



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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Thomas Meyer, Chairperson
Uehling Fire District 6
302 Main Street
Uehling, NE 68063

Dear Chairperson Meyer:

The Nebraska Auditor of Public Accounts (APA) has reviewed the audit waiver request received from the Uehling Fire District 6 (District) for the fiscal year ending 2024. **That request has been approved.**

However, the District's amount of disbursements for the fiscal year ending June 30, 2024, exceeded our normal threshold (\$500,000) for granting a waiver of the audit requirement.

Disbursements for the fiscal year ended 2024 totaled \$2,704,376, which exceeds the normal audit waiver threshold. Additionally, we noted the budgeted expenditures for fiscal year 2025 are \$545,000. Due to the District's submission of supporting documentation for one-time, low risk expenditures, that accounted for a significant percentage of the current year's expenditures, we were able to consider for this year, the District's activity to be low enough to grant the audit waiver request.

However, if the June 30, 2025, fiscal year end disbursements are similar to or greater than the fiscal year 2024's expenditures or near the budgeted amount of expenditures, an audit of fiscal year end June 30, 2025, may be required. This information is only for your consideration of planning for fiscal year 2025 and forward.

While performing, pursuant to Neb. Rev. Stat. § 84-304 (2024 Neb. Laws, L.B 1143, § 3), the preliminary examination necessary to determine whether further audit work would be required or the audit waiver should be allowed, the APA noted certain internal control or compliance matters, or other operational issues, within the District.

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

Comment and Recommendation

Payment in Excess of Approved Amount

The APA obtained a copy of the April 8, 2024, meeting minutes for the Board of Directors (Board) of the District. Those minutes reflect the Board's approval of District expenditures, however, for one payment, the amount paid exceeded the approved expenditure. At this meeting, the Board approved to pay Uehling Fire Department \$350. However, the District paid the Uehling Fire Department \$950 (Check #7089, dated April 8, 2024), which exceeded the approved amount by \$600.

Per Neb. Rev. Stat. § 35-508(4) (Reissue 2016), the Board has the exclusive power to “manage and conduct the business affairs of the district.” Accordingly, any expenditure of District funds requires express Board authorization.

Additionally, Neb. Rev. Stat. § 35-511 (Reissue 2016) provides, in relevant part, the following:

All donations, contributions, bequests, annuities, or borrowed money received by or on behalf of the district shall be deposited with the secretary-treasurer of the district and shall be drawn out only upon proper check. Such check shall be authorized by the board of directors and shall bear the signature of the secretary-treasurer and the countersignature of the president of such district.

(Emphasis added.) Good internal control requires procedures to ensure that all claims are made in the amount approved by the Board. Without such procedures, there is an increased risk for the theft, loss, or misuse of District Funds.

We recommend the District implement procedures to ensure payments are made in the amount approved by the Board.

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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 District’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 District.

This communication is intended solely for the information and use of the District 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.**

Sincerely,



Mark Avery, CPA
Assistant Deputy Auditor