

**SCOTTS BLUFF COUNTY**

**Gering, Nebraska**

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Gering, Nebraska

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## INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners  
Scotts Bluff County  
Gering, Nebraska

We have audited the accompanying financial statements, as listed in the foregoing table of contents, of the governmental activities, the business-type activity, each major fund, and the aggregate remaining fund information of Scotts Bluff County, Nebraska (the "County") as of and for the year ended June 30, 2008, which collectively comprise the County's basic financial statements. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

As discussed in Note 1 to the financial statements, the County prepares its financial statements of the governmental, business-type and fiduciary funds on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances of the governmental activities, the business-type activity, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2008, and the respective cash receipts and disbursements arising from cash transactions and cash flows, where applicable, for the year then ended in conformity with the cash basis of accounting described in Note 1 to the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 20, 2009, 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 to describe the scope of our testing of internal control over financial reporting

To the Board of Commissioners  
Scotts Bluff County  
Gering, Nebraska  
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and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The County has not presented a Management's Discussion and Analysis that accounting principles generally accepted in the United States of America has determined necessary to supplement, although not required to be part of, the basic financial statements.

The budgetary comparison information, as listed in the foregoing table of contents, is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management, regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual nonmajor fund financial statements, as listed in the foregoing table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards, as listed in the foregoing table of contents, is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments and Non-Profit Organizations, and is also not a required part of the basic financial statements of the County. These statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Fred A. Koshman & Co. P.C.

Scottsbluff, Nebraska  
January 20, 2009

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**STATEMENT OF ACTIVITIES - CASH BASIS**

**For the Year Ended June 30, 2008**

	Program Receipts				Net (Disbursements) Receipts and Changes in Net Assets	
	<u>Disbursements</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	Primary Government	
					<u>Governmental Activities</u>	<u>Business-Type Activity</u>
Primary government						
Governmental activities						
General government	\$ 5,032,216	\$ 1,026,806	\$ 726,126	\$ 250,000	\$ (3,029,284)	\$ -
Public safety	9,100,751	1,204,260	226,178	42,218	(7,628,095)	-
Public works	3,238,808	148,552	-	-	(3,090,256)	-
Public health	293,448	11,040	29,164	51,400	(201,844)	-
Public welfare and social services	661,895	-	-	-	(661,895)	-
Culture and recreation	364,334	-	-	-	(364,334)	-
Conservation of natural resources	180	-	-	-	(180)	-
Debt service						
Principal	102,415	-	-	-	(102,415)	-
Interest	611,685	-	-	-	(611,685)	-
<u>Total governmental activities</u>	<u>\$ 19,405,732</u>	<u>\$ 2,390,658</u>	<u>\$ 981,468</u>	<u>\$ 343,618</u>	<u>\$ (15,689,988)</u>	<u>\$ -</u>
Business-type activity						
Keno enterprise fund	\$ 3,469,636	\$ 3,870,311	\$ -	\$ -	\$ -	\$ 400,675
<u>Total primary government</u>	<u>\$ 22,875,368</u>	<u>\$ 6,260,969</u>	<u>\$ 981,468</u>	<u>\$ 343,618</u>	<u>\$ (15,689,988)</u>	<u>\$ 400,675</u>

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

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**STATEMENT OF ACTIVITIES - CASH BASIS (CONTINUED)**

**For the Year Ended June 30, 2008**

Disbursements	Program Receipts			Net (Disbursements) Receipts and Changes in Net Assets		
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
				Governmental Activities	Business-Type Activity	
Total primary government	\$ <u>22,875,368</u>	\$ <u>6,260,969</u>	\$ <u>981,468</u>	\$ <u>343,618</u>	\$ <u>(15,689,988)</u>	\$ <u>400,675</u>
		General receipts				
		Property taxes	\$ 7,399,309	\$ -		
		Motor vehicle taxes	1,054,941	-		
		Other taxes	558,724	-		
		Intergovernmental	3,077,184	-		
		Miscellaneous local	1,139,960	-		
		Investment earnings	439,065	17,492		
		Transfers	360,000	(360,000)		
		Total general receipts	\$ 14,029,183	\$ (342,508)		
		Change in net assets	\$ (1,660,805)	\$ 58,167		
		Net assets, beginning of year	8,402,251	527,981		
		Net assets, end of year	\$ 6,741,446	\$ 586,148		

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

SCOTTS BLUFF COUNTY  
Gering, Nebraska

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

June 30, 2008

	Major Funds					Other Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Road and Bridge Fund	Juvenile Detention Fund	Jail Obligation Bonds fund	Debt Service Fund		
Assets							
Cash and cash equivalents	\$ 4,024,052	\$ 276,289	\$ 78,926	\$ 531,586	\$ 699,860	\$ 1,136,771	\$ 6,747,484
Total assets	<u>\$ 4,024,052</u>	<u>\$ 276,289</u>	<u>\$ 78,926</u>	<u>\$ 531,586</u>	<u>\$ 699,860</u>	<u>\$ 1,136,771</u>	<u>\$ 6,747,484</u>
Liabilities and Fund Balances							
Liabilities							
Internal payables	\$ 6,038	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,038
Fund balances							
Unreserved	<u>4,018,014</u>	<u>276,289</u>	<u>78,926</u>	<u>531,586</u>	<u>699,860</u>	<u>1,136,771</u>	<u>6,741,446</u>
Total liabilities and fund balances	<u>\$ 4,024,052</u>	<u>\$ 276,289</u>	<u>\$ 78,926</u>	<u>\$ 531,586</u>	<u>\$ 699,860</u>	<u>\$ 1,136,771</u>	<u>\$ 6,747,484</u>

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

**SCOTTS BLUFF COUNTY**

**Gering, Nebraska**

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

**For the Year Ended June 30, 2008**

	Major Funds					Other Nonmajor Governmental Funds	Eliminations	Total Governmental Funds
	General Fund	Road and Bridge Fund	Juvenile Detention Fund	Jail Obligation Bonds Fund	Debt Service Fund			
<b>Receipts</b>								
Property taxes	\$ 4,449,608	\$ -	\$ 1,730,600	\$ -	\$ 595,381	\$ 623,720	\$ -	\$ 7,399,309
Motor vehicle taxes	1,054,941	-	-	-	-	-	-	1,054,941
Other taxes	400	-	-	-	-	558,324	-	558,724
Intergovernmental	1,234,543	2,164,598	239,204	-	57,994	705,931	-	4,402,270
Local fees, licenses, commissions and miscellaneous	1,805,987	202,799	1,041,806	-	69,624	410,402	-	3,530,618
Investment earnings	344,569	-	-	-	92,352	2,144	-	439,065
<b>Total receipts</b>	<b>\$ 8,890,048</b>	<b>\$ 2,367,397</b>	<b>\$ 3,011,610</b>	<b>\$ -</b>	<b>\$ 815,351</b>	<b>\$ 2,300,521</b>	<b>\$ -</b>	<b>\$ 17,384,927</b>
<b>Disbursements</b>								
General government	\$ 4,242,897	\$ -	\$ -	\$ -	\$ -	\$ 60,456	\$ -	\$ 4,303,353
Public safety	2,784,967	-	3,106,390	-	-	899,885	-	6,791,242
Public works	67,930	2,482,142	-	-	-	276,665	-	2,826,737
Public health	-	-	-	-	-	293,448	-	293,448
Public welfare and social services	542,611	-	-	-	-	108,378	-	650,989
Culture and recreation	-	-	-	-	-	364,334	-	364,334
Conservation of natural resources	-	-	-	-	-	180	-	180
Capital outlay	393,291	408,833	36,806	2,080,558	-	541,861	-	3,461,349
Debt service								
Principal	10,178	7,237	-	-	85,000	-	-	102,415
Interest	17,553	1,495	-	-	592,637	-	-	611,685
<b>Total disbursements</b>	<b>\$ 8,059,427</b>	<b>\$ 2,899,707</b>	<b>\$ 3,143,196</b>	<b>\$ 2,080,558</b>	<b>\$ 677,637</b>	<b>\$ 2,545,207</b>	<b>\$ -</b>	<b>\$ 19,405,732</b>

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



**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

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

**For the Year Ended June 30, 2008**

	Major Funds					Other Nonmajor Governmental Funds	Eliminations	Total Governmental Funds
	General Fund	Road and Bridge Fund	Juvenile Detention Fund	Jail Obligation Bonds Fund	Debt Service Fund			
Excess (deficiency) of receipts over (under) disbursements	\$ 830,621	\$ (532,310)	\$ (131,586)	\$ (2,080,558)	\$ 137,714	\$ (244,686)	\$ -	\$ (2,020,805)
Other financing sources (uses)								
Operating transfers in	\$ 540,000	\$ 627,598	\$ -	\$ -	\$ 45,025	\$ 212,042	\$ (1,064,665)	\$ 360,000
Operating transfers out	(745,026)	(80,010)	-	-	-	(239,629)	1,064,665	-
Total other financing sources (uses)	\$ (205,026)	\$ 547,588	\$ -	\$ -	\$ 45,025	\$ (27,587)	\$ -	\$ 360,000
Net change in fund balances	\$ 625,595	\$ 15,278	\$ (131,586)	\$ (2,080,558)	\$ 182,739	\$ (272,273)	\$ -	\$ (1,660,805)
Fund balances, beginning of year	3,392,419	261,011	210,512	2,612,144	517,121	1,409,044	-	8,402,251
Fund balances, end of year	\$ 4,018,014	\$ 276,289	\$ 78,926	\$ 531,586	\$ 699,860	\$ 1,136,771	\$ -	\$ 6,741,446

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

SCOTTS BLUFF COUNTY

Gering, Nebraska

STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND  
CHANGES IN FUND BALANCE - BUSINESS-TYPE FUND

For the Year Ended June 30, 2008

	<u>Keno</u> <u>Enterprise Fund</u>
Operating revenues	
Keno receipts	\$ <u>3,870,311</u>
Total operating revenues	\$ <u>3,870,311</u>
Operating expenses	
Payments to customers	\$ 2,793,273
Personal services	181,885
Operating expenses	43,973
Supplies and materials	435,483
Capital outlay	<u>15,022</u>
Total operating expenses	\$ <u>3,469,636</u>
Operating income (loss)	\$ <u>400,675</u>
Nonoperating income (expense)	
Investment earnings	\$ 17,492
Operating transfers out	<u>(360,000)</u>
Total nonoperating income (expense)	\$ <u>(342,508)</u>
Net change in fund balance	\$ 58,167
Fund balance, beginning of year	<u>527,981</u>
Fund balance, end of year	<u>\$ 586,148</u>

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

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**STATEMENT OF CASH FLOWS - BUSINESS-TYPE FUND**

**For the Year Ended June 30, 2008**

	<u>Keno</u> <u>Enterprise Fund</u>
Cash flows from operating activities	
Receipts from customers	\$ 3,883,642
Payments to customers	(3,228,756)
Payments to and for the benefit of employees	(181,885)
Payments for operating expenses	<u>(43,973)</u>
Total cash provided by operating activities	\$ <u>429,028</u>
Cash flows from noncapital financing activities	
Transfers out to other funds	\$ <u>(360,000)</u>
Total cash (used in) noncapital financing activities	\$ <u>(360,000)</u>
Cash flows from capital and related financing activities	
Purchase of property and equipment	\$ <u>(15,022)</u>
Total cash (used in) capital and related financing activities	\$ <u>(15,022)</u>
Cash flows from investing activities	
Investment earnings	\$ <u>17,492</u>
Total cash provided by investing activities	\$ <u>17,492</u>
Net increase (decrease) in cash and cash equivalents	\$ 71,498
Cash and cash equivalents, beginning of year	<u>508,612</u>
Cash and cash equivalents, end of year	\$ <u><u>580,110</u></u>
Reconciliation of operating income (loss) to cash flows provided by operating activities	
Operating income (loss)	\$ 400,675
Adjustment to reconcile operating income (loss) to net cash provided by operating activities	
Decrease in due from other funds	13,331
Capital outlay included in operating income	<u>15,022</u>
Total cash provided by operating activities	\$ <u><u>429,028</u></u>

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

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**STATEMENT OF FIDUCIARY NET ASSETS - CASH BASIS**

**June 30, 2008**

	<u>Agency Fund</u>
Assets	
Cash and cash equivalents	\$ <u>1,727,394</u>
Total assets	\$ <u><u>1,727,394</u></u>
Liabilities	
Due to Road Improvement Districts	\$ 6,527
Due to State	508,722
Due to Schools	634,896
Due to Educational Service Units	6,064
Due to Community/Technical Colleges	33,177
Due to Natural Resource Districts	28,826
Due to Cemeteries	19,507
Due to Fire Districts	4,698
Due to Sanitary Improvement Districts	100,806
Due to Drainage Districts	9,129
Due to Irrigation Districts	11,071
Due to Municipalities	113,467
Due to Redevelopment Districts	26,004
Due to Agricultural Society	4,662
Due to Other Governments	<u>219,838</u>
Total liabilities	\$ <u><u>1,727,394</u></u>

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

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**NOTES TO THE FINANCIAL STATEMENTS**

**June 30, 2008**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Reporting Entity** - Scotts Bluff County ("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 inclusion of associated entities in the County financial statements would be determined by the County's ability to exercise oversight responsibility over the entity through analysis of areas such as financial interdependence, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The County has determined it has no component units required to be reported in these financial statements.

**Measurement Focus, Basis of Accounting and Financial Statement Presentation** - The various funds of the County are maintained and the financial statements of both the government-wide and individual fund statements have been prepared on the cash basis of accounting. Under the cash basis of accounting, revenues are recognized when collected rather than when earned and expenditures are recognized when paid rather than when incurred. Consequently, these financial statements are not intended to present financial information in accordance with accounting principles generally accepted in the United States of America.

Some individual County offices also maintain accounting records for funds received and disbursed directly by that office. Only those funds which are subsequently remitted by an office to the County Treasurer are reflected on the County's financial statements.

The government-wide financial statements report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental receipts, are reported separately from business-type activities, which rely to a significant extent on fees and charges for services.

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

Separate financial statements are provided for governmental and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Each individual major governmental fund and each individual major proprietary fund are reported as separate columns in the fund financial statements.

GASB 34 establishes criteria (percentage of the assets, liabilities, revenues and expenditures) of each fund category for the determination of major funds.

See accompanying independent auditors' report.

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**June 30, 2008**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued) - The County reports the following major governmental funds:

- a. The General Fund is the County's primary operating fund. It accounts for all resources of the general government, except those required to be accounted for in other funds.
- b. The Road and Bridge Special Revenue Fund accounts for all resources of the County's road and bridge department.
- c. The Juvenile Detention Special Revenue Fund accounts for all resources of the County jail and juvenile detention programs.
- d. The Jail Obligation Bonds Capital Projects Fund accounts for all resources received and the construction of the new County jail.
- e. The Debt Service Fund accounts for the accumulation of resources and the repayment of most of the County's debt outstanding.

Equity is classified as net assets and is displayed in three components:

- a. Invested in capital assets, net of related debt - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction or improvements of those assets.
- b. Restricted net assets - Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets - All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt" are unrestricted net assets.

It is the County's policy when both restricted and unrestricted resources are available for use, to use restricted resources first, then unrestricted resources as they are needed.

The accounts of the County are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a self-balancing set of accounts which record receipts, disbursements and fund balances for the purpose of complying with the limitations and restrictions placed on the resources available to the County. The major fund types used by the County are as follows:

Governmental Fund Types

General Fund - to account for all financial resources except those required to be accounted for in another fund.

See accompanying independent auditors' report.

**SCOTT'S BLUFF COUNTY**

**Gering, Nebraska**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**June 30, 2008**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Governmental Fund Types (Continued)**

Special Revenue Funds - to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Capital Projects Funds - to account for financial resources used for the acquisition or construction of major capital facilities.

Debt Service Fund - to account for financial resources to be used to pay interest and principal on long-term debt.

**Proprietary Fund Types**

Enterprise Fund - to account for operations of the Keno lottery that are financed and operated in a manner similar to a business enterprise, (a) where the intent of the governing board is that costs of providing gaming services to the general public on a continuing basis be financed or recovered primarily through net proceeds of the game; or (b) where the governing board has decided that periodic determination of revenues collected and expenses disbursed is appropriate for capital maintenance, public policy management controls, accountability or other purposes. The intent of the governing board is that cash flow of the game will be used to provide taxpayer relief.

Financial Accounting Standards Board (FASB) pronouncements issued on or before November 30, 1989, have been applied unless those pronouncements conflict with or contradict Governmental Accounting Standards Board (GASB) pronouncements, in which case, GASB prevails. For enterprise funds, GASB Statements Nos. 20 and 34 provide the County the option of electing to apply FASB pronouncements issued after November 30, 1989. The County has elected not to apply those pronouncements.

For purposes of display, transactions deemed by management to be ongoing, major or central to the provision of Keno lottery services are reported as receipts and disbursements from operations. Peripheral or incidental transactions are reported as nonoperating receipts and disbursements.

**Fiduciary Fund Types**

Agency Funds - to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations and other governmental entities.

Property, Plant and Equipment - Expenditures for fixed assets are charged to expense at the time of payment and are not recorded in the government-wide or the fund financial statements as an asset.

Long-term Liabilities - Long-term debt is 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.

See accompanying independent auditors' report.

**SCOTT BLUFF COUNTY**  
**Gering, Nebraska**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**June 30, 2008**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Compensated Absences - Sick leave is earned by County employees at a rate of one day per month. Unused sick allowances may accumulate to a maximum of ninety working days. All but twenty-five percent of accumulated sick leave will expire upon termination of employment, provided the employee has held his or her position for three full years.

Vacation is earned by County employees at a rate of ten working days per year after twelve full months of employment. The annual provision is increased to eleven working days per year after five years of service. This provision increases one day per year thereafter, until ten years of service, after which fifteen days maximum vacation is accumulated. Upon termination of employment, an employee will be entitled to receive all accumulated vacation leave as computed on the last day of employment. An employee with the approval of the elected officials may elect to carry over a maximum of five vacation days into the subsequent calendar year.

The County's funds are presented on the cash basis of accounting as described above. Therefore, no liability has been recorded for either accrued sick or vacation leave for any of the County's fund financial statements or in the government-wide financial statements.

Revenue Recognition - Property Taxes - Property taxes are levied by October 15 based on valuations as of April 1. Real estate taxes become due and attach as an enforceable lien on property as of January 1. Real estate and personal property taxes are payable in two installments and become delinquent on May 1 and September 1 following the levy date. Motor vehicle taxes are due when application is made for registration of a motor vehicle.

Use of estimates - The preparation of financial statements in conformity with the other comprehensive basis of accounting (OCBOA) used by the County requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents - The County considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Comparative Data - The prior year comparative data included in the accompanying Required Supplemental and Other Supplemental Information sections are included for additional analysis purposes only. These totals were derived from the County's June 30, 2007, audited financial statements.

**NOTE 2 - BUDGET PROCESS**

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

See accompanying independent auditors' report.



**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**June 30, 2008**

**NOTE 2 - BUDGET PROCESS (CONTINUED)**

1. On or before September 1, the County Board prepares and transmits a budget for each County fund showing the requirements, 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 of the Board.
5. Budgets are prepared on the cash basis of accounting, the same basis of accounting used in the financial statements.
6. All unexpended appropriations lapse at year end.
7. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds 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 3 - CASH AND INVESTMENTS**

The County Treasurer has generally pooled the cash resources of the various funds for investment purposes. Each fund's portion of total cash and investments is summarized by fund type on the Statement of Net Assets - Cash Basis and the Statement of Assets, Liabilities and Fund Balances Arising from Cash Transactions as "Equity in Pooled Cash and Investments". Interest earned on pooled funds is credited to the County General Fund in accordance with Section 77-2315, R.R.S. 1943. 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 the above-cited statute.

The types of investments the County is authorized to invest funds in are enumerated in State Statutes and generally include U.S. government obligations, certificates of deposit, time deposits and securities in which

See accompanying independent auditors' report.

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**June 30, 2008**

**NOTE 3 - CASH AND INVESTMENTS (CONTINUED)**

the state investment officer is authorized to invest to the extent insured by the Federal Depository Insurance Corporation or by collateral securities pledged to the County. The bank deposit balances of \$8,358,607 as of June 30, 2008, were insured by federal depository insurance in the amount of \$700,000. The uninsured balances were fully collateralized by securities pledged by the financial institutions.

Cash and Investment Balances – Ending balances consist of checking and money market accounts and certificates of deposits. A detail of balances at June 30, 2008, were as follows:

	<u>Financial Institution Balances</u>	<u>Financial Statement Carrying Amount</u>
Cash on hand	\$ -	\$ 335,484
Pooled Cash	5,665,165	6,026,062
Pooled Investments	2,581,586	2,581,586
Designated bank accounts	<u>111,856</u>	<u>111,856</u>
Total	<u>\$ 8,358,607</u>	<u>\$ 9,054,988</u>
Analysis of cash reporting by activity:		
Governmental activities		\$ 6,747,484
Proprietary activity		580,110
Fiduciary activities		<u>1,727,394</u>
Total		<u>\$ 9,054,988</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, or returned at the discretion of others. The County's internal policies require financial institutions to provide collateral for balances in excess of FDIC limits. As of June 30, 2008, the County had balances with financial institutions of \$8,358,607, of which \$3,658,607 was exposed to custodial credit risk as follows:

See accompanying independent auditors' report.

**SCOTT BLUFF COUNTY**  
**Gering, Nebraska**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**June 30, 2008**

**NOTE 3 - CASH AND INVESTMENTS (CONTINUED)**

**Custodial Credit Risk (Continued) -**

	Bank Balance	Custodial Credit Risk
Insured by FDIC insurance	\$ 700,000	\$ -
Insured by surety bond	4,000,000	-
Collateralized		
Held by pledging institution in the County's name	3,658,607	3,658,607
Total	\$ 8,358,607	\$ 3,658,607

The Nebraska Public Agency Investment Trust (NPAIT) is an inter-local government entity established under Nebraska Law. The Trust is only authorized to invest deposits in securities guaranteed or secured by the United States government, its agencies and instrumentalities, certificates of deposit and time deposits in compliance with applicable laws, and other types of investments permitted for public agencies under provisions of law. Funds deposited with NPAIT at June 30, 2008, were \$50,000.

**NOTE 4 - LONG-TERM DEBT**

A schedule of changes in long-term debt, including capital leases, for the year ended June 30, 2008, is as follows:

	Beginning Balance	Additions	Payments	Ending Balance
Capital lease obligations	\$ 9,865	\$ 238,272	\$ (11,747)	\$ 236,390
Note Payable	335,613	-	(5,668)	329,945
General obligation bonds	14,880,000	-	(85,000)	14,795,000
Total	\$ 15,225,478	\$ 238,272	\$ (102,415)	\$ 15,361,335

See accompanying independent auditors' report.

SCOTT BLUFF COUNTY

Gering, Nebraska

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2008

NOTE 6 - LONG-TERM DEBT (CONTINUED)

Capital leases payable at June 30, 2008, are comprised of the following contracts:

The County Court's office is the lessee of a copier under a capital lease agreement maturing in November 2009, monthly installments of \$136 are due including interest at 11.03%, the lease agreement is secured by equipment.

\$ 662

The County Court's office is the lessee of a copier under a capital lease agreement maturing in February 2012, monthly installments of \$129 are due including interest at 10.512%, the lease agreement is secured by equipment.

4,693

The County Road's Department is the lessee of a caterpillar tractor under a capital lease agreement maturing in April 2013, monthly installments of \$4,366 are due including interest at 3.75%, the lease agreement is secured by the tractor.

231,035

Total capital leases

\$ 236,390

The note payable at June 30, 2008, consisted of the following:

Note payable to Platte Valley National Bank, amended December 5, 2006, annual payments of \$22,200 including interest at 4.95% due in November beginning in 2006, final payment due November 2035.

\$ 329,945

Bonds Payable at June 30, 2008, consisted of the following:

Highway Allocation Bonds, dated November 15, 2002, interest rates ranging from 1.75% - 3.7%, annual principal payments due each November 15 starting in 2003, and semi-annual interest payments due May 15 and November 15, final payment is due November 15, 2012.

\$ 275,000

See accompanying independent auditors' report.

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**June 30, 2008**

**NOTE 6 - LONG-TERM DEBT (CONTINUED)**

Bonds payable (Continued):

General Obligation Bonds, dated November 23, 2004, interest rates ranging from 1.95% - 3.35%, annual principal payments due each December 15 starting in 2005, and semi-annual interest payments due June 15 and December 15, final payment is due December 15, 2010.	\$ 165,000
General Obligation Bonds, dated July 12, 2006, interest rates ranging from 3.8% - 4.65%, annual principal payments due each January 15 starting in 2010, and semi-annual interest payments due July 15 and January 15, final payment is due January 15, 2031. Bond issuance costs of \$94,052 were incurred.	6,100,000
General Obligation Bonds, dated December 14, 2006, interest rates ranging from 3.6% - 4.45%, annual principal payments due each January 15 starting in 2010, and semi-annual interest payments due July 15 and January 15, final payment is due January 15, 2031. Bond issuance costs of \$79,140 were incurred.	3,700,000
General Obligation Bonds, dated February 1, 2007, interest rates ranging from 3.9% - 4.65%, annual principal payments due each January 15 starting in 2010, and semi-annual interest payments due July 15 and January 15, final payment is due January 15, 2031. Bond issuance costs of \$37,881 were incurred.	2,200,000

See accompanying independent auditors' report.

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**June 30, 2008**

**NOTE 6 - LONG-TERM DEBT (CONTINUED)**

Bonds payable (Continued):

Limited Tax Bonds, dated May 23, 2007, interest rates ranging from 3.6% - 4.3%, annual principal payments due each January 15 starting in 2009, and semi-annual interest payments due July 15 and January 15, final payment is due January 15, 2022. Bond issuance costs of \$34,148 were incurred

\$ 2,355,000

Total bonds payable

\$ 14,795,000

Total long-term debt

\$ 15,361,335

The annual debt service requirements for the next five years and for each five-year period thereafter as of June 30, 2008, are as follows:

Year Ending June 30,	Capital Leases		Notes Payable		Bonds Payable		Totals	
	Princial	Interest	Princial	Interest	Princial	Interest	Princial	Interest
2009	\$ 46,164	\$ 8,455	\$ 6,003	\$ 16,197	\$ 230,000	\$ 625,253	\$ 282,167	\$ 649,905
2010	47,337	6,602	6,307	15,893	590,000	617,330	643,644	639,825
2011	49,252	4,686	6,626	15,574	610,000	595,742	665,878	616,002
2012	50,727	2,695	6,961	15,239	575,000	574,133	632,688	592,067
2013	42,910	750	7,314	14,886	600,000	552,282	650,224	567,918
2014 - 2018	-	-	42,515	68,485	3,020,000	2,420,463	3,062,515	2,488,948
2019 - 2023	-	-	54,427	56,573	3,480,000	1,737,682	3,534,427	1,794,255
2024 - 2028	-	-	69,676	41,324	3,315,000	1,005,342	3,384,676	1,046,666
2029 - 2033	-	-	89,197	21,803	2,375,000	220,093	2,464,197	241,896
2034 - 2038	-	-	40,919	2,076	-	-	40,919	2,076
<b>Total</b>	<b>\$ 236,390</b>	<b>\$ 23,188</b>	<b>\$ 329,945</b>	<b>\$ 268,050</b>	<b>\$ 14,795,000</b>	<b>\$ 8,348,320</b>	<b>\$ 15,361,335</b>	<b>\$ 8,639,558</b>

See accompanying independent auditors' report.

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**June 30, 2008**

**NOTE 7 - OPERATING LEASES**

**Lessor Agreements** - The County is the lessor of airport hangers and office space under operating leases expiring in various years through 2022. Lease payments received for the year ended June 30, 2008, were \$22,200.

**Lessee Agreements** - The County is the lessee of office equipment and a communications tower under operating leases expiring in various years through 2016.

Minimum future rental payments under non-cancellable operating leases having remaining terms in excess of one year as of June 30, 2008, are as follows:

<u>Year Ending June 30,:</u>	
2009	\$ 11,283
2010	9,629
2011	9,629
2012	7,658
2013	7,000
Thereafter	<u>14,000</u>
Total minimum future rental payments	\$ <u><u>59,199</u></u>

**NOTE 8 - EMPLOYEES' RETIREMENT SYSTEM**

The County Board has adopted the provisions of Sections 23-2301 through 23-2331, R.R.S. 1943, known as the County Employees Retirement Act. The Retirement System for Nebraska Counties is administered by the Public Employees Retirement Board. This Retirement Board is a cost-sharing multiple-employer defined benefit plan administered by the Nebraska Public Employees Retirement System (NPERS). NPERS issues a publicly available financial report that includes financial statements and required supplementary information for NPERS. That report may be obtained by writing NPERS, 1221 N Street, Suite 325, PO Box 94816, Lincoln, NE 68509-4816 or by calling 1-800-245-5712.

Prior to January 1, 2007, the plan covered substantially all permanent employees who have been employees for twelve continuous months and have attained the age of twenty-five. Effective January 1, 2007, LB366 provided that immediate participation is mandatory upon employment for all permanent, full-time employees who work one-half or more of the regularly scheduled hours during each pay period. For part-time employees, who have reached age 20, participation is optional. Elected officials are eligible for membership upon taking office. Employees and elected officials contribute 4.5% of their total compensation. The County contributes an amount equal to 150% of the employees' and officials' contributions. Certified law enforcement employees can contribute 5.5% with the County contributing 7.75%.

See accompanying independent auditors' report.

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**June 30, 2008**

**NOTE 8 - EMPLOYEES' RETIREMENT SYSTEM (CONTINUED)**

The employees' and officials' contributions are kept in separate accounts and are fully vested. The employer's contribution is vested at 100% after five years of participation in the plan. Prior service benefits are paid directly by the County to retired employees. The County contributions to NPERS for the years ended June 30, 2006, 2007 and 2008, were \$436,500, \$454,081, and \$504,584, respectively, equal to the required contributions for each year.

**NOTE 9 - RISK MANAGEMENT**

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.

The per-claim retention limit is as follows:

**NIRMA**

\$ 300,000	General liability, auto liability
\$ 25,000	Property, auto physical damage, Inland Marine
\$ 50,000	Theft
\$ 100,000	Forgery, money orders, counterfeit paper and currency
\$ 300,000	Employee dishonesty and Failure to perform

See accompanying independent auditors' report.



**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**June 30, 2008**

**NOTE 9 - RISK MANAGEMENT (CONTINUED)**

**NIRMA II**

The per-claim retention limit is \$300,000 without an annual aggregate.

NIRMA maintains excess insurance contracts to provide coverage over the self-insured retention limits of \$300,000 (liability) and \$25,000 (property). 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 (\$7,000,000 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.

**NOTE 10 - CONTINGENCIES**

The County is subject to laws and regulations relating to the protection of the environment. The County's policy would be to disclose environmental and cleanup related costs of a non-capital nature when it is both probably and reasonably estimated. Although it is not possible to quantify with any degree of certainty the potential financial impact of the County's continuing efforts, management believes any possible future remediation or other compliance related costs will not have a material adverse effect on the financial condition or reported results of operations of the County.

The County participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the County has not complied with the rules and regulations governing the grants, refunds of any money received may be required. In the opinion of the County, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

See accompanying independent auditors' report.

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**June 30, 2008**

**NOTE 11 - INTERFUND ITEMS AND TRANSFERS**

Residual balances outstanding between the governmental funds and the business-type fund are reported in the government-wide financial statements as internal payables and internal receivables. As of June 30, 2008, \$6,038 is owed by the General Fund to the Keno Fund for interest earned on pooled cash which should be attributable to the Keno Fund.

The following is a schedule of transfers as included in the basic financial statements of the County:

	Transfers In	Transfers Out
Governmental Funds:		
General	\$ 540,000	\$ 745,026
Road and Bridge	627,598	80,010
Central Communications	45,000	-
Noxious Weed	122,042	-
Health	20,000	-
Inheritance Tax	-	200,000
Flood Control	-	39,629
Scottsbluff Drain Sinking	25,000	-
Debt Service	45,025	-
Total governmental funds	\$ 1,424,665	\$ 1,064,665
Less eliminations	(1,064,665)	(1,064,665)
Net governmental funds	\$ 360,000	\$ -
Business-Type Fund:		
Keno Enterprise	\$ -	\$ 360,000

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them or (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

See accompanying independent auditors' report.

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**MAJOR FUND - GENERAL FUND**  
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS**  
**AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**For the Year Ended June 30, 2008**  
**With Comparative Figures for the Year Ended June 30, 2007**

	2008				2007 Actual
	Budget		Actual	Variance Favorable (Unfavorable)	
	Original	Final			
<b>Receipts</b>					
Property taxes	\$ 3,858,678	\$ 3,858,678	\$ 4,449,608	\$ 590,930	\$ 5,433,449
Motor vehicle taxes	1,025,000	1,025,000	1,054,941	29,941	1,024,338
Other taxes	300	300	400	100	300
Intergovernmental	1,457,185	1,457,185	1,234,543	(222,642)	1,173,403
Local fees, licenses, commissions and miscellaneous	1,881,886	1,861,886	1,805,987	(55,899)	1,831,686
Investment earnings	408,500	408,500	344,569	(63,931)	416,942
<b>Total receipts</b>	<b>\$ 8,631,549</b>	<b>\$ 8,611,549</b>	<b>\$ 8,890,048</b>	<b>\$ 278,499</b>	<b>\$ 9,880,118</b>
Transfers in from other funds	820,000	840,000	540,000	(300,000)	741,634
<b>Total receipts and transfers in</b>	<b>\$ 9,451,549</b>	<b>\$ 9,451,549</b>	<b>\$ 9,430,048</b>	<b>\$ (21,501)</b>	<b>\$ 10,621,752</b>
<b>Disbursements</b>					
<b>General Government</b>					
<b>Board of Commissioners</b>					
Personal services	\$ 99,011	\$ 99,011	\$ 96,076	\$ 2,935	\$ 90,279
Operating expenses	7,925	7,925	6,257	1,668	4,126
Supplies and materials	500	500	175	325	363
<b>Total board of commissioners</b>	<b>\$ 107,436</b>	<b>\$ 107,436</b>	<b>\$ 102,508</b>	<b>\$ 4,928</b>	<b>\$ 94,768</b>
<b>County Clerk</b>					
Personal services	\$ 163,350	\$ 163,350	\$ 168,998	\$ (5,648)	\$ 161,518
Operating expenses	5,975	5,975	4,205	1,770	4,459
Supplies and materials	3,075	3,075	2,193	882	2,543
Equipment rental	3,500	3,500	578	2,922	3,164
Capital outlay	2,300	2,300	273	2,027	660
<b>Total county clerk</b>	<b>\$ 178,200</b>	<b>\$ 178,200</b>	<b>\$ 176,247</b>	<b>\$ 1,953</b>	<b>\$ 172,344</b>
<b>County Treasurer</b>					
Personal services	\$ 435,602	\$ 435,602	\$ 377,868	\$ 57,734	\$ 367,675
Operating expenses	17,000	17,000	16,157	843	15,860
Supplies and materials	7,000	7,000	7,703	(703)	7,128
Equipment rental	600	600	1,007	(407)	578
Capital outlay	4,000	4,000	3,247	753	4,466
<b>Total county treasurer</b>	<b>\$ 464,202</b>	<b>\$ 464,202</b>	<b>\$ 405,982</b>	<b>\$ 58,220</b>	<b>\$ 395,707</b>
<b>Register of Deeds</b>					
Personal services	\$ 143,203	\$ 143,203	\$ 142,689	\$ 514	\$ 129,228
Operating expenses	8,050	8,050	5,374	2,676	5,398
Supplies and materials	10,000	10,000	10,816	(816)	8,593
Capital outlay	10,000	10,000	8,183	1,817	10,823
<b>Total register of deeds</b>	<b>\$ 171,253</b>	<b>\$ 171,253</b>	<b>\$ 167,062</b>	<b>\$ 4,191</b>	<b>\$ 154,042</b>

See accompanying independent auditors' report.

**SCOTT BLUFF COUNTY**  
**Gering, Nebraska**

**MAJOR FUND - GENERAL FUND**  
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS**  
**AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**For the Year Ended June 30, 2008**  
**With Comparative Figures for the Year Ended June 30, 2007**

	2008				2007 Actual
	Budget		Actual	Variance Favorable (Unfavorable)	
	Original	Final			
<b>Disbursements</b>					
<b>General Government (Continued)</b>					
<b>County Assessor</b>					
Personal services	\$ 386,885	\$ 386,885	\$ 368,357	\$ 18,528	\$ 365,744
Operating expenses	27,950	27,950	19,130	8,820	20,146
Supplies and materials	13,500	13,500	14,910	(1,410)	11,330
Equipment rental	4,000	4,000	3,542	458	3,390
Capital outlay	49,014	49,014	38,332	10,682	56,579
<b>Total county assessor</b>	<b>\$ 481,349</b>	<b>\$ 481,349</b>	<b>\$ 444,271</b>	<b>\$ 37,078</b>	<b>\$ 457,189</b>
<b>Election Commissioner</b>					
Personal services	\$ 51,435	\$ 51,435	\$ 48,723	\$ 2,712	\$ 46,331
Operating expenses	20,925	20,925	12,199	8,726	14,264
Supplies and materials	37,250	37,250	36,390	860	35,836
Capital outlay	750	750	-	750	-
<b>Total election commissioner</b>	<b>\$ 110,360</b>	<b>\$ 110,360</b>	<b>\$ 97,312</b>	<b>\$ 13,048</b>	<b>\$ 96,431</b>
<b>Building and Zoning</b>					
Personal services	\$ 92,332	\$ 92,332	\$ 92,095	\$ 237	\$ 86,943
Operating expenses	14,765	14,765	10,116	4,649	11,218
Supplies and materials	6,365	6,365	6,673	(308)	5,065
Capital outlay	3,000	3,000	-	3,000	-
Transfers out	13,000	13,000	12,968	32	12,562
<b>Total building and zoning</b>	<b>\$ 129,462</b>	<b>\$ 129,462</b>	<b>\$ 121,852</b>	<b>\$ 7,610</b>	<b>\$ 115,788</b>
<b>Clerk of the District Court</b>					
Personal services	\$ 216,475	\$ 216,475	\$ 210,613	\$ 5,862	\$ 201,073
Operating expenses	108,300	108,300	78,142	30,158	82,507
Supplies and materials	6,000	6,000	5,012	988	10,691
Equipment rental	250	250	200	50	-
Capital outlay	2,200	2,200	1,190	1,010	298
<b>Total clerk of the district court</b>	<b>\$ 333,225</b>	<b>\$ 333,225</b>	<b>\$ 295,157</b>	<b>\$ 38,068</b>	<b>\$ 294,569</b>
<b>County Court System</b>					
Personal services	\$ 4,500	\$ 4,500	\$ 4,414	\$ 86	\$ 4,179
Operating expenses	298,840	298,840	243,168	55,672	237,821
Supplies and materials	14,000	14,000	18,902	(4,902)	13,879
Equipment rental	3,180	3,180	-	3,180	(1,426)
Capital outlay	4,000	4,000	735	3,265	2,702
Debt service - principal	-	-	2,466	(2,466)	3,528
Debt service - interest	-	-	714	(714)	646
<b>Total county court system</b>	<b>\$ 324,520</b>	<b>\$ 324,520</b>	<b>\$ 270,399</b>	<b>\$ 54,121</b>	<b>\$ 261,329</b>

See accompanying independent auditors' report.

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**MAJOR FUND - GENERAL FUND**  
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS**  
**AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**For the Year Ended June 30, 2008**  
**With Comparative Figures for the Year Ended June 30, 2007**

	2008			Variance Favorable (Unfavorable)	2007 Actual
	Budget		Actual		
	Original	Final			
<b>Disbursements</b>					
<b>General Government (Continued)</b>					
<b>District Judge</b>					
Personal services	\$ 44,010	\$ 44,010	\$ 37,002	\$ 7,008	\$ 35,927
Operating expenses	57,300	57,300	45,632	11,668	40,646
Supplies and materials	3,350	3,350	2,903	447	3,132
Capital outlay	2,000	2,000	802	1,198	931
<b>Total district judge</b>	<b>\$ 106,660</b>	<b>\$ 106,660</b>	<b>\$ 86,339</b>	<b>\$ 20,321</b>	<b>\$ 80,636</b>
<b>Public Defender</b>					
Personal services	\$ 370,919	\$ 370,919	\$ 367,370	\$ 3,549	\$ 352,540
Operating expenses	50,968	50,968	51,463	(495)	51,466
Supplies and materials	3,750	3,750	5,275	(1,525)	6,899
Capital outlay	4,500	4,500	1,379	3,121	3,556
<b>Total public defender</b>	<b>\$ 430,137</b>	<b>\$ 430,137</b>	<b>\$ 425,487</b>	<b>\$ 4,650</b>	<b>\$ 414,461</b>
<b>Building and Grounds</b>					
Personal services	\$ 168,464	\$ 168,464	\$ 169,673	\$ (1,209)	\$ 145,662
Operating expenses	251,791	251,791	223,417	28,374	203,195
Supplies and materials	40,300	40,300	33,358	6,942	32,502
Equipment rental	1,550	1,550	1,418	132	1,307
Capital outlay	209,000	209,000	16,572	192,428	24,227
<b>Total building and grounds</b>	<b>\$ 671,105</b>	<b>\$ 671,105</b>	<b>\$ 444,438</b>	<b>\$ 226,667</b>	<b>\$ 406,893</b>
<b>Agricultural Extension Agent</b>					
Personal services	\$ 115,782	\$ 115,782	\$ 113,739	\$ 2,043	\$ 99,087
Operating expenses	18,800	18,800	16,287	2,513	16,343
Supplies and materials	9,000	9,000	4,144	4,856	8,308
Capital outlay	2,000	2,000	3,350	(1,350)	5,453
<b>Total agricultural extension agent</b>	<b>\$ 145,582</b>	<b>\$ 145,582</b>	<b>\$ 137,520</b>	<b>\$ 8,062</b>	<b>\$ 129,191</b>
<b>Purchasing Agent</b>					
Supplies and materials	\$ 44,000	\$ 44,000	\$ 43,589	\$ 411	\$ 42,721
<b>Total purchasing agent</b>	<b>\$ 44,000</b>	<b>\$ 44,000</b>	<b>\$ 43,589</b>	<b>\$ 411</b>	<b>\$ 42,721</b>
<b>Information Systems</b>					
Personal services	\$ 100,266	\$ 100,266	\$ 85,079	\$ 15,187	\$ 53,518
Operating expenses	5,450	5,450	286	5,164	-
Supplies and materials	500	500	846	(346)	45
Capital outlay	14,500	14,500	10,792	3,708	623
<b>Total information systems</b>	<b>\$ 120,716</b>	<b>\$ 120,716</b>	<b>\$ 97,003</b>	<b>\$ 23,713</b>	<b>\$ 54,186</b>

See accompanying independent auditors' report.

**SCOTTS BLUFF COUNTY**

**Gering, Nebraska**

**MAJOR FUND - GENERAL FUND  
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**For the Year Ended June 30, 2008  
With Comparative Figures for the Year Ended June 30, 2007**

	2008				2007 Actual
	Budget		Actual	Variance Favorable (Unfavorable)	
	Original	Final			
<b>Disbursements</b>					
<b>General Government (Continued)</b>					
Management Accountant					
Personal services	\$ 59,441	\$ 59,441	\$ 53,555	\$ 5,886	\$ 47,203
Operating expenses	1,485	1,485	1,115	370	1,140
Supplies and materials	350	350	284	66	324
Capital outlay	-	-	-	-	-
Total management accountant	\$ 61,276	\$ 61,276	\$ 54,954	\$ 6,322	\$ 48,667
Personnel Department					
Personal services	\$ 24,904	\$ 24,904	\$ 21,721	\$ 3,183	\$ 50,877
Operating expenses	19,550	19,550	13,572	5,978	11,205
Supplies and materials	750	750	710	40	477
Equipment rental	2,500	2,500	1,878	622	2,142
Total personnel department	\$ 47,704	\$ 47,704	\$ 37,881	\$ 9,823	\$ 64,701
Administration General					
Personal services	\$ 103,877	\$ 103,877	\$ 105,294	\$ (1,417)	\$ 88,892
Operating expenses	1,621,591	1,621,591	830,143	791,448	764,398
Supplies and materials	2,200	2,200	462	1,738	671
Equipment rental	-	-	-	-	7,216
Capital outlay	151,200	151,200	142,056	9,144	94,115
Debt service - principal	22,200	22,200	5,668	16,532	6,832
Debt service - interest	-	-	16,532	(16,532)	15,368
Transfers out	1,013,913	1,058,913	732,058	326,855	1,220,130
Total administration general	\$ 2,914,981	\$ 2,959,981	\$ 1,832,213	\$ 1,127,768	\$ 2,197,622
Public Safety					
County Sheriff					
Personal services	\$ 1,384,852	\$ 1,384,852	\$ 1,386,749	\$ (1,897)	\$ 1,348,552
Operating expenses	120,893	120,893	99,612	21,281	99,581
Supplies and materials	133,263	133,263	132,758	505	97,141
Equipment rental	4,200	4,200	-	4,200	900
Capital outlay	116,700	116,700	133,302	(16,602)	76,747
Debt service - principal	-	-	2,044	(2,044)	2,533
Debt service - interest	-	-	307	(307)	287
Total county sheriff	\$ 1,759,908	\$ 1,759,908	\$ 1,754,772	\$ 5,136	\$ 1,625,741
County Attorney					
Personal services	\$ 704,545	\$ 704,545	\$ 711,743	\$ (7,198)	\$ 638,248
Operating expenses	112,295	112,295	102,085	10,210	84,004
Supplies and materials	7,900	7,900	11,047	(3,147)	11,546
Capital outlay	8,100	8,100	6,444	1,656	31,119
Total county attorney	\$ 832,840	\$ 832,840	\$ 831,319	\$ 1,521	\$ 764,917

See accompanying independent auditors' report.

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**MAJOR FUND - GENERAL FUND**  
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS**  
**AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**For the Year Ended June 30, 2008**  
**With Comparative Figures for the Year Ended June 30, 2007**

	2008				2007 Actual
	Budget		Actual	Variance Favorable (Unfavorable)	
	Original	Final			
Disbursements					
Public Safety (Continued)					
Child Support					
Personal services	\$ 261,957	\$ 261,957	\$ 249,689	\$ 12,268	\$ 228,736
Operating expenses	31,695	31,695	24,315	7,380	33,275
Supplies and materials	2,000	2,000	1,657	343	2,191
Equipment rental	1,000	1,000	1,074	(74)	1,074
Capital outlay	750	750	1,083	(333)	440
Total child support	\$ 297,402	\$ 297,402	\$ 277,818	\$ 19,584	\$ 265,716
County Corrections					
Personal services	\$ -	\$ -	\$ -	\$ -	\$ 1,286,567
Operating expenses	-	-	-	-	369,298
Supplies and materials	-	-	-	-	37,090
Equipment rental	-	-	-	-	13,679
Capital outlay	-	-	-	-	167,518
Total county corrections	\$ -	\$ -	\$ -	\$ -	\$ 1,874,152
District No. 10 Probation					
Operating expenses	\$ 21,700	\$ 21,700	\$ 16,417	\$ 5,283	\$ 17,796
Supplies and materials	8,118	8,118	9,310	(1,192)	11,092
Equipment rental	4,700	4,700	4,425	275	4,604
Capital outlay	16,260	16,260	11,255	5,005	14,821
Total district no. 10 probation	\$ 50,778	\$ 50,778	\$ 41,407	\$ 9,371	\$ 48,313
Emergency Management					
Personal services	\$ 52,360	\$ 52,360	\$ 29,063	\$ 23,297	\$ 50,238
Operating expenses	3,295	3,295	4,556	(1,261)	2,787
Supplies and materials	500	500	467	33	1,104
Capital outlay	1,200	1,200	264	936	666
Total emergency management	\$ 57,355	\$ 57,355	\$ 34,350	\$ 23,005	\$ 54,795
Jail Project Coordinator					
Personal services	\$ -	\$ -	\$ -	\$ -	\$ 48,084
Operating expenses	-	-	-	-	3,796
Supplies and materials	-	-	-	-	1,349
Total jail project coordinator	\$ -	\$ -	\$ -	\$ -	\$ 53,229

See accompanying independent auditors' report.

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**MAJOR FUND - GENERAL FUND**  
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS**  
**AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**For the Year Ended June 30, 2008**  
**With Comparative Figures for the Year Ended June 30, 2007**

	2008				2007 Actual
	Budget		Actual	Variance Favorable (Unfavorable)	
	Original	Final			
Disbursements					
Public Works					
County Surveyor					
Personal services	\$ 55,946	\$ 55,946	\$ 56,111	\$ (165)	\$ 54,883
Operating expenses	12,458	12,458	9,549	2,909	11,005
Supplies and materials	2,250	2,250	2,270	(20)	1,710
Capital outlay	4,200	4,200	3,126	1,074	6,530
Total county surveyor	\$ 74,854	\$ 74,854	\$ 71,056	\$ 3,798	\$ 74,128
Public Welfare and Social Services					
Veterans Service Officer					
Personal services	\$ 117,760	\$ 117,760	\$ 109,486	\$ 8,274	\$ 104,916
Operating expenses	10,220	10,220	6,561	3,659	7,432
Supplies and materials	2,400	2,400	2,715	(315)	2,831
Equipment rental	1,015	1,015	612	403	616
Capital outlay	3,200	3,200	1,719	1,481	3,444
Total veterans service officer	\$ 134,595	\$ 134,595	\$ 121,093	\$ 13,502	\$ 119,239
Assistance Administration					
Operating expenses	\$ 85,189	\$ 85,189	\$ 94,082	\$ (8,893)	\$ 77,613
Supplies and materials	1,000	1,000	5	995	602
Capital outlay	60,000	60,000	-	60,000	5,242
Total assistance administration	\$ 146,189	\$ 146,189	\$ 94,087	\$ 52,102	\$ 83,457
Handy Bus					
Personal services	\$ 189,744	\$ 189,744	\$ 182,385	\$ 7,359	\$ 167,521
Operating expenses	34,439	34,439	32,874	1,565	34,200
Supplies and materials	36,000	36,000	39,878	(3,878)	32,828
Equipment rental	2,196	2,196	1,909	287	1,898
Capital outlay	12,900	12,900	9,187	3,713	1,673
Total handy bus	\$ 275,279	\$ 275,279	\$ 266,233	\$ 9,046	\$ 238,120
Handyman					
Personal services	\$ 43,375	\$ 43,375	\$ 36,578	\$ 6,797	\$ 42,188
Operating expenses	46,241	46,241	34,140	12,101	35,395
Supplies and materials	1,850	1,850	929	921	1,794
Equipment rental	550	550	457	93	451
Total handyman	\$ 92,016	\$ 92,016	\$ 72,104	\$ 19,912	\$ 79,828

See accompanying independent auditors' report.



**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**MAJOR FUND - GENERAL FUND**  
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS**  
**AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**For the Year Ended June 30, 2008**  
**With Comparative Figures for the Year Ended June 30, 2007**

	2008				2007 Actual
	Budget		Actual	Variance Favorable (Unfavorable)	
	Original	Final			
Summary of Disbursements by Function					
General Government	\$ 6,842,168	\$ 6,887,168	\$ 5,240,214	\$ 1,646,954	\$ 5,481,245
Public Safety	2,998,283	2,998,283	2,939,666	58,617	4,686,863
Public Works	74,854	74,854	71,056	3,798	74,128
Public Welfare and Social Services	648,079	648,079	553,517	94,562	520,644
Total disbursements	<u>\$ 10,563,384</u>	<u>\$ 10,608,384</u>	<u>\$ 8,804,453</u>	<u>\$ 1,803,931</u>	<u>\$ 10,762,880</u>
Excess (deficiency) of receipts and transfers in over (under) disbursements and transfers out	<u>\$ (1,111,835)</u>	<u>\$ (1,156,835)</u>	\$ 625,595	<u>\$ 1,782,430</u>	\$ (141,128)
Fund balance, beginning of year			3,392,419		3,534,879
Prior period adjustment			-		(1,332)
Fund balance, end of year			<u>\$ 4,018,014</u>		<u>\$ 3,392,419</u>

See accompanying independent auditors' report.

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**MAJOR FUND - ROAD AND BRIDGE SPECIAL REVENUE FUND**  
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS**  
**AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**For the Year Ended June 30, 2008**  
**With Comparative Figures for the Year Ended June 30, 2007**

	2008				2007 Actual
	Budget		Actual	Variance Favorable (Unfavorable)	
	Original	Final			
<b>Receipts</b>					
Intergovernmental	\$ 2,004,410	\$ 2,004,410	\$ 2,164,598	\$ 160,188	\$ 1,958,610
Local fees, licenses, commissions and miscellaneous	189,192	189,192	202,799	13,607	209,887
Total receipts	\$ 2,193,602	\$ 2,193,602	\$ 2,367,397	\$ 173,795	\$ 2,168,497
Transfers in from other funds	905,487	905,487	627,598	(277,889)	977,360
Total receipts and transfers in	\$ 3,099,089	\$ 3,099,089	\$ 2,994,995	\$ (104,094)	\$ 3,145,857
<b>Disbursements</b>					
Personal services	\$ 1,473,279	\$ 1,473,279	\$ 1,414,635	\$ 58,644	\$ 1,425,368
Operating expenses	269,332	269,332	288,669	(19,337)	330,289
Supplies and materials	802,800	802,800	777,662	25,138	700,698
Equipment rental	10,000	10,000	1,176	8,824	467
Capital outlay	772,000	772,000	408,833	363,167	549,817
Debt service					
Principal	-	-	7,237	(7,237)	29,138
Interest	-	-	1,495	(1,495)	523
Total disbursements	\$ 3,327,411	\$ 3,327,411	\$ 2,899,707	\$ 427,704	\$ 3,036,300
Transfers out to other funds	80,025	80,025	80,010	15	75,929
Total disbursements and transfers out	\$ 3,407,436	\$ 3,407,436	\$ 2,979,717	\$ 427,719	\$ 3,112,229
Excess (deficiency) of receipts and transfers in over (under) disbursements and transfers out	\$ (308,347)	\$ (308,347)	\$ 15,278	\$ 323,625	\$ 33,628
Fund balance, beginning of year			261,011		227,383
Fund balance, end of year			\$ 276,289		\$ 261,011

See accompanying independent auditors' report.

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**NONMAJOR FUND - JUVENILE DETENTION SPECIAL REVENUE FUND**  
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS**  
**AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**For the Year Ended June 30, 2008**  
**With Comparative Figures for the Year Ended June 30, 2007**

	2008		Actual	Variance Favorable (Unfavorable)	2007 Actual
	Budget				
	Original	Final			
Receipts					
Property taxes	\$ 3,076,783	\$ 3,076,783	\$ 1,730,600	\$ (1,346,183)	\$ 384,375
Intergovernmental	4,060	4,060	239,204	235,144	20,299
Local fees, licenses, commissions and miscellaneous	<u>1,523,994</u>	<u>1,523,994</u>	<u>1,041,806</u>	<u>(482,188)</u>	<u>315,764</u>
Total receipts	<u>\$ 4,604,837</u>	<u>\$ 4,604,837</u>	<u>\$ 3,011,610</u>	<u>\$ (1,593,227)</u>	<u>\$ 720,438</u>
Disbursements					
Personal services	\$ 2,705,750	\$ 2,705,750	\$ 2,389,096	\$ 316,654	\$ 548,950
Operating expenses	936,173	936,173	617,561	318,612	56,985
Supplies and materials	155,426	155,426	87,492	67,934	13,584
Equipment rental	20,000	20,000	12,241	7,759	822
Capital outlay	<u>38,000</u>	<u>38,000</u>	<u>36,806</u>	<u>1,194</u>	<u>1,112</u>
Total disbursements	<u>\$ 3,855,349</u>	<u>\$ 3,855,349</u>	<u>\$ 3,143,196</u>	<u>\$ 712,153</u>	<u>\$ 621,453</u>
Excess (deficiency) of receipts over (under) disbursements	<u>\$ 749,488</u>	<u>\$ 749,488</u>	<u>\$ (131,586)</u>	<u>\$ (881,074)</u>	<u>\$ 98,985</u>
Fund balance, beginning of year			<u>210,512</u>		<u>111,527</u>
Fund balance, end of year			<u>\$ 78,926</u>		<u>\$ 210,512</u>

See accompanying independent auditors' report.

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**MAJOR FUND - JAIL OBLIGATION BONDS CAPITAL PROJECTS FUND**  
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS**  
**AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**For the Year Ended June 30, 2008**  
**With Comparative Figures for the Year Ended June 30, 2007**

	2008				2007 Actual
	Budget		Actual	Variance Favorable (Unfavorable)	
	Original	Final			
Receipts					
Local fees, licenses, commissions and miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ 10,563
Proceeds from the issuance of bonds	-	-	-	-	14,355,000
Total receipts	\$ -	\$ -	\$ -	\$ -	\$ 14,365,563
Disbursements					
Capital outlay	\$ 2,612,144	\$ 2,612,144	\$ 2,080,558	\$ 531,586	\$ 11,508,199
Bond issuance costs	-	-	-	-	245,220
Total disbursements	\$ 2,612,144	\$ 2,612,144	\$ 2,080,558	\$ 531,586	\$ 11,753,419
Excess (deficiency) of receipts over (under) disbursements	\$ (2,612,144)	\$ (2,612,144)	\$ (2,080,558)	\$ 531,586	\$ 2,612,144
Fund balance, beginning of year			2,612,144		-
Fund balance, end of year			\$ 531,586		\$ 2,612,144

See accompanying independent auditors' report.

**SCOTT'S BLUFF COUNTY**  
**Gering, Nebraska**

**MAJOR FUND - DEBT SERVICE FUND**  
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS**  
**AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**For the Year Ended June 30, 2008**  
**With Comparative Figures for the Year Ended June 30, 2007**

	2008				2007 Actual
	Budget		Actual	Variance Favorable (Unfavorable)	
	Original	Final			
Receipts					
Property taxes	\$ 630,300	\$ 630,300	\$ 595,381	\$ (34,919)	\$ 333,744
Intergovernmental	-	-	57,994	57,994	24,331
Local fees, licenses, commissions and miscellaneous	55,703	55,703	69,624	13,921	64,666
Investment earnings	-	-	92,352	92,352	123,752
Total receipts	\$ 686,003	\$ 686,003	\$ 815,351	\$ 129,348	\$ 546,493
Transfers in from other funds	45,025	45,025	45,025	-	177,481
Total receipts and transfers in	\$ 731,028	\$ 731,028	\$ 860,376	\$ 129,348	\$ 723,974
Disbursements					
Debt service					
Principal	\$ 678,782	\$ 678,782	\$ 85,000	\$ 593,782	\$ 75,000
Interest	-	-	592,637	(592,637)	154,741
Total disbursements	\$ 678,782	\$ 678,782	\$ 677,637	\$ 1,145	\$ 229,741
Excess (deficiency) of receipts and transfers in over (under) disbursements	\$ 52,246	\$ 52,246	\$ 182,739	\$ 130,493	\$ 494,233
Fund balance, beginning of year			517,121		22,888
Fund balance, end of year			\$ 699,860		\$ 517,121

See accompanying independent auditors' report.

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**BUSINESS-TYPE FUND - KENO ENTERPRISE FUND**  
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS**  
**AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**For the Year Ended June 30, 2008**  
**With Comparative Figures for the Year Ended June 30, 2007**

	2008				2007 Actual
	Budget		Actual	Variance Favorable (Unfavorable)	
	Original	Final			
<b>Receipts</b>					
Local fees, licenses, commissions and miscellaneous	\$ 806,023	\$ 806,023	\$ 3,870,311	\$ 3,064,288	\$ 3,772,364
Investment earnings	-	-	17,492	17,492	21,402
<b>Total receipts</b>	\$ 806,023	\$ 806,023	\$ 3,887,803	\$ 3,081,780	\$ 3,793,766
Transfers in from other funds	59,368	59,368	-	(59,368)	-
<b>Total receipts and transfers in</b>	\$ 865,391	\$ 865,391	\$ 3,887,803	\$ 3,022,412	\$ 3,793,766
<b>Disbursements</b>					
Payments to customers	\$ -	\$ -	\$ 2,793,273	\$ (2,793,273)	\$ 2,809,663
Personal services	364,383	364,383	181,885	182,498	323,943
Operating expenses	68,472	68,472	43,973	24,499	60,747
Supplies and materials	70,850	70,850	435,483	(364,633)	178,874
Capital outlay	50,000	50,000	15,022	34,978	7,217
<b>Total disbursements</b>	\$ 553,705	\$ 553,705	\$ 3,469,636	\$ (2,915,931)	\$ 3,380,444
Transfers out to other funds	400,000	400,000	360,000	40,000	415,000
<b>Total disbursements and transfers out</b>	\$ 953,705	\$ 953,705	\$ 3,829,636	\$ (2,875,931)	\$ 3,795,444
Excess (deficiency) of receipts and transfers in over (under) disbursements and transfers out	\$ (88,314)	\$ (88,314)	\$ 58,167	\$ 146,481	\$ (1,678)
Net assets, beginning of year			527,981		529,659
Net assets, end of year			\$ 586,148		\$ 527,981

See accompanying independent auditors' report.

**SCOTT BLUFF COUNTY**  
**Gering, Nebraska**

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

**For the Year Ended June 30, 2008**

	Special Revenue Funds						
	Central Communications	Drug Enforcement	Juvenile Probation	Noxious Weed	Flood Control	Health	Relief/ Medical
Assets							
Cash and cash equivalents	\$ 67,414	\$ 110,033	\$ 9,710	\$ 17,901	\$ 40,292	\$ 91,220	\$ 25,112
Total assets	<u>\$ 67,414</u>	<u>\$ 110,033</u>	<u>\$ 9,710</u>	<u>\$ 17,901</u>	<u>\$ 40,292</u>	<u>\$ 91,220</u>	<u>\$ 25,112</u>
Liabilities and fund balances							
Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balances							
Unreserved	<u>67,414</u>	<u>110,033</u>	<u>9,710</u>	<u>17,901</u>	<u>40,292</u>	<u>91,220</u>	<u>25,112</u>
Total liabilities and fund balances	<u>\$ 67,414</u>	<u>\$ 110,033</u>	<u>\$ 9,710</u>	<u>\$ 17,901</u>	<u>\$ 40,292</u>	<u>\$ 91,220</u>	<u>\$ 25,112</u>

See accompanying independent auditors' report.

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

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

**For the Year Ended June 30, 2008**

	<u>Special Revenue Funds</u>				<u>Total Special Revenue Funds</u>	<u>Capital Projects Funds</u>		
	<u>Veterans Aid</u>	<u>Institutions</u>	<u>Visitors Promotion</u>	<u>Inheritance Tax</u>		<u>Scottsbluff Drain</u>	<u>Surveyor Sinking</u>	<u>Barrier Elimination</u>
Assets								
Cash and cash equivalents	\$ 4,022	\$ 606	\$ 145,608	\$ 420,273	\$ 932,191	\$ 123,660	\$ 5,465	\$ 12,936
Total assets	<u>\$ 4,022</u>	<u>\$ 606</u>	<u>\$ 145,608</u>	<u>\$ 420,273</u>	<u>\$ 932,191</u>	<u>\$ 123,660</u>	<u>\$ 5,465</u>	<u>\$ 12,936</u>
Liabilities and fund balances								
Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balances								
Unreserved	<u>4,022</u>	<u>606</u>	<u>145,608</u>	<u>420,273</u>	<u>932,191</u>	<u>123,660</u>	<u>5,465</u>	<u>12,936</u>
Total liabilities and fund balances	<u>\$ 4,022</u>	<u>\$ 606</u>	<u>\$ 145,608</u>	<u>\$ 420,273</u>	<u>\$ 932,191</u>	<u>\$ 123,660</u>	<u>\$ 5,465</u>	<u>\$ 12,936</u>

See accompanying independent auditors' report.



**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

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

**For the Year Ended June 30, 2008**

	Capital Projects Funds				Total Nonmajor Governmental Funds
	Special Projects	Homeland Security	Capital Improvements	Total Capital Projects Funds	
Assets					
Cash and cash equivalents	\$ <u>35,603</u>	\$ <u>5,708</u>	\$ <u>21,208</u>	\$ <u>204,580</u>	\$ <u>1,136,771</u>
Total assets	\$ <u><u>35,603</u></u>	\$ <u><u>5,708</u></u>	\$ <u><u>21,208</u></u>	\$ <u><u>204,580</u></u>	\$ <u><u>1,136,771</u></u>
Liabilities and fund balances					
Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balances					
Unreserved	<u>35,603</u>	<u>5,708</u>	<u>21,208</u>	<u>204,580</u>	<u>1,136,771</u>
Total liabilities and fund balances	\$ <u><u>35,603</u></u>	\$ <u><u>5,708</u></u>	\$ <u><u>21,208</u></u>	\$ <u><u>204,580</u></u>	\$ <u><u>1,136,771</u></u>

See accompanying independent auditors' report.

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

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

**For the Year Ended June 30, 2008**

	Special Revenue Funds						
	Central Communications	Drug Enforcement	Juvenile Probation	Noxious Weed	Flood Control	Health	Relief/ Medical
<b>Receipts</b>							
Property taxes	\$ 369,554	\$ -	\$ -	\$ -	\$ 32,713	\$ 143,553	\$ 72,969
Other taxes	-	-	-	-	-	-	-
Intergovernmental	33,564	193,982	32,196	-	4,080	93,876	7,236
Local fees, licenses, commissions and miscellaneous	243,335	2,837	598	122,982	16,048	19,531	3,222
Investment earnings	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>\$ 646,453</b>	<b>\$ 196,819</b>	<b>\$ 32,794</b>	<b>\$ 122,982</b>	<b>\$ 52,841</b>	<b>\$ 256,960</b>	<b>\$ 83,427</b>
<b>Disbursements</b>							
<b>Current</b>							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	655,935	200,197	39,784	-	-	-	-
Public works	-	-	-	246,830	29,835	-	-
Public health	-	-	-	-	-	293,448	-
Public welfare and social services	-	-	-	-	-	-	90,646
Culture and recreation	-	-	-	-	-	-	-
Conservation of natural resources	-	-	-	-	-	-	-
Capital outlay	1,702	-	-	112	-	-	-
<b>Total disbursements</b>	<b>\$ 657,637</b>	<b>\$ 200,197</b>	<b>\$ 39,784</b>	<b>\$ 246,942</b>	<b>\$ 29,835</b>	<b>\$ 293,448</b>	<b>\$ 90,646</b>
<b>Other financing sources (uses)</b>							
Transfers in from other funds	\$ 45,000	\$ -	\$ -	\$ 122,042	\$ -	\$ 20,000	\$ -
Transfers out to other funds	-	-	-	-	(39,629)	-	-
<b>Total other financing sources (uses)</b>	<b>\$ 45,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 122,042</b>	<b>\$ (39,629)</b>	<b>\$ 20,000</b>	<b>\$ -</b>
<b>Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses</b>	<b>\$ 33,816</b>	<b>\$ (3,378)</b>	<b>\$ (6,990)</b>	<b>\$ (1,918)</b>	<b>\$ (16,623)</b>	<b>\$ (16,488)</b>	<b>\$ (7,219)</b>
<b>Fund balances, beginning of year</b>	<b>33,598</b>	<b>113,411</b>	<b>16,700</b>	<b>19,819</b>	<b>56,915</b>	<b>107,708</b>	<b>32,331</b>
<b>Fund balances, end of year</b>	<b>\$ 67,414</b>	<b>\$ 110,033</b>	<b>\$ 9,710</b>	<b>\$ 17,901</b>	<b>\$ 40,292</b>	<b>\$ 91,220</b>	<b>\$ 25,112</b>

See accompanying independent auditors' report.

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

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

**For the Year Ended June 30, 2008**

	Special Revenue Funds				Total Special Revenue Funds	Capital Projects Funds		
	Veterans Aid	Institutions	Visitors Promotion	Inheritance Tax		Scottsbluff Drain	Surveyor Sinking	Barrier Elimination
<b>Receipts</b>								
Property taxes	\$ 3,698	\$ 1,218	\$ -	\$ -	\$ 623,705	\$ -	\$ -	\$ 15
Other taxes	-	-	248,598	309,726	558,324	-	-	-
Intergovernmental	321	228	-	-	365,483	-	-	-
Local fees, licenses, commissions and miscellaneous	83	520	-	-	409,156	-	-	-
Investment earnings	-	-	-	2,144	2,144	-	-	-
<b>Total receipts</b>	<b>\$ 4,102</b>	<b>\$ 1,966</b>	<b>\$ 248,598</b>	<b>\$ 311,870</b>	<b>\$ 1,958,812</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 15</b>
<b>Disbursements</b>								
<b>Current</b>								
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 830	\$ -	\$ -
Public safety	-	-	-	-	895,916	-	-	-
Public works	-	-	-	-	276,665	-	-	-
Public health	-	-	-	-	293,448	-	-	-
Public welfare and social services	4,109	13,623	-	-	108,378	-	-	-
Culture and recreation	-	-	364,334	-	364,334	-	-	-
Conservation of natural resources	-	-	-	180	180	-	-	-
Capital outlay	-	-	-	-	1,814	-	-	-
<b>Total disbursements</b>	<b>\$ 4,109</b>	<b>\$ 13,623</b>	<b>\$ 364,334</b>	<b>\$ 180</b>	<b>\$ 1,940,735</b>	<b>\$ 830</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Other financing sources (uses)</b>								
Transfers in from other funds	\$ -	\$ -	\$ -	\$ -	\$ 187,042	\$ 25,000	\$ -	\$ -
Transfers out to other funds	-	-	-	(200,000)	(239,629)	-	-	-
<b>Total other financing sources (uses)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (200,000)</b>	<b>\$ (52,587)</b>	<b>\$ 25,000</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses</b>	<b>\$ (7)</b>	<b>\$ (11,657)</b>	<b>\$ (115,736)</b>	<b>\$ 111,690</b>	<b>\$ (34,510)</b>	<b>\$ 24,170</b>	<b>\$ -</b>	<b>\$ 15</b>
<b>Fund balances, beginning of year</b>	<b>4,029</b>	<b>12,263</b>	<b>261,344</b>	<b>308,583</b>	<b>966,701</b>	<b>99,490</b>	<b>5,465</b>	<b>12,921</b>
<b>Fund balances, end of year</b>	<b>\$ 4,022</b>	<b>\$ 606</b>	<b>\$ 145,608</b>	<b>\$ 420,273</b>	<b>\$ 932,191</b>	<b>\$ 123,660</b>	<b>\$ 5,465</b>	<b>\$ 12,936</b>

See accompanying independent auditors' report.

**SCOTTS BLUFF COUNTY**

**Gering, Nebraska**

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

**For the Year Ended June 30, 2008**

	Capital Projects Funds			Total Capital Projects Funds	Total Nonmajor Governmental Funds
	Special Projects	Homeland Security	Capital Improvements		
Receipts					
Property taxes	\$ -	\$ -	\$ -	\$ 15	\$ 623,720
Other taxes	-	-	-	-	558,324
Intergovernmental	48,230	42,218	250,000	340,448	705,931
Local fees, licenses, commissions and miscellaneous	1,246	-	-	1,246	410,402
Investment earnings	-	-	-	-	2,144
<b>Total receipts</b>	<b>\$ 49,476</b>	<b>\$ 42,218</b>	<b>\$ 250,000</b>	<b>\$ 341,709</b>	<b>\$ 2,300,521</b>
Disbursements					
Current					
General government	\$ 49,923	\$ -	\$ 9,703	\$ 60,456	\$ 60,456
Public safety	-	3,969	-	3,969	899,885
Public works	-	-	-	-	276,665
Public health	-	-	-	-	293,448
Public welfare and social services	-	-	-	-	108,378
Culture and recreation	-	-	-	-	364,334
Conservation of natural resources	-	-	-	-	180
Capital outlay	1,952	38,095	500,000	540,047	541,861
<b>Total disbursements</b>	<b>\$ 51,875</b>	<b>\$ 42,064</b>	<b>\$ 509,703</b>	<b>\$ 604,472</b>	<b>\$ 2,545,207</b>
Other financing sources (uses)					
Transfers in from other funds	\$ -	\$ -	\$ -	\$ 25,000	\$ 212,042
Transfers out to other funds	-	-	-	-	(239,629)
<b>Total other financing sources (uses)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 25,000</b>	<b>\$ (27,587)</b>
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	\$ (2,399)	\$ 154	\$ (259,703)	\$ (237,763)	\$ (272,273)
Fund balances, beginning of year	38,002	5,554	280,911	442,343	1,409,044
Fund balances, end of year	<u>\$ 35,603</u>	<u>\$ 5,708</u>	<u>\$ 21,208</u>	<u>\$ 204,580</u>	<u>\$ 1,136,771</u>

See accompanying independent auditors' report.

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**NONMAJOR FUND - CENTRAL COMMUNICATIONS SPECIAL REVENUE FUND**  
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS**  
**AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**For the Year Ended June 30, 2008**  
**With Comparative Figures for the Year Ended June 30, 2007**

	2008					2007 Actual
	Budget		Actual	Variance Favorable (Unfavorable)		
	Original	Final				
<b>Receipts</b>						
Property taxes	\$ 355,058	\$ 355,058	\$ 369,554	\$ 14,496	\$ 393,008	
Intergovernmental	2,000	2,000	33,564	31,564	21,230	
Local fees, licenses, commissions and miscellaneous	<u>257,015</u>	<u>257,015</u>	<u>243,335</u>	<u>(13,680)</u>	<u>249,080</u>	
Total receipts	\$ 614,073	\$ 614,073	\$ 646,453	\$ 32,380	\$ 663,318	
Transfers in from other funds	<u>-</u>	<u>45,000</u>	<u>45,000</u>	<u>-</u>	<u>45,225</u>	
Total receipts and transfers in	\$ <u>614,073</u>	\$ <u>659,073</u>	\$ <u>691,453</u>	\$ <u>32,380</u>	\$ <u>708,543</u>	
<b>Disbursements</b>						
Personal services	\$ 523,566	\$ 568,566	\$ 582,759	\$ (14,193)	\$ 567,088	
Operating expenses	80,305	80,305	62,592	17,713	66,678	
Supplies and materials	5,300	5,300	2,584	2,716	2,437	
Equipment rental	8,500	8,500	8,000	500	8,448	
Capital outlay	<u>5,000</u>	<u>5,000</u>	<u>1,702</u>	<u>3,298</u>	<u>42,928</u>	
Total disbursements	\$ <u>622,671</u>	\$ <u>667,671</u>	\$ <u>657,637</u>	\$ <u>10,034</u>	\$ <u>687,579</u>	
Excess (deficiency) of receipts and transfers in over (under) disbursements	\$ <u>(8,598)</u>	\$ <u>(8,598)</u>	\$ 33,816	\$ <u>42,414</u>	\$ 20,964	
Fund balance, beginning of year			<u>33,598</u>		<u>12,634</u>	
Fund balance, end of year			\$ <u>67,414</u>		\$ <u>33,598</u>	

See accompanying independent auditors' report.

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**NONMAJOR FUND - DRUG ENFORCEMENT SPECIAL REVENUE FUND**  
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS**  
**AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**For the Year Ended June 30, 2008**  
**With Comparative Figures for the Year Ended June 30, 2007**

	2008				2007 Actual
	Budget		Actual	Variance Favorable (Unfavorable)	
	Original	Final			
<b>Receipts</b>					
Intergovernmental	\$ 163,442	\$ 163,442	\$ 193,982	\$ 30,540	\$ 279,166
Local fees, licenses, commissions and miscellaneous	-	-	2,837	2,837	5,496
<b>Total receipts</b>	\$ 163,442	\$ 163,442	\$ 196,819	\$ 33,377	\$ 284,662
Transfers in from other funds	-	-	-	-	(126)
<b>Total receipts and transfers in</b>	\$ 163,442	\$ 163,442	\$ 196,819	\$ 33,377	\$ 284,536
<b>Disbursements</b>					
Personal services	\$ 206,748	\$ 206,748	\$ 181,499	\$ 25,249	\$ 170,749
Operating expenses	60,192	60,192	14,460	45,732	12,867
Supplies and materials	9,913	9,913	4,199	5,714	9,371
Equipment rental	-	-	39	(39)	-
<b>Total disbursements</b>	\$ 276,853	\$ 276,853	\$ 200,197	\$ 76,656	\$ 192,987
Excess (deficiency) of receipts and transfers in over (under) disbursements	\$ (113,411)	\$ (113,411)	\$ (3,378)	\$ 110,033	\$ 91,549
Fund balance, beginning of year			113,411		21,862
Fund balance, end of year			\$ 110,033		\$ 113,411

See accompanying independent auditors' report.

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**MAJOR FUND - JUVENILE PROBATION SPECIAL REVENUE FUND**  
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS**  
**AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**For the Year Ended June 30, 2008**  
**With Comparative Figures for the Year Ended June 30, 2007**

	2008				2007 Actual
	Budget		Actual	Variance Favorable (Unfavorable)	
	Original	Final			
<b>Receipts</b>					
Intergovernmental	\$ 15,797	\$ 32,196	\$ 32,196	\$ -	\$ 32,242
Local fees, licenses, commissions and miscellaneous	-	-	598	598	-
<b>Total receipts</b>	<b>\$ 15,797</b>	<b>\$ 32,196</b>	<b>\$ 32,794</b>	<b>\$ 598</b>	<b>\$ 32,242</b>
<b>Disbursements</b>					
Personal services	\$ 24,868	\$ 24,868	\$ 20,234	\$ 4,634	\$ 16,995
Operating expenses	5,870	15,052	15,092	(40)	1,784
Supplies and materials	1,759	8,976	4,458	4,518	812
<b>Total disbursements</b>	<b>\$ 32,497</b>	<b>\$ 48,896</b>	<b>\$ 39,784</b>	<b>\$ 9,112</b>	<b>\$ 19,591</b>
Transfers out to other funds	-	-	-	-	32,319
<b>Total disbursements and transfers out</b>	<b>\$ 32,497</b>	<b>\$ 48,896</b>	<b>\$ 39,784</b>	<b>\$ 9,112</b>	<b>\$ 51,910</b>
Excess (deficiency) of receipts over (under) disbursements and transfers out	\$ (16,700)	\$ (16,700)	\$ (6,990)	\$ 9,710	\$ (19,668)
Fund balance, beginning of year			16,700		36,368
Fund balance, end of year			\$ 9,710		\$ 16,700

See accompanying independent auditors' report.

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**NONMAJOR FUND - NOXIOUS WEED SPECIAL REVENUE FUND**  
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS**  
**AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**For the Year Ended June 30, 2008**  
**With Comparative Figures for the Year Ended June 30, 2007**

	2008				2007 Actual
	Budget		Actual	Variance Favorable (Unfavorable)	
	Original	Final			
Receipts					
Local fees, licenses, commissions and miscellaneous	\$ 165,000	\$ 165,000	\$ 122,982	\$ (42,018)	\$ 157,934
Total receipts	\$ 165,000	\$ 165,000	\$ 122,982	\$ (42,018)	\$ 157,934
Transfers in from other funds	122,058	122,058	122,042	(16)	105,046
Total receipts and transfers in	\$ 287,058	\$ 287,058	\$ 245,024	\$ (42,034)	\$ 262,980
Disbursements					
Personal services	\$ 153,559	\$ 153,559	\$ 131,311	\$ 22,248	\$ 127,012
Operating expenses	24,518	24,518	18,645	5,873	13,774
Supplies and materials	113,200	113,200	96,874	16,326	111,899
Capital outlay	3,100	3,100	112	2,988	7,213
Total disbursements	\$ 294,377	\$ 294,377	\$ 246,942	\$ 47,435	\$ 259,898
Transfers out to other funds	-	-	-	-	4,757
Total disbursements and transfers out	\$ 294,377	\$ 294,377	\$ 246,942	\$ 47,435	\$ 264,655
Excess (deficiency) of receipts and transfers in over (under) disbursements and transfers out	\$ (7,319)	\$ (7,319)	\$ (1,918)	\$ 5,401	\$ (1,675)
Fund balance, beginning of year			19,819		21,494
Fund balance, end of year			\$ 17,901		\$ 19,819

See accompanying independent auditors' report.



**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**NONMAJOR FUND - FLOOD CONTROL SPECIAL REVENUE FUND**  
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS**  
**AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**For the Year Ended June 30, 2008**  
**With Comparative Figures for the Year Ended June 30, 2007**

	2008				2007 Actual
	Budget		Actual	Variance Favorable (Unfavorable)	
	Original	Final			
Receipts					
Property taxes	\$ 47,979	\$ 47,979	\$ 32,713	\$ (15,266)	\$ 10,125
Intergovernmental	500	500	4,080	3,580	671
Local fees, licenses, commissions and miscellaneous	<u>15,530</u>	<u>15,530</u>	<u>16,048</u>	<u>518</u>	<u>21,924</u>
Total receipts	<u>\$ 64,009</u>	<u>\$ 64,009</u>	<u>\$ 52,841</u>	<u>\$ (11,168)</u>	<u>\$ 32,720</u>
Disbursements					
Operating expenses	<u>\$ 70,924</u>	<u>\$ 70,924</u>	<u>\$ 29,835</u>	<u>\$ 41,089</u>	<u>\$ 23,505</u>
Total disbursements	<u>\$ 70,924</u>	<u>\$ 70,924</u>	<u>\$ 29,835</u>	<u>\$ 41,089</u>	<u>\$ 23,505</u>
Transfers out to other funds	<u>40,000</u>	<u>40,000</u>	<u>39,629</u>	<u>371</u>	<u>41,508</u>
Total disbursements and transfers out	<u>\$ 110,924</u>	<u>\$ 110,924</u>	<u>\$ 69,464</u>	<u>\$ 41,460</u>	<u>\$ 65,013</u>
Excess (deficiency) of receipts over (under) disbursements and transfers out	<u>\$ (46,915)</u>	<u>\$ (46,915)</u>	<u>\$ (16,623)</u>	<u>\$ 30,292</u>	<u>\$ (32,293)</u>
Fund balance, beginning of year			<u>56,915</u>		<u>89,208</u>
Fund balance, end of year			<u>\$ 40,292</u>		<u>\$ 56,915</u>

See accompanying independent auditors' report.

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**NONMAJOR FUND - HEALTH SPECIAL REVENUE FUND**  
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS**  
**AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**For the Year Ended June 30, 2008**  
**With Comparative Figures for the Year Ended June 30, 2007**

	2008				2007 Actual
	Budget		Actual	Variance Favorable (Unfavorable)	
	Original	Final			
Receipts					
Property taxes	\$ 142,066	\$ 142,066	\$ 143,553	\$ 1,487	\$ 158,035
Intergovernmental	106,912	106,912	93,876	(13,036)	104,936
Local fees, licenses, commissions and miscellaneous	14,275	14,275	19,531	5,256	30,302
Total receipts	\$ 263,253	\$ 263,253	\$ 256,960	\$ (6,293)	\$ 293,273
Transfers in from other funds	20,000	20,000	20,000	-	20,000
Total receipts and transfers in	\$ 283,253	\$ 283,253	\$ 276,960	\$ (6,293)	\$ 313,273
Disbursements					
Personal services	\$ 75,222	\$ 75,222	\$ 74,300	\$ 922	\$ 71,703
Operating expenses	282,789	282,789	217,902	64,887	214,892
Supplies and materials	2,750	2,750	1,246	1,504	2,032
Capital outlay	200	200	-	200	-
Total disbursements	\$ 360,961	\$ 360,961	\$ 293,448	\$ 67,513	\$ 288,627
Excess (deficiency) of receipts and transfers in over (under) disbursements	\$ (77,708)	\$ (77,708)	\$ (16,488)	\$ 61,220	\$ 24,646
Fund balance, beginning of year			107,708		83,062
Fund balance, end of year			\$ 91,220		\$ 107,708

See accompanying independent auditors' report.

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**NONMAJOR FUND - RELIEF/MEDICAL SPECIAL REVENUE FUND**  
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS**  
**AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**For the Year Ended June 30, 2008**  
**With Comparative Figures for the Year Ended June 30, 2007**

	2008				2007 Actual
	Budget		Actual	Variance Favorable (Unfavorable)	
	Original	Final			
<b>Receipts</b>					
Property taxes	\$ 79,196	\$ 79,196	\$ 72,969	\$ (6,227)	\$ 74,198
Intergovernmental	830	830	7,236	6,406	3,795
Local fees, licenses, commissions and miscellaneous	<u>3,015</u>	<u>3,015</u>	<u>3,222</u>	<u>207</u>	<u>5,145</u>
Total receipts	\$ 83,041	\$ 83,041	\$ 83,427	\$ 386	\$ 83,138
Transfers in from other funds	-	-	-	-	(45)
Total receipts and transfers in	\$ <u>83,041</u>	\$ <u>83,041</u>	\$ <u>83,427</u>	\$ <u>386</u>	\$ <u>83,093</u>
<b>Disbursements</b>					
Personal services	\$ 69,491	\$ 69,491	\$ 68,934	\$ 557	\$ 67,333
Operating expenses	35,280	35,280	21,495	13,785	23,017
Supplies and materials	300	300	217	83	257
Capital outlay	<u>300</u>	<u>300</u>	<u>-</u>	<u>300</u>	<u>-</u>
Total disbursements	\$ <u>105,371</u>	\$ <u>105,371</u>	\$ <u>90,646</u>	\$ <u>14,725</u>	\$ <u>90,607</u>
Excess (deficiency) of receipts and transfers in over (under) disbursements	\$ <u>(22,330)</u>	\$ <u>(22,330)</u>	\$ (7,219)	\$ <u>15,111</u>	\$ (7,514)
Fund balance, beginning of year			<u>32,331</u>		<u>39,845</u>
Fund balance, end of year			\$ <u>25,112</u>		\$ <u>32,331</u>

See accompanying independent auditors' report.

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**NONMAJOR FUND - VETERANS AID SPECIAL REVENUE FUND**  
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS**  
**AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**For the Year Ended June 30, 2008**  
**With Comparative Figures for the Year Ended June 30, 2007**

	2008				2007 Actual
	Budget		Actual	Variance Favorable (Unfavorable)	
	Original	Final			
Receipts					
Property taxes	\$ 3,321	\$ 3,321	\$ 3,698	\$ 377	\$ 3,991
Intergovernmental	40	40	321	281	221
Local fees, licenses, commissions and miscellaneous	110	110	83	(27)	106
Total receipts	\$ 3,471	\$ 3,471	\$ 4,102	\$ 631	\$ 4,318
Disbursements					
Operating expenses	\$ 6,500	\$ 6,500	\$ 4,109	\$ 2,391	\$ 3,225
Total disbursements	\$ 6,500	\$ 6,500	\$ 4,109	\$ 2,391	\$ 3,225
Excess (deficiency) of receipts over (under) disbursements	\$ (3,029)	\$ (3,029)	\$ (7)	\$ 3,022	\$ 1,093
Fund balance, beginning of year			4,029		2,936
Fund balance, end of year			\$ 4,022		\$ 4,029

See accompanying independent auditors' report.

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**NONMAJOR FUND - INSTITUTIONS SPECIAL REVENUE FUND**  
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS**  
**AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**For the Year Ended June 30, 2008**  
**With Comparative Figures for the Year Ended June 30, 2007**

	2008				2007 Actual
	Budget		Actual	Variance Favorable (Unfavorable)	
	Original	Final			
Receipts					
Property taxes	\$ 2,217	\$ 2,217	\$ 1,218	\$ (999)	\$ 20
Intergovernmental	-	-	228	228	-
Local fees, licenses, commissions and miscellaneous	520	520	520	-	520
Total receipts	<u>\$ 2,737</u>	<u>\$ 2,737</u>	<u>\$ 1,966</u>	<u>\$ (771)</u>	<u>\$ 540</u>
Disbursements					
Operating expenses	<u>\$ 15,000</u>	<u>\$ 15,000</u>	<u>\$ 13,623</u>	<u>\$ 1,377</u>	<u>\$ 9,303</u>
Total disbursements	<u>\$ 15,000</u>	<u>\$ 15,000</u>	<u>\$ 13,623</u>	<u>\$ 1,377</u>	<u>\$ 9,303</u>
Excess (deficiency) of receipts over (under) disbursements	<u>\$ (12,263)</u>	<u>\$ (12,263)</u>	<u>\$ (11,657)</u>	<u>\$ 606</u>	<u>\$ (8,763)</u>
Fund balance, beginning of year			<u>12,263</u>		<u>21,026</u>
Fund balance, end of year			<u>\$ 606</u>		<u>\$ 12,263</u>

See accompanying independent auditors' report.

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**NONMAJOR FUND - VISITORS PROMOTION SPECIAL REVENUE FUND**  
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS**  
**AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**For the Year Ended June 30, 2008**  
**With Comparative Figures for the Year Ended June 30, 2007**

	2008				2007 Actual
	Budget		Actual	Variance Favorable (Unfavorable)	
	Original	Final			
Receipts					
Other taxes	\$ 254,156	\$ 254,156	\$ 248,598	\$ (5,558)	\$ 247,241
Total receipts	\$ 254,156	\$ 254,156	\$ 248,598	\$ (5,558)	\$ 247,241
Disbursements					
Operating expenses	\$ 515,500	\$ 515,500	\$ 364,334	\$ 151,166	\$ 171,780
Total disbursements	\$ 515,500	\$ 515,500	\$ 364,334	\$ 151,166	\$ 171,780
Excess (deficiency) of receipts over (under) disbursements	\$ (261,344)	\$ (261,344)	\$ (115,736)	\$ 145,608	\$ 75,461
Fund balance, beginning of year			261,344		185,883
Fund balance, end of year			\$ 145,608		\$ 261,344

See accompanying independent auditors' report.

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**NONMAJOR FUND - INHERITANCE TAX SPECIAL REVENUE FUND**  
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS**  
**AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**For the Year Ended June 30, 2008**  
**With Comparative Figures for the Year Ended June 30, 2007**

	2008				2007 Actual
	Budget		Actual	Variance Favorable (Unfavorable)	
	Original	Final			
Receipts					
Other taxes	\$ 200,000	\$ 200,000	\$ 309,726	\$ 109,726	\$ 441,223
Local fees, licenses, commissions and miscellaneous	-	-	-	-	58
Investment earnings	<u>3,500</u>	<u>3,500</u>	<u>2,144</u>	<u>(1,356)</u>	<u>4,112</u>
Total receipts	\$ <u>203,500</u>	\$ <u>203,500</u>	\$ <u>311,870</u>	\$ <u>108,370</u>	\$ <u>445,393</u>
Disbursements					
Operating expenses	\$ <u>12,083</u>	\$ <u>12,083</u>	\$ <u>180</u>	\$ <u>11,903</u>	\$ <u>122</u>
Total disbursements	\$ <u>12,083</u>	\$ <u>12,083</u>	\$ <u>180</u>	\$ <u>11,903</u>	\$ <u>122</u>
Transfers out to other funds	<u>450,000</u>	<u>450,000</u>	<u>200,000</u>	<u>250,000</u>	<u>268,500</u>
Total disbursements and transfers out	\$ <u>462,083</u>	\$ <u>462,083</u>	\$ <u>200,180</u>	\$ <u>261,903</u>	\$ <u>268,622</u>
Excess (deficiency) of receipts over (under) disbursements and transfers out	\$ <u>(258,583)</u>	\$ <u>(258,583)</u>	\$ 111,690	\$ <u>370,273</u>	\$ 176,771
Fund balance, beginning of year			<u>308,583</u>		<u>131,812</u>
Fund balance, end of year			\$ <u>420,273</u>		\$ <u>308,583</u>

See accompanying independent auditors' report.

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**NONMAJOR FUND - SCOTTSBLUFF DRAIN SINKING CAPITAL PROJECTS FUND**  
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS**  
**AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**For the Year Ended June 30, 2008**  
**With Comparative Figures for the Year Ended June 30, 2007**

	2008				2007 Actual
	Budget		Actual	Variance Favorable (Unfavorable)	
	Original	Final			
Receipts					
Local fees, licenses, commissions and miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ -
Total receipts	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers in from other funds	25,000	25,000	25,000	-	25,000
Total receipts and transfers in	\$ 25,000	\$ 25,000	\$ 25,000	\$ -	\$ 25,000
Disbursements					
Operating expenses	\$ 124,490	\$ 124,490	\$ 830	\$ 123,660	\$ -
Total disbursements	\$ 124,490	\$ 124,490	\$ 830	\$ 123,660	\$ -
Excess (deficiency) of receipts and transfers in over (under) disbursements	\$ (99,490)	\$ (99,490)	\$ 24,170	\$ 123,660	\$ 25,000
Fund balance, beginning of year			99,490		74,490
Fund balance, end of year			\$ 123,660		\$ 99,490

See accompanying independent auditors' report.



**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**NONMAJOR FUND - SURVEYOR SINKING CAPITAL PROJECT FUND**  
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS**  
**AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**For the Year Ended June 30, 2008**  
**With Comparative Figures for the Year Ended June 30, 2007**

	2008				2007 Actual
	Budget		Actual	Variance Favorable (Unfavorable)	
	Original	Final			
Receipts					
Local fees, licenses, commissions and miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ 1,000
Total receipts	\$ -	\$ -	\$ -	\$ -	\$ 1,000
Disbursements					
Capital outlay	\$ 5,465	\$ 5,465	\$ -	\$ 5,465	\$ -
Total disbursements	\$ 5,465	\$ 5,465	\$ -	\$ 5,465	\$ -
Excess (deficiency) of receipts over (under) disbursements	\$ (5,465)	\$ (5,465)	\$ -	\$ 5,465	\$ 1,000
Fund balance, beginning of year			5,465		4,465
Fund balance, end of year			\$ 5,465		\$ 5,465

See accompanying independent auditors' report.

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**NONMAJOR FUND - BARRIER ELIMINATION CAPITAL PROJECT FUND**  
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS**  
**AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**For the Year Ended June 30, 2008**  
**With Comparative Figures for the Year Ended June 30, 2007**

	2008				2007 Actual
	Budget		Actual	Variance Favorable (Unfavorable)	
	Original	Final			
Receipts					
Property taxes	\$ -	\$ -	\$ 15	\$ 15	\$ 1,738
Intergovernmental	-	-	-	-	47
Local fees, licenses, commissions and miscellaneous	-	-	-	-	1
Total receipts	\$ -	\$ -	\$ 15	\$ 15	\$ 1,786
Disbursements					
Capital outlay	\$ 10,000	\$ 10,000	\$ -	\$ 10,000	\$ -
Total disbursements	\$ 10,000	\$ 10,000	\$ -	\$ 10,000	\$ -
Excess (deficiency) of receipts over (under) disbursements	\$ (10,000)	\$ (10,000)	\$ 15	\$ 10,015	\$ 1,786
Fund balance, beginning of year			12,921		11,135
Fund balance, end of year			\$ 12,936		\$ 12,921

See accompanying independent auditors' report.

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**NONMAJOR FUND - SPECIAL PROJECTS CAPITAL PROJECTS FUND**  
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS**  
**AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**For the Year Ended June 30, 2008**  
**With Comparative Figures for the Year Ended June 30, 2007**

	2008				2007 Actual
	Budget		Actual	Variance Favorable (Unfavorable)	
	Original	Final			
Receipts					
Intergovernmental	\$ 84,370	\$ 84,370	\$ 48,230	\$ (36,140)	\$ 41,034
Local fees, licenses, commissions and miscellaneous	-	-	1,246	1,246	12,051
Total receipts	\$ 84,370	\$ 84,370	\$ 49,476	\$ (34,894)	\$ 53,085
Transfers in from other funds	-	-	-	-	32,319
Total receipts and transfers in	\$ 84,370	\$ 84,370	\$ 49,476	\$ (34,894)	\$ 85,404
Disbursements					
Personal services	\$ 83,638	\$ 83,638	\$ 21,700	\$ 61,938	\$ 19,737
Operating expenses	28,971	28,971	13,079	15,892	14,753
Supplies and materials	7,802	7,802	15,144	(7,342)	21,494
Capital outlay	1,961	1,961	1,952	9	6,615
Total disbursements	\$ 122,372	\$ 122,372	\$ 51,875	\$ 70,497	\$ 62,599
Excess (deficiency) of receipts and transfers in over (under) disbursements	\$ (38,002)	\$ (38,002)	\$ (2,399)	\$ 35,603	\$ 22,805
Fund balance, beginning of year			38,002		15,197
Fund balance, end of year			\$ 35,603		\$ 38,002

See accompanying independent auditors' report.

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**NONMAJOR FUND - HOMELAND SECURITY CAPITAL PROJECTS FUND**  
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS**  
**AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**For the Year Ended June 30, 2008**  
**With Comparative Figures for the Year Ended June 30, 2007**

	2008				2007 Actual
	Budget		Actual	Variance Favorable (Unfavorable)	
	Original	Final			
Receipts					
Intergovernmental	\$ 185,412	\$ 185,412	\$ 42,218	\$ (143,194)	\$ 355,957
Total receipts	\$ 185,412	\$ 185,412	\$ 42,218	\$ (143,194)	\$ 355,957
Disbursements					
Operating expenses	\$ 11,593	\$ 11,593	\$ 3,969	\$ 7,624	\$ 8,657
Capital outlay	179,373	179,373	38,095	141,278	352,277
Total disbursements	\$ 190,966	\$ 190,966	\$ 42,064	\$ 148,902	\$ 360,934
Excess (deficiency) of receipts over (under) disbursements	\$ (5,554)	\$ (5,554)	\$ 154	\$ 5,708	\$ (4,977)
Fund balance, beginning of year			5,554		10,531
Fund balance, end of year			\$ 5,708		\$ 5,554

See accompanying independent auditors' report.

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**NONMAJOR FUND - CAPITAL IMPROVEMENTS CAPITAL PROJECTS FUND**  
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS**  
**AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**For the Year Ended June 30, 2008**  
**With Comparative Figures for the Year Ended June 30, 2007**

	2008				2007 Actual
	Budget		Actual	Variance Favorable (Unfavorable)	
	Original	Final			
Receipts					
Intergovernmental	\$ 250,000	\$ 250,000	\$ 250,000	\$ -	\$ 250,000
Total receipts	\$ 250,000	\$ 250,000	\$ 250,000	\$ -	\$ 250,000
Disbursements					
Operating expenses	\$ 10,000	\$ 10,000	\$ 9,703	\$ 297	\$ 247,483
Capital outlay	520,911	520,911	500,000	20,911	136,109
Total disbursements	\$ 530,911	\$ 530,911	\$ 509,703	\$ 21,208	\$ 383,592
Transfers out to other funds	-	-	-	-	53,189
Total disbursements and transfers out	\$ 530,911	\$ 530,911	\$ 509,703	\$ 21,208	\$ 436,781
Excess (deficiency) of receipts over (under) disbursements and transfers out	\$ (280,911)	\$ (280,911)	\$ (259,703)	\$ 21,208	\$ (186,781)
Fund balance, beginning of year			280,911		467,692
Fund balance, end of year			\$ 21,208		\$ 280,911

See accompanying independent auditors' report.



**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  
Scotts Bluff County  
Gering, Nebraska

We have audited the accompanying financial statements of the governmental activities, the business-type activity, each major fund, and the aggregate remaining fund information of Scotts Bluff County, Nebraska (the "County") as of and for the year ended June 30, 2008, which collectively comprise the County's basic financial statements and have issued our report thereon dated January 20, 2009. Our report disclosed that, as described in Note 1 to the financial statements, the County prepares its financial statements of the governmental, business-type and fiduciary funds on the cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. 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.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the County's ability to initiate, authorize, record, process, or report financial data

To the Board of Commissioners  
Scotts Bluff County  
Gering, Nebraska  
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Internal Control Over Financial Reporting (Continued)

reliably in accordance with accounting principles generally accepted in the United States of America such that there is more than a remote likelihood that a misstatement of the County's financial statements that is more than inconsequential will not be prevented or detected by the County's internal control. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as items 2008-1 and 2008-2 to be significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the County's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that the significant deficiencies described above are not material weaknesses.

Compliance and Other Matters

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

We also noted certain other matters that we reported to management of Scotts Bluff County in a separate letter dated January 20, 2009.

The County's response to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the County's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the Board of Commissioners of Scotts Bluff County, Nebraska, others within the County and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*FDA. Belue & Co. P.C.*

Scottsbluff, Nebraska  
January 20, 2009



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Board of Commissioners  
Scotts Bluff County  
Gering, Nebraska

Compliance

We have audited the compliance of Scotts Bluff County (County) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2008. The County's major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the County's compliance with those requirements.

In our opinion, Scotts Bluff County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2008.



To the Board of Commissioners  
Scotts Bluff County  
Gering, Nebraska  
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Internal Control Over Compliance

The management of Scotts Bluff County is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing an opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify and deficiencies in internal control over compliance that we consider to be material weaknesses as defined above.

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**For the Year Ended June 30, 2008**

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<u>United State Department of Health and Human Services</u>			
Passed through Nebraska Department of Health and Human Services:			
Immunization Grants	93.268	NA	\$ 54,334
Bioterrorism Training and Curriculum Development	93.996	U90/CCU716975-07-2	59,500
Centers for Disease Control and Prevention Investigations and Technical Assistance	93.283	090CCU723775	7,980
Child Support Enforcement	93.563	08-04NF4004	373,322
Passed through Aging Office of Western Nebraska:			
Special Programs for the Aging - Title III, Part B Grants for Supportive Services and Senior Centers	93.044	NA	<u>55,111</u>
Total United States Department of Health and Human Services			<u>\$ 550,247</u>
<u>United State Department of Transportation</u>			
Passed through Nebraska Department of Roads:			
Formula Grants for Other Than Urbanized Areas	20.509	RPT-C791(208)	\$ 112,997
Occupant Protection	20.602	NA	10,888
Safety Incentives to Prevent Operation of Motor Vehicles by Intoxicated Persons	20.605	NA	10,888
State and Community Highway Safety	20.600	NA	19,500
Alcohol Traffic Safety and Drunk Driving Prevention	20.601	NA	<u>3,594</u>
Total United States Department of Transportation			<u>\$ 157,867</u>
<u>United State Department of Justice</u>			
Direct Funding:			
US Marshall CAP Funding - 004-47-05 PP	N/A	044-47-05 PP	\$ 250,000
Passed through Nebraska Crime Commission:			
Juvenile Accountability Incentive Block Grants	16.523	07-CA-538	32,196
Crime Victim Assistance	16.575	07-VA-201	34,150
Byrne Discretionary Program	16.738	06-DA-305	193,982
Passed through Nebraska Department of Justice			
Bulletproof Vest Partnership Program	16.607	NA	1,400
Passed through Nebraska State Patrol:			
Public Safety Partnership and Community Policing Grants	16.710	NA	<u>1,960</u>
Total United States Department of Justice			<u>\$ 513,688</u>
<u>United State Department of Homeland Security</u>			
Passed through Nebraska Emergency Management Agency:			
Homeland Security Grant Program	97.067	2007-GE-T7-0035	\$ 42,064
Emergency Management Preparedness Grant	97.042	2007-EM-E7-0081	<u>19,667</u>
Total United States Department of Homeland Security			<u>\$ 61,731</u>
Total Expenditures of Federal Awards			<u>\$ 1,283,533</u>

See accompanying independent auditors' report  
and notes to the schedule of expenditures of federal awards.

SCOTTS BLUFF COUNTY  
Gering, Nebraska

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2008

NOTE 1 - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Scotts Bluff County, Nebraska and is presented on the cash basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

NOTE 2 - SUB-RECIPIENTS

Of the federal expenditures presented in the Schedule of Expenditures of Federal Awards, the County provided federal awards to a sub-recipient as follows:

Homeland Security Grant Program	97.067	\$42,064
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See accompanying independent auditors' report.

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**For the Year Ended June 30, 2008**

**Section I - Summary of Auditors' Results**

*Financial Statements*

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified? \_\_\_\_\_ yes   X   no

Significant deficiencies identified that are not considered to be material weaknesses? \_\_\_\_\_   X   yes \_\_\_\_\_ none reported

Noncompliance material to financial statements noted? \_\_\_\_\_ yes   X   no

*Federal Awards*

Internal control over major programs:

Material weakness(es) identified? \_\_\_\_\_ yes   X   no

Significant deficiencies identified that are not considered to be material weaknesses? \_\_\_\_\_ yes   X   none reported

Type of auditors' report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? \_\_\_\_\_   X   yes \_\_\_\_\_ no

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
93.563	Child Support Enforcement
N/A	U.S. Marshall CAP Funding
16.738	Byrne Discretionary Program

Dollar threshold used to distinguish between type A and type B programs: \$   300,000  

Auditee qualified as low-risk auditee? \_\_\_\_\_ yes   X   no

See accompanying independent auditors' report.

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**

**For the Year Ended June 30, 2008**

**Section II - Financial Statement Findings**

**Current Year Findings**

**2008-1 FINDING: Segregation of Accounting Functions:**

**Condition** - There is a lack of segregation of accounting functions among various County offices and personnel. This is a continuing finding from the prior year.

**Criteria** - Authorization or approval of transactions, recording of transactions, and custody of assets should normally be segregated from each other.

**Effect of the Condition** - This lack of segregation of duties results in an inadequate overall internal control structure design.

**Cause of the Condition** - The County does not employ sufficient office personnel to properly segregate accounting functions.

**Recommendation** - 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.

**Auditee Response** - The County has assessed the benefits and costs associated with the proper segregation of duties for all County departments and offices and has determined the costs would outweigh any benefits received. The County understands the inherent risks associated with improper segregation of accounting functions. The County requires monthly reporting to the Board of Commissioners by various department officials to ensure transactions are recorded, and potential errors and irregularities are identified on a timely basis.

**2008-2 FINDING: Preparation of Financial Statements:**

**Condition** - 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. This situation is not unusual in an organization the size of Scotts Bluff County.

**Criteria** - Government auditing standards indicate that the inability to produce financial statements is an internal control deficiency.

See accompanying independent auditors' report.

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**

**For the Year Ended June 30, 2008**

**Section II - Financial Statement Findings (Continued)**

**Current Year Findings (Continued)**

**2008-2 FINDING: Preparation of Financial Statements (Continued):**

**Effect of the Condition** - The auditor is requested to prepare the financial statements.

**Cause of the Condition** - The County does not find it cost effective to incur the cost to provide for the preparation of the financial statements.

**Recommendation** - The County should provide appropriate oversight of the preparation of the financial statements prepared by the auditor.

**Management Response** - 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.

**Prior Year Findings**

**2007-1 FINDING: Segregation of Accounting Functions:**

**Condition** - There is a lack of segregation of accounting functions among various County offices and personnel. This is a continuing finding from the prior year.

**Current Status** - This finding is repeated in the current year as finding 2008-1.

**2007-2 FINDING: Preparation of Financial Statements:**

**Condition** - 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. This situation is not unusual in an organization the size of Scotts Bluff County.

**Current Status** - This finding is repeated in the current year as finding 2008-2.

See accompanying independent auditors' report.

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**

**For the Year Ended June 30, 2008**

**Section III - Federal Award Findings and Questioned Costs**

**Current Year Findings and Questioned Costs**

There were no federal awards findings noted in the current year.

**Prior Year Findings and Questioned Costs**

**2007-3 FINDING: Preparation of the Schedule of Expenditures of Federal Awards:**

**Condition** - The County does not have an internal control system designed to provide for a single point of reference and the systematic tracking of federal awards received during the fiscal year and the amounts spent relating to those programs. Information contained in the Schedule of Expenditures of Federal Awards was compiled by the auditor based upon discussions with all of the individual fee offices. According to auditing standards, the County is responsible for compiling information relating to the Schedule of Expenditures of Federal Awards.

**Current Status** - The County has made improvements in tracking of its grants.

**2007-4 FINDING: Sub-recipient Monitoring:**

**Federal Program** - 97.067 Homeland Security Grant

**Condition** - The County is the recipient of the Homeland Security Grant which is used to purchase needed equipment and provide training and technical assistance to local first responders to enhance their capabilities in responding to terrorist acts. While the equipment purchased is turned over to local first responders such as local police and fire departments, title to the equipment remains with the County. Thus, the County has requirements to track and monitor the use and care of the equipment purchased with this grant. It does not appear that sufficient requirements are placed on the local first responder agencies by the County to allow the County to perform the required monitoring.

**Current Status** - The County obtained written agreements with the local first responder agencies that have received equipment through this grant.

See accompanying independent auditors' report.

**SCOTTS BLUFF COUNTY**  
**Gering, Nebraska**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**

**For the Year Ended June 30, 2008**

**Section III - Federal Award Findings and Questioned Costs (Continued)**

**Prior Year Findings and Questioned Costs (Continued)**

**2007-5 FINDING: Bidding:**

**Federal Program** - 97.067 Homeland Security Grant

**Condition** - It does not appear that the County's procurement policies regarding bidding were followed in the purchase of equipment under the Homeland Security Grant.

**Current Status** - No purchases for which the bidding requirement would be applicable were made in the 2007/2008 fiscal year.

See accompanying independent auditors' report.