

AUDIT REPORT
OF
SCOTTS BLUFF COUNTY, NEBRASKA

JUNE 30, 2012

AUDIT REPORT
OF
SCOTTS BLUFF COUNTY, NEBRASKA
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INDEPENDENT AUDITORS' REPORT

County 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, as of and for the year ended June 30, 2012, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express an opinion 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 opinion.

As described in Note 1, Scotts Bluff County, Nebraska, prepares its financial statements on the cash basis, 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 respective cash basis financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Scotts Bluff County, Nebraska, as of June 30, 2012, and the respective changes in cash basis financial position and cash flows, where applicable, thereof for the year then ended in conformity with the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued our report dated December 17, 2012, on our consideration of Scotts Bluff County, Nebraska's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Scotts Bluff County, Nebraska's basic financial statements. The supplemental schedules presented on pages 29 through 66 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 presented on pages 67 - 69 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 basic financial statements of Scotts Bluff County, Nebraska. The schedule of expenditures of federal awards has 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. The supplemental schedules presented on pages 29 through 66 have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Dana J Cole + Company, LLP

Scottsbluff, Nebraska
December 17, 2012

SCOTTS BLUFF COUNTY, NEBRASKA
 STATEMENT OF NET ASSETS - CASH BASIS
 JUNE 30, 2012

	Governmental Activities	Business-Type Activities	Total Primary Government
ASSETS			
Cash and cash equivalents	<u>7,391,332</u>	<u>448,844</u>	<u>7,840,176</u>
TOTAL ASSETS	<u>7,391,332</u>	<u>448,844</u>	<u>7,840,176</u>
NET ASSETS			
Restricted	2,061,837	448,844	2,510,681
Unrestricted	<u>5,329,495</u>	<u> </u>	<u>5,329,495</u>
TOTAL NET ASSETS	<u>7,391,332</u>	<u>448,844</u>	<u>7,840,176</u>

See accompanying notes to financial statements.

SCOTTS BLUFF COUNTY, NEBRASKA
STATEMENT OF ACTIVITIES - CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2012

Functions/programs	Program Revenues			Net (Expense) Revenue and Changes in Net Assets Primary Government		Total	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities		Business-Type Activities
Primary government							
Governmental activities							
General Government	7,150,691	968,847		318,411	(5,863,433)	(5,863,433)	
Public Safety	7,685,321	2,294,940	169,636	362,082	(4,858,663)	(4,858,663)	
Public Works	3,071,501	427,154	1,986,191		(658,156)	(658,156)	
Public Health	326,119	17,532	147,606		(160,981)	(160,981)	
Public Welfare and Social Services	691,438	76,336	452,771		(162,331)	(162,331)	
Culture and recreation	156,447				(156,447)	(156,447)	
Capital outlay	1,193,111				(1,193,111)	(1,193,111)	
Debt service							
Principal	11,859,214		11,320,000		(539,214)	(539,214)	
Interest	607,236				(607,236)	(607,236)	
Issue Costs	163,459				(163,459)	(163,459)	
Total governmental activities	<u>32,904,537</u>	<u>3,784,809</u>	<u>14,076,204</u>	<u>680,493</u>	<u>(14,363,031)</u>	<u>(14,363,031)</u>	
Business-type activity							
Keno operations	<u>749,927</u>	<u>1,100,725</u>				<u>350,798</u>	
Total primary government	<u>33,654,464</u>	<u>4,885,534</u>	<u>14,076,204</u>	<u>680,493</u>	<u>(14,363,031)</u>	<u>350,798</u> <u>(14,012,233)</u>	
GENERAL RECEIPTS							
Property taxes					8,802,304	8,802,304	
Motor vehicle taxes					1,239,906	1,239,906	
Other taxes					1,051,409	1,051,409	
Intergovernmental revenues					1,139,144	1,139,144	
Miscellaneous local					749,515	749,515	
Investment earnings					107,208	107,208	
Total general revenues					<u>13,089,486</u>	<u>13,089,486</u>	
Net transfers in (out)					<u>400,000</u>	<u>(400,000)</u>	
CHANGE IN NET ASSETS					(873,545)	(49,202) (922,747)	
NET ASSETS, beginning of year					7,662,436	498,046 8,160,482	
Prior period adjustment					<u>602,441</u>	<u>602,441</u>	
NET ASSETS, end of year					<u>7,391,332</u>	<u>448,844</u> <u>7,840,176</u>	

See accompanying notes to financial statements.

SCOTTS BLUFF COUNTY, NEBRASKA
STATEMENT OF ASSETS AND FUND BALANCES - CASH BASIS
GOVERNMENTAL FUNDS
JUNE 30, 2012

	General Fund	Major Funds				Other Nonmajor Governmental Funds	Total Governmental Funds
		Road and Bridge Fund	Detention Fund	Capital Improvement Fund	Debt Service Fund		
ASSETS							
Cash and cash equivalents	<u>2,617,661</u>	<u>632,252</u>	<u>170,204</u>	<u>878,331</u>	<u>883,346</u>	<u>2,209,538</u>	<u>7,391,332</u>
TOTAL ASSETS	<u>2,617,661</u>	<u>632,252</u>	<u>170,204</u>	<u>878,331</u>	<u>883,346</u>	<u>2,209,538</u>	<u>7,391,332</u>
FUND BALANCES							
Restricted		632,252			883,346	546,239	2,061,837
Committed			170,204	878,331		1,663,299	2,711,834
Unassigned	<u>2,617,661</u>						<u>2,617,661</u>
TOTAL FUND BALANCES	<u>2,617,661</u>	<u>632,252</u>	<u>170,204</u>	<u>878,331</u>	<u>883,346</u>	<u>2,209,538</u>	<u>7,391,332</u>

See accompanying notes to financial statements.

SCOTTS BLUFF COUNTY, NEBRASKA
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCES - CASH BASIS
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2012

	Major Funds					Other Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Road and Bridge Fund	Detention Fund	Capital Improvement Fund	Debt Service Fund		
RECEIPTS							
Property taxes	5,583,808		1,531,577	830	794,580	891,509	8,802,304
Motor vehicle taxes	1,062,113	177,793					1,239,906
Other taxes	300					1,051,109	1,051,409
Intergovernmental	1,514,808	2,011,503	217,949		98,824	732,757	4,575,841
Local fees, licenses, commissions and miscellaneous	1,725,006	201,739	1,956,071		26,354	625,154	4,534,324
Investment earnings	103,032					4,176	107,208
Proceeds from debt issuance					11,320,000		11,320,000
Total receipts	<u>9,989,067</u>	<u>2,391,035</u>	<u>3,705,597</u>	<u>830</u>	<u>12,239,758</u>	<u>3,304,705</u>	<u>31,630,992</u>
DISBURSEMENTS							
General government	4,877,661					2,273,030	7,150,691
Public safety	2,673,574		4,038,926			972,821	7,685,321
Public works	107,277	2,685,259				278,965	3,071,501
Public health						326,119	326,119
Public welfare and social services	578,791					112,647	691,438
Culture and recreation						156,447	156,447
Capital outlay	398,375	294,450	84,972			415,314	1,193,111
Debt service							
Principal	6,907	102,307			11,750,000		11,859,214
Interest	15,293	7,951			583,992		607,236
Issue costs					163,459		163,459
Total disbursements	<u>8,657,878</u>	<u>3,089,967</u>	<u>4,123,898</u>		<u>12,497,451</u>	<u>4,535,343</u>	<u>32,904,537</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>1,331,189</u>	<u>(698,932)</u>	<u>(418,301)</u>	<u>830</u>	<u>(257,693)</u>	<u>(1,230,638)</u>	<u>(1,273,545)</u>
OTHER FINANCING SOURCES (USES)							
Operating transfers in	835,000	953,391			63,485	2,194,388	4,046,264
Operating transfers out	(2,331,256)	(281,345)	(445,095)			(588,568)	(3,646,264)
Total other financing sources (uses)	<u>(1,496,256)</u>	<u>672,046</u>	<u>(445,095)</u>		<u>63,485</u>	<u>1,605,820</u>	<u>400,000</u>
NET CHANGE IN FUND BALANCES	(165,067)	(26,886)	(863,396)	830	(194,208)	375,182	(873,545)
FUND BALANCES, beginning of year	2,782,728	659,138	1,033,600	877,501	1,077,554	1,231,915	7,662,436
Prior period adjustment						602,441	602,441
FUND BALANCES, end of year	<u>2,617,661</u>	<u>632,252</u>	<u>170,204</u>	<u>878,331</u>	<u>883,346</u>	<u>2,209,538</u>	<u>7,391,332</u>

See accompanying notes to financial statements.

SCOTTS BLUFF COUNTY, NEBRASKA
STATEMENT OF NET ASSETS - CASH BASIS
BUSINESS-TYPE FUND
JUNE 30, 2012

	Business-Type Activities Enterprise Funds <u>Keno</u>
ASSETS	
Cash and cash equivalents	448,844
TOTAL ASSETS	<u>448,844</u>
NET ASSETS	
Restricted	448,844
TOTAL NET ASSETS	<u>448,844</u>

See accompanying notes to financial statements.

SCOTTS BLUFF COUNTY, NEBRASKA
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN NET ASSETS -
CASH BASIS - BUSINESS-TYPE FUND
FOR THE YEAR ENDED JUNE 30, 2012

	Business-Type Activities <u>Enterprise Funds</u>
	Keno
OPERATING REVENUES	
Keno receipts	4,181,751
Less: payouts to customers	<u>(3,081,026)</u>
Total operating revenues	<u>1,100,725</u>
OPERATING EXPENSES	
Operating expenses	<u>749,927</u>
INCOME BEFORE OPERATING TRANSFERS	350,798
OPERATING TRANSFERS	
Operating transfers out	<u>(400,000)</u>
CHANGE IN NET ASSETS	(49,202)
NET ASSETS, beginning of year	<u>498,046</u>
NET ASSETS, end of year	<u>448,844</u>

See accompanying notes to financial statements.

SCOTTS BLUFF COUNTY, NEBRASKA
STATEMENT OF NET ASSETS - CASH BASIS
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2012

ASSETS	
Cash and cash equivalents	<u>2,103,046</u>
LIABILITIES	
Road Improvement Districts	1,606
State	511,891
Schools	678,214
Educational Service Units	6,117
Community/Technical Colleges	38,672
Natural Resource Districts	22,250
Cemeteries	13,673
Fire Districts	6,586
Sanitary Improvement Districts	210,796
Drainage Districts	4,649
Irrigation Districts	18,120
Municipalities	102,646
Redevelopment Districts	679
Agricultural Society	3,694
Other governments	483,453
Total liabilities	<u>2,103,046</u>
NET ASSETS	<u>- 0 -</u>

See accompanying notes to financial statements.

SCOTTS BLUFF COUNTY, NEBRASKA
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies of the Scotts Bluff County, Nebraska (the County).

A. THE 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 County consists of the primary government (which includes all of the funds, organizations, institutions, agencies, departments and offices that make up the legal entity, plus those funds which the primary government has a fiduciary responsibility, even though those fiduciary funds may represent organizations that do not meet the criteria for inclusion in the financial reporting entity); those organizations for which the primary government is financially accountable; and other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the financial reporting entity's financial statements to be misleading or incomplete.

Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The County is financially accountable if its County Commission appoints a voting majority of another organization's government body and it has the ability to impose its will on that organization, or there is a potential for that organization to provide specific financial benefits to, or impose specific financial burdens on the County (primary government). The County may also be financially accountable for another organization if that organization is fiscally dependent on the County. The County has determined it has no component units required to be reported in these financial statements.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of activities and net assets) report information on all the nonfiduciary activities of the primary government and its component units. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods and services.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the County's activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the Statement of Activities. Program revenues include (a) fees, fines and charges paid by the recipients of goods or services offered by the programs and

SCOTTS BLUFF COUNTY, NEBRASKA
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)

(b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Separate financial statements are provided for governmental funds, business-type funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements, as applicable.

Proprietary funds are used to account for the County's business-type activities. Proprietary funds distinguish operating receipts and disbursements from non-operating items. Operating receipts and disbursements generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All receipts and disbursements not meeting this definition are reported as nonoperating receipts and disbursements.

Fiduciary funds report assets held in a trustee or agency capacity for others and therefore cannot be used to support the County's own programs. The Trust and Agency Funds are fiduciary funds.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

Measurement Focus

The government-wide and fund financial statements of the primary government, Scotts Bluff County, Nebraska, are reported using the current financial resources measurement focus and the cash receipts and disbursements basis of accounting. Revenues are recognized when the County Treasurer receives cash rather than when earned. Expenditures are recognized when cash is disbursed rather than when the obligation is incurred. Accordingly, the accompanying financial statements are not intended to present financial position and the results of operations in conformity with accounting principles generally accepted in the United States of America.

Operating income reported in the proprietary fund financial statements includes revenues and expenses related to the primary continuing operations of the fund. Principal operating revenues for proprietary funds are charges to customers for sales or services. Principal operating expenses are the costs of providing goods or services and include administrative expenses. Other revenues and expenses are classified as nonoperating in the financial statements.

SCOTTS BLUFF COUNTY, NEBRASKA
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (Continued)

Measurement Focus (Continued)

Balances held by various county officers at year end, including cash and accounts receivables, are reported as cash items in the statement of fiduciary items. This statement includes amounts due to other governments, the County Treasurer and various trust accounts, which are reported as liabilities on that statement. The effects of not recognizing the County portion of revenue until collected by the County Treasurer is not considered a material departure from the cash basis of accounting.

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

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type, and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The County reports the following major governmental funds:

Governmental Funds

General Fund

The General Fund is the primary operating fund of the County and always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

Special Revenue Funds

Special Revenue Funds are used to account for proceeds of the specific revenue sources (other than special assessments or major capital projects) that are legally restricted to expenditures for specified purposes or designated to finance particular functions or activities of the County. The reporting entity includes the following

SCOTTS BLUFF COUNTY, NEBRASKA
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (Continued)

Measurement Focus (Continued)

Governmental Funds (Continued)

special revenue funds, the first three funds are to be reported as major funds and the remaining are to be reported as nonmajor funds:

<u>Fund</u>	<u>Brief Description</u>
Detention Fund	Levies tax and collects fees for operation of the county detention center.
Road and Bridge Fund	Maintains and improves County bridges and other County infrastructure. The County is required to match a certain amount of State resources for these purposes.

Debt Service Fund

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Capital Improvement Fund

Capital Improvement Funds are used to account for the financial resources to be used for acquisition or construction of major capital facilities.

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

SCOTTS BLUFF COUNTY, NEBRASKA
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (Continued)

Measurement Focus (Continued)

Proprietary Fund Types (Continued)

which case GASB prevails. For enterprise funds, GASB Statement Nos. 20 and 34 provide the County the option of electing to apply FASB pronouncements issued after November 30, 1989. The County has elected not to apply those pronouncements.

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

Fiduciary Fund Types

Trust and Agency Funds

Trust and Agency Funds are used to account for assets held by the County in a trustee capacity for other governmental units. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Program Revenues

In the statement of activities and net assets, cash basis revenues that are derived directly from each activity or from parties outside the County's taxpayers are reported as program revenues. The County has the following program revenues in each activity:

General Government	Fees, permits, licenses and commissions
Public Safety	Fines and fees, E-911 revenue, operating grants from Federal and State agencies for law enforcement, incarceration fees.
Public Works	Township road contracts, reimbursements, operating grants from FEMA and other Federal and State agencies for road and infrastructure work
Public Health	Fees, permits, licenses
Public Welfare and Social Services	Operating grants for juvenile services

All other governmental revenues are reported as general. All taxes are classified as general revenue even if restricted for a specific purpose.

SCOTTS BLUFF COUNTY, NEBRASKA
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. ASSETS, LIABILITIES AND NET ASSETS OR EQUITY

1. Deposits and Investments

The County's cash is considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. The County had no cash equivalents at June 30, 2012.

Nebraska statutes allow the County to make any investments allowed by the State Investment Officer. This includes bank certificates of deposit. Investments for the County are reported at fair value.

2. Capital Assets

Capital assets are not recorded as assets on the government-wide or fund financial statements and depreciation is not recognized. Purchases of capital assets are recorded as disbursements by function in the financial statements.

3. Compensated Absences

It is the County's policy to permit employees to accumulate a limited amount of earned but unused vacation, sick leave and compensatory time. Employees who leave County Government for any reason will be paid for any unused vacation leave earned after one (1) year of employment. Employees who leave the County employment before one full year of employment shall not be paid any vacation leave, as none has been earned by them until after one full year of employment. All sick leave shall expire on the date of separation. All unused compensatory time remaining when the employee leaves the employment of the County shall be paid at the employee's current hourly rate or at the average rate for the final three years of employment, whichever is greater.

4. 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.

5. Equity Classification

Government-Wide Statements

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

Restricted net assets consists of net assets with constraints placed on the use either by external groups, such as creditors, grantors, contributors or laws and regulations of other governments; or through constitutional provision or enabling legislation.

Unrestricted net assets do not meet the definition of restricted.

SCOTTS BLUFF COUNTY, NEBRASKA
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. ASSETS, LIABILITIES AND NET ASSETS OR EQUITY (Continued)

5. Equity Classification (Continued)

Government-Wide Statements (Continued)

It is the County's policy to use restricted net assets first, prior to the use of unrestricted net assets, when a disbursement is paid for purposes in which both restricted and unrestricted net assets are available.

Fund Statements

Fund Balance Classification. The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable - This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The County has no amounts classified in this category.

Restricted - This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

Committed - This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the County Board of Commissioners. These amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned - This classification includes amounts that are constrained by the County's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the County Board of Commissioners or through the Board delegating this responsibility to the County management accountant through the budgetary process. The County has no amounts classified in this category.

Unassigned - This classification includes the residual fund balance for the General Fund.

SCOTTS BLUFF COUNTY, NEBRASKA
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. ASSETS, LIABILITIES AND NET ASSETS OR EQUITY (Continued)

5. Equity Classification (Continued)

Fund Statements (Continued)

The County would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

E. REVENUE RECOGNITION - PROPERTY TAXES

Property taxes are levied by October 15th based on valuations as of January 1. Real estate and personal property 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 May 1 and September 1. Motor vehicle taxes are due when application is made for registration of a motor vehicle.

F. INTERFUND ACTIVITIES

In the process of aggregating the financial information on the government-wide financial statements, some amounts reported as interfund activity in the fund financial statements have been eliminated or reclassified.

NOTE 2. INVESTMENTS AND DEPOSITS

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 cash basis assets and fund balances as "cash and cash equivalents". Interest earned on pooled funds is credited to the County General Fund in accordance with Section 77-2315, R.R.S. 1943.

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.

For the following disclosures required by Governmental Accounting Standards Board Statement No. 40, deposits include checking accounts, savings accounts, money market accounts and certificates of deposit.

SCOTTS BLUFF COUNTY, NEBRASKA
NOTES TO THE FINANCIAL STATEMENTS

NOTE 2. INVESTMENTS AND DEPOSITS (Continued)

The Nebraska Public Agency Investment Trust (NPAIT) was established in June 1996 through the Interlocal Cooperation Act, and commenced operations July 25, 1996. NPAIT was established to assist public bodies throughout the State of Nebraska with the investment of their available cash reserves. Participation in the investment trust is voluntary for its members. The objective of NPAIT is to provide its owner members with a conservative and effective investment alternative tailored to the needs of its members. NPAIT portfolio management generally follows established investment criteria developed by the Securities and Exchange Commission for money market funds designed to offer acceptable yield while maintaining liquidity. NPAIT is not registered with the Securities and Exchange Commission (SEC) as an investment company. The County has \$50,001 with NPAIT as of June 30, 2012.

NPAIT's short-term investment portfolio consists of cash and short-term investments valued at amortized cost, which is determined to approximate fair value due to the short-term nature of the instruments. NPAIT maintains a net asset value of \$1.00 per unit.

Cash and Investment Balances

The ending balances consist of checking and money market account deposits and investments in certificates of deposit, as follows:

	Financial Institution Balance	Financial Statement Carrying Amount
Cash on hand		71,761
Pooled cash	7,716,718	7,871,461
Pooled certificates of deposit	<u>2,000,000</u>	<u>2,000,000</u>
Total	<u>9,716,718</u>	<u>9,943,222</u>
	Financial Institution Balance	Financial Statement Carrying Amount
Analysis of cash reporting by activity		
Governmental activities		7,391,332
Proprietary activities		448,844
Fiduciary activities		<u>2,103,046</u>
Total		<u>9,943,222</u>

SCOTTS BLUFF COUNTY, NEBRASKA
NOTES TO THE FINANCIAL STATEMENTS

NOTE 2. INVESTMENTS AND DEPOSITS (Continued)

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, 2012, the County had balance with financial institutions of \$9,716,718, of which \$- 0 - was exposed to custodial credit risk as follows:

	Financial Institution Balance	Custodial Credit Risk
Insured by FDIC Insurance	1,000,000	- 0 -
Insured by surety bonds or irrevocable letters of credit	8,716,718	- 0 -
Collateralized by pledged securities Held by financial institution in County's name	- 0 -	- 0 -
Total	9,716,718	- 0 -

The Nebraska Public Agency Investment Trust (NPAIT) is an interlocal 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, 2012 were \$50,001.

NOTE 3. RETIREMENT SYSTEMS

The Retirement System for Nebraska Counties (System) is a multi-employer defined contribution plan administered by the Public Employees Retirement Board in accordance with the provisions of the County Employees Retirement Act. The System provides a retirement annuity or other benefits to members and beneficiaries based solely on amounts contributed plus investment earnings. The System's provisions are established under State Statute Sections 23-2301 through 23-2332.01 R.S. Supp., 2002 and may be amended through legislative action. Each employee who is a member of the retirement system shall contribute a sum equal to four and one-half percent (4 1/2%) of his or her salary and the County contributes an amount equal to one hundred fifty percent (150%) of the employee's contribution. The contribution rates are established by State Statute Sections 23-2307 and 23-2308 and may be amended through legislative action. The employee and employer's contributions are kept in separate accounts. In addition, a supplemental retirement plan for the benefit of all present and future commissioned law enforcement personnel employed by such county who possess a valid law enforcement officer certificate or diploma, as established by the Nebraska Police Standards Advisory Council

SCOTTS BLUFF COUNTY, NEBRASKA
NOTES TO THE FINANCIAL STATEMENTS

NOTE 3. RETIREMENT SYSTEMS (Continued)

was established beginning January 1, 2003. This auxiliary benefit plan is funded by an additional contribution to the County employees' retirement plan in excess of the amounts established by State Statute Sections 23-2307 and 23-2308. The additional contributions made by employees shall be credited to the employee account, and contributions paid by the County shall be credited to the employer account, with each amount to be established at a rate of one percent (1%) of compensation.

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, 2010, 2011 and 2012, were \$535,624, \$566,848, and \$584,907, respectively, equal to the required contributions for each year.

NOTE 4. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County is a member of the Nebraska Intergovernmental Risk Management Association (NIRMA), a public entity risk pool currently operating as a common risk management and insurance program for 77 counties throughout Nebraska. NIRMA was created as a result of the Intergovernmental Risk Management Act authorized by State Statute Section 44-4301, R.R.S. 1943 which resulted in two programs being established, NIRMA and NIRMA II. The County has the option of participating in one or both of the programs. Scotts Bluff County, Nebraska participates in both of the programs.

The County pays an annual deposit premium as calculated by the administrator of the pool. Following the close of the fiscal year and at appropriate intervals thereafter, the Pool may calculate each County's retrospective premium or premium credit for the year. The Board prior to the beginning of the fiscal year shall adopt the retrospective formula. The formula shall consider the losses and exposures of each County and the entire Pool. The deposit premium paid for the fiscal year shall be applied as a credit against the retrospective premium. If it is determined that the deposit premium paid is in excess of the retrospective premiums calculated, such excess shall be applied as a credit toward the next annual deposit premium. Retrospective premium adjustments for each fiscal year shall continue until all claims are closed or until the Board determines that sufficient facts are known to make a final adjustment for the year.

If the Pool becomes insolvent or is otherwise unable to discharge its legal liabilities and other obligations, the County may be assessed by the 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 such assessment, and the manner of calculating the same, shall be to each County in writing, and each County shall thereafter have sixty (60) days in which to pay the amount of such assessment. Each County shall remain liable for such assessments, regardless of such County's withdrawal from participation or the termination of the agreement, and for liabilities of the Pool incurred during such County's period of membership, as provided by State Statute Section 44-4312, R.R.S. 1943.

SCOTTS BLUFF COUNTY, NEBRASKA
NOTES TO THE FINANCIAL STATEMENTS

NOTE 4. RISK MANAGEMENT (Continued)

In the event of a liability loss exceeding \$5,000,000 per occurrence, the County would be responsible for funding the excess amount. In the event of a workers' compensation loss exceeding the statutory excess limit or an employer's liability loss exceeding the \$2,000,000, excess limit the County would be responsible for funding the excess amount.

Since the majority of NIRMA's and NIRMA II's liabilities are reserves for losses and loss adjustment expenses which are based on an actuarial estimate of the ultimate losses incurred, the member balances are adjusted annually to reflect recent loss information. There were no significant reductions in insurance coverage from the coverage in the prior year by major categories of risk.

The County has not paid any additional assessments to the Pool in the last three fiscal years and no assessments are anticipated for fiscal year 2012. The County has not had to pay out any amounts that exceeded coverage's provided by the Pool in the last three fiscal years.

NOTE 5. LONG-TERM DEBT

Capital leases payable at June 30, 2012, are comprised of the following individual contracts:

The County is the lessee of a telephone system and telephones under a capital lease agreement maturing in February 2014, quarterly installments of \$4,641 are due including interest at 12.3%, the lease agreement is secured by equipment.	25,079
The County Road's Department is the lessee of a caterpillar tractor under a capital lease agreement maturing in April 2013, monthly installment of \$4,366 are due including interest at 3.75%, the lease agreement is secured by the tractor.	38,686
The County Road's Department is the lessee of a John Deere motor grader under a capital lease agreement maturing in July 2013, annual installments of \$57,868 are due including interest at 3.25%, the lease agreement is secured by the motor grader.	<u>110,251</u>
Total capital leases payable	<u>174,016</u>

Notes payable at June 30, 2012 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.	<u>304,103</u>
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SCOTTS BLUFF COUNTY, NEBRASKA
NOTES TO THE FINANCIAL STATEMENTS

NOTE 5. LONG-TERM DEBT (Continued)

Bonds payable at June 30, 2012, consisted of the following:

Highway Allocation Bond, dated November 15, 2002, interest rates ranging from 1.75% - 3.7%, annual principal payments due each November 15 starting in 2003, and semiannual interest payments due May 15 and November 15, final payment is due November 15, 2012.	65,000
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 semiannual interest payments due July 15 and January 15, final payment is due January 15, 2022. Bond issuance costs of \$34,148 were incurred.	1,800,000
General Obligation Bonds, dated July 14, 2011, interest rates ranging from 0.4% - 4.35%, annual principal payments due each January 15 starting in 2012, and semiannual interest payments due July 15 and January 15, final payment is due January 15, 2031. Bond issuance costs of \$82,760 were incurred.	5,590,000
General Obligation Bonds, dated March 5, 2012, interest rates ranging from 0.5% - 3%, annual principal payments due each January 15 starting in 2013, and semiannual interest payments due July 15 and January 15, final payment is due January 15, 2031. Bond issuance costs of \$80,699 were incurred.	<u>5,480,000</u>
Total bonds payable	<u>12,935,000</u>
Total long-term debt	<u>13,413,119</u>

A schedule of changes in long-term debt, including capital leases, for the year ended June 30, 2012, is as follows:

	Beginning Balance	Additions	Payments	Ending Balance
Capital leases	292,313		(118,297)	174,016
Notes payable	311,010		(6,907)	304,103
General obligation bonds	<u>13,365,000</u>	<u>11,320,000</u>	<u>(11,750,000)</u>	<u>12,935,000</u>
Total	<u>13,968,323</u>	<u>11,320,000</u>	<u>(11,875,204)</u>	<u>13,413,119</u>

SCOTTS BLUFF COUNTY, NEBRASKA
NOTES TO THE FINANCIAL STATEMENTS

NOTE 5. LONG-TERM DEBT (Continued)

The annual debt service requirements for the next five years and for each five-year period thereafter as of June 30, 2012 are as follows:

Year Ending June 30,	Capital Leases		Notes Payable	
	Principal	Interest	Principal	Interest
2013	109,124	6,601	7,311	14,889
2014	64,892	2,258	7,682	14,518
2015			8,070	14,130
2016			8,479	13,721
2017			8,909	13,291
2018 - 2022			51,785	59,215
2023 - 2027			66,293	44,707
2028 - 2032			84,866	26,134
2033 - 2036			60,708	4,657
Total	<u>174,016</u>	<u>8,859</u>	<u>304,103</u>	<u>205,262</u>

Year Ending June 30,	Bonds Payable		Totals	
	Principal	Interest	Principal	Interest
2013	720,000	354,672	836,435	376,162
2014	655,000	354,062	727,574	370,838
2015	650,000	343,988	658,070	358,118
2016	670,000	332,752	678,479	346,473
2017	685,000	319,734	693,909	333,025
2018 - 2022	3,675,000	1,277,826	3,726,785	1,337,041
2023 - 2027	3,060,000	831,378	3,126,293	876,085
2028 - 2032	2,820,000	265,418	2,904,866	291,552
2033 - 2036			60,708	4,657
Total	<u>12,935,000</u>	<u>4,079,830</u>	<u>13,413,119</u>	<u>4,293,951</u>

The County's interest expense and debt issue costs for the year is as follows:

	Interest Expense	Debt Issue Costs	Total
Governmental Activities	<u>607,236</u>	<u>163,459</u>	<u>770,695</u>

SCOTTS BLUFF COUNTY, NEBRASKA
NOTES TO THE FINANCIAL STATEMENTS

NOTE 6. 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, 2012, were \$71,914.

Lessee Agreements

The County is the lessee of office equipment and communications towers under operating leases expiring in various years through 2017.

Minimum future rental payments under noncancellable operating leases having remaining terms in excess of one year as of June 30, 2012, are as follows:

Year Ending June 30,	Amount
2013	16,540
2014	11,320
2015	7,820
2016	7,820
2017	<u>1,665</u>
	<u>45,165</u>

NOTE 7. BUDGET COMPLIANCE

Following is a summary of the actual and budget amounts by fund:

	Budget	Actual	Variance Favorable (Unfavorable)
General Fund	11,649,241	10,989,134	660,107
Road and Bridge Fund	3,637,698	3,371,312	266,386
Visitor's Promotion Fund	594,947	158,980	435,967
Self-Insured Medical Insurance Fund		2,273,030	(2,273,030)
Relief and Medical Fund	104,403	103,375	1,028
Institutions Fund	16,500	15,705	795
Veteran's Aid Fund	6,500	3,489	3,011
Drug Enforcement Fund	361,017	109,823	251,194
Drug Court Fund	4,318	601	3,717

SCOTTS BLUFF COUNTY, NEBRASKA
NOTES TO THE FINANCIAL STATEMENTS

NOTE 7. BUDGET COMPLIANCE (Continued)

	Budget	Actual	Variance Favorable (Unfavorable)
Special Projects Fund	120,934	48,721	72,213
Homeland Security Fund	359,020	332,201	26,819
Juvenile Probation Fund	38,897	32,167	6,730
Inheritance Tax Fund	455,822	430,000	25,822
Keno Fund	910,598	1,149,927	(239,329)
Public Health Fund	374,719	336,625	38,094
E-911 Emergency Fund	149,170	49,082	100,088
Detention Fund	4,569,322	4,568,993	329
Debt Service Fund	1,558,390	12,497,451	(10,939,061)
Capital Improvement Fund	877,501		877,501
Barrier Elimination Fund	10,000		10,000
Surveyor Sinking Fund	11,838	351	11,487
Flood Control Fund	129,266	45,698	83,568
Scottsbluff Drain Sinking Fund	222,960		222,960
Noxious Weed Control Fund	268,749	257,325	11,424
Central Communication Fund	942,454	926,738	15,716
	<u>27,374,264</u>	<u>37,700,728</u>	<u>(10,326,464)</u>

NOTE 8. COMMITMENTS AND CONTINGENCIES

Self-Insurance

The County operates a self-insured medical insurance plan for dental and health insurance for its employees. The County has contracted with a third party administrator to provide claims processing services. In addition, the County has purchased a stop-loss policy covering all claims in excess of \$35,000 per year, per claim. The County retains risk of loss for all claims up to the stop-loss amount. As of June 30, 2012, contributions in excess of claims were \$705,626, which the County has designated for payment of future claims.

General

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 probable and reasonably estimated. Although it is not possible to quantify with any degree of certainty the potential financial impact of the County's continuing compliance 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.

SCOTTS BLUFF COUNTY, NEBRASKA
NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. COMMITMENTS AND CONTINGENCIES (Continued)

General (Continued)

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 combined financial statements for such contingencies.

NOTE 9. INTERFUND TRANSFERS AND LOANS

Transfers

The detail of interfund transfers for the year ended June 30, 2012 is as follows:

	Transfer In	Transfer Out	Net Transfers In (Out)
General Fund	835,000	2,331,256	(1,496,256)
Road and Bridge Fund	953,391	281,345	672,046
Visitor's Promotion Fund		2,335	(2,335)
Self-Insured Medical Insurance Fund	2,016,904		2,016,904
Relief and Medical Fund		9,922	(9,922)
Juvenile Probation Fund		180	(180)
Inheritance Tax Fund		430,000	(430,000)
Keno Fund		400,000	(400,000)
Public Health Fund	20,000	10,506	9,494
E-911 Emergency Fund	36,815	36,815	
Detention Fund		445,095	(445,095)
Debt Service Fund	63,485		63,485
Flood Control Fund		25,000	(25,000)
Scottsbluff Drain Sinking Fund	25,000		25,000
Noxious Weed Control Fund	95,669	14,008	81,661
Central Communication Fund		59,802	(59,802)
	<u>4,046,264</u>	<u>4,046,264</u>	

Transfers generally move resources from the General Fund, statutorily required to collect the resources, to the fund statutorily required to expend the resources. Transfers from the Inheritance Tax Fund move reserve funds over to other funds as needed. These transfers are not required to be paid back.

SCOTTS BLUFF COUNTY, NEBRASKA
NOTES TO THE FINANCIAL STATEMENTS

NOTE 9. INTERFUND TRANSFERS AND LOANS (Continued)

Loans

The County on occasion makes short-term interfund loans from a county fund to another county fund to assist in temporary cash shortfalls. These loans are unsecured and do not bear interest and will be repaid as cash becomes available at the discretion of the County Board. Interfund loans have been reported in the financial statements as transfers to and from respective funds. Amounts due to and from funds as of June 30, 2012 were \$- 0 -.

NOTE 10. RESTRICTED FUND BALANCES

The County's fund for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation are as follows:

Road and Bridge Fund	Restricted for road and bridge maintenance, improvements and construction	632,252
Visitor's Promotion Fund	Restricted for promotion of area tourism	389,300
Drug Enforcement Fund	Restricted for drug enforcement efforts	21,973
Drug Court Fund	Restricted for drug enforcement efforts	3,567
Keno Fund	Restricted for community betterment projects	448,844
Homeland Security Fund	Restricted for emergency preparedness equipment	44,455
E-911 Emergency Fund	Restricted for 911 communication system maintenance and improvement	86,944
Debt Service Fund	Restricted for debt service requirements	883,346

NOTE 11. INTERLOCAL AGREEMENTS

Scotts Bluff County has entered into agreements with the other entities established under the authority of the Interlocal Cooperation Act, for various services required to be provided to county residents. Scotts Bluff County contributed amounts for these purposes as follows:

Purpose	Amount
To provide services to elderly residents of the county	12,656
To provide mental health and substance abuse services residents of the County	158,349
To provide services to the developmentally disabled residents of the County	<u>37,778</u>
	<u>208,783</u>

SCOTTS BLUFF COUNTY, NEBRASKA
NOTES TO THE FINANCIAL STATEMENTS

NOTE 12. PRIOR PERIOD ADJUSTMENT

In 2006, the County adopted a self-insured dental insurance plan for its employees for the purpose of reducing employer and employee costs of providing dental insurance to its employees. The County has funded the plan through employee premiums and employer contributions. For the years 2006 through 2011, the county reported employer contribution amounts as expenses of the County. As of June 30, 2011, employee premiums and employer contributions over claims paid for employee medical expenses was \$602,441 represented by cash in bank which was not reported as such on the County's June 30, 2011 financial statements.

NOTE 13. SUBSEQUENT EVENTS

In preparing the financial statements, the County has evaluated events and transactions for potential recognition or disclosure through December 17, 2012, the date the financial statements were available to be issued.

SUPPLEMENTAL INFORMATION

SCOTT'S BLUFF COUNTY, NEBRASKA
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -
 CASH BASIS
 (UNAUDITED)
 FOR THE YEAR ENDED JUNE 30, 2012

	General Fund	Road and Bridge Fund	Visitor's Promotion Fund	Self-Insured Medical Fund	Relief and Medical Fund	Institutions Fund	Veteran's Aid Fund	Drug Enforcement Fund	Drug Court Fund	Special Projects Fund	Homeland Security Fund	Juvenile Probation Fund	Inheritance Tax Fund
RECEIPTS													
Property taxes	5,583,808				86,366	11,149	4,802						
Motor vehicle taxes	1,062,113	177,793											
Other taxes	300		280,604										543,208
Intergovernmental	1,514,808	2,011,503			10,722	1,511	498	50,000		39,888	362,082	32,196	
Local fees, licenses, commissions and miscellaneous	1,725,006	201,739	730	359,311	1,895					9,053	116		
Investment earnings	103,032												4,176
Proceeds from debt issuance													
Total receipts	<u>9,989,067</u>	<u>2,391,035</u>	<u>281,334</u>	<u>359,311</u>	<u>98,983</u>	<u>12,660</u>	<u>5,300</u>	<u>50,000</u>		<u>48,941</u>	<u>362,198</u>	<u>32,196</u>	<u>547,384</u>
DISBURSEMENTS													
General Government													
Personal services	2,413,339			1,903,223									
Operating expenses	2,230,566			369,807									
Supplies/materials	196,983												
Equipment rental	36,773												
Total General Government	<u>4,877,661</u>			<u>2,273,030</u>									
Public Safety													
Personal services	2,260,262							107,250					
Operating expenses	240,160							1,046		71,775		27,555	
Supplies/materials	167,702							1,527	601			4,001	
Equipment rental	5,450											431	
Total Public Safety	<u>2,673,574</u>							<u>109,823</u>	<u>601</u>		<u>71,775</u>	<u>31,987</u>	
Public Works													
Personal services	94,855	1,302,754								21,313			
Operating expense	10,588	299,002								5,266			
Supplies/materials	1,834	1,079,113								10,500			
Equipment rental		4,390											
Total Public Works	<u>107,277</u>	<u>2,685,259</u>								<u>37,079</u>			
Public Health													
Personal services													
Operating expense													
Supplies/materials													
Equipment rental													
Total Public Health													

SCOTTS BLUFF COUNTY, NEBRASKA
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -
 CASH BASIS
 (UNAUDITED)
 FOR THE YEAR ENDED JUNE 30, 2012

	General Fund	Road and Bridge Fund	Visitor's Promotion Fund	Self-Insured Medical Fund	Relief and Medical Fund	Institutions Fund	Veteran's Aid Fund	Drug Enforcement Fund	Drug Court Fund	Special Projects Fund	Homeland Security Fund	Juvenile Probation Fund	Inheritance Tax Fund
DISBURSEMENTS (Continued)													
Public Welfare and Social Services													
Personal services	329,055				71,758								
Operating expenses	192,521				21,466	15,705	3,489						
Supplies/materials	54,775				229								
Equipment rental	2,440												
Total Public Welfare and Social Services	<u>578,791</u>				<u>93,453</u>	<u>15,705</u>	<u>3,489</u>						
Culture and Recreation													
Personal services			14,552										
Operating expenses			141,752										
Supplies/materials			143										
Equipment rental													
Total Culture and Recreation			<u>156,447</u>										
Noncurrent													
Capital outlay	398,375	294,450	198							11,642	260,426		
Debt service													
Principal	6,907	102,307											
Interest	15,293	7,951											
Issue costs													
Total noncurrent	<u>420,575</u>	<u>404,708</u>	<u>198</u>							<u>11,642</u>	<u>260,426</u>		
Keno Enterprise													
Operating expenses													
Total disbursements	<u>8,657,878</u>	<u>3,089,967</u>	<u>156,645</u>	<u>2,273,030</u>	<u>93,453</u>	<u>15,705</u>	<u>3,489</u>	<u>109,823</u>	<u>601</u>	<u>48,721</u>	<u>332,201</u>	<u>31,987</u>	
OTHER SOURCES (USES)													
Transfers in	835,000	953,391		2,016,904									
Transfers out	(2,331,256)	(281,345)	(2,335)		(9,922)							(180)	(430,000)
Total other sources (uses)	<u>(1,496,256)</u>	<u>672,046</u>	<u>(2,335)</u>	<u>2,016,904</u>	<u>(9,922)</u>							<u>(180)</u>	<u>(430,000)</u>
NET CHANGE IN FUND BALANCE	(165,067)	(26,886)	122,354	103,185	(4,392)	(3,045)	1,811	(59,823)	(601)	220	29,997	29	117,384
FUND BALANCE, beginning	2,782,728	659,138	266,946		17,477	10,634	3,073	81,796	4,168	28,407	14,458	6,701	253,822
Prior period adjustment				602,441									
FUND BALANCE, end of year	<u>2,617,661</u>	<u>632,252</u>	<u>389,300</u>	<u>705,626</u>	<u>13,085</u>	<u>7,589</u>	<u>4,884</u>	<u>21,973</u>	<u>3,567</u>	<u>28,627</u>	<u>44,455</u>	<u>6,730</u>	<u>371,206</u>

SCOTTS BLUFF COUNTY, NEBRASKA
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES -
 CASH BASIS
 (UNAUDITED)
 FOR THE YEAR ENDED JUNE 30, 2012

	General Fund	Road and Bridge Fund	Visitor's Promotion Fund	Self-Insured Medical Insurance Fund	Relief and Medical Fund	Institutions Fund	Veteran's Aid Fund	Drug Enforcement Fund	Drug Court Fund	Special Projects Fund	Homeland Security Fund	Juvenile Probation Fund	Inheritance Tax Fund
ASSETS													
Cash and cash equivalents	<u>2,617,661</u>	<u>632,252</u>	<u>389,300</u>	<u>705,626</u>	<u>13,085</u>	<u>7,589</u>	<u>4,884</u>	<u>21,973</u>	<u>3,567</u>	<u>28,627</u>	<u>44,455</u>	<u>6,730</u>	<u>371,206</u>
TOTAL ASSETS	<u>2,617,661</u>	<u>632,252</u>	<u>389,300</u>	<u>705,626</u>	<u>13,085</u>	<u>7,589</u>	<u>4,884</u>	<u>21,973</u>	<u>3,567</u>	<u>28,627</u>	<u>44,455</u>	<u>6,730</u>	<u>371,206</u>
NET ASSETS													
Restricted		632,252	389,300					21,973	3,567		44,455		
Committed				705,626	13,085	7,589	4,884			28,627		6,730	371,206
Unassigned	<u>2,617,661</u>												
Total net assets	<u>2,617,661</u>	<u>632,252</u>	<u>389,300</u>	<u>705,626</u>	<u>13,085</u>	<u>7,589</u>	<u>4,884</u>	<u>21,973</u>	<u>3,567</u>	<u>28,627</u>	<u>44,455</u>	<u>6,730</u>	<u>371,206</u>

SCOTTS BLUFF COUNTY, NEBRASKA
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -
 CASH BASIS
 (UNAUDITED)
 FOR THE YEAR ENDED JUNE 30, 2012

	Keno Fund	Public Health Fund	E-911 Emergency Fund	Detention Fund	Debt Service Fund	Capital Improvement Fund	Barrier Elimination Fund	Surveyor Sinking Fund	Flood Control Fund	Scottsbluff Drain Sinking Fund	Noxious Weed Control Fund	Central Communication Fund	Total Funds
RECEIPTS													
Property taxes		145,046		1,531,577	794,580	830	5,458		42,833			595,855	8,802,304
Motor vehicle taxes													1,239,906
Other taxes			50,041									177,256	1,051,409
Intergovernmental		162,408		217,949	98,824		1,004		4,967			67,481	4,575,841
Local fees, licenses, commissions and miscellaneous	1,100,725	2,857		1,956,071	26,354			2,958	10,327		175,856	62,051	5,635,049
Investment earnings													107,208
Proceeds from debt issuance					11,320,000								11,320,000
Total receipts	<u>1,100,725</u>	<u>310,311</u>	<u>50,041</u>	<u>3,705,597</u>	<u>12,239,758</u>	<u>830</u>	<u>6,462</u>	<u>2,958</u>	<u>58,127</u>	<u>—</u>	<u>175,856</u>	<u>902,643</u>	<u>32,731,717</u>
DISBURSEMENTS													
General Government													
Personal services													4,316,562
Operating expenses													2,600,373
Supplies/materials													196,983
Equipment rental													36,773
Total General Government													<u>7,150,691</u>
Public Safety													
Personal services				2,967,396								618,181	5,953,089
Operating expenses			12,267	956,630								114,081	1,423,514
Supplies/materials				99,437								5,658	278,926
Equipment rental				15,463								8,448	29,792
Total Public Safety			<u>12,267</u>	<u>4,038,926</u>								<u>746,368</u>	<u>7,685,321</u>
Public Works													
Personal services											114,565		1,533,487
Operating expense								328	20,698		16,550		352,432
Supplies/materials								23			89,722		1,181,192
Equipment rental													4,390
Total Public Works								<u>351</u>	<u>20,698</u>		<u>220,837</u>		<u>3,071,501</u>
Public Health													
Personal services		75,352											75,352
Operating expense		248,735											248,735
Supplies/materials		2,032											2,032
Equipment rental													
Total Public Health		<u>326,119</u>											<u>326,119</u>

SCOTTS BLUFF COUNTY, NEBRASKA
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -
 CASH BASIS
 (UNAUDITED)
 FOR THE YEAR ENDED JUNE 30, 2012

	Keno Fund	Public Health Fund	E-911 Emergency Fund	Detention Fund	Debt Service Fund	Capital Improvement Fund	Barrier Elimination Fund	Surveyor Sinking Fund	Flood Control Fund	Scottsbluff Drain Sinking Fund	Noxious Weed Control Fund	Central Communication Fund	Total Funds
DISBURSEMENTS (Continued)													
Public Welfare and Social Services													400,813
Personal services													233,181
Operating expenses													55,004
Supplies/materials													2,440
Equipment rental													
Total Public Welfare and Social Services													691,438
Culture and Recreation													14,552
Personal services													141,752
Operating expenses													143
Supplies/materials													
Equipment rental													
Total Culture and Recreation													156,447
Noncurrent													
Capital outlay				84,972							22,480	120,568	1,193,111
Debt service													11,859,214
Principal					11,750,000								
Interest					583,992								
Issue Costs					163,459								
Total noncurrent				84,972	12,497,451						22,480	120,568	13,052,325
Keno Enterprise													
Operating expenses	749,927												749,927
Total disbursements	749,927	326,119	12,267	4,123,898	12,497,451			351	20,698		243,317	866,936	32,883,769
OTHER SOURCES (USES)													
Transfers in		20,000	36,815		63,485					25,000	95,669		4,046,264
Transfers out	(400,000)	(10,506)	(36,815)	(445,095)					(25,000)		(14,008)	(59,802)	(4,046,264)
Total other sources (uses)	(400,000)	9,494		(445,095)	63,485				(25,000)	25,000	81,661	(59,802)	
NET CHANGE IN FUND BALANCE	(49,202)	(6,314)	37,774	(863,396)	(194,208)	830	6,462	2,607	12,429	25,000	14,200	(24,095)	(152,052)
FUND BALANCE, beginning	498,046	125,608	49,170	1,033,600	1,077,554	877,501	2,948	9,038	74,524	197,960	23,080	62,105	8,160,482
Prior period adjustment													602,441
FUND BALANCE, end of year	448,844	119,294	86,944	170,204	883,346	878,331	9,410	11,645	86,953	222,960	37,280	38,010	8,610,871

SCOTTS BLUFF COUNTY, NEBRASKA
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES -
 CASH BASIS
 (UNAUDITED)
 FOR THE YEAR ENDED JUNE 30, 2012

	Keno Fund	Public Health Fund	E-911 Emergency Fund	Detention Fund	Debt Service Fund	Capital Improvement Fund	Barrier Elimination Fund	Surveyor Sinking Fund	Flood Control Fund	Scottsbluff Drain Sinking Fund	Noxious Weed Control Fund	Central Communication Fund	Total Funds
ASSETS													
Cash and cash equivalents	<u>448,844</u>	<u>119,294</u>	<u>86,944</u>	<u>170,204</u>	<u>883,346</u>	<u>878,331</u>	<u>9,410</u>	<u>11,645</u>	<u>86,953</u>	<u>222,960</u>	<u>37,280</u>	<u>38,010</u>	<u>8,610,871</u>
TOTAL ASSETS	<u>448,844</u>	<u>119,294</u>	<u>86,944</u>	<u>170,204</u>	<u>883,346</u>	<u>878,331</u>	<u>9,410</u>	<u>11,645</u>	<u>86,953</u>	<u>222,960</u>	<u>37,280</u>	<u>38,010</u>	<u>8,610,871</u>
NET ASSETS													
Restricted	448,844		86,944		883,346								2,510,681
Committed		119,294		170,204		878,331	9,410	11,645	86,953	222,960	37,280	38,010	2,711,834
Unassigned													2,617,661
Total net assets	<u>448,844</u>	<u>119,294</u>	<u>86,944</u>	<u>170,204</u>	<u>883,346</u>	<u>878,331</u>	<u>9,410</u>	<u>11,645</u>	<u>86,953</u>	<u>222,960</u>	<u>37,280</u>	<u>38,010</u>	<u>7,840,176</u>

SCOTTS BLUFF COUNTY, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -
CASH BASIS - BUDGET AND ACTUAL
GENERAL FUND
(UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2011)

	2012		Variance Favorable (Unfavorable)	2011 Actual
	Budget	Actual		
RECEIPTS				
Property taxes	5,783,020	5,583,808	(199,212)	5,013,760
Motor vehicle taxes	1,070,000	1,062,113	(7,887)	1,071,200
Other taxes	300	300		363
Intergovernmental	2,071,011	1,514,808	(556,203)	1,980,556
Local fees, licenses, commissions and miscellaneous	1,934,863	1,725,006	(209,857)	1,483,445
Investment earnings	76,350	103,032	26,682	74,348
Total receipts	<u>10,935,544</u>	<u>9,989,067</u>	<u>(946,477)</u>	<u>9,623,672</u>
DISBURSEMENTS				
General Government				
Personal services	2,498,016	2,413,339	84,677	2,806,107
Operating expenses	3,027,787	2,230,566	797,221	2,044,504
Supplies/materials	222,975	196,983	25,992	209,739
Equipment rental	38,900	36,773	2,127	40,966
Total General Government	<u>5,787,678</u>	<u>4,877,661</u>	<u>910,017</u>	<u>5,101,316</u>
Public Safety				
Personal services	2,369,928	2,260,262	109,666	2,528,792
Operating expenses	269,099	240,160	28,939	216,894
Supplies/materials	146,435	167,702	(21,267)	138,816
Equipment rental	3,100	5,450	(2,350)	3,885
Total Public Safety	<u>2,788,562</u>	<u>2,673,574</u>	<u>114,988</u>	<u>2,888,387</u>
Public Works				
Personal services	97,162	94,855	2,307	114,565
Operating expenses	11,187	10,588	599	11,378
Supplies/materials	1,900	1,834	66	1,800
Total Public Works	<u>110,249</u>	<u>107,277</u>	<u>2,972</u>	<u>127,743</u>
Public Welfare and Social Services				
Personal services	343,244	329,055	14,189	370,886
Operating expenses	201,989	192,521	9,468	206,562
Supplies/materials	46,825	54,775	(7,950)	45,026
Equipment rental	2,546	2,440	106	2,432
Total Public Welfare and Social Services	<u>594,604</u>	<u>578,791</u>	<u>15,813</u>	<u>624,906</u>

SCOTTS BLUFF COUNTY, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -
CASH BASIS - BUDGET AND ACTUAL
GENERAL FUND
(UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2011)

	2012		Variance Favorable (Unfavorable)	2011 Actual
	Budget	Actual		
DISBURSEMENTS (Continued)				
Noncurrent				
Capital outlay	411,309	398,375	12,934	367,865
Debt service				
Principal	22,200	6,907	15,293	22,200
Interest		15,293	(15,293)	
Total noncurrent	433,509	420,575	12,934	390,065
Total disbursements	9,714,602	8,657,878	1,056,724	9,132,417
OTHER SOURCES (USES)				
Transfers in	835,000	835,000		730,000
Transfers out	(1,934,639)	(2,331,256)	(396,617)	(1,351,406)
Total other sources (uses)	(1,099,639)	(1,496,256)	(396,617)	(621,406)
NET CHANGE IN FUND BALANCE	121,303	(165,067)	(286,370)	(130,151)
FUND BALANCE, beginning		2,782,728		2,912,879
FUND BALANCE, end of year		2,617,661		2,782,728

See accompanying notes to budgetary schedules.

SCOTTS BLUFF COUNTY, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -
CASH BASIS - BUDGET AND ACTUAL
ROAD AND BRIDGE FUND
(UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS 2011)

	2012		Variance	2011
	Budget	Actual	Favorable (Unfavorable)	Actual
RECEIPTS				
Motor vehicle taxes	180,000	177,793	(2,207)	187,709
Intergovernmental	1,836,117	2,011,503	175,386	1,913,112
Local fees, licenses, commissions and miscellaneous	<u>209,050</u>	<u>201,739</u>	<u>(7,311)</u>	<u>208,022</u>
Total receipts	<u>2,225,167</u>	<u>2,391,035</u>	<u>165,868</u>	<u>2,308,843</u>
DISBURSEMENTS				
Personal services	1,383,379	1,302,754	80,625	1,294,524
Operating expenses	380,176	299,002	81,174	349,007
Supplies/materials	921,300	1,079,113	(157,813)	797,676
Equipment rental	10,000	4,390	5,610	516
Capital outlay	548,600	294,450	254,150	425,965
Debt service				
Principal	107,391	102,307	5,084	56,756
Interest		<u>7,951</u>	<u>(7,951)</u>	
Total disbursements	<u>3,350,846</u>	<u>3,089,967</u>	<u>260,879</u>	<u>2,924,444</u>
OTHER SOURCES (USES)				
Transfers in	953,391	953,391		1,242,539
Transfers out	<u>(286,852)</u>	<u>(281,345)</u>	<u>5,507</u>	<u>(283,336)</u>
Total other sources (uses)	<u>666,539</u>	<u>672,046</u>	<u>5,507</u>	<u>959,203</u>
NET CHANGE IN FUND BALANCE	<u>(459,140)</u>	(26,886)	<u>432,254</u>	343,602
FUND BALANCE, beginning		<u>659,138</u>		<u>315,536</u>
FUND BALANCE, end of year		<u>632,252</u>		<u>659,138</u>

See accompanying notes to budgetary schedules.

SCOTTS BLUFF COUNTY, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -
CASH BASIS - BUDGET AND ACTUAL
VISITORS PROMOTION FUND
(UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS 2011)

	2012			
	Budget	Actual	Variance Favorable (Unfavorable)	2011 Actual
RECEIPTS				
Other taxes	328,000	280,604	(47,396)	318,138
Local fees, licenses, commissions and miscellaneous		730	730	1,789
Total receipts	328,000	281,334	(46,666)	319,927
DISBURSEMENTS				
Personal services	14,292	14,552	(260)	
Operating expenses	575,800	141,752	434,048	226,881
Supplies and materials	250	143	107	
Capital outlay	2,350	198	2,152	
Total disbursements	592,692	156,645	436,047	226,881
OTHER SOURCES (USES)				
Transfers out	(2,255)	(2,335)	(80)	
NET CHANGE IN FUND BALANCE	(266,947)	122,354	389,301	93,046
FUND BALANCE, beginning		266,946		173,900
FUND BALANCE, end of year		389,300		266,946

See accompanying notes to budgetary schedules.

SCOTTS BLUFF COUNTY, NEBRASKA
 SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -
 CASH BASIS - BUDGET AND ACTUAL
 SELF-INSURED MEDICAL INSURANCE FUND
 (UNAUDITED)
 FOR THE YEAR ENDED JUNE 30, 2012
 (WITH COMPARATIVE ACTUAL AMOUNTS 2011)

	2012		Variance Favorable (Unfavorable)	2011 Actual
	Budget	Actual		
RECEIPTS				
Local fees, licenses, commissions and miscellaneous		359,311	359,311	
DISBURSEMENTS				
Personal services		1,903,223	(1,903,223)	
Operating expenses		369,807	(369,807)	
Total disbursements		2,273,030	(2,273,030)	
OTHER SOURCES (USES)				
Transfers in		2,016,904	2,016,904	
NET CHANGE IN FUND BALANCE		103,185	103,185	- 0 -
FUND BALANCE, beginning		- 0 -		- 0 -
Prior period adjustment		602,441		- 0 -
FUND BALANCE, end of year		705,626		- 0 -

See accompanying notes to budgetary schedules.

SCOTTS BLUFF COUNTY, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -
CASH BASIS - BUDGET AND ACTUAL
RELIEF/MEDICAL FUND
(UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS 2011)

	2012			2011 Actual
	Budget	Actual	Variance Favorable (Unfavorable)	
RECEIPTS				
Property taxes	91,950	86,366	(5,584)	81,317
Intergovernmental	3,476	10,722	7,246	10,718
Local fees, licenses, commissions and miscellaneous	<u>1,500</u>	<u>1,895</u>	<u>395</u>	<u>3,563</u>
Total receipts	<u>96,926</u>	<u>98,983</u>	<u>2,057</u>	<u>95,598</u>
DISBURSEMENTS				
Personal services	69,472	71,758	(2,286)	67,406
Operating expenses	24,225	21,466	2,759	21,366
Supplies and materials	<u>200</u>	<u>229</u>	<u>(29)</u>	<u>266</u>
Total disbursements	<u>93,897</u>	<u>93,453</u>	<u>444</u>	<u>89,038</u>
OTHER SOURCES (USES)				
Transfers out	<u>(10,506)</u>	<u>(9,922)</u>	<u>584</u>	<u>(10,147)</u>
NET CHANGE IN FUND BALANCE	<u>(7,477)</u>	<u>(4,392)</u>	<u>3,085</u>	<u>(3,587)</u>
FUND BALANCE, beginning		<u>17,477</u>		<u>21,064</u>
FUND BALANCE, end of year		<u>13,085</u>		<u>17,477</u>

See accompanying notes to budgetary schedules.

SCOTTS BLUFF COUNTY, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -
CASH BASIS - BUDGET AND ACTUAL
INSTITUTIONS FUND
(UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS 2011)

	2012			
	Budget	Actual	Variance Favorable (Unfavorable)	2011 Actual
RECEIPTS				
Property taxes	8,566	11,149	2,583	16,932
Intergovernmental	2,300	1,511	(789)	2,388
Total receipts	<u>10,866</u>	<u>12,660</u>	<u>1,794</u>	<u>19,320</u>
DISBURSEMENTS				
Operating expenses	<u>16,500</u>	<u>15,705</u>	<u>795</u>	<u>12,984</u>
NET CHANGE IN FUND BALANCE	<u>(5,634)</u>	(3,045)	<u>2,589</u>	6,336
FUND BALANCE, beginning		<u>10,634</u>		<u>4,298</u>
FUND BALANCE, end of year		<u>7,589</u>		<u>10,634</u>

See accompanying notes to budgetary schedules.

SCOTTS BLUFF COUNTY, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -
CASH BASIS - BUDGET AND ACTUAL
VETERANS AID FUND
(UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS 2011)

	<u>2012</u>		Variance	
	Budget	Actual	Favorable (Unfavorable)	2011 Actual
RECEIPTS				
Property taxes	4,288	4,802	514	4,939
Intergovernmental	<u>139</u>	<u>498</u>	<u>359</u>	<u>667</u>
Total receipts	<u>4,427</u>	<u>5,300</u>	<u>873</u>	<u>5,606</u>
DISBURSEMENTS				
Operating expenses	<u>6,500</u>	<u>3,489</u>	<u>3,011</u>	<u>4,040</u>
NET CHANGE IN FUND BALANCE	<u>(2,073)</u>	1,811	<u>3,884</u>	1,566
FUND BALANCE, beginning		<u>3,073</u>		<u>1,507</u>
FUND BALANCE, end of year		<u>4,884</u>		<u>3,073</u>

See accompanying notes to budgetary schedules.

SCOTTS BLUFF COUNTY, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -
CASH BASIS - BUDGET AND ACTUAL
DRUG ENFORCEMENT FUND
(UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS 2011)

	2012		Variance Favorable (Unfavorable)	2011 Actual
	Budget	Actual		
RECEIPTS				
Intergovernmental	<u>279,221</u>	<u>50,000</u>	<u>(229,221)</u>	<u>170,828</u>
DISBURSEMENTS				
Personal services	338,359	107,250	231,109	164,776
Operating expenses	6,000	1,046	4,954	15,064
Supplies and materials	<u>16,658</u>	<u>1,527</u>	<u>15,131</u>	<u>5,175</u>
Total disbursements	<u>361,017</u>	<u>109,823</u>	<u>251,194</u>	<u>185,015</u>
NET CHANGE IN FUND BALANCE	<u>(81,796)</u>	<u>(59,823)</u>	<u>21,973</u>	<u>(14,187)</u>
FUND BALANCE, beginning		<u>81,796</u>		<u>95,983</u>
FUND BALANCE, end of year		<u>21,973</u>		<u>81,796</u>

See accompanying notes to budgetary schedules.

SCOTTS BLUFF COUNTY, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -
CASH BASIS - BUDGET AND ACTUAL
DRUG COURT FUND
(UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS 2011)

	2012		Variance Favorable (Unfavorable)	2011 Actual
	Budget	Actual		
RECEIPTS				
Local fees, licenses, commissions and miscellaneous	150	_____	(150)	55
DISBURSEMENTS				
Operating expenses	4,318	601	3,717	4,393
NET CHANGE IN FUND BALANCE	<u>(4,168)</u>	(601)	<u>3,567</u>	(4,338)
FUND BALANCE, beginning		4,168		8,506
FUND BALANCE, end of year		<u>3,567</u>		<u>4,168</u>

See accompanying notes to budgetary schedules.

SCOTTS BLUFF COUNTY, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -
CASH BASIS - BUDGET AND ACTUAL
SPECIAL PROJECTS FUND
(UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS 2011)

	2012		Variance Favorable (Unfavorable)	2011 Actual
	Budget	Actual		
RECEIPTS				
Intergovernmental	92,527	39,888	(52,639)	38,819
Local fees, licenses, commissions and miscellaneous		9,053	9,053	11,660
Total receipts	92,527	48,941	(43,586)	50,479
DISBURSEMENTS				
Personal services	88,859	21,313	67,546	31,357
Operating expenses		5,266	(5,266)	293
Supplies and materials	22,000	10,500	11,500	12,144
Capital outlay	10,075	11,642	(1,567)	
Total disbursements	120,934	48,721	72,213	43,794
NET CHANGE IN FUND BALANCE	(28,407)	220	28,627	6,685
FUND BALANCE, beginning		28,407		21,722
FUND BALANCE, end of year		28,627		28,407

See accompanying notes to budgetary schedules.

SCOTTS BLUFF COUNTY, NEBRASKA
 SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -
 CASH BASIS - BUDGET AND ACTUAL
 HOMELAND SECURITY FUND
 (UNAUDITED)
 FOR THE YEAR ENDED JUNE 30, 2012
 (WITH COMPARATIVE ACTUAL AMOUNTS 2011)

	2012		Variance Favorable (Unfavorable)	2011 Actual
	Budget	Actual		
RECEIPTS				
Intergovernmental	344,562	362,082	17,520	510,955
Local fees, licenses, commissions and miscellaneous		116	116	1,057
Total receipts	344,562	362,198	17,636	512,012
DISBURSEMENTS				
Operating expenses	95,064	71,775	23,289	2,876
Capital outlay	263,956	260,426	3,530	500,274
Total disbursements	359,020	332,201	26,819	503,150
NET CHANGE IN FUND BALANCE	(14,458)	29,997	44,455	8,862
FUND BALANCE, beginning		14,458		5,596
FUND BALANCE, end of year		44,455		14,458

See accompanying notes to budgetary schedules.

SCOTTS BLUFF COUNTY, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -
CASH BASIS - BUDGET AND ACTUAL
JUVENILE PROBATION FUND
(UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS 2011)

	2012			
	Budget	Actual	Variance Favorable (Unfavorable)	2011 Actual
RECEIPTS				
Intergovernmental	<u>32,196</u>	<u>32,196</u>	—	<u>32,196</u>
DISBURSEMENTS				
Personal services	28,179	27,555	624	24,497
Operating expenses	9,758	4,001	5,757	5,848
Supplies and materials	<u>960</u>	<u>431</u>	<u>529</u>	<u>575</u>
Total disbursements	<u>38,897</u>	<u>31,987</u>	<u>6,910</u>	<u>30,920</u>
OTHER SOURCES (USES)				
Transfers out	—	(180)	(180)	(180)
NET CHANGE IN FUND BALANCE	<u>(6,701)</u>	29	<u>6,730</u>	1,096
FUND BALANCE, beginning		<u>6,701</u>		<u>5,605</u>
FUND BALANCE, end of year		<u>6,730</u>		<u>6,701</u>

See accompanying notes to budgetary schedules.

SCOTTS BLUFF COUNTY, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -
CASH BASIS - BUDGET AND ACTUAL
INHERITANCE TAX FUND
(UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS 2011)

	2012		Variance Favorable (Unfavorable)	2011 Actual
	Budget	Actual		
RECEIPTS				
Other taxes	300,000	543,208	243,208	332,759
Investment earnings	<u>2,000</u>	<u>4,176</u>	<u>2,176</u>	<u>1,985</u>
Total receipts	<u>302,000</u>	<u>547,384</u>	<u>245,384</u>	<u>334,744</u>
DISBURSEMENTS				
Operating expenses	<u>25,822</u>	<u> </u>	<u>25,822</u>	<u>249</u>
OTHER SOURCES (USES)				
Transfers out	<u>(430,000)</u>	<u>(430,000)</u>	<u> </u>	<u>(330,000)</u>
NET CHANGE IN FUND BALANCE	<u>(153,822)</u>	117,384	<u>271,206</u>	4,495
FUND BALANCE, beginning		<u>253,822</u>		<u>249,327</u>
FUND BALANCE, end of year		<u>371,206</u>		<u>253,822</u>

See accompanying notes to budgetary schedules.

SCOTTS BLUFF COUNTY, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -
CASH BASIS - BUDGET AND ACTUAL
HEALTH FUND
(UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS 2011)

	2012		Variance Favorable (Unfavorable)	2011 Actual
	Budget	Actual		
RECEIPTS				
Property taxes	130,879	145,046	14,167	164,886
Intergovernmental	125,412	162,408	36,996	181,194
Local fees, licenses, commissions and miscellaneous	<u>2,820</u>	<u>2,857</u>	<u>37</u>	<u>3,523</u>
Total receipts	<u>259,111</u>	<u>310,311</u>	<u>51,200</u>	<u>349,603</u>
DISBURSEMENTS				
Personal services	76,041	75,352	689	72,461
Operating expenses	285,522	248,735	36,787	225,191
Supplies and materials	2,450	2,032	418	2,064
Capital outlay	<u>200</u>	<u> </u>	<u>200</u>	<u> </u>
Total disbursements	<u>364,213</u>	<u>326,119</u>	<u>38,094</u>	<u>299,716</u>
OTHER SOURCES (USES)				
Transfers in	20,000	20,000		20,000
Transfers out	<u>(10,506)</u>	<u>(10,506)</u>		<u>(10,147)</u>
Total other sources (uses)	<u>9,494</u>	<u>9,494</u>		<u>9,853</u>
NET CHANGE IN FUND BALANCE	<u>(95,608)</u>	<u>(6,314)</u>	<u>89,294</u>	<u>59,740</u>
FUND BALANCE, beginning		<u>125,608</u>		<u>65,868</u>
FUND BALANCE, end of year		<u>119,294</u>		<u>125,608</u>

See accompanying notes to budgetary schedules.

SCOTTS BLUFF COUNTY, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -
CASH BASIS - BUDGET AND ACTUAL
E-911 FUND
(UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS 2011)

	2012		Variance Favorable (Unfavorable)	2011 Actual
	Budget	Actual		
RECEIPTS				
Other taxes	<u>100,000</u>	<u>50,041</u>	<u>(49,959)</u>	<u>49,170</u>
DISBURSEMENTS				
Operating expenses		12,267	(12,267)	
Capital outlay	<u>149,170</u>	<u> </u>	<u>149,170</u>	<u> </u>
Total disbursements	<u>149,170</u>	<u>12,267</u>	<u>136,903</u>	<u> </u>
OTHER SOURCES (USES)				
Transfers in	36,815	36,815		
Transfers out	<u> </u>	<u>(36,815)</u>	<u>(36,815)</u>	<u> </u>
Total other sources (uses)	<u>36,815</u>	<u> </u>	<u>(36,815)</u>	<u> </u>
NET CHANGE IN FUND BALANCE	<u>(12,355)</u>	37,774	<u>50,129</u>	49,170
FUND BALANCE, beginning		<u>49,170</u>		<u>- 0 -</u>
FUND BALANCE, end of year		<u>86,944</u>		<u>49,170</u>

See accompanying notes to budgetary schedules.

SCOTTS BLUFF COUNTY, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -
CASH BASIS - BUDGET AND ACTUAL
DETENTION FUND
(UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS 2011)

	2012		Variance Favorable (Unfavorable)	2011 Actual
	Budget	Actual		
RECEIPTS				
Property taxes	1,767,578	1,531,577	(236,001)	1,572,323
Intergovernmental	201,932	217,949	16,017	164,648
Local fees, licenses, commissions and miscellaneous	<u>1,841,212</u>	<u>1,956,071</u>	<u>114,859</u>	<u>2,015,679</u>
Total receipts	<u>3,810,722</u>	<u>3,705,597</u>	<u>(105,125)</u>	<u>3,752,650</u>
DISBURSEMENTS				
Personal services	2,947,238	2,967,396	(20,158)	2,761,391
Operating expenses	1,000,584	956,630	43,954	1,040,355
Supplies and materials	122,000	99,437	22,563	120,236
Equipment rental	18,000	15,463	2,537	17,639
Capital outlay	<u>31,500</u>	<u>84,972</u>	<u>(53,472)</u>	<u>53,574</u>
Total disbursements	<u>4,119,322</u>	<u>4,123,898</u>	<u>(4,576)</u>	<u>3,993,195</u>
OTHER SOURCES (USES)				
Transfers out	<u>(450,000)</u>	<u>(445,095)</u>	<u>4,905</u>	<u>(424,960)</u>
NET CHANGE IN FUND BALANCE	<u>(758,600)</u>	<u>(863,396)</u>	<u>(104,796)</u>	<u>(665,505)</u>
FUND BALANCE, beginning		<u>1,033,600</u>		<u>1,699,105</u>
FUND BALANCE, end of year		<u>170,204</u>		<u>1,033,600</u>

See accompanying notes to budgetary schedules.

SCOTTS BLUFF COUNTY, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -
CASH BASIS - BUDGET AND ACTUAL
DEBT SERVICE FUND
(UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS 2011)

	2012		Variance Favorable (Unfavorable)	2011 Actual
	Budget	Actual		
RECEIPTS				
Property taxes	917,351	794,580	(122,771)	794,905
Intergovernmental		98,824	98,824	146,392
Local fees, licenses, commissions and miscellaneous		26,354	26,354	(323)
Proceeds from debt issuance		11,320,000	11,320,000	
Total receipts	<u>917,351</u>	<u>12,239,758</u>	<u>11,322,407</u>	<u>940,974</u>
DISBURSEMENTS				
Debt service				
Principal	1,558,390	11,750,000	(10,191,610)	1,205,743
Interest		583,992	(583,992)	
Issue costs		163,459	(163,459)	
Total disbursements	<u>1,558,390</u>	<u>12,497,451</u>	<u>(10,939,061)</u>	<u>1,205,743</u>
OTHER SOURCES (USES)				
Transfers in	<u>63,485</u>	<u>63,485</u>		<u>60,528</u>
NET CHANGE IN FUND BALANCE	<u>(577,554)</u>	<u>(194,208)</u>	<u>383,346</u>	<u>(204,241)</u>
FUND BALANCE, beginning		<u>1,077,554</u>		<u>1,281,795</u>
FUND BALANCE, end of year		<u>883,346</u>		<u>1,077,554</u>

See accompanying notes to budgetary schedules.

SCOTTS BLUFF COUNTY, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -
CASH BASIS - BUDGET AND ACTUAL
CAPITAL IMPROVEMENT FUND
(UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS 2011)

	2012		Variance Favorable (Unfavorable)	2011 Actual
	Budget	Actual		
RECEIPTS				
Property taxes		830	830	203,051
Intergovernmental				5,714
Total receipts		<u>830</u>	<u>830</u>	<u>208,765</u>
DISBURSEMENTS				
Capital outlay	<u>877,501</u>		<u>877,501</u>	<u>31,222</u>
OTHER SOURCES (USES)				
Transfers In				<u>10,652</u>
NET CHANGE IN FUND BALANCE	<u>(877,501)</u>	830	<u>878,331</u>	188,195
FUND BALANCE, beginning		<u>877,501</u>		<u>689,306</u>
FUND BALANCE, end of year		<u>878,331</u>		<u>877,501</u>

See accompanying notes to budgetary schedules.

SCOTTS BLUFF COUNTY, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -
CASH BASIS - BUDGET AND ACTUAL
BARRIER ELIMINATION FUND
(UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS 2011)

	<u>2012</u>			
	Budget	Actual	Variance Favorable (Unfavorable)	2011 Actual
RECEIPTS				
Property taxes	10,000	5,458	(4,542)	
Intergovernmental		<u>1,004</u>	<u>1,004</u>	
Total receipts	<u>10,000</u>	<u>6,462</u>	<u>(3,538)</u>	
DISBURSEMENTS				
Capital outlay	<u>10,000</u>		<u>10,000</u>	<u>10,000</u>
NET CHANGE IN FUND BALANCE		<u>6,462</u>	<u>6,462</u>	(10,000)
FUND BALANCE, beginning		<u>2,948</u>		<u>12,948</u>
FUND BALANCE, end of year		<u>9,410</u>		<u>2,948</u>

See accompanying notes to budgetary schedules.

SCOTTS BLUFF COUNTY, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -
CASH BASIS - BUDGET AND ACTUAL
SURVEYOR SINKING FUND
(UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS 2011)

	2012			
	Budget	Actual	Variance Favorable (Unfavorable)	2011 Actual
RECEIPTS				
Local fees, licenses, commissions and miscellaneous	<u>2,800</u>	<u>2,958</u>	<u>158</u>	<u> </u>
DISBURSEMENTS				
Operating expenses		328	(328)	
Supplies and materials		23	(23)	
Capital outlay	<u>11,838</u>	<u> </u>	<u>11,838</u>	<u>292</u>
Total disbursements	<u>11,838</u>	<u>351</u>	<u>11,487</u>	<u>292</u>
NET CHANGE IN FUND BALANCE	<u>(9,038)</u>	2,607	<u>11,645</u>	(292)
FUND BALANCE, beginning		<u>9,038</u>		<u>9,330</u>
FUND BALANCE, end of year		<u>11,645</u>		<u>9,038</u>

See accompanying notes to budgetary schedules.

SCOTTS BLUFF COUNTY, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -
CASH BASIS - BUDGET AND ACTUAL
FLOOD CONTROL FUND
(UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS 2011)

	2012			
	Budget	Actual	Variance Favorable (Unfavorable)	2011 Actual
RECEIPTS				
Property taxes	45,442	42,833	(2,609)	41,525
Intergovernmental	1,300	4,967	3,667	5,027
Local fees, licenses, commissions and miscellaneous	<u>18,000</u>	<u>10,327</u>	<u>(7,673)</u>	<u>18,111</u>
Total receipts	<u>64,742</u>	<u>58,127</u>	<u>(6,615)</u>	<u>64,663</u>
DISBURSEMENTS				
Operating expenses	<u>104,266</u>	<u>20,698</u>	<u>83,568</u>	<u>44,300</u>
OTHER SOURCES (USES)				
Transfers out	<u>(25,000)</u>	<u>(25,000)</u>	_____	<u>(25,000)</u>
NET CHANGE IN FUND BALANCE	<u>(64,524)</u>	12,429	<u>76,953</u>	(4,637)
FUND BALANCE, beginning		<u>74,524</u>		<u>79,161</u>
FUND BALANCE, end of year		<u>86,953</u>		<u>74,524</u>

See accompanying notes to budgetary schedules.

SCOTTS BLUFF COUNTY, NEBRASKA
 SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -
 CASH BASIS - BUDGET AND ACTUAL
 SCOTTSBLUFF DRAIN SINKING FUND
 (UNAUDITED)
 FOR THE YEAR ENDED JUNE 30, 2012
 (WITH COMPARATIVE ACTUAL AMOUNTS 2011)

	2012		Variance Favorable (Unfavorable)	2011 Actual
	Budget	Actual		
RECEIPTS				
DISBURSEMENTS				
Operating expenses	<u>222,960</u>		<u>222,960</u>	
OTHER SOURCES (USES)				
Transfers in	<u>25,000</u>	<u>25,000</u>		<u>25,000</u>
NET CHANGE IN FUND BALANCE	<u>(197,960)</u>	25,000	<u>222,960</u>	25,000
FUND BALANCE, beginning		<u>197,960</u>		<u>172,960</u>
FUND BALANCE, end of year		<u>222,960</u>		<u>197,960</u>

See accompanying notes to budgetary schedules.

SCOTTS BLUFF COUNTY, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -
CASH BASIS - BUDGET AND ACTUAL
NOXIOUS WEED FUND
(UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS 2011)

	2012		Variance	2011
	Budget	Actual	Favorable (Unfavorable)	Actual
RECEIPTS				
Local fees, licenses, commissions and miscellaneous	<u>165,000</u>	<u>175,856</u>	<u>10,856</u>	<u>132,816</u>
DISBURSEMENTS				
Personal services	113,468	114,565	(1,097)	107,744
Operating expenses	16,523	16,550	(27)	13,431
Supplies and materials	97,750	89,722	8,028	66,830
Capital outlay	<u>27,000</u>	<u>22,480</u>	<u>4,520</u>	<u>6,500</u>
Total disbursements	<u>254,741</u>	<u>243,317</u>	<u>11,424</u>	<u>194,505</u>
OTHER SOURCES (USES)				
Transfers in	95,669	95,669		78,216
Transfers out	<u>(14,008)</u>	<u>(14,008)</u>		<u>(13,529)</u>
Total other sources (uses)	<u>81,661</u>	<u>81,661</u>		<u>64,687</u>
NET CHANGE IN FUND BALANCE	<u>(8,080)</u>	14,200	<u>22,280</u>	2,998
FUND BALANCE, beginning		<u>23,080</u>		<u>20,082</u>
FUND BALANCE, end of year		<u>37,280</u>		<u>23,080</u>

See accompanying notes to budgetary schedules.

SCOTTS BLUFF COUNTY, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -
CASH BASIS - BUDGET AND ACTUAL
CENTRAL COMMUNICATIONS FUND
(UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS 2011)

	2012			
	Budget	Actual	Variance Favorable (Unfavorable)	2011 Actual
RECEIPTS				
Property taxes	613,349	595,855	(17,494)	526,476
Other taxes	175,000	177,256	2,256	174,599
Intergovernmental	38,000	67,481	29,481	70,889
Local fees, licenses, commissions and miscellaneous	<u>54,000</u>	<u>62,051</u>	<u>8,051</u>	<u>61,738</u>
Total receipts	<u>880,349</u>	<u>902,643</u>	<u>22,294</u>	<u>833,702</u>
DISBURSEMENTS				
Personal services	577,172	618,181	(41,009)	578,210
Operating expenses	111,000	114,081	(3,081)	89,730
Supplies and materials	4,000	5,658	(1,658)	3,540
Equipment rental	8,600	8,448	152	8,448
Capital outlay	<u>179,200</u>	<u>120,568</u>	<u>58,632</u>	<u>4,935</u>
Total disbursements	<u>879,972</u>	<u>866,936</u>	<u>13,036</u>	<u>684,863</u>
OTHER SOURCES (USES)				
Transfers out	<u>(62,482)</u>	<u>(59,802)</u>	<u>2,680</u>	<u>(87,606)</u>
NET CHANGE IN FUND BALANCE	<u>(62,105)</u>	<u>(24,095)</u>	<u>38,010</u>	61,233
FUND BALANCE, beginning		<u>62,105</u>		<u>872</u>
FUND BALANCE, end of year		<u>38,010</u>		<u>62,105</u>

See accompanying notes to budgetary schedules.

SCOTTS BLUFF COUNTY, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN NET ASSETS -
CASH BASIS - BUDGET AND ACTUAL
KENO FUND
(UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS 2011)

	2012		Variance Favorable (Unfavorable)	2011 Actual
	Budget	Actual		
RECEIPTS				
Local fees, licenses, commissions and miscellaneous	492,000	4,181,751	3,689,751	3,954,928
Less: payouts to customers		(3,081,026)	(3,081,026)	(2,891,730)
Investment earnings				1,925
Total receipts	<u>492,000</u>	<u>1,100,725</u>	<u>608,725</u>	<u>1,065,123</u>
DISBURSEMENTS				
Personal services				5,958
Operating expenses	184,696	749,927	(565,231)	24,852
Supplies/materials				681,269
Capital outlay	<u>325,902</u>		<u>325,902</u>	<u>6,438</u>
Total disbursements	<u>510,598</u>	<u>749,927</u>	<u>(239,329)</u>	<u>718,517</u>
OTHER SOURCES (USES)				
Transfers in				20,000
Transfers out	<u>(400,000)</u>	<u>(400,000)</u>		<u>(400,000)</u>
Total other sources (uses)	<u>(400,000)</u>	<u>(400,000)</u>		<u>(380,000)</u>
CHANGE IN NET ASSETS	<u>(418,598)</u>	<u>(49,202)</u>	<u>369,396</u>	<u>(33,394)</u>
NET ASSETS, beginning		<u>498,046</u>		<u>531,440</u>
NET ASSETS, end of year		<u>448,844</u>		<u>498,046</u>

See accompanying notes to budgetary schedules.

SCOTTS BLUFF COUNTY, NEBRASKA
 NOTES TO BUDGETARY SCHEDULES
 (UNAUDITED)
 JUNE 30, 2012

Basis of Accounting

The Budget is prepared on the same cash basis of accounting as applied to the governmental funds in the basic financial statements. Revenues and expenditures are reported when they result from cash transactions.

Budgets

The County follows these procedures in establishing the budgetary data reflected in the schedules in accordance with the requirements of the Nebraska Budget Act.

On or before August 1, the finance committee or other designated budget-making authority prepares and transmits a budget for each County fund showing the requirements, the outstanding warrants, the operating reserve to be maintained, these 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. The budget, like the County financial statements, is prepared on the cash receipts and disbursements basis of accounting.

At least one public hearing must be held by the County Board.

Prior to September 20, after the action of the Tax Equalization and Review Commission has been certified to the County Clerk, the budget, as revised, is adopted and the amounts provided therein are appropriated.

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. Appropriations lapse at year end.

Budget Law

The County is required by State law to hold public hearings and adopt annual budgets for all funds on the cash basis of accounting. Total expenditures for each fund may not exceed the total budgeted expenditures. Any revisions to the adopted budget of total expenditures to any fund require a public hearing.

Expenditures exceeded budget as follows:

	Budget	Actual	Variance Favorable (Unfavorable)
Self-Insured Medical Insurance Fund		2,273,030	(2,273,030)
Keno Fund	910,598	1,149,927	(239,329)
Debt Service Fund	1,558,390	12,497,451	(10,939,061)

SCOTTS BLUFF COUNTY, NEBRASKA
SCHEDULE OF DISBURSEMENTS -
CASH BASIS - BUDGET AND ACTUAL
GENERAL FUND
(UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2011)

	2012		Variance Favorable (Unfavorable)	2011 Actual
	Budget	Actual		
General Government				
Board of Commissioners				
Personal services	90,441	89,418	1,023	102,222
Operating expenses	5,885	2,385	3,500	4,149
Supplies/materials	550	101	449	640
Total General Government	<u>96,876</u>	<u>91,904</u>	<u>4,972</u>	<u>107,011</u>
County Clerk				
Personal services	174,197	172,850	1,347	192,674
Operating expenses	3,475	2,322	1,153	2,234
Supplies/materials	3,575	1,843	1,732	3,763
Capital outlay	2,300		2,300	996
Total County Clerk	<u>183,547</u>	<u>177,015</u>	<u>6,532</u>	<u>199,667</u>
County Treasurer				
Personal services	435,469	401,105	34,364	438,471
Operating expenses	24,685	12,682	12,003	17,502
Supplies/materials	15,000	12,056	2,944	9,120
Equipment rental	1,000	900	100	
Capital outlay	3,000	1,434	1,566	2,793
Total County Treasurer	<u>479,154</u>	<u>428,177</u>	<u>50,977</u>	<u>467,886</u>
Register of Deeds				
Personal services	155,639	154,618	1,021	160,122
Operating expenses	5,450	3,789	1,661	3,768
Supplies/materials	8,350	7,726	624	7,276
Equipment rental	500	1,500	(1,000)	2,675
Capital outlay		1,464	(1,464)	2,188
Total Register of Deeds	<u>169,939</u>	<u>169,097</u>	<u>842</u>	<u>176,029</u>
County Assessor				
Personal services	315,332	309,683	5,649	369,781
Operating expenses	44,050	36,522	7,528	34,188
Supplies/materials	15,500	15,100	400	12,561
Equipment rental	4,000	2,639	1,361	5,807
Capital outlay	8,000	12,791	(4,791)	13,751
Total County Assessor	<u>386,882</u>	<u>376,735</u>	<u>10,147</u>	<u>436,088</u>

SCOTTS BLUFF COUNTY, NEBRASKA
SCHEDULE OF DISBURSEMENTS -
CASH BASIS - BUDGET AND ACTUAL
GENERAL FUND
(UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2011)

	2012		Variance Favorable (Unfavorable)	2011 Actual
	Budget	Actual		
General Government (Continued)				
Election Commissioner				
Personal services	41,507	31,073	10,434	35,360
Operating expenses	21,750	12,882	8,868	13,487
Supplies/materials	32,600	22,090	10,510	29,008
Capital outlay	1,000		1,000	2,982
Total Election Commissioner	<u>96,857</u>	<u>66,045</u>	<u>30,812</u>	<u>80,837</u>
Building and Zoning				
Personal services	51,152	48,745	2,407	53,400
Operating expenses	31,676	24,975	6,701	22,854
Supplies/materials	5,800	4,942	858	4,535
Capital outlay	26,000	24,131	1,869	
Total Building and Zoning	<u>114,628</u>	<u>102,793</u>	<u>11,835</u>	<u>80,789</u>
Clerk of the District Court				
Personal services	199,056	197,638	1,418	227,584
Operating expenses	90,350	111,141	(20,791)	85,908
Supplies/materials	6,000	8,335	(2,335)	6,307
Capital outlay	550	1,000	(450)	541
Total Clerk of the District Court	<u>295,956</u>	<u>318,114</u>	<u>(22,158)</u>	<u>320,340</u>
County Court System				
Personal services				457
Operating expenses	392,975	367,388	25,587	372,641
Supplies/materials	18,000	16,875	1,125	18,703
Equipment rental	1,000	1,033	(33)	1,419
Capital outlay	750	176	574	4,914
Total County Court System	<u>412,725</u>	<u>385,472</u>	<u>27,253</u>	<u>398,134</u>
District Judge				
Personal services	44,039	42,375	1,664	37,279
Operating expenses	60,650	96,351	(35,701)	66,241
Supplies/materials	3,550	3,148	402	3,263
Capital outlay	2,000	57	1,943	826
Total District Judge	<u>110,239</u>	<u>141,931</u>	<u>(31,692)</u>	<u>107,609</u>

SCOTTS BLUFF COUNTY, NEBRASKA
SCHEDULE OF DISBURSEMENTS -
CASH BASIS - BUDGET AND ACTUAL
GENERAL FUND
(UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2011)

	2012		Variance Favorable (Unfavorable)	2011 Actual
	Budget	Actual		
General Government (Continued)				
Public Defender				
Personal services	401,287	383,255	18,032	423,383
Operating expenses	49,470	51,940	(2,470)	52,514
Supplies/materials	3,750	4,391	(641)	4,297
Capital outlay	3,000	13,691	(10,691)	207
Total Public Defender	<u>457,507</u>	<u>453,277</u>	<u>4,230</u>	<u>480,401</u>
Buildings and Grounds				
Personal services	185,207	172,363	12,844	202,285
Operating expenses	281,475	249,808	31,667	274,368
Supplies/materials	57,300	60,658	(3,358)	57,654
Equipment rental	1,400	982	418	908
Capital outlay	105,009	60,380	44,629	69,564
Total Building and Grounds	<u>630,391</u>	<u>544,191</u>	<u>86,200</u>	<u>604,779</u>
Agriculture Extension Agent				
Personal services	113,189	114,033	(844)	120,919
Operating expenses	20,308	18,472	1,836	16,252
Supplies/materials	5,600	5,563	37	5,643
Capital outlay		391	(391)	1,948
Total Agriculture Extension Agent	<u>139,097</u>	<u>138,459</u>	<u>638</u>	<u>144,762</u>
Purchasing Agent				
Supplies/materials	45,000	32,528	12,472	44,986
Information Systems				
Personal services	146,681	144,860	1,821	143,332
Operating expenses	50	92	(42)	14,815
Supplies/materials	500	77	423	33
Capital outlay	2,000		2,000	1,563
Total Information Systems	<u>149,231</u>	<u>145,029</u>	<u>4,202</u>	<u>159,743</u>
Personnel Department				
Personal services	106,130	104,461	1,669	106,598
Operating expenses	17,730	14,655	3,075	15,600
Supplies/materials	1,500	1,435	65	1,757
Capital outlay	1,600	1,553	47	168
Total Personnel Department	<u>126,960</u>	<u>122,104</u>	<u>4,856</u>	<u>124,123</u>

SCOTTS BLUFF COUNTY, NEBRASKA
SCHEDULE OF DISBURSEMENTS -
CASH BASIS - BUDGET AND ACTUAL
GENERAL FUND
(UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2011)

	2012		Variance Favorable (Unfavorable)	2011 Actual
	Budget	Actual		
General Government (Continued)				
Administration General				
Personal services	38,690	46,862	(8,172)	192,240
Operating expenses	1,977,808	1,225,162	752,646	1,047,983
Supplies/materials	400	115	285	193
Equipment rental	31,000	29,719	1,281	30,157
Capital outlay	142,000	147,815	(5,815)	148,952
Debt service - Principal	22,200	6,907	15,293	22,200
Debt service - Interest		15,293	(15,293)	
Total Administration General	<u>2,212,098</u>	<u>1,471,873</u>	<u>740,225</u>	<u>1,441,725</u>
Public Safety				
County Sheriff				
Personal services	1,394,805	1,335,410	59,395	1,534,569
Operating expenses	118,539	107,130	11,409	109,202
Supplies/materials	118,300	136,107	(17,807)	103,713
Capital outlay	72,260	92,820	(20,560)	78,771
Total County Sheriff	<u>1,703,904</u>	<u>1,671,467</u>	<u>32,437</u>	<u>1,826,255</u>
County Attorney				
Personal services	747,709	703,368	44,341	760,516
Operating expenses	92,390	84,655	7,735	61,039
Supplies/materials	9,000	16,452	(7,452)	18,205
Equipment rental		757	(757)	
Capital outlay	5,500	7,154	(1,654)	9,278
Total County Attorney	<u>854,599</u>	<u>812,386</u>	<u>42,213</u>	<u>849,038</u>
Child Support				
Personal services	227,414	221,484	5,930	233,707
Operating expenses	22,370	17,417	4,953	16,409
Supplies/materials	2,500	2,502	(2)	1,549
Equipment rental		757	(757)	
Capital outlay	3,900	164	3,736	11,853
Total Child Support	<u>256,184</u>	<u>242,324</u>	<u>13,860</u>	<u>263,518</u>
District No. 10 Probation				
Operating expenses	22,800	21,473	1,327	20,942
Supplies/materials	16,635	12,641	3,994	15,349
Equipment rental	3,100	3,936	(836)	3,885
Capital outlay	10,240	14,725	(4,485)	10,947
Total District No. 10 Probation	<u>52,775</u>	<u>52,775</u>		<u>51,123</u>

SCOTTS BLUFF COUNTY, NEBRASKA
SCHEDULE OF DISBURSEMENTS -
CASH BASIS - BUDGET AND ACTUAL
GENERAL FUND
(UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2011)

	2012		Variance Favorable (Unfavorable)	2011 Actual
	Budget	Actual		
Public Safety (Continued)				
Emergency Management				
Operating expenses	<u>13,000</u>	<u>9,485</u>	<u>3,515</u>	<u>9,302</u>
Public Works				
County Surveyor				
Personal services	97,162	94,855	2,307	114,565
Operating expenses	11,187	10,588	599	11,378
Supplies/materials	1,900	1,834	66	1,800
Capital outlay	<u>5,000</u>	<u>6,418</u>	<u>(1,418)</u>	<u>535</u>
Total County Surveyor	<u>115,249</u>	<u>113,695</u>	<u>1,554</u>	<u>128,278</u>
Public Welfare and Social Services				
Veterans Service Officer				
Personal services	111,813	110,189	1,624	121,190
Operating expenses	6,825	5,013	1,812	5,846
Supplies/materials	2,400	4,526	(2,126)	3,556
Capital outlay	<u>3,200</u>	<u>3,648</u>	<u>(448)</u>	<u>2,814</u>
Total Veterans Service Officer	<u>124,238</u>	<u>123,376</u>	<u>862</u>	<u>133,406</u>
Handy Bus				
Personal services	189,248	179,308	9,940	198,825
Operating expenses	38,536	43,663	(5,127)	47,907
Supplies/materials	43,700	49,123	(5,423)	40,853
Equipment rental	2,046	1,950	96	1,945
Capital outlay	<u>13,000</u>	<u>13,000</u>	<u>13,000</u>	<u>1,480</u>
Total Handy Bus	<u>286,530</u>	<u>274,044</u>	<u>12,486</u>	<u>291,010</u>
Handyman				
Personal services	42,183	39,558	2,625	50,871
Operating expenses	56,587	53,424	3,163	56,225
Supplies/materials	550	849	(299)	483
Equipment rental	<u>500</u>	<u>490</u>	<u>10</u>	<u>487</u>
Total Handyman	<u>99,820</u>	<u>94,321</u>	<u>5,499</u>	<u>108,066</u>
Administration				
Operating expenses	100,041	90,421	9,620	96,584
Supplies/materials	175	277	(102)	134
Capital outlay	<u>1,000</u>	<u>8,563</u>	<u>(7,563)</u>	<u>794</u>
Total Administration	<u>101,216</u>	<u>99,261</u>	<u>1,955</u>	<u>97,512</u>
TOTAL DISBURSEMENTS	<u>9,714,602</u>	<u>8,657,878</u>	<u>1,056,724</u>	<u>9,132,417</u>

SCOTTS BLUFF COUNTY, NEBRASKA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 YEAR ENDED JUNE 30, 2012

Federal Grantor/Pass-Through Program/ Program Title	Federal CFDA No.	Pass-Through Entity Identifying Number	Expendi- tures
<u>U.S. Housing and Urban Development</u>			
Passed-through Nebraska Department of Economic Development Community Development Block Grants/ State's Program	14.228	11-ED-003	<u>286,716</u>
<u>U.S. Department of Justice</u>			
Passed-through Nebraska Crime Commission Juvenile Accountability Incentive Block Grants	16.523	11-CA-0519	32,196
Victim Witness Assistance	16.575	10-VA-020211-VA-0204	19,920
Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program	16.738	10-DA030411-DA-0300	<u>51,791</u>
Total U.S. Department of Justice			<u>103,907</u>
<u>U.S. Department of Transportation</u>			
Passed-through Nebraska Office of Highway Safety Highway Planning and Construction	20.205	HSIP-2-54	3,426
State and Community Highway Safety	20.600	402-12-27-26	5,853
Alcohol Impaired Driving Countermeasures Incentive Grants	20.601	410-12-05-30 410-11-05-102 410-11-05-80	34,359
Passed-through Nebraska Department of Roads Formula Grants for Other Than Urbanized Areas	20.509	RPT-C791 (212)	<u>123,833</u>
Total U.S. Department of Transportation			<u>167,471</u>

SCOTTS BLUFF COUNTY, NEBRASKA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 YEAR ENDED JUNE 30, 2012

Federal Grantor/Pass-Through Program/ Program Title	Federal CFDA No.	Pass-Through Entity Identifying Number	Expendi- tures
<u>U.S. Department of Health and Human Services</u>			
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	Not Available	70,300
Passed-through Nebraska Department of Health and Human Services Public Health Emergency Preparedness	93.069	3U90TP716975-10W1 2U90TP71675-11	62,016
Immunization Grants Centers for Disease Control and Prevention Investigation and Technical Assistance	93.268	47-6006506	18,733
Child Support Enforcement Maternal and Child Health Services Block Grant to the States	93.283	3U50CI723775-05S2 1U50K000273-01 5U58DP00811-05	13,803
	93.563	04NE4004	190,383
	93.994	47-6006506	12,307
Passed-through Panhandle Public Health District Preventive Health and Health Services Block Grant	93.991	Not Available	<u>15,000</u>
Total U.S. Department of Health and Human Services			<u>382,542</u>
<u>U.S. Department of Homeland Security</u>			
Passed-through Nebraska Emergency Management Agency Homeland Security Grant Program	97.067	2007SHSP,2008SHSP, 2009SHSP,2010SHSP, 2011SHSP	<u>332,200</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u><u>1,272,836</u></u>

SCOTTS BLUFF COUNTY, NEBRASKA
 NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 YEAR ENDED JUNE 30, 2012

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 financial statements.

NOTE 2. SUBRECIPIENTS

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

Program	Subrecipient	Federal CFDA Number	Amount Provided
Homeland Security Grant Program	Region 22 Emergency Management	97.067	332,200
Community Development Block Grant	Twin City Development, Inc.	14.228	286,716

DANA F. COLE & COMPANY, LLP
CERTIFIED PUBLIC ACCOUNTANTS

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

County Board of Commissioners
Scotts Bluff County
Gering, Nebraska

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Scotts Bluff County, Gering, Nebraska, as of and for the year ended June 30, 2012, which collectively comprise Scotts Bluff County, Gering, Nebraska's basic financial statements and have issued our report thereon dated December 17, 2012. Our report disclosed that, as described in Note 1 to the financial statements, the District prepares its financial statements on the basis of cash receipts and disbursements, 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

Management of Scotts Bluff County, Gering, Nebraska, is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the District'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 District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District'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 2012-1, 2012-2 and 2012-3, 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 Scotts Bluff County, Gering, Nebraska'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 instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and which are described in the accompanying schedule of findings and questioned costs as item 2012-4.

Scotts Bluff County, Gering, Nebraska's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit Scotts Bluff County, Gering, Nebraska's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the Board of Commissioners, management, 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.

Dana F Cole + Company, LLP

Scottsbluff, Nebraska
December 17, 2012

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

County Board of Commissioners
Scotts Bluff County
Gering, Nebraska

Compliance

We have audited Scotts Bluff County, Nebraska's compliance with the types of compliance requirements described in the OMB Circular A-133 "Compliance Supplement" that could have a direct and material effect on each of Scotts Bluff County, Nebraska's major federal programs for the year ended June 30, 2012. Scotts Bluff County, Nebraska'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 Scotts Bluff County, Nebraska's management. Our responsibility is to express an opinion on Scotts Bluff County, Nebraska'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 Scotts Bluff County, Nebraska'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 Scotts Bluff County, Nebraska's compliance with those requirements.

In our opinion, Scotts Bluff County, Nebraska complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs identified in the accompanying schedule of findings and questioned costs for the year ended June 30, 2012.

Internal Control Over Compliance

Management of Scotts Bluff County, Nebraska 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 Scotts Bluff County, Nebraska's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our 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 Scotts Bluff County, Nebraska'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, noncompliance 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 noncompliance 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 2012-1. 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.

Scotts Bluff County, Nebraska's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit Scotts Bluff County, Nebraska's responses and, accordingly, we express no opinion on the responses.

This report is intended solely for the information and use of the Board of Commissioners, management, 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.

Dana J Cole + Company, LLP

Scottsbluff, Nebraska
December 17, 2012

SCOTTS BLUFF COUNTY, NEBRASKA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2012

SECTION I. SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Qualified

Internal control over financial reporting:

Material weakness identified: Yes No

Significant deficiencies identified that are not considered to be material weaknesses: Yes None reported

Noncompliance matter to the financial statements disclosed: Yes No

Federal Awards

Internal control over major programs:

Material weakness identified: Yes No

Significant deficiencies identified that are not considered to be material weaknesses: 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: Yes No

Identification of major programs:

Homeland Security Grant Program CFDA No. 97.067

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

Auditee qualified as a low-risk auditee: Yes No

SCOTTS BLUFF COUNTY, NEBRASKA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2012

SECTION II. FINANCIAL STATEMENT FINDINGS

FINDING 2012-1 SEGREGATION OF ACCOUNTING FUNCTIONS

Condition

There is a lack of segregation of accounting functions among various County offices and personnel. This is a continuing item 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.

Management Response

The County has assessed the benefits and costs associated with proper segregation of duties for all County departments and offices and has determined that cost 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 for various department officials to ensure transactions are recorded, and potential errors and irregularities are identified on a timely basis.

SCOTTS BLUFF COUNTY, NEBRASKA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2012

SECTION II. FINANCIAL STATEMENT FINDINGS (Continued)

FINDING 2012-2 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.

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.

Effect of the Condition

The auditor is requested to prepare 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.

FINDING 2012-3 FRAUD RISK ASSESSMENT

Condition

The County does not have a fraud risk assessment process that would identify, prevent or mitigate any losses to the County due to fraud.

SCOTTS BLUFF COUNTY, NEBRASKA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2012

SECTION II. FINANCIAL STATEMENT FINDINGS (Continued)

FINDING 2012-3 FRAUD RISK ASSESSMENT (Continued)

Criteria

Management has primary responsibility for establishing and monitoring all aspects of the County's fraud risk assessment and prevention activities. A formal fraud risk assessment process would consider the vulnerability of the County to fraudulent activity and whether any of those exposures could result in a material misstatement of the financial statements or material loss to the County.

Cause of the Condition

It appears that the County has accepted an informal risk assessment process and has determined that this informal process is adequate to identify and respond to risks.

Effect of the Condition

Fraud risks may be present within the County, which are unidentified and unmitigated.

Recommendation

The County should consider implementation of a formal fraud risk assessment process.

Management Response

We understand that a fraud risk assessment identification and mitigation process would provide greater assurance that fraud risks would adequately be identified and mitigated. We plan to further examine the ways and means by which any such process may be implemented and maintained while providing adequate assurance of the reduction in fraud risk.

FINDING 2012-4 BUDGET COMPLIANCE

Condition

The County expended amounts in excess of budget restrictions in the Keno Fund, the Self-Insured Medical Insurance Fund and the Debt Service Fund.

SCOTTS BLUFF COUNTY, NEBRASKA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2012

SECTION II. FINANCIAL STATEMENT FINDINGS (Continued)

FINDING 2012-4 BUDGET COMPLIANCE (Continued)

Criteria

The Nebraska budget act requires governmental entities to budget expenditures and limit expenditures.

Cause of the Condition

The County had not considered keno transactions occurring in separate accounts held and maintained by the keno contractor as transactions requiring budget authority. As such, amounts expended in these separate accounts were excluded in consideration. These amounts were primarily contractor payments which were withheld from wager proceeds.

The County adopted a self-insured medical insurance plan for both dental and health insurance of covered county employees. The County budgeted for expenditures for this purpose within the funds associated with covered employees. As such, the County did not budget for these expenditures within the self-insured medical insurance fund.

The County refinanced outstanding debt for which proceeds from debt issuance was obtained as a source to pay old debt. This refinancing was not considered by the county as expenditures because no cash was received or disbursed.

Effect of the Condition

The County has expended funds greater than budgetarily authorized.

Recommendation

The County should consider the above causes when preparing budgets documents.

Management Response

We understand that proper budgeting contributes importantly to the County's financial presentation and expectations. We are aware of the facts and circumstances that resulted in the insufficient budget of expenditures for these funds and will consider those factors in preparation of future budget documents.

SCOTTS BLUFF COUNTY, NEBRASKA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2012

SECTION III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

FINDING 2012-1 SEGREGATION OF ACCOUNTING FUNCTIONS

97.067 Homeland Security Grant Program

Internal control reportable condition described in Section II, Finding
2012-1.

SCOTTS BLUFF COUNTY, NEBRASKA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2012

FINDING 2011-1 SEGREGATION OF ACCOUNTING FUNCTIONS

Condition

As described in Section II - Finding 2012-1.

Status

Ongoing.

FINDING 2011-2 FINANCIAL REPORTING PROCESSES

Condition

As described in Section II - Finding 2012-2.

Status

Ongoing.

FINDING 2011-3 SEFA PREPARATION

Condition

The County prepared a Schedule of Expenditures of Federal Awards (SEFA) which listed federal programs the County participated in. However, material modifications were required to adjust the expenditures reported on the SEFA prepared by the County for reporting in the financial statements.

Status

The County has made some improvements in gathering, measuring and reporting SEFA expenditures. Although additional improvement can be made, it appears this condition has been sufficiently corrected.