



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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State Auditor

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December 9, 2025

Arlin Beethe, Chairperson
Elk Creek Fire Protection District
P.O. Box 128
Elk Creek, NE 68348

Dear Chairperson Beethe:

The Nebraska Auditor of Public Accounts (APA) has reviewed the audit waiver request received from the Elk Creek Fire Protection District (District) for the fiscal year ending 2025. **That request has been approved.**

However, the District's amount of disbursements for the fiscal year ending June 30, 2025, exceeded our normal threshold (\$500,000) for granting a waiver of the audit requirement. Disbursements for the fiscal year ended 2025, totaled \$826,703, which exceeds the normal audit waiver threshold. Additionally, we noted the budgeted expenditures for fiscal year 2026 are \$610,108. 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, 2026, fiscal year end disbursements are similar to or greater than the fiscal year 2025's expenditures, or close to the budgeted disbursements for fiscal year 2026, an audit of fiscal year end June 30, 2026, may be required. This information is only for your consideration of planning for fiscal year 2026 and forward.

While performing, pursuant to Neb. Rev. Stat. § 84-304 (Supp. 2025), 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

Negative Bank Balance

During our review of the bank statements accompanying the District's audit waiver request, the APA noted that the District's checking account had a negative balance from July 10, 2024, through July 11, 2024. During that period, the largest negative balance was \$781, and the District incurred \$33 in overdraft fees.

Good internal controls and sound business practices require procedures to ensure that funds are available in the District's bank account prior to payment. Without such procedures, additional fees can occur, and there is an increased risk of loss, misuse, or theft of funds.

We recommend the District Board implement procedures to ensure adequate funds are available in the bank account prior to payment.

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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,

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