

**AUDIT REPORT
OF
BUTLER COUNTY**

JULY 1, 2020, THROUGH JUNE 30, 2021

**This document is an official public record of the State of Nebraska, issued by
the Auditor of Public Accounts.**

**Modification of this document may change the accuracy of the original
document and may be prohibited by law.**

Issued on December 17, 2021

BUTLER COUNTY

TABLE OF CONTENTS

	<u>Page</u>
List of County Officials	1
Financial Section	
Independent Auditor's Report	2 - 4
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position - Cash Basis	5
Statement of Activities - Cash Basis	6
Fund Financial Statements:	
Statement of Cash Basis Assets and Fund Balances - Governmental Funds	7
Statement of Cash Receipts, Disbursements, and Changes in Cash Basis Fund Balances - Governmental Funds	8
Statement of Cash Receipts, Disbursements, and Changes in Cash Basis Fund Balances - Fiduciary Funds	9
Notes to Financial Statements	10 - 17
Combining Statements and Schedules:	
Budgetary Comparison Schedule - Budget and Actual - General Fund	18 - 19
Budgetary Comparison Schedule - Budget and Actual - Major Funds	20
Budgetary Comparison Schedule - Budget and Actual - Nonmajor Funds	21 - 25
Combining Statement of Receipts, Disbursements, and Changes in Cash Basis Fund Balances - Nonmajor Funds	26 - 30
Schedule of Office Activities	31
Schedule of Taxes Certified and Collected for All Political Subdivisions in the County	32
Government Auditing Standards Section	
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>	33 - 34

BUTLER COUNTY
451 N. 5th Street
David City, NE 68632

LIST OF COUNTY OFFICIALS
At June 30, 2021

<u>Title</u>	<u>Name</u>	<u>Term Expires</u>
Board of Supervisors	Scott Steager	Jan. 2023
	David Mach	Jan. 2023
	Ryan Svoboda	Jan. 2025
	Scot Bauer	Jan. 2023
	Robert Coufal	Jan. 2025
	Anthony Whitmore	Jan. 2023
	Tony Krafka	Jan. 2025
Assessor	Vickie Donoghue	Jan. 2023
Attorney	Julie Reiter	Jan. 2023
Clerk Election Commissioner Register of Deeds	Stephanie Laska	Jan. 2023
Clerk of the District Court	Sandy Hoeft	Jan. 2023
Sheriff	Tom Dion	Jan. 2023
Treasurer	Karey Adamy	Jan. 2023
Surveyor	Brian Foral	Jan. 2023
Veterans' Service Officer	Joey Ossian	Appointed
Weed Superintendent	Max Birkel	Appointed
Highway Superintendent	Jim McDonald	Appointed
Floodplain Administrator	Breann Whitmore	Appointed
Emergency Manager	Mark Doehling	Appointed
Senior Services	Diana McDonald	Appointed



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

Charlie Janssen
State Auditor

Charlie.Janssen@nebraska.gov
PO Box 98917
State Capitol, Suite 2303
Lincoln, Nebraska 68509
402-471-2111, FAX 402-471-3301
auditors.nebraska.gov

BUTLER COUNTY

INDEPENDENT AUDITOR'S REPORT

Board of Supervisors
Butler County, Nebraska

Report on the Financial Statements

We have audited the accompanying cash-basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Butler County, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the basic financial statements of the County's primary government, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting described in Note 1. This includes 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 Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County's preparation and fair presentation of the financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Summary of Opinions

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

Basis for Adverse Opinion on the Discretely Presented Component Unit

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

Adverse Opinion

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on the Discretely Presented Component Unit” paragraph, the financial statements referred to above do not present fairly the financial position of the discretely presented component unit of Butler County, as of June 30, 2021, or the change in financial position thereof for the year ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to previously present fairly, in all material respects, the respective cash-basis financial position of the governmental activities, each major fund, and aggregate remaining fund information of Butler County, as of June 30, 2021, and the respective changes in cash-basis financial position for the year then ended in conformity with the basis of accounting described in Note 1.

Emphasis of Matters – 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.

Report on Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements as a whole, which 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 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor fund financial statement, budgetary comparison information, schedule of office activity, and schedule of taxes certified and collected, pages 18-32, are the responsibility of management and were derived from, and relate directly to, the underlying accounting and other records used to prepare the basic financial statements. Such 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 December 13, 2021, on our consideration of Butler 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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and considering Butler County’s internal control over financial reporting and compliance.



Mark Avery, CPA
Assistant Deputy Auditor
Lincoln, Nebraska

December 13, 2021

BUTLER COUNTY
STATEMENT OF NET POSITION - CASH BASIS
June 30, 2021

	Governmental Activities
ASSETS	
Cash and Cash Equivalents (Note 1.D)	\$ 521,406
Investments (Note 1.D)	9,932,968
TOTAL ASSETS	\$ 10,454,374
NET POSITION	
Restricted for:	
Visitor Promotion	\$ 26,323
911 Emergency Services	181,578
Drug Education	7,092
Law Enforcement	966
Preservation of Records	9,546
Debt Service	120,972
Road & Bridge Projects	323,488
Child Support Enforcement	7,244
Coronavirus Relief & Assistance	778,509
Unrestricted	8,998,656
TOTAL NET POSITION	\$ 10,454,374

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

BUTLER COUNTY
STATEMENT OF ACTIVITIES - CASH BASIS
For the Year Ended June 30, 2021

Functions:	Cash Disbursements	Program Cash Receipts		Net (Disbursement) Receipts and Changes in Net Position
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	
Governmental Activities:				
General Government	\$ (2,278,670)	\$ 465,247	\$ 828,307	\$ (985,116)
Public Safety	(2,727,513)	637,387	372,000	(1,718,126)
Public Works	(3,300,008)	4,542	2,119,726	(1,175,740)
Public Assistance	(312,318)	83,660	68,538	(160,120)
Culture and Recreation	(496)	-	-	(496)
Debt Payments	(150,508)	-	-	(150,508)
Total Governmental Activities	<u><u>\$ (8,769,513)</u></u>	<u><u>\$ 1,190,836</u></u>	<u><u>\$ 3,388,571</u></u>	<u><u>(4,190,106)</u></u>

General Receipts:

Taxes	4,976,096
Grants and Contributions Not Restricted to Specific Programs	914,482
Investment Income	38,403
Licenses and Permits	46,956
Miscellaneous	164,863
Total General Receipts	<u><u>6,140,800</u></u>
Increase in Net Position	1,950,694
Net Position - Beginning of year	8,503,680
Net Position - End of year	<u><u>\$ 10,454,374</u></u>

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

BUTLER COUNTY
STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES
GOVERNMENTAL FUNDS

June 30, 2021

	General Fund	Road Fund	Inheritance Fund	Nonmajor Funds	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents (Note 1.D)	\$ 85,862	\$ 62,181	\$ 249,720	\$ 123,643	\$ 521,406
Investments (Note 1.D)	1,492,508	1,080,876	4,340,820	3,018,764	9,932,968
TOTAL ASSETS	\$ 1,578,370	\$ 1,143,057	\$ 4,590,540	\$ 3,142,407	\$ 10,454,374
FUND BALANCES					
Restricted for:					
Visitor Promotion	-	-	-	26,323	26,323
911 Emergency Services	-	-	-	181,578	181,578
Drug Education	-	-	-	7,092	7,092
Law Enforcement	-	-	-	966	966
Preservation of Records	-	-	-	9,546	9,546
Debt Service	-	-	-	120,972	120,972
Road & Bridge Projects	-	-	-	323,488	323,488
Child Support Enforcement	-	-	-	7,244	7,244
Coronavirus Relief & Assistance	-	-	-	778,509	778,509
Committed to:					
Law Enforcement	-	-	-	32,743	32,743
Road Maintenance	-	1,143,057	-	1,027,941	2,170,998
Aid and Assistance	-	-	-	337,285	337,285
Equipment	-	-	-	259,813	259,813
Problem Solving Court	-	-	-	989	989
Disaster Recovery	-	-	-	27,918	27,918
Assigned to:					
Other Purposes	-	-	4,590,540	-	4,590,540
Unassigned	1,578,370	-	-	-	1,578,370
TOTAL CASH BASIS FUND BALANCES	\$ 1,578,370	\$ 1,143,057	\$ 4,590,540	\$ 3,142,407	\$ 10,454,374

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

BUTLER COUNTY
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES**
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2021

	General Fund	Road Fund	Inheritance Fund	Nonmajor Funds	Total Governmental Funds
RECEIPTS					
Taxes	\$4,160,162	\$ -	\$ 596,580	\$ 219,354	\$ 4,976,096
Licenses and Permits	46,756	200	-	-	46,956
Investment Income	12,170	-	-	26,233	38,403
Intergovernmental	866,560	2,249,592	93,642	1,093,259	4,303,053
Charges for Services	1,087,932	4,542	-	98,362	1,190,836
Miscellaneous	25,048	89,920	-	49,895	164,863
TOTAL RECEIPTS	6,198,628	2,344,254	690,222	1,487,103	10,720,207
DISBURSEMENTS					
General Government	2,222,712	-	39,264	16,694	2,278,670
Public Safety	2,305,544	-	-	421,969	2,727,513
Public Works	103,527	2,894,549	-	301,932	3,300,008
Public Assistance	44,912	-	-	267,406	312,318
Culture and Recreation	-	-	-	496	496
Debt Service:					
Principal Payments	-	-	-	120,000	120,000
Interest and Fiscal Charges	-	-	-	30,508	30,508
TOTAL DISBURSEMENTS	4,676,695	2,894,549	39,264	1,159,005	8,769,513
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	1,521,933	(550,295)	650,958	328,098	1,950,694
OTHER FINANCING SOURCES (USES)					
Transfers in	500,000	1,360,160	-	1,052,935	2,913,095
Transfers out	(1,859,915)	(510,000)	(500,000)	(43,180)	(2,913,095)
TOTAL OTHER FINANCING SOURCES (USES)	(1,359,915)	850,160	(500,000)	1,009,755	-
Net Change in Fund Balances	162,018	299,865	150,958	1,337,853	1,950,694
CASH BASIS FUND BALANCES - BEGINNING	1,416,352	843,192	4,439,582	1,804,554	8,503,680
CASH BASIS FUND BALANCES - ENDING	\$1,578,370	\$1,143,057	\$4,590,540	\$ 3,142,407	\$ 10,454,374

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

BUTLER COUNTY
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES
FIDUCIARY FUNDS
For the Year Ended June 30, 2021

	Custodial Funds			
	Fund Balances			Fund Balances
	July 1, 2020 (as restated)	Receipts	Disbursements	June 30, 2021
ASSETS				
Cash and Cash Equivalents	\$ 131,410	\$ 33,019,782	\$ 33,101,373	\$ 49,819
Investments (Note 1.D)	787,840	78,158	-	865,998
TOTAL ASSETS	\$ 919,250	\$ 33,097,940	\$ 33,101,373	\$ 915,817
LIABILITIES				
Due to other governments				
State - Collected by County Treasurer	342,220	2,817,433	2,905,330	254,323
State - Collected by Other Offices	7,236	129,233	129,209	7,260
Schools	262,791	20,899,489	20,914,131	248,149
Educational Service Units	3,138	362,839	363,170	2,807
Technical College	19,460	2,228,667	2,230,921	17,206
Natural Resource Districts	6,874	703,207	704,469	5,612
Fire Districts	6,913	822,044	822,794	6,163
Municipalities	47,554	1,450,092	1,462,137	35,509
Agricultural Society	2,074	239,219	239,437	1,856
Townships	13,287	2,159,481	2,105,088	67,680
Sanitary and Improvement Districts	44,081	37,656	37,180	44,557
Others - Collected by County Treasurer	101,307	315,077	309,042	107,342
Others - Collected by Other Offices	62,315	933,503	878,465	117,353
TOTAL LIABILITIES	919,250	33,097,940	33,101,373	915,817
TOTAL NET POSITION	\$ -	\$ -	\$ -	\$ -

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

BUTLER COUNTY

NOTES TO FINANCIAL STATEMENTS

For the Fiscal Year Ended June 30, 2021

1. Summary of Significant Accounting Policies

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

A. Reporting Entity

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

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

Joint Organization.

Behavioral Health Region V – The County has entered into an agreement with surrounding counties and the Nebraska Department of Health and Human Services to provide services to carry out the provisions of the Nebraska Behavioral Health Services Act (Act). Agreements were established under the authority of the Interlocal Cooperation Act for services to be provided under the Act. Region V (Region) consists of the following counties: Polk, Butler, Saunders, Seward, Lancaster, Otoe, Fillmore, Saline, Thayer, Jefferson, Gage, Johnson, Nemaha, Pawnee, York, and Richardson.

The governing board for the Region includes representatives from the participating county boards. Each county contributes to the financial support of the Region activities based on formulas developed by the Region governing board and as required by the Act. Funding is provided by a combination of Federal, State, local, and private funding. The County contributed \$39,155 toward the operation of the Region during fiscal year 2021. In the event of the termination of the agreement, assets would be disposed of in accordance with the terms of the agreement. The Nebraska Department of Health and Human Services requires the Region to be audited annually in accordance with State statute. Financial information for the Region is available in those audit reports.

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

BUTLER COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

The Department's governing board is established by statute and includes representatives from the participating county boards and the health profession. Funding is provided by a combination of Federal, State, local, and private funding. The County did not contribute toward the operation of the Department during fiscal year 2021. In the event of the termination of the agreement, assets would be disposed of in accordance with the terms of the agreement. The Department is audited in accordance with Neb. Rev. Stat. § 84-304(4) (2021 Neb. Laws, LB 528, § 51). Financial information for the Department is available in that report.

B. Basis of Presentation

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

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

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

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

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

BUTLER COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

The County reports the following major governmental funds:

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

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

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

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.

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

The County designates fund balances as follows:

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

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

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

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

C. **Measurement Focus, Basis of Accounting**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus and basis of accounting. The accounting records of the County are maintained and the government-wide financial statements were reported on the basis of cash receipts and disbursements. As such, the measurement focus includes only those assets and fund balances arising from cash transactions on the Statement of Net Position - Cash Basis and the Statement of Activities - Cash Basis. Receipts are recognized when received, and disbursements are recognized when warrants are 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.

BUTLER COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

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

D. Assets and Net Position

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

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

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

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

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

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 \$1,455,718 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. 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.

BUTLER COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

On or before August 1, the County budget-making authority prepares and transmits a budget for each County fund to the County Board. The budget includes the requirements, the outstanding warrants, the operating reserves to be maintained, the cash on hand at the close of the preceding fiscal year, the receipts from sources other than taxation, and the amount to be raised by taxation. The County Board must hold at least one public hearing on the proposed budget. On or before September 20, the County Board adopts the budget and appropriates the amounts specified in the budget for the departments, offices, activities, and funds of the County.

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

2. **Deposits and Investments**

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

At year end, the County's carrying amount of deposits was \$521,406 for County funds and \$49,819 for Fiduciary funds. The bank balances for all funds totaled \$542,617. For purposes of classifying categories of custodial risk, the bank balances of the County's deposits, as of June 30, 2021, were either entirely insured or collateralized with securities held by the County's agent in the County's name.

The County's carrying value of investments is stated at cost, which approximates market. Investments consisted of \$13,576 in TD Ameritrade Investments, \$77,434 in the Butler County Area Foundation Fund, \$1,003,014 deposited in the Nebraska Federal Investment Trust (NFIT), and of \$9,704,942 deposited in the Nebraska Public Agency Investment Trust (NPAIT). NPAIT is a public entity investment pool operated under the direction of a nine-member Board of Trustees. All net income of the trust is determined as of the close of business on each banking day and is credited thereafter pro rata to each participant's account. Net income that has accrued to each participant is converted as of the close of business of each calendar month into additional units, which thereafter are held in each participant's trust account. Since net income of the fund is allocated among participants each time net income is determined, the net asset value remains at \$1.00 per unit. Securities held by NPAIT are not held in the County's name. The TD Ameritrade Investments and the Butler County Area Foundation Fund were held by the County or its agent in the name of the County. NFIT is a public entity investment pool. All net income of the trust is determined as of the close of business on each banking day and is credited thereafter pro rata to each participant's account. Net income that has accrued to each participant is converted as of the close of business of each calendar month into additional units, which thereafter are held in each participant's trust account. Since net income of the fund is allocated among participants each time net income is determined, the net asset value remains at \$1.00 per unit. Securities held by NFIT are not held in the County's name.

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.

BUTLER COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

3. **Taxes** (Concluded)

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

The levy set in October 2020, for the 2020 taxes, which will be materially collected in May and September 2021, was set at \$.176193/\$100 of assessed valuation. The levy set in October 2019, for the 2019 taxes, which were materially collected in May and September 2020, was set at \$.172634/\$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 System**

The Retirement System for Nebraska Counties (Plan) is a multiple-employer plan administered by the Public Employees Retirement Board in accordance with the provisions of the County Employees Retirement Act. The Plan consists of a defined contribution option and a cash balance benefit. The cash balance benefit is a type of defined benefit plan. The Plan provisions are established under Neb. Rev. Stat. §§ 23-2301 through 23-2334 (Reissue 2012, Cum. Supp. 2020) 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, 2021, 110 employees contributed \$166,204, and the County contributed \$246,235. Contributions included \$6,142 in cash contributions towards the supplemental law enforcement plan for 12 law enforcement employees. Lastly, the County paid \$1,541 directly to 21 retired employees for prior service benefits.

BUTLER COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

5. **Risk Management**

The County is exposed to various risks of loss related to the following: torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County is a member of the Nebraska Intergovernmental Risk Management Association (NIRMA), a public entity risk pool currently operating as a common risk management and insurance program for 104 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	\$ 300,000	\$ 5,000,000
Workers' Compensation Claim	\$ 550,000	Statutory Limits
Property Damage Claim	\$ 250,000	Insured Value at Replacement Cost

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

6. **Interfund Transfers**

Interfund transfers for the year ended June 30, 2021, consisted of the following:

Transfers to	Transfers from				Total
	General Fund	Road Fund	Inheritance Fund	Nonmajor Funds	
General Fund	\$ -	\$ -	\$ 500,000	\$ -	\$ 500,000
Road Fund	1,360,160	-	-	-	1,360,160
Nonmajor Funds	499,755	510,000	-	43,180	1,052,935
Total	<u>\$ 1,859,915</u>	<u>\$ 510,000</u>	<u>\$ 500,000</u>	<u>\$ 43,180</u>	<u>\$ 2,913,095</u>

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

In the year ended June 30, 2021, the County made three one-time transfers, totaling \$510,000, from the Road Fund to the Special Road Fund to pay for County road projects and equipment purchases. Additionally, during the year ended June 30, 2021, the County made a one-time transfer of \$30,000, from the 911 Emergency Management Fund to the Communication Equipment Sinking Fund for the purchase of communication equipment.

BUTLER COUNTY

NOTES TO FINANCIAL STATEMENTS

(Concluded)

7. **Long-Term Obligations**

Hospital Bond. The County issued General Obligation bonds in May 2012, in the amount of \$8,000,000 for the purpose of paying the costs related to the construction of additions and improvements to the existing hospital facility. In January 2013, the County issued General Obligation Refunding Bonds in the amount of \$2,580,000 for the purpose of redeeming Series 2009 bonds. In October 2019, the County issued General Obligation Refunding Bonds, Series 2019, in the amount of \$4,925,000 for the purpose of paying and redeeming \$4,815,000 of the County’s General Obligation Bonds, Series 2012, and to pay costs associated with the issuance of the Series 2019 Refunding Bonds. The bond payable balance, as of June 30, 2021, was \$4,235,000. The County has the ability to levy taxes as necessary to cover the annual required principal and interest payments over the term of these bonds; however, it is the intent of the Hospital and County Board to use proceeds from the Hospital to pay off the bonds. Complete financial statements of the Hospital can be obtained from the Hospital’s administrative office.

Agricultural Society Project Bond. The County issued bonds on August 17, 2016, in the amount of \$1,950,000 for the purpose of paying the costs of acquiring, constructing, furnishing, and equipping a multi-purpose facility on the Butler County Fairgrounds. The bond payable balance, as of June 30, 2021, was \$1,470,000. The County has the ability to levy taxes as necessary to cover the annual required principal and interest payments over the term of these bonds. Future tax resources will be used to pay off the bonds.

Future Payments:

Year	Principal	Interest	Total
2022	\$ 120,000	\$ 29,037	\$ 149,037
2023	125,000	27,351	152,351
2024	125,000	25,445	150,445
2025	130,000	23,340	153,340
2026	130,000	21,033	151,033
2027-2032	840,000	64,377	904,377
Total Payments	\$ 1,470,000	\$ 190,583	\$ 1,660,583

8. **Subsequent Event**

The County issued General Obligation Bonds, Series 2021, on July 6, 2021, in the amount of \$1,485,000 for the purpose of refunding and redeeming the Agricultural Society Project, Series 2016 bonds. The County has the ability to levy taxes as necessary to cover the annual required principal and interest payments over the term of these bonds. Future tax resources will be used to pay off the bonds.

9. **Prior Period Adjustment**

The beginning balances were increased by \$69,551 on the Fiduciary Fund Statement of Cash Receipts, Disbursements, and Changes in Cash Basis Fund Balances from the balances reported in the County’s fiscal year 2020 financial statements. These adjustments were made to report the monies held by County officials other than the County Treasurer.

10. **Contingent Liabilities**

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, the County Attorney believes the resolution of these matters will not have a materially adverse effect on the financial condition of the County.

BUTLER COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
RECEIPTS				
Taxes	\$ 4,362,756	\$ 4,362,756	\$ 4,160,162	\$ (202,594)
Licenses and Permits	23,750	23,750	46,756	23,006
Investment Income	50,000	50,000	12,170	(37,830)
Intergovernmental	150,550	150,550	866,560	716,010
Charges for Services	867,925	867,925	1,087,932	220,007
Miscellaneous	-	-	25,048	25,048
TOTAL RECEIPTS	<u>5,454,981</u>	<u>5,454,981</u>	<u>6,198,628</u>	<u>743,647</u>
DISBURSEMENTS				
General Government:				
County Board	285,803	285,803	274,259	11,544
County Clerk	196,919	196,919	190,937	5,982
County Treasurer	198,798	198,798	180,536	18,262
County Assessor	236,898	236,898	231,879	5,019
Election Commissioner	70,661	70,661	59,372	11,289
Clerk of the District Court	210,836	210,836	206,832	4,004
County Court System	11,610	11,610	11,419	191
Public Defender	125,000	125,000	125,000	-
Building and Grounds	244,971	244,971	205,531	39,440
Reappraisal	64,438	64,438	61,274	3,164
Agricultural Extension Agent	118,890	118,890	99,991	18,899
Data Processing Dept	108,500	108,500	102,640	5,860
Personnel Department	76,500	76,500	68,584	7,916
Institutions	19,560	19,560	17,452	2,108
Miscellaneous	580,777	580,777	387,006	193,771
Public Safety				
County Sheriff	1,000,775	1,000,775	991,263	9,512
County Attorney	307,459	307,459	294,326	13,133
County Jail	996,996	996,996	969,733	27,263
Emergency Management	35,284	35,284	31,745	3,539
Diversion Program	14,500	14,500	14,500	-
Floodplain Administrator	10,905	10,905	3,977	6,928
Miscellaneous	14,500	14,500	-	14,500
Public Works				
County Surveyor	25,775	25,775	25,577	198
Noxious Weed Control	80,877	80,877	77,950	2,927
Public Assistance				
Veterans' Service Officer	53,015	53,015	44,687	8,328
Victims Assistance Program	1,000	1,000	225	775
TOTAL DISBURSEMENTS	<u>5,091,247</u>	<u>5,091,247</u>	<u>4,676,695</u>	<u>414,552</u>

(Continued)

BUTLER COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	363,734	363,734	1,521,933	1,158,199
OTHER FINANCING SOURCES (USES)				
Transfers in	500,000	500,000	500,000	-
Transfers out	(1,780,086)	(1,780,086)	(1,859,915)	(79,829)
TOTAL OTHER FINANCING SOURCES (USES)	(1,280,086)	(1,280,086)	(1,359,915)	(79,829)
Net Change in Fund Balance	(916,352)	(916,352)	162,018	1,078,370
FUND BALANCE - BEGINNING	1,416,352	1,416,352	1,416,352	-
FUND BALANCE - ENDING	\$ 500,000	\$ 500,000	\$ 1,578,370	\$ 1,078,370

(Concluded)

BUTLER COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
MAJOR FUNDS

For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
ROAD FUND				
RECEIPTS				
Licenses and Permits	\$ -	\$ -	\$ 200	\$ 200
Intergovernmental	1,863,348	1,863,348	2,249,592	386,244
Charges for Services	-	-	4,542	4,542
Miscellaneous	-	-	89,920	89,920
TOTAL RECEIPTS	<u>1,863,348</u>	<u>1,863,348</u>	<u>2,344,254</u>	<u>480,906</u>
DISBURSEMENTS	<u>3,616,700</u>	<u>3,616,700</u>	<u>2,894,549</u>	<u>722,151</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>(1,753,352)</u>	<u>(1,753,352)</u>	<u>(550,295)</u>	<u>1,203,057</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,360,160	1,360,160	1,360,160	-
Transfers out	(150,000)	(150,000)	(510,000)	(360,000)
TOTAL OTHER FINANCING SOURCES (USES)	<u>1,210,160</u>	<u>1,210,160</u>	<u>850,160</u>	<u>(360,000)</u>
Net Change in Fund Balance	(543,192)	(543,192)	299,865	843,057
FUND BALANCE - BEGINNING	<u>843,192</u>	<u>843,192</u>	<u>843,192</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 300,000</u>	<u>\$ 300,000</u>	<u>\$ 1,143,057</u>	<u>\$ 843,057</u>
INHERITANCE FUND				
RECEIPTS				
Taxes	\$ 306,000	\$ 306,000	\$ 596,580	\$ 290,580
Intergovernmental	-	-	93,642	93,642
TOTAL RECEIPTS	<u>306,000</u>	<u>306,000</u>	<u>690,222</u>	<u>384,222</u>
DISBURSEMENTS	<u>4,245,582</u>	<u>4,245,582</u>	<u>39,264</u>	<u>4,206,318</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>(3,939,582)</u>	<u>(3,939,582)</u>	<u>650,958</u>	<u>4,590,540</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(500,000)	(500,000)	(500,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(500,000)</u>	<u>(500,000)</u>	<u>(500,000)</u>	<u>-</u>
Net Change in Fund Balance	(4,439,582)	(4,439,582)	150,958	4,590,540
FUND BALANCE - BEGINNING	<u>4,439,582</u>	<u>4,439,582</u>	<u>4,439,582</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,590,540</u>	<u>\$ 4,590,540</u>

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

For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
HIGHWAY BRIDGE BUYBACK FUND				
Receipts	\$ 172,485	\$ 172,485	\$ 172,485	\$ -
Disbursements	(323,488)	(323,488)	-	323,488
Net Change in Fund Balance	(151,003)	(151,003)	172,485	323,488
Fund Balance - Beginning	151,003	151,003	151,003	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 323,488</u>	<u>\$ 323,488</u>
SPECIAL ROAD FUND				
Receipts	\$ -	\$ -	\$ 1,741	\$ 1,741
Disbursements	(968,132)	(968,132)	(301,932)	666,200
Transfers in	150,000	150,000	510,000	360,000
Transfers out	-	-	-	-
Net Change in Fund Balance	(818,132)	(818,132)	209,809	1,027,941
Fund Balance - Beginning	818,132	818,132	818,132	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,027,941</u>	<u>\$ 1,027,941</u>
COMMUNICATION EQUIPMENT SINKING FUND				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(60,000)	(60,000)	-	60,000
Transfers in	30,000	30,000	30,000	-
Transfers out	-	-	-	-
Net Change in Fund Balance	(30,000)	(30,000)	30,000	60,000
Fund Balance - Beginning	30,000	30,000	30,000	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 60,000</u>	<u>\$ 60,000</u>
EQUIPMENT SINKING FUND				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(118,667)	(118,667)	(13,854)	104,813
Transfers in	5,500	5,500	100,500	95,000
Transfers out	-	-	-	-
Net Change in Fund Balance	(113,167)	(113,167)	86,646	199,813
Fund Balance - Beginning	113,167	113,167	113,167	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 199,813</u>	<u>\$ 199,813</u>

(Continued)

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

For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
CHILD SUPPORT INCENTIVE FUND				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(8,470)	(8,470)	(1,226)	7,244
Net Change in Fund Balance	(8,470)	(8,470)	(1,226)	7,244
Fund Balance - Beginning	8,470	8,470	8,470	-
Fund Balance - Ending	\$ -	\$ -	\$ 7,244	\$ 7,244
VISITORS PROMOTION FUND				
Receipts	\$ -	\$ -	\$ 1,198	\$ 1,198
Disbursements	(16,618)	(16,618)	(496)	16,122
Net Change in Fund Balance	(16,618)	(16,618)	702	17,320
Fund Balance - Beginning	16,618	16,618	16,618	-
Fund Balance - Ending	\$ -	\$ -	\$ 17,320	\$ 17,320
VISITORS IMPROVEMENT FUND				
Receipts	\$ -	\$ -	\$ 1,198	\$ 1,198
Disbursements	(7,805)	(7,805)	-	7,805
Net Change in Fund Balance	(7,805)	(7,805)	1,198	9,003
Fund Balance - Beginning	7,805	7,805	7,805	-
Fund Balance - Ending	\$ -	\$ -	\$ 9,003	\$ 9,003
REGISTER OF DEEDS PRESERVATION & MODERNIZATION FUND				
Receipts	\$ 5,000	\$ 5,000	\$ 9,096	\$ 4,096
Disbursements	(10,989)	(10,989)	(5,539)	5,450
Net Change in Fund Balance	(5,989)	(5,989)	3,557	9,546
Fund Balance - Beginning	5,989	5,989	5,989	-
Fund Balance - Ending	\$ -	\$ -	\$ 9,546	\$ 9,546
MEDICAL RELIEF FUND				
Receipts	\$ -	\$ -	\$ 5	\$ 5
Disbursements	(19,323)	(19,323)	(5,400)	13,923
Net Change in Fund Balance	(19,323)	(19,323)	(5,395)	13,928
Fund Balance - Beginning	19,323	19,323	19,323	-
Fund Balance - Ending	\$ -	\$ -	\$ 13,928	\$ 13,928

(Continued)

BUTLER COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
VETERANS' AID FUND				
Receipts	\$ -	\$ -	\$ 1	\$ 1
Disbursements	(30,213)	(30,213)	(3,000)	27,213
Net Change in Fund Balance	(30,213)	(30,213)	(2,999)	27,214
Fund Balance - Beginning	30,213	30,213	30,213	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,214</u>	<u>\$ 27,214</u>
RURAL TRANSIT SERVICE FUND				
Receipts	\$ 21,788	\$ 21,788	\$ 92,738	\$ 70,950
Disbursements	(90,396)	(90,396)	(67,649)	22,747
Transfers in	15,171	15,171	-	(15,171)
Transfers out	-	-	-	-
Net Change in Fund Balance	(53,437)	(53,437)	25,089	78,526
Fund Balance - Beginning	53,437	53,437	53,437	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 78,526</u>	<u>\$ 78,526</u>
SENIOR SERVICES PROGRAM FUND				
Receipts	\$ 109,056	\$ 109,056	\$ 143,275	\$ 34,219
Disbursements	(184,685)	(184,685)	(170,268)	14,417
Transfers in	61,992	61,992	61,992	-
Transfers out	-	-	-	-
Net Change in Fund Balance	(13,637)	(13,637)	34,999	48,636
Fund Balance - Beginning	43,637	43,637	43,637	-
Fund Balance - Ending	<u>\$ 30,000</u>	<u>\$ 30,000</u>	<u>\$ 78,636</u>	<u>\$ 48,636</u>
SENIOR SERVICES SAVINGS FUND				
Receipts	\$ -	\$ -	\$ 47,367	\$ 47,367
Disbursements	(112,703)	(112,703)	(21,089)	91,614
Net Change in Fund Balance	(112,703)	(112,703)	26,278	138,981
Fund Balance - Beginning	112,703	112,703	112,703	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 138,981</u>	<u>\$ 138,981</u>
STOP PROGRAM FUND				
Receipts	\$ -	\$ -	\$ 4,550	\$ 4,550
Disbursements	(25,547)	(25,547)	(1,801)	23,746
Net Change in Fund Balance	(25,547)	(25,547)	2,749	28,296
Fund Balance - Beginning	25,547	25,547	25,547	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,296</u>	<u>\$ 28,296</u>

(Continued)

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

For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
DRUG LAW ENFORCEMENT AND EDUCATION FUND				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(7,092)	(7,092)	-	7,092
Net Change in Fund Balance	(7,092)	(7,092)	-	7,092
Fund Balance - Beginning	7,092	7,092	7,092	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,092</u>	<u>\$ 7,092</u>
PROBLEM SOLVING COURT FUND				
Receipts	\$ 2,500	\$ 2,500	\$ 1,056	\$ (1,444)
Disbursements	(2,500)	(2,500)	(67)	2,433
Net Change in Fund Balance	-	-	989	989
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 989</u>	<u>\$ 989</u>
FEDERAL DRUG LAW ENFORCEMENT FUND				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(966)	(966)	-	966
Net Change in Fund Balance	(966)	(966)	-	966
Fund Balance - Beginning	966	966	966	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 966</u>	<u>\$ 966</u>
CANINE FUND				
Receipts	\$ 1,500	\$ 1,500	\$ 1,500	\$ -
Disbursements	(5,826)	(5,826)	(1,379)	4,447
Net Change in Fund Balance	(4,326)	(4,326)	121	4,447
Fund Balance - Beginning	4,326	4,326	4,326	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,447</u>	<u>\$ 4,447</u>
DISASTER FUND				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(27,918)	(27,918)	-	27,918
Net Change in Fund Balance	(27,918)	(27,918)	-	27,918
Fund Balance - Beginning	27,918	27,918	27,918	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,918</u>	<u>\$ 27,918</u>

(Continued)

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

For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
COVID AMERICAN RESCUE PLAN FUND				
Receipts	\$ -	\$ -	\$ 778,509	\$ 778,509
Disbursements	-	-	-	-
Net Change in Fund Balance	-	-	778,509	778,509
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 778,509</u>	<u>\$ 778,509</u>
911 EMERGENCY MANAGEMENT FUND				
Receipts	\$ -	\$ -	\$ 27,236	\$ 27,236
Disbursements	(377,296)	(377,296)	(368,399)	8,897
Transfers in	337,263	337,263	337,263	-
Transfers out	(30,000)	(30,000)	(30,000)	-
Net Change in Fund Balance	(70,033)	(70,033)	(33,900)	36,133
Fund Balance - Beginning	70,033	70,033	70,033	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 36,133</u>	<u>\$ 36,133</u>
911 WIRELESS SERVICE FUND				
Receipts	\$ 50,319	\$ 50,319	\$ 50,527	\$ 208
Disbursements	(50,319)	(50,319)	(45,074)	5,245
Transfers in	-	-	10,632	10,632
Transfers out	(2,548)	(2,548)	(2,548)	-
Net Change in Fund Balance	(2,548)	(2,548)	13,537	16,085
Fund Balance - Beginning	2,548	2,548	2,548	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,085</u>	<u>\$ 16,085</u>
911 WIRELESS SERVICE HOLDING FUND				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(139,992)	(139,992)	-	139,992
Transfers in	2,548	2,548	2,548	-
Transfers out	-	-	(10,632)	(10,632)
Net Change in Fund Balance	(137,444)	(137,444)	(8,084)	129,360
Fund Balance - Beginning	137,444	137,444	137,444	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 129,360</u>	<u>\$ 129,360</u>
AGRICULTURAL SOCIETY BUILDING FUND				
Receipts	\$ 151,588	\$ 151,588	\$ 154,621	\$ 3,033
Disbursements	(269,771)	(269,771)	(151,832)	117,939
Net Change in Fund Balance	(118,183)	(118,183)	2,789	120,972
Fund Balance - Beginning	118,183	118,183	118,183	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 120,972</u>	<u>\$ 120,972</u>

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

For the Year Ended June 30, 2021

	Highway Bridge Buyback Fund	Special Road Fund	Communication Equipment Sinking Fund	Equipment Sinking Fund	Child Support Incentive Fund
RECEIPTS					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Investment Income	-	-	-	-	-
Intergovernmental	172,485	1,741	-	-	-
Charges for Services	-	-	-	-	-
Miscellaneous	-	-	-	-	-
TOTAL RECEIPTS	172,485	1,741	-	-	-
DISBURSEMENTS					
General Government	-	-	-	9,764	-
Public Safety	-	-	-	4,090	1,226
Public Works	-	301,932	-	-	-
Public Assistance	-	-	-	-	-
Culture and Recreation	-	-	-	-	-
Debt Service:					
Principal Payments	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
TOTAL DISBURSEMENTS	-	301,932	-	13,854	1,226
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	172,485	(300,191)	-	(13,854)	(1,226)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	510,000	30,000	100,500	-
Transfers out	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	510,000	30,000	100,500	-
Net Change in Fund Balances	172,485	209,809	30,000	86,646	(1,226)
FUND BALANCES - BEGINNING	151,003	818,132	30,000	113,167	8,470
FUND BALANCES - ENDING	\$ 323,488	\$ 1,027,941	\$ 60,000	\$ 199,813	\$ 7,244
FUND BALANCES:					
Restricted for:					
Visitor Promotion	-	-	-	-	-
911 Emergency Services	-	-	-	-	-
Drug Education	-	-	-	-	-
Law Enforcement	-	-	-	-	-
Preservation of Records	-	-	-	-	-
Debt Service	-	-	-	-	-
Road & Bridge Projects	323,488	-	-	-	-
Child Support Enforcement	-	-	-	-	7,244
Coronavirus Relief & Assistance	-	-	-	-	-
Committed to:					
Law Enforcement	-	-	-	-	-
Road Maintenance	-	1,027,941	-	-	-
Aid and Assistance	-	-	-	-	-
Equipment	-	-	60,000	199,813	-
Problem Solving Court	-	-	-	-	-
Disaster Recovery	-	-	-	-	-
TOTAL FUND BALANCES	\$ 323,488	\$ 1,027,941	\$ 60,000	\$ 199,813	\$ 7,244

(Continued)

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

For the Year Ended June 30, 2021

	Visitors Promotion Fund	Visitors Improvement Fund	Register of Deeds Preservation & Modernization Fund	Medical Relief Fund	Veterans' Aid Fund
RECEIPTS					
Taxes	\$ 1,198	\$ 1,198	\$ -	\$ 2	\$ 1
Investment Income	-	-	-	-	-
Intergovernmental	-	-	-	3	-
Charges for Services	-	-	9,096	-	-
Miscellaneous	-	-	-	-	-
TOTAL RECEIPTS	<u>1,198</u>	<u>1,198</u>	<u>9,096</u>	<u>5</u>	<u>1</u>
DISBURSEMENTS					
General Government	-	-	5,539	-	-
Public Safety	-	-	-	-	-
Public Works	-	-	-	-	-
Public Assistance	-	-	-	5,400	3,000
Culture and Recreation	496	-	-	-	-
Debt Service:					
Principal Payments	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
TOTAL DISBURSEMENTS	<u>496</u>	<u>-</u>	<u>5,539</u>	<u>5,400</u>	<u>3,000</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>702</u>	<u>1,198</u>	<u>3,557</u>	<u>(5,395)</u>	<u>(2,999)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	702	1,198	3,557	(5,395)	(2,999)
FUND BALANCES - BEGINNING	<u>16,618</u>	<u>7,805</u>	<u>5,989</u>	<u>19,323</u>	<u>30,213</u>
FUND BALANCES - ENDING	<u>\$ 17,320</u>	<u>\$ 9,003</u>	<u>\$ 9,546</u>	<u>\$ 13,928</u>	<u>\$ 27,214</u>
FUND BALANCES:					
Restricted for:					
Visitor Promotion	17,320	9,003	-	-	-
911 Emergency Services	-	-	-	-	-
Drug Education	-	-	-	-	-
Law Enforcement	-	-	-	-	-
Preservation of Records	-	-	9,546	-	-
Debt Service	-	-	-	-	-
Road & Bridge Projects	-	-	-	-	-
Child Support Enforcement	-	-	-	-	-
Coronavirus Relief & Assistance	-	-	-	-	-
Committed to:					
Law Enforcement	-	-	-	-	-
Road Maintenance	-	-	-	-	-
Aid and Assistance	-	-	-	13,928	27,214
Equipment	-	-	-	-	-
Problem Solving Court	-	-	-	-	-
Disaster Recovery	-	-	-	-	-
TOTAL FUND BALANCES	<u>\$ 17,320</u>	<u>\$ 9,003</u>	<u>\$ 9,546</u>	<u>\$ 13,928</u>	<u>\$ 27,214</u>

(Continued)

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

For the Year Ended June 30, 2021

	Rural Transit Service Fund	Senior Services Program Fund	Senior Services Savings Fund	STOP Program Fund	Drug Law Enforcement and Education Fund
RECEIPTS					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Investment Income	-	-	26,231	-	-
Intergovernmental	68,538	56,556	-	-	-
Charges for Services	24,142	51,218	8,300	4,550	-
Miscellaneous	58	35,501	12,836	-	-
TOTAL RECEIPTS	92,738	143,275	47,367	4,550	-
DISBURSEMENTS					
General Government	-	-	-	-	-
Public Safety	-	-	-	1,801	-
Public Works	-	-	-	-	-
Public Assistance	67,649	170,268	21,089	-	-
Culture and Recreation	-	-	-	-	-
Debt Service:					
Principal Payments	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
TOTAL DISBURSEMENTS	67,649	170,268	21,089	1,801	-
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	25,089	(26,993)	26,278	2,749	-
OTHER FINANCING SOURCES (USES)					
Transfers in	-	61,992	-	-	-
Transfers out	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	61,992	-	-	-
Net Change in Fund Balances	25,089	34,999	26,278	2,749	-
FUND BALANCES - BEGINNING	53,437	43,637	112,703	25,547	7,092
FUND BALANCES - ENDING	\$ 78,526	\$ 78,636	\$ 138,981	\$ 28,296	\$ 7,092
FUND BALANCES:					
Restricted for:					
Visitor Promotion	-	-	-	-	-
911 Emergency Services	-	-	-	-	-
Drug Education	-	-	-	-	7,092
Law Enforcement	-	-	-	-	-
Preservation of Records	-	-	-	-	-
Debt Service	-	-	-	-	-
Road & Bridge Projects	-	-	-	-	-
Child Support Enforcement	-	-	-	-	-
Coronavirus Relief & Assistance	-	-	-	-	-
Committed to:					
Law Enforcement	-	-	-	28,296	-
Road Maintenance	-	-	-	-	-
Aid and Assistance	78,526	78,636	138,981	-	-
Equipment	-	-	-	-	-
Problem Solving Court	-	-	-	-	-
Disaster Recovery	-	-	-	-	-
TOTAL FUND BALANCES	\$ 78,526	\$ 78,636	\$ 138,981	\$ 28,296	\$ 7,092

(Continued)

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

For the Year Ended June 30, 2021

	Problem Solving Court Fund	Federal Drug Law Enforcement Fund	Canine Fund	Disaster Fund	COVID American Rescue Plan Fund
RECEIPTS					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Investment Income	-	-	-	-	2
Intergovernmental	-	-	-	-	778,507
Charges for Services	1,056	-	-	-	-
Miscellaneous	-	-	1,500	-	-
TOTAL RECEIPTS	<u>1,056</u>	<u>-</u>	<u>1,500</u>	<u>-</u>	<u>778,509</u>
DISBURSEMENTS					
General Government	67	-	-	-	-
Public Safety	-	-	1,379	-	-
Public Works	-	-	-	-	-
Public Assistance	-	-	-	-	-
Culture and Recreation	-	-	-	-	-
Debt Service:					
Principal Payments	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
TOTAL DISBURSEMENTS	<u>67</u>	<u>-</u>	<u>1,379</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>989</u>	<u>-</u>	<u>121</u>	<u>-</u>	<u>778,509</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	989	-	121	-	778,509
FUND BALANCES - BEGINNING	<u>-</u>	<u>966</u>	<u>4,326</u>	<u>27,918</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 989</u>	<u>\$ 966</u>	<u>\$ 4,447</u>	<u>\$ 27,918</u>	<u>\$ 778,509</u>
FUND BALANCES:					
Restricted for:					
Visitor Promotion	-	-	-	-	-
911 Emergency Services	-	-	-	-	-
Drug Education	-	-	-	-	-
Law Enforcement	-	966	-	-	-
Preservation of Records	-	-	-	-	-
Debt Service	-	-	-	-	-
Road & Bridge Projects	-	-	-	-	-
Child Support Enforcement	-	-	-	-	-
Coronavirus Relief & Assistance	-	-	-	-	778,509
Committed to:					
Law Enforcement	-	-	4,447	-	-
Road Maintenance	-	-	-	-	-
Aid and Assistance	-	-	-	-	-
Equipment	-	-	-	-	-
Problem Solving Court	989	-	-	-	-
Disaster Recovery	-	-	-	27,918	-
TOTAL FUND BALANCES	<u>\$ 989</u>	<u>\$ 966</u>	<u>\$ 4,447</u>	<u>\$ 27,918</u>	<u>\$ 778,509</u>

(Continued)

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

For the Year Ended June 30, 2021

	911 Emergency Management Fund	911 Wireless Service Fund	911 Wireless Service Holding Fund	Agricultural Society Building Fund	Total Nonmajor Funds
RECEIPTS					
Taxes	\$ 27,236	\$ 50,527	\$ -	\$ 139,192	\$ 219,354
Investment Income	-	-	-	-	26,233
Intergovernmental	-	-	-	15,429	1,093,259
Charges for Services	-	-	-	-	98,362
Miscellaneous	-	-	-	-	49,895
TOTAL RECEIPTS	<u>27,236</u>	<u>50,527</u>	<u>-</u>	<u>154,621</u>	<u>1,487,103</u>
DISBURSEMENTS					
General Government	-	-	-	1,324	16,694
Public Safety	368,399	45,074	-	-	421,969
Public Works	-	-	-	-	301,932
Public Assistance	-	-	-	-	267,406
Culture and Recreation	-	-	-	-	496
Debt Service:					
Principal Payments	-	-	-	120,000	120,000
Interest and Fiscal Charges	-	-	-	30,508	30,508
TOTAL DISBURSEMENTS	<u>368,399</u>	<u>45,074</u>	<u>-</u>	<u>151,832</u>	<u>1,159,005</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>(341,163)</u>	<u>5,453</u>	<u>-</u>	<u>2,789</u>	<u>328,098</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	337,263	10,632	2,548	-	1,052,935
Transfers out	(30,000)	(2,548)	(10,632)	-	(43,180)
TOTAL OTHER FINANCING SOURCES (USES)	<u>307,263</u>	<u>8,084</u>	<u>(8,084)</u>	<u>-</u>	<u>1,009,755</u>
Net Change in Fund Balances	(33,900)	13,537	(8,084)	2,789	1,337,853
FUND BALANCES - BEGINNING	<u>70,033</u>	<u>2,548</u>	<u>137,444</u>	<u>118,183</u>	<u>1,804,554</u>
FUND BALANCES - ENDING	<u>\$ 36,133</u>	<u>\$ 16,085</u>	<u>\$ 129,360</u>	<u>\$ 120,972</u>	<u>\$ 3,142,407</u>
FUND BALANCES:					
Restricted for:					
Visitor Promotion	-	-	-	-	26,323
911 Emergency Services	36,133	16,085	129,360	-	181,578
Drug Education	-	-	-	-	7,092
Law Enforcement	-	-	-	-	966
Preservation of Records	-	-	-	-	9,546
Debt Service	-	-	-	120,972	120,972
Road & Bridge Projects	-	-	-	-	323,488
Child Support Enforcement	-	-	-	-	7,244
Coronavirus Relief & Assistance	-	-	-	-	778,509
Committed to:					
Law Enforcement	-	-	-	-	32,743
Road Maintenance	-	-	-	-	1,027,941
Aid and Assistance	-	-	-	-	337,285
Equipment	-	-	-	-	259,813
Problem Solving Court	-	-	-	-	989
Disaster Recovery	-	-	-	-	27,918
TOTAL FUND BALANCES	<u>\$ 36,133</u>	<u>\$ 16,085</u>	<u>\$ 129,360</u>	<u>\$ 120,972</u>	<u>\$ 3,142,407</u>

(Concluded)

BUTLER COUNTY
SCHEDULE OF OFFICE ACTIVITIES
For the Year Ended June 30, 2021

	County Clerk	Clerk of the District Court	County Sheriff	County Attorney	Highway Superintendent	Veterans' Service Officer	County Senior Services	County Detention Center	Total
BALANCES JULY 1, 2020	\$ 14,533	\$ 60,676	\$ 14,972	\$ 500	\$ -	\$ 1,628	\$ 654	\$ 27,440	\$ 120,403
RECEIPTS									
Licenses and Permits	1,080	-	1,930	-	200	-	-	-	3,210
Intergovernmental	-	-	-	-	397,717	3,000	27,919	-	428,636
Charges for Services	103,213	22,500	342,693	-	-	-	47,440	287,625	803,471
Miscellaneous	410	-	112	387	90,045	-	16,133	-	107,087
State Fees	100,024	29,209	-	-	-	-	-	-	129,233
Other Liabilities	-	459,527	20,497	-	-	-	-	453,479	933,503
TOTAL RECEIPTS	204,727	511,236	365,232	387	487,962	3,000	91,492	741,104	2,405,140
DISBURSEMENTS									
Payments to County Treasurer	104,924	22,473	345,093	-	487,962	-	89,682	285,381	1,335,515
Payments to State Treasurer	100,382	28,827	-	-	-	-	-	-	129,209
Petty Cash	-	-	112	387	-	421	1,964	-	2,884
Other Liabilities	-	416,195	20,722	-	-	-	-	441,548	878,465
TOTAL DISBURSEMENTS	205,306	467,495	365,927	387	487,962	421	91,646	726,929	2,346,073
BALANCES JUNE 30, 2021	<u>\$ 13,954</u>	<u>\$104,417</u>	<u>\$ 14,277</u>	<u>\$ 500</u>	<u>\$ -</u>	<u>\$ 4,207</u>	<u>\$ 500</u>	<u>\$ 41,615</u>	<u>\$ 179,470</u>
BALANCES CONSIST OF:									
Due to County Treasurer	\$ 8,139	\$ 1,992	\$ 8,379	\$ -	\$ -	\$ 4,207	\$ -	\$ 23,640	\$ 46,357
Petty Cash	-	-	4,000	500	-	-	500	3,500	8,500
Due to State Treasurer	5,815	1,445	-	-	-	-	-	-	7,260
Due to Others	-	100,980	1,898	-	-	-	-	14,475	117,353
BALANCES JUNE 30, 2021	<u>\$ 13,954</u>	<u>\$104,417</u>	<u>\$ 14,277</u>	<u>\$ 500</u>	<u>\$ -</u>	<u>\$ 4,207</u>	<u>\$ 500</u>	<u>\$ 41,615</u>	<u>\$ 179,470</u>

BUTLER COUNTY
SCHEDULE OF TAXES CERTIFIED AND COLLECTED
FOR ALL POLITICAL SUBDIVISIONS IN THE COUNTY
June 30, 2021

Item	2016	2017	2018	2019	2020
Tax Certified by Assessor					
Real Estate	\$ 24,498,864	\$ 25,335,045	\$ 25,663,012	\$ 25,612,462	\$ 26,239,346
Personal and Specials	2,645,919	2,117,117	2,053,068	2,190,522	2,221,358
Total	27,144,783	27,452,162	27,716,080	27,802,984	28,460,704
Corrections					
Additions	9,982	15,487	7,916	6,600	12,481
Deductions	(1,188)	(10,145)	(4,466)	(9,058)	(2,569)
Net Additions/ (Deductions)	8,794	5,342	3,450	(2,458)	9,912
Corrected Certified Tax	27,153,577	27,457,504	27,719,530	27,800,526	28,470,616
Net Tax Collected by					
County Treasurer during					
Fiscal Year Ending:					
June 30, 2017	17,594,421	-	-	-	-
June 30, 2018	9,549,854	18,270,821	-	-	-
June 30, 2019	5,071	9,178,565	18,415,424	-	-
June 30, 2020	1,929	4,769	9,295,441	18,351,802	-
June 30, 2021	1,246	1,443	5,700	9,442,259	19,164,713
Total Net Collections	27,152,521	27,455,598	27,716,565	27,794,061	19,164,713
Total Uncollected Tax	\$ 1,056	\$ 1,906	\$ 2,965	\$ 6,465	\$ 9,305,903
Percentage Uncollected Tax	0.00%	0.01%	0.01%	0.02%	32.69%

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



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

Charlie Janssen
State Auditor

Charlie.Janssen@nebraska.gov
PO Box 98917
State Capitol, Suite 2303
Lincoln, Nebraska 68509
402-471-2111, FAX 402-471-3301
auditors.nebraska.gov

BUTLER 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 Supervisors
Butler 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 Butler County, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Butler County's basic financial statements, and have issued our report thereon dated December 13, 2021. The report notes the financial statements were prepared on the basis of cash receipts and disbursements, and do not include the financial data of the Butler County Health Care Center (Hospital), a component unit of Butler County.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Butler County's internal control over financial reporting (internal control) to determine the 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 Butler 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 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 preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We consider the following deficiency in the County's internal control to be a significant deficiency:

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Butler 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Additional Items

We also noted certain matters that we reported to the management of Butler County in a separate letter dated December 13, 2021.

Butler County's Response to Findings

Butler County declined to respond to the findings described above.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Mark Avery, CPA
Assistant Deputy Auditor
Lincoln, Nebraska

December 13, 2021



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

Charlie Janssen
State Auditor

Charlie.Janssen@nebraska.gov
PO Box 98917
State Capitol, Suite 2303
Lincoln, Nebraska 68509
402-471-2111, FAX 402-471-3301
auditors.nebraska.gov

December 13, 2021

Board of Supervisors
Butler County, Nebraska

Dear Supervisors:

We have audited the basic financial statements of Butler County (County) for the fiscal year ended June 30, 2021, and have issued our report thereon dated December 13, 2021. In planning and performing our audit of the basic financial statements of the County, we considered internal control in order to determine our auditing procedures for the purpose of expressing our opinion on the basic financial statements. An audit does not include examining the effectiveness of internal control and does not provide assurance on internal control. We also performed tests of the County's compliance with certain provisions of laws, regulations, contracts, and grants.

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

COUNTY BOARD

Claims Testing

During testing of claims, we noted the following issues:

- The County issued a payment to a vendor, totaling \$56, on claim 20090252 on September 21, 2020. However, this payment had already been made by the Senior Services Office on September 9, 2020. The Senior Services Director was refunded the overpayment on October 29, 2021, after the auditor notified the County of the duplicate payment.
- The County issued duplicate payments to a vendor, totaling \$2,341, on claims 20090086 and 20100213 on September 21, 2020, and October 19, 2020, respectively. The County received the duplicate payment check back from the vendor and subsequently voided the check on December 1, 2020.

A good internal control plan requires procedures to ensure that the County pays only necessary and reasonable claims, and invoices are paid only once.

Without such procedures, there is an increased risk of County funds being expended for improper purposes, such as duplicate payments.

A similar comment was noted in the prior year report.

We recommend the County Board implement procedures to ensure invoices are paid only once, and only necessary expenditures are made with County funds.

Board Response: The County Board will try to ensure claims aren't paid twice and monitor them more closely.

Senior Service Director Response: The \$56 from awards and engraving that we paid twice, we got reimbursed from Awards and Engravings.

COUNTY SHERIFF

Accounting Procedures

During our audit, we noted several issues with the County Sheriff’s financial record-keeping and balancing procedures as of June 30, 2021. We noted the following:

- There is an unknown variance of \$1,079 between the check book balance and reconciled bank and book balance, which is an increase of \$562 from the unknown variance noted during the prior year’s audit.
- The County Sheriff did not maintain an accurate listing of accounts payable, resulting in an unknown variance of \$2,566 between the QuickBooks accounts payable balance records and the fee activity at June 30, 2021.
- Fee collections of \$7,464 received during the current and prior years were not remitted to the County Treasurer. These fee collections have been held for over a year and were noted in the prior year audit.
- We noted an unknown variance of \$158 between the Sheriff’s Fee account bank disbursement activity and book disbursement activity.
- The County Sheriff completed a monthly asset-to-liability reconciliation as of June 30, 2021; however, the reconciliation was inaccurate, and completed for only one of the Sheriff’s bank accounts. Based on our reconciliation of all of the Sheriff’s bank accounts, the Sheriff is short \$507, as detailed in the table below.

Description	Amount
<i>Assets</i>	
Book Balance	\$ 8,048
Receivables	\$ 5,167
Cash on Hand	\$ 55
Total Assets	\$ 13,270
<i>Liabilities</i>	
Due to County: Mileage Fees	\$ 4,032
Due to County: Paper Service Fees	\$ 1,200
Due to County: Title Inspections	\$ 1,228
Due to County: Handgun Permits	\$ 490
Due to County: Accident Reports	\$ 103
Due to County: Law Enforcement Contracts	\$ 1,000
Due to County: Sheriff Sale Fees	\$ 326
Petty Cash	\$ 3,500
Due to Others	\$ 1,898
Total Liabilities	\$ 13,777
Short	\$ (507)

Neb. Rev. Stat. § 33-117(3) (Reissue 2016) states, in part, “The sheriff shall . . . pay all fees earned to the county treasurer”

Additionally, good internal control requires procedures to ensure assets (cash on hand, accounts receivable, reconciled bank balances) agree with office liabilities (unremitted fees and accounts payable), and any variances identified are resolved in a timely manner. Those same procedures should ensure also that fees earned are remitted to the County Treasurer.

Without such procedures, there is an increased risk of not only loss, theft, or misuse of funds, allowing errors to go undetected more easily, but also noncompliance with State statute.

A similar comment was noted in the prior year report.

We recommend the County Sheriff implement balancing procedures to ensure assets agree to liabilities at all times, and all accounts payable balances recorded in the accounting system are complete and accurate. Further, we recommend all fees earned be paid to the County Treasurer in a timely manner.

Board Response: The County Board will continue to work with the County Sheriff to ensure job duties are being done and proper paperwork completed correctly.

Sheriff Response: In response to the unknown variances in the previously managed QuickBooks', Butler County Sheriff's Office has been working with a local accountant and a local former auditor to find these variances and resolve them. Once the variances are found and resolved our goal is to present to the Board of Supervisors our findings and ask for permission to close the old accounts and submit remaining funds to the Butler County Treasurer. In response to the inaccurate asset-to-liability reconciliation, Butler County Sheriff's Office has implemented an asset-to-liability reconciliation that includes the currently managed account as well as the two previously managed accounts. Butler County Sheriff's Office has also been working with our 2020-2021 auditor in correcting the previously managed accounts.

COUNTY CLERK OF THE DISTRICT COURT

Overdue Case Account Report

We noted that the Clerk of the District Court (District Court) was not performing adequate follow-up procedures to resolve the overdue balances on the Overdue Case Account Report (Report). Two of seven balances tested, totaling \$3,325, did not have subsequent action taken by the District Court to ensure collection and/or resolution of the balances.

As of September 30, 2021, the Report contained 150 overdue criminal case balances, totaling \$53,711. Of these 150 cases, only three had a current warrant or suspension issued for nonpayment.

A similar finding was noted in the prior audit.

Good internal control and sound business practices require procedures to ensure that the Report is reviewed on an ongoing, timely basis to determine what action, if any, should be taken to collect or otherwise resolve overdue case balances.

Without such procedures, there is an increased risk for the loss of funds.

We recommend the District Court implement procedures to ensure the Report is reviewed on an ongoing basis, and appropriate follow-up action is taken. Potential courses of action for follow-up would include the issuance of warrants; a judge's determination and order to waive certain costs, if allowable; or a declaration of certain balances as uncollectible.

Board Response: The County Board will continue to work with the District Court to ensure job duties are being done and proper paperwork completed correctly.

Clerk of the District Court Response: We are continuing to work on the overdue case account report.

COUNTY SENIOR SERVICES OFFICE

Office Procedures

During the audit, we noted the following issue with the County Senior Services Office financial recordkeeping and balancing procedures as of June 30, 2021:

- Monthly asset-to-liability reconciliations were not performed, resulting in a negative book balance of \$22 as of June 30, 2021, and a negative bank balance in July 2021.

A similar finding was noted in the prior audit.

Good internal control requires procedures to ensure that assets agree with office liabilities and any variances identified are resolved timely.

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

We recommend the County Senior Services Office implement balancing procedures to ensure assets agree to liabilities.

Senior Service Director Response: I am actually keeping track of our checking account with a check registry, so hopefully we do not have any more over draft charges, although that happened between someone's check being returned, just typing the month end check to the county and not being reimbursed for our monthly charges yet.

COUNTY OVERALL

Segregation of Duties

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

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

This was also noted in prior audits.

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

* * * * *

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

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

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Avery". The signature is written in a cursive style with a long horizontal stroke extending to the right.

Mark Avery, CPA
Assistant Deputy Auditor