



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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December 2, 2025

Lavern Leibbrandt, Chairperson
Beaver Valley Fire District
P.O. Box 25
Danbury, NE 69026

Dear Chairperson Leibbrandt:

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

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.

Comments and Recommendations

1. Lack of Adequate Documentation

During our review of the District's bank statements, we noted that during the fiscal year ended June 30, 2025, the Secretary-Treasurer of the District, who also serves as the Fire Chief of the Beaver Valley Volunteer Fire Department, was paid a total of \$1,250. The APA requested documentation to support one payment to the Secretary-Treasurer, totaling \$500. Originally, we were informed that this payment was for his duties as the Fire Chief. After requesting additional documentation, the APA was then informed that this payment was for work done on one of the fire trucks; however, no documentation was provided to support this payment.

Good internal controls require procedures to ensure that adequate documentation is maintained to support all District expenditures. Without such procedures, there is an increased risk for the loss or misuse of public funds.

We recommend the District implement procedures to ensure that adequate documentation is maintained to support all District expenditures.

2. Payments Not Approved

The APA obtained a copy of the April 23, 2025, meeting minutes for the Board of Directors (Board) of the District. Those minutes fail to reflect the Board's approval of the following nine District expenditures, totaling \$610:

Payment Date	Vendor/Payee	Check Number	Amount
4/22/2025	Quick Med Claims	EFT	\$ 26
4/22/2025	Twin Valleys PPD	EFT	39
4/22/2025	Twin Valleys PPD	EFT	66
4/23/2025	Doug Harrison	5202	150
5/1/2025	Hartman Telephone	EFT	45
5/1/2025	Hartman Telephone	EFT	50
5/1/2025	Hartman Telephone	EFT	65
5/1/2025	Hartman Telephone	EFT	65
5/1/2025	Hartman Telephone	EFT	104
Total			\$ 610

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.) Properly discharging the above statutory duties necessarily entails proper financial management, which calls for the Board’s approval of all expenditures of District funds. Such Board approval should be prior to the actual disbursement, if possible, or at the next Board meeting.

As a public body, moreover, the Board is subject to the provisions of the Open Meetings Act, which is set out at Neb. Rev. Stat. §§ 84-1407 to 84-1414 (Reissue 2024; Supp. 2025). In particular, Neb. Rev. Stat. § 84-1413(1) (Reissue 2024) requires public bodies, including the Board, to “keep minutes of all meetings,” showing, among other things, “the substance of all matters discussed.”

Furthermore, a good internal control plan and sound business practices require procedures to ensure that the Board approves, in a timely fashion, all expenditures and business transactions of the District. Those same procedures should ensure also that the Board documents such approval in its meeting minutes, specifying the name of each payee, the exact amount of any disbursement, and the specific purpose of the payment.

Without such procedures, there is an increased risk for not only failure to comply with State statute but also loss or misuse of public funds.

We recommend the implementation of procedures to ensure the Board approves, in a timely fashion, all expenditures of District funds, and such approval is documented adequately in the Board’s meeting minutes. Such Board approval should be prior to the actual disbursement, if possible, or at the next Board meeting.

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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". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Mark Avery, CPA
Assistant Deputy Auditor