCORRECTED MISSTATEMENTS

[illegible]

October XX, 2025

HBE LLP
7140 Stephanie Lane
Lincoln, NE 68542-3110

Dear Sir/Madam:

This representation letter is provided in connection with your audit of the governmental fund balance sheet/statement of net position and the related statement of governmental fund revenue, expenditures, and changes in fund balance/statement of activities of Lower Platte South Natural Resources District as of June 30, 2025, and for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions on whether the basic financial statements present fairly, in all material respects, the financial position and results of operations of the District in accordance with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information such that, in the light of surrounding circumstances, 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.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of October XX, 2025:

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated August 15, 2022, for the preparation and fair presentation of the financial statements of the various opinion units referred to above in accordance with U.S. GAAP.
2. The financial statements referred to above have been fairly presented in accordance with U.S. GAAP and include all properly classified funds, required supplementary information, and notes to the basic financial statements.
3. We acknowledge our responsibility for the design, implementation, and maintenance of the system 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.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. The methods, data, and significant assumptions used by us in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement, or disclosure that is reasonable in the context of U.S. GAAP.

HBE LLP
Lincoln, NE 68542-3110

6. All related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
7. All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
8. The effects of uncorrected misstatements summarized in the attached schedule and aggregated by you during the current engagement are immaterial, both individually and in the aggregate, to the applicable opinion units and to the financial statements as a whole.
9. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
10. All component units, as well as joint ventures with an equity interest, are included and other joint ventures and related organizations are properly disclosed.
11. All funds and activities are properly classified.
12. All funds that meet the quantitative criteria in Government Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
13. All components of net position, nonspendable fund balance, and restricted, committed, assigned, and unassigned fund balance are properly reported and, if applicable, approved.
14. All revenues within the statement of activities have been properly classified as program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
15. All expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations, if any, have been made on a reasonable basis.
16. All interfund and intra-entity transactions and balances have been properly classified and reported.
17. Special items and extraordinary items have been properly classified and reported.
18. Deposit and investment risks have been properly and fully disclosed.
19. Capital assets, including infrastructure assets and right-to-use assets, are properly capitalized, reported, and if applicable, depreciated or amortized.
20. All required supplementary information is measured and presented within the prescribed guidelines.
21. Nonexchange and exchange financial guarantees, either written or oral, under which it is more likely than not that a liability exists have been properly recorded, or if we are obligated in any manner, are disclosed.
22. We acknowledge our responsibility for compliance with the laws, regulations, and provisions of contracts and grant agreements.
23. We have reviewed, approved, and taken responsibility for the financial statements and related notes.
24. We have a process to track the status of audit findings and recommendations.

HBE LLP
Lincoln, NE 68542-3110

25. We have identified and communicated to you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
26. With respect to the budgetary comparison information accompanying the financial statements:
 - a. We acknowledge our responsibility for the presentation of the budgetary information in accordance with U.S. GAAP.
 - b. We believe the budgetary information, including its form and content, is measured and fairly presented in accordance with U.S. GAAP.
 - c. The methods of measurement or presentation have not changed from those used in the prior period.
 - d. We believe the significant assumptions or interpretations underlying the measurement or presentation of the budgetary information, and the basis for our assumptions and interpretations, are reasonable and appropriate in the circumstances.
 - e. When the budgetary information is not presented with the audited financial statements, management will make the audited financial statements readily available to the intended users of the budgetary information no later than the date of issuance by the entity of the supplementary information and the auditor's report thereon.
27. With respect to preparation of the financial statements, proposing adjusting or correcting journal entries, submission of the audit report and financial statements to the Nebraska Auditor of Public Accounts, depreciation schedule maintenance, budget assistance, and all other nonattest services, we have performed the following:
 - a. Made all management decisions and performed all management functions;
 - b. Assigned a competent individual to oversee the services;
 - c. Evaluated the adequacy of the services performed;
 - d. Evaluated and accepted responsibility for the result of the service performed; and
 - e. Established and maintained internal controls, including monitoring ongoing activities.
28. We have reviewed and approved the various adjusting journal entries that were proposed by you for recording in our books and records and reflected in the financial statements, as summarized in the attached Adjusting Journal Entries Report.

Information Provided

29. We have provided you with:
 - a. Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation, meeting minutes, and other matters;
 - b. Additional information that you have requested from us for the purpose of the audit;
 - c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.

HBE LLP
Lincoln, NE 68542-3110

30. All transactions have been recorded in the accounting records and are reflected in the financial statements.
31. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
32. We have evaluated the entity's ability to meet its obligations as they become due, and have not identified any conditions or events, individually or in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern.
33. We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - a. Management;
 - b. Employees who have significant roles in internal control; or
 - c. Others where the fraud could have a material effect on the financial statements.
34. We have no knowledge of any instances, that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance, whether communicated by employees, former employees, vendors (contractors), analysts, regulators, or others.
35. We have no knowledge of any instances that have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that has a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
36. We have no knowledge of any instances that have occurred or are likely to have occurred of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
37. We have taken timely and appropriate steps to remedy fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements, abuse or waste that you have reported to us.
38. We have a process to track the status of audit findings and recommendations.
39. We have identified for you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
40. We have provided views on your reported audit findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
41. We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements. We have disclosed to you the identity of all the entity's related parties and the nature of all the related party relationships and transactions of which we are aware.
42. There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
43. Lower Platte South Natural Resources District has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
44. We have disclosed to you all guarantees, whether written or oral, under which Lower Platte South Natural Resources District is contingently liable.

HBE LLP
Lincoln, NE 68542-3110

45. We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB Statement No. 62 (GASB-62), *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year
46. We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
47. There are no:
 - a. Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
 - b. Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with GASB-62.
 - c. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB-62
 - d. Continuing disclosure consent decree agreements or filings with the Securities and Exchange Commission and we have filed updates on a timely basis in accordance with the agreements (Rule 240, 15c2-12).
48. Lower Platte South Natural Resources District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
49. We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

Lower Platte South Natural Resources District

Signature

Title

Signature

Title

Client: **1895-000 - Lower Platte South Natural Resources District**
Engagement: **1895-000 - 2025 Audit**
Trial Balance: **Trial Balance**
Workpaper: **3550 - Adjusting Journal Entries Report**

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 1				
Adjust property tax receivable balance.				
		4230		
183100	Cash - County Treasurers		20,174.24	
184100	Accounts Receivable - Property Taxes		341,570.58	
106000	General Union Bank			182,359.02
306000	General Property Taxes - General Fund			179,385.80
Total			361,744.82	361,744.82
Adjusting Journal Entries JE # 2				
To record FY25 Accounts payable discovered during testing.				
		5120		
470090	BMP Demonstrations and Cost-Share		15,000.00	
471089	Basin Master Planning		20,000.00	
471090	Salt Creek Flood Warning System		5,000.00	
471093	Lincoln Stormwater Management Programs		10,000.00	
471150	Administration Erosion/Sediment Program		30,000.00	
471503	Structural Measures Analysis		37,971.00	
201000	Accounts Payable			117,971.00
Total			117,971.00	117,971.00
Adjusting Journal Entries JE # 3				
DO NOT POST - To adjust accrued wages to actual PBC.				
		5225.02		
459050	Adjustments		16,579.20	
208050	Accrued Hrlty Wages			16,579.20
Total			16,579.20	16,579.20
Adjusting Journal Entries JE # 4				
To roll equity				
		6110		
299998	Retained Earnings		189.00	
499000	Operating Expense: Miscellaneous Expense			189.00
Total			189.00	189.00
Adjusting Journal Entries JE # 5				
Reallocate PPE				
		4610		
161020	Land Improvement		2,858,809.89	
161112	Middle Creek Construction In Progress		70,248.56	
161113	Haines Branch Construction In Progress		44,297.50	
161110	Beal Slough Construction In Progress			1,198,562.97
161111	Piening Construction In Progress			1,774,792.98
Total			2,973,355.95	2,973,355.95
Adjusting Journal Entries JE # 6				
Record Disposals				
		4610		
171010	Less Accumulated Depreciation		85,129.99	
167010	Automobile and Trucks			1,221.00
169010	Office Equipment			62,215.89
770010	Gain/Loss on Asset Disposal			21,693.10
Total			85,129.99	85,129.99
Adjusting Journal Entries JE # 7				
Adjust Depreciation Expense				
		4610		
480000	Operating Expense: Depreciation Expenses		93,544.57	
171010	Less Accumulated Depreciation			93,544.57
Total			93,544.57	93,544.57
Adjusting Journal Entries JE # 8				
To adjust LPRCA revenue to deferred revenue to match LPRCA Tracking Sheet.				
		5415		
302014	NRDS, Lower Platte River Studies		9,680.00	
210040	LPRCA Funds Held by LPSNRD			9,680.00
Total			9,680.00	9,680.00
Adjusting Journal Entries JE # 9				
		3599.01		

Client: **1895-000 - Lower Platte South Natural Resources District**
Engagement: **1895-000 - 2025 Audit**
Trial Balance: **Trial Balance**
Workpaper: **3550 - Adjusting Journal Entries Report**

Account	Description	W/P Ref	Debit	Credit
PBC Entry to record FY25 invoices recieved during fieldwork.				
120000	Reimbursable Project Costs		1,887.24	
447024	Antelope Valley Routine O&M		13,248.58	
455007	Clerks-But., Sa., & Se., Co.		12,439.07	
459008	Cons. Technician-NRCS Offices		14,800.00	
464010	Wildlife Management Areas-Operation & Maintenance		375.00	
780220	Piening Flood Control Dam		11,608.95	
201000	Accounts Payable			375.00
201000	Accounts Payable			52,096.60
302503	Road Structures Reimbursement			1,887.24
Total			54,358.84	54,358.84
Adjusting Journal Entries JE # 10				
		3599.01		
PBC Entry to capitalize invoice for Piening Flood				
161111	Piening Construction In Progress		11,608.95	
780220	Piening Flood Control Dam			11,608.95
Total			11,608.95	11,608.95
Adjusting Journal Entries JE # 11				
		4610		
To move the leased skid loader initially capitalized to an expense.				
447099	Equipment, Supplies and Chemicals		11,226.84	
165010	Machinery and Equipment			11,226.84
Total			11,226.84	11,226.84
Adjusting Journal Entries JE # 12				
		5240		
To adjust accrued leave to incorporate new GASB 101 guidance.				
459050	Adjustments		67,048.01	
208000	Accrued Vac/Comp Time/Sick			67,048.01
Total			67,048.01	67,048.01
Adjusting Journal Entries JE # 13				
		3599.02		
PBC ENTRY- To adjust for grant reimbursement after fieldwork. The expenses reimbursemd are in FY25 so getting the revenue in that period as well makes sense.				
120000	Reimbursable Project Costs		59,697.37	
303223	Section 319 Drinking Water Protection Specialist			59,697.37
Total			59,697.37	59,697.37

UNCORRECTED MISSTATEMENTS

Effect of Uncorrected Misstatements: Current-Period
Effect of Prior-Period Uncorrected Misstatements
Net Effect of Uncorrected Misstatements