

SCOTTS BLUFF COUNTY
Gering, Nebraska

FINANCIAL REPORT

For the Year Ended June 30, 2010

SCOTTS BLUFF COUNTY
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, 2010, 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, 2010, 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 November 8, 2010, 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 considered in assessing 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 non-major 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. LOCKWOOD & Co. P.C.

Scottsbluff, Nebraska
November 8, 2010

SCOTTS BLUFF COUNTY
Gering, Nebraska

STATEMENT OF NET ASSETS - CASH BASIS

June 30, 2010

	<u>Governmental Activities</u>	<u>Business-Type Activity</u>	<u>Total Primary Government</u>
Assets			
Cash and cash equivalents	\$ 5,643,424	\$ 535,368	\$ 6,178,792
Certificates of deposit	2,200,000	-	2,200,000
Internal balances	3,928	(3,928)	-
	<u>7,847,352</u>	<u>(3,928)</u>	<u>-</u>
Total assets	\$ <u>7,847,352</u>	\$ <u>531,440</u>	\$ <u>8,378,792</u>
Liabilities and Net Assets			
Liabilities	\$ -	\$ -	\$ -
Net assets			
Unrestricted	\$ <u>7,847,352</u>	\$ <u>531,440</u>	\$ <u>8,378,792</u>
Total net assets	\$ <u>7,847,352</u>	\$ <u>531,440</u>	\$ <u>8,378,792</u>
Total liabilities and net assets	\$ <u>7,847,352</u>	\$ <u>531,440</u>	\$ <u>8,378,792</u>

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

SCOTTS BLUFF COUNTY
Gering, Nebraska

STATEMENT OF ACTIVITIES - CASH BASIS

For the Year Ended June 30, 2010

	Program Receipts				Net (Disbursements) Receipts and Changes in Net Assets	
	Disbursements	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	
					Governmental Activities	Business-Type Activity
Primary government						
Governmental activities						
General government	\$ 5,108,654	\$ 869,295	\$ 625,265	\$ 155,600	\$ (3,458,494)	\$ -
Public safety	8,304,085	925,218	1,564,801	356,021	(5,458,045)	-
Public works	3,276,804	171,266	89,044	-	(3,016,494)	-
Public health	401,016	3,360	94,047	111,419	(192,190)	-
Public welfare and social services	694,524	-	-	-	(694,524)	-
Culture and recreation	256,908	-	50,000	-	(206,908)	-
Conservation of natural resources	525	-	-	-	(525)	-
Debt service						
Principal	656,207	-	-	-	(656,207)	-
Interest	651,759	-	-	-	(651,759)	-
Total governmental activities	<u>\$ 19,350,482</u>	<u>\$ 1,969,139</u>	<u>\$ 2,423,157</u>	<u>\$ 623,040</u>	<u>\$ (14,335,146)</u>	<u>\$ -</u>
Business-type activity						
Keno enterprise fund	<u>\$ 647,366</u>	<u>\$ 931,401</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 284,035</u>
Total primary government	<u>\$ 19,997,848</u>	<u>\$ 2,900,540</u>	<u>\$ 2,423,157</u>	<u>\$ 623,040</u>	<u>\$ (14,335,146)</u>	<u>\$ 284,035</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, 2010

	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>
Total primary government	\$ <u>19,997,848</u>	\$ <u>2,900,540</u>	\$ <u>2,423,157</u>	\$ <u>623,040</u>	\$ <u>(14,335,146)</u>	\$ <u>284,035</u>
			General receipts			
			Property taxes	\$ 8,046,938	\$ -	
			Motor vehicle taxes	1,041,457	-	
			Other taxes	560,452	-	
			Intergovernmental	3,613,050	-	
			Miscellaneous local	852,874	-	
			Investment earnings	149,953	2,008	
			Transfers	235,000	(235,000)	
			Total general receipts	\$ 14,499,724	\$ (232,992)	
			Change in net assets	\$ 164,578	\$ 51,043	
			Net assets, beginning of year	7,682,774	480,397	
			Net assets, end of year	\$ 7,847,352	\$ 531,440	

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, 2010

	Major Funds					
	General Fund	Road and Bridge Fund	Juvenile Detention Fund	Debt Service Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	\$ 2,908,952	\$ 315,536	\$ 1,699,105	\$ 1,281,796	\$ 1,638,035	\$ 7,843,424
Internal receivables	<u>3,928</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,928</u>
Total assets	<u>\$ 2,912,880</u>	<u>\$ 315,536</u>	<u>\$ 1,699,105</u>	<u>\$ 1,281,796</u>	<u>\$ 1,638,035</u>	<u>\$ 7,847,352</u>
Liabilities and Fund Balances						
Liabilities						
Internal payables	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Fund balances						
Unreserved						
Undesignated	\$ 2,912,880	\$ 315,536	\$ 1,699,105	\$ 1,281,796	\$ -	\$ 6,209,317
Reported in nonmajor						
Special revenue funds	-	-	-	-	726,173	726,173
Capital projects funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>911,862</u>	<u>911,862</u>
Total fund balances	<u>\$ 2,912,880</u>	<u>\$ 315,536</u>	<u>\$ 1,699,105</u>	<u>\$ 1,281,796</u>	<u>\$ 1,638,035</u>	<u>\$ 7,847,352</u>
Total liabilities and fund balances	<u>\$ 2,912,880</u>	<u>\$ 315,536</u>	<u>\$ 1,699,105</u>	<u>\$ 1,281,796</u>	<u>\$ 1,638,035</u>	<u>\$ 7,847,352</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, 2010

	Major Funds				Other Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Road and Bridge Fund	Juvenile Detention Fund	Debt Service Fund		
Receipts						
Property taxes	\$ 3,741,488	\$ -	\$ 2,370,433	\$ 990,982	\$ 944,035	\$ 8,046,938
Motor vehicle taxes	1,041,457	-	-	-	-	1,041,457
Other taxes	250	-	-	-	560,202	560,452
Intergovernmental	1,781,493	2,079,387	1,735,293	114,316	948,758	6,659,247
Local fees, licenses, commissions and miscellaneous	1,303,299	228,890	695,399	57,863	536,562	2,822,013
Investment earnings	141,177	-	-	-	8,776	149,953
Total receipts	\$ 8,009,164	\$ 2,308,277	\$ 4,801,125	\$ 1,163,161	\$ 2,998,333	\$ 19,280,060
Disbursements						
Current						
General government	\$ 4,673,071	\$ -	\$ -	\$ 10,565	\$ 56,542	\$ 4,740,178
Public safety	2,765,344	-	4,337,878	-	765,984	7,869,206
Public works	89,976	2,561,163	-	-	244,915	2,896,054
Public health	-	-	-	-	400,926	400,926
Public welfare and social services	571,861	-	-	-	109,927	681,788
Culture and recreation	-	-	-	-	256,908	256,908
Conservation of natural resources	-	-	-	-	525	525
Capital outlay	494,962	378,067	34,577	-	289,325	1,196,931
Debt service						
Principal	20,099	46,108	-	590,000	-	656,207
Interest	27,602	6,283	-	617,874	-	651,759
Total disbursements	\$ 8,642,915	\$ 2,991,621	\$ 4,372,455	\$ 1,218,439	\$ 2,125,052	\$ 19,350,482

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, 2010

	Major Funds				Other Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Road and Bridge Fund	Juvenile Detention Fund	Debt Service Fund		
Excess (deficiency) of receipts over (under) disbursements	\$ (633,751)	\$ (683,344)	\$ 428,670	\$ (55,278)	\$ 873,281	\$ (70,422)
Other financing sources (uses)						
Operating transfers in	\$ 831,111	\$ 650,802	\$ -	\$ 67,880	\$ 130,705	\$ 1,680,498
Operating transfers out	(726,507)	(67,880)	-	-	(651,111)	(1,445,498)
Total other financing sources (uses)	\$ 104,604	\$ 582,922	\$ -	\$ 67,880	\$ (520,406)	\$ 235,000
Net change in fund balances	\$ (529,147)	\$ (100,422)	\$ 428,670	\$ 12,602	\$ 352,875	\$ 164,578
Fund balances, beginning of year	3,442,027	415,958	1,270,435	1,269,194	1,285,160	7,682,774
Fund balances, end of year	<u>\$ 2,912,880</u>	<u>\$ 315,536</u>	<u>\$ 1,699,105</u>	<u>\$ 1,281,796</u>	<u>\$ 1,638,035</u>	<u>\$ 7,847,352</u>

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

SCOTTS BLUFF COUNTY
Gering, Nebraska

STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE
ARISING FROM CASH TRANSACTIONS - BUSINESS-TYPE FUND

June 30, 2010

	<u>Keno Enterprise Fund</u>
Assets	
Cash and cash equivalents	\$ <u>535,368</u>
Total assets	\$ <u><u>535,368</u></u>
Liabilities and Net Assets	
Liabilities	
Due to other funds	\$ <u>3,928</u>
Net Assets	
Unreserved	\$ <u>531,440</u>
Total net assets	\$ <u>531,440</u>
Total liabilities and net assets	\$ <u><u>535,368</u></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 BALANCE - BUSINESS-TYPE FUND

For the Year Ended June 30, 2010

	<u>Keno</u> <u>Enterprise Fund</u>
Operating revenues	
Keno receipts	\$ 3,440,463
Less: payments to customers	<u>(2,509,062)</u>
Total operating revenues	<u>\$ 931,401</u>
Operating expenses	
Personal services	\$ 9,324
Operating expenses	28,464
Supplies and materials	609,578
Capital outlay	<u>-</u>
Total operating expenses	<u>\$ 647,366</u>
Operating income (loss)	<u>\$ 284,035</u>
Nonoperating income (expense)	
Investment earnings	<u>\$ 2,008</u>
Total nonoperating income (expense)	<u>\$ 2,008</u>
Income before operating transfers	<u>\$ 286,043</u>
Operating transfers in (out)	
Operating transfers in	\$ -
Operating transfers out	<u>(235,000)</u>
Total operating transfers in (out)	<u>\$ (235,000)</u>
Change in net assets	\$ 51,043
Fund balance, beginning of year	<u>480,397</u>
Fund balance, end of year	<u><u>\$ 531,440</u></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, 2010

	<u>Keno Enterprise Fund</u>
Cash flows from operating activities	
Receipts from customers	\$ 3,442,088
Payments to customers	(2,509,062)
Payments to and for the benefit of employees	(9,324)
Payments for operating expenses	<u>(638,042)</u>
Total cash provided by operating activities	\$ <u>285,660</u>
Cash flows from noncapital financing activities	
Transfers out to other funds	\$ <u>(235,000)</u>
Total cash (used in) noncapital financing activities	\$ <u>(235,000)</u>
Cash flows from investing activities	
Investment earnings	\$ <u>2,008</u>
Total cash provided by investing activities	\$ <u>2,008</u>
Net increase (decrease) in cash and cash equivalents	\$ 52,668
Cash and cash equivalents, beginning of year	<u>482,700</u>
Cash and cash equivalents, end of year	\$ <u><u>535,368</u></u>
Reconciliation of operating income (loss) to cash flows provided by operating activities	
Operating income (loss)	\$ 284,035
Adjustment to reconcile operating income (loss) to net cash provided by operating activities	
Decrease in due from other funds	<u>1,625</u>
Total cash provided by operating activities	\$ <u><u>285,660</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, 2010

	<u>Agency Fund</u>
Assets	
Cash and cash equivalents	\$ <u>2,308,909</u>
Total assets	\$ <u><u>2,308,909</u></u>
Due to other governments	
Road Improvement Districts	\$ 1,606
State	557,573
Schools	731,779
Educational Service Units	7,094
Community/Technical Colleges	45,826
Natural Resource Districts	18,967
Cemeteries	21,396
Fire Districts	6,527
Sanitary Improvement Districts	182,023
Drainage Districts	6,910
Irrigation Districts	18,637
Municipalities	120,913
Redevelopment Districts	1,737
Agricultural Society	5,428
Other Governments	<u>582,493</u>
Total liabilities	\$ <u><u>2,308,909</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, 2010

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 non-fiduciary activities of the primary government. For the most part, the effect of inter-fund 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 among program revenues are reported as general receipts.

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, 2010

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 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.

SCOTTS BLUFF COUNTY
Gering, Nebraska

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2010

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 non-operating 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.

SCOTTS BLUFF COUNTY
Gering, Nebraska

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2010

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, 2009, audited financial statements.

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

See accompanying independent auditors' report.

SCOTT BLUFF COUNTY
Gering, Nebraska

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2010

NOTE 3 - CASH AND INVESTMENTS (CONTINUED)

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 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 \$9,940,886 as of June 30, 2010, were insured by federal depository insurance in the amount of \$1,250,000. 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, 2010, were as follows:

	<u>Financial Institution Balances</u>	<u>Financial Statement Carrying Amount</u>
Cash on hand	\$ -	\$ 236,328
Pooled Cash	7,787,495	8,251,373
Pooled Investments	<u>2,200,000</u>	<u>2,200,000</u>
Total	<u>\$ 9,987,495</u>	<u>\$ 10,687,701</u>

Analysis of cash reporting by activity:

Governmental activities		\$ 7,843,424
Proprietary activity		535,368
Fiduciary activities		<u>2,308,909</u>
Total		<u>\$ 10,687,701</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, 2010, the County had balances with financial institutions of \$9,940,886, of which \$2,467,495 was exposed to custodial credit risk as follows:

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY
Gering, Nebraska

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2010

NOTE 3 - CASH AND INVESTMENTS (CONTINUED)

Custodial Credit Risk (Continued) -

	Bank Balance	Custodial Credit Risk
Insured by FDIC insurance	\$ 1,250,000	\$ -
Insured by surety bond or irrevocable letters of credit	6,270,000	-
Collateralized		
Held by pledging institution in the County's name	2,467,495	2,467,495
Total	\$ 9,987,495	\$ 2,467,495

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, 2010, were \$1,300,000.

NOTE 4 - LONG-TERM DEBT

A schedule of changes in long-term debt, including capital leases, for the year ended June 30, 2010, is as follows:

	Beginning Balance	Additions	Payments	Ending Balance
Capital lease obligations	\$ 252,206	\$ -	\$ (59,900)	\$ 192,306
Note Payable	323,942	-	(6,307)	317,635
General obligation bonds	14,565,000	-	(590,000)	13,975,000
Total	\$ 15,141,148	\$ -	\$ (656,207)	\$ 14,484,941

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY
Gering, Nebraska

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2010

NOTE 6 - LONG-TERM DEBT (CONTINUED)

Capital leases payable at June 30, 2010, are comprised of the following contracts:

The County is the lessee of a telephone system and telephones under a capital lease agreement maturing in February 2014, monthly installments of \$1,547 are due including interest at 12.3%, the lease agreement is secured by equipment.

\$ 49,523

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.

2,249

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.

140,534

Total capital leases

\$ 192,306

The note payable at June 30, 2010, 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.

\$ 317,635

Bonds Payable at June 30, 2010, 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.

\$ 180,000

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY
Gering, Nebraska

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2010

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. \$ 60,000

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. 5,925,000

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. 3,590,000

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. 2,135,000

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY
Gering, Nebraska

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2010

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.

\$ 2,085,000

Total bonds payable

\$ 13,975,000

Total long-term debt

\$ 14,484,941

The annual debt service requirements for the next five years and for each five-year period thereafter as of June 30, 2010, are as follows:

Year Ending June 30,	Capital Leases		Notes Payable		Bonds Payable		Totals	
	Princial	Interest	Princial	Interest	Princial	Interest	Princial	Interest
2011	\$ 62,461	\$ 10,040	\$ 6,626	\$ 15,574	\$ 610,000	\$ 595,742	\$ 679,087	\$ 621,356
2012	65,525	6,333	6,961	15,238	575,000	574,133	647,486	595,704
2013	59,770	2,454	7,314	14,886	600,000	552,282	667,084	569,622
2014	4,550	93	7,684	14,516	560,000	530,385	572,234	544,994
2015	-	-	8,074	14,126	575,000	508,378	583,074	522,504
2016 - 2020	-	-	46,930	64,069	3,280,000	2,169,430	3,326,930	2,233,499
2021 - 2025	-	-	60,079	50,921	3,320,000	1,438,240	3,380,079	1,489,161
2026 - 2030	-	-	76,911	34,089	3,625,000	699,288	3,701,911	733,377
2031 - 2035	-	-	97,056	12,540	830,000	37,860	927,056	50,400
2036 - 2040	-	-	-	-	-	-	-	-
Total	\$ <u>192,306</u>	\$ <u>18,920</u>	\$ <u>317,635</u>	\$ <u>235,959</u>	\$ <u>13,975,000</u>	\$ <u>7,105,738</u>	\$ <u>14,484,941</u>	\$ <u>7,360,617</u>

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY

Gering, Nebraska

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2010

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, 2010, were \$22,200.

Lessee Agreements - The County is the lessee of office equipment and communications towers under operating leases expiring in various years through 2019.

Minimum future rental payments under non-cancellable operating leases having remaining terms in excess of one year as of June 30, 2010, are as follows:

<u>Year Ending June 30,:</u>	
2011	\$ 24,001
2012	22,468
2013	17,892
2014	9,800
2015	7,780
Thereafter	<u>2,340</u>
Total minimum future rental payments	\$ <u>84,281</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, 2010

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, 2008, 2009 and 2010, were \$504,584, \$521,372, and \$535,624, 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, 2010

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, 2010

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, 2010, \$3,928 is owed to the General Fund from the Keno Fund for interest earned on pooled cash which should be attributable to the Keno Fund and wages of the management accountant that should be expensed 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	\$ 831,111	\$ 726,507
Road and Bridge	650,802	67,880
Special Projects	-	-
Drug Court	-	-
Homeland Security	-	96,111
Health	20,000	-
Debt Service	67,880	-
Capital Improvements	-	-
Jail Obligation Funds	-	-
Inheritance Tax	-	530,000
Flood Control	-	25,000
Scottsbluff Drain Sinking	25,000	-
Noxious Weed	65,705	-
Central Communications	20,000	-
	\$ 1,680,498	\$ 1,445,498
Total governmental funds	\$ 1,680,498	\$ 1,445,498
Less eliminations	(1,445,498)	(1,445,498)
Net governmental funds	\$ 235,000	\$ -
Business-Type Fund:		
Keno Enterprise	\$ -	\$ 235,000

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.

NOTE 12 – SUBSEQUENT EVENTS

The County has evaluated subsequent events through November 8, 2010, the date which the financial statements were available to be issued.

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY
Gering, Nebraska

REQUIRED SUPPLEMENTARY INFORMATION

SCOTTS BLUFF COUNTY
Gering, Nebraska

BUDGETARY COMPARISON SCHEDULE
MAJOR FUND - GENERAL FUND

For the Year Ended June 30, 2010
With Comparative Figures for the Year Ended June 30, 2009

	2010			Variance Favorable (Unfavorable)	2009 Actual
	Budget		Actual		
	Original	Final			
Receipts					
Property taxes	\$ 4,478,548	\$ 4,478,548	\$ 3,741,488	\$ (737,060)	\$ 3,349,642
Motor vehicle taxes	1,042,344	1,042,344	1,041,457	(887)	1,042,344
Other taxes	300	300	250	(50)	300
Intergovernmental	2,188,309	2,188,309	1,781,493	(406,816)	1,496,496
Local fees, licenses, commissions and miscellaneous	1,329,983	1,329,983	1,303,299	(26,684)	1,266,806
Investment earnings	217,500	217,500	141,177	(76,323)	213,432
Total receipts	\$ 9,256,984	\$ 9,256,984	\$ 8,009,164	\$ (1,247,820)	\$ 7,369,020
Transfers in from other funds	937,303	937,303	831,111	(106,192)	1,205,000
Total receipts and transfers in	\$ 10,194,287	\$ 10,194,287	\$ 8,840,275	\$ (1,354,012)	\$ 8,574,020
Disbursements					
General Government					
Board of Commissioners					
Personal services	\$ 100,320	\$ 100,320	\$ 99,619	\$ 701	\$ 96,930
Operating expenses	9,010	9,010	4,013	4,997	5,212
Supplies and materials	500	500	151	349	218
Total board of commissioners	\$ 109,830	\$ 109,830	\$ 103,783	\$ 6,047	\$ 102,360
County Clerk					
Personal services	\$ 179,953	\$ 179,953	\$ 183,349	\$ (3,396)	\$ 170,582
Operating expenses	3,450	3,450	2,181	1,269	5,216
Supplies and materials	3,375	3,375	3,169	206	4,937
Equipment rental	3,500	3,500	-	3,500	642
Capital outlay	2,300	2,300	1,186	1,114	5,387
Total county clerk	\$ 192,578	\$ 192,578	\$ 189,885	\$ 2,693	\$ 186,764
County Treasurer					
Personal services	\$ 464,474	\$ 464,474	\$ 402,310	\$ 62,164	\$ 380,289
Operating expenses	18,050	18,050	18,712	(662)	24,526
Supplies and materials	7,000	7,000	6,227	773	7,123
Equipment rental	1,900	1,900	900	1,000	1,991
Capital outlay	4,000	4,000	4,075	(75)	5,948
Total county treasurer	\$ 495,424	\$ 495,424	\$ 432,224	\$ 63,200	\$ 419,877
Register of Deeds					
Personal services	\$ 158,433	\$ 158,433	\$ 153,495	\$ 4,938	\$ 147,212
Operating expenses	5,150	5,150	4,737	413	3,764
Supplies and materials	9,000	9,000	7,914	1,086	7,353
Capital outlay	1,500	1,500	636	864	1,100
Total register of deeds	\$ 174,083	\$ 174,083	\$ 166,782	\$ 7,301	\$ 159,429

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY
Gering, Nebraska

BUDGETARY COMPARISON SCHEDULE
MAJOR FUND - GENERAL FUND (CONTINUED)

For the Year Ended June 30, 2010
With Comparative Figures for the Year Ended June 30, 2009

	2010		Actual	Variance Favorable (Unfavorable)	2009 Actual
	Budget				
	Original	Final			
Disbursements					
General Government (Continued)					
County Assessor					
Personal services	\$ 354,881	\$ 354,881	\$ 340,288	\$ 14,593	\$ 339,023
Operating expenses	38,972	38,972	28,659	10,313	26,411
Supplies and materials	27,000	27,000	15,063	11,937	14,636
Equipment rental	4,000	4,000	2,191	1,809	3,265
Capital outlay	10,000	10,000	8,589	1,411	43,495
Total county assessor	\$ 434,853	\$ 434,853	\$ 394,790	\$ 40,063	\$ 426,830
Election Commissioner					
Personal services	\$ 52,759	\$ 52,759	\$ 38,211	\$ 14,548	\$ 61,441
Operating expenses	20,775	20,775	11,235	9,540	14,647
Supplies and materials	34,700	34,700	24,484	10,216	27,150
Capital outlay	750	750	2,595	(1,845)	-
Total election commissioner	\$ 108,984	\$ 108,984	\$ 76,525	\$ 32,459	\$ 103,238
Building and Zoning					
Personal services	\$ 53,334	\$ 53,334	\$ 51,940	\$ 1,394	\$ 51,162
Operating expenses	21,235	21,235	28,808	(7,573)	13,503
Supplies and materials	6,450	6,450	3,596	2,854	3,202
Capital outlay	1,000	1,000	170	830	-
Transfers out	13,500	13,500	-	13,500	7,473
Total building and zoning	\$ 95,519	\$ 95,519	\$ 84,514	\$ 11,005	\$ 75,340
Clerk of the District Court					
Personal services	\$ 231,370	\$ 231,370	\$ 227,061	\$ 4,309	\$ 214,789
Operating expenses	101,150	101,150	78,083	23,067	87,877
Supplies and materials	4,300	4,300	6,031	(1,731)	6,771
Equipment rental	100	100	-	100	-
Capital outlay	1,380	1,380	-	1,380	1,218
Total clerk of the district court	\$ 338,300	\$ 338,300	\$ 311,175	\$ 27,125	\$ 310,655
County Court System					
Personal services	\$ 4,500	\$ 4,500	\$ 2,753	\$ 1,747	\$ 5,363
Operating expenses	279,900	314,900	284,788	30,112	284,625
Supplies and materials	20,000	20,000	18,449	1,551	21,471
Equipment rental	1,548	1,548	-	1,548	137
Capital outlay	3,000	3,000	868	2,132	8,010
Debt service - principal	-	-	1,337	(1,337)	1,769
Debt service - interest	-	-	340	(340)	459
Total county court system	\$ 308,948	\$ 343,948	\$ 308,535	\$ 35,413	\$ 321,834

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY
Gering, Nebraska

BUDGETARY COMPARISON SCHEDULE
MAJOR FUND - GENERAL FUND (CONTINUED)

For the Year Ended June 30, 2010
With Comparative Figures for the Year Ended June 30, 2009

	2010				2009 Actual
	Budget		Actual	Variance Favorable (Unfavorable)	
	Original	Final			
Disbursements					
General Government (Continued)					
District Judge					
Personal services	\$ 46,036	\$ 46,036	\$ 36,768	\$ 9,268	\$ 36,672
Operating expenses	55,850	55,850	52,643	3,207	59,835
Supplies and materials	3,400	3,400	3,132	268	3,528
Capital outlay	2,500	2,500	366	2,134	1,824
Total district judge	\$ 107,786	\$ 107,786	\$ 92,909	\$ 14,877	\$ 101,859
Public Defender					
Personal services	\$ 408,564	\$ 408,564	\$ 407,968	\$ 596	\$ 375,526
Operating expenses	50,431	50,431	51,093	(662)	54,945
Supplies and materials	3,750	3,750	4,456	(706)	6,263
Capital outlay	3,000	3,000	1,892	1,108	8,426
Total public defender	\$ 465,745	\$ 465,745	\$ 465,409	\$ 336	\$ 445,160
Building and Grounds					
Personal services	\$ 166,374	\$ 166,374	\$ 153,836	\$ 12,538	\$ 153,794
Operating expenses	226,480	226,480	209,180	17,300	218,481
Supplies and materials	39,800	39,800	42,653	(2,853)	34,515
Equipment rental	1,600	1,600	1,168	432	1,595
Capital outlay	174,600	174,600	159,906	14,694	164,708
Total building and grounds	\$ 608,854	\$ 608,854	\$ 566,743	\$ 42,111	\$ 573,093
Agricultural Extension Agent					
Personal services	\$ 124,604	\$ 124,604	\$ 110,701	\$ 13,903	\$ 116,352
Operating expenses	19,050	19,050	15,503	3,547	17,045
Supplies and materials	6,500	6,500	5,668	832	5,367
Capital outlay	2,000	2,000	4,432	(2,432)	253
Total agricultural extension agent	\$ 152,154	\$ 152,154	\$ 136,304	\$ 15,850	\$ 139,017
Purchasing Agent					
Supplies and materials	\$ 44,000	\$ 44,000	\$ 43,875	\$ 125	\$ 42,899
Total purchasing agent	\$ 44,000	\$ 44,000	\$ 43,875	\$ 125	\$ 42,899
Information Systems					
Personal services	\$ 110,965	\$ 110,965	\$ 108,442	\$ 2,523	\$ 102,348
Operating expenses	2,800	2,800	-	2,800	31
Supplies and materials	800	800	-	800	553
Capital outlay	2,500	2,500	-	2,500	-
Total information systems	\$ 117,065	\$ 117,065	\$ 108,442	\$ 8,623	\$ 102,932

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY
Gering, Nebraska

BUDGETARY COMPARISON SCHEDULE
MAJOR FUND - GENERAL FUND (CONTINUED)

For the Year Ended June 30, 2010
With Comparative Figures for the Year Ended June 30, 2009

	2010				2009 Actual
	Budget		Actual	Variance Favorable (Unfavorable)	
	Original	Final			
Disbursements					
General Government (Continued)					
Personnel Department					
Personal services	\$ 92,571	\$ 92,571	\$ 84,730	\$ 7,841	\$ 80,709
Operating expenses	19,356	19,356	21,015	(1,659)	18,395
Supplies and materials	1,000	1,000	828	172	1,110
Equipment rental	-	-	-	-	2,039
Capital outlay	-	-	210	(210)	-
Total personnel department	\$ 112,927	\$ 112,927	\$ 106,783	\$ 6,144	\$ 102,253
Administration General					
Personal services	\$ 85,862	\$ 85,862	\$ 141,896	\$ (56,034)	\$ 88,127
Operating expenses	1,885,855	1,850,855	1,115,557	735,298	985,543
Supplies and materials	1,200	1,200	455	745	298
Equipment rental	18,564	18,564	13,087	5,477	95
Capital outlay	216,000	216,000	180,366	35,634	136,853
Debt service - principal	22,200	22,200	18,762	3,438	14,321
Debt service - interest	-	-	27,262	(27,262)	17,161
Transfers out	716,507	716,507	726,507	(10,000)	806,111
Total administration general	\$ 2,946,188	\$ 2,911,188	\$ 2,223,892	\$ 687,296	\$ 2,048,509
Public Safety					
County Sheriff					
Personal services	\$ 1,467,514	\$ 1,467,514	\$ 1,472,555	\$ (5,041)	\$ 1,419,617
Operating expenses	108,016	108,016	105,571	2,445	101,577
Supplies and materials	121,600	121,600	99,155	22,445	121,933
Equipment rental	3,500	3,500	-	3,500	-
Capital outlay	78,835	78,835	100,530	(21,695)	61,026
Total county sheriff	\$ 1,779,465	\$ 1,779,465	\$ 1,777,811	\$ 1,654	\$ 1,704,153

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY
Gering, Nebraska

BUDGETARY COMPARISON SCHEDULE
MAJOR FUND - GENERAL FUND (CONTINUED)

For the Year Ended June 30, 2010
With Comparative Figures for the Year Ended June 30, 2009

	2010				2009 Actual
	Budget		Actual	Variance Favorable (Unfavorable)	
	Original	Final			
Disbursements					
Public Safety (Continued)					
County Attorney					
Personal services	\$ 742,635	\$ 742,635	\$ 660,019	\$ 82,616	\$ 676,717
Operating expenses	83,524	83,524	74,518	9,006	85,124
Supplies and materials	8,500	8,500	10,891	(2,391)	13,489
Capital outlay	1,500	1,500	5,195	(3,695)	9,877
Total county attorney	<u>\$ 836,159</u>	<u>\$ 836,159</u>	<u>\$ 750,623</u>	<u>\$ 85,536</u>	<u>\$ 785,207</u>
Child Support					
Personal services	\$ 308,386	\$ 308,386	\$ 270,555	\$ 37,831	\$ 261,924
Operating expenses	20,775	20,775	13,933	6,842	23,511
Supplies and materials	2,000	2,000	1,674	326	3,330
Equipment rental	1,075	1,075	-	1,075	549
Capital outlay	500	500	80	420	-
Total child support	<u>\$ 332,736</u>	<u>\$ 332,736</u>	<u>\$ 286,242</u>	<u>\$ 46,494</u>	<u>\$ 289,314</u>
District No. 10 Probation					
Operating expenses	\$ 24,750	\$ 24,750	\$ 18,823	\$ 5,927	\$ 20,150
Supplies and materials	14,000	14,000	21,130	(7,130)	9,445
Equipment rental	4,400	4,400	1,520	2,880	4,045
Capital outlay	7,975	7,975	9,646	(1,671)	-
Total district No. 10 probation	<u>\$ 51,125</u>	<u>\$ 51,125</u>	<u>\$ 51,119</u>	<u>\$ 6</u>	<u>\$ 33,640</u>
Emergency Management					
Personal services	\$ -	\$ -	\$ -	\$ -	\$ -
Operating expenses	15,000	15,000	15,000	-	7,073
Supplies and materials	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total emergency management	<u>\$ 15,000</u>	<u>\$ 15,000</u>	<u>\$ 15,000</u>	<u>\$ -</u>	<u>\$ 7,073</u>

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY
Gering, Nebraska

BUDGETARY COMPARISON SCHEDULE
MAJOR FUND - GENERAL FUND (CONTINUED)

For the Year Ended June 30, 2010
With Comparative Figures for the Year Ended June 30, 2009

	2010			Variance Favorable (Unfavorable)	2009 Actual
	Budget		Actual		
	Original	Final			
Disbursements					
Public Works					
County Surveyor					
Personal services	\$ 89,517	\$ 89,517	\$ 77,480	\$ 12,037	\$ 57,960
Operating expenses	11,089	11,089	9,932	1,157	46,015
Supplies and materials	1,700	1,700	2,564	(864)	1,981
Capital outlay	700	700	1,574	(874)	-
Total county surveyor	\$ 103,006	\$ 103,006	\$ 91,550	\$ 11,456	\$ 105,956
Public Welfare and Social Services					
Veterans Service Officer					
Personal services	\$ 117,809	\$ 117,809	\$ 115,547	\$ 2,262	\$ 112,612
Operating expenses	7,600	7,600	6,132	1,468	7,007
Supplies and materials	2,400	2,400	2,458	(58)	3,853
Equipment rental	-	-	-	-	-
Capital outlay	3,200	3,200	6,238	(3,038)	1,238
Total veterans service officer	\$ 131,009	\$ 131,009	\$ 130,375	\$ 634	\$ 124,710
Assistance Administration					
Operating expenses	\$ 101,700	\$ 101,700	\$ 89,332	\$ 12,368	\$ 88,527
Supplies and materials	200	200	38	162	331
Capital outlay	53,223	53,223	3,615	49,608	-
Total assistance administration	\$ 155,123	\$ 155,123	\$ 92,985	\$ 62,138	\$ 88,858
Handy Bus					
Personal services	\$ 201,693	\$ 201,693	\$ 193,078	\$ 8,615	\$ 182,916
Operating expenses	42,629	42,629	32,279	10,350	36,516
Supplies and materials	40,100	40,100	29,739	10,361	36,508
Equipment rental	1,996	1,996	1,912	84	1,861
Capital outlay	1,000	1,000	2,793	(1,793)	325
Total handy bus	\$ 287,418	\$ 287,418	\$ 259,801	\$ 27,617	\$ 258,126
Handyman					
Personal services	\$ 48,201	\$ 48,201	\$ 48,569	\$ (368)	\$ 44,904
Operating expenses	55,531	55,531	51,853	3,678	45,235
Supplies and materials	500	500	434	66	359
Equipment rental	500	500	490	10	423
Total handyman	\$ 104,732	\$ 104,732	\$ 101,346	\$ 3,386	\$ 90,921

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY
Gering, Nebraska

BUDGETARY COMPARISON SCHEDULE
MAJOR FUND - GENERAL FUND (CONTINUED)

For the Year Ended June 30, 2010
With Comparative Figures for the Year Ended June 30, 2009

	2010		Actual	Variance Favorable (Unfavorable)	2009 Actual
	Budget				
	Original	Final			
Summary of Disbursements by Function					
General Government	\$ 6,813,238	\$ 6,813,238	\$ 5,812,570	\$ 1,000,668	\$ 5,662,049
Public Safety	3,014,485	3,014,485	2,880,795	133,690	2,819,387
Public Works	103,006	103,006	91,550	11,456	105,956
Public Welfare and Social Services	<u>678,282</u>	<u>678,282</u>	<u>584,507</u>	<u>93,775</u>	<u>562,615</u>
Total disbursements	\$ <u>10,609,011</u>	\$ <u>10,609,011</u>	\$ <u>9,369,422</u>	\$ <u>1,239,589</u>	\$ <u>9,150,007</u>
Excess (deficiency) of receipts and transfers in over (under) disbursements and transfers out	\$ <u>(414,724)</u>	\$ <u>(414,724)</u>	\$ (529,147)	\$ <u>(114,423)</u>	\$ (575,987)
Fund balance, beginning of year			<u>3,442,027</u>		<u>4,018,014</u>
Fund balance, end of year			\$ <u>2,912,880</u>		\$ <u>3,442,027</u>

See accompanying independent auditors' report.

SCOTT'S BLUFF COUNTY
Gering, Nebraska

BUDGETARY COMPARISON SCHEDULE
MAJOR FUND - ROAD AND BRIDGE SPECIAL REVENUE FUND

For the Year Ended June 30, 2010
With Comparative Figures for the Year Ended June 30, 2009

	2010			Variance Favorable (Unfavorable)	2009 Actual
	Budget		Actual		
	Original	Final			
Receipts					
Intergovernmental	\$ 1,986,711	\$ 1,986,711	\$ 2,079,387	\$ 92,676	\$ 2,160,208
Local fees, licenses, commissions and miscellaneous	213,300	213,300	228,890	15,590	231,201
Total receipts	\$ 2,200,011	\$ 2,200,011	\$ 2,308,277	\$ 108,266	\$ 2,391,409
Transfers in from other funds	679,302	679,302	650,802	(28,500)	621,291
Total receipts and transfers in	\$ 2,879,313	\$ 2,879,313	\$ 2,959,079	\$ 79,766	\$ 3,012,700
Disbursements					
Personal services	\$ 1,563,506	\$ 1,563,506	\$ 1,464,946	\$ 98,560	\$ 1,412,939
Operating expenses	324,885	324,885	466,285	(141,400)	340,395
Supplies and materials	726,500	726,500	620,429	106,071	699,093
Equipment rental	10,000	10,000	9,503	497	212
Capital outlay	314,800	314,800	378,067	(63,267)	314,165
Debt service					
Principal	53,580	53,580	46,108	7,472	44,394
Interest	-	-	6,283	(6,283)	7,996
Total disbursements	\$ 2,993,271	\$ 2,993,271	\$ 2,991,621	\$ 1,650	\$ 2,819,194
Transfers out to other funds	102,000	102,000	67,880	34,120	53,837
Total disbursements and transfers out	\$ 3,095,271	\$ 3,095,271	\$ 3,059,501	\$ 35,770	\$ 2,873,031
Excess (deficiency) of receipts and transfers in over (under) disbursements and transfers out	\$ (215,958)	\$ (215,958)	\$ (100,422)	\$ 115,536	\$ 139,669
Fund balance, beginning of year			415,958		276,289
Fund balance, end of year			\$ 315,536		\$ 415,958

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY
Gering, Nebraska

BUDGETARY COMPARISON SCHEDULE
MAJOR FUND - JUVENILE DETENTION SPECIAL REVENUE FUND

For the Year Ended June 30, 2010
With Comparative Figures for the Year Ended June 30, 2009

	2010			Variance Favorable (Unfavorable)	2009 Actual
	Budget		Actual		
	Original	Final			
Receipts					
Property taxes	\$ 2,041,887	\$ 2,041,887	\$ 2,370,433	\$ 328,546	\$ 2,868,626
Intergovernmental	1,494,000	1,494,000	1,735,293	241,293	1,947,089
Local fees, licenses, commissions and miscellaneous	482,000	482,000	695,399	213,399	556,940
Total receipts	\$ 4,017,887	\$ 4,017,887	\$ 4,801,125	\$ 783,238	\$ 5,372,655
Disbursements					
Personal services	\$ 3,146,778	\$ 3,146,778	\$ 3,080,353	\$ 66,425	\$ 2,777,209
Operating expenses	1,180,545	1,180,545	1,109,160	71,385	1,113,933
Supplies and materials	119,500	119,500	133,352	(13,852)	183,731
Equipment rental	10,000	10,000	15,013	(5,013)	13,238
Capital outlay	56,500	56,500	34,577	21,923	93,035
Total disbursements	\$ 4,513,323	\$ 4,513,323	\$ 4,372,455	\$ 140,868	\$ 4,181,146
Excess (deficiency) of receipts over (under) disbursements	\$ (495,436)	\$ (495,436)	\$ 428,670	\$ 924,106	\$ 1,191,509
Fund balance, beginning of year			1,270,435		78,926
Fund balance, end of year			\$ 1,699,105		\$ 1,270,435

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY
Gering, Nebraska

BUDGETARY COMPARISON SCHEDULE
MAJOR FUND - DEBT SERVICE FUND

For the Year Ended June 30, 2010
With Comparative Figures for the Year Ended June 30, 2009

	2010			Variance Favorable (Unfavorable)	2009 Actual
	Budget		Actual		
	Original	Final			
Receipts					
Property taxes	\$ 1,002,340	\$ 1,002,340	\$ 990,982	\$ (11,358)	\$ 864,711
Intergovernmental	-	-	114,316	114,316	123,635
Local fees, licenses, commissions and miscellaneous	57,863	57,863	57,863	-	554,404
Investment earnings	-	-	-	-	12,745
Total receipts	\$ 1,060,203	\$ 1,060,203	\$ 1,163,161	\$ 102,958	\$ 1,555,495
Transfers in from other funds	67,000	67,000	67,880	880	53,837
Total receipts and transfers in	\$ 1,127,203	\$ 1,127,203	\$ 1,231,041	\$ 103,838	\$ 1,609,332
Disbursements					
Operating expenses	\$ -	\$ -	\$ 10,565	\$ (10,565)	\$ -
Debt service					
Principal	2,194,396	2,194,396	590,000	1,604,396	230,000
Interest	2,000	2,000	617,874	(615,874)	625,253
Total disbursements	\$ 2,196,396	\$ 2,196,396	\$ 1,218,439	\$ 977,957	\$ 855,253
Transfers out to other funds	-	-	-	-	184,745
Total disbursements	\$ 2,196,396	\$ 2,196,396	\$ 1,218,439	\$ 977,957	\$ 1,039,998
Excess (deficiency) of receipts and transfers in over (under) disbursements and transfers out	\$ (1,069,193)	\$ (1,069,193)	\$ 12,602	\$ 1,081,795	\$ 569,334
Fund balance, beginning of year			1,269,194		699,860
Fund balance, end of year			\$ 1,281,796		\$ 1,269,194

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY
Gering, Nebraska

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2010

NOTE 1 - BUDGET PROCESS

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

1. On or before September 1, the County Board prepares and transmits a budget for each County fund showing the requirements, the 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. If it is determined during the year that sufficient amounts have not been budgeted, state statute allows the adoption of supplemental budgets.
7. All unexpended appropriations lapse at year end.
8. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds 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.
9. The budget was not exceeded in the Keno Fund as the County has contracted for the fund to be operated by a private entity and only budgets for their projected commitment. We gross up keno activity to properly reflect actual keno operations.

NOTE 2 - OTHER COMPREHENSIVE BASIS OF ACCOUNTING CASH BASIS/BUDGETARY ACCOUNTING BASIS DIFFERENCES

The financial statements prepared in conformity with the other comprehensive basis of accounting cash basis present capital outlay expenditure information in a separate category of expenditures. Under the budgetary basis of accounting, capital outlay expenditures are reported within the function to which they relate.

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY

Gering, Nebraska

OTHER SUPPLEMENTARY INFORMATION

SCOTTS BLUFF COUNTY
Gering, Nebraska

BUDGETARY COMPARISON SCHEDULE
BUSINESS-TYPE FUND - KENO ENTERPRISE FUND

For the Year Ended June 30, 2010
With Comparative Figures for the Year Ended June 30, 2009

	2010				2009 Actual
	Budget		Actual	Variance Favorable (Unfavorable)	
	Original	Final			
Receipts					
Local fees, licenses, commissions and miscellaneous	\$ 620,803	\$ 620,803	\$ 3,440,463	\$ 2,819,660	\$ 4,110,988
Less: payouts to customers	-	-	(2,509,062)	(2,509,062)	(3,054,982)
Investment earnings	-	-	2,008	2,008	5,639
Total receipts	\$ 620,803	\$ 620,803	\$ 933,409	\$ 312,606	\$ 1,061,645
Disbursements					
Personal services	\$ 4,000	\$ 4,000	\$ 9,324	\$ (5,324)	\$ 11,750
Operating expenses	144,480	144,480	28,464	116,016	32,345
Supplies and materials	55,000	55,000	609,578	(554,578)	723,301
Capital outlay	454,522	454,522	-	454,522	-
Total disbursements	\$ 658,002	\$ 658,002	\$ 647,366	\$ 10,636	\$ 767,396
Transfers out to other funds	402,303	402,303	235,000	167,303	400,000
Total disbursements and transfers out	\$ 1,060,305	\$ 1,060,305	\$ 882,366	\$ 177,939	\$ 1,167,396
Excess (deficiency) of receipts over (under) disbursements and transfers out	\$ (439,502)	\$ (439,502)	\$ 51,043	\$ 490,545	\$ (105,751)
Net assets, beginning of year			480,397		586,148
Net assets, end of year			\$ 531,440		\$ 480,397

See accompanying independent auditors' report.

SCOTT BLUFF COUNTY
Gering, Nebraska

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

For the Year Ended June 30, 2010

	Special Revenue Funds						
	Central <u>Communications</u>	Drug <u>Enforcement</u>	Juvenile <u>Probation</u>	Drug <u>Court</u>	Noxious <u>Weed</u>	Flood <u>Control</u>	<u>Health</u>
Assets							
Cash and cash equivalents	\$ 872	\$ 95,983	\$ 5,605	\$ 8,506	\$ 20,082	\$ 79,161	\$ 65,868
Total assets	<u>\$ 872</u>	<u>\$ 95,983</u>	<u>\$ 5,605</u>	<u>\$ 8,506</u>	<u>\$ 20,082</u>	<u>\$ 79,161</u>	<u>\$ 65,868</u>
Liabilities and fund balances							
Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balances							
Unreserved	<u>872</u>	<u>95,983</u>	<u>5,605</u>	<u>8,506</u>	<u>20,082</u>	<u>79,161</u>	<u>65,868</u>
Total liabilities and fund balances	<u>\$ 872</u>	<u>\$ 95,983</u>	<u>\$ 5,605</u>	<u>\$ 8,506</u>	<u>\$ 20,082</u>	<u>\$ 79,161</u>	<u>\$ 65,868</u>

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY
Gering, Nebraska

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

For the Year Ended June 30, 2010

	Special Revenue Funds					Total Special Revenue Funds	Capital Projects Funds	
	Relief/ Medical	Veterans Aid	Institutions	Visitors Promotion	Inheritance Tax		Scottsbluff Drain Sinking	Surveyor Sinking
Assets								
Cash and cash equivalents	\$ 21,064	\$ 1,507	\$ 4,298	\$ 173,900	\$ 249,327	\$ 726,173	\$ 172,960	\$ 9,330
Total assets	<u>\$ 21,064</u>	<u>\$ 1,507</u>	<u>\$ 4,298</u>	<u>\$ 173,900</u>	<u>\$ 249,327</u>	<u>\$ 726,173</u>	<u>\$ 172,960</u>	<u>\$ 9,330</u>
Liabilities and fund balances								
Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balances								
Unreserved	<u>21,064</u>	<u>1,507</u>	<u>4,298</u>	<u>173,900</u>	<u>249,327</u>	<u>726,173</u>	<u>172,960</u>	<u>9,330</u>
Total liabilities and fund balances	<u>\$ 21,064</u>	<u>\$ 1,507</u>	<u>\$ 4,298</u>	<u>\$ 173,900</u>	<u>\$ 249,327</u>	<u>\$ 726,173</u>	<u>\$ 172,960</u>	<u>\$ 9,330</u>

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY
Gering, Nebraska

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

For the Year Ended June 30, 2010

	Capital Projects Funds					Total Capital Projects Funds	Total Nonmajor Governmental Funds
	Barrier Elimination	Special Projects	Homeland Security	Capital Improvements	Jail Obligation Bonds		
Assets							
Cash and cash equivalents	\$ 12,948	\$ 21,722	\$ 5,596	\$ 689,306	\$ -	\$ 911,862	\$ 1,638,035
Total assets	<u>\$ 12,948</u>	<u>\$ 21,722</u>	<u>\$ 5,596</u>	<u>\$ 689,306</u>	<u>\$ -</u>	<u>\$ 911,862</u>	<u>\$ 1,638,035</u>
Liabilities and fund balances							
Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balances							
Unreserved	12,948	21,722	5,596	689,306	-	911,862	1,638,035
Total liabilities and fund balances	<u>\$ 12,948</u>	<u>\$ 21,722</u>	<u>\$ 5,596</u>	<u>\$ 689,306</u>	<u>\$ -</u>	<u>\$ 911,862</u>	<u>\$ 1,638,035</u>

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY

Gering, Nebraska

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

For the Year Ended June 30, 2010

	Special Revenue Funds						
	Central Communications	Drug Enforcement	Juvenile Probation	Drug Court	Noxious Weed	Flood Control	Health
Receipts							
Property taxes	\$ 382,072	\$ -	\$ -	\$ -	\$ -	\$ 49,235	\$ 147,906
Other taxes	-	-	-	-	-	-	-
Intergovernmental	50,803	106,213	32,196	-	-	5,161	224,101
Local fees, licenses, commissions and miscellaneous	236,181	457	-	220	146,120	23,645	3,698
Investment earnings	-	-	-	-	-	-	-
Total receipts	<u>\$ 669,056</u>	<u>\$ 106,670</u>	<u>\$ 32,196</u>	<u>\$ 220</u>	<u>\$ 146,120</u>	<u>\$ 78,041</u>	<u>\$ 375,705</u>
Disbursements							
Current							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	691,905	35,015	36,141	1,133	-	-	-
Public works	-	-	-	-	209,976	34,939	-
Public health	-	-	-	-	-	-	400,926
Public welfare and social services	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Conservation of natural resources	-	-	-	-	-	-	-
Capital outlay	26,731	-	-	-	1,109	-	90
Total disbursements	<u>\$ 718,636</u>	<u>\$ 35,015</u>	<u>\$ 36,141</u>	<u>\$ 1,133</u>	<u>\$ 211,085</u>	<u>\$ 34,939</u>	<u>\$ 401,016</u>
Other financing sources (uses)							
Transfers in from other funds	\$ 20,000	\$ -	\$ -	\$ -	\$ 65,705	\$ -	\$ 20,000
Transfers out to other funds	-	-	-	-	-	(25,000)	-
Total other financing sources (uses)	<u>\$ 20,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 65,705</u>	<u>\$ (25,000)</u>	<u>\$ 20,000</u>
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	\$ (29,580)	\$ 71,655	\$ (3,945)	\$ (913)	\$ 740	\$ 18,102	\$ (5,311)
Fund balances, beginning of year	30,452	24,328	9,550	9,419	19,342	61,059	71,179
Fund balances, end of year	<u>\$ 872</u>	<u>\$ 95,983</u>	<u>\$ 5,605</u>	<u>\$ 8,506</u>	<u>\$ 20,082</u>	<u>\$ 79,161</u>	<u>\$ 65,868</u>

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY

Gering, Nebraska

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

For the Year Ended June 30, 2010

	Special Revenue Funds					Total Special Revenue Funds	Capital Projects Funds	
	Relief/ Medical	Veterans Aid	Institutions	Visitors Promotion	Inheritance Tax		Scottsbluff Drain Sinking	Surveyor Sinking
Receipts								
Property taxes	\$ 77,708	\$ 3,625	\$ 16,993	\$ -	\$ -	\$ 677,539	\$ -	\$ -
Other taxes	-	-	-	259,856	300,346	560,202	-	-
Intergovernmental	10,020	481	2,777	50,000	-	481,752	-	12,000
Local fees, licenses, commissions and miscellaneous	600	-	-	-	-	410,921	-	-
Investment earnings	-	-	-	-	8,776	8,776	-	-
Total receipts	<u>\$ 88,328</u>	<u>\$ 4,106</u>	<u>\$ 19,770</u>	<u>\$ 309,856</u>	<u>\$ 309,122</u>	<u>\$ 2,139,190</u>	<u>\$ -</u>	<u>\$ 12,000</u>
Disbursements								
Current								
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,132
Public safety	-	-	-	-	-	764,194	-	-
Public works	-	-	-	-	-	244,915	-	-
Public health	-	-	-	-	-	400,926	-	-
Public welfare and social services	88,289	5,673	15,965	-	-	109,927	-	-
Culture and recreation	-	-	-	256,908	-	256,908	-	-
Conservation of natural resources	-	-	-	-	525	525	-	-
Capital outlay	90	-	-	-	-	28,020	-	2,580
Total disbursements	<u>\$ 88,379</u>	<u>\$ 5,673</u>	<u>\$ 15,965</u>	<u>\$ 256,908</u>	<u>\$ 525</u>	<u>\$ 1,805,415</u>	<u>\$ -</u>	<u>\$ 7,712</u>
Other financing sources (uses)								
Transfers in from other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 105,705	\$ 25,000	\$ -
Transfers out to other funds	-	-	-	-	(530,000)	(555,000)	-	-
Total other financing sources (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (530,000)</u>	<u>\$ (449,295)</u>	<u>\$ 25,000</u>	<u>\$ -</u>
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	\$ (51)	\$ (1,567)	\$ 3,805	\$ 52,948	\$ (221,403)	\$ (115,520)	\$ 25,000	\$ 4,288
Fund balances, beginning of year	21,115	3,074	493	120,952	470,730	841,693	147,960	5,042
Fund balances, end of year	<u>\$ 21,064</u>	<u>\$ 1,507</u>	<u>\$ 4,298</u>	<u>\$ 173,900</u>	<u>\$ 249,327</u>	<u>\$ 726,173</u>	<u>\$ 172,960</u>	<u>\$ 9,330</u>

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY
Gering, Nebraska

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

For the Year Ended June 30, 2010

	Capital Projects Funds					Total Capital Projects Funds	Total Nonmajor Governmental Funds
	Barrier Elimination	Special Projects	Homeland Security	Capital Improvements	Jail Obligation Bonds		
Receipts							
Property taxes	\$ 2	\$ -	\$ -	\$ 266,494	\$ -	\$ 266,496	\$ 944,035
Other taxes	-	-	-	-	-	-	560,202
Intergovernmental	-	48,159	356,021	50,826	-	467,006	948,758
Local fees, licenses, commissions and miscellaneous	-	2,599	-	123,042	-	125,641	536,562
Investment earnings	-	-	-	-	-	-	8,776
Total receipts	\$ 2	\$ 50,758	\$ 356,021	\$ 440,362	\$ -	\$ 859,143	\$ 2,998,333
Disbursements							
Current							
General government	\$ -	\$ 51,410	\$ -	\$ -	\$ -	\$ 56,542	\$ 56,542
Public safety	-	-	1,790	-	-	1,790	765,984
Public works	-	-	-	-	-	-	244,915
Public health	-	-	-	-	-	-	400,926
Public welfare and social services	-	-	-	-	-	-	109,927
Culture and recreation	-	-	-	-	-	-	256,908
Conservation of natural resources	-	-	-	-	-	-	525
Capital outlay	-	605	258,120	-	-	261,305	289,325
Total disbursements	\$ -	\$ 52,015	\$ 259,910	\$ -	\$ -	\$ 319,637	\$ 2,125,052
Other financing sources (uses)							
Transfers in from other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,000	\$ 130,705
Transfers out to other funds	-	-	(96,111)	-	-	(96,111)	(651,111)
Total other financing sources (uses)	\$ -	\$ -	\$ (96,111)	\$ -	\$ -	\$ (71,111)	\$ (520,406)
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	\$ 2	\$ (1,257)	\$ -	\$ 440,362	\$ -	\$ 468,395	\$ 352,875
Fund balances, beginning of year	12,946	22,979	5,596	248,944	-	443,467	1,285,160
Fund balances, end of year	\$ 12,948	\$ 21,722	\$ 5,596	\$ 689,306	\$ -	\$ 911,862	\$ 1,638,035

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY
Gering, Nebraska

BUDGETARY COMPARISON SCHEDULE
NONMAJOR FUND - CENTRAL COMMUNICATIONS SPECIAL REVENUE FUND

For the Year Ended June 30, 2010
With Comparative Figures for the Year Ended June 30, 2009

	2010				2009 Actual
	Budget		Actual	Variance Favorable (Unfavorable)	
	Original	Final			
Receipts					
Property taxes	\$ 450,254	\$ 450,254	\$ 382,072	\$ (68,182)	\$ 331,615
Intergovernmental	52,500	52,500	50,803	(1,697)	42,354
Local fees, licenses, commissions and miscellaneous	268,500	268,500	236,181	(32,319)	257,896
Total receipts	\$ 771,254	\$ 771,254	\$ 669,056	\$ (102,198)	\$ 631,865
Transfers in from other funds	-	-	20,000	20,000	-
Total receipts and transfers in	\$ 771,254	\$ 771,254	\$ 689,056	\$ (82,198)	\$ 631,865
Disbursements					
Personal services	\$ 578,606	\$ 578,606	\$ 592,201	\$ (13,595)	\$ 564,630
Operating expenses	95,100	95,100	81,080	14,020	73,936
Supplies and materials	5,300	5,300	2,396	2,904	3,634
Equipment rental	8,500	8,500	16,228	(7,728)	16,155
Capital outlay	64,200	64,200	26,731	37,469	10,472
Total disbursements	\$ 751,706	\$ 751,706	\$ 718,636	\$ 33,070	\$ 668,827
Excess (deficiency) of receipts and transfers in over (under) disbursements	\$ 19,548	\$ 19,548	\$ (29,580)	\$ (49,128)	\$ (36,962)
Fund balance, beginning of year			30,452		67,414
Fund balance, end of year			\$ 872		\$ 30,452

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY
Gering, Nebraska

BUDGETARY COMPARISON SCHEDULE
NONMAJOR FUND - DRUG ENFORCEMENT SPECIAL REVENUE FUND

For the Year Ended June 30, 2010
With Comparative Figures for the Year Ended June 30, 2009

	2010			Variance Favorable (Unfavorable)	2009 Actual
	Budget		Actual		
	Original	Final			
Receipts					
Intergovernmental	\$ 181,213	\$ 181,213	\$ 106,213	\$ (75,000)	\$ 64,474
Local fees, licenses, commissions and miscellaneous	-	-	457	457	950
Total receipts	\$ 181,213	\$ 181,213	\$ 106,670	\$ (74,543)	\$ 65,424
Disbursements					
Personal services	\$ 175,000	\$ 175,000	\$ 25,803	\$ 149,197	\$ 137,931
Operating expenses	10,500	10,500	4,656	5,844	10,288
Supplies and materials	19,741	19,741	4,556	15,185	2,910
Equipment rental	300	300	-	300	-
Total disbursements	\$ 205,541	\$ 205,541	\$ 35,015	\$ 170,526	\$ 151,129
Excess (deficiency) of receipts over (under) disbursements	\$ (24,328)	\$ (24,328)	\$ 71,655	\$ 95,983	\$ (85,705)
Fund balance, beginning of year			24,328		110,033
Fund balance, end of year			\$ 95,983		\$ 24,328

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY
Gering, Nebraska

BUDGETARY COMPARISON SCHEDULE
NONMAJOR FUND - JUVENILE PROBATION SPECIAL REVENUE FUND

For the Year Ended June 30, 2010
With Comparative Figures for the Year Ended June 30, 2009

	2010			Variance Favorable (Unfavorable)	2009 Actual
	Budget		Actual		
	Original	Final			
Receipts					
Intergovernmental	\$ 32,196	\$ 32,196	\$ 32,196	\$ -	\$ 32,196
Local fees, licenses, commissions and miscellaneous	-	-	-	-	-
Total receipts	<u>\$ 32,196</u>	<u>\$ 32,196</u>	<u>\$ 32,196</u>	<u>\$ -</u>	<u>\$ 32,196</u>
Disbursements					
Personal services	\$ 26,850	\$ 26,850	\$ 27,188	\$ (338)	\$ 23,442
Operating expenses	13,721	13,721	8,363	5,358	5,252
Supplies and materials	<u>1,175</u>	<u>1,175</u>	<u>590</u>	<u>585</u>	<u>3,662</u>
Total disbursements	<u>\$ 41,746</u>	<u>\$ 41,746</u>	<u>\$ 36,141</u>	<u>\$ 5,605</u>	<u>\$ 32,356</u>
Excess (deficiency) of receipts over (under) disbursements	<u>\$ (9,550)</u>	<u>\$ (9,550)</u>	\$ (3,945)	<u>\$ 5,605</u>	\$ (160)
Fund balance, beginning of year			<u>9,550</u>		<u>9,710</u>
Fund balance, end of year			<u>\$ 5,605</u>		<u>\$ 9,550</u>

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY
Gering, Nebraska

BUDGETARY COMPARISON SCHEDULE
NONMAJOR FUND - DRUG COURT SPECIAL REVENUE FUND

For the Year Ended June 30, 2010
With Comparative Figures for the Year Ended June 30, 2009

	2010		Actual	Variance Favorable (Unfavorable)	2009 Actual
	Budget				
	Original	Final			
Receipts					
Local fees, licenses, commissions and miscellaneous	\$ 2,051	\$ 2,051	\$ 220	\$ (1,831)	\$ 661
Total receipts	\$ 2,051	\$ 2,051	\$ 220	\$ (1,831)	\$ 661
Transfers in from other funds	-	-	-	-	12,382
Total receipts and transfers in	\$ 2,051	\$ 2,051	\$ 220	\$ (1,831)	\$ 13,043
Disbursements					
Operating expenses	\$ 11,470	\$ 11,470	\$ 1,133	\$ 10,337	\$ 3,624
Total disbursements	\$ 11,470	\$ 11,470	\$ 1,133	\$ 10,337	\$ 3,624
Excess (deficiency) of receipts and transfers in over (under) disbursements	\$ (9,419)	\$ (9,419)	\$ (913)	\$ 8,506	\$ 9,419
Fund balance, beginning of year			9,419		-
Fund balance, end of year			\$ 8,506		\$ 9,419

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY
Gering, Nebraska

BUDGETARY COMPARISON SCHEDULE
NONMAJOR FUND - NOXIOUS WEED SPECIAL REVENUE FUND

For the Year Ended June 30, 2010
With Comparative Figures for the Year Ended June 30, 2009

	2010		Actual	Variance Favorable (Unfavorable)	2009 Actual
	Budget				
	Original	Final			
Receipts					
Local fees, licenses, commissions and miscellaneous	\$ 170,000	\$ 170,000	\$ 146,120	\$ (23,880)	\$ 168,510
Total receipts	\$ 170,000	\$ 170,000	\$ 146,120	\$ (23,880)	\$ 168,510
Transfers in from other funds	100,705	100,705	65,705	(35,000)	85,000
Total receipts and transfers in	\$ 270,705	\$ 270,705	\$ 211,825	\$ (58,880)	\$ 253,510
Disbursements					
Personal services	\$ 130,959	\$ 130,959	\$ 121,763	\$ 9,196	\$ 135,793
Operating expenses	24,987	24,987	14,800	10,187	20,180
Supplies and materials	112,000	112,000	73,413	38,587	95,865
Capital outlay	7,100	7,100	1,109	5,991	231
Total disbursements	\$ 275,046	\$ 275,046	\$ 211,085	\$ 63,961	\$ 252,069
Excess (deficiency) of receipts and transfers in over (under) disbursements	\$ (4,341)	\$ (4,341)	\$ 740	\$ 5,081	\$ 1,441
Fund balance, beginning of year			19,342		17,901
Fund balance, end of year			\$ 20,082		\$ 19,342

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY
Gering, Nebraska

BUDGETARY COMPARISON SCHEDULE
NONMAJOR FUND - FLOOD CONTROL SPECIAL REVENUE FUND

For the Year Ended June 30, 2010
With Comparative Figures for the Year Ended June 30, 2009

	2010				2009 Actual
	Budget		Actual	Variance Favorable (Unfavorable)	
	Original	Final			
Receipts					
Property taxes	\$ 43,874	\$ 43,874	\$ 49,235	\$ 5,361	\$ 53,802
Intergovernmental	1,030	1,030	5,161	4,131	7,131
Local fees, licenses, commissions and miscellaneous	<u>15,000</u>	<u>15,000</u>	<u>23,645</u>	<u>8,645</u>	<u>17,332</u>
Total receipts	\$ <u>59,904</u>	\$ <u>59,904</u>	\$ <u>78,041</u>	\$ <u>18,137</u>	\$ <u>78,265</u>
Disbursements					
Operating expenses	\$ <u>70,963</u>	\$ <u>70,963</u>	\$ <u>34,939</u>	\$ <u>36,024</u>	\$ <u>18,680</u>
Total disbursements	\$ 70,963	\$ 70,963	\$ 34,939	\$ 36,024	\$ 18,680
Transfers out to other funds	<u>40,000</u>	<u>40,000</u>	<u>25,000</u>	<u>15,000</u>	<u>38,818</u>
Total disbursements and transfers out	\$ <u>110,963</u>	\$ <u>110,963</u>	\$ <u>59,939</u>	\$ <u>51,024</u>	\$ <u>57,498</u>
Excess (deficiency) of receipts over (under) disbursements and transfers out	\$ <u>(51,059)</u>	\$ <u>(51,059)</u>	\$ 18,102	\$ <u>69,161</u>	\$ 20,767
Fund balance, beginning of year			<u>61,059</u>		<u>40,292</u>
Fund balance, end of year			\$ <u>79,161</u>		\$ <u>61,059</u>

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY
Gering, Nebraska

BUDGETARY COMPARISON SCHEDULE
NONMAJOR FUND - HEALTH SPECIAL REVENUE FUND

For the Year Ended June 30, 2010
With Comparative Figures for the Year Ended June 30, 2009

	2010				2009 Actual
	Budget		Actual	Variance Favorable (Unfavorable)	
	Original	Final			
Receipts					
Property taxes	\$ 167,536	\$ 167,536	\$ 147,906	\$ (19,630)	\$ 135,127
Intergovernmental	230,825	230,825	224,101	(6,724)	111,430
Local fees, licenses, commissions and miscellaneous	<u>2,720</u>	<u>2,720</u>	<u>3,698</u>	<u>978</u>	<u>7,034</u>
Total receipts	\$ 401,081	\$ 401,081	\$ 375,705	\$ (25,376)	\$ 253,591
Transfers in from other funds	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>	<u>20,000</u>
Total receipts and transfers in	\$ <u>421,081</u>	\$ <u>421,081</u>	\$ <u>395,705</u>	\$ <u>(25,376)</u>	\$ <u>273,591</u>
Disbursements					
Personal services	\$ 80,586	\$ 80,586	\$ 80,013	\$ 573	\$ 75,689
Operating expenses	378,824	378,824	318,061	60,763	215,706
Supplies and materials	2,650	2,650	2,852	(202)	2,237
Capital outlay	<u>200</u>	<u>200</u>	<u>90</u>	<u>110</u>	<u>-</u>
Total disbursements	\$ <u>462,260</u>	\$ <u>462,260</u>	\$ <u>401,016</u>	\$ <u>61,244</u>	\$ <u>293,632</u>
Excess (deficiency) of receipts and transfers in over (under) disbursements	\$ <u>(41,179)</u>	\$ <u>(41,179)</u>	\$ (5,311)	\$ <u>35,868</u>	\$ (20,041)
Fund balance, beginning of year			<u>71,179</u>		<u>91,220</u>
Fund balance, end of year			\$ <u>65,868</u>		\$ <u>71,179</u>

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY
Gering, Nebraska

BUDGETARY COMPARISON SCHEDULE
NONMAJOR FUND - RELIEF/MEDICAL SPECIAL REVENUE FUND

For the Year Ended June 30, 2010
With Comparative Figures for the Year Ended June 30, 2009

	2010		Actual	Variance Favorable (Unfavorable)	2009 Actual
	Budget				
	Original	Final			
Receipts					
Property taxes	\$ 83,020	\$ 83,020	\$ 77,708	\$ (5,312)	\$ 76,414
Intergovernmental	3,226	3,226	10,020	6,794	10,049
Local fees, licenses, commissions and miscellaneous	800	800	600	(200)	740
Total receipts	\$ 87,046	\$ 87,046	\$ 88,328	\$ 1,282	\$ 87,203
Disbursements					
Personal services	\$ 74,336	\$ 74,336	\$ 74,077	\$ 259	\$ 71,038
Operating expenses	23,725	23,725	13,996	9,729	20,066
Supplies and materials	50	50	216	(166)	96
Capital outlay	50	50	90	(40)	-
Total disbursements	\$ 98,161	\$ 98,161	\$ 88,379	\$ 9,782	\$ 91,200
Excess (deficiency) of receipts over (under) disbursements	\$ (11,115)	\$ (11,115)	\$ (51)	\$ 11,064	\$ (3,997)
Fund balance, beginning of year			21,115		25,112
Fund balance, end of year			\$ 21,064		\$ 21,115

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY
Gering, Nebraska

BUDGETARY COMPARISON SCHEDULE
NONMAJOR FUND - VETERANS AID SPECIAL REVENUE FUND

For the Year Ended June 30, 2010
With Comparative Figures for the Year Ended June 30, 2009

	2010			Variance Favorable (Unfavorable)	2009 Actual
	Budget		Actual		
	Original	Final			
Receipts					
Property taxes	\$ 4,305	\$ 4,305	\$ 3,625	\$ (680)	\$ 3,121
Intergovernmental	120	120	481	361	386
Local fees, licenses, commissions and miscellaneous	-	-	-	-	-
Total receipts	\$ 4,425	\$ 4,425	\$ 4,106	\$ (319)	\$ 3,507
Disbursements					
Operating expenses	\$ 6,500	\$ 6,500	\$ 5,673	\$ 827	\$ 4,455
Total disbursements	\$ 6,500	\$ 6,500	\$ 5,673	\$ 827	\$ 4,455
Excess (deficiency) of receipts over (under) disbursements	\$ (2,075)	\$ (2,075)	\$ (1,567)	\$ 508	\$ (948)
Fund balance, beginning of year			3,074		4,022
Fund balance, end of year			\$ 1,507		\$ 3,074

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY
Gering, Nebraska

BUDGETARY COMPARISON SCHEDULE
NONMAJOR FUND - INSTITUTIONS SPECIAL REVENUE FUND

For the Year Ended June 30, 2010
With Comparative Figures for the Year Ended June 30, 2009

	2010			Variance Favorable (Unfavorable)	2009 Actual
	Budget		Actual		
	Original	Final			
Receipts					
Property taxes	\$ 20,579	\$ 20,579	\$ 16,993	\$ (3,586)	\$ 8,966
Intergovernmental	1,429	1,429	2,777	1,348	2,085
Local fees, licenses, commissions and miscellaneous	-	-	-	-	-
Total receipts	\$ 22,008	\$ 22,008	\$ 19,770	\$ (2,238)	\$ 11,051
Disbursements					
Operating expenses	\$ 17,500	\$ 17,500	\$ 15,965	\$ 1,535	\$ 11,164
Total disbursements	\$ 17,500	\$ 17,500	\$ 15,965	\$ 1,535	\$ 11,164
Excess (deficiency) of receipts over (under) disbursements	\$ 4,508	\$ 4,508	\$ 3,805	\$ (703)	\$ (113)
Fund balance, beginning of year			493		606
Fund balance, end of year			\$ 4,298		\$ 493

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY
Gering, Nebraska

BUDGETARY COMPARISON SCHEDULE
NONMAJOR FUND - VISITORS PROMOTION SPECIAL REVENUE FUND

For the Year Ended June 30, 2010
With Comparative Figures for the Year Ended June 30, 2009

	2010			Variance Favorable (Unfavorable)	2009 Actual
	Budget		Actual		
	Original	Final			
Receipts					
Other taxes	\$ 250,000	\$ 250,000	\$ 259,856	\$ 9,856	\$ 245,783
Intergovernmental	50,000	50,000	50,000	-	27,974
Local fees, licenses, commissions and miscellaneous	-	-	-	-	500
Total receipts	\$ 300,000	\$ 300,000	\$ 309,856	\$ 9,856	\$ 274,257
Disbursements					
Operating expenses	\$ 420,952	\$ 420,952	\$ 256,908	\$ 164,044	\$ 298,913
Total disbursements	\$ 420,952	\$ 420,952	\$ 256,908	\$ 164,044	\$ 298,913
Excess (deficiency) of receipts over (under) disbursements	\$ (120,952)	\$ (120,952)	\$ 52,948	\$ 173,900	\$ (24,656)
Fund balance, beginning of year			120,952		145,608
Fund balance, end of year			\$ 173,900		\$ 120,952

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY
Gering, Nebraska

BUDGETARY COMPARISON SCHEDULE
NONMAJOR FUND - INHERITANCE TAX SPECIAL REVENUE FUND

For the Year Ended June 30, 2010
With Comparative Figures for the Year Ended June 30, 2009

	2010			Variance Favorable (Unfavorable)	2009 Actual
	Budget		Actual		
	Original	Final			
Receipts					
Other taxes	\$ 300,000	\$ 300,000	\$ 300,346	\$ 346	\$ 595,019
Investment earnings	5,000	5,000	8,776	3,776	11,131
Total receipts	\$ 305,000	\$ 305,000	\$ 309,122	\$ 4,122	\$ 606,150
Disbursements					
Operating expenses	\$ 45,730	\$ 45,730	\$ 525	\$ 45,205	\$ 5,693
Total disbursements	\$ 45,730	\$ 45,730	\$ 525	\$ 45,205	\$ 5,693
Transfers out to other funds	530,000	530,000	530,000	-	550,000
Total disbursements and transfers out	\$ 575,730	\$ 575,730	\$ 530,525	\$ 45,205	\$ 555,693
Excess (deficiency) of receipts over (under) disbursements and transfers out	\$ (270,730)	\$ (270,730)	\$ (221,403)	\$ 49,327	\$ 50,457
Fund balance, beginning of year			470,730		420,273
Fund balance, end of year			\$ 249,327		\$ 470,730

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY
Gering, Nebraska

BUDGETARY COMPARISON SCHEDULE
NONMAJOR FUND - SCOTTSBLUFF DRAIN SINKING CAPITAL PROJECTS FUND

For the Year Ended June 30, 2010
With Comparative Figures for the Year Ended June 30, 2009

	2010		Actual	Variance Favorable (Unfavorable)	2009 Actual
	Budget				
	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	\$ 172,960	\$ 172,960	\$ -	\$ 172,960	\$ 700
Total disbursements	\$ 172,960	\$ 172,960	\$ -	\$ 172,960	\$ 700
Excess (deficiency) of receipts and transfers in over (under) disbursements	\$ (147,960)	\$ (147,960)	\$ 25,000	\$ 172,960	\$ 24,300
Fund balance, beginning of year			147,960		123,660
Fund balance, end of year			\$ 172,960		\$ 147,960

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY
Gering, Nebraska

BUDGETARY COMPARISON SCHEDULE
NONMAJOR FUND - SURVEYOR SINKING CAPITAL PROJECT FUND

For the Year Ended June 30, 2010
With Comparative Figures for the Year Ended June 30, 2009

	2010					2009 Actual
	Budget		Actual	Variance Favorable (Unfavorable)		
	Original	Final				
Receipts						
Intergovernmental	\$ 10,000	\$ 10,000	\$ 12,000	\$ 2,000	\$ -	
Local fees, licenses, commissions and miscellaneous	-	-	-	-	-	
Total receipts	\$ 10,000	\$ 10,000	\$ 12,000	\$ 2,000	\$ -	
Disbursements						
Operating expenses	\$ -	\$ -	\$ 4,988	\$ (4,988)	\$ 423	
Supplies and materials	-	-	144	(144)	-	
Capital outlay	15,042	15,042	2,580	12,462	-	
Total disbursements	\$ 15,042	\$ 15,042	\$ 7,712	\$ 7,330	\$ 423	
Excess (deficiency) of receipts over (under) disbursements	\$ (5,042)	\$ (5,042)	\$ 4,288	\$ 9,330	\$ (423)	
Fund balance, beginning of year			5,042		5,465	
Fund balance, end of year			\$ 9,330		\$ 5,042	

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY
Gering, Nebraska

BUDGETARY COMPARISON SCHEDULE
NONMAJOR FUND - BARRIER ELIMINATION CAPITAL PROJECT FUND

For the Year Ended June 30, 2010
With Comparative Figures for the Year Ended June 30, 2009

	2010			Variance Favorable (Unfavorable)	2009 Actual
	Budget		Actual		
	Original	Final			
Receipts					
Property taxes	\$ -	\$ -	\$ 2	\$ 2	\$ 10
Local fees, licenses, commissions and miscellaneous	-	-	-	-	-
Total receipts	\$ -	\$ -	\$ 2	\$ 2	\$ 10
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)	\$ 2	\$ 10,002	\$ 10
Fund balance, beginning of year			12,946		12,936
Fund balance, end of year			\$ 12,948		\$ 12,946

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY
Gering, Nebraska

BUDGETARY COMPARISON SCHEDULE
NONMAJOR FUND - SPECIAL PROJECTS CAPITAL PROJECTS FUND

For the Year Ended June 30, 2010
With Comparative Figures for the Year Ended June 30, 2009

	2010			Variance Favorable (Unfavorable)	2009 Actual
	Budget		Actual		
	Original	Final			
Receipts					
Intergovernmental	\$ 89,380	\$ 89,380	\$ 48,159	\$ (41,221)	\$ 28,113
Local fees, licenses, commissions and miscellaneous	-	-	2,599	2,599	2,614
Total receipts	\$ 89,380	\$ 89,380	\$ 50,758	\$ (38,622)	\$ 30,727
Disbursements					
Personal services	\$ 88,859	\$ 88,859	\$ 28,804	\$ 60,055	\$ 19,335
Operating expenses	5,000	5,000	254	4,746	1,589
Supplies and materials	18,500	18,500	22,352	(3,852)	8,650
Capital outlay	2,600	2,600	605	1,995	1,395
Total disbursements	\$ 114,959	\$ 114,959	\$ 52,015	\$ 62,944	\$ 30,969
Transfers out to other funds	-	-	-	-	12,382
Total disbursements and transfers out	\$ 114,959	\$ 114,959	\$ 52,015	\$ 62,944	\$ 43,351
Excess (deficiency) of receipts over (under) disbursements and transfers out	\$ (25,579)	\$ (25,579)	\$ (1,257)	\$ 24,322	\$ (12,624)
Fund balance, beginning of year			22,979		35,603
Fund balance, end of year			\$ 21,722		\$ 22,979

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY
Gering, Nebraska

BUDGETARY COMPARISON SCHEDULE
NONMAJOR FUND - HOMELAND SECURITY CAPITAL PROJECTS FUND

For the Year Ended June 30, 2010
With Comparative Figures for the Year Ended June 30, 2009

	2010			Variance Favorable (Unfavorable)	2009 Actual
	Budget		Actual		
	Original	Final			
Receipts					
Intergovernmental	\$ 586,708	\$ 586,708	\$ 356,021	\$ (230,687)	\$ 2,816
Local fees, licenses, commissions and miscellaneous	-	-	-	-	-
Total receipts	\$ 586,708	\$ 586,708	\$ 356,021	\$ (230,687)	\$ 2,816
Transfers in from other funds	-	-	-	-	96,111
Total receipts and transfers in	\$ 586,708	\$ 586,708	\$ 356,021	\$ (230,687)	\$ 98,927
Disbursements					
Operating expenses	\$ 62,014	\$ 62,014	\$ 1,790	\$ 60,224	\$ 2,928
Capital outlay	530,290	530,290	258,120	272,170	96,111
Total disbursements	\$ 592,304	\$ 592,304	\$ 259,910	\$ 332,394	\$ 99,039
Transfers out to other funds	-	-	96,111	(96,111)	-
Total disbursements and transfers out	\$ 592,304	\$ 592,304	\$ 356,021	\$ 236,283	\$ 99,039
Excess (deficiency) of receipts and transfers in over (under) disbursements and transfers outs	\$ (5,596)	\$ (5,596)	\$ -	\$ 5,596	\$ (112)
Fund balance, beginning of year			5,596		5,708
Fund balance, end of year			\$ 5,596		\$ 5,596

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY
Gering, Nebraska

BUDGETARY COMPARISON SCHEDULE
NONMAJOR FUND - CAPITAL IMPROVEMENTS CAPITAL PROJECTS FUND

For the Year Ended June 30, 2010
With Comparative Figures for the Year Ended June 30, 2009

	2010			Variance Favorable (Unfavorable)	2009 Actual
	Budget		Actual		
	Original	Final			
Receipts					
Property taxes	\$ 500,000	\$ 500,000	\$ 266,494	\$ (233,506)	\$ -
Intergovernmental	-	-	50,826	50,826	-
Local fees, licenses, commissions and miscellaneous	-	-	123,042	123,042	-
Total receipts	\$ 500,000	\$ 500,000	\$ 440,362	\$ (59,638)	\$ -
Transfers in from other funds	-	-	-	-	281,586
Total receipts and transfers in	\$ 500,000	\$ 500,000	\$ 440,362	\$ (59,638)	\$ 281,586
Disbursements					
Capital outlay	\$ 548,944	\$ 548,944	\$ -	\$ 548,944	\$ 53,850
Total disbursements	\$ 548,944	\$ 548,944	\$ -	\$ 548,944	\$ 53,850
Excess (deficiency) of receipts and transfers in over (under) disbursements	\$ (48,944)	\$ (48,944)	\$ 440,362	\$ 489,306	\$ 227,736
Fund balance, beginning of year			248,944		21,208
Fund balance, end of year			\$ 689,306		\$ 248,944

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY
Gering, Nebraska

BUDGETARY COMPARISON SCHEDULE
NONMAJOR FUND - JAIL OBLIGATION BONDS CAPITAL PROJECTS FUND

For the Year Ended June 30, 2010
With Comparative Figures for the Year Ended June 30, 2009

	2010			Variance Favorable (Unfavorable)	2009 Actual
	Budget		Actual		
	Original	Final			
Receipts					
Local fees, licenses, commissions and miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ -
Total receipts	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers in from other funds	-	-	-	-	184,745
Total receipts and transfers in	\$ -	\$ -	\$ -	\$ -	\$ 184,745
Disbursements					
Capital outlay	\$ -	\$ -	\$ -	\$ -	\$ 184,745
Total disbursements	\$ -	\$ -	\$ -	\$ -	\$ 184,745
Transfers out to other funds	-	-	-	-	531,586
Total disbursements and transfers out	\$ -	\$ -	\$ -	\$ -	\$ 716,331
Excess (deficiency) of receipts and transfers in over (under) disbursements and transfers out	\$ -	\$ -	\$ -	\$ -	\$ (531,586)
Fund balance, beginning of year			-		531,586
Fund balance, end of year			\$ -		\$ -

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY

Gering, Nebraska

SINGLE AUDIT REPORTS AND SCHEDULES



**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, 2010, which collectively comprise the County's basic financial statements and have issued our report thereon dated November 8, 2010. 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.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying Schedule of Findings and Questioned Costs as items 2010-1

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

and 2010-2 that we consider to be significant deficiencies in internal control over financial reporting. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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, 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 November 8, 2010.

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.

FRED A. LOCKWOOD & Co. P.C.

Scottsbluff, Nebraska
November 8, 2010



**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, 2010. 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, 2010.

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 and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, non-compliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material non-compliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies as described in the accompanying Schedule of Findings and Questioned Costs as item 2010-1. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

The County's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the County's responses 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.

FRED A. LOCKWOOD & Co. P.C.

Scottsbluff, Nebraska
November 8, 2010

SCOTTS BLUFF COUNTY
Gering, Nebraska

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2010

<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 States Department of Health and Human Services</u>			
Passed through Nebraska Department of Health and Human Services:			
Maternal and Child Health Services Block Grant to the States	93.994	IAP 932165	\$ 22,576
Centers for Disease Control and Prevention Investigation and Technical Assistance	93.283	5U50C1723775-05	12,520
Public Health Emergency Preparedness	93.069	1H75TP000381-01	112,195
Nebraska Colon Cancer Program	NA	NA	4,500
Tobacco Free Nebraska	NA	NA	4,294
Pool Cool Mini-Grant	NA	NA	1,393
Child Support Enforcement	93.563	09-04NE4004	257,765
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	75,813
Total United States Department of Health and Human Services			\$ 491,056
<u>United States Department of Transportation</u>			
Passed through Nebraska Department of Roads:			
Formula Grants for Other Than Urbanized Areas	20.509	RPT-C791(209)	\$ 110,445
Formula Grants for Other Than Urbanized Areas	20.509 ARRA	NA	22,390
Highway Planning and Construction	20.205	NA	34,464
State and Community Highway Safety	20.600	NA	1,800
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601	NA	44,198
Total United States Department of Transportation			\$ 213,297
<u>United States Department of Justice</u>			
Passed through Nebraska Crime Commission:			
Juvenile Accountability Incentive Block Grants	16.523	09-CA-525	\$ 32,196
Crime Victim Assistance	16.575	09-VA-204	27,130
Byrne Discretionary Program	16.738	09-DA-301	35,949
Passed through Nebraska Department of Justice			
Bulletproof Vest Partnership Program	16.607	OMB #1121-0235	2,000
Total United States Department of Justice			\$ 97,275
<u>United States Department of Homeland Security</u>			
Passed through Nebraska Emergency Management Agency:			
Homeland Security Grant Program	97.067	2009-SHSP	\$ 259,909
Disaster Grants - Public Assistance	97.036	157-U01GD-00	76,324
Total United States Department of Homeland Security			\$ 336,233
<u>United States Department of Energy</u>			
Energy Efficiency and Conservation Block Grant	81.128 ARRA	09RW000306	\$ 144,948
Total Expenditures of Federal Awards			\$ 1,282,809

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, 2010

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:

Program/Federal CFDA #/Amount Provided

Homeland Security Grant Program	97.067	\$259,909
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NOTE 3 - NON-CASH EXPENDITURES

Federal expenditures presented in the Schedule of Expenditures of Federal Awards for program 20.509 ARRA in the amount of \$22,390 represent the receipt of a vehicle and are non-cash in nature.

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY
Gering, Nebraska

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2010

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? X yes _____ 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>
81.128	ARRA Energy Efficiency and Conservation Block Grant
97.067	Homeland Security Grant Program

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

Auditee qualified as low-risk auditee? X yes _____ no

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY
Gering, Nebraska

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

For the Year Ended June 30, 2010

Section II - Financial Statement Findings

Current Year Findings

2010-1 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.

2010-2 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.

SCOTT BLUFF COUNTY
Gering, Nebraska

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

For the Year Ended June 30, 2010

Section II - Financial Statement Findings (Continued)

Current Year Findings (Continued)

2010-2 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

2009-1 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 2010-1.

2009-2 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. It is the responsibility of management and those charged with governance to make the decision whether to accept the degree of risk associated with this condition because of cost or other considerations.

Current Status - This finding is repeated in the current year as finding 2010-2.

See accompanying independent auditors' report.

SCOTTS BLUFF COUNTY
Gering, Nebraska

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

For the Year Ended June 30, 2010

Section III - Federal Award Findings and Questioned Costs

Current Year Findings and Questioned Costs

See current year finding 2010-1 in Section II.

Prior Year Findings and Questioned Costs

See prior year finding 2009-1 in Section II.

See accompanying independent auditors' report.