

**AUDIT REPORT
OF
BUTLER COUNTY**

JULY 1, 2021, THROUGH JUNE 30, 2022

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the Auditor of Public Accounts.**

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Issued on December 9, 2022

BUTLER COUNTY

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

LIST OF COUNTY OFFICIALS
At June 30, 2022

<u>Title</u>	<u>Name</u>	<u>Term Expires</u>
Board of Supervisors	Jan Sypal	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	Stephanie Laska	Jan. 2023
Election Commissioner		
Register of Deeds		
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	Randy Isham	Appointed
Floodplain Administrator	Breann Whitmore	Appointed
Emergency Manager	Mark Doehling	Appointed
Senior Services	Diana McDonald	Appointed



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BUTLER COUNTY

INDEPENDENT AUDITOR'S REPORT

Board of Supervisors
Butler County, Nebraska

Report on the Audit of Financial Statements

Adverse and Unmodified Opinions

We have audited the cash-basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Butler County, as of and for the year ended June 30, 2022, 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.

Summary of Opinions

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

Adverse Opinion on Discretely Presented Component Unit

In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the 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, 2022, or the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions on Governmental Activities, Each Major Fund, and Aggregate Remaining Fund Information

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective cash-basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Butler County, as of June 30, 2022, and the respective changes in cash-basis financial position for the year then ended in accordance with the basis of accounting described in Note 1.

Basis for Adverse and Unmodified Opinions

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

Matters Giving Rise to Adverse Opinion on the Discretely Presented Component Unit

The financial statements do not include financial data for the County's legally separate component unit. Accounting principles generally accepted in the United States of America require the financial data for that component unit to be reported with the financial data of the County's primary government unless the County also issues financial statements for the financial reporting entity that include the financial data for its component 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.

Emphasis of Matter — Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting described in Note 1, and for determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining nonmajor fund financial statement, budgetary comparison information, schedule of office activity, and schedule of taxes certified and collected, pages 19-34, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole on the basis of accounting described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 28, 2022, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Butler County's internal control over financial reporting and compliance.



Mark Avery, CPA
Assistant Deputy Auditor
Lincoln, Nebraska

November 28, 2022

BUTLER COUNTY
STATEMENT OF NET POSITION - CASH BASIS
 June 30, 2022

	Governmental Activities
ASSETS	
Cash and Cash Equivalents (Note 1.D)	\$ 682,312
Investments (Note 1.D)	11,383,432
TOTAL ASSETS	\$ 12,065,744
NET POSITION	
Restricted for:	
Visitor Promotion	\$ 29,262
911 Emergency Services	225,742
Drug Education	8,058
Preservation of Records	11,800
Debt Service	138,390
Road & Bridge Projects	490,793
Child Support Enforcement	12,901
Coronavirus Relief & Assistance	1,546,463
Unrestricted	9,602,335
TOTAL NET POSITION	\$ 12,065,744

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, 2022

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	\$ (3,111,528)	\$ 477,581	\$ 793,522	\$ (1,840,425)
Public Safety	(2,437,701)	602,872	2,483	(1,832,346)
Public Works	(2,948,554)	4,616	2,059,293	(884,645)
Public Assistance	(386,682)	90,173	48,087	(248,422)
Culture and Recreation	(660)	-	-	(660)
Debt Payments	(1,605,764)	-	-	(1,605,764)
Total Governmental Activities	<u>\$ (10,490,889)</u>	<u>\$ 1,175,242</u>	<u>\$ 2,903,385</u>	<u>(6,412,262)</u>

General Receipts:

Taxes	5,080,400
Grants and Contributions Not Restricted to Specific Programs	795,153
Investment Income	15,487
Licenses and Permits	45,214
Proceeds from Sale of Real Property	491,882
Proceeds from from Sale of Bonds	1,470,000
Miscellaneous	125,496
Total General Receipts	<u>8,023,632</u>
 Change in Net Position	 1,611,370
Net Position - Beginning of year	10,454,374
Net Position - End of year	<u>\$ 12,065,744</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, 2022

	General Fund	Road Fund	Inheritance Fund	Special Road Fund	COVID American Rescue Plan Fund	Agricultural Society Building Fund	Nonmajor Funds	Total Governmental Funds
ASSETS								
Cash and Cash Equivalents (Note 1.D)	\$ 132,328	\$ 89,963	\$ 347,005	\$ 102,638	\$ -	\$ 10,378	\$ -	\$ 682,312
Investments (Note 1.D)	1,632,259	1,109,699	4,280,309	1,266,035	1,546,463	128,012	1,420,655	11,383,432
TOTAL ASSETS	<u>\$ 1,764,587</u>	<u>\$ 1,199,662</u>	<u>\$ 4,627,314</u>	<u>\$ 1,368,673</u>	<u>\$ 1,546,463</u>	<u>\$ 138,390</u>	<u>\$ 1,420,655</u>	<u>\$ 12,065,744</u>
FUND BALANCES								
Restricted for:								
Visitor Promotion	-	-	-	-	-	-	29,262	29,262
911 Emergency Services	-	-	-	-	-	-	225,742	225,742
Drug Education	-	-	-	-	-	-	8,058	8,058
Preservation of Records	-	-	-	-	-	-	11,800	11,800
Debt Service	-	-	-	-	-	138,390	-	138,390
Road & Bridge Projects	-	-	-	-	-	-	490,793	490,793
Child Support Enforcement	-	-	-	-	-	-	12,901	12,901
Coronavirus Relief & Assistance	-	-	-	-	1,546,463	-	-	1,546,463
Committed to:								
Law Enforcement	-	-	-	-	-	-	33,686	33,686
Road Maintenance	-	1,199,662	-	1,368,673	-	-	-	2,568,335
Aid and Assistance	-	-	-	-	-	-	254,317	254,317
Equipment	-	-	-	-	-	-	324,233	324,233
Problem Solving Court	-	-	-	-	-	-	1,945	1,945
Disaster Recovery	-	-	-	-	-	-	27,918	27,918
Assigned to:								
Other Purposes	-	-	4,627,314	-	-	-	-	4,627,314
Unassigned	1,764,587	-	-	-	-	-	-	1,764,587
TOTAL CASH BASIS FUND BALANCES	<u>\$ 1,764,587</u>	<u>\$ 1,199,662</u>	<u>\$ 4,627,314</u>	<u>\$ 1,368,673</u>	<u>\$ 1,546,463</u>	<u>\$ 138,390</u>	<u>\$ 1,420,655</u>	<u>\$ 12,065,744</u>

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, 2022

	General Fund	Road Fund	Inheritance Fund	Special Road Fund	COVID American Rescue Plan Fund	Agricultural Society Building Fund	Nonmajor Funds	Total Governmental Funds
RECEIPTS								
Taxes	\$4,307,203	\$ -	\$ 556,909	\$ -	\$ -	\$ 136,495	\$ 79,793	\$ 5,080,400
Licenses and Permits	44,974	240	-	-	-	-	-	45,214
Investment Income	14,940	-	-	-	547	-	-	15,487
Intergovernmental	480,328	2,139,450	-	732	778,507	15,001	284,520	3,698,538
Charges for Services	1,068,259	4,616	-	-	-	-	102,367	1,175,242
Miscellaneous	513,869	71,051	-	-	-	1,686	30,772	617,378
TOTAL RECEIPTS	6,429,573	2,215,357	556,909	732	779,054	153,182	497,452	10,632,259
DISBURSEMENTS								
General Government	3,074,509	-	20,135	-	-	-	16,884	3,111,528
Public Safety	2,050,365	-	-	-	-	-	387,336	2,437,701
Public Works	95,140	2,648,414	-	205,000	-	-	-	2,948,554
Public Assistance	53,008	-	-	-	11,100	-	322,574	386,682
Culture and Recreation	-	-	-	-	-	-	660	660
Debt Service:								
Principal Payments	-	-	-	-	-	1,596,336	-	1,596,336
Interest and Fiscal Charges	-	-	-	-	-	9,428	-	9,428
TOTAL DISBURSEMENTS	5,273,022	2,648,414	20,135	205,000	11,100	1,605,764	727,454	10,490,889
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	1,156,551	(433,057)	536,774	(204,268)	767,954	(1,452,582)	(230,002)	141,370
OTHER FINANCING SOURCES (USES)								
Transfers in	500,000	1,034,662	-	545,000	-	-	460,282	2,539,944
Transfers out	(1,470,334)	(545,000)	(500,000)	-	-	-	(24,610)	(2,539,944)
Proceeds from Sale of Bonds	-	-	-	-	-	1,470,000	-	1,470,000
TOTAL OTHER FINANCING SOURCES (USES)	(970,334)	489,662	(500,000)	545,000	-	1,470,000	435,672	1,470,000
Net Change in Fund Balances	186,217	56,605	36,774	340,732	767,954	17,418	205,670	1,611,370
CASH BASIS FUND BALANCES - BEGINNING	1,578,370	1,143,057	4,590,540	1,027,941	778,509	120,972	1,214,985	10,454,374
CASH BASIS FUND BALANCES - ENDING	\$1,764,587	\$ 1,199,662	\$4,627,314	\$ 1,368,673	\$ 1,546,463	\$ 138,390	\$1,420,655	\$ 12,065,744

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, 2022

	Custodial Fund Balances <u>July 1, 2021</u>	<u>Receipts</u>	<u>Disbursements</u>	Custodial Fund Balances <u>June 30, 2022</u>
ASSETS				
Cash and Cash Equivalents (Note 1.D)	\$ 49,819	\$ 33,201,097	\$ 33,182,195	\$ 68,721
Investments (Note 1.D)	865,998	-	78,321	787,677
	<u>\$ 915,817</u>	<u>\$ 33,201,097</u>	<u>\$ 33,260,516</u>	<u>\$ 856,398</u>
LIABILITIES				
Due to other governments				
State - Collected by County Treasurer	254,323	2,820,714	2,863,265	211,771
State - Collected by Other Offices	7,260	163,681	158,760	12,181
Schools	248,149	20,694,584	20,714,173	228,560
Educational Service Units	2,807	366,420	366,504	2,723
Technical College	17,206	2,240,116	2,240,661	16,661
Natural Resource Districts	5,612	692,300	692,490	5,421
Fire Districts	6,163	832,661	832,886	5,939
Municipalities	35,509	1,492,581	1,496,505	31,585
Agricultural Society	1,856	241,604	241,659	1,801
Townships	67,680	2,217,036	2,271,371	13,345
Sanitary and Improvement Districts	44,557	36,579	46,475	34,661
Others - Collected by County Treasurer	107,342	488,512	503,601	92,253
Others - Collected by Other Offices	117,353	914,310	832,167	199,496
TOTAL LIABILITIES	<u>915,817</u>	<u>33,201,097</u>	<u>33,260,516</u>	<u>856,398</u>
TOTAL NET POSITION	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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, 2022

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 \$35,778 toward the operation of the Region during fiscal year 2022. 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 2022. 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) (Cum. Supp. 2022). 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.

Special Road Fund. This fund is used to account for funds set aside for, and costs associated with, specific road projects.

COVID American Rescue Plan Fund. This fund is used to account for aid received from the Federal government through the American Rescue Plan Act and will be used as allowed by Federal requirements.

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

The County reports the following additional non-major governmental fund types:

Special Revenue Funds. These funds account for the proceeds from a specific receipt source that is restricted to disbursements for a specified purpose.

Custodial Funds. These funds account for assets held by the County as an agent for various local governments.

The County designates fund balances as follows:

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

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

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

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

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

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus and basis of accounting. The accounting records of the County are maintained and the government-wide financial statements were reported on the basis of cash receipts and disbursements. As such, the

BUTLER COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

measurement focus includes only those assets and fund balances arising from cash transactions on the Statement of Net Position - Cash Basis and the Statement of Activities - Cash Basis. Receipts are recognized when received, and disbursements are recognized when paid. This differs from governmental GAAP, which requires the government-wide and fiduciary fund financial statements to be reported using the economic resources measurement focus and the accrual basis of accounting. Under this measurement focus and basis of accounting, receipts are recorded when earned, and disbursements are recorded when a liability is incurred, regardless of the timing of related cash flows.

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

D. Assets and Net Position

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

Investments. The types of investments in which the County is authorized to invest funds are enumerated in Neb. Rev. Stat. § 77-2315, § 77-2340, and § 77-2341 (Reissue 2018) 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 \$2,463,409 of restricted net position which is fully restricted by enabling legislation.

BUTLER COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

1. Summary of Significant Accounting Policies (Concluded)

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

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

Excess of Disbursements Over Appropriations. For the year ended June 30, 2022, disbursements exceeded budgeted appropriations in the Agricultural Society Building Fund by \$1,336,664. These over-expenditures were funded by bond refinancing proceeds.

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 \$682,312 for County funds and \$68,998 for Fiduciary funds. The bank balances for all funds totaled \$740,057. For purposes of classifying categories of custodial risk, the bank balances of the County's deposits, as of June 30, 2022, 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 \$12,858 in TD Ameritrade Investments, \$4,999,358 in U.S. Treasury Bills, \$1,003,858 deposited in Nebraska Federal Investment Trust (NFIT) and of \$6,155,035 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 U.S. Government Securities and TD Ameritrade Investments 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

BUTLER COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

2. **Deposits and Investments** (Concluded)

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.

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 2021, for the 2021 taxes, which will be materially collected in May and September 2022, was set at \$.181813/\$100 of assessed valuation. The levy set in October 2020, for the 2020 taxes, which were materially collected in May and September 2021, was set at \$.176193/\$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 2022) and may be amended through legislative action.

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

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

BUTLER COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

4. **Retirement System** (Concluded)

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, 2022, 107 employees contributed \$173,025, and the County contributed \$256,615. Contributions included \$5,848 in cash contributions towards the supplemental law enforcement plan for 11 law enforcement employees. Lastly, the County paid \$1,455 directly to 18 retired employees for prior service benefits.

5. **Risk Management**

The County is exposed to various risks of loss related to the following: torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County is a member of the Nebraska Intergovernmental Risk Management Association (NIRMA), a public entity risk pool currently operating as a common risk management and insurance program for 106 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, 2022, consisted of the following:

BUTLER COUNTY

NOTES TO FINANCIAL STATEMENTS
(Continued)

6. **Interfund Transfers** (Concluded)

Transfers to	Transfers from				Total
	General Fund	Inheritance Fund	Road Fund	Nonmajor Funds	
Road Fund	\$ 1,034,662	\$ -	\$ -	\$ -	\$ 1,034,662
General Fund	-	500,000	-	-	500,000
Special Road Fund	-	-	545,000	-	545,000
Nonmajor Funds	435,672	-	-	24,610	460,282
Total	\$ 1,470,334	\$ 500,000	\$ 545,000	\$ 24,610	\$ 2,539,944

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, 2022, the County made a one-time transfer of \$16,085 from the 911 Wireless Service Fund to the 911 Wireless Service Holding Fund to set aside surcharge fees collected for future equipment or software purchases and upgrades. Additionally, the County made a one-time transfer of \$8,525 from the 911 Emergency Management Fund to the 911 Wireless Service Holding Fund to reimburse the fund for previous costs paid from the fund. Lastly, the County approved a one-time transfer of \$545,000 from the Road Fund to the Special Road Fund to pay the costs of County road projects and equipment purchases.

7. **Long-Term Obligations**

Hospital Bonds. The County issued bonds in March 2009 in the amount of \$3,180,000 for the purpose of refunding the Series 2004 Hospital Building Bonds originally issued in January 2004 for the purpose of paying the costs of constructing and remodeling the 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. The bond payable balance, as of June 30, 2022, was \$540,000. 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.

Additionally, 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 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, 2022, was \$3,890,000. 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 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 bond payable balance, as of June 30, 2022, was \$1,360,000. 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.

BUTLER COUNTY

NOTES TO FINANCIAL STATEMENTS
(Concluded)

7. **Long-Term Obligations** (Concluded)

Future Payments:

Year	Principal	Interest	Total
2023	\$ 135,000	\$ 11,127	\$ 146,127
2024	130,000	10,665	140,665
2025	135,000	10,068	145,068
2026	135,000	9,325	144,325
2027	130,000	8,432	138,432
2028-2032	695,000	21,628	716,628
Total Payments	<u>\$ 1,360,000</u>	<u>\$ 71,245</u>	<u>\$ 1,431,245</u>

8. **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, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
RECEIPTS				
Taxes	\$ 4,570,839	\$ 4,570,839	\$ 4,307,203	\$ (263,636)
Licenses and Permits	23,750	23,750	44,974	21,224
Investment Income	50,000	50,000	14,940	(35,060)
Intergovernmental	141,500	141,500	480,328	338,828
Charges for Services	822,425	822,425	1,068,259	245,834
Miscellaneous	-	-	513,869	513,869
TOTAL RECEIPTS	<u>5,608,514</u>	<u>5,608,514</u>	<u>6,429,573</u>	<u>821,059</u>
DISBURSEMENTS				
General Government:				
County Board	234,349	234,349	230,292	4,057
County Clerk	178,569	178,569	168,574	9,995
County Treasurer	171,756	171,756	165,683	6,073
County Assessor	213,099	213,099	203,388	9,711
Election Commissioner	66,885	66,885	52,243	14,642
Clerk of the District Court	210,260	210,260	193,262	16,998
County Court System	12,700	12,700	9,975	2,725
Public Defender	130,000	130,000	130,000	-
Building and Grounds	249,831	249,831	226,895	22,936
Reappraisal	62,689	62,689	59,659	3,030
Agricultural Extension Agent	120,209	120,209	92,328	27,881
Data Processing Dept	113,070	113,070	99,576	13,494
Personnel Department	72,000	72,000	69,501	2,499
Insurance	935,000	935,000	831,452	103,548
Miscellaneous	568,146	568,146	541,681	26,465
Public Safety				
County Sheriff	960,844	960,844	943,490	17,354
County Attorney	333,236	333,236	240,931	92,305
County Jail	910,264	910,264	820,563	89,701
Emergency Management	37,640	37,640	25,878	11,762
Diversion Program	14,500	14,500	14,500	-
Floodplain Administrator	11,536	11,536	2,632	8,904
Law Enforcement Grant	14,500	14,500	2,371	12,129
Public Works				
County Surveyor	26,471	26,471	25,592	879
Noxious Weed Control	80,649	80,649	69,548	11,101
Public Assistance				
Veterans' Service Officer	48,414	48,414	39,293	9,121
Victims Assistance Program	1,000	1,000	-	1,000
Institutions	20,000	20,000	13,715	6,285
TOTAL DISBURSEMENTS	<u>5,797,617</u>	<u>5,797,617</u>	<u>5,273,022</u>	<u>524,595</u>

(Continued)

BUTLER COUNTY
**BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	(189,103)	(189,103)	1,156,551	1,345,654
OTHER FINANCING SOURCES (USES)				
Transfers in	500,000	500,000	500,000	-
Transfers out	(1,389,267)	(1,389,267)	(1,470,334)	(81,067)
TOTAL OTHER FINANCING SOURCES (USES)	(889,267)	(889,267)	(970,334)	(81,067)
Net Change in Fund Balance	(1,078,370)	(1,078,370)	186,217	1,264,587
FUND BALANCE - BEGINNING	1,578,370	1,578,370	1,578,370	-
FUND BALANCE - ENDING	<u>\$ 500,000</u>	<u>\$ 500,000</u>	<u>\$ 1,764,587</u>	<u>\$ 1,264,587</u>

(Concluded)

BUTLER COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
MAJOR FUNDS

For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
ROAD FUND				
RECEIPTS				
Licenses and Permits	\$ -	\$ -	\$ 240	\$ 240
Intergovernmental	2,071,632	2,071,632	2,139,450	67,818
Charges for Services	-	-	4,616	4,616
Miscellaneous	-	-	71,051	71,051
TOTAL RECEIPTS	<u>2,071,632</u>	<u>2,071,632</u>	<u>2,215,357</u>	<u>143,725</u>
DISBURSEMENTS	<u>3,799,351</u>	<u>3,799,351</u>	<u>2,648,414</u>	<u>1,150,937</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>(1,727,719)</u>	<u>(1,727,719)</u>	<u>(433,057)</u>	<u>1,294,662</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,034,662	1,034,662	1,034,662	-
Transfers out	(150,000)	(150,000)	(545,000)	(395,000)
TOTAL OTHER FINANCING SOURCES (USES)	<u>884,662</u>	<u>884,662</u>	<u>489,662</u>	<u>(395,000)</u>
Net Change in Fund Balance	(843,057)	(843,057)	56,605	899,662
FUND BALANCE - BEGINNING	1,143,057	1,143,057	1,143,057	-
FUND BALANCE - ENDING	<u>\$ 300,000</u>	<u>\$ 300,000</u>	<u>\$ 1,199,662</u>	<u>\$ 899,662</u>
INHERITANCE FUND				
RECEIPTS				
Taxes	\$ 306,000	\$ 306,000	\$ 556,909	\$ 250,909
TOTAL RECEIPTS	<u>306,000</u>	<u>306,000</u>	<u>556,909</u>	<u>250,909</u>
DISBURSEMENTS	<u>4,396,540</u>	<u>4,396,540</u>	<u>20,135</u>	<u>4,376,405</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>(4,090,540)</u>	<u>(4,090,540)</u>	<u>536,774</u>	<u>4,627,314</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	(4,590,540)	(4,590,540)	36,774	4,627,314
FUND BALANCE - BEGINNING	4,590,540	4,590,540	4,590,540	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,627,314</u>	<u>\$ 4,627,314</u>

BUTLER COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
MAJOR FUNDS

For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>SPECIAL ROAD FUND</u>				
RECEIPTS				
Intergovernmental	\$ -	\$ -	\$ 732	\$ 732
TOTAL RECEIPTS	<u>-</u>	<u>-</u>	<u>732</u>	<u>732</u>
DISBURSEMENTS	<u>1,177,941</u>	<u>1,177,941</u>	<u>205,000</u>	<u>972,941</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>(1,177,941)</u>	<u>(1,177,941)</u>	<u>(204,268)</u>	<u>973,673</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	150,000	150,000	545,000	395,000
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>150,000</u>	<u>150,000</u>	<u>545,000</u>	<u>395,000</u>
Net Change in Fund Balance	(1,027,941)	(1,027,941)	340,732	1,368,673
FUND BALANCE - BEGINNING	<u>1,027,941</u>	<u>1,027,941</u>	<u>1,027,941</u>	<u>-</u>
FUND BALANCE - ENDING	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,368,673</u></u>	<u><u>\$ 1,368,673</u></u>
<u>COVID AMERICAN RESCUE PLAN FUND</u>				
RECEIPTS				
Investment Income	\$ -	\$ -	\$ 547	\$ 547
Intergovernmental	778,507	778,507	778,507	-
TOTAL RECEIPTS	<u>778,507</u>	<u>778,507</u>	<u>779,054</u>	<u>547</u>
DISBURSEMENTS	<u>1,557,016</u>	<u>1,557,016</u>	<u>11,100</u>	<u>1,545,916</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>(778,509)</u>	<u>(778,509)</u>	<u>767,954</u>	<u>1,546,463</u>
Net Change in Fund Balance	(778,509)	(778,509)	767,954	1,546,463
FUND BALANCE - BEGINNING	<u>778,509</u>	<u>778,509</u>	<u>778,509</u>	<u>-</u>
FUND BALANCE - ENDING	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,546,463</u></u>	<u><u>\$ 1,546,463</u></u>

(Continued)

BUTLER COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
MAJOR FUNDS

For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
AGRICULTURAL SOCIETY BUILDING				
FUND				
RECEIPTS				
Taxes	\$ 147,578	\$ 147,578	\$ 136,495	\$ (11,083)
Intergovernmental	550	550	15,001	14,451
Miscellaneous	-	-	1,686	1,686
TOTAL RECEIPTS	<u>148,128</u>	<u>148,128</u>	<u>153,182</u>	<u>5,054</u>
DISBURSEMENTS	<u>269,100</u>	<u>269,100</u>	<u>1,605,764</u>	<u>(1,336,664)</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>(120,972)</u>	<u>(120,972)</u>	<u>(1,452,582)</u>	<u>(1,331,610)</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from Sale of Bonds	-	-	1,470,000	1,470,000
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>1,470,000</u>	<u>1,470,000</u>
Net Change in Fund Balance	(120,972)	(120,972)	17,418	138,390
FUND BALANCE - BEGINNING	<u>120,972</u>	<u>120,972</u>	<u>120,972</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 138,390</u>	<u>\$ 138,390</u>

(Concluded)

BUTLER COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
HIGHWAY BRIDGE BUYBACK FUND				
Receipts	\$ 166,741	\$ 166,741	\$ 167,305	\$ 564
Disbursements	(490,229)	(490,229)	-	490,229
Net Change in Fund Balance	(323,488)	(323,488)	167,305	490,793
Fund Balance - Beginning	323,488	323,488	323,488	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 490,793</u>	<u>\$ 490,793</u>
COMMUNICATION EQUIPMENT SINKING FUND				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(90,000)	(90,000)	-	90,000
Transfers in	30,000	30,000	-	(30,000)
Transfers out	-	-	-	-
Net Change in Fund Balance	(60,000)	(60,000)	-	60,000
Fund Balance - Beginning	60,000	60,000	60,000	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 60,000</u>	<u>\$ 60,000</u>
EQUIPMENT SINKING FUND				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(205,313)	(205,313)	(41,080)	164,233
Transfers in	5,500	5,500	105,500	100,000
Transfers out	-	-	-	-
Net Change in Fund Balance	(199,813)	(199,813)	64,420	264,233
Fund Balance - Beginning	199,813	199,813	199,813	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 264,233</u>	<u>\$ 264,233</u>
CHILD SUPPORT INCENTIVE FUND				
Receipts	\$ -	\$ -	\$ 5,657	\$ 5,657
Disbursements	(7,244)	(7,244)	-	7,244
Net Change in Fund Balance	(7,244)	(7,244)	5,657	12,901
Fund Balance - Beginning	7,244	7,244	7,244	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,901</u>	<u>\$ 12,901</u>
VISITORS PROMOTION FUND				
Receipts	\$ -	\$ -	\$ 1,800	\$ 1,800
Disbursements	(17,320)	(17,320)	(660)	16,660
Net Change in Fund Balance	(17,320)	(17,320)	1,140	18,460
Fund Balance - Beginning	17,320	17,320	17,320	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,460</u>	<u>\$ 18,460</u>

BUTLER COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>VISITORS IMPROVEMENT FUND</u>				
Receipts	\$ -	\$ -	\$ 1,799	\$ 1,799
Disbursements	(9,003)	(9,003)	-	9,003
Net Change in Fund Balance	(9,003)	(9,003)	1,799	10,802
Fund Balance - Beginning	9,003	9,003	9,003	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,802</u>	<u>\$ 10,802</u>
<u>REGISTER OF DEEDS PRESERVATION & MODERNIZATION FUND</u>				
Receipts	\$ 5,000	\$ 5,000	\$ 8,639	\$ 3,639
Disbursements	(14,546)	(14,546)	(6,385)	8,161
Net Change in Fund Balance	(9,546)	(9,546)	2,254	11,800
Fund Balance - Beginning	9,546	9,546	9,546	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,800</u>	<u>\$ 11,800</u>
<u>MEDICAL RELIEF FUND</u>				
Receipts	\$ -	\$ -	\$ 3	\$ 3
Disbursements	(13,928)	(13,928)	(6,400)	7,528
Net Change in Fund Balance	(13,928)	(13,928)	(6,397)	7,531
Fund Balance - Beginning	13,928	13,928	13,928	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,531</u>	<u>\$ 7,531</u>
<u>VETERANS' AID FUND</u>				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(27,214)	(27,214)	-	27,214
Net Change in Fund Balance	(27,214)	(27,214)	-	27,214
Fund Balance - Beginning	27,214	27,214	27,214	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,214</u>	<u>\$ 27,214</u>
<u>RURAL TRANSIT SERVICE FUND</u>				
Receipts	\$ -	\$ -	\$ 78,625	\$ 78,625
Disbursements	(97,401)	(97,401)	(73,545)	23,856
Transfers in	18,933	18,933	-	(18,933)
Transfers out	-	-	-	-
Net Change in Fund Balance	(78,468)	(78,468)	5,080	83,548
Fund Balance - Beginning	78,468	78,468	78,526	58
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 83,606</u>	<u>\$ 83,606</u>

(Continued)

BUTLER COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
SENIOR SERVICES PROGRAM FUND				
Receipts	\$ 97,056	\$ 97,056	\$ 134,732	\$ 37,676
Disbursements	(155,515)	(155,515)	(154,540)	975
Transfers in	9,823	9,823	9,823	-
Transfers out	-	-	-	-
Net Change in Fund Balance	(48,636)	(48,636)	(9,985)	38,651
Fund Balance - Beginning	78,636	78,636	78,636	-
Fund Balance - Ending	<u>\$ 30,000</u>	<u>\$ 30,000</u>	<u>\$ 68,651</u>	<u>\$ 38,651</u>
SENIOR SERVICES SAVINGS FUND				
Receipts	\$ -	\$ -	\$ 16,423	\$ 16,423
Disbursements	(138,981)	(138,981)	(88,089)	50,892
Net Change in Fund Balance	(138,981)	(138,981)	(71,666)	67,315
Fund Balance - Beginning	138,981	138,981	138,981	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 67,315</u>	<u>\$ 67,315</u>
STOP PROGRAM FUND				
Receipts	\$ -	\$ -	\$ 2,100	\$ 2,100
Disbursements	(28,296)	(28,296)	-	28,296
Net Change in Fund Balance	(28,296)	(28,296)	2,100	30,396
Fund Balance - Beginning	28,296	28,296	28,296	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,396</u>	<u>\$ 30,396</u>
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	\$ 4,011	\$ 4,011	\$ 1,455	\$ (2,556)
Disbursements	(5,000)	(5,000)	(499)	4,501
Net Change in Fund Balance	(989)	(989)	956	1,945
Fund Balance - Beginning	989	989	989	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,945</u>	<u>\$ 1,945</u>

BUTLER COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
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	\$ 2,720	\$ 1,220
Disbursements	(5,947)	(5,947)	(3,877)	2,070
Net Change in Fund Balance	(4,447)	(4,447)	(1,157)	3,290
Fund Balance - Beginning	4,447	4,447	4,447	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,290</u>	<u>\$ 3,290</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>
911 EMERGENCY MANAGEMENT FUND				
Receipts	\$ -	\$ -	\$ 25,875	\$ 25,875
Disbursements	(326,482)	(326,482)	(314,142)	12,340
Transfers in	320,349	320,349	320,349	-
Transfers out	(30,000)	(30,000)	(8,525)	21,475
Net Change in Fund Balance	(36,133)	(36,133)	23,557	59,690
Fund Balance - Beginning	36,133	36,133	36,133	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 59,690</u>	<u>\$ 59,690</u>
911 WIRELESS SERVICE FUND				
Receipts	\$ 50,319	\$ 50,319	\$ 50,319	\$ -
Disbursements	(50,319)	(50,319)	(38,237)	12,082
Transfers in	-	-	-	-
Transfers out	(16,085)	(16,085)	(16,085)	-
Net Change in Fund Balance	(16,085)	(16,085)	(4,003)	12,082
Fund Balance - Beginning	16,085	16,085	16,085	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,082</u>	<u>\$ 12,082</u>

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

For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>911 WIRELESS SERVICE HOLDING FUND</u>				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(145,445)	(145,445)	-	145,445
Transfers in	16,085	16,085	24,610	8,525
Transfers out	-	-	-	-
Net Change in Fund Balance	<u>(129,360)</u>	<u>(129,360)</u>	<u>24,610</u>	<u>153,970</u>
Fund Balance - Beginning	129,360	129,360	129,360	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 153,970</u>	<u>\$ 153,970</u>

(Concluded)

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

For the Year Ended June 30, 2022

	Highway Bridge Buyback Fund	Communication Equipment Sinking Fund	Equipment Sinking Fund	Child Support Incentive Fund	Visitors Promotion Fund
RECEIPTS					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 1,800
Intergovernmental	167,305	-	-	5,657	-
Charges for Services	-	-	-	-	-
Miscellaneous	-	-	-	-	-
TOTAL RECEIPTS	<u>167,305</u>	<u>-</u>	<u>-</u>	<u>5,657</u>	<u>1,800</u>
DISBURSEMENTS					
General Government	-	-	10,000	-	-
Public Safety	-	-	31,080	-	-
Public Assistance	-	-	-	-	-
Culture and Recreation	-	-	-	-	660
TOTAL DISBURSEMENTS	<u>-</u>	<u>-</u>	<u>41,080</u>	<u>-</u>	<u>660</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>167,305</u>	<u>-</u>	<u>(41,080)</u>	<u>5,657</u>	<u>1,140</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	105,500	-	-
Transfers out	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>105,500</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	167,305	-	64,420	5,657	1,140
FUND BALANCES - BEGINNING	<u>323,488</u>	<u>60,000</u>	<u>199,813</u>	<u>7,244</u>	<u>17,320</u>
FUND BALANCES - ENDING	<u>\$ 490,793</u>	<u>\$ 60,000</u>	<u>\$ 264,233</u>	<u>\$ 12,901</u>	<u>\$ 18,460</u>
FUND BALANCES:					
Restricted for:					
Visitor Promotion	-	-	-	-	18,460
911 Emergency Services	-	-	-	-	-
Drug Education	-	-	-	-	-
Preservation of Records	-	-	-	-	-
Road & Bridge Projects	490,793	-	-	-	-
Child Support Enforcement	-	-	-	12,901	-
Committed to:					
Law Enforcement	-	-	-	-	-
Aid and Assistance	-	-	-	-	-
Equipment	-	60,000	264,233	-	-
Problem Solving Court	-	-	-	-	-
Disaster Recovery	-	-	-	-	-
TOTAL FUND BALANCES	<u>\$ 490,793</u>	<u>\$ 60,000</u>	<u>\$ 264,233</u>	<u>\$ 12,901</u>	<u>\$ 18,460</u>

BUTLER COUNTY
**COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES**
NONMAJOR FUNDS
For the Year Ended June 30, 2022

	Visitors Improvement Fund	Register of Deeds Preservation & Modernization Fund	Medical Relief Fund	Veterans' Aid Fund	Rural Transit Service Fund	Senior Services Program Fund
RECEIPTS						
Taxes	\$ 1,799	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	3	-	45,063	66,492
Charges for Services	-	8,639	-	-	30,557	59,616
Miscellaneous	-	-	-	-	3,005	8,624
TOTAL RECEIPTS	<u>1,799</u>	<u>8,639</u>	<u>3</u>	<u>-</u>	<u>78,625</u>	<u>134,732</u>
DISBURSEMENTS						
General Government	-	6,385	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Assistance	-	-	6,400	-	73,545	154,540
Culture and Recreation	-	-	-	-	-	-
TOTAL DISBURSEMENTS	<u>-</u>	<u>6,385</u>	<u>6,400</u>	<u>-</u>	<u>73,545</u>	<u>154,540</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>1,799</u>	<u>2,254</u>	<u>(6,397)</u>	<u>-</u>	<u>5,080</u>	<u>(19,808)</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	9,823
Transfers out	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,823</u>
Net Change in Fund Balances	1,799	2,254	(6,397)	-	5,080	(9,985)
FUND BALANCES - BEGINNING	<u>9,003</u>	<u>9,546</u>	<u>13,928</u>	<u>27,214</u>	<u>78,526</u>	<u>78,636</u>
FUND BALANCES - ENDING	<u>\$ 10,802</u>	<u>\$ 11,800</u>	<u>\$ 7,531</u>	<u>\$27,214</u>	<u>\$83,606</u>	<u>\$ 68,651</u>
FUND BALANCES:						
Restricted for:						
Visitor Promotion	10,802	-	-	-	-	-
911 Emergency Services	-	-	-	-	-	-
Drug Education	-	-	-	-	-	-
Preservation of Records	-	11,800	-	-	-	-
Road & Bridge Projects	-	-	-	-	-	-
Child Support Enforcement	-	-	-	-	-	-
Committed to:						
Law Enforcement	-	-	-	-	-	-
Aid and Assistance	-	-	7,531	27,214	83,606	68,651
Equipment	-	-	-	-	-	-
Problem Solving Court	-	-	-	-	-	-
Disaster Recovery	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>\$ 10,802</u>	<u>\$ 11,800</u>	<u>\$ 7,531</u>	<u>\$27,214</u>	<u>\$83,606</u>	<u>\$ 68,651</u>

BUTLER COUNTY
**COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES**
NONMAJOR FUNDS
For the Year Ended June 30, 2022

	Senior Services Savings Fund	STOP Program Fund	Drug Law Enforcement and Education Fund	Problem Solving Court Fund	Federal Drug Law Enforcement Fund	Canine Fund
RECEIPTS						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-
Charges for Services	-	2,100	-	1,455	-	-
Miscellaneous	16,423	-	-	-	-	2,720
TOTAL RECEIPTS	<u>16,423</u>	<u>2,100</u>	<u>-</u>	<u>1,455</u>	<u>-</u>	<u>2,720</u>
DISBURSEMENTS						
General Government	-	-	-	499	-	-
Public Safety	-	-	-	-	-	3,877
Public Assistance	88,089	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
TOTAL DISBURSEMENTS	<u>88,089</u>	<u>-</u>	<u>-</u>	<u>499</u>	<u>-</u>	<u>3,877</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>(71,666)</u>	<u>2,100</u>	<u>-</u>	<u>956</u>	<u>-</u>	<u>(1,157)</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(71,666)	2,100	-	956	-	(1,157)
FUND BALANCES - BEGINNING	<u>138,981</u>	<u>28,296</u>	<u>7,092</u>	<u>989</u>	<u>966</u>	<u>4,447</u>
FUND BALANCES - ENDING	<u>\$ 67,315</u>	<u>\$ 30,396</u>	<u>\$ 7,092</u>	<u>\$ 1,945</u>	<u>\$ 966</u>	<u>\$ 3,290</u>
FUND BALANCES:						
Restricted for:						
Visitor Promotion	-	-	-	-	-	-
911 Emergency Services	-	-	-	-	-	-
Drug Education	-	-	7,092	-	966	-
Preservation of Records	-	-	-	-	-	-
Road & Bridge Projects	-	-	-	-	-	-
Child Support Enforcement	-	-	-	-	-	-
Committed to:						
Law Enforcement	-	30,396	-	-	-	3,290
Aid and Assistance	67,315	-	-	-	-	-
Equipment	-	-	-	-	-	-
Problem Solving Court	-	-	-	1,945	-	-
Disaster Recovery	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>\$ 67,315</u>	<u>\$ 30,396</u>	<u>\$ 7,092</u>	<u>\$ 1,945</u>	<u>\$ 966</u>	<u>\$ 3,290</u>

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

For the Year Ended June 30, 2022

	Disaster Fund	911 Emergency Management Fund	911 Wireless Service Fund	911 Wireless Service Holding Fund	Total Nonmajor Funds
RECEIPTS					
Taxes	\$ -	\$ 25,875	\$ 50,319	\$ -	\$ 79,793
Intergovernmental	-	-	-	-	284,520
Charges for Services	-	-	-	-	102,367
Miscellaneous	-	-	-	-	30,772
TOTAL RECEIPTS	-	25,875	50,319	-	497,452
DISBURSEMENTS					
General Government	-	-	-	-	16,884
Public Safety	-	314,142	38,237	-	387,336
Public Assistance	-	-	-	-	322,574
Culture and Recreation	-	-	-	-	660
TOTAL DISBURSEMENTS	-	314,142	38,237	-	727,454
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	-	(288,267)	12,082	-	(230,002)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	320,349	-	24,610	460,282
Transfers out	-	(8,525)	(16,085)	-	(24,610)
TOTAL OTHER FINANCING SOURCES (USES)	-	311,824	(16,085)	24,610	435,672
Net Change in Fund Balances	-	23,557	(4,003)	24,610	205,670
FUND BALANCES - BEGINNING	27,918	36,133	16,085	129,360	1,214,985
FUND BALANCES - ENDING	\$ 27,918	\$ 59,690	\$ 12,082	\$ 153,970	\$ 1,420,655
FUND BALANCES:					
Restricted for:					
Visitor Promotion	-	-	-	-	29,262
911 Emergency Services	-	59,690	12,082	153,970	225,742
Drug Education	-	-	-	-	8,058
Preservation of Records	-	-	-	-	11,800
Road & Bridge Projects	-	-	-	-	490,793
Child Support Enforcement	-	-	-	-	12,901
Committed to:					
Law Enforcement	-	-	-	-	33,686
Aid and Assistance	-	-	-	-	254,317
Equipment	-	-	-	-	324,233
Problem Solving Court	-	-	-	-	1,945
Disaster Recovery	27,918	-	-	-	27,918
TOTAL FUND BALANCES	\$ 27,918	\$ 59,690	\$ 12,082	\$ 153,970	\$ 1,420,655

BUTLER COUNTY
SCHEDULE OF OFFICE ACTIVITIES
For the Year Ended June 30, 2022

	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, 2021	\$ 13,954	\$ 104,417	\$14,277	\$ 500	\$ -	\$ 4,207	\$ 500	\$ 41,615	\$ 179,470
RECEIPTS									
Licenses and Permits	1,083	-	1,190	-	240	-	-	-	2,513
Intergovernmental	-	-	-	-	251,637	-	28,628	-	280,265
Charges for Services	108,596	24,333	324,683	-	-	-	57,654	267,736	783,002
Miscellaneous	651	-	-	90	73,986	-	27,661	-	102,388
State Fees	146,527	17,154	-	-	-	-	-	-	163,681
Other Liabilities	-	363,342	17,020	-	-	-	-	533,948	914,310
TOTAL RECEIPTS	256,857	404,829	342,893	90	325,863	-	113,943	801,684	2,246,159
DISBURSEMENTS									
Payments to County Treasurer	111,036	24,504	325,748	-	325,863	-	111,868	275,950	1,174,969
Payments to State Treasurer	141,640	17,120	-	-	-	-	-	-	158,760
Petty Cash & Other Payments	-	-	-	90	-	100	2,075	-	2,265
Other Liabilities	-	271,999	16,670	-	-	-	-	543,498	832,167
TOTAL DISBURSEMENTS	252,676	313,623	342,418	90	325,863	100	113,943	819,448	2,168,161
BALANCES JUNE 30, 2022	\$ 18,135	\$ 195,623	\$14,752	\$ 500	\$ -	\$ 4,107	\$ 500	\$ 23,851	\$ 257,468
BALANCES CONSIST OF:									
Due to County Treasurer	\$ 7,233	\$ 1,821	\$ 8,504	\$ -	\$ -	\$ 4,107	\$ -	\$ 15,426	\$ 37,091
Petty Cash	200	-	4,000	500	-	-	500	3,500	8,700
Due to State Treasurer	10,702	1,479	-	-	-	-	-	-	12,181
Due to Others	-	192,323	2,248	-	-	-	-	4,925	199,496
BALANCES JUNE 30, 2022	\$ 18,135	\$ 195,623	\$14,752	\$ 500	\$ -	\$ 4,107	\$ 500	\$ 23,851	\$ 257,468

BUTLER COUNTY
SCHEDULE OF TAXES CERTIFIED AND COLLECTED
FOR ALL POLITICAL SUBDIVISIONS IN THE COUNTY
June 30, 2022

Item	2017	2018	2019	2020	2021
Tax Certified by Assessor					
Real Estate	\$ 25,335,045	\$ 25,663,012	\$ 25,612,462	\$ 26,239,346	\$ 26,212,107
Personal and Specials	2,117,117	2,053,068	2,190,522	2,221,358	2,632,049
Total	27,452,162	27,716,080	27,802,984	28,460,704	28,844,156
Corrections					
Additions	15,487	8,710	9,963	16,243	4,798
Deductions	(10,280)	(4,605)	(9,200)	(2,569)	(1,320)
Net Additions/ (Deductions)	5,207	4,105	763	13,674	3,478
Corrected Certified Tax	27,457,369	27,720,185	27,803,747	28,474,378	28,847,634
Net Tax Collected by County Treasurer during Fiscal Year Ending:					
June 30, 2018	18,270,821	-	-	-	-
June 30, 2019	9,178,565	18,415,424	-	-	-
June 30, 2020	4,769	9,295,441	18,351,802	-	-
June 30, 2021	1,443	5,700	9,442,259	19,164,713	-
June 30, 2022	1,593	3,204	8,211	9,302,809	19,744,401
Total Net Collections	27,457,191	27,719,769	27,802,272	28,467,522	19,744,401
Total Uncollected Tax	\$ 178	\$ 416	\$ 1,475	\$ 6,856	\$ 9,103,233
Percentage Uncollected Tax	0.00%	0.00%	0.01%	0.02%	31.56%

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



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

Charlie Janssen
State Auditor

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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, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated November 28, 2022. 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.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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.

County Board Chair Response: Although I understand the importance of segregation of duties, this is nearly impossible for a county of our size as we are not big enough, nor have enough staff, to segregate duties within every office. If someone would be out with an illness or vacation the offices would not be able to operate if the staff were not knowledgeable of all of the duties of their office and would force that office to close due to that.

Report on 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Additional Items

We also noted certain matters that we reported to the management of Butler County in a separate letter dated November 28, 2022.

Butler County's Response to Finding

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

Purpose of this Report

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



Mark Avery, CPA
Assistant Deputy Auditor
Lincoln, Nebraska

November 28, 2022



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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State Auditor

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November 28, 2022

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, 2022, and have issued our report thereon dated November 28, 2022. 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 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, 2022. We noted the following:

- Records were not maintained to support an accurate listing of accounts payable, resulting in an unknown variance of \$1,468 in the accounts payable amount.
- Fee collections of \$7,404 received during prior years were not properly remitted to the County Treasurer. These collections have been held for over one year and have been noted in the prior-year audit.
- There was an unknown variance of \$33 between Sheriff's Fee account bank disbursement activity and book disbursement activity.
- An asset-to-liability reconciliation was completed as of June 30, 2022; however, this reconciliation was not accurate, resulting a short of \$595 in the County Sheriff's fee account.

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 that 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 reports.

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.

County Board Chair Response: The sheriff's report has been on the audit more than once and the staff there have worked with the auditors, from what I understand, to reconcile the issue and apparently have not been able to.

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). One of 10 balances tested, totaling \$1,571, did not have subsequent action taken by the District Court to ensure collection and/or resolution of the balance.

As of August 31, 2022, the Report contained 51 overdue criminal case balances, totaling \$32,838. Of these 51 cases, only five had a current warrant or suspension issued for nonpayment.

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.

A similar comment was noted in the prior year report.

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.

County Board Chair Response: I have also worked with District Court in the past to work on reconciling the unresolved cases and will try to continue to do so.

Clerk of the District Court Response: We continually work on getting the Overdue case balance minimized.

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.

County Board Chair Response: Although I understand the importance of segregation of duties, this is nearly impossible for a county of our size as we are not big enough, nor have enough staff, to segregate duties within every office. If someone would be out with an illness or vacation the offices would not be able to operate if the staff were not knowledgeable of all of the duties of their office and would force that office to close due to that.

* * * * *

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", with a long horizontal flourish extending to the right.

Mark Avery, CPA
Assistant Deputy Auditor