VILLAGE of SUTHERLAND
BOARD OF TRUSTEES
Work Session
July 8, 2026
1:30 P.M.

The Village of Sutherland Board of Trustees held a Work Session on July 8, 2026, at 1:30 P.M. in the Village of Sutherland Meeting Room, located: 1200 First Street, Sutherland, Nebraska. Notice of this work session was given by posting notice in three public places, the designated method by the Village Board of Trustees. The agenda for this meeting was kept continuously current and available for inspection at the Office of the Village Clerk.

Chairman Meyer called the meeting to order at 1:00 P.M. Meyer then asked for a roll call, trustees present were Scott Meyer and Kimberly Backer. Also present at this meeting were Bob Meyer from RJ Meyer and Frank Fleecs.

Meyer gave notice of the open meeting law poster and its location and proper procedure for guests.

NEW BUSINESS:

The only agenda item for the work session was to discuss the 2024-2025 audit. Frank Fleecs asked to have a discussion with RJ Meyer concerning the submitted audit. This work session was arranged to allow the discussion to take place. Fleecs stated that, before the Village Board chose to bond the sewer lagoon cell project, he expressed to the Board that there was money in the sewer accounts and shared his opinion that this money should be used before bonding out the project. Fleecs referenced the balances from the 2024 and the 2025 audits and the ending balances of the sewer accounts. Some discussion was had on fund accounting and how deposited funds are classified to keep track of which fund they are allocated to. B. Meyer explained that the audit reflects total amounts allocated to specific classifications, but portions of the funds may be in separate accounts while portions are in the operating account and allocated by class. B. Meyer continued by explaining that the books are kept straight by the classification of funds deposited in the operating account and the only way to do things differently would be to separate all incoming funds into their own individual bank account. This creates problems when claims need to be paid because each one would then have to write checks or transfer funds from each account into the operating account. He said that if the funds are classified and tracked in the accounting software it is an accurate record of amounts classified for each department. B. Meyer also explained the Discussion on splitting large purchases for equipment or something similar followed, B. Meyer explained that, if all funds are separated, the account that paid for the purchase needs to be paid back by the other accounts the purchase is divided between. Governmental monies and proprietary funds would be transferred back and forth to ensure no one department paid the entire amount. Chairman Meyer and B. Meyer discussed the example of the loader purchased by the Village. This is split between multiple departments, the check comes out of the Equipment fund, and the other funds repay that account afterwards. B. Meyer continued discussing the proprietary departments paying for themselves and if a bond needs to be issued for a project, those funds are also used to pay that bond. If a department is short the amount needed, due to timing of the claim and when funds come in, the general account could pay it and then repayment could be made. Discussion was held on where towns' funds come from, such as tax receipts and utilities. This discussion also covered different types of bonds, how they are paid back, and the levy request history of the Village of Sutherland. B. Meyer discussed with those present funds owed to other departments and how to fix “due to” and “due from” lines on the audit due to incorrect postings. Fleecs expressed that he was concerned about the general fund owing the water and sewer funds money. For several years the general account paid the bonds instead of the payments coming from the Utility Rate Increase account. B. Meyer explained how to make the QuickBooks entries to clear up the incorrect entries and clean up the books. B. Meyer also told those present that there is really no way to rectify errors made in the past and suggested that entries be made to clean up the reporting and move forward with the correct entries. Some discussion was held on how the audit relates to the budget process and the allowable levy requests that can be submitted. Fleecs also expressed concerns with why the Village is bonding the sewer project with the money sitting in the account. B. Meyer said that he personally would recommend bonding projects out if possible. His reasoning was that if a time comes that something happens and the money is needed, the only options are loans because the money has been spent and is not there to be budgeted. He continued by saying that on the other side of the coins, if there are huge gains and the money is not being spent that could also create issues. Fleecs spoke of his concern that other departments are borrowing funds from the income producing departments. Chairman Meyer said that it has to be done in order to operate. B. Meyer told Fleecs that services and amenities that are not revenue producing have to be charged against those accounts. Fleecs asked about the negative amount for the general funds, removing all proprietary funds such as sewer, water, franchise fees, etc., reflected in the audit. B. Meyer said that some of this could reflect money coming forward from other accounts and also CDs. How money is allocated in the general operating account was discussed, this account holds proprietary funds, along with all other money coming into the Village such as state payments and franchise fees. Fleecs suggested a report that would show only the funds that are not classified for a revenue making department. B. Meyer stated he felt it was a waste of time personally because that would show a loss every month if all proprietary and allocated funds are removed. Fleecs felt it would be more transparent to the public to see where the funds come from. Discussion followed on raising the levy request, Fleecs feels the request needs to be raised, Chairman Meyer said the Board has not voted to raise the request in 12 years. B. Meyer and Chairman Meyer discussed that since the Village hadn’t raised the request like other entities have, to make a jump now would be a shock to the residents. A better way to do that would have been small raises over the years to keep current. Chairman Meyer told those present that edits to the reports and creation of new reports will go to the Board for discussion to direct the office. Backer asked B. Meyer if he would recommend the entries to correct the problems pointed out. B. Meyer stated he would recommend having the office and Tiffany make those entries.

Having no further comments or items to discuss, Meyer ended the work session at 2:37 P.M.

These minutes are set to be approved at the next meeting of the Board of Trustees on July15, 2026.

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Scott Meyer, Chairman
Board of Trustees, Village of Sutherland

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[Seal] Bonnie Ralston, Clerk
Village of Sutherland