



## NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

Mike Foley  
State Auditor

Mike.Foley@nebraska.gov  
PO Box 98917  
State Capitol, Suite 2303  
Lincoln, Nebraska 68509  
402-471-2111, FAX 402-471-3301  
auditors.nebraska.gov

February 23, 2023

Harold Ehmke, Chairperson  
Village of Avoca  
P.O. Box 694  
Avoca, NE 68307

Dear Chairperson Ehmke:

The Nebraska Auditor of Public Accounts (APA) has reviewed the audit waiver request received from the Village of Avoca (Village) for the fiscal year ending 2022. **That request has been approved.**

While performing, pursuant to Neb. Rev. Stat. § 84-304 (Cum. Supp. 2022), the preliminary examination necessary to determine whether the audit waiver should be allowed or further audit work would be required, the APA noted certain internal control or compliance matters, or other operational issues, within the Village.

The following information is intended to improve internal controls or result in other operational efficiencies.

### Comment and Recommendation

#### Payment of Claims Prior to Board Approval

During our comparison of the Village's bank account details to claims approved by the Board, the APA noted that the following checks, totaling \$223.86, were issued before the underlying claims were approved by the Board.

The table below provides a summary of the premature payments:

Name/Vendor	Amount	Approval Date	Check Date	Days Paid Before Approval
M & S Recycling	\$116.00	06/13/22	05/17/22	27
Intuit	\$6.33	06/13/22	05/26/22	18
Black Hills Energy	\$101.53	06/13/22	05/31/22	13
<b>Total</b>	<b>\$223.86</b>			

Neb. Rev. Stat. § 17-614(1)(a) (Reissue 2022) sets out the proper method for the appropriation or payment of money by the Village, as follows:

*All ordinances and resolutions or orders for the appropriation or payment of money shall require for their passage or adoption the concurrence of a majority of all members elected to the city council in a city of the second class or village board of trustees.*

(Emphasis added.) Good internal control requires procedures to ensure that all claims are approved by the Board prior to payment and are adequately documented in the meeting minutes of the month in which they are approved. Without such procedures, there is an increased risk for the loss or misuse of Village funds.

We recommend the Board implement procedures to ensure all claims are approved by the Board prior to payment and are adequately documented in the meeting minutes of the month in which they are approved.

\* \* \* \* \*

The preliminary planning work that resulted in this letter was designed primarily on a test basis and, therefore, may not bring to light all existing weaknesses in the Village's policies or procedures. Nevertheless, our objective is to use the knowledge gained during the performance of that preliminary planning work to make comments and suggestions that we hope will prove useful to the Village.

This communication is intended solely for the information and use of the Village and its management. It is not intended to be, and should not be, used by anyone other than those specified parties. However, this letter is a matter of public record, and its distribution is not limited.

If you have any questions, please contact **Dakota Christensen at 402-499-8702 or [dakota.christensen@nebraska.gov](mailto:dakota.christensen@nebraska.gov)**.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Avery", with a long horizontal flourish extending to the right.

Mark Avery, CPA  
Assistant Deputy Auditor

Village of AvocaCass County**VILLAGE AUDIT WAIVER REQUEST FORM**  
OCTOBER 1, 2021, THROUGH SEPTEMBER 30, 2022***SUBMIT BY DECEMBER 31, 2022. VILLAGE AUDIT WAIVER REQUESTS RECEIVED AFTER THAT DATE MAY BE DENIED.***

The attached statements were prepared from the books and records of the Village.

They reflect all Village fund balances as of 9/30/22 and the actual transactions for all funds for the period 10/1/21 through 9/30/22, to the best of my knowledge and belief.

**ENTITY OFFICIAL ADDRESS**

PO Box 694

(Address)

Avoca 68307

(City &amp; Zip Code)

4022753757

(Telephone)

n/a

(Website)

For questions on this form, who should we contact (please ☒ one).  
Contact will be via e-mail if supplied.☐

Board Chairperson

☒

Preparer

☐

Other Contact

**BOARD CHAIRPERSON**

Harold Ehmke

(Name)

Chairman

(Title / Firm Name)

4022753757

(Telephone)

avocavillage217@gmail.com

(E-Mail Address) \*

**PREPARER**

see accountant's report

(Name)

Mindi Clarke, CPA

(Title / Firm Name)

4022748560

(Telephone)

mindiclarkecpa@gmail.com

(Email Address)

**OTHER CONTACT**

Marilyn Kirchhoff

(Name)

Village Clerk

(Title / Firm Name)

4022753757

(Telephone)

avocavillage217@gmail.com

(Email Address)

**Contact and  
Submission  
Information**

Auditor of Public Accounts

PO Box 98917, Lincoln, Nebraska 68509-8917

Telephone: (402) 471-2111

FAX: (402) 471-3301

Submit Via Website: [auditors.nebraska.gov](http://auditors.nebraska.gov)Questions - E-Mail: [Dakota.Christensen@nebraska.gov](mailto:Dakota.Christensen@nebraska.gov); [Mark.Avery@nebraska.gov](mailto:Mark.Avery@nebraska.gov)

\*NOTE: Notification of the Approval of this Audit Waiver Request will be sent to the Board Chairperson via e-mail. If no e-mail address is included for the Board Chairperson, notification will be mailed via the US Postal System.

**Village of Avoca, Nebraska**  
**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS - ALL FUNDS - FOR THE PERIOD 10/1/21 THROUGH 9/30/22**

EXHIBIT A  
(Page 1 of 2)

The activity for each Village fund should be listed separately. **See Note 5 On Memo.**

		GENERAL FUND	STREET FUND	COMM IMPR/KENO	LIBRARY/SIGN	ENTERPRISE	FEDERAL ARPA	TOTAL (Includes Total From page 1a)
1	Net Cash Balance	27,893.86	7,121.74	23,494.53	5,452.63	53,353.79	22,302.73	139,619.28
2	Investments	11,000.00	18,500.00	47,500.00	-	16,000.00	-	93,000.00
3	<b>Subtotal of Beginning Balance</b> (Line 1 + 2)	38,893.86	25,621.74	70,994.53	5,452.63	69,353.79	22,302.73	232,619.28
4	Personal and Real Property Taxes	40,254.04						40,254.04
5	Federal Receipts						22,300.46	22,300.46
6	State Receipts: Motor Vehicle Pro-Rate							-
7	State Receipts: MIRF							-
8	State Receipts: Highway Allocation and Incentives		29,793.56					29,793.56
9	State Receipts: Motor Vehicle Fee							-
10	State Receipts: State Aid							-
11	State Receipts: Municipal Equalization Aid	20,307.46						20,307.46
12	State Receipts: Other							-
13	State Receipts: Property Tax Credit							-
14	Local Receipts: Nameplate Capacity Tax							-
15	Local Receipts: Motor Vehicle Tax	4,555.47						4,555.47
16	Local Receipts: Local Option Sales Tax							-
17	Local Receipts: In Lieu of Tax							-
18	Local Receipts: Other	759.25	438.96	52,687.14	24.00	111,121.09	11.19	165,041.63
19	Transfers In of Surplus Fees (Total Should = Pg 2, Line 49)							-
20	Transfers In Other Than Surplus Fees (Total Should = Pg 2, Line 50)					9,894.70		9,894.70
21	<b>Total Receipts</b> (Lines 4 through 20)	65,876.22	30,232.52	52,687.14	24.00	121,015.79	22,311.65	292,147.32
22	<b>Total Resources Available</b> (Lines 3 + 21)	104,770.08	55,854.26	123,681.67	5,476.63	190,369.58	44,614.38	524,766.60
23	<b>Total Disbursements &amp; Transfers</b> (Page 2, Line 52)	63,351.54	15,131.90	18,655.07	164.00	101,187.11	9,894.70	208,384.32
24	<b>Ending Balance</b> (Line 22 MINUS Line 23)	41,418.54	40,722.36	105,026.60	5,312.63	89,182.47	34,719.68	316,382.28
25	Ending Balance Consists Of:							
26	Net Cash Balance	30,418.54	22,222.36	57,526.60	5,312.63	73,182.47	34,719.68	223,382.28
27	Investments <b>(Should agree to Schedule 1)</b>	11,000.00	18,500.00	47,500.00	-	16,000.00	-	93,000.00
28	Subtotal of Ending Balances (Line 26 + 27)	41,418.54	40,722.36	105,026.60	5,312.63	89,182.47	34,719.68	316,382.28

County Treasurer Balance at October 1, 2021

\$1,171.30

County Treasurer Balance at September 30, 2022

1,241.34

**NOTE:** Amounts on lines 24 and 28 must agree.

**Village of Avoca, Nebraska**  
**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS - ALL FUNDS - FOR THE PERIOD 10/1/21 THROUGH 9/30/22**

EXHIBIT A  
(Page 1a of 2)

The activity for each Village fund should be listed separately. **See Note 5 On Memo.**

		"ENTER OTHER FUND NAME"	"ENTER OTHER FUND NAME"	"ENTER OTHER FUND NAME"	"ENTER OTHER FUND NAME"	"ENTER OTHER FUND NAME"	"ENTER OTHER FUND NAME"	TOTAL (Included in Page 1's Total Column)
1	Net Cash Balance							-
2	Investments							-
3	<b>Subtotal of Beginning Balance</b> (Line 1 + 2)	-	-	-	-	-	-	-
4	Personal and Real Property Taxes							-
5	Federal Receipts							-
6	State Receipts: Motor Vehicle Pro-Rate							-
7	State Receipts: MIRF							-
8	State Receipts: Highway Allocation and Incentives							-
9	State Receipts: Motor Vehicle Fee							-
10	State Receipts: State Aid							-
11	State Receipts: Municipal Equalization Aid							-
12	State Receipts: Other							-
13	State Receipts: Property Tax Credit							-
14	Local Receipts: Nameplate Capacity Tax							-
15	Local Receipts: Motor Vehicle Tax							-
16	Local Receipts: Local Option Sales Tax							-
17	Local Receipts: In Lieu of Tax							-
18	Local Receipts: Other							-
19	Transfers In of Surplus Fees							-
20	Transfers In Other Than Surplus Fees							-
21	<b>Total Receipts</b> (Lines 4 through 20)	-	-	-	-	-	-	-
22	<b>Total Resources Available</b> (Lines 3 + 21)	-	-	-	-	-	-	-
23	<b>Total Disbursements &amp; Transfers</b> (Page 2a, Line 52)	-	-	-	-	-	-	-
24	<b>Ending Balance</b> (Line 22 MINUS Line 23)	-	-	-	-	-	-	-
25	Ending Balance Consists Of:							
26	Net Cash Balance							-
27	Investments <b>(Should agree to Schedule 1)</b>							-
28	Subtotal of Ending Balances (Line 26 + 27)	-	-	-	-	-	-	-

**NOTE:** Amounts on lines 24 and 28 must agree.

**Village of Avoca, Nebraska**  
**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS - ALL FUNDS - FOR THE PERIOD 10/1/21 THROUGH 9/30/22**

Exhibit A  
 (Page 2 of 2)

The activity for each Village fund should be listed separately. **See Note 5 On Memo.**

		GENERAL FUND	STREET FUND	COMM IMPR/KENO	LIBRARY/SIGN	ENTERPRISE	FEDERAL ARPA	TOTAL (Includes Total From Page 2a)
<b>DISBURSEMENTS:</b>								
<b>Governmental:</b>								
29	General Government	47,752.34						47,752.34
30	Public Safety - Police & Fire	8,975.14						8,975.14
31	Public Safety - Other							-
32	Public Works - Streets		15,131.90					15,131.90
33	Public Works - Other							-
34	Public Health & Social Services							-
35	Capital Improvements							-
36	Other Capital Outlay							-
37	Culture & Recreation	6,624.06						6,624.06
38	Community Development			18,655.07	164.00			18,819.07
39	Debt Service					23,097.00		23,097.00
40	Miscellaneous							-
<b>Business-Type Activities:</b>								
41	Airport							-
42	Nursing Home							-
43	Hospital							-
44	Electric Utility							-
45	Solid Waste							-
46	Transportation							-
47	Wastewater					42,418.03		42,418.03
48	Water					35,672.08		35,672.08
49	Transfers Out of Surplus Fees (Total Should = Page 1, Line 19)							-
50	Transfers Out Other Than Surplus Fees (Total Should = Page 1, Line 20)						9,894.70	9,894.70
51	Other (Judgments, etc.)							-
52	<b>Total Disbursements &amp; Transfers</b> (Lines 29 through 51)	63,351.54	15,131.90	18,655.07	164.00	101,187.11	9,894.70	208,384.32

**Village of Avoca, Nebraska**  
**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS - ALL FUNDS - FOR THE PERIOD 10/1/21 THROUGH 9/30/22**

Exhibit A  
 (Page 2a of 2)

The activity for each Village fund should be listed separately. **See Note 5 On Memo.**

		"ENTER OTHER FUND NAME"	"ENTER OTHER FUND NAME"	"ENTER OTHER FUND NAME"	"ENTER OTHER FUND NAME"	"ENTER OTHER FUND NAME"	"ENTER OTHER FUND NAME"	<b>TOTAL</b> (Included in Page 2's Total Column)
<b>DISBURSEMENTS:</b>								
<b>Governmental:</b>								
29	General Government							-
30	Public Safety - Police & Fire							-
31	Public Safety - Other							-
32	Public Works - Streets							-
33	Public Works - Other							-
34	Public Health & Social Services							-
35	Capital Improvements							-
36	Other Capital Outlay							-
37	Culture & Recreation							-
38	Community Development							-
39	Debt Service							-
40	Miscellaneous							-
<b>Business-Type Activities:</b>								
41	Airport							-
42	Nursing Home							-
43	Hospital							-
44	Electric Utility							-
45	Solid Waste							-
46	Transportation							-
47	Wastewater							-
48	Water							-
49	Transfers Out of Surplus Fees							-
50	Transfers Out Other Than Surplus Fees							-
51	Other (Judgments, etc.)							-
52	<b>Total Disbursements &amp; Transfers</b> (Lines 29 through 51)	-	-	-	-	-	-	-

## Village of Avoca, Nebraska

## **SCHEDULE OF INVESTMENTS**

AS OF SEPTEMBER 30, 2022

DESCRIPTION	AMOUNT
Certificates of Deposit	93,000.00
TOTAL (Should agree to Exh A Page 1, Line 27)	93,000.00

## SCHEDULE OF OUTSTANDING DEBT

AS OF SEPTEMBER 30, 2022

<u>Type of Debt</u>	<u>Date of Issuance</u>	<u>Interest Rate</u>	<u>Final Maturity Date</u>	<u>Amount Outstanding</u>
Water Bond	12/26/2014	2.75%	12/26/1954	496,630.04
<b>TOTAL</b>				<b>496,630.04</b>

## SCHEDULE OF INTERFUND TRANSFERS

FOR THE PERIOD 10/1/21 THROUGH 9/30/22

Transferred from	Transferred to	Amount
Federal ARPA Funds	Water Fund	9,894.70
TOTAL (Should agree to Exh A, Page 1 Lines 19+20 and Page 2 Lines 49+50)		9,894.70



**Village of Avoca, Nebraska**  
**INTERNAL CONTROL QUESTIONNAIRE**  
**FOR THE FISCAL YEAR**  
**OCTOBER 1, 2021 THROUGH SEPTEMBER 30, 2022**

Please answer the following questions as thoroughly as possible. If additional room is needed in order to explain an answer, you may attach a sheet of paper to the back of this questionnaire. All questions should be answered .

1. Did the Village perform all bank reconciliations for the fiscal year?

  **X**   Yes

       No

If **Yes**, who conducted the bank reconciliation, how were they performed, when was this usually completed and was the board in any way involved (such as reviewing or approving)?

Each month the Village Clerk completes the bank reconciliations for each bank account. The Board approves the monthly receipts and disbursements of the Village at each monthly board meeting. Balances and activity are reviewed by the Board.

If **No**, what was the reason the bank reconciliations were not performed? What was done to compensate for not doing bank reconciliations, who did this, when was this done, and what was the board's involvement?

n/a

2. Does the Village maintain an accounts receivable listing for each utility service provided?

  **X**   Yes

       No

If **Yes**, who maintains the listing, what is the policy of the Village for late payments or no payments, and what is the board's involvement?

The Utility Clerk maintains the listing. The utility program prints out a report of delinquencies and letters are automatically printed. If payments are not received, the utility clerk mails these letters by certified mail. Water is shuf-off when bills are not paid and a reconnect fee is assessed.

**Village of Avoca, Nebraska**  
**INTERNAL CONTROL QUESTIONNAIRE**  
**FOR THE FISCAL YEAR**  
**OCTOBER 1, 2021 THROUGH SEPTEMBER 30, 2022**

If **No**, explain why an accounts receivable listing is not needed.

3. For each utility service provided, please disclose the accounts receivable balance at the fiscal year end.

Utility Type	Balance

4. Does the Village have any checks which have been outstanding for greater than one year?

  **X**   Yes                             No

If **Yes**, please disclose the number of and the total dollar amount for these checks.

Number of Checks          **7**                    Total Dollar Amount          **\$ 5,712.21**      

5. Were any Village funds over budget? If so, this is a violation of State law. Please disclose the reason why this occurred.

No

6. Are you aware of any fraud, or suspected fraud, or allegations of fraud involving the Village?

No

## Village of Avoca

PO Box 694, 609 House Street  
Avoca, NE 68307

### MINUTES OF AVOCA VILLAGE BOARD OF TRUSTEES SPECIAL MEETING

**DATE:** Monday, September 19, 2022

**PRESENT:** Harold Ehmke, Marianna Kirchhoff, Chris Lehn, Orville Cruz and Clerk, Marilyn Kirchhoff

**ABSENT:** Rich Moses

**OTHERS:** Melinda Clarke, CPA and Nina

The meeting was brought to order at 6:30 pm by Chairman, Harold Ehmke. Four Board members, clerk and two guests were present. Chairman reminded everyone of the Open Meetings Act posted on the wall. Attendance was noted and Pledge of Allegiance recited.

Clarke was running late so the Board discussed the Trustee pay that had to be held over from the regular meeting, September 12. A motion was made by Kirchhoff to approve Trustee fee and 12 hours pay for Ehmke. The motion seconded by Cruz. Upon a roll call vote of Trustee votes: Cruz – yea; Ehmke – abstain; Kirchhoff – yea; Lehn – yea; Moses – absent. A motion was made by Cruz to approve Trustee fee and 14 hours pay for Lehn. The motion was seconded by Kirchhoff. Upon a roll call vote of Trustee votes: Cruz – yea; Ehmke – yea; Kirchhoff – yea; Lehn – abstain; Moses – absent. A motion was made by Kirchhoff to approve Trustee fee and 17 ½ hours pay for Moses. The motion was seconded by Cruz. Upon a roll call vote of Trustee votes: Cruz – yea; Ehmke – yea; Kirchhoff – yea; Lehn – yea; Moses – absent/abstain. A motion was made by Cruz to approve Trustee pay for Kirchhoff. The motion was seconded by Ehmke. Upon a roll call vote of Trustee votes: Cruz – yea; Ehmke – yea; Kirchhoff – abstain; Lehn – yea; Moses – absent. A motion was made by Kirchhoff to approve Trustee pay for Cruz. The motion was seconded by Lehn. Upon a roll call vote of Trustee votes: Cruz – abstain; Ehmke – yea; Kirchhoff – yea; Lehn – yea; Moses – absent.

The 2022-2023 Budget, prepared by Melinda Clarke, CPA, was submitted to the Board of Trustees for approval. The Board reviewed as Clarke proceeded to explain the figures and answered questions. There were no changes made to the submitted report, basically same as before. A motion was made by Cruz to approve the 1% Increase of Restricted Funds. The motion was seconded by Lehn. Upon a roll call vote of Trustees votes: Cruz – yea; Ehmke – yea; Kirchhoff – yea; Moses – absent. A motion was made to approve the prepared budget for 2022-2023 by Cruz. The motion was seconded by Lehn. Upon a roll call vote of Trustee votes: Cruz – yea; Ehmke – yea; Kirchhoff – yea; Lehn – yea; Moses – absent. A motion was made by Kirchhoff for Property Tax Request. The motion was seconded by Lehn. Upon a roll call vote of Trustee votes: Cruz – yea; Ehmke – yea; Kirchhoff – yea; Lehn – yea; Moses – absent.

A motion was made by Cruz to approve the Audit Waiver for 2021-2022. The motion was seconded by Lehn. Upon a roll call vote of Trustee votes: Cruz – yea; Ehmke – yea; Kirchhoff – yea; Lehn – yea; Moses – absent.

The Clerk had previously asked Clarke about Trustee fees, she recommended speaking to attorney.

No further discussions.

A motion was made by Cruz to adjourn the Special Meeting. Motion was seconded by Lehn. Upon a roll call vote of Trustee votes: Cruz – yea; Ehmke – yea; Kirchhoff – yea; Lehn – yea; Moses – absent. Motion carried and the meeting was adjourned at 7:22 pm. The next regular scheduled meeting of the Board of Trustees will be held on Monday, October, 10, at 6:00 pm. Minutes submitted by Marilyn Kirchhoff, Village Clerk/Treasurer.

***Melinda D. Clarke***  
*Certified Public Accountant*  
5211 NW 105<sup>th</sup> Street  
Lincoln, NE 68524  
(402) 274-8560 (888) 607-8031 fax

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The accompanying financial statements of the Village of Avoca, Nebraska as of and for the year ended September 30, 2022, were not subjected to an audit, review, or compilation engagement by me and I do not express an opinion, a conclusion, nor provide any assurance on them.

Melinda D. Clarke, C.P.A.  
Lincoln, Nebraska

February 2, 2023