



# NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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March 19, 2026

Don Lighthill, Chairperson  
Village of Litchfield  
PO Box 166  
Litchfield, NE 68852

Dear Chairperson Lighthill:

The Nebraska Auditor of Public Accounts (APA) has reviewed the audit waiver request received from the Village of Litchfield (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 Claim Amount

During our comparison of the Village's bank account details to claims approved by the Board, the APA reviewed meeting minutes dated April 1, 2025, and noted that one claim payable to Menards lacked an amount. The following is an excerpt of the approved claims listing from the April 1, 2025, meeting minutes:

Custer Public Power(ACH) April 10th- 1566.58, Black Hills(ACH) April 7th- 1246.66, DAVE SIGEL(monthly on-call) 100.00, First National Bank Omaha(village gas, clerks school registration & hotel, Microsoft, USPS-postage, Adobe, Avg, Walmart-planning calendar 25/26) 1576.17, HAMILTON(internet, phone) 167.51, Jake Kucera(telephone) 60.00, Law Office of Eureka & Peterson, LLC(attorney) 1332.50, Montana Bean(telephone, meal reimbursement) 162.89, NE Public Health Environmental Lab(well radium testing) 332.00, Ne Dept of Revenue(state taxes) 127.83, Payroll until 3/28-\$4795.38, Ravenna Sanitation(trash) 2682.00, SHERMAN COUNTY TREASURER(filing fees) 22.00, Sherman County(sheriff contract) 850.00. Menards (marking paint-Hamilton, mop heads, water heater-village bathroom) Total - \$16761.60.
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Neb. Rev. Stat. § 19-1102 (Reissue 2022) requires publication of the Board's official proceedings, which must include, among other things, the amount 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 amount 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 amount of each claim allowed is included in both the Board’s meeting minutes and the “official proceedings” required to be published afterwards.

**2. Payment of Unapproved Claims**

During our comparison of the Village’s bank account details to claims approved by the Board, the APA identified the following transactions, totaling \$6,854.73, which were paid but not included on the claims listing to be approved by the Board. Details of the unapproved payments are included in the table below:

<b>Name/Vendor</b>	<b>Clear Date</b>	<b>Type</b>	<b>Bank Account</b>	<b>Amount</b>
April 2025 Utility	4/22/25	ACH	General	\$ 3,849.73
Interfund Transfer – General to Sewer Reserve	4/14/25	EFT	Utility	1,500.00
Interfund Transfer – General to Water Reserve	4/14/25	EFT	Utility	1,500.00
Service Charge	4/30/25	EFT	Sewer	5.00
<b>Total</b>				<b>\$ 6,854.73</b>

Neb. Rev. Stat. § 17-614(1)(a) (Cum. Supp. 2024) sets out the proper method for the appropriation or payment of money by the Village, as follows:

*All ordinances and resolutions or orders for the appropriation or payment of money shall require for their passage or adoption the concurrence of a majority of all elected members of the city council in a city of the second class or village board of trustees.*

(Emphasis added.) Good internal control requires procedures to ensure that all claims are authorized by the Board prior to payment and are adequately documented in the minutes of the meeting during which they are approved.

Without such procedures, there is an increased risk for the loss or misuse of Village funds.

We recommend the Board implement procedures to ensure all claims are authorized by the Board prior to payment and are adequately documented in the minutes of the meeting during which they are approved.

**3. Payment of Claims Prior to Board Approval**

During our comparison of the Village’s bank account details to claims approved by the Board, the APA noted that the following transactions, totaling \$11,053.23, were issued before the underlying claims were approved by the Board. The table below provides a summary of the premature payments:

Name/Vendor	Amount	Approval Date	Check Date	Days Paid Before Approval
Village of Litch Payroll	\$ 2,008.35	5/6/25	4/4/25	32
Village of Litch Payroll	789.70	5/6/25	4/11/25	25
Village of Litch Payroll	971.82	5/6/25	4/11/25	25
Village of Litch Payroll	1,735.33	5/6/25	4/18/25	18
Village of Litch Payroll	1,855.11	5/6/25	4/25/25	11
Village of Litch Payroll	1,712.30	4/1/25	3/7/25	25
Village of Litch Payroll	1,980.62	4/1/25	3/14/25	18
<b>Total</b>	<b>\$ 11,053.23</b>			

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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