

BOX BUTTE COUNTY
Alliance, Nebraska

FINANCIAL REPORT

For the Year Ended June 30, 2022

BOX BUTTE COUNTY
Alliance, Nebraska

TABLE OF CONTENTS

* * * * *

	<u>Page Number</u>
Independent Auditors' 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>	1 - 2
Schedule of Current and Prior Year Findings	3 - 4
Independent Auditors' Report	5 - 8
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position - Modified Cash Basis - Primary Government	9
Statement of Activities - Modified Cash Basis - Primary Government	10
Fund Financial Statements	
Statement of Assets, Liabilities and Fund Balances Arising from Cash Transactions - Governmental Funds	11 - 12
Statement of Cash Receipts, Disbursements and Changes in Fund Balances - Governmental Funds	13 - 14
Statement of Fiduciary Receipts, Disbursements and Changes in Net Position - Modified Cash Basis	15
Notes to the Financial Statements	16 - 30
* * * * *	
Supplementary Information	
Budgetary Comparison Schedule - General Fund	32 - 36
Budgetary Comparison Schedules - Major Special Revenue Funds	
Road Fund	37
Inheritance Tax Fund	38
Health Insurance Claims Fund	39
COVID American Rescue Plan Fund	40
Road-Bridge Sinking Fund	41
Notes to the Supplementary Information	42

BOX BUTTE COUNTY
Alliance, Nebraska

TABLE OF CONTENTS (CONTINUED)

* * * * *

	<u>Page Number</u>
Other Supplementary Information	
Combining Schedule of Assets, Liabilities and Fund Balances Arising from Cash Transactions - Nonmajor Governmental Funds	44 - 45
Combining Schedule of Cash Receipts, Disbursements and Changes in Fund Balances - Nonmajor Governmental Funds	46 - 47
Budgetary Comparison Schedules - Nonmajor Special Revenue Funds	
Drug Law Enforcement Fund	48
STOP Program Fund	49
Preservation and Modernization Fund	50
State Grants Fund	51
Emergency 911 Fund	52
Courthouse Building Fund	53
Veterans Sinking Fund	54
Road Bridge Buyback	55
Nonmajor Debt Service Fund	
Courthouse Bond Fund	56
Schedule of Total Tax Certified, Corrections and Collections for Past Five Tax Years of all Political Subdivisions in Box Butte County	57



Gardner, Loutzenhiser, and Ryan, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITORS' 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***

To the Board of Commissioners
Box Butte County
Alliance, Nebraska

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the primary government Box Butte County, Nebraska (the "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 primary government basic financial statements and have issued our report thereon dated December 19, 2022.

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 entity'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 identified certain deficiencies in internal control, described in the accompanying schedule of current and prior year findings as items 2022-01 and 2022-02, that we consider to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Box Butte County's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the County's responses to the findings identified in our audit and described in the accompanying schedule of current and prior year findings. The County's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Gardner, Loutzenhiser + Ryan PC

Chadron, Nebraska
December 19, 2022

BOX BUTTE COUNTY
Alliance, Nebraska

SCHEDULE OF CURRENT AND PRIOR YEAR FINDINGS

June 30, 2022

Current Year Findings:

2022-01 - Lack of Segregation of Duties

<u>Condition:</u>	The limited number of office personnel prevents proper segregation of accounting functions necessary to assure adequate internal control.
<u>Criteria:</u>	Authorization or approval of transactions, recording of transactions, and custody of assets should normally be segregated from each other.
<u>Effect of the Condition:</u>	This lack of segregation of duties results in an inadequate overall internal control structure design.
<u>Cause of the Condition:</u>	The County does not find it cost effective to employ sufficient office personnel to properly segregate accounting functions.
<u>Recommendation:</u>	The County should be aware of the inherent risks associated with improper segregation of accounting functions. The County should also develop mitigating controls to reduce the risk of errors or fraud associated with improper segregation of accounting functions.
<u>Management's Response:</u>	Management is aware of this situation and will continue to review its organization and improve segregation of duties.

2022-02 - Preparation of Financial Statements

<u>Condition:</u>	The County does not have an internal control system designed to provide for the preparation of the financial statements being audited. As auditors, we were requested to draft the financial statements and accompanying notes to the financial statements. This circumstance is not unusual in an organization of your size. It is the responsibility of management and those charged with governance to make the decision whether to accept the degree of risk associated with this condition because of cost or other considerations.
<u>Criteria:</u>	<i>Government Auditing Standards</i> indicate that the inability to produce financial statements is an internal control deficiency.
<u>Effect of the Condition:</u>	The auditor is requested to prepare the financial statements.
<u>Cause of the Condition:</u>	The County does not find it cost effective to incur the cost to provide for the preparation of the financial statements.
<u>Recommendation:</u>	The County should provide appropriate oversight of the preparation of the financial statements.
<u>Management's Response:</u>	Management accepts this risk because of the cost of implementing an internal control system which would provide for the preparation of the financial statements being audited.

BOX BUTTE COUNTY
Alliance, Nebraska

SCHEDULE OF CURRENT AND PRIOR YEAR FINDINGS (CONTINUED)

June 30, 2022

Prior Year Findings:

2021-01 - Lack of Segregation of Duties - Restated as item 2022-01 in the current year findings.

2021-02 - Preparation of Financial Statements - Restated as item 2022-02 in the current year findings.



Gardner, Loutzenhiser, and Ryan, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
Box Butte County
Alliance, Nebraska

Report on the Audit of the Financial Statements

Adverse and Unmodified Opinions

We have audited the accompanying modified cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Box Butte County, Nebraska (the "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 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
Aggregate Discretely Presented Component Unit	Adverse
General Fund	Unmodified
Road Fund	Unmodified
Inheritance Fund	Unmodified
Health Insurance Claim Fund	Unmodified
COVID American Rescue Plan Fund	Unmodified
Road-Bridge Sinking Fund	Unmodified
Aggregate Remaining Fund Information	Unmodified

Adverse Opinion on Aggregate 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 aggregate discretely presented component unit of Box Butte County, Nebraska, as of June 30, 2022, or the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions on Governmental Activities, General Fund, Road Fund, Inheritance Fund, Health Insurance Claim Fund, COVID American Rescue Plan Fund, Road-Bridge Sinking Fund and Aggregate Remaining Fund Information

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Box Butte County, Nebraska, as of June 30, 2022, and the respective changes in modified cash basis financial position thereof for the year then ended in accordance with the modified cash 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 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 Auditors' 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 ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

Matter Giving Rise to Adverse Opinion on Aggregate Discretely Presented Component Unit

The financial statements referred to above do not include financial data for the County's legally separate component unit. Accounting principles generally accepted in the United States of America require financial data for those component units 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, liabilities, net position, revenues, and expenses of the aggregate discretely presented component unit 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 modified 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 these financial statements in accordance with the modified cash basis of accounting described in Note 1, and for determining that the modified 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 error or fraud.

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

Auditors' 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 auditors' 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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risks 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgement 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 principles 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 judgement, 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 modified cash basis of accounting financial statements that collectively comprise the County's basic financial statements. The supplementary information on pages 32 - 57 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.

To the Board of Commissioners
Box Butte County
Alliance, Nebraska
Page - 4 -

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2022, on our consideration of the 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 the County's internal control over financial reporting and compliance.

Gardner, Loutzenhiser + Ryan PC

Chadron, Nebraska
December 19, 2022

BOX BUTTE COUNTY
Alliance, Nebraska

STATEMENT OF NET POSITION - MODIFIED CASH BASIS - PRIMARY GOVERNMENT

June 30, 2022

	<u>Primary Government</u> <u>Governmental</u> <u>Activities</u>
Assets	
Cash and cash equivalents	\$ 12,275,377
Certificates of deposit	<u>1,360,000</u>
Total assets	\$ <u>13,635,377</u>
Liabilities	\$ <u>-</u>
Net position	
Restricted for:	
Drug Law Enforcement	\$ 410
STOP Program	7,046
Preservation and Modernization	35,193
911 Emergency Services	204,653
State Grants	430
COVID American Rescue Plan	1,614,806
Road Repairs	103,346
Debt service reserve	219,343
Unrestricted	<u>11,450,150</u>
Total net position	\$ <u><u>13,635,377</u></u>

See accompanying independent auditors' report
and notes to the financial statements.

BOX BUTTE COUNTY
Alliance, Nebraska

STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS - PRIMARY GOVERNMENT

For the Year Ended June 30, 2022

Functions/Programs	Disbursements	Program Receipts			Net (Disbursements) Receipts and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government
					Total Governmental Activities
Primary government					
Governmental activities					
General government	\$ 6,123,170	\$ 567,895	\$ 1,061,874	\$ -	\$ (4,493,401)
Public safety	1,685,950	38,605	-	-	(1,647,345)
Public works	1,922,569	-	1,425,772	-	(496,797)
Public welfare and social services	98,246	18,275	-	-	(79,971)
Debt service on long-term debt and bond issuance costs	288,636	-	-	-	(288,636)
Total primary government	\$ <u>10,118,571</u>	\$ <u>624,775</u>	\$ <u>2,487,646</u>	\$ <u>-</u>	\$ <u>(7,006,150)</u>
General receipts					
Taxes					
Property taxes					
					\$ 5,590,981
Motor vehicle taxes					
					395,927
Intergovernmental					
					145,483
Bond proceeds					
					3,860,000
Premium on bond issuance					
					78,136
Interest income					
					14,968
Other					
					<u>1,637,525</u>
Total general receipts					\$ <u>11,723,020</u>
Change in net position					\$ 4,716,870
Net position, beginning of year					<u>8,918,507</u>
Net position, end of year					\$ <u><u>13,635,377</u></u>

See accompanying independent auditors' report
and notes to the financial statements.

BOX BUTTE COUNTY
Alliance, Nebraska

STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES ARISING FROM CASH
TRANSACTIONS - GOVERNMENTAL FUNDS

June 30, 2022

	Major Funds			
	General Fund	Road Fund	Inheritance Tax Fund	Health Insurance Claims Fund
Assets				
Cash and cash equivalents	\$ 1,712,624	\$ 216,413	\$ 2,238,450	\$ 1,769,242
Certificates of deposit	<u>1,360,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 3,072,624</u>	<u>\$ 216,413</u>	<u>\$ 2,238,450</u>	<u>\$ 1,769,242</u>
Liabilities and Fund Balances				
Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balances				
Restricted for:				
Drug Law Enforcement	\$ -	\$ -	\$ -	\$ -
STOP Program	-	-	-	-
Preservation and Modernization	-	-	-	-
911 Emergency Services	-	-	-	-
State Grants	-	-	-	-
Road Repairs	-	-	-	-
COVID American Rescue Plan	-	-	-	-
Debt service	-	-	-	-
Committed to:				
General Government	-	-	-	-
Road Maintenance	-	216,413	-	-
Public Works	-	-	-	-
Public Welfare and Social Services	-	-	-	-
Other Purposes	-	-	-	1,769,242
Assigned to:				
Other Purposes	-	-	2,238,450	-
Unassigned	<u>3,072,624</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>\$ 3,072,624</u>	<u>\$ 216,413</u>	<u>\$ 2,238,450</u>	<u>\$ 1,769,242</u>
Total liabilities and fund balances	<u>\$ 3,072,624</u>	<u>\$ 216,413</u>	<u>\$ 2,238,450</u>	<u>\$ 1,769,242</u>

See accompanying independent auditors' report
and notes to the financial statements.

BOX BUTTE COUNTY
Alliance, Nebraska

STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES ARISING FROM CASH
TRANSACTIONS - GOVERNMENTAL FUNDS (CONTINUED)

June 30, 2022

	Major Funds (Continued)			
	COVID American Rescue Plan Fund	Road-Bridge Sinking Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets				
Cash and cash equivalents	\$ 1,614,806	\$ 4,053,855	\$ 669,987	\$ 12,275,377
Certificates of deposit	-	-	-	1,360,000
Total assets	<u>\$ 1,614,806</u>	<u>\$ 4,053,855</u>	<u>\$ 669,987</u>	<u>\$ 13,635,377</u>
Liabilities and Fund Balances				
Liabilities	\$ -	\$ -	\$ -	\$ -
Fund balances				
Restricted for:				
Drug Law Enforcement	\$ -	\$ -	\$ 410	\$ 410
STOP Program	-	-	7,046	7,046
Preservation and Modernization	-	-	35,193	35,193
911 Emergency Services	-	-	204,653	204,653
State Grants	-	-	430	430
Road Repairs	-	-	103,346	103,346
COVID American Rescue Plan	1,614,806	-	-	1,614,806
Debt service	-	-	219,343	219,343
Committed to:				
General Government	-	-	90,589	90,589
Road Maintenance	-	-	-	216,413
Public Works	-	4,053,855	-	4,053,855
Public Welfare and Social Services	-	-	8,977	8,977
Other Purposes	-	-	-	1,769,242
Assigned to:				
Other Purposes	-	-	-	2,238,450
Unassigned	-	-	-	3,072,624
Total fund balances	<u>\$ 1,614,806</u>	<u>\$ 4,053,855</u>	<u>\$ 669,987</u>	<u>\$ 13,635,377</u>
Total liabilities and fund balances	<u>\$ 1,614,806</u>	<u>\$ 4,053,855</u>	<u>\$ 669,987</u>	<u>\$ 13,635,377</u>

See accompanying independent auditors' report
and notes to the financial statements.

BOX BUTTE COUNTY
Alliance, Nebraska

STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND
BALANCES - GOVERNMENTAL FUNDS

For the Year Ended June 30, 2022

	Major Funds			
	General Fund	Road Fund	Inheritance Tax Fund	Health Insurance Claims Fund
Receipts				
Taxes				
Property taxes	\$ 5,315,466	\$ -	\$ -	\$ -
Motor vehicle taxes	395,927	-	-	-
Intergovernmental	143,010	1,337,437	-	-
Local fees, licenses, commissions and miscellaneous	596,032	211,591	236,962	1,190,292
Interest income	12,566	-	2,402	-
Total receipts	<u>\$ 6,463,001</u>	<u>\$ 1,549,028</u>	<u>\$ 239,364</u>	<u>\$ 1,190,292</u>
Disbursements				
Current				
General government	\$ 3,555,768	\$ -	\$ 165,536	\$ 1,371,839
Public safety	1,677,759	-	-	-
Public works	56,609	1,517,866	-	-
Public welfare and social services	75,753	-	-	-
Capital outlay	50,380	254,704	449,974	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total disbursements	<u>\$ 5,416,269</u>	<u>\$ 1,772,570</u>	<u>\$ 615,510</u>	<u>\$ 1,371,839</u>
Excess (deficiency) of receipts over (under) disbursements	<u>\$ 1,046,732</u>	<u>\$ (223,542)</u>	<u>\$ (376,146)</u>	<u>\$ (181,547)</u>
Other financing sources (uses)				
Bond proceeds	\$ -	\$ -	\$ -	\$ -
Premium on bond issuance	-	-	-	-
Debt issuance costs	-	-	-	-
Operating transfers in	-	700,000	264,071	-
Operating transfers out	(704,303)	(363,841)	-	-
Total other financing sources (uses)	<u>\$ (704,303)</u>	<u>\$ 336,159</u>	<u>\$ 264,071</u>	<u>\$ -</u>
Net change in fund balances	\$ 342,429	\$ 112,617	\$ (112,075)	\$ (181,547)
Fund balances, beginning of year	<u>2,730,195</u>	<u>103,796</u>	<u>2,350,525</u>	<u>1,950,789</u>
Fund balances, end of year	<u><u>\$ 3,072,624</u></u>	<u><u>\$ 216,413</u></u>	<u><u>\$ 2,238,450</u></u>	<u><u>\$ 1,769,242</u></u>

See accompanying independent auditors' report
and notes to the financial statements.

BOX BUTTE COUNTY
Alliance, Nebraska

STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND
BALANCES - GOVERNMENTAL FUNDS (CONTINUED)

For the Year Ended June 30, 2022

	<u>Major Funds (Continued)</u>			
	<u>COVID American Rescue Plan Fund</u>	<u>Road-Bridge Sinking Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Receipts				
Taxes				
Property taxes	\$ -	\$ -	\$ 275,515	\$ 5,590,981
Motor vehicle taxes	-	-	-	395,927
Intergovernmental	1,047,235	-	105,447	2,633,129
Local fees, licenses, commissions and miscellaneous	-	-	27,423	2,262,300
Interest income	-	-	-	14,968
Total receipts	<u>\$ 1,047,235</u>	<u>\$ -</u>	<u>\$ 408,385</u>	<u>\$ 10,897,305</u>
Disbursements				
Current				
General government	\$ 219,665	\$ -	\$ 24,116	\$ 5,336,924
Public safety	-	-	225	1,677,984
Public works	-	-	-	1,574,475
Public welfare and social services	-	-	19,751	95,504
Capital outlay	260,000	93,390	36,600	1,145,048
Debt service				
Principal	-	-	240,000	240,000
Interest	-	-	20,650	20,650
Total disbursements	<u>\$ 479,665</u>	<u>\$ 93,390</u>	<u>\$ 341,342</u>	<u>\$ 10,090,585</u>
Excess (deficiency) of receipts over (under) disbursements	<u>\$ 567,570</u>	<u>\$ (93,390)</u>	<u>\$ 67,043</u>	<u>\$ 806,720</u>
Other financing sources (uses)				
Bond proceeds	\$ -	\$ 3,860,000	\$ -	\$ 3,860,000
Premium on bond issuance	-	78,136	-	78,136
Debt issuance costs	-	(27,986)	-	(27,986)
Operating transfers in	-	99,770	4,303	1,068,144
Operating transfers out	-	-	-	(1,068,144)
Total other financing sources (uses)	<u>\$ -</u>	<u>\$ 4,009,920</u>	<u>\$ 4,303</u>	<u>\$ 3,910,150</u>
Net change in fund balances	\$ 567,570	\$ 3,916,530	\$ 71,346	\$ 4,716,870
Fund balances, beginning of year	<u>1,047,236</u>	<u>137,325</u>	<u>598,641</u>	<u>8,918,507</u>
Fund balances, end of year	<u><u>\$ 1,614,806</u></u>	<u><u>\$ 4,053,855</u></u>	<u><u>\$ 669,987</u></u>	<u><u>\$ 13,635,377</u></u>

See accompanying independent auditors' report
and notes to the financial statements.

BOX BUTTE COUNTY**Alliance, Nebraska****STATEMENT OF FIDUCIARY RECEIPTS, DISBURSEMENTS
AND CHANGES IN NET POSITION - MODIFIED CASH BASIS****June 30, 2022**

	<u>Custodial Net Position July 1, 2021</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Custodial Net Position June 30, 2022</u>
Assets				
Cash and cash equivalents	\$ <u>671,053</u>	\$ <u>24,940,990</u>	\$ <u>24,953,969</u>	\$ <u>658,074</u>
Total assets	\$ <u><u>671,053</u></u>	\$ <u><u>24,940,990</u></u>	\$ <u><u>24,953,969</u></u>	\$ <u><u>658,074</u></u>
Liabilities				
Due to Other Governments				
State	\$ 285,217	\$ 3,222,174	\$ 3,259,758	\$ 247,633
Schools	224,109	16,558,760	16,577,370	205,499
ESU's	2,052	233,667	233,881	1,838
Technical Colleges	13,478	1,533,870	1,535,282	12,066
NRD's	2,136	238,558	238,834	1,860
Fire Districts	4,169	733,636	719,366	18,439
Municipalities	43,285	2,262,468	2,265,798	39,955
Agricultural Society	686	104,674	104,438	922
Partial Payment Distributions	<u>95,921</u>	<u>53,183</u>	<u>19,242</u>	<u>129,862</u>
Total liabilities	\$ <u>671,053</u>	\$ <u>24,940,990</u>	\$ <u>24,953,969</u>	\$ <u>658,074</u>
Total net position	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>

See accompanying independent auditors' report
and notes to the financial statements.

BOX BUTTE COUNTY
Alliance, Nebraska

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As discussed further in the following sections of Note 1, these financial statements are presented on the modified cash basis of accounting for the primary government. The modified cash basis of accounting differs from accounting principles generally accepted in the United States of America (US GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements.

Financial Reporting Entity - Box Butte County, Nebraska ("County") is a governmental entity established under and governed by the laws of the State of Nebraska. As a political subdivision of the State, the County is exempt from state and federal income taxes. The County consists of the primary government (which includes all of the funds, organizations, institutions, agencies, departments, and offices that make up the legal entity, plus those funds for which the primary government has a fiduciary responsibility, even though those fiduciary funds may represent organizations that do not meet the criteria for inclusion in the financial reporting entity); those organizations for which the primary government is financially accountable; and other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the financial reporting entity's financial statements to be misleading or incomplete.

Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The County is financially accountable if its County Commission appoints a voting majority of another organization's governing body and it has the ability to impose its will on that organization, or there is a potential for that organization to provide specific financial benefits to, or impose specific financial burdens on, the County (primary government). The County may also be financially accountable for another organization if that organization is fiscally dependent on the County.

The County Agricultural Society has been excluded from the County's financial statements on determination that the County did not exercise oversight responsibility over the daily operations of that entity due to selection of governing authority, designation of management, ability to significantly influence operations or accountability for fiscal matters.

The County participates in a cooperative unit with ten other counties. See detailed Note 9, entitled "Inter-Local Agreements" for specific disclosures. Joint ventures do not meet the criteria for inclusion in the financial reporting entity as a component unit, but are discussed in these notes because of the nature of their relationship with the County.

Legal Component Unit - Box Butte General Hospital is a legal component unit of the County. The County has final authority and control over the Hospital, including assumption of debt in case of default. This component unit is not included in the financial statements of Box Butte County, Nebraska. A separate copy of the Hospital financial statements can be obtained by contacting the Hospital administrator.

See accompanying independent auditors' report.

BOX BUTTE COUNTY
Alliance, Nebraska

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation

Government-wide Financial Statements - The Statement of Net Position and Statement of Activities display information about the reporting entity as a whole. They include all funds of the reporting entity except for fiduciary funds. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

The Statement of Activities presents a comparison between direct disbursements and program receipts for each function of the County's governmental activities. Direct disbursements are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program receipts include 1) charges paid by recipients of goods and services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Receipts that are not classified as program receipts, including all taxes, are presented as general receipts.

Fund Financial Statements - Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues and expenses. Funds are organized into two major categories: governmental and fiduciary. An emphasis is placed on major funds within the governmental category. A fund is considered major if it is the primary operating fund of the County, or it meets the following criteria:

- a. Total assets, liabilities, receipts, or disbursements of the individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type, and
- b. Total assets, liabilities, receipts, or disbursements of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined, or
- c. Management has elected to classify one or more governmental or enterprise funds as major for consistency in reporting from year to year, or because of public interest in the fund's operations.

The funds of the County financial reporting entity are described below:

Governmental Funds

General Fund - The General Fund is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is always considered to be a major fund.

Special Revenue Funds - Special revenue funds are used to account for the proceeds of specific revenue sources (other than trusts for individuals, private organizations, or other governments or for major capital projects) that are legally restricted to expenditures for specified purposes.

See accompanying independent auditors' report.

BOX BUTTE COUNTY
Alliance, Nebraska

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Fund Financial Statements (Continued)

Special Revenue Funds (Continued)

Road Fund - The Road Fund accounts for taxes levied and collected, and other resources, and expenditures of such receipts for the establishment, improvement, maintenance, and abandonment of public roads of the County in accordance with Nebraska Statute 39-1904. This is a major fund.

Inheritance Tax Fund - The Inheritance Tax Fund accounts for money received and expended from inheritance tax collections in accordance with Nebraska Statute 77-2032. This fund serves as a contingency fund for expenses of various county departments and is a major fund.

Health Insurance Claims Fund - The Health Insurance Claims Fund accounts for money withheld from and contributed by the County on behalf of the County employees for health care costs in lieu of providing health insurance. This is a major fund.

COVID American Rescue Plan Fund - The COVID American Rescue Plan Fund accounts for money received and expended from the American Rescue Plan Act of 2021 to assist in recovery from the economic effects of the COVID-19 pandemic. This is a major fund.

Road-Bridge Sinking Fund - The Road-Bridge Sinking Fund accounts for money received from bond proceeds and transfers from other funds and the expenditures of such receipts for the necessary road and bridge construction and improvements. This is a major fund.

The remaining Special Revenue funds are not considered major funds: Drug Law Enforcement Fund, STOP Program Fund, Preservation and Modernization Fund, State Grants Fund, Emergency 911 Fund, Veterans Sinking Fund, and Road Bridge Buyback Fund. These funds are reported on the fund financial statements as "Non-Major Governmental Funds."

Capital Projects Funds - Capital project funds are used to account for the receipt and disbursement of moneys used for the acquisition of capital facilities other than those financed by Enterprise funds.

County Building Fund - The County Building Fund accounts for taxes collected and the proceeds of bond issues and the expenditure of such funds for the purpose of acquiring or repairing courthouse facilities in accordance with Nebraska Statutes 23-501 and 23-505. This is not a major fund. This fund is reported on the fund financial statements as "Non-major Governmental Funds."

Debt Service Funds - Debt service funds are used to account for the payment of interest and principle on long term debt other than Enterprise Revenue Bonds.

Courthouse Bond Fund - The Courthouse Bond Fund accounts for the accumulation of funds necessary to pay interest and redemption of bonds issued for the purpose of erecting and/or improving courthouse facilities in accordance with Nebraska Statute 23-120. This is not a major fund. This fund is reported on the fund financial statements as "Non-major Governmental Funds."

See accompanying independent auditors' report.

BOX BUTTE COUNTY
Alliance, Nebraska

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Fund Financial Statements (Continued)

Fiduciary Funds - Fiduciary funds consist of the following sub-category and are never considered to be major funds:

Custodial Funds - Custodial funds are used to report fiduciary activities. The County uses custodial funds for the accumulation and distribution of property tax revenues and various pass through funds to other governmental entities.

Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe “how” transactions are recorded within the various financial statements. Basis of accounting refers to “when” revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements, regardless of the measurement focus.

The County’s basis of accounting is the modified cash basis, which is a basis of accounting other than US GAAP. Under US GAAP, transactions are recorded in the accounts when revenues are earned and liabilities are incurred. Under the modified cash basis, transactions are recorded when cash is received or disbursed.

Measurement Focus - In the government-wide Statement of Net Position and Statement of Activities, governmental activities are presented using the economic resources measurement focus, applied within the limitations of the modified cash basis of accounting as defined below.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used, applied within the limitations of the modified cash basis of accounting.

Basis of Accounting - In the government-wide Statement of Net Position and Statement of Activities and the fund financial statements, governmental activities are presented using the modified cash basis of accounting.

The modified cash basis of accounting involves the measurement of cash and cash equivalents and changes in cash and cash equivalents resulting from cash receipt and disbursement transactions. Under the cash basis of accounting, the Statement of Net Position reports only cash and cash equivalents (those investments with terms to maturity of 90 days (three months) or less at the date of acquisition). Under the modified cash basis of accounting, transactions are recorded in the accounts when cash and/or cash equivalents are received or disbursed and assets and liabilities are recognized to the extent that cash has been received or disbursed. The acceptable modification to the cash basis of accounting implemented by the County in these financial statements is:

Recording long-term investments in certificates of deposit (those with maturities more than 90-days (three months) from the date of acquisition) acquired with cash assets at cost.

See accompanying independent auditors’ report.

BOX BUTTE COUNTY
Alliance, Nebraska

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued)

As a result of the use of this modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received by not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements. Likewise, expenditures for fixed assets are charged as an expense when paid and are not recorded in the government-wide or the fund financial statements as an asset. Long-term debt is similarly recognized as a receipt when incurred and as an expenditure when paid and is not recorded as a liability in the government-wide or the fund financial statements.

If the County applied US GAAP, the fund financial statements for governmental funds would use the modified accrual basis of accounting. All government-wide financial statements would be presented on the accrual basis of accounting.

Deposits and Investments - For the purpose of financial reporting, “cash and cash equivalents” includes all demand and savings accounts and certificates of deposit or short-term investments with a term maturity at date of acquisition of three months or less. The County maintains a cash pool that is available for use by all funds.

Investments classified in the financial statements consist entirely of certificates of deposit whose term to maturity at date of acquisition exceeds three months and/or those types of investments authorized by Nebraska Statute 77, Article 23, and generally include U.S. government obligations and certificates of deposit to the extent they are insured by the Federal Depository Insurance Corporation or by collateral securities pledged to the County. Under the modified cash basis of accounting, investments are carried at cost.

Program Revenues - Program revenues derive directly from the program itself or from parties other than the County’s taxpayers or citizenry, as a whole. Program revenues are classified into three categories, as follows:

- a. Charges for services - These arise from charges to customers, applicants, or others who purchase, use, or directly benefit from the goods, services, or privileges provided, or are otherwise directly affected by the services.
- b. Program-specific operating grants and contributions - These arise from mandatory and voluntary non-exchange transactions with other governments, organizations, or individuals that are restricted for use in a particular program.
- c. Program-specific capital grants and contributions - These arise from mandatory and voluntary non-exchange transactions with other governments, organizations, or individuals that are restricted for the acquisition of capital assets for use in a particular program.

See accompanying independent auditors’ report.

BOX BUTTE COUNTY
Alliance, Nebraska

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity Classifications

Government-wide Financial Statements - Equity is classified as Net Position and is displayed in two components:

- a. **Restricted Net Position** - Consists of net positions with constraints placed on their use either by (1) external groups, such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- b. **Unrestricted Net Position** - All other net position that do meet the definition of “restricted.”

Fund Financial Statements - Governmental fund equity is classified as fund balance, and may distinguish between “Nonspendable”, “Restricted”, “Committed”, “Assigned” and “Unassigned” components. Custodial Funds do not have fund equity.

Fund Balance Classification Policies and Procedures - In accordance with Government Accounting Standards Board (GASB) No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the County classifies governmental fund balances as follows:

- a. **Nonspendable** - This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The County did not have any nonspendable resources as of June 30, 2022.
- b. **Restricted** - This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The County has classified the fund balances of the Drug Law Enforcement, STOP Program, Preservation and Modernization, State Grants, Emergency 911, Road Bridge Buyback, COVID American Rescue Plan and Courthouse Bond Funds as being restricted by law.
- c. **Committed** - This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the County. These amounts cannot be used for any other purpose unless the County removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The County has classified the fund balances of the following funds as committed through the budget ordinance act: Road, Health Insurance, County Building, Road Bridge Sinking and Veterans Sinking Funds.
- d. **Assigned** - This classification includes amounts that are constrained by the County’s intent to be used for a specific purpose, but neither restricted nor committed. The County has classified the Inheritance Tax Fund as an assigned resource as of June 30, 2022.
- e. **Unassigned** - This classification includes the residual fund balance for the General Fund.

The County does not have a formal minimum fund balance policy.

See accompanying independent auditors’ report.

BOX BUTTE COUNTY
Alliance, Nebraska

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance Classification Policies and Procedures (Continued)

The purpose of each major special revenue fund and revenue source is listed below:

<u>Major Special Revenue Fund</u>	<u>Revenue Source</u>
Road Fund	Highway Allocation Revenues
Inheritance Tax Fund	Inheritance Tax Revenues
Health Insurance Claims Fund	Employee and Employer Contributions
COVID American Rescue Plan Fund	American Rescue Plan Act of 2021 Revenues
Road-Bridge Sinking Fund	Bond Proceeds

Application of Net Position - It is the County's policy to first use restricted net position, prior to the use of unrestricted net position, when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Use of estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Compensated Absences - Vacation pay is earned based on length of service. Vacation pay is recorded as an expenditure of the County as it is paid. Accumulated or vested vacation is not recorded in the financial statements at June 30, 2022, as the County is on the modified cash basis of accounting.

Sick pay is also earned on the basis of length of service up to a maximum of 120 days. Upon retirement, employees are entitled to one-half of their unused sick leave. Sick pay is recorded as an expenditure of the County when it is paid. Accrued sick pay is not recorded in the financial statements since it cannot be reasonably estimated and the County is on the modified cash basis of accounting.

NOTE 2 - DEPOSITS AND INVESTMENTS CREDIT RISK, CONCENTRATIONS OF CREDIT RISK AND INTEREST RATE RISK

The County has generally pooled the cash resources of the various funds for investment purposes. Each major fund's portion of total cash and investments is summarized by fund type on the Statement of Assets, Liabilities and Fund Balances Arising from Cash Transactions - Governmental Funds and each nonmajor fund's portion is summarized by fund type on the Combining Schedule of Assets, Liabilities and Fund Balances Arising from Cash Transactions - Nonmajor Governmental Funds and included in "Equity in Pooled Cash and Cash Equivalents." Interest earned on pooled funds is credited to the County General Fund in accordance with Neb. Rev. Stat. Section 77-2315 R.R.S. 1996. Investments made specifically from and for a particular fund are summarized as "Designated Investments." Interest on these investments is credited to the fund from which the investment is made, also in accordance with Section 77-2315. Whether funds are commingled or invested separately is at the discretion of the County Board. The types of investments the County is authorized to invest funds in are enumerated in Neb. Rev. Stat. Sections 77-2315 R.R.S. 1996, 77-2340 R.S.Supp., 2001, and 77-2341 R.R.S. 1996, and generally include U.S. government obligations, certificates of deposit, time deposits, and securities which are authorized by the Nebraska Investment Council.

See accompanying independent auditors' report.

BOX BUTTE COUNTY
Alliance, Nebraska

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2022

NOTE 2 - DEPOSITS AND INVESTMENTS CREDIT RISK, CONCENTRATIONS OF CREDIT RISK AND INTEREST RATE RISK (CONTINUED)

The carrying value of cash and investments at June 30, 2022, consists of the following amounts held by the Box Butte County Treasurer, including Custodial Funds:

	<u>Financial Institution Balance</u>	<u>Carrying Amount</u>
Cash on hand	\$ -	\$ 5,832
Checks on hand	-	25,009
Cash in bank	12,907,345	12,902,610
Investments - Certificates of deposit	<u>1,360,000</u>	<u>1,360,000</u>
Total	<u>\$ 14,267,345</u>	<u>\$ 14,293,451</u>

Custodial Credit Risk - Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. For reporting purposes, the amount of total County bank deposits is classified in the following categories of custodial credit risk.

1. Insured by Federal Deposit Insurance Corporation (FDIC) or collateralized with securities held by the County or by its agent in the County's name.
2. Uninsured, but collateralized with securities held by the pledging financial institution's trust department or agent in the County's name.
3. Uninsured and uncollateralized, or collateralized with securities held by the pledging financial institution, or by its trust department or agent, but not in the County's name, or properly collateralized with no written and approved collateral agreement.

A detail of deposits at June 30, 2022, is as follows:

<u>Type of Deposits</u>	<u>Total Bank Balance</u>	<u>Custody Credit Risk Category</u>			<u>Total Carrying Value</u>
		<u>1</u>	<u>2</u>	<u>3</u>	
Insured deposits	\$ 1,743,509	\$ 1,743,509	\$ -	\$ -	
Uninsured deposits:					
Collateralized	12,523,836	-	12,523,836	-	
Uncollateralized	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Total deposits	<u>\$ 14,267,345</u>	<u>\$ 1,743,509</u>	<u>\$ 12,523,836</u>	<u>\$ -</u>	<u>\$ 14,293,451</u>

Interest Rate Risk - The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

See accompanying independent auditors' report.

BOX BUTTE COUNTY
Alliance, Nebraska

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2022

NOTE 3 - PROPERTY TAXES

Real estate and personal property taxes are levied prior to December 31, attach as an enforceable lien as of January 1, and are payable in two installments on May 1 and September 1. Vehicle taxes are payable at the time of licensing.

NOTE 4 - COMMITMENTS

Limited Tax County Building Bonds, Series 2020 - On November 19, 2020, the County issued Limited Tax County Building Bonds, Series 2020 in the amount of \$2,500,000. The proceeds from the bonds were used to pay off the County's Limited Tax County Building Loan, Series 2019. The bonds are payable in annual principal installments December 15 each year, ranging from \$240,000 to \$260,000 from 2021 to 2030. Interest payments are due semi-annually on December 15 and June 15. Interest rates on the bonds vary from 0.45% to 1.35%, depending on the maturity date. The bonds are set to mature on December 15, 2030.

Highway Allocation Fund Pledge Bonds, Series 2022 - On June 16, 2022, the County issued Highway Allocation Fund Pledge Bonds, Series 2022 at a par value of \$3,860,000 and an original issuance premium of \$78,136 for total proceeds of \$3,938,136. The proceeds from the bonds are being used to make road improvements within the County. The bonds are payable in annual principal installments July 1 each year, ranging from \$200,000 to \$330,000 from 2023 to 2037. Interest payments are due semi-annually on January 1 and July 1. Interest rates on the bonds vary from 2.20% to 4.50%, depending on the maturity date. The bonds are set to mature on July 1, 2037.

During the year ended June 30, 2022, the following changes occurred in the long-term debt balances:

	Beginning of Year	Additions	Payments	End of Year	Portion Due Within One Year
Governmental activities:					
Bonds:					
Limited Tax County Building Bonds, Series 2020	\$ 2,500,000	\$ -	\$ 240,000	\$ 2,260,000	\$ 245,000
Highway Allocation Fund Pledge Bonds, Series 2022	-	3,860,000	-	3,860,000	-
	<u>\$ 2,500,000</u>	<u>\$ 3,860,000</u>	<u>\$ 240,000</u>	<u>\$ 6,120,000</u>	<u>\$ 245,000</u>

Interest paid on the loans during the year ended June 30, 2022 was \$20,650.

See accompanying independent auditors' report.

BOX BUTTE COUNTY
Alliance, Nebraska

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2022

NOTE 4 - COMMITMENTS (CONTINUED)

Aggregate annual debt service payments until maturity are as follows:

Year Ended June 30,	Governmental Activities	
	Bonds	
	Principal	Interest
2023	\$ 245,000	\$ 92,924
2024	445,000	151,569
2025	455,000	145,440
2026	470,000	138,395
2027	475,000	130,561
2028-2032	2,245,000	502,331
2033-2037	1,455,000	235,610
2038-2042	330,000	7,425
Total	\$ 6,120,000	\$ 1,404,255

NOTE 5 - CONDUIT DEBT OBLIGATIONS

On April 10, 2014, the County issued \$8,000,000 of General Obligation Bonds, Series 2014, to provide for the cost of constructing additions and improvements to Box Butte General Hospital (the "Hospital"), along with interim financing interest costs. During the fiscal year ended June 30, 2020, the County issued \$6,205,000 of General Obligation Refunding Bonds, Series 2020, to refund the General Obligation Bonds, Series 2014. The refunding bonds are payable in annual principal installments June 1 each year, ranging from \$410,000 to \$545,000 from 2020 to 2033. Interest payments are due semi-annually on December 1 and June 1. Interest rates on the bonds vary from 1.90% to 3.00%, depending on the maturity date. The County may levy taxes for repayment of the debt, but it is the intent of the Hospital and the County board to repay the issue solely from Hospital Revenue. Should revenue not be sufficient, taxes will be levied for repayment of the debt. The County is not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported in the accompanying financial statements.

At June 30, 2022, the General Obligation Refunding Bonds, Series 2020 had an outstanding balance of \$5,280,000.

NOTE 6 - INTERFUND LOANS AND TRANSFERS

During the year ended June 30, 2022, the Inheritance Fund purchased 2 motor graders for the Road Fund in the amount of \$334,694. The County also purchased 1 additional motor grader for the Road Fund in the amount of \$315,223. The County used \$260,000 in American Rescue Plan Act funds to pay for part of this motor grader and the Inheritance Fund paid the remaining \$55,223. The agreement calls for the Road Fund to repay the Inheritance Fund back for these purchases and has repaid \$264,071 as of June 30, 2022, leaving a remaining balance of \$125,846.

See accompanying independent auditors' report.

BOX BUTTE COUNTY
Alliance, Nebraska

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2022

NOTE 6 - INTERFUND LOANS AND TRANSFERS (CONTINUED)

Interfund transfers for the year ended June 30, 2022, were as follows:

	Transfers To:				Total
	Road Fund	Inheritance Tax Fund	Road Bridge Sinking Fund	Aggregate Other Governmental Funds	
<u>Transfers From:</u>					
Major Funds:					
General fund	\$ 700,000	\$ -	\$ -	\$ 4,303	\$ 704,303
Road fund	-	264,071	99,770	-	363,841
Totals	<u>\$ 700,000</u>	<u>\$ 264,071</u>	<u>\$ 99,770</u>	<u>\$ 4,303</u>	<u>\$ 1,068,144</u>

Transfers of \$704,303 were for general operations, \$99,770 for future capital outlay and \$264,071 for repayment of short-term loan for capital outlay.

NOTE 7 - EMPLOYEES' RETIREMENT SYSTEM

Plan Description

Box Butte County contributes to the Nebraska County Employees Retirement System Cash Balance Benefit Plan, a cost-sharing multiple-employer defined benefit pension plan administered by the Nebraska Public Employees Retirement System (NPERS). NPERS provides retirement and disability benefits to plan members and beneficiaries. The County Employees Retirement Act establishes benefit provisions.

The Nebraska Public Employees Retirement Board (NPERS) was created in 1971 to administer the Nebraska retirement plans. In 1973, the State Legislature brought the County Employees Retirement Plan under the administration of NPERS. All regular county employees in Nebraska are members of the plan.

Member Benefits

A member is eligible for retirement after attaining age 55. Upon attainment of age 55, regardless of service, the retirement allowance shall be equal to the accumulated employee and employer cash balance accounts including interest credits, annuitized for payment of the normal form. Also available are additional forms of payment allowed under the plan, which are actuarially equivalent to the normal form, including the option of a full lump sum or partial lump sum.

See accompanying independent auditors' report.

BOX BUTTE COUNTY
Alliance, Nebraska

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2022

NOTE 7 - EMPLOYEES' RETIREMENT SYSTEM (CONTINUED)

The normal form of payment under the Cash Balance Benefit Fund is a single life annuity with five-year certain, payable monthly. Members have the option to convert their member cash balance account to a monthly annuity with built in cost-of-living adjustments of 2.5% annually. This monthly benefit and all other options allowed under the plan will be of actuarial equivalence to the accumulated employee and employer cash balance accounts, including interest credits.

Optional forms of payment include a lump sum and the following annuities (with or without a 2.5% COLA): life annuity, modified cash refund, certain and life annuity (5, 10 or 15 years), certain only annuity (5, 10, 15 or 20 years) and joint and survivor annuity (50%, 75%, or 100%).

Contributions

For the County's fiscal year ended June 30, 2022, the County's total payroll for all employees was \$2,678,998. Total covered payroll was \$2,660,691. Covered payroll refers to all compensation paid by the County to active employees covered by the Plan.

Eligible employees are required to contribute 4.5% of their salary and the County contributes 6.75% of the salary. Commissioned law enforcement personnel employed by the County are required to contribute 5.5% of their salary and the County contributes 7.75% of the salary. The county contribution shall be credited to the employer cash balance account. The County's contribution to the Plan for its year ended June 30, 2022 was \$183,040.

Plan Fiduciary Net Position

Detailed information about the Plan's fiduciary net position is available in the separately issued Nebraska Public Employees Retirement Systems Plan financial report. NPERS issues a publicly available financial report that includes financial statements and required supplementary information for NPERS. That report may be obtained by writing the NPERS, P.O. Box 94816, Lincoln, NE 68509-4816, by calling 1-800-245-5712 or via the internet at http://www.auditors.nebraska.gov/APA_Reports.

NOTE 8 - DEFERRED COMPENSATION PLAN

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all County employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the County, subject only to the claims of the County's general creditors. Participants' rights under the plan are equal to those of general creditors of the County in an amount equal to the fair market value of the deferred account for each participant.

The County has no liability for losses under the plan, but has the duty of due care that would be required of an ordinary prudent investor. The County believes that it is highly unlikely that it will use the assets to satisfy the claims of general creditors in the future.

Investments are managed by the plan's trustee under one of several investment options, or a combination thereof. The choice of the investment options is made by the participants.

See accompanying independent auditors' report.

BOX BUTTE COUNTY
Alliance, Nebraska

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2022

NOTE 9 - INTER-LOCAL AGREEMENTS

Box Butte County has entered into agreements with other counties in Region I in conjunction with the Nebraska Department of Public Institutions to provide services to carry out the provisions of the Nebraska Comprehensive Community Mental Health Services Act, the related alcoholism and drug abuse services and the Developmental Disabilities Services Act (Acts). Region I consists of the following counties: Sioux, Dawes, Box Butte, Sheridan, Scotts Bluff, Morrill, Garden, Banner, Kimball, Cheyenne and Deuel. Separate agreements were established under the authority of the Interlocal Cooperation Act for services to be provided under each of the Acts. The governing boards for Region I services are established by Statute and include representatives from the participating county boards. Each county contributes to the financial support of the Region's activities based on formulas developed by the Region's governing boards and as required by the Acts. Funding is provided by a combination of federal, state, local and private funding. Box Butte County contributed \$56,609 towards the operation of Region I during the fiscal year ended June 30, 2022. In the event of termination of the agreement, assets would be disposed of in accordance with the terms of the agreement. The Nebraska Department of Public Institutions requires the Region to be audited annually in accordance with State Statute Section 71-5010. Financial information for the Region is available in that audit report.

NOTE 10 - RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the period ended June 30, 2022, the County managed its risks as follows:

Employee Health Insurance - During the year ended June 30, 2022, the County used a risk management self-insurance fund to account for and finance its uninsured risks of loss for employee health and accident insurance. The County is self-insuring the cost of coverage, other than the deductibles of \$500 for single and \$1,000 for families. The difference in the premium of the deductibles is contributed to the self-insurance fund for payments of future claims. The County has a stop-loss policy that will pay insurance claims per individual in excess of \$50,000 incurred in a twelve-month period up to a lifetime maximum of \$1,000,000 per individual.

Activity in the risk management fund are accounted for in the Health Insurance Claims Fund.

Liability Insurance and Worker's Compensation - The County is a member of the Nebraska Intergovernmental Risk Management Association (NIRMA) and the Nebraska Intergovernmental Risk Management Association II (NIRMA II) which were created to provide self-insurance pools for the insurance needs of Nebraska counties. NIRMA provides a pool for property, general liability and auto liability coverage and NIRMA II provides a pool for worker's compensation coverage. The County pays an annual premium to NIRMA and NIRMA II.

Government entities joining the NIRMA Funds must remain members for a minimum of three years; a member may withdraw from the Funds after that by giving 90 days notice. Fund underwriting and rate setting policies are established after consultation with actuaries. If the Funds become insolvent or are otherwise unable to discharge their legal liabilities and other obligations, a participant may be assessed by the governing Board for an additional contribution equal to its contribution for the current fiscal year divided by the contribution of all participants for such year, times the amount of such deficiency. Each participating entity will remain liable for such assessments, regardless of such entity's withdrawal from participation, and for liabilities of the Fund incurred during such entity's period of membership, as provided by Nebraska Revised Statute Section 44-4312 (1987 Suppl.).

NIRMA retains responsibility for the payment of claims within specified self-insured retention limits prior to the application of coverage provided by the excess insurance contracts.

See accompanying independent auditors' report.

BOX BUTTE COUNTY
Alliance, Nebraska

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2022

NOTE 10 - RISK MANAGEMENT (CONTINUED)

The policy limits are as follows:

\$ 5,000,000	General liability
\$ 50,000	Theft
\$ 100,000	Forgery and alteration
\$ 100,000	Money orders, counterfeit paper and currency
\$ 100,000	Computer and funds transfers fraud
\$ 300,000	Employee dishonesty and Failure to perform

NIRMA maintains excess insurance contracts to provide coverage over the self-insured retention limits of \$300,000 (liability). Liability coverage provided by the excess insurance is \$5,000,000 per occurrence with no annual aggregate except for Public Officials and Employment Practices liability (\$10,000,000 aggregate), Products and Completed Operations liability and Employee Benefits liability (\$5,000,000 aggregate).

NIRMA II maintains excess insurance contracts which provide workers' compensation (Coverage A) at statutory limits. The limit provided by the excess insurance coverage for employer's liability (Coverage B) is \$2,000,000.

NIRMA and NIRMA II both have substantial surplus accounts. There have been no significant reductions in the County's insurance coverage and settlement amounts have not exceeded insurance coverage for the current or the three prior years.

Unemployment Benefits - The County has elected to be self-insured and retain all risk for liabilities resulting from claims for unemployment benefits. During the year ended June 30, 2022, no claims were filed for unemployment benefits. At June 30, 2022, no claims had been filed and were outstanding.

NOTE 11 - TAX ABATEMENT

The County is subject to tax abatements granted by the Community Redevelopment Authority (CRA), a component unit of the City of Alliance, Nebraska, which has entered into tax increment financing (TIF) agreements with various redevelopers. The TIF programs have the stated purpose of increasing business activity and employment in the community.

Under the TIF programs, redevelopers can apply for TIF financing whereby the property tax they pay on the increased valuation of property under a TIF agreement is returned to the redeveloper by the CRA to finance the project for a period of up to 15 years.

Information relevant to the abatements impacting the County for the year ended June 30, 2022, are as follows:

<u>Tax Abatement Program</u>	<u>Amount Abated During the Year</u>
Tax Increment Financing	\$ 28,072

See accompanying independent auditors' report.

BOX BUTTE COUNTY
Alliance, Nebraska

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2022

NOTE 12 - CONTINGENCIES

The County has a civil matter pending involving a wrongful termination claim and breach of employment contract alleging over \$70,000 in damages. The case is in preliminary stages and damages, if any, cannot be determined at this time. There is no liability coverage since this is a contract-based claim, but the County has sufficient funds to pay a judgment if the Plaintiff prevails.

NOTE 13 - SUBSEQUENT EVENTS

Subsequent events have been evaluated through December 19, 2022, the date on which the financial statements were available to be issued.

See accompanying independent auditors' report.

BOX BUTTE COUNTY
Alliance, Nebraska

SUPPLEMENTARY INFORMATION

BOX BUTTE COUNTY**Alliance, Nebraska****BUDGETARY COMPARISON SCHEDULE -**
GENERAL FUND**For the Year Ended June 30, 2022**

	Budget (Original and Final)	Actual
Receipts		
Property taxes	\$ 5,255,791	\$ 5,315,466
Motor vehicle taxes	400,000	395,927
Intergovernmental	86,700	143,010
Local fees, licenses, commissions and miscellaneous	442,370	596,032
Interest income	7,500	12,566
Total receipts	\$ 6,192,361	\$ 6,463,001
Disbursements		
General Government		
Board of Commissioners		
Personal services	\$ 80,200	\$ 80,181
Operating expenses	4,250	3,438
Total board of commissioners	\$ 84,450	\$ 83,619
County Clerk		
Personal services	\$ 147,150	\$ 135,779
Operating expenses	10,750	7,677
Supplies and materials	1,245	2,484
Capital outlay	1,770	3,499
Total county clerk	\$ 160,915	\$ 149,439
County Treasurer		
Personal services	\$ 200,843	\$ 187,699
Operating expenses	18,600	11,915
Supplies and materials	7,298	5,765
Capital outlay	3,200	3,199
Total county treasurer	\$ 229,941	\$ 208,578
County Assessor		
Personal services	\$ 164,758	\$ 154,633
Operating expenses	58,708	68,661
Supplies and materials	4,200	3,708
Total county assessor	\$ 227,666	\$ 227,002

See accompanying independent auditors' report
and notes to the supplementary information.

BOX BUTTE COUNTY
Alliance, Nebraska

BUDGETARY COMPARISON SCHEDULE -
GENERAL FUND (CONTINUED)

For the Year Ended June 30, 2022

	Budget (Original and Final)	Actual
Disbursements		
General Government (Continued)		
Election Commissioner		
Personal services	\$ 79,402	\$ 49,184
Operating expenses	32,835	17,637
Supplies and materials	2,000	2,267
Equipment rental	250	250
Capital outlay	6,000	5,305
	<u>120,487</u>	<u>74,643</u>
Total election commissioner	\$ 120,487	\$ 74,643
Planning and zoning		
Operating expenses	\$ 16,600	\$ 15,000
	<u>16,600</u>	<u>15,000</u>
Total planning and zoning	\$ 16,600	\$ 15,000
Clerk of the District Court		
Personal services	\$ 95,600	\$ 85,877
Operating expenses	8,925	4,531
Supplies and materials	2,500	1,733
	<u>107,025</u>	<u>92,141</u>
Total clerk of the district court	\$ 107,025	\$ 92,141
County Court System		
Operating expenses	\$ 7,500	\$ 6,233
Supplies and materials	10,000	7,854
	<u>17,500</u>	<u>14,087</u>
Total county court system	\$ 17,500	\$ 14,087
District Judge		
Operating expenses	\$ 4,050	\$ 2,450
Supplies and materials	1,500	278
Capital outlay	2,500	-
	<u>8,050</u>	<u>2,728</u>
Total district judge	\$ 8,050	\$ 2,728
County Relief		
Operating expenses	\$ 36,500	\$ 15,505
Office rental	18,500	18,754
	<u>55,000</u>	<u>34,259</u>
Total county relief	\$ 55,000	\$ 34,259

See accompanying independent auditors' report
and notes to the supplementary information.

BOX BUTTE COUNTY**Alliance, Nebraska****BUDGETARY COMPARISON SCHEDULE -**
GENERAL FUND (CONTINUED)**For the Year Ended June 30, 2022**

	Budget (Original and Final)	Actual
Disbursements		
General Government (Continued)		
Public Defender		
Personal services	\$ 129,370	\$ 119,874
Operating expenses	6,725	1,423
Supplies and materials	1,306	-
Office rental	18,000	18,000
Capital outlay	2,146	-
Total public defender	\$ 157,547	\$ 139,297
District Court		
Personal services	\$ 23,000	\$ 375
Operating expenses	75,100	46,111
Supplies and materials	2,200	1,590
Total district court	\$ 100,300	\$ 48,076
Buildings and Grounds		
Personal services	\$ 68,000	\$ 63,373
Operating expenses	50,040	22,809
Supplies and materials	11,000	9,916
Capital outlay	50,000	-
Total buildings and grounds	\$ 179,040	\$ 96,098
Extension Agent		
Personal services	\$ 98,262	\$ 97,978
Operating expenses	19,669	14,312
Supplies and materials	8,329	7,654
Office rental	6,090	6,000
Capital outlay	-	2,063
Total extension agent	\$ 132,350	\$ 128,007
Miscellaneous		
Personal services	\$ 1,935,972	\$ 1,555,405
Operating expenses	836,620	693,576
Supplies and materials	6,500	7,879
Capital outlay	127,500	25,606
Total miscellaneous	\$ 2,906,592	\$ 2,282,466
Total general government	\$ 4,503,463	\$ 3,595,440

See accompanying independent auditors' report
and notes to the supplementary information.

BOX BUTTE COUNTY
Alliance, Nebraska

BUDGETARY COMPARISON SCHEDULE -
GENERAL FUND (CONTINUED)

For the Year Ended June 30, 2022

	Budget (Original and Final)	Actual
Disbursements		
Public Safety		
Sheriff		
Personal services	\$ 427,254	\$ 382,135
Operating expenses	44,352	36,483
Supplies and materials	49,975	41,630
Capital outlay	<u>6,400</u>	<u>1,275</u>
Total sheriff	\$ <u>527,981</u>	\$ <u>461,523</u>
County Attorney		
Personal services	\$ 319,049	\$ 299,918
Operating expenses	23,050	27,426
Supplies and materials	5,000	3,938
Capital outlay	<u>7,000</u>	<u>387</u>
Total county attorney	\$ <u>354,099</u>	\$ <u>331,669</u>
County Jail		
Personal services	\$ 723,433	\$ 561,849
Operating expenses	247,031	279,416
Supplies and materials	-	7,305
Capital outlay	<u>8,100</u>	<u>6,304</u>
Total county jail	\$ <u>978,564</u>	\$ <u>854,874</u>
Civil Defense		
Operating expenses	\$ <u>38,410</u>	\$ <u>37,659</u>
Total civil defense	\$ <u>38,410</u>	\$ <u>37,659</u>
Total public safety	\$ <u>1,899,054</u>	\$ <u>1,685,725</u>

See accompanying independent auditors' report
and notes to the supplementary information.

BOX BUTTE COUNTY**Alliance, Nebraska****BUDGETARY COMPARISON SCHEDULE -**
GENERAL FUND (CONTINUED)**For the Year Ended June 30, 2022**

	Budget (Original and Final)	Actual
Disbursements		
Public Works		
Noxious Weeds		
Operating expenses	\$ 67,000	\$ 56,609
Total noxious weeds	\$ 67,000	\$ 56,609
Total public works	\$ 67,000	\$ 56,609
Public Welfare and Social Services		
Veterans' Service Officer		
Personal services	\$ 86,275	\$ 58,314
Operating expenses	8,270	7,187
Supplies and materials	9,700	10,252
Capital outlay	3,000	2,742
Total veterans' service officer	\$ 107,245	\$ 78,495
Total public welfare and social services	\$ 107,245	\$ 78,495
Total disbursements	\$ 6,576,762	\$ 5,416,269
Excess (deficiency) of receipts over (under) disbursements	\$ (384,401)	\$ 1,046,732
Other financing sources (uses)		
Transfers out to other funds	\$ (1,445,794)	\$ (704,303)
Total other financing sources (uses)	\$ (1,445,794)	\$ (704,303)
Net change in fund balance	\$ (1,830,195)	\$ 342,429
Fund balance, beginning of year	2,730,195	2,730,195
Fund balance, end of year	\$ 900,000	\$ 3,072,624

See accompanying independent auditors' report
and notes to the supplementary information.

BOX BUTTE COUNTY
Alliance, Nebraska

BUDGETARY COMPARISON SCHEDULE -
MAJOR SPECIAL REVENUE FUND

For the Year Ended June 30, 2022

	<u>Road Fund</u>	
	<u>Budget</u> <u>(Original and Final)</u>	<u>Actual</u>
Receipts		
Intergovernmental	\$ 1,180,947	\$ 1,337,437
Local fees, licenses, commissions and miscellaneous	<u>71,750</u>	<u>211,591</u>
Total receipts	\$ <u>1,252,697</u>	\$ <u>1,549,028</u>
Disbursements		
Personal services	\$ 736,187	\$ 605,311
Operating expenses	256,350	247,658
Supplies and materials	841,550	660,937
Equipment rental	19,500	3,960
Capital outlay	<u>321,700</u>	<u>254,704</u>
Total disbursements	\$ <u>2,175,287</u>	\$ <u>1,772,570</u>
Other financing sources (uses)		
Transfers in from other funds	\$ 1,445,794	\$ 700,000
Transfers out to other funds	<u>(92,000)</u>	<u>(363,841)</u>
Total other financing sources (uses)	\$ <u>1,353,794</u>	\$ <u>336,159</u>
Net change in fund balance	\$ 431,204	\$ 112,617
Fund balance, beginning of year	<u>103,796</u>	<u>103,796</u>
Fund balance, end of year	<u><u>\$ 535,000</u></u>	<u><u>\$ 216,413</u></u>

See accompanying independent auditors' report
and notes to the supplementary information.

BOX BUTTE COUNTY
Alliance, Nebraska

BUDGETARY COMPARISON SCHEDULE -
MAJOR SPECIAL REVENUE FUND

For the Year Ended June 30, 2022

	Inheritance Tax Fund	
	Budget (Original and Final)	Actual
Receipts		
Local fees, licenses, commissions and miscellaneous	\$ 100,000	\$ 236,962
Interest income	-	2,402
Total receipts	\$ 100,000	\$ 239,364
Disbursements		
Operating expenses	\$ 2,510,525	\$ 165,536
Capital outlay	-	449,974
Total disbursements	\$ 2,510,525	\$ 615,510
Other financing sources (uses)		
Transfers in from other funds	\$ 60,000	\$ 264,071
Total other financing sources (uses)	\$ 60,000	\$ 264,071
Net change in fund balance	\$ (2,350,525)	\$ (112,075)
Fund balance, beginning of year	2,350,525	2,350,525
Fund balance, end of year	\$ -	\$ 2,238,450

See accompanying independent auditors' report
and notes to the supplementary information.

BOX BUTTE COUNTY
Alliance, Nebraska

BUDGETARY COMPARISON SCHEDULE -
MAJOR SPECIAL REVENUE FUND

For the Year Ended June 30, 2022

	Health Insurance Claims Fund	
	Budget	
	(Original and Final)	Actual
Receipts		
Local fees, licenses, commissions and miscellaneous	\$ 1,330,000	\$ 1,190,292
Total receipts	\$ 1,330,000	\$ 1,190,292
Disbursements		
Operating expenses	\$ 1,964,089	\$ 1,371,839
Total disbursements	\$ 1,964,089	\$ 1,371,839
Net change in fund balance	\$ (634,089)	\$ (181,547)
Fund balance, beginning of year	1,950,789	1,950,789
Fund balance, end of year	\$ 1,316,700	\$ 1,769,242

See accompanying independent auditors' report
and notes to the supplementary information.

BOX BUTTE COUNTY
Alliance, Nebraska

BUDGETARY COMPARISON SCHEDULE -
MAJOR SPECIAL REVENUE FUND

For the Year Ended June 30, 2022

	COVID American Rescue Plan Fund	
	Budget	
	(Original and Final)	Actual
Receipts		
Intergovernmental	\$ 1,044,060	\$ 1,047,235
Total receipts	\$ 1,044,060	\$ 1,047,235
Disbursements		
Operating expenses	\$ 2,091,296	\$ 219,665
Capital outlay	-	260,000
Total disbursements	\$ 2,091,296	\$ 479,665
Net change in fund balance	\$ (1,047,236)	\$ 567,570
Fund balance, beginning of year	1,047,236	1,047,236
Fund balance, end of year	\$ -	\$ 1,614,806

See accompanying independent auditors' report
and notes to the supplementary information.

BOX BUTTE COUNTY
Alliance, Nebraska

BUDGETARY COMPARISON SCHEDULE -
MAJOR SPECIAL REVENUE FUND

For the Year Ended June 30, 2022

	Road-Bridge Sinking Fund	
	Budget (Original and Final)	Actual
Receipts		
Local fees, licenses, commissions and miscellaneous	\$ -	\$ -
Total receipts	\$ -	\$ -
Disbursements		
Capital outlay	\$ 169,325	\$ 93,390
Total disbursements	\$ 169,325	\$ 93,390
Other financing sources (uses)		
Bond proceeds	\$ -	\$ 3,860,000
Premium on bond issuance	-	78,136
Bond issuance costs	-	(27,986)
Transfers in from other funds	32,000	99,770
Total other financing sources (uses)	\$ 32,000	\$ 4,009,920
Net change in fund balance	\$ (137,325)	\$ 3,916,530
Fund balance, beginning of year	137,325	137,325
Fund balance, end of year	\$ -	\$ 4,053,855

See accompanying independent auditors' report
and notes to the supplementary information.

BOX BUTTE COUNTY
Alliance, Nebraska

NOTES TO THE SUPPLEMENTARY INFORMATION

June 30, 2022

NOTE 1 - BUDGET PROCESS

The County follows the provisions of the Nebraska Budget Act, in establishing the budgetary data reflected in the accompanying financial statements:

1. On or before September 1, the County Board prepares and transmits a budget for each County fund showing the requirements, the outstanding warrants, the operating reserve to be maintained, the cash on hand at the close of the preceding fiscal year, the revenue from sources other than taxation, and the amount to be raised by taxation.
2. At least one public hearing must be held by the County Board to obtain taxpayer comments.
3. At a meeting of the County Board, prior to September 20, after the action of the State Board of Equalization and Assessment has been certified to the County Clerk, the budget, as revised, is adopted and the amounts provided therein are appropriated.
4. The County Board is authorized to transfer budgeted amounts between departments within any fund through resolution; however, revisions that alter the total expenditures of any fund require that an additional public hearing be held followed by approval by the Board.
5. Budgets are prepared on the modified cash basis, the same basis of accounting used in preparing the financial statements.
6. If it is determined during the year that sufficient amounts have not been budgeted, state statute allows the adoption of supplemental budgets.
7. All unexpended appropriations lapse at year end.
8. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the County because it is, at present, not considered necessary to assure effective budgetary control or to facilitate effective cash planning and control.

NOTE 2 - SPECIAL PURPOSE REPORTING - MODIFIED CASH BASIS/BUDGETARY ACCOUNTING BASIS DIFFERENCES

The financial statements prepared in conformity with the Special Purpose Reporting - Modified Cash Basis present capital outlay expenditure information in a separate category of expenditures. Under the budgetary basis of accounting, capital outlay expenditures are reported within the function to which they relate. For example, the purchase of a new sheriff's patrol car would be reported as a capital outlay expenditure on the Governmental Funds Statement of Cash Receipts, Disbursements and Changes in Fund Balances, however, in the Budgetary Supplementary Information Schedule, the purchase would be reported as an expenditure of the Public Safety/Sheriff function of government, along with all other current Sheriff related expenditures.

See accompanying independent auditors' report.

BOX BUTTE COUNTY
Alliance, Nebraska

OTHER SUPPLEMENTARY INFORMATION

BOX BUTTE COUNTY
Alliance, Nebraska

COMBINING SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCES
ARISING FROM CASH TRANSACTIONS - NONMAJOR GOVERNMENTAL FUNDS

June 30, 2022

	Special Revenue Funds				
	Drug Law Enforcement Fund	STOP Program Fund	Preservation and Modernization Fund	State Grants Fund	Emergency 911 Fund
Assets					
Cash and cash equivalents	\$ 410	\$ 7,046	\$ 35,193	\$ 430	\$ 204,653
Total assets	<u>\$ 410</u>	<u>\$ 7,046</u>	<u>\$ 35,193</u>	<u>\$ 430</u>	<u>\$ 204,653</u>
Liabilities and Fund Balances					
Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balances					
Restricted for:					
Drug Law Enforcement	\$ 410	\$ -	\$ -	\$ -	\$ -
STOP Program	-	7,046	-	-	-
Preservation and Modernization	-	-	35,193	-	-
911 Emergency Services	-	-	-	-	204,653
State Grants	-	-	-	430	-
Road repairs	-	-	-	-	-
Debt service	-	-	-	-	-
Committed to:					
General Government	-	-	-	-	-
Public Welfare and Social Services	-	-	-	-	-
Total liabilities and fund balances	<u>\$ 410</u>	<u>\$ 7,046</u>	<u>\$ 35,193</u>	<u>\$ 430</u>	<u>\$ 204,653</u>

See accompanying independent auditors' report.

BOX BUTTE COUNTY**Alliance, Nebraska****COMBINING SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCES**
ARISING FROM CASH TRANSACTIONS - NONMAJOR GOVERNMENTAL
FUNDS (CONTINUED)**June 30, 2022**

	<u>Special Revenue Funds (Continued)</u>			<u>Debt Service Fund</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>County Building Fund</u>	<u>Veterans Sinking Fund</u>	<u>Road Bridge Buyback</u>	<u>Courthouse Bond Fund</u>	
Assets					
Cash and cash equivalents	\$ <u>90,589</u>	\$ <u>8,977</u>	\$ <u>103,346</u>	\$ <u>219,343</u>	\$ <u>669,987</u>
Total assets	\$ <u>90,589</u>	\$ <u>8,977</u>	\$ <u>103,346</u>	\$ <u>219,343</u>	\$ <u>669,987</u>
Liabilities and Fund Balances					
Liabilities	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Fund balances					
Restricted for:					
Drug Law Enforcement	\$ -	\$ -	\$ -	\$ -	\$ 410
STOP Program	-	-	-	-	7,046
Preservation and Modernization	-	-	-	-	35,193
911 Emergency Services	-	-	-	-	204,653
State Grants	-	-	-	-	430
Road repairs	-	-	103,346	-	103,346
Debt service	-	-	-	219,343	219,343
Committed to:					
General Government	90,589	-	-	-	90,589
Public Welfare and Social Services	<u>-</u>	<u>8,977</u>	<u>-</u>	<u>-</u>	<u>8,977</u>
Total liabilities and fund balances	\$ <u>90,589</u>	\$ <u>8,977</u>	\$ <u>103,346</u>	\$ <u>219,343</u>	\$ <u>669,987</u>

See accompanying independent auditors' report.

BOX BUTTE COUNTY**Alliance, Nebraska****COMBINING SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS****For the Year Ended June 30, 2022**

	Special Revenue Funds				
	Drug Law Enforcement Fund	STOP Program Fund	Preservation and Modernization Fund	State Grants Fund	Emergency 911 Fund
Receipts					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	2,000	-	12,638	-
Local fees, licenses, commissions and miscellaneous	-	-	8,623	-	18,800
Total receipts	\$ -	\$ 2,000	\$ 8,623	\$ 12,638	\$ 18,800
Disbursements					
General government	\$ -	\$ -	\$ 3,208	\$ 12,208	\$ -
Public safety	225	-	-	-	-
Public welfare and social services	-	-	-	-	19,751
Total disbursements	\$ 225	\$ -	\$ 3,208	\$ 12,208	\$ 19,751
Other financing sources (uses)					
Transfers in from other funds	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers out to other funds	-	-	-	-	-
Total other financing sources (uses)	\$ -	\$ -	\$ -	\$ -	\$ -
Net change in fund balance	\$ (225)	\$ 2,000	\$ 5,415	\$ 430	\$ (951)
Fund balances, beginning of year	635	5,046	29,778	-	205,604
Fund balances, end of year	\$ 410	\$ 7,046	\$ 35,193	\$ 430	\$ 204,653

See accompanying independent auditors' report.

BOX BUTTE COUNTY
Alliance, Nebraska

COMBINING SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL
FUNDS (CONTINUED)

For the Year Ended June 30, 2022

	<u>Special Revenue Funds (Continued)</u>			<u>Debt Service Fund</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>County Building Fund</u>	<u>Veterans Sinking Fund</u>	<u>Road Bridge Buyback</u>	<u>Courthouse Bond Fund</u>	
Receipts					
Property taxes	\$ -	\$ -	\$ -	\$ 275,515	\$ 275,515
Intergovernmental	-	-	88,439	2,370	105,447
Local fees, licenses, commissions and miscellaneous	-	-	-	-	27,423
Total receipts	\$ -	\$ -	\$ 88,439	\$ 277,885	\$ 408,385
Disbursements					
General government	\$ 70,100	\$ -	\$ -	\$ 235,850	\$ 321,366
Public safety	-	-	-	-	225
Public welfare and social services	-	-	-	-	19,751
Total disbursements	\$ 70,100	\$ -	\$ -	\$ 235,850	\$ 341,342
Other financing sources (uses)					
Transfers in from other funds	\$ -	\$ 4,303	\$ -	\$ -	\$ 4,303
Transfers out to other funds	-	-	-	-	-
Total other financing sources (uses)	\$ -	\$ 4,303	\$ -	\$ -	\$ 4,303
Net change in fund balance	\$ (70,100)	\$ 4,303	\$ 88,439	\$ 42,035	\$ 71,346
Fund balances, beginning of year	160,689	4,674	14,907	177,308	598,641
Fund balances, end of year	\$ 90,589	\$ 8,977	\$ 103,346	\$ 219,343	\$ 669,987

See accompanying independent auditors' report.

BOX BUTTE COUNTY
Alliance, Nebraska

BUDGETARY COMPARISON SCHEDULE -
NONMAJOR SPECIAL REVENUE FUND

For the Year Ended June 30, 2022

	Drug Law Enforcement Fund	
	Budget	
	(Original and Final)	Actual
Receipts		
Local fees, licenses, commissions and miscellaneous	\$ -	\$ -
Total receipts	\$ -	\$ -
Disbursements		
Operating expenses	\$ 635	\$ 225
Total disbursements	\$ 635	\$ 225
Net change in fund balance	\$ (635)	\$ (225)
Fund balance, beginning of year	635	635
Fund balance, end of year	\$ -	\$ 410

See accompanying independent auditors' report.

BOX BUTTE COUNTY
Alliance, Nebraska

BUDGETARY COMPARISON SCHEDULE -
NONMAJOR SPECIAL REVENUE FUND

For the Year Ended June 30, 2022

	STOP Program Fund	
	Budget	
	(Original and Final)	Actual
Receipts		
Intergovernmental	\$ 700	\$ 2,000
Total receipts	\$ 700	\$ 2,000
Disbursements		
Operating expenses	\$ 5,746	\$ -
Total disbursements	\$ 5,746	\$ -
Net change in fund balance	\$ (5,046)	\$ 2,000
Fund balance, beginning of year	5,046	5,046
Fund balance, end of year	\$ -	\$ 7,046

See accompanying independent auditors' report.

BOX BUTTE COUNTY
Alliance, Nebraska

BUDGETARY COMPARISON SCHEDULE -
NONMAJOR SPECIAL REVENUE FUND

For the Year Ended June 30, 2022

	<u>Preservation and Modernization Fund</u>	
	<u>Budget</u>	
	<u>(Original and Final)</u>	<u>Actual</u>
Receipts		
Local fees, licenses, commissions and miscellaneous	\$ <u>6,000</u>	\$ <u>8,623</u>
Total receipts	\$ <u>6,000</u>	\$ <u>8,623</u>
Disbursements		
Operating expenses	\$ <u>35,778</u>	\$ <u>3,208</u>
Total disbursements	\$ <u>35,778</u>	\$ <u>3,208</u>
Net change in fund balance	\$ <u>(29,778)</u>	\$ <u>5,415</u>
Fund balance, beginning of year	<u>29,778</u>	<u>29,778</u>
Fund balance, end of year	\$ <u><u>-</u></u>	\$ <u><u>35,193</u></u>

See accompanying independent auditors' report.

BOX BUTTE COUNTY
Alliance, Nebraska

BUDGETARY COMPARISON SCHEDULE -
NONMAJOR SPECIAL REVENUE FUND

For the Year Ended June 30, 2022

	State Grants Fund	
	Budget (Original and Final)	Actual
Receipts		
Intergovernmental	\$ 150,000	\$ 12,638
Total receipts	\$ 150,000	\$ 12,638
Disbursements		
Operating expenses	\$ 150,000	\$ 12,208
Total disbursements	\$ 150,000	\$ 12,208
Net change in fund balance	\$ -	\$ 430
Fund balance, beginning of year	-	-
Fund balance, end of year	\$ -	\$ 430

See accompanying independent auditors' report.

BOX BUTTE COUNTY
Alliance, Nebraska

BUDGETARY COMPARISON SCHEDULE -
NONMAJOR SPECIAL REVENUE FUND

For the Year Ended June 30, 2022

	Emergency 911 Fund	
	Budget	
	(Original and Final)	Actual
Receipts		
Local fees, licenses, commissions and miscellaneous	\$ 20,000	\$ 18,800
Total receipts	\$ 20,000	\$ 18,800
Disbursements		
Operating expenses	\$ 225,604	\$ 19,751
Total disbursements	\$ 225,604	\$ 19,751
Net change in fund balance	\$ (205,604)	\$ (951)
Fund balance, beginning of year	205,604	205,604
Fund balance, end of year	\$ -	\$ 204,653

See accompanying independent auditors' report

BOX BUTTE COUNTY
Alliance, Nebraska

BUDGETARY COMPARISON SCHEDULE -
NONMAJOR SPECIAL REVENUE FUND

For the Year Ended June 30, 2022

	County Building Fund	
	Budget (Original and Final)	Actual
Receipts		
Local fees, licenses, commissions and miscellaneous	\$ -	\$ -
Total receipts	\$ -	\$ -
Disbursements		
Operating expenses	\$ 160,689	\$ 8,500
Capital outlay	-	36,600
Debt service	-	25,000
Total disbursements	\$ 160,689	\$ 70,100
Net change in fund balance	\$ (160,689)	\$ (70,100)
Fund balance, beginning of year	160,689	160,689
Fund balance, end of year	\$ -	\$ 90,589

See accompanying independent auditors' report

BOX BUTTE COUNTY
Alliance, Nebraska

BUDGETARY COMPARISON SCHEDULE -
NONMAJOR SPECIAL REVENUE FUND

For the Year Ended June 30, 2022

	Veterans Sinking Fund	
	Budget	
	(Original and Final)	Actual
Receipts		
Local fees, licenses, commissions and miscellaneous	\$ -	\$ -
Total receipts	\$ -	\$ -
Disbursements		
Capital outlay	\$ 4,674	\$ -
Total disbursements	\$ 4,674	\$ -
Other financing sources (uses)		
Transfers in from other funds	\$ -	\$ 4,303
Total other financing sources (uses)	\$ -	\$ 4,303
Net change in fund balance	\$ (4,674)	\$ 4,303
Fund balance, beginning of year	4,674	4,674
Fund balance, end of year	\$ -	\$ 8,977

See accompanying independent auditors' report.

BOX BUTTE COUNTY
Alliance, Nebraska

BUDGETARY COMPARISON SCHEDULE -
NONMAJOR SPECIAL REVENUE FUND

For the Year Ended June 30, 2022

	Road Bridge Buyback	
	Budget (Original and Final)	Actual
Receipts		
Intergovernmental	\$ 88,687	\$ 88,439
Total receipts	\$ 88,687	\$ 88,439
Disbursements		
Capital outlay	\$ 103,594	\$ -
Total disbursements	\$ 103,594	\$ -
Net change in fund balance	\$ (14,907)	\$ 88,439
Fund balance, beginning of year	14,907	14,907
Fund balance, end of year	\$ -	\$ 103,346

See accompanying independent auditors' report.

BOX BUTTE COUNTY
Alliance, Nebraska

BUDGETARY COMPARISON SCHEDULE -
NONMAJOR DEBT SERVICE FUND

For the Year Ended June 30, 2022

	Courthouse Bond Fund	
	Budget (Original and Final)	Actual
Receipts		
Property taxes	\$ 258,672	\$ 275,515
Intergovernmental	60	2,370
Total receipts	\$ 258,732	\$ 277,885
Disbursements		
Operating expenses	\$ 40	\$ 200
Debt Service	236,000	235,650
Total disbursements	\$ 236,040	\$ 235,850
Net change in fund balance	\$ 22,692	\$ 42,035
Fund balance, beginning of year	177,308	177,308
Fund balance, end of year	\$ 200,000	\$ 219,343

See accompanying independent auditors' report.

BOX BUTTE COUNTY
Alliance, Nebraska

SCHEDULE OF TOTAL TAX CERTIFIED, CORRECTIONS AND
COLLECTIONS FOR PAST FIVE TAX YEARS
OF ALL POLITICAL SUBDIVISIONS IN BOX BUTTE COUNTY

For the Year Ended June 30, 2022

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Tax certified by Assessor					
Real estate	\$ 17,372,855	\$ 17,920,041	\$ 18,236,533	\$ 18,598,748	\$ 18,984,786
Personal and special	<u>3,930,298</u>	<u>4,042,105</u>	<u>4,165,107</u>	<u>4,543,011</u>	<u>4,942,898</u>
Total	\$ 21,303,153	\$ 21,962,146	\$ 22,401,640	\$ 23,141,759	\$ 23,927,684
Net corrections	<u>(2,836)</u>	<u>1,268</u>	<u>4,642</u>	<u>244</u>	<u>(13,143)</u>
Corrected certified tax	\$ <u>21,300,317</u>	\$ <u>21,963,414</u>	\$ <u>22,406,282</u>	\$ <u>23,142,003</u>	\$ <u>23,914,541</u>
Net tax collected by County Treasurer for fiscal year ended:					
June 30, 2018	\$ 13,011,694	\$ -	\$ -	\$ -	\$ -
June 30, 2019	8,266,011	12,921,851	-	-	-
June 30, 2020	12,560	9,024,836	13,151,125	-	-
June 30, 2021	4,157	11,465	9,236,393	13,891,570	-
June 30, 2022	<u>1,470</u>	<u>1,665</u>	<u>11,913</u>	<u>9,221,260</u>	<u>14,483,237</u>
Total net collections	\$ <u>21,295,892</u>	\$ <u>21,959,817</u>	\$ <u>22,399,431</u>	\$ <u>23,112,830</u>	\$ <u>14,483,237</u>
Total uncollected tax	\$ <u>4,425</u>	\$ <u>3,597</u>	\$ <u>6,851</u>	\$ <u>29,173</u>	\$ <u>9,431,304</u>
Percentage uncollected tax	<u>0.02%</u>	<u>0.02%</u>	<u>0.03%</u>	<u>0.13%</u>	<u>39.44%</u>

See accompanying independent auditors' report.