



# NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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Justin Holsing, Chairperson  
Village of Virginia  
319 2<sup>nd</sup> St  
Virginia, NE 68458

Dear Chairperson Holsing:

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

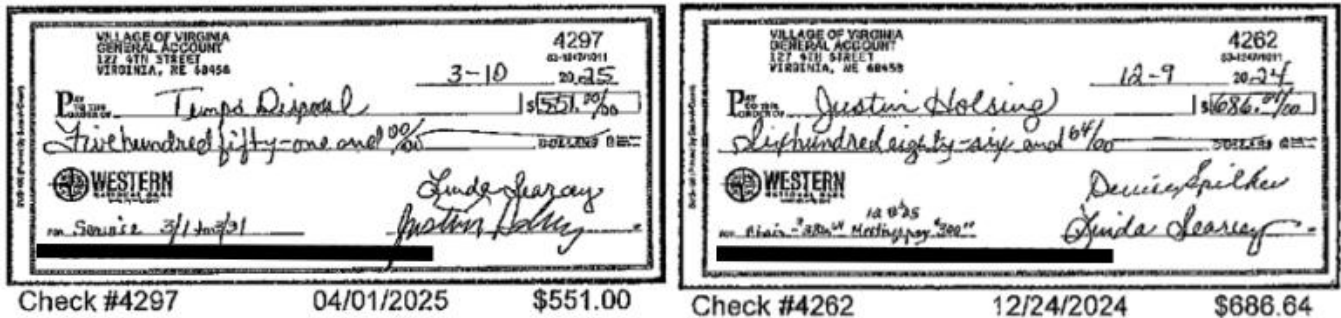
While performing, pursuant to Neb. Rev. Stat. § 84-304 (Supp. 2025), the preliminary examination necessary to determine whether the audit waiver should be allowed or further audit work would be required, the APA noted certain internal control or compliance matters, or other operational issues, within the Village.

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

## Comments and Recommendations

### 1. Lack of Board Chairperson and Village Clerk’s Signature on Checks

The APA obtained the bank statements for the Village’s accounts from its fiscal year 2025 audit waiver request. From these statements, the APA noted that multiple Village checks written during the examination period were missing either the Board Chairperson’s signature or the Village Clerk’s signature. Examples of such checks are shown below.



State statute requires Village checks to be signed by both the Chairperson of the Board of Trustees (Board) and the Village Clerk. Specifically, Neb. Rev. Stat. § 17-711 (Reissue 2022) provides the following:

*All warrants drawn upon the city treasurer of a city of the second class or village treasurer must be signed by the mayor or chairperson of the village board of trustees and countersigned by the city clerk or village clerk, stating the particular fund to which the same is chargeable, the person to whom payable, and for what particular object. No money shall be otherwise paid than upon such warrants so drawn. Each warrant shall specify the amount included in the adopted budget statement for such fund upon which it is drawn and the amount already expended of such fund.*

(Emphasis added.) Good internal control and sound accounting practices require procedures to ensure that Village checks contain the statutorily required endorsements. Without such procedures, there is an increased risk for not only failure to comply with State statute but also loss and/or misuse of Village funds.

The APA identified a similar issue in a prior review and disclosed it to the Village in a letter dated February 18, 2025, which can be found on the APA’s website. However, this issue does not appear to have been corrected after the APA’s notification.

We recommend the Board implement procedures to require dual signatures, from the Board Chairperson and the Village Clerk, on all Village checks, as required by law.

**2. Lack of Claim Purpose**

During our comparison of the Village’s bank account details to claims approved by the Board, the APA reviewed meeting minutes dated April 14, 2025, and noted that some of the claims listed therein lacked descriptions of their respective purposes. The following is an example of the approved claims listing provided by the Village for April 14, 2025:

<b>Village of Virginia 4/14/25 Meeting</b>	Pawnee Co. RWD #1 - \$500.00	Barnes-yes, and Harder-yes. Motion carried.
Meeting called to order by Max Harder. He noted that the Open Meeting Resolution is posted on the wall in the Legion for all to read. Members present: Max Harder, Justin Holsing, Dale Barnes, and Linda Searcey. Minutes to the last meeting were read. Motion made by Dale Barnes and seconded by Justin Holsing to approve the minutes as read. Roll call: Barnes-yes, Harder-yes, Holsing-yes, and Searcey-yes. Motion carried.	Ryan Thomas/water operator - \$200.00	The board discussed to approve discontinuance of utilities process and procedures. Motion made by Max Harder and seconded by Dale Barnes to table this until the next meeting. Roll call: Searcey-yes, Barnes-yes, Harder-yes, and Holsing-yes. Motion carried.
	NE Public Health Env. Lab. - \$15.00	The board discussed the appointment of the Clerk/Treasurer position. Motion made by Max Harder and seconded by Justin Holsing to appoint Denise Spilker to position of Clerk/Treasurer. Roll call: Barnes-yes, Harder-yes, Holsing-yes, and Searcey-yes. Motion carried.
	Municipal Supply Inc. - \$681.72	Atty. Andy Carothers stated he would type up an ordinance for the next meeting saying the Clerk/Treasurer position will be combined and merged together. The board discussed the appointment to fill the board member vacancy position. Motion made by Max Harder and seconded by Justin Holsing to
	Total - \$1396.72	
	<b>Sewer:</b>	
	Norris Public Power/sewer power - \$39.40	
	Midwest Laboratories - \$32.70	
	Total - \$72.10	
	Motion made by Max Harder and seconded by Justin Holsing to approve the bills and treasurers report. Roll call: Harder-yes, Holsing-yes, Searcey-yes, and Barnes-yes. Motion carried. Linda Searcey abstained from voting on check #4308, but yes on all other bills. Linda Searcey read a letter from Temps Disposal that they will be increasing our monthly bill starting next month. Discussion by board to increase patron’s bill by \$1.00 per month. Motion made by Dale Barnes and seconded by Max Harder to approve the increase. Roll call: Holsing-yes, Searcey-yes,	
<b>Bills Approved:</b>		
<b>General:</b>		
Diller Telephone/Internet - \$87.01		
Norris Public Power Dist. - \$577.58		
Temps Disp. Waste - \$551.00		
Paul Valentine Street Supt. - \$200.00		
Linda Searcey/deposit mileage - \$98.00		
NE Dept. of Rev./sales & use tax - \$102.77		
One Call Concepts - \$9.02		
Total - \$1,625.38		
<b>Water:</b>		

Neb. Rev. Stat. § 84-1413(1) (Reissue 2024) of the Open Meetings Act (Act), which is set out at Neb. Rev. Stat. §§ 84-1407 to 84-1414 (Reissue 2024, Supp. 2025), requires political subdivisions and other public entities to “keep minutes of all meetings showing the time, place, members present and absent, and the substance of all matters discussed.” (Emphasis added.)

Additionally, Neb. Rev. Stat. § 19-1102 (Reissue 2022) requires publication of the Board’s official proceedings, which must include, among other things, the purpose of each claim allowed, as follows:

*It shall be the duty of each city clerk or village clerk in every city or village having a population of not more than one hundred thousand inhabitants as determined by the most recent federal decennial census or the most recent revised certified count by the United States Bureau of the Census to prepare and publish the official proceedings of the city council or village board of trustees within thirty days after any meeting of the city council or village board of trustees. The publication shall be in a legal newspaper in or of general circulation in the city or village, shall set forth a statement of the proceedings of the meeting, and shall also include the amount of each claim allowed, the purpose of the claim, and the name of the claimant, except that the aggregate amount of all payroll claims may be included as one item. Between July 15 and August 15 of each year, the employee job titles and the current annual, monthly, or hourly salaries corresponding to such job titles shall be published. Each job title published shall be descriptive and indicative of the duties and functions of the position. The charge for the publication shall not exceed the rates provided for in section 23-122.*

(Emphasis added.) Good internal control and sound accounting practices require procedures to ensure that the Board’s meeting minutes describe the purpose of each claim allowed.

Without such procedures, there is an increased risk of not only failure to comply with statutory requirements pertaining to the keeping of proper meeting minutes and the publication of the municipality’s “official proceedings” but also a lack of transparency regarding the nature of public expenditures.

We recommend the Board implement procedures to ensure the purpose of each claim allowed is included in both the Board’s meeting minutes and the “official proceedings” required to be published afterwards.

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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 Village’s policies or procedures. Nevertheless, our objective is to use the knowledge gained during the performance of that preliminary planning work to offer 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.**

Sincerely,



Mark Avery, CPA  
Assistant Deputy Auditor