

AUDIT REPORT
OF
SCOTTS BLUFF COUNTY, NEBRASKA

JUNE 30, 2014

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

To the County Board of Commissioners
Scotts Bluff County
Gering, Nebraska

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Scotts Bluff County, Nebraska, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position - cash basis 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, 2014, and the respective changes in financial position - cash basis, thereof for the year then ended in accordance with the basis of accounting as described in Note 1.

Basis of Accounting

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

Other Matters

Supplementary Information

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 supplementary information on pages 33 - 83 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards on pages 30 - 32 is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The supplementary information on pages 33 - 83 and the schedule of expenditures of federal awards on pages 30 - 32 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information on pages 33 - 83 and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 25, 2014, on our consideration of Scotts Bluff County, Nebraska's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion

on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Scotts Bluff County, Nebraska's internal control over financial reporting and compliance.

Dana J Cole + Company, LLP

Scottsbluff, Nebraska
November 25, 2014

SCOTTS BLUFF COUNTY, NEBRASKA
STATEMENT OF NET POSITION - CASH BASIS
JUNE 30, 2014

	Governmental Activities	Business-Type Activities	Total Primary Government
ASSETS			
Cash and cash equivalents	<u>10,178,919</u>	<u>369,244</u>	<u>10,548,163</u>
 TOTAL ASSETS	 <u>10,178,919</u>	 <u>369,244</u>	 <u>10,548,163</u>
 NET POSITION			
Restricted	2,381,047	369,244	2,750,291
Unrestricted	<u>7,797,872</u>	<u> </u>	<u>7,797,872</u>
 TOTAL NET POSITION	 <u>10,178,919</u>	 <u>369,244</u>	 <u>10,548,163</u>

See accompanying notes to financial statements.

SCOTTS BLUFF COUNTY, NEBRASKA
STATEMENT OF ACTIVITIES - CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2014

Functions/programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position Primary Government		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
Primary government							
Governmental activities							
General Government	7,547,201	1,034,141			(6,513,060)		(6,513,060)
Public Safety	7,643,496	2,939,348	168,161	400,326	(4,135,661)		(4,135,661)
Public Works	3,176,881	461,403	2,557,197		(158,281)		(158,281)
Public Health	296,565	18,529	118,579		(159,457)		(159,457)
Public Welfare and Social Services	683,645	97,789	574,273		(11,583)		(11,583)
Culture and recreation	352,955				(352,955)		(352,955)
Capital outlay	2,395,386			816,374	(1,579,012)		(1,579,012)
Debt service							
Principal	872,020				(872,020)		(872,020)
Interest	327,271				(327,271)		(327,271)
Issue costs	2,600				(2,600)		(2,600)
<u>Total governmental activities</u>	<u>23,298,020</u>	<u>4,551,210</u>	<u>3,418,210</u>	<u>1,216,700</u>	<u>(14,111,900)</u>		<u>(14,111,900)</u>
Business-type activity							
Keno operations	630,875	944,378				313,503	313,503
<u>Total primary government</u>	<u>23,928,895</u>	<u>5,495,588</u>	<u>3,418,210</u>	<u>1,216,700</u>	<u>(14,111,900)</u>	<u>313,503</u>	<u>(13,798,397)</u>
GENERAL RECEIPTS							
Property taxes					9,709,057		9,709,057
Motor vehicle taxes					1,285,768		1,285,768
Other taxes					1,175,973		1,175,973
Intergovernmental revenues					1,128,453		1,128,453
Miscellaneous local					1,601,485		1,601,485
Investment earnings					68,343		68,343
<u>Total general revenues</u>					<u>14,969,079</u>		<u>14,969,079</u>
Net transfers in (out)					300,000	(300,000)	
CHANGE IN NET POSITION					1,157,179	13,503	1,170,682
NET POSITION, beginning of year					<u>9,021,740</u>	<u>355,741</u>	<u>9,377,481</u>
NET POSITION, end of year					<u>10,178,919</u>	<u>369,244</u>	<u>10,548,163</u>

See accompanying notes to financial statements.

SCOTTS BLUFF COUNTY, NEBRASKA
STATEMENT OF ASSETS AND FUND BALANCES - CASH BASIS
GOVERNMENTAL FUNDS
JUNE 30, 2014

	Major Funds					
	General Fund	Road and Bridge Fund	Self- Insured Medical Insurance Fund	Detention Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	<u>3,254,184</u>	<u>697,596</u>	<u>929,824</u>	<u>1,395,513</u>	<u>3,901,802</u>	<u>10,178,919</u>
TOTAL ASSETS	<u>3,254,184</u>	<u>697,596</u>	<u>929,824</u>	<u>1,395,513</u>	<u>3,901,802</u>	<u>10,178,919</u>
9 FUND BALANCES						
Restricted		697,596			1,683,451	2,381,047
Committed			929,824	1,395,513	2,205,902	4,531,239
Unassigned	<u>3,254,184</u>	_____	_____	_____	<u>12,449</u>	<u>3,266,633</u>
TOTAL FUND BALANCES	<u>3,254,184</u>	<u>697,596</u>	<u>929,824</u>	<u>1,395,513</u>	<u>3,901,802</u>	<u>10,178,919</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, 2014

	Major Funds					Total Governmental Funds
	General Fund	Road and Bridge Fund	Self- Insured Medical Insurance Fund	Detention Fund	Other Nonmajor Governmental Funds	
RECEIPTS						
Property taxes	5,439,314		112,389	2,474,063	1,683,291	9,709,057
Motor vehicle taxes	1,096,947	188,821				1,285,768
Other taxes	350				1,175,623	1,175,973
Intergovernmental	1,239,598	2,260,774	17,682	285,478	1,757,262	5,560,794
Local fees, licenses, commissions, and miscellaneous	1,774,452	248,475	1,211,663	2,538,253	582,421	6,355,264
Investment earnings	60,110				8,233	68,343
Proceeds from debt issuance						
Total receipts	<u>9,610,771</u>	<u>2,698,070</u>	<u>1,341,734</u>	<u>5,297,794</u>	<u>5,206,830</u>	<u>24,155,199</u>
DISBURSEMENTS						
General government	4,450,051		3,044,497		52,653	7,547,201
Public safety	2,765,140			3,984,193	894,163	7,643,496
Public works	173,640	2,732,424			270,817	3,176,881
Public health					296,565	296,565
Public welfare and social services	623,420				60,225	683,645
Culture and recreation					352,955	352,955
Capital outlay	347,785	479,905		131,242	1,436,454	2,395,386
Debt service						
Principal	21,194	165,826			685,000	872,020
Interest	14,929	4,917			307,425	327,271
Issue costs					2,600	2,600
Total disbursements	<u>8,396,159</u>	<u>3,383,072</u>	<u>3,044,497</u>	<u>4,115,435</u>	<u>4,358,857</u>	<u>23,298,020</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>1,214,612</u>	<u>(685,002)</u>	<u>(1,702,763)</u>	<u>1,182,359</u>	<u>847,973</u>	<u>857,179</u>
OTHER FINANCING SOURCES (USES)						
Operating transfers in	238,542	692,636	1,308,322		821,991	3,061,491
Operating transfers out	(1,412,906)	(198,397)		(341,301)	(808,887)	(2,761,491)
Total other financing sources (uses)	<u>(1,174,364)</u>	<u>494,239</u>	<u>1,308,322</u>	<u>(341,301)</u>	<u>13,104</u>	<u>300,000</u>
NET CHANGE IN FUND BALANCES	40,248	(190,763)	(394,441)	841,058	861,077	1,157,179
FUND BALANCES, beginning of year	<u>3,213,936</u>	<u>888,359</u>	<u>1,324,265</u>	<u>554,455</u>	<u>3,040,725</u>	<u>9,021,740</u>
FUND BALANCES, end of year	<u>3,254,184</u>	<u>697,596</u>	<u>929,824</u>	<u>1,395,513</u>	<u>3,901,802</u>	<u>10,178,919</u>

See accompanying notes to financial statements.

SCOTTS BLUFF COUNTY, NEBRASKA
STATEMENT OF NET POSITION - CASH BASIS
BUSINESS-TYPE FUND
JUNE 30, 2014

	<u>Business-Type Activities Enterprise Funds</u>
ASSETS	
Cash and cash equivalents	<u>369,244</u>
NET POSITION	
Restricted	<u>369,244</u>

See accompanying notes to financial statements.

SCOTTS BLUFF COUNTY, NEBRASKA
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN NET POSITION -
CASH BASIS - BUSINESS-TYPE FUND
FOR THE YEAR ENDED JUNE 30, 2014

	Business-Type Activities <u>Enterprise Funds</u>
	Keno
OPERATING REVENUES	
Keno receipts	3,822,177
Less: payouts to customers	<u>(2,877,799)</u>
Total operating revenues	<u>944,378</u>
 OPERATING EXPENSES	
Operating expenses	<u>630,875</u>
 INCOME BEFORE OPERATING TRANSFERS	 313,503
 OPERATING TRANSFERS	
Operating transfers out	<u>(300,000)</u>
 CHANGE IN NET POSITION	 13,503
 NET POSITION, beginning of year	 <u>355,741</u>
 NET POSITION, end of year	 <u><u>369,244</u></u>

See accompanying notes to financial statements.

SCOTTS BLUFF COUNTY, NEBRASKA
STATEMENT OF NET POSITION - CASH BASIS
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2014

ASSETS	
Cash and cash equivalents	<u>2,468,292</u>
LIABILITIES	
Held for other governments	
Road Improvement Districts	1,606
State	542,846
Schools	841,564
Educational Service Units	8,518
Community/Technical Colleges	55,822
Natural Resource Districts	28,703
Cemeteries	20,041
Fire Districts	6,191
Sanitary Improvement Districts	112,679
Drainage Districts	6,322
Irrigation Districts	13,294
Municipalities	141,176
Agricultural Society	5,077
Other governments	117,754
Held by county offices	
County Clerk	27,460
Register of Deeds	45,123
Clerk of the District Court	215,367
County Sheriff	45,833
County Attorney	2,547
County Corrections	119,302
Veterans Service Office	30,350
Handi-Bus	69,618
Handy Man	<u>11,099</u>
TOTAL LIABILITIES	<u>2,468,292</u>
NET POSITION	<u><u>- 0 -</u></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 Scotts Bluff County, Nebraska (the County).

A. THE REPORTING ENTITY

Scotts Bluff County, Nebraska, 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 over 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 statements of activities and net position) 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 (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.

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)

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

Balances held by various county officers at year-end, including cash and accounts receivables, are reported as cash items in the statement of net position - cash basis - fiduciary funds. This statement includes amounts due to other governments, the County Treasurer, and various trust accounts, which are reported as liabilities on that statement. The effect 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.

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)

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 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>
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.
Self-Insured Medical	Collects employee and employer funding contribution for the purpose of paying insurance premiums and uninsured costs of employee medical.

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 (Continued)

Fund	Brief Description
Detention Fund	Collects taxes and collects fees for operation of the county detention center.
Highway/Bridge Buyback Fund, Motor Bank Fund, Visitors Promotion Fund, Preservation and Modernization Fund, Relief/Medical Fund, Institutions Fund, Veterans Aid Fund, Bus Barn Fund, STOP Program Fund, Drug Enforcement Fund, Drug Court Fund, Drug Forfeiture Fund, Special Projects Fund, Juvenile Aid Fund, HIDTA Grant Fund, Homeland Security Fund, Juvenile Probation Fund, Inheritance Tax Fund, Public Health Fund, E-911 Fund, E-911 Wireless Holding Fund, Probation Building Fund, Barrier Elimination Fund, Surveyor Sinking Fund, Flood Control Fund, Scottsbluff Drain Sinking Fund, Noxious Weed Fund, Central Communications Fund	These funds account for revenues and expenditures as stated in the fund name.
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.

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

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.

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 position, 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 POSITION 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, 2014.

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.

5. Equity Classification

Government-Wide Statements

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

Restricted net position 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 position does 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 POSITION OR EQUITY (Continued)

5. Equity Classification (Continued)

Government-Wide Statements (Continued)

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

Fund Financial Statements

Governmental fund equity is classified as fund balance. Proprietary fund equity is classified the same as in the government-wide 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 either (a) are not in spendable form or (b) are legally or contractually required to be maintained intact. The County currently 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 and 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.

SCOTTS BLUFF COUNTY, NEBRASKA
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

5. Equity Classification (Continued)

Fund Financial Statements (Continued)

Fund Balance Classification (Continued)

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 currently has no amounts classified in this category.

Unassigned

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

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 15 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.

G. 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.

SCOTTS BLUFF COUNTY, NEBRASKA
NOTES TO THE FINANCIAL STATEMENTS

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.

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.

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. Funds deposited with NPAIT at June 30, 2014, were \$50,000.

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		340,488
Pooled cash	10,980,657	10,109,268
Unpooled trust accounts	558,322	566,699
Pooled certificates of deposit	<u>2,000,000</u>	<u>2,000,000</u>

SCOTTS BLUFF COUNTY, NEBRASKA
NOTES TO THE FINANCIAL STATEMENTS

NOTE 2. INVESTMENTS AND DEPOSITS (Continued)

Cash and Investment Balances (Continued)

	Financial Statement Carrying Amount
Analysis of cash reporting by activity	
Governmental activities	10,178,919
Proprietary activities	369,244
Fiduciary activities	<u>2,468,292</u>
Total	<u>13,016,455</u>

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it, or returned at the discretion of others. The County's internal policies require financial institutions to provide collateral for balances in excess of FDIC limits. As of June 30, 2014, the County's balances with financial institutions were \$10,897,574, of which \$- 0 - was exposed to custodial credit risk as follows:

	Financial Institution Balance	Custodial Credit Risk
Insured by FDIC Insurance	1,024,696	- 0 -
Insured by surety bonds or irrevocable letters of credit	8,300,000	- 0 -
Collateralized by pledged securities held by financial institution in County's name	<u>4,214,283</u>	<u>- 0 -</u>
Total	<u>13,538,979</u>	<u>- 0 -</u>

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

SCOTTS BLUFF COUNTY, NEBRASKA
NOTES TO THE FINANCIAL STATEMENTS

NOTE 3. RETIREMENT SYSTEMS (Continued)

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 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, 2012, 2013, and 2014, were \$584,803, \$576,896, and \$576,674, 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.

SCOTTS BLUFF COUNTY, NEBRASKA
NOTES TO THE FINANCIAL STATEMENTS

NOTE 4. RISK MANAGEMENT (Continued)

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.

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 2014. The County has not had to pay out any amounts that exceeded coverages provided by the Pool in the last three fiscal years.

NOTE 5. LONG-TERM DEBT

Capital leases payable at June 30, 2014, consisted of the following:

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%, and the lease agreement is secured by equipment. This lease was completed during the year ended June 30, 2014. - 0 -

The County Roads 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%, and the lease agreement is secured by the motor grader. This lease was completed during the year ended June 30, 2014. - 0 -

SCOTTS BLUFF COUNTY, NEBRASKA
NOTES TO THE FINANCIAL STATEMENTS

NOTE 5. LONG-TERM DEBT (Continued)

The County Roads Department is the lessee of a John Deere motor grader under a capital lease agreement maturing in July 2015. Annual installments of \$56,438 are due including interest at 3.25%, and the lease agreement is secured by the motor grader.

54,882

54,882

Notes payable at June 30, 2014, 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.

289,110

Bonds payable at June 30, 2014, consisted of the following:

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.

5,105,000

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.

4,960,000

General Obligation Bonds, dated March 14, 2013, interest rates ranging from 0.45% - 2.50%, annual principal payments due each January 15 starting in 2014, and semiannual interest payments due July 15 and January 15, final payment is due January 15, 2022. Bond issuance costs of \$31,303 were incurred.

1,495,000

Total bonds payable 11,560,000

Total long-term debt 11,903,992

SCOTTS BLUFF COUNTY, NEBRASKA
NOTES TO THE FINANCIAL STATEMENTS

NOTE 5. LONG-TERM DEBT (Continued)

A schedule of changes in long-term debt, including capital leases, for the year ended June 30, 2014, is as follows:

	Beginning Balance	Additions	Payments	Ending Balance
Capital leases	64,892	164,687	(174,697)	54,882
Notes payable	296,792		(7,682)	289,110
General obligation bonds	<u>12,245,000</u>		<u>(685,000)</u>	<u>11,560,000</u>
Total	<u>12,606,684</u>	<u>164,687</u>	<u>(867,379)</u>	<u>11,903,992</u>

The annual debt service requirements for the next five years and for each five-year period thereafter as of June 30, 2014, are as follows:

Year Ending June 30,	<u>Capital Leases</u>		<u>Notes Payable</u>	
	Principal	Interest	Principal	Interest
2015	54,746	1,560	8,070	14,130
2016			8,479	13,721
2017			8,909	13,291
2018			9,360	12,840
2019			9,834	12,366
2020 - 2024			57,162	53,838
2025 - 2029			73,177	37,823
2030 - 2034			93,678	17,322
2035 - 2039			20,441	524
Total	<u>54,746</u>	<u>1,560</u>	<u>289,110</u>	<u>175,855</u>

Year Ending June 30,	<u>Bonds Payable</u>		<u>Totals</u>	
	Principal	Interest	Principal	Interest
2015	670,000	306,618	732,816	322,308
2016	685,000	300,632	693,479	314,353
2017	690,000	293,026	698,909	306,317
2018	695,000	283,800	704,360	296,640
2019	710,000	272,356	719,834	284,722
2020 - 2024	3,400,000	1,047,818	3,457,162	1,101,656
2025 - 2029	3,250,000	627,198	3,323,177	665,021
2030 - 2034	1,460,000	81,744	1,553,678	99,066
2035 - 2039			20,441	524
Total	<u>11,560,000</u>	<u>3,213,192</u>	<u>11,903,856</u>	<u>3,390,607</u>

SCOTTS BLUFF COUNTY, NEBRASKA
NOTES TO THE FINANCIAL STATEMENTS

NOTE 5. LONG-TERM DEBT (Continued)

The County's interest expense and debt issue costs for the year ended June 30, 2014, are as follows:

	Interest Expense	Debt Issue Costs	Total
Governmental activities	327,271	2,600	329,871
Business-type activities	<u>- 0 -</u>	<u>- 0 -</u>	<u>- 0 -</u>
Total	<u>327,271</u>	<u>2,600</u>	<u>329,871</u>

NOTE 6. LEASES

Lessor Agreements

The County is the lessor of airport hangars and office space under operating leases expiring in various years through 2022. Lease payments received for the year ended June 30, 2014, were \$203,544.

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, 2014, are as follows:

Year Ending June 30,	Amount
2015	15,420
2016	8,420
2017	1,805
2018	<u>650</u>
	<u>26,295</u>

SCOTTS BLUFF COUNTY, NEBRASKA
NOTES TO THE FINANCIAL STATEMENTS

NOTE 7. BUDGET COMPLIANCE

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

	Budget	Actual	Variance Favorable (Unfavorable)
General Fund	11,021,691	9,809,065	1,212,626
Road and Bridge Fund	3,784,211	3,581,469	202,742
Highway/Bridge Buyback Fund	250,000		250,000
Motor Bank Fund	49,039	40,033	9,006
Visitors Promotion Fund	613,254	359,959	253,295
Preservation and Modernization Fund	19,017	4,730	14,287
Self-Insured Medical Insurance Fund	3,460,265	3,044,497	415,768
Relief and Medical Fund	64,254	40,915	23,339
Institutions Fund	14,000	10,322	3,678
Veterans Aid Fund	6,500	1,746	4,754
Bus Barn Project Fund	1,000,000	876,072	123,928
STOP Program Fund		5,660	(5,660)
Drug Enforcement Fund	104,426	99,578	4,848
Drug Court Fund	3,802		3,802
Federal Drug Forfeiture Fund	6,000		6,000
Special Projects Fund	111,500	31,047	80,453
Juvenile Aid Fund	60,000	38,115	21,885
HIDTA Grant Fund	59,122	2,383	56,739
Homeland Security Fund	321,336	197,757	123,579
Juvenile Probation Fund	37,770	33,700	4,070
Inheritance Tax Fund	720,243	543,044	177,199
Keno Fund	4,597,707	3,808,674	789,033
Public Health Fund	417,756	305,321	112,435
E-911 Emergency Fund	214,143	163,207	50,936
E-911 Emergency Holding Fund	152,345		152,345
Detention Fund	4,480,413	4,456,736	23,677
Debt Service Fund	1,394,425	995,025	399,400
Capital Improvement Fund	1,019,963	230,452	789,511
Barrier Elimination Fund	13,471		13,471
County Probation Building Fund	100,000	9,846	90,154
Surveyor Sinking Fund	11,795	1,298	10,497
Flood Control Fund	87,368	56,643	30,725
Scottsbluff Drain Sinking Fund	272,960		272,960
Noxious Weed Control Fund	256,058	237,135	18,923
Central Communications Fund	1,078,518	883,756	194,762
	<u>35,803,352</u>	<u>29,868,185</u>	<u>5,935,167</u>

SCOTTS BLUFF COUNTY, NEBRASKA
NOTES TO THE FINANCIAL STATEMENTS

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 \$40,000 per year, per claim. The County retains risk of loss for all claims up to the stop-loss amount. As of June 30, 2014, cumulative contributions and revenues in excess of claims and expenses were \$929,824, 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.

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, 2014, is as follows:

	Transfer In	Transfer Out	Net Transfers In (Out)
General Fund	238,542	1,412,906	(1,174,364)
Road and Bridge Fund	692,636	198,397	494,239
Motor Bank Fund		15,000	(15,000)
Visitors Promotion Fund		7,004	(7,004)

SCOTTS BLUFF COUNTY, NEBRASKA
NOTES TO THE FINANCIAL STATEMENTS

NOTE 9. INTERFUND TRANSFERS AND LOANS (Continued)

Transfers (Continued)

	Transfer In	Transfer Out	Net Transfers In (Out)
Self-Insured Medical Insurance Fund	1,308,322		1,308,322
Relief and Medical Fund		3,210	(3,210)
Bus Barn Project Fund	60,000		60,000
Juvenile Aid Fund		38,115	(38,115)
Juvenile Probation Fund		150	(150)
Inheritance Tax Fund		530,000	(530,000)
Keno Fund		300,000	(300,000)
Public Health Fund	20,000	10,214	9,786
E-911 Emergency Fund		78,000	(78,000)
E-911 Emergency Holding Fund	78,000		78,000
Detention Fund		341,301	(341,301)
Capital Improvement Fund	508,115		508,115
Flood Control Fund		25,000	(25,000)
Scottsbluff Drain Sinking Fund	25,000		25,000
Noxious Weed Control Fund	74,418	14,008	60,410
Central Communication Fund	<u>56,458</u>	<u>88,186</u>	<u>(31,728)</u>
	<u>3,061,491</u>	<u>3,061,491</u>	<u> </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.

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, 2014, were \$- 0 -.

NOTE 10. RESTRICTED FUND BALANCES

The County's funds 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,

SCOTTS BLUFF COUNTY, NEBRASKA
NOTES TO THE FINANCIAL STATEMENTS

NOTE 10. RESTRICTED FUND BALANCES (Continued)

or laws and regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation are as follows:

Fund	Restriction	Restricted Balance
Road and Bridge Fund	Restricted for road and bridge maintenance, improvements, and construction	697,596
Visitors Promotion Fund	Restricted for promotion of area tourism	187,258
Preservation and Modernization Fund	Restricted for preservation and maintenance of records	27,524
Drug Enforcement Fund	Restricted for drug enforcement efforts	15,124
Drug Court Fund	Restricted for drug enforcement efforts	3,802
Keno Fund	Restricted for community betterment projects	369,244
Homeland Security Fund	Restricted for emergency preparedness equipment	14,892
E-911 Emergency Fund	Restricted for 911 communication system maintenance and improvement	28,921
Debt Service Fund	Restricted for debt service requirements	<u>981,405</u>
Total restricted net position		<u>2,325,766</u>

NOTE 11. INTERLOCAL AGREEMENTS

Scotts Bluff County, Nebraska, 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, Nebraska, contributed amounts for these purposes as follows:

Purpose	Amount
To provide services to elderly residents of the County	16,676
To provide mental health and substance abuse services to residents of the County	132,707
To provide services to the developmentally disabled residents of the County	<u>36,683</u>
	<u>186,066</u>

NOTE 12. SUBSEQUENT EVENTS

In preparing the financial statements, the County has evaluated events and transactions for potential recognition or disclosure through November 25, 2014, the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

SCOTTS BLUFF COUNTY, NEBRASKA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2014

Federal Grantor/Pass-Through Program/ Program Title	Federal CFDA No.	Pass-Through Entity Identifying Number	Expendi- tures
<u>U.S. Department of Justice</u>			
Passed through Nebraska Crime Commission			
Juvenile Accountability Incentive Block Grants	16.523	13-CA-531	31,227
Edward Byrne Memorial State and Local Law Enforcement Assistance Discretion- ary Grants Program	16.738	13-DA-305	<u>80,000</u>
Total U.S. Department of Justice			<u>111,227</u>
<u>U.S. Department of Transportation</u>			
Passed through Nebraska Office of Highway Safety			
Highway Planning and Construction	20.205	HSIP-15-41, HSIP-17-49, HSIP-19-41, HSIP-P-21-49	12,427
State and Community Highway Safety	20.600	402-14-34-16	1,800
Alcohol Impaired Driving Countermeasures Incentive Grants	20.601	410-13-05-19, 410-14-02-11	9,100
Passed through Nebraska Department of Roads			
Formula Grants for Other Than Urbanized Areas	20.509	RPT-C791 (214) ARRA-C791 (F13)	150,292 <u>816,374</u>
Total U.S. Department of Transportation			<u>989,993</u>
<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	83,092

SCOTTS BLUFF COUNTY, NEBRASKA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2014

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>			
(Continued)			
Passed through Nebraska Department of Health and Human Services			
Public Health Emergency Preparedness	93.069	1U90TP00533-01	
		5U90TP000533-02	43,469
Immunization Grants	93.268	5H23IP00075602	
		1H23IP00075601	13,619
Centers for Disease Control and Prevention Investigation and Technical Assistance	93.283	Not Available	18,300
The Affordable Care Act: Building Epidemi- ology, Laboratory, and Health Information Systems Capacity in the Epidemiology and Laboratory Capacity for Infectious Disease (ELC) and Emerging Infections Program (EIP) Cooperative Agreements; PPHF	93.521	3U50CI0092402S3	5,431
Child Support Enforcement	93.563	10-04NE4004	
		0G1404NE4005	<u>279,635</u>
Total U.S. Department of Health and Human Services			<u>443,546</u>
<u>U.S. Department of Homeland Security</u>			
Passed through Nebraska Emergency Management Agency			
Homeland Security Grant Program	97.067	13-SR31025-02	<u>197,757</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u><u>1,742,523</u></u>

SCOTTS BLUFF COUNTY, NEBRASKA
 NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 YEAR ENDED JUNE 30, 2014

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	\$197,757

SCOTTS BLUFF COUNTY, NEBRASKA
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -
 CASH BASIS
 FOR THE YEAR ENDED JUNE 30, 2014

	General Fund	Road and Bridge Fund	Highway/Bridge Buyback Fund	Motor Bank Fund	Visitors Promotion Fund	Preservation and Maintenance Fund	Self-Insured Medical Insurance Fund	Relief and Medical Fund	Institutions Fund	Veterans Aid Fund	Bus Barn Fund	STOP Program Fund
RECEIPTS												
Property taxes	5,439,314						112,389	42,882	9,385	1,079		
Motor vehicle taxes	1,096,947	188,821										
Other taxes	350				299,900							
Intergovernmental	1,239,598	2,260,774	258,500				17,682	4,765	1,559	185	816,374	
Local fees, licenses, commissions, and miscellaneous	1,774,452	248,475		40,443		24,237	1,211,663	262				9,240
Investment earnings	60,110											
Total receipts	<u>9,610,771</u>	<u>2,698,070</u>	<u>258,500</u>	<u>40,443</u>	<u>299,900</u>	<u>24,237</u>	<u>1,341,734</u>	<u>47,909</u>	<u>10,944</u>	<u>1,264</u>	<u>816,374</u>	<u>9,240</u>
DISBURSEMENTS												
General Government												
Personnel services	2,455,602						2,526,094					
Operating expenses	1,805,522			25,033			518,403					
Supplies/materials	174,360					4,730						
Equipment rental	14,567											
Total General Government	<u>4,450,051</u>			<u>25,033</u>		<u>4,730</u>	<u>3,044,497</u>					
Public Safety												
Personnel services	2,347,843											
Operating expenses	248,551											
Supplies/materials	158,888											5,660
Equipment rental	9,858											
Total Public Safety	<u>2,765,140</u>											<u>5,660</u>
Public Works												
Personnel services	117,816	1,363,160										
Operating expense	52,664	436,912										
Supplies/materials	3,160	927,596										
Equipment rental		4,756										
Total Public Works	<u>173,640</u>	<u>2,732,424</u>										
Public Health												
Personnel services												
Operating expense												
Supplies/materials												
Total Public Health												

SCOTTS BLUFF COUNTY, NEBRASKA
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -
 CASH BASIS
 FOR THE YEAR ENDED JUNE 30, 2014

	General Fund	Road and Bridge Fund	Highway/Bridge Buyback Fund	Motor Bank Fund	Visitors Promotion Fund	Preservation and Maintenance Fund	Self-Insured Medical Insurance Fund	Relief and Medical Fund	Institutions Fund	Veterans Aid Fund	Bus Barn Fund	STOP Program Fund
DISBURSEMENTS (Continued)												
Public Welfare and Social Services												
Personnel services	356,432							30,459				
Operating expenses	209,281							7,088	10,322	1,746		
Supplies/materials	55,591							158				
Equipment rental	2,116											
Total Public Welfare and Social Services	<u>623,420</u>							<u>37,705</u>	<u>10,322</u>	<u>1,746</u>		
Culture and Recreation												
Personnel services					49,714							
Operating expenses					296,845							
Supplies/materials					396							
Equipment rental					6,000							
Total Culture and Recreation					<u>352,955</u>							
Noncurrent												
Capital outlay	347,785	479,905									876,072	
Debt service												
Principal	21,194	165,826										
Interest	14,929	4,917										
Issue costs												
Total noncurrent	<u>383,908</u>	<u>650,648</u>									<u>876,072</u>	
Keno Enterprise												
Operating expenses												
Total disbursements	<u>8,396,159</u>	<u>3,383,072</u>		<u>25,033</u>	<u>352,955</u>	<u>4,730</u>	<u>3,044,497</u>	<u>37,705</u>	<u>10,322</u>	<u>1,746</u>	<u>876,072</u>	<u>5,660</u>
OTHER SOURCES (USES)												
Transfers in	238,542	692,636					1,308,322				60,000	
Transfers out	<u>(1,412,906)</u>	<u>(198,397)</u>		<u>(15,000)</u>	<u>(7,004)</u>			<u>(3,210)</u>				
Total other sources (uses)	<u>(1,174,364)</u>	<u>494,239</u>		<u>(15,000)</u>	<u>(7,004)</u>		<u>1,308,322</u>	<u>(3,210)</u>			<u>60,000</u>	
NET CHANGE IN FUND BALANCE	40,248	(190,763)	258,500	410	(60,059)	19,507	(394,441)	6,994	622	(482)	302	3,580
FUND BALANCE, beginning	<u>3,213,936</u>	<u>888,359</u>		<u>12,039</u>	<u>247,317</u>	<u>8,017</u>	<u>1,324,265</u>	<u>31,354</u>	<u>6,150</u>	<u>5,441</u>		<u>6,610</u>
FUND BALANCE, end of year	<u>3,254,184</u>	<u>697,596</u>	<u>258,500</u>	<u>12,449</u>	<u>187,258</u>	<u>27,524</u>	<u>929,824</u>	<u>38,348</u>	<u>6,772</u>	<u>4,959</u>	<u>302</u>	<u>10,190</u>

SCOTTS BLUFF COUNTY, NEBRASKA
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -
 CASH BASIS
 FOR THE YEAR ENDED JUNE 30, 2014

	Drug Enforcement Fund	Drug Court Fund	Drug Forfeiture Fund	Special Projects Fund	Juvenile Aid Fund	HIDTA Grant Fund	Homeland Security Fund	Juvenile Probation Fund	Inheritance Tax Fund	Keno Fund	Public Health Fund	E-911 Emergency Fund	E-911 Holding Fund
RECEIPTS													
Property taxes											162,793		
Motor vehicle taxes													
Other taxes									652,805			81,985	
Intergovernmental	80,000		2,443	23,327	38,115		197,757	31,227			137,588		
Local fees, licenses, commissions, and miscellaneous	276			5,200		3,128				944,378	4,010		
Investment earnings									8,233				
Total receipts	<u>80,276</u>	<u> </u>	<u>2,443</u>	<u>28,527</u>	<u>38,115</u>	<u>3,128</u>	<u>197,757</u>	<u>31,227</u>	<u>661,038</u>	<u>944,378</u>	<u>304,391</u>	<u>81,985</u>	<u> </u>
DISBURSEMENTS													
General Government													
Personnel services													
Operating expenses									13,044				
Supplies/materials													
Equipment rental													
Total General Government									<u>13,044</u>				
Public Safety													
Personnel services													
Operating expenses	97,087						11,521	22,053					
Supplies/materials	2,491							5,799					
Equipment rental								697					
Total Public Safety	<u>99,578</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u>11,521</u>	<u>28,549</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Public Works													
Personnel services				21,197									
Operating expense				6,240									
Supplies/materials				3,610									
Equipment rental													
Total Public Works				<u>31,047</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Public Health													
Personnel services											79,203		
Operating expense						766					213,635		
Supplies/materials						692					2,269		
Total Public Health						<u>1,458</u>					<u>295,107</u>	<u> </u>	<u> </u>

SCOTTS BLUFF COUNTY, NEBRASKA
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -
 CASH BASIS
 FOR THE YEAR ENDED JUNE 30, 2014

	Drug Enforcement Fund	Drug Court Fund	Drug Forfeiture Fund	Special Projects Fund	Juvenile Aid Fund	HIDTA Grant Fund	Homeland Security Fund	Juvenile Probation Fund	Inheritance Tax Fund	Keno Fund	Public Health Fund	E-911 Emergency Fund	E-911 Holding Fund
DISBURSEMENTS (Continued)													
Public Welfare and Social Services													
Personnel services													
Operating expenses													
Supplies/materials													
Equipment rental													
Total Public Welfare and Social Services													
Culture and Recreation													
Personnel services													
Operating expenses													
Supplies/materials													
Equipment rental													
Total Culture and Recreation													
Noncurrent													
Capital outlay						925	186,236	5,001				85,207	
Debt service													
Principal													
Interest													
Issue costs													
Total noncurrent						925	186,236	5,001				85,207	
Keno Enterprise													
Operating expenses										630,875			
Total disbursements	99,578			31,047		2,383	197,757	33,550	13,044	630,875	295,107	85,207	
OTHER SOURCES (USES)													
Transfers in											20,000		78,000
Transfers out					(38,115)			(150)	(530,000)	(300,000)	(10,214)	(78,000)	
Total other sources (uses)					(38,115)			(150)	(530,000)	(300,000)	9,786	(78,000)	78,000
NET CHANGE IN FUND BALANCE	(19,302)		2,443	(2,520)		745		(2,473)	117,994	13,503	19,070	(81,222)	78,000
FUND BALANCE, beginning	34,426	3,802		37,556			14,892	13,055	568,743	355,741	69,611	110,143	74,345
FUND BALANCE, end of year	15,124	3,802	2,443	35,036		745	14,892	10,582	686,737	369,244	88,681	28,921	152,345

SCOTTS BLUFF COUNTY, NEBRASKA
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -
 CASH BASIS
 FOR THE YEARENDED JUNE 30, 2014

	Detention Fund	Debt Service Fund	Capital Improvement Fund	Barrier Elimination Fund	Probation Building Fund	Surveyor Sinking Fund	Flood Control Fund	Scottsbluff Drain Sinking Fund	Noxious Weed Control Fund	Central Communication Fund	Total Funds
RECEIPTS											
Property taxes	2,474,063	956,888	148	636			88			509,392	9,709,057
Motor vehicle taxes											1,285,768
Other taxes										140,933	1,175,973
Intergovernmental	285,478	98,890								66,532	5,560,794
Local fees, licenses, commissions, and miscellaneous	2,538,253	(373)			11,440		14,663		161,773	308,122	7,299,642
Investment earnings											68,343
Total receipts	<u>5,297,794</u>	<u>1,055,405</u>	<u>148</u>	<u>636</u>	<u>11,440</u>		<u>14,751</u>		<u>161,773</u>	<u>1,024,979</u>	<u>25,099,577</u>
DISBURSEMENTS											
General Government											
Personnel services											4,981,696
Operating expenses					9,846						2,371,848
Supplies/materials											179,090
Equipment rental											14,567
Total General Government					<u>9,846</u>						<u>7,547,201</u>
Public Safety											
Personnel services	2,705,343									627,098	5,680,284
Operating expenses	1,152,401									104,788	1,636,401
Supplies/materials	115,142									8,521	296,501
Equipment rental	11,307									8,448	30,310
Total Public Safety	<u>3,984,193</u>									<u>748,855</u>	<u>7,643,496</u>
Public Works											
Personnel services									117,292		1,619,465
Operating expense							31,643		20,779		548,238
Supplies/materials									70,056		1,004,422
Equipment rental											4,756
Total Public Works							<u>31,643</u>		<u>208,127</u>		<u>3,176,881</u>
Public Health											
Personnel services											79,203
Operating expense											214,401
Supplies/materials											2,961
Total Public Health											<u>296,565</u>

SCOTTS BLUFF COUNTY, NEBRASKA
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -
 CASH BASIS
 FOR THE YEARENDED JUNE 30, 2014

	Detention Fund	Debt Service Fund	Capital Improvement Fund	Barrier Elimination Fund	Probation Building 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											
Personnel services											386,891
Operating expenses			10,452								238,889
Supplies/materials											55,749
Equipment rental											2,116
Total Public Welfare and Social Services			10,452								683,645
Culture and Recreation											
Personnel services											49,714
Operating expenses											296,845
Supplies/materials											396
Equipment rental											6,000
Total Culture and Recreation											352,955
Noncurrent											
Capital outlay	131,242		220,000			1,298			15,000	46,715	2,395,386
Debt service											
Principal		685,000									872,020
Interest		307,425									327,271
Issue costs		2,600									2,600
Total noncurrent	131,242	995,025	220,000			1,298			15,000	46,715	3,597,277
Keno Enterprise											
Operating expenses											630,875
Total disbursements	4,115,435	995,025	230,452		9,846	1,298	31,643		223,127	795,570	23,928,895
OTHER SOURCES (USES)											
Transfers in			508,115					25,000	74,418	56,458	3,061,491
Transfers out	(341,301)						(25,000)		(14,008)	(88,186)	(3,061,491)
Total other sources (uses)	(341,301)		508,115				(25,000)	25,000	60,410	(31,728)	
NET CHANGE IN FUND BALANCE	841,058	60,380	277,811	636	1,594	(1,298)	(41,892)	25,000	(944)	197,681	1,170,682
FUND BALANCE, beginning	554,455	921,025	489,963	13,471		11,795	82,368	247,960	26,640	4,002	9,377,481
FUND BALANCE, end of year	1,395,513	981,405	767,774	14,107	1,594	10,497	40,476	272,960	25,696	201,683	10,548,163

SCOTTS BLUFF COUNTY, NEBRASKA
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES -
 CASH BASIS
 FOR THE YEAR ENDED JUNE 30, 2014

	General Fund	Road and Bridge Fund	Highway/Bridge Buyback Fund	Motor Bank Fund	Visitors Promotion Fund	Preservation and Maintenance Fund	Self-Insured Medical Fund	Relief and Medical Fund	Institutions Fund	Veterans Aid Fund	Bus Barn Fund	STOP Program Fund	Drug Enforcement Fund
ASSETS													
Cash and cash equivalents	<u>3,254,184</u>	<u>697,596</u>	<u>258,500</u>	<u>12,449</u>	<u>187,258</u>	<u>27,524</u>	<u>929,824</u>	<u>38,348</u>	<u>6,772</u>	<u>4,959</u>	<u>302</u>	<u>10,190</u>	<u>15,124</u>
FUND BALANCES													
Restricted		697,596	258,500		187,258	27,524					302	10,190	15,124
Committed							929,824	38,348	6,772	4,959			
Unassigned	<u>3,254,184</u>			<u>12,449</u>									
Total fund balances	<u>3,254,184</u>	<u>697,596</u>	<u>258,500</u>	<u>12,449</u>	<u>187,258</u>	<u>27,524</u>	<u>929,824</u>	<u>38,348</u>	<u>6,772</u>	<u>4,959</u>	<u>302</u>	<u>10,190</u>	<u>15,124</u>

SCOTTS BLUFF COUNTY, NEBRASKA
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES -
 CASH BASIS
 FOR THE YEAR ENDED JUNE 30, 2014

	Drug Court Fund	Drug Forfeiture Fund	Special Projects Fund	Juvenile Aid Fund	HIDTA Grant Fund	Homeland Security Fund	Juvenile Probation Fund	Inheritance Tax Fund	Keno Fund	Public Health Fund	E-911 Emergency Fund	E-911 Holding Fund	Detention Fund
ASSETS													
Cash and cash equivalents	<u>3,802</u>	<u>2,443</u>	<u>35,036</u>	<u> </u>	<u>745</u>	<u>14,892</u>	<u>10,582</u>	<u>686,737</u>	<u>369,244</u>	<u>88,681</u>	<u>28,921</u>	<u>152,345</u>	<u>1,395,513</u>
FUND BALANCES													
Restricted	3,802	2,443			745	14,892			369,244		28,921	152,345	
Committed			35,036				10,582	686,737		88,681			1,395,513
Unassigned													
Total fund balances	<u>3,802</u>	<u>2,443</u>	<u>35,036</u>	<u> </u>	<u>745</u>	<u>14,892</u>	<u>10,582</u>	<u>686,737</u>	<u>369,244</u>	<u>88,681</u>	<u>28,921</u>	<u>152,345</u>	<u>1,395,513</u>

SCOTTS BLUFF COUNTY, NEBRASKA
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES -
 CASH BASIS
 FOR THE YEAR ENDED JUNE 30, 2014

	Debt Service Fund	Capital Improvement Fund	Barrier Elimination Fund	Probation Building 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>981,405</u>	<u>767,774</u>	<u>14,107</u>	<u>1,594</u>	<u>10,497</u>	<u>40,476</u>	<u>272,960</u>	<u>25,696</u>	<u>201,683</u>	<u>10,548,163</u>
FUND BALANCES										
Restricted	981,405									2,750,291
Committed		767,774	14,107	1,594	10,497	40,476	272,960	25,696	201,683	4,531,239
Unassigned										3,266,633
Total fund balances	<u>981,405</u>	<u>767,774</u>	<u>14,107</u>	<u>1,594</u>	<u>10,497</u>	<u>40,476</u>	<u>272,960</u>	<u>25,696</u>	<u>201,683</u>	<u>10,548,163</u>

SCOTTS BLUFF COUNTY, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -
CASH BASIS - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual
RECEIPTS		
Property taxes	5,579,789	5,439,314
Motor vehicle taxes	1,120,000	1,096,947
Other taxes	300	350
Intergovernmental	1,712,565	1,239,598
Local fees, licenses, commissions, and miscellaneous	2,035,101	1,774,452
Investment earnings	55,000	60,110
Total receipts	<u>10,502,755</u>	<u>9,610,771</u>
DISBURSEMENTS		
General Government		
Personnel services	2,582,308	2,455,602
Operating expenses	2,649,148	1,805,522
Supplies/materials	204,450	174,360
Equipment rental	16,655	14,567
Total General Government	<u>5,452,561</u>	<u>4,450,051</u>
Public Safety		
Personnel services	2,495,850	2,347,843
Operating expenses	261,250	248,551
Supplies/materials	141,830	158,888
Equipment rental	5,480	9,858
Total Public Safety	<u>2,904,410</u>	<u>2,765,140</u>
Public Works		
Personnel services	130,044	117,816
Operating expenses	54,245	52,664
Supplies/materials	2,100	3,160
Total Public Works	<u>186,389</u>	<u>173,640</u>
Public Welfare and Social Services		
Personnel services	355,174	356,432
Operating expenses	218,266	209,281
Supplies/materials	48,200	55,591
Equipment rental	2,496	2,116
Total Public Welfare and Social Services	<u>624,136</u>	<u>623,420</u>

SCOTTS BLUFF COUNTY, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -
CASH BASIS - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual
DISBURSEMENTS (Continued)		
Noncurrent		
Capital outlay	341,662	347,785
Debt service		
Principal	34,576	21,194
Interest		14,929
Total noncurrent	<u>376,238</u>	<u>383,908</u>
Total disbursements	<u>9,543,734</u>	<u>8,396,159</u>
OTHER SOURCES (USES)		
Transfers in	305,000	238,542
Transfers out	<u>(1,477,957)</u>	<u>(1,412,906)</u>
Total other sources (uses)	<u>(1,172,957)</u>	<u>(1,174,364)</u>
NET CHANGE IN FUND BALANCE	<u>(213,936)</u>	40,248
FUND BALANCE, beginning of year		<u>3,213,936</u>
FUND BALANCE, end of year		<u>3,254,184</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
ROAD AND BRIDGE FUND
FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual
RECEIPTS		
Motor vehicle taxes	180,000	188,821
Intergovernmental	1,976,620	2,260,774
Local fees, licenses, commissions, and miscellaneous	<u>246,596</u>	<u>248,475</u>
Total receipts	<u>2,403,216</u>	<u>2,698,070</u>
 DISBURSEMENTS		
Personnel services	1,575,443	1,363,160
Operating expenses	356,213	436,912
Supplies/materials	902,650	927,596
Equipment rental	8,000	4,756
Capital outlay	611,000	479,905
Debt service		
Principal	115,400	165,826
Interest		<u>4,917</u>
Total disbursements	<u>3,568,706</u>	<u>3,383,072</u>
 OTHER SOURCES (USES)		
Transfers in	692,636	692,636
Transfers out	<u>(215,505)</u>	<u>(198,397)</u>
Total other sources (uses)	<u>477,131</u>	<u>494,239</u>
 NET CHANGE IN FUND BALANCE	 <u>(688,359)</u>	 (190,763)
 FUND BALANCE, beginning of year		 <u>888,359</u>
 FUND BALANCE, end of year		 <u><u>697,596</u></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
 HIGHWAY/BRIDGE BUYBACK FUND
 FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual
RECEIPTS		
Intergovernmental	<u>250,000</u>	<u>258,500</u>
DISBURSEMENTS		
Supplies/materials	125,000	
Capital outlay	<u>125,000</u>	_____
Total disbursements	<u>250,000</u>	_____
NET CHANGE IN FUND BALANCE	_____	258,500
FUND BALANCE, beginning of year		_____
FUND BALANCE, end of year		<u>258,500</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
 MOTOR BANK FUND
 FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual
RECEIPTS		
Local fees, licenses, commissions, and miscellaneous	<u>37,000</u>	<u>40,443</u>
DISBURSEMENTS		
Operating expenses	<u>24,039</u>	<u>25,033</u>
OTHER USES		
Transfers out	<u>(25,000)</u>	<u>(15,000)</u>
NET CHANGE IN FUND BALANCE	<u>(12,039)</u>	410
FUND BALANCE, beginning of year		<u>12,039</u>
FUND BALANCE, end of year		<u>12,449</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
FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual
RECEIPTS		
Other taxes	<u>365,937</u>	<u>299,900</u>
DISBURSEMENTS		
Personnel services	50,336	49,714
Operating expenses	547,564	296,845
Supplies and materials	1,100	396
Equipment rental	6,500	6,000
Capital outlay	750	
Total disbursements	<u>606,250</u>	<u>352,955</u>
OTHER SOURCES (USES)		
Transfers out	<u>(7,004)</u>	<u>(7,004)</u>
NET CHANGE IN FUND BALANCE	<u>(247,317)</u>	(60,059)
FUND BALANCE, beginning of year		<u>247,317</u>
FUND BALANCE, end of year		<u>187,258</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
 PRESERVATION AND MODERNIZATION FUND
 FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual
RECEIPTS		
Local fees, licenses, commissions, and miscellaneous	<u>11,000</u>	<u>24,237</u>
DISBURSEMENTS		
Supplies and materials	<u>19,017</u>	<u>4,730</u>
NET CHANGE IN FUND BALANCE	<u>(8,017)</u>	19,507
FUND BALANCE, beginning of year		<u>8,017</u>
FUND BALANCE, end of year		<u><u>27,524</u></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
 SELF-INSURED MEDICAL INSURANCE FUND
 FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual
RECEIPTS		
Property taxes	200,000	112,389
Intergovernmental		17,682
Local fees, licenses, commissions, and miscellaneous		<u>1,211,663</u>
Total receipts	<u>200,000</u>	<u>1,341,734</u>
DISBURSEMENTS		
Personnel services	2,825,265	2,526,094
Operating expenses	<u>635,000</u>	<u>518,403</u>
Total disbursements	<u>3,460,265</u>	<u>3,044,497</u>
OTHER SOURCES		
Transfers in	<u>1,936,000</u>	<u>1,308,322</u>
NET CHANGE IN FUND BALANCE	<u>(1,324,265)</u>	(394,441)
FUND BALANCE, beginning of year		<u>1,324,265</u>
FUND BALANCE, end of year		<u>929,824</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
RELIEF/MEDICAL FUND
FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual
RECEIPTS		
Property taxes	39,224	42,882
Intergovernmental	3,676	4,765
Local fees, licenses, commissions, and miscellaneous		<u>262</u>
Total receipts	<u>42,900</u>	<u>47,909</u>
 DISBURSEMENTS		
Personnel services	34,587	30,459
Operating expenses	25,965	7,088
Supplies and materials	<u>200</u>	<u>158</u>
Total disbursements	<u>60,752</u>	<u>37,705</u>
 OTHER USES		
Transfers out	<u>(3,502)</u>	<u>(3,210)</u>
 NET CHANGE IN FUND BALANCE	<u>(21,354)</u>	6,994
 FUND BALANCE, beginning of year		<u>31,354</u>
 FUND BALANCE, end of year		<u><u>38,348</u></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
 FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual
RECEIPTS		
Property taxes	10,370	9,385
Intergovernmental	<u>1,480</u>	<u>1,559</u>
Total receipts	<u>11,850</u>	<u>10,944</u>
DISBURSEMENTS		
Operating expenses	<u>14,000</u>	<u>10,322</u>
NET CHANGE IN FUND BALANCE	<u>(2,150)</u>	622
FUND BALANCE, beginning of year		<u>6,150</u>
FUND BALANCE, end of year		<u>6,772</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
 FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual
RECEIPTS		
Property taxes	2,010	1,079
Intergovernmental	<u>49</u>	<u>185</u>
Total receipts	<u>2,059</u>	<u>1,264</u>
 DISBURSEMENTS		
Operating expenses	<u>6,500</u>	<u>1,746</u>
 NET CHANGE IN FUND BALANCE	 <u>(4,441)</u>	 (482)
 FUND BALANCE, beginning of year		 <u>5,441</u>
 FUND BALANCE, end of year		 <u>4,959</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
 BUS BARN FUND
 FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual
RECEIPTS		
Intergovernmental	<u>950,000</u>	<u>816,374</u>
DISBURSEMENTS		
Capital outlay	<u>1,000,000</u>	<u>876,072</u>
OTHER SOURCES		
Transfers in	<u>50,000</u>	<u>60,000</u>
NET CHANGE IN FUND BALANCE	<u> </u>	302
FUND BALANCE, beginning of year		<u> </u>
FUND BALANCE, end of year		<u>302</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
 STOP PROGRAM FUND
 FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual
RECEIPTS		
Local fees, licenses, commissions, and miscellaneous	_____	<u>9,240</u>
DISBURSEMENTS		
Supplies and materials	_____	<u>5,660</u>
NET CHANGE IN FUND BALANCE	_____	3,580
FUND BALANCE, beginning of year		<u>6,610</u>
FUND BALANCE, end of year		<u>10,190</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
FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual
RECEIPTS		
Intergovernmental	70,000	80,000
Local fees, licenses, commissions, and miscellaneous		<u>276</u>
Total receipts	<u>70,000</u>	<u>80,276</u>
 DISBURSEMENTS		
Personnel services	100,876	
Operating expenses	1,550	97,087
Supplies and materials	<u>2,000</u>	<u>2,491</u>
Total disbursements	<u>104,426</u>	<u>99,578</u>
 NET CHANGE IN FUND BALANCE	 <u>(34,426)</u>	 (19,302)
 FUND BALANCE, beginning of year		 <u>34,426</u>
 FUND BALANCE, end of year		 <u>15,124</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
 FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual
RECEIPTS	<u> </u>	<u> </u>
DISBURSEMENTS		
Operating expenses	<u>3,802</u>	<u> </u>
NET CHANGE IN FUND BALANCE	<u>(3,802)</u>	
FUND BALANCE, beginning of year		<u>3,802</u>
FUND BALANCE, end of year		<u>3,802</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 FORFEITURE FUND
 FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual
RECEIPTS		
Intergovernmental	<u>6,000</u>	<u>2,443</u>
DISBURSEMENTS		
Operating expenses	<u>6,000</u>	_____
NET CHANGE IN FUND BALANCE	<u> </u>	2,443
FUND BALANCE, beginning of year		_____
FUND BALANCE, end of year		<u>2,443</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
 FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual
RECEIPTS		
Intergovernmental	73,944	23,327
Local fees, licenses, commissions, and miscellaneous		<u>5,200</u>
Total receipts	<u>73,944</u>	<u>28,527</u>
 DISBURSEMENTS		
Personnel services	79,000	21,197
Operating expenses	7,500	6,240
Supplies and materials	<u>25,000</u>	<u>3,610</u>
Total disbursements	<u>111,500</u>	<u>31,047</u>
 NET CHANGE IN FUND BALANCE	 <u>(37,556)</u>	 (2,520)
 FUND BALANCE, beginning of year		 <u>37,556</u>
 FUND BALANCE, end of year		 <u>35,036</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
 JUVENILE AID FUND
 FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual
RECEIPTS		
Intergovernmental	<u>60,000</u>	<u>38,115</u>
DISBURSEMENTS		
Operating expenses	40,000	
Supplies and materials	6,000	
Capital outlay	<u>14,000</u>	_____
Total disbursements	<u>60,000</u>	_____
OTHER USES		
Transfers out	_____	<u>(38,115)</u>
NET CHANGE IN FUND BALANCE	<u>_____</u>	
FUND BALANCE, beginning of year		_____
FUND BALANCE, end of year		<u>_____</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
HIDTA GRANT FUND
FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual
RECEIPTS		
Intergovernmental	59,122	
Local fees, licenses, commissions, and miscellaneous	<u> </u>	<u>3,128</u>
Total receipts	<u>59,122</u>	<u>3,128</u>
 DISBURSEMENTS		
Personnel services	29,500	
Operating expenses	29,622	766
Supplies and materials		692
Capital outlay		<u>925</u>
Total disbursements	<u>59,122</u>	<u>2,383</u>
 NET CHANGE IN FUND BALANCE	 <u> </u>	 745
 FUND BALANCE, beginning of year		 <u> </u>
 FUND BALANCE, end of year		 <u>745</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
 HOMELAND SECURITY FUND
 FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual
RECEIPTS		
Intergovernmental	<u>306,444</u>	<u>197,757</u>
DISBURSEMENTS		
Operating expenses	41,351	11,521
Capital outlay	<u>279,985</u>	<u>186,236</u>
Total disbursements	<u>321,336</u>	<u>197,757</u>
NET CHANGE IN FUND BALANCE	<u>(14,892)</u>	
FUND BALANCE, beginning of year		<u>14,892</u>
FUND BALANCE, end of year		<u><u>14,892</u></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
 JUVENILE PROBATION FUND
 FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual
RECEIPTS		
Intergovernmental	<u>24,715</u>	<u>31,227</u>
DISBURSEMENTS		
Personnel services	24,412	22,053
Operating expenses	8,398	5,799
Supplies and materials	960	697
Capital outlay	<u>4,000</u>	<u>5,001</u>
Total disbursements	<u>37,770</u>	<u>33,550</u>
OTHER USES		
Transfers out	<u> </u>	<u>(150)</u>
NET CHANGE IN FUND BALANCE	<u>(13,055)</u>	<u>(2,473)</u>
FUND BALANCE, beginning of year		<u>13,055</u>
FUND BALANCE, end of year		<u>10,582</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
 FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual
RECEIPTS		
Other taxes	350,000	652,805
Investment earnings	<u>1,500</u>	<u>8,233</u>
Total receipts	<u>351,500</u>	<u>661,038</u>
DISBURSEMENTS		
Operating expenses	<u>190,243</u>	<u>13,044</u>
OTHER USES		
Transfers out	<u>(530,000)</u>	<u>(530,000)</u>
NET CHANGE IN FUND BALANCE	<u>(368,743)</u>	117,994
FUND BALANCE, beginning of year		<u>568,743</u>
FUND BALANCE, end of year		<u>686,737</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
PUBLIC HEALTH FUND
FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual
RECEIPTS		
Property taxes	192,975	162,793
Intergovernmental	161,850	137,588
Local fees, licenses, commissions, and miscellaneous	<u>3,320</u>	<u>4,010</u>
Total receipts	<u>358,145</u>	<u>304,391</u>
 DISBURSEMENTS		
Personnel services	79,624	79,203
Operating expenses	325,826	213,635
Supplies and materials	<u>1,800</u>	<u>2,269</u>
Total disbursements	<u>407,250</u>	<u>295,107</u>
 OTHER SOURCES (USES)		
Transfers in	20,000	20,000
Transfers out	<u>(10,506)</u>	<u>(10,214)</u>
Total other sources (uses)	<u>9,494</u>	<u>9,786</u>
 NET CHANGE IN FUND BALANCE	 <u>(39,611)</u>	 19,070
 FUND BALANCE, beginning of year		 <u>69,611</u>
 FUND BALANCE, end of year		 <u>88,681</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
FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual
RECEIPTS		
Other taxes	<u>104,000</u>	<u>81,985</u>
DISBURSEMENTS		
Operating expenses	15,000	
Capital outlay	<u>121,143</u>	<u>85,207</u>
Total disbursements	<u>136,143</u>	<u>85,207</u>
OTHER USES		
Transfers out	<u>(78,000)</u>	<u>(78,000)</u>
NET CHANGE IN FUND BALANCE	<u>(110,143)</u>	(81,222)
FUND BALANCE, beginning of year		<u>110,143</u>
FUND BALANCE, end of year		<u>28,921</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 WIRELESS HOLDING FUND
 FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual
RECEIPTS	<u> </u>	<u> </u>
DISBURSEMENTS		
Capital outlay	<u>152,345</u>	<u> </u>
OTHER SOURCES		
Transfers in	<u>78,000</u>	<u>78,000</u>
NET CHANGE IN FUND BALANCE	<u>(74,345)</u>	78,000
FUND BALANCE, beginning of year		<u>74,345</u>
FUND BALANCE, end of year		<u>152,345</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
FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual
RECEIPTS		
Property taxes	2,499,458	2,474,063
Intergovernmental	248,500	285,478
Local fees, licenses, commissions, and miscellaneous	<u>1,953,000</u>	<u>2,538,253</u>
Total receipts	<u>4,700,958</u>	<u>5,297,794</u>
DISBURSEMENTS		
Personnel services	2,734,639	2,705,343
Operating expenses	1,078,446	1,152,401
Supplies and materials	96,950	115,142
Equipment rental	17,000	11,307
Capital outlay	<u>158,500</u>	<u>131,242</u>
Total disbursements	<u>4,085,535</u>	<u>4,115,435</u>
OTHER USES		
Transfers out	<u>(394,878)</u>	<u>(341,301)</u>
NET CHANGE IN FUND BALANCE	<u>220,545</u>	841,058
FUND BALANCE, beginning of year		<u>554,455</u>
FUND BALANCE, end of year		<u>1,395,513</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
FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual
RECEIPTS		
Property taxes	973,400	956,888
Intergovernmental		98,890
Local fees, licenses, commissions, and miscellaneous		<u>(373)</u>
Total receipts	<u>973,400</u>	<u>1,055,405</u>
 DISBURSEMENTS		
Debt service		
Principal	1,392,425	685,000
Interest		307,425
Issue costs	<u>2,000</u>	<u>2,600</u>
Total disbursements	<u>1,394,425</u>	<u>995,025</u>
 NET CHANGE IN FUND BALANCE	 <u>(421,025)</u>	 60,380
 FUND BALANCE, beginning of year		 <u>921,025</u>
 FUND BALANCE, end of year		 <u>981,405</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
 FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual
RECEIPTS		
Property taxes	_____	148
DISBURSEMENTS		
Operating expenses		10,452
Capital outlay	1,019,963	220,000
Total disbursements	1,019,963	230,452
OTHER SOURCES		
Transfers in	530,000	508,115
NET CHANGE IN FUND BALANCE	(489,963)	277,811
FUND BALANCE, beginning of year		489,963
FUND BALANCE, end of year		767,774

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
 FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual
RECEIPTS		
Property taxes	<u> </u>	<u> 636</u>
DISBURSEMENTS		
Capital outlay	<u> 13,471</u>	<u> </u>
NET CHANGE IN FUND BALANCE	<u>(13,471)</u>	636
FUND BALANCE, beginning of year		<u> 13,471</u>
FUND BALANCE, end of year		<u> 14,107</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
 PROBATION BUILDING FUND
 FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual
RECEIPTS		
Intergovernmental	60,000	
Local fees, licenses, commissions, and miscellaneous	<u>40,000</u>	<u>11,440</u>
Total receipts	<u>100,000</u>	<u>11,440</u>
DISBURSEMENTS		
Operating expenses	40,000	9,846
Capital outlay	<u>60,000</u>	<u> </u>
Total disbursements	<u>100,000</u>	<u>9,846</u>
NET CHANGE IN FUND BALANCE	<u> </u>	1,594
FUND BALANCE, beginning of year		<u> </u>
FUND BALANCE, end of year		<u>1,594</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
 FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual
RECEIPTS	<u> </u>	<u> </u>
DISBURSEMENTS		
Capital outlay	<u>11,795</u>	<u>1,298</u>
NET CHANGE IN FUND BALANCE	<u>(11,795)</u>	<u>(1,298)</u>
FUND BALANCE, beginning of year		<u>11,795</u>
FUND BALANCE, end of year		<u>10,497</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
 FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual
RECEIPTS		
Property taxes		88
Local fees, licenses, commissions, and miscellaneous	<u>15,000</u>	<u>14,663</u>
Total receipts	<u>15,000</u>	<u>14,751</u>
DISBURSEMENTS		
Operating expenses	<u>62,368</u>	<u>31,643</u>
OTHER USES		
Transfers out	<u>(25,000)</u>	<u>(25,000)</u>
NET CHANGE IN FUND BALANCE	<u>(72,368)</u>	(41,892)
FUND BALANCE, beginning of year		<u>82,368</u>
FUND BALANCE, end of year		<u>40,476</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
 FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual
RECEIPTS	<u> </u>	<u> </u>
DISBURSEMENTS		
Operating expenses	<u>272,960</u>	<u> </u>
OTHER SOURCES		
Transfers in	<u>25,000</u>	<u>25,000</u>
NET CHANGE IN FUND BALANCE	<u>(247,960)</u>	25,000
FUND BALANCE, beginning of year		<u>247,960</u>
FUND BALANCE, end of year		<u>272,960</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
FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual
RECEIPTS		
Local fees, licenses, commissions, and miscellaneous	<u>170,000</u>	<u>161,773</u>
DISBURSEMENTS		
Personnel services	117,353	117,292
Operating expenses	16,747	20,779
Supplies and materials	92,450	70,056
Capital outlay	<u>15,500</u>	<u>15,000</u>
Total disbursements	<u>242,050</u>	<u>223,127</u>
OTHER SOURCES (USES)		
Transfers in	74,418	74,418
Transfers out	<u>(14,008)</u>	<u>(14,008)</u>
Total other sources (uses)	<u>60,410</u>	<u>60,410</u>
NET CHANGE IN FUND BALANCE	<u>(11,640)</u>	(944)
FUND BALANCE, beginning of year		<u>26,640</u>
FUND BALANCE, end of year		<u>25,696</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
FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual
RECEIPTS		
Property taxes	694,147	509,392
Other taxes	180,000	140,933
Intergovernmental	24,000	66,532
Local fees, licenses, commissions, and miscellaneous	<u>276,369</u>	<u>308,122</u>
Total receipts	<u>1,174,516</u>	<u>1,024,979</u>
 DISBURSEMENTS		
Personnel services	649,904	627,098
Operating expenses	110,154	104,788
Supplies and materials	3,100	8,521
Equipment rental	8,000	8,448
Capital outlay	<u>234,000</u>	<u>46,715</u>
Total disbursements	<u>1,005,158</u>	<u>795,570</u>
 OTHER SOURCES (USES)		
Transfers In		56,458
Transfers out	<u>(73,360)</u>	<u>(88,186)</u>
Total other sources (uses)	<u>(73,360)</u>	<u>(31,728)</u>
 NET CHANGE IN FUND BALANCE	 <u>95,998</u>	 197,681
 FUND BALANCE, beginning of year		 <u>4,002</u>
 FUND BALANCE, end of year		 <u>201,683</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
 KENO FUND
 FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual
RECEIPTS		
Local fees, licenses, commissions, and miscellaneous	4,292,373	3,822,177
Less: payouts to customers	<u> </u>	<u>(2,877,799)</u>
Total receipts	<u>4,292,373</u>	<u>944,378</u>
DISBURSEMENTS		
Operating expenses	<u>4,297,707</u>	<u>630,875</u>
OTHER USES		
Transfers out	<u>(300,000)</u>	<u>(300,000)</u>
CHANGE IN FUND BALANCE	<u>(305,334)</u>	13,503
FUND BALANCE, beginning of year		<u>355,741</u>
FUND BALANCE, end of year		<u><u>369,244</u></u>

See accompanying notes to budgetary schedules.

SCOTT'S BLUFF COUNTY, NEBRASKA
NOTES TO BUDGETARY SCHEDULES
JUNE 30, 2014

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, the cash on hand at the close of the preceding fiscal year, the revenue from sources other than taxation and the amount to be raised by taxation. 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.

SCOTTS BLUFF COUNTY, NEBRASKA
SCHEDULE OF DISBURSEMENTS - CASH BASIS -
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual
General Government		
Board of Commissioners		
Personnel services	97,150	95,693
Operating expenses	3,750	2,454
Supplies/materials	200	531
Total General Government	<u>101,100</u>	<u>98,678</u>
County Clerk		
Personnel services	185,005	184,237
Operating expenses	3,300	881
Supplies/materials	3,400	2,675
Capital outlay		387
Total County Clerk	<u>191,705</u>	<u>188,180</u>
County Treasurer		
Personnel services	434,157	414,968
Operating expenses	14,430	6,827
Supplies/materials	10,000	9,527
Equipment rental	900	675
Capital outlay	3,000	3,929
Total County Treasurer	<u>462,487</u>	<u>435,926</u>
Register of Deeds		
Personnel services	167,742	166,336
Operating expenses	4,950	4,649
Supplies/materials	8,000	6,468
Equipment rental	500	630
Capital outlay	500	738
Total Register of Deeds	<u>181,692</u>	<u>178,821</u>
County Assessor		
Personnel services	320,722	283,029
Operating expenses	57,122	96,451
Supplies/materials	13,000	13,830
Equipment rental	3,000	30
Capital outlay	4,000	13,260
Total County Assessor	<u>397,844</u>	<u>406,600</u>

SCOTTS BLUFF COUNTY, NEBRASKA
SCHEDULE OF DISBURSEMENTS - CASH BASIS -
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual
General Government (Continued)		
Election Commissioner		
Personnel services	42,131	31,871
Operating expenses	17,000	12,835
Supplies/materials	32,500	22,613
Capital outlay		600
Total Election Commissioner	<u>91,631</u>	<u>67,919</u>
Building and Zoning		
Personnel services	51,554	51,455
Operating expenses	25,827	25,523
Supplies/materials	<u>5,500</u>	<u>4,850</u>
Total Building and Zoning	<u>82,881</u>	<u>81,828</u>
Clerk of the District Court		
Personnel services	197,539	183,292
Operating expenses	128,430	130,598
Supplies/materials	6,000	5,389
Capital outlay	<u>200</u>	<u>160</u>
Total Clerk of the District Court	<u>332,169</u>	<u>319,439</u>
County Court System		
Operating expenses	301,750	278,326
Supplies/materials	13,000	12,511
Capital outlay		<u>5,116</u>
Total County Court System	<u>314,750</u>	<u>295,953</u>
District Judge		
Personnel services	45,167	43,676
Operating expenses	81,250	56,738
Supplies/materials	3,550	3,168
Capital outlay	<u>2,000</u>	<u>359</u>
Total District Judge	<u>131,967</u>	<u>103,941</u>
Public Defender		
Personnel services	406,969	384,152
Operating expenses	54,922	66,446
Supplies/materials	3,500	6,112
Capital outlay	<u>3,000</u>	<u>3,661</u>
Total Public Defender	<u>468,391</u>	<u>460,371</u>

SCOTTS BLUFF COUNTY, NEBRASKA
SCHEDULE OF DISBURSEMENTS - CASH BASIS -
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual
General Government (Continued)		
Buildings and Grounds		
Personnel services	206,428	183,077
Operating expenses	246,023	242,855
Supplies/materials	57,150	48,821
Equipment rental	1,100	932
Capital outlay	<u>26,500</u>	<u>9,980</u>
Total Building and Grounds	<u>537,201</u>	<u>485,665</u>
Agriculture Extension Agent		
Personnel services	122,723	124,393
Operating expenses	19,060	14,324
Supplies/materials	6,700	5,233
Capital outlay	<u>2,000</u>	<u>1,799</u>
Total Agriculture Extension Agent	<u>150,483</u>	<u>145,749</u>
Purchasing Agent		
Supplies/materials	<u>40,000</u>	<u>31,392</u>
Information Systems		
Personnel services	153,291	154,615
Operating expenses	6,100	576
Supplies/materials	<u>100</u>	<u>32</u>
Total Information Systems	<u>159,491</u>	<u>155,223</u>
Management Accountant and Personnel Department		
Personnel services	111,091	110,727
Operating expenses	14,050	14,605
Supplies/materials	<u>1,500</u>	<u>1,013</u>
Total Personnel Department	<u>126,641</u>	<u>126,345</u>
Administration General		
Personnel services	40,639	44,081
Operating expenses	1,671,184	851,434
Supplies/materials	350	195
Equipment rental	11,155	12,300
Capital outlay	180,500	158,835
Debt service - principal	34,576	21,194
Debt service - interest		<u>14,929</u>
Total Administration General	<u>1,938,404</u>	<u>1,102,968</u>

SCOTTS BLUFF COUNTY, NEBRASKA
SCHEDULE OF DISBURSEMENTS - CASH BASIS -
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual
Public Safety		
County Sheriff		
Personnel services	1,459,081	1,382,710
Operating expenses	107,382	105,683
Supplies/materials	120,500	124,708
Capital outlay	<u>79,260</u>	<u>124,267</u>
Total County Sheriff	<u>1,766,223</u>	<u>1,737,368</u>
County Attorney		
Personnel services	798,246	729,098
Operating expenses	89,993	91,653
Supplies/materials	2,250	12,054
Equipment rental		1,839
Capital outlay	<u>6,765</u>	<u>7,915</u>
Total County Attorney	<u>897,254</u>	<u>842,559</u>
Child Support		
Personnel services	238,523	236,035
Operating expenses	24,400	22,337
Supplies/materials	2,500	2,768
Equipment rental	1,540	2,713
Capital outlay	<u>1,300</u>	<u> </u>
Total Child Support	<u>268,263</u>	<u>263,853</u>
District No. 10 Probation		
Personnel services		
Operating expenses	24,475	17,440
Supplies/materials	16,580	19,358
Equipment rental	3,940	5,306
Capital outlay	<u>12,640</u>	<u>15,532</u>
Total District No. 10 Probation	<u>57,635</u>	<u>57,636</u>
Emergency Management		
Operating expenses	<u>15,000</u>	<u>11,438</u>
Public Works		
County Surveyor		
Personnel services	130,044	117,816
Operating expenses	54,245	52,664
Supplies/materials	<u>2,100</u>	<u>3,160</u>
Total County Surveyor	<u>186,389</u>	<u>173,640</u>

SCOTTS BLUFF COUNTY, NEBRASKA
SCHEDULE OF DISBURSEMENTS - CASH BASIS -
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual
Public Welfare and Social Services		
Veterans Service Officer		
Personnel services	118,056	115,175
Operating expenses	6,877	7,301
Supplies/materials	2,700	3,367
Capital outlay	<u>2,000</u>	<u>1,200</u>
Total Veterans Service Officer	<u>129,633</u>	<u>127,043</u>
Handy Bus		
Personnel services	195,737	200,012
Operating expenses	45,586	48,543
Supplies/materials	44,700	51,270
Equipment rental	1,996	1,600
Capital outlay	<u>17,997</u>	<u>47</u>
Total Handy Bus	<u>306,016</u>	<u>301,472</u>
Handyman		
Personnel services	41,381	41,245
Operating expenses	59,216	48,475
Supplies/materials	300	247
Equipment rental	<u>500</u>	<u>516</u>
Total Handyman	<u>101,397</u>	<u>90,483</u>
Administration		
Operating expenses	106,587	104,962
Supplies/materials	<u>500</u>	<u>707</u>
Total Administration	<u>107,087</u>	<u>105,669</u>
TOTAL DISBURSEMENTS	<u>9,543,734</u>	<u>8,396,159</u>

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the County Board of Commissioners
Scotts Bluff County, Nebraska
Gering, Nebraska

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Scotts Bluff County, Nebraska, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Scotts Bluff County, Nebraska's basic financial statements and have issued our report thereon dated November 25, 2014.

Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified a certain deficiency in internal control that we consider to be a material weakness.

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. We consider the deficiency as described in the accompanying schedule of findings and questioned costs as item 2014-001 to be a material weakness.

Compliance and Other Matters

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

Management's Response to Findings

Scotts Bluff County, Nebraska's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Scotts Bluff County, Nebraska's response was not subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on it.

Purpose of this Report

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

Dana F Cole + Company, LLP

Scottsbluff, Nebraska
November 25, 2014

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

To the County Board of Commissioners
Scotts Bluff County, Nebraska
Gering, Nebraska

Report on Compliance for Each Major Federal Program

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, 2014. 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.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Scotts Bluff County, Nebraska's major federal programs based on our audit of the types of compliance requirements referred to above. 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 on compliance for each major federal program. However, our audit does not provide a legal determination of Scotts Bluff County, Nebraska's compliance.

Opinion on Each Major Federal Program

In our opinion, Scotts Bluff County, Nebraska, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

Report on Internal Control Over Compliance

Management of Scotts Bluff County, Nebraska, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Scotts Bluff County, Nebraska's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified a certain deficiency in internal control over compliance that we consider to be a material weakness.

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2014-001 to be a material weakness.

Scotts Bluff County, Nebraska's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Scotts Bluff County, Nebraska's response was not subjected to the auditing procedures applied in the audit of compliance, and accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Dana F Cole + Company, LLP

Scottsbluff, Nebraska
November 25, 2014

SCOTTS BLUFF COUNTY, NEBRASKA
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 YEAR ENDED JUNE 30, 2014

SECTION I. SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unmodified

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: Unmodified

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:

Formula Grants for Rural Areas 20.509

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, 2014

SECTION II. FINANCIAL STATEMENT FINDINGS

FINDING 2014-001 SEGREGATION OF ACCOUNTING FUNCTIONS

Criteria

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

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.

Cause of the Condition

The County does not employ sufficient office personnel to properly segregate accounting functions.

Effect of the Condition

This lack of segregation of duties results in an inadequate overall internal control structure design.

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, 2014

SECTION III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

FINDING 2014-001 SEGREGATION OF ACCOUNTING FUNCTIONS

20.509 Formula Grants for Rural Areas

Internal control reportable condition described in Section II,
Finding 2014-001.

SCOTTS BLUFF COUNTY, NEBRASKA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2014

FINDING 2013-001 SEGREGATION OF ACCOUNTING FUNCTIONS

Condition

As described in Section II - Finding 2014-001.

Status

Ongoing.