



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

September 17, 2026

Christa Yoakum, Board Chairperson
Lancaster County Board of Commissioners
555 S. 10th St. Room 110
Lincoln, NE 68508

Dear Ms. Yoakum and County Officials:

Was there really almost a billion dollars in accounting errors discovered by my audit team?

Yes, there was, and when I had the pleasure of meeting you at the audit exit meeting on September 1st and had a collegial conversation with you afterwards, I thought you and I agreed that the problems in the Treasurer's Office were very serious and needed immediate attention.

I want to work with you and your colleagues but it was very disconcerting to listen to the reaction of county officials, including yourself (KETV interview) after the public release of the report. The comments seemed quite dismissive of the severity of what has now been disclosed.

The final audit report contains 14 serious findings identifying accounting lapses almost everywhere we looked. Report comment #3 has the most eye-popping numbers in it (the billion-dollar problem).

These pervasive errors rendered the semi-annual statements issued by the Lancaster County Treasurer severely misleading to the County's taxpayers. Neb. Rev. Stat. § 23-1605 (Reissue 2022) requires "a tabulated statement of the affairs of the county treasurer's office to be published in a legal newspaper published in the county." Subsection (d) explicitly mandates what must be included in the semi-annual statement:

The statement shall show the receipts and disbursements of the county treasurer's office for the last preceding six months ending June 30 and December 31, including (i) the amount of money received and for what fund category, (ii) the amount of disbursements and from what fund category, (iii) the ending fund balance in each fund category, (iv) the amount of outstanding warrants or orders registered and unpaid, (v) the total balance, and (vi) the total amount of unpaid claims of the county as of June 30 and December 31 of each year, as certified to the county treasurer by the county clerk.

These statutory reports provide key financial information to the taxpayers and must reflect an accurate accounting of the receipts and disbursements of the County Treasurer's office. Included below is a copy of the semi-annual report covering the calendar year ending December 31, 2025, as prepared by the Lancaster County Treasurer. The numbers that I show in yellow highlighted form are simply wrong and when this finding was discussed with County officials there was absolutely no disagreement that the numbers are indeed wrong.

As clearly shown below, the Lancaster County Treasurer reported that she collected and disbursed slightly over \$2 billion during the calendar year ending December 31, 2025; however, the accurate receipts and disbursements were slightly over \$1 billion. The County Treasurer overstated financial activity by nearly \$1 billion – an error of extraordinary magnitude that flows through almost the entirety of the financial statement.

FUND TITLE	BALANCE 1/1/2025	COLLECTIONS	DISBURSEMENTS	BALANCE 12/31/2025
County Funds	\$ 107,764,897	\$ 1,196,101,771	\$ 1,205,073,814	\$ 98,792,854
Visitors Promotion Funds	9,901,897	4,703,243	4,284,612	10,320,528
Keno / Gaming Tax	5,161,678	3,750,144	1,688,166	7,223,656
State Motor Vehicle Funds	6,197,566	77,339,798	77,292,177	6,245,187
School Funds	16,753,578	525,169,015	517,961,140	23,961,453
Community College Funds	432,076	9,236,997	9,089,896	579,177
Educational Service Unit Funds	255,885	6,675,852	6,496,238	435,499
Fire District Funds	187,541	3,662,430	3,496,537	353,434
Sanitary Improvement District Funds	524,673	120,708	59,720	585,661
Natural Resource District Funds	385,212	10,061,396	9,777,702	668,906
Railroad Transportation Safety District Fund	40,874,401	10,623,490	615,333	50,882,558
County / City Corrections Facility JPAs	200,083	4,613,140	4,520,529	292,694
Agriculture Society Funds	483,277	2,528,196	2,477,461	534,012
City of Lincoln Funds	6,903,499	164,663,118	161,584,329	9,982,288
Lincoln Airport Authority Fund	369,566	10,812,476	10,546,663	635,379
City / Village Funds	148,184	5,947,897	5,791,937	304,144
Lower Platte Weed Management Area Fund	50,922	5,540	4,232	52,230
TOTAL ALL FUNDS	\$ 196,594,935	\$ 2,036,015,211	\$ 2,020,760,486	\$ 211,849,660

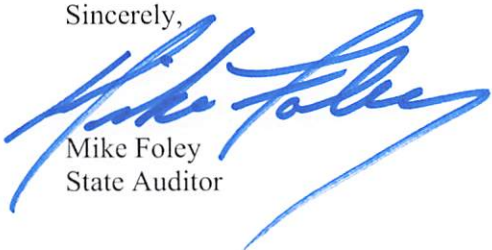
However, the accurate amounts, after adjustments for the significant errors identified by my office, are as follows:

FUND TITLE	CASH BALANCE 1/1/2025	COLLECTIONS	DISBURSEMENTS	CASH BALANCE 12/31/2025
County Funds	\$ 107,764,897	\$ 245,562,131	\$ 254,534,174	\$ 98,792,854
Visitors Promotion Funds	9,901,897	4,703,243	4,284,612	10,320,528
Keno / Gaming Tax	5,161,678	3,750,144	1,688,166	7,223,656
State Motor Vehicle Funds	6,197,566	85,749,032	85,701,411	6,245,187
School Funds	16,753,578	516,913,298	509,705,423	23,961,453
Community College Funds	432,076	9,154,122	9,007,021	579,177
Educational Service Unit Funds	255,885	6,615,929	6,436,315	435,499
Fire District Funds	187,541	3,599,346	3,433,453	353,434
Sanitary Improvement District Funds	524,673	120,145	59,157	585,661
Natural Resource District Funds	385,212	9,971,095	9,687,401	668,906
Railroad Transportation Safety District Fund	40,874,401	10,470,060	461,903	50,882,558
County / City Corrections Facility JPAs	200,083	4,531,511	4,438,900	292,694
Agriculture Society Funds	483,277	2,483,004	2,432,269	534,012
City of Lincoln Funds	6,903,499	163,261,103	160,182,314	9,982,288
Lincoln Airport Authority Fund	369,566	10,715,149	10,449,336	635,379
City / Village Funds	148,184	5,899,373	5,743,413	304,144
Lower Platte Weed Management Area Fund	50,922	5,540	4,232	52,230
TOTAL ALL FUNDS	\$ 196,594,935	\$ 1,083,504,225	\$ 1,068,249,500	\$ 211,849,660

While Lancaster County has publicly claimed that corrective actions are already underway, my office will return to conduct a follow-up examination to independently verify that such corrective actions were, in fact, fully implemented, and major errors, such as those identified during our recent examination, do not continue to persist.

Let us collaborate to make sure taxes paid by Lancaster County citizens are properly accounted for and accurately reported to the public.

Sincerely,



Mike Foley
State Auditor