



**OFFICE OF AUDITOR OF STATE**  
STATE OF IOWA

State Capitol Building  
Des Moines, Iowa 50319-0004

Telephone (515) 281-5834 Facsimile (515) 242-6134

Mary Mosiman, CPA  
Auditor of State

NEWS RELEASE

Contact: Mary Mosiman  
515/281-5835  
or Tami Kusian  
515/281-5834

FOR RELEASE February 4, 2015

Auditor of State Mary Mosiman today released a report on a special investigation of the City of Vining for the period May 1, 2008 through May 31, 2014. The special investigation was requested by City officials as a result of alleged misappropriation of City funds and concerns regarding the job performance of the former City Clerk, Nanci Parizek. Ms. Parizek had been the City Clerk since May 2008.

On May 23, 2014, Ms. Parizek went to the Tama County Sheriff's Office and admitted to improperly issuing checks to herself from City funds. While there she provided a written statement to a Deputy which stated she was there "to turn myself in for embezzling or borrowing money with the intent of paying it back to the City of Vining." In her statement, Ms. Parizek also stated, "I had full intent of paying the City back but then I couldn't and it spiraled out of control." She resigned from her position as City Clerk effective May 23, 2014.

Mosiman reported the special investigation identified \$32,243.27 of improper and unsupported disbursements. The \$30,336.83 of improper disbursements identified consists of:

- \$23,413.18 of improper reimbursements to Ms. Parizek,
- \$3,218.88 of improper payroll to Ms. Parizek,
- \$2,005.00 of cash withdrawals from the City's bank account by Ms. Parizek,
- \$1,342.34 of improper reimbursements to David Parizek, former City Council Member and husband of Nanci Parizek,
- \$195.00 of bank overdraft charges, and
- \$162.43 of late fees and penalties paid to IPERS.

The \$1,906.44 of unsupported disbursements identified includes \$1,559.04 of payments to vendors and \$347.40 of reimbursements to Ms. Parizek.

In addition, Mosiman reported Ms. Parizek redeemed the City's certificate of deposit on March 25, 2014 without approval from the City Council. The proceeds of \$1,553.33 were deposited in the City's main checking account and were used to make a \$1,500.00 payment to a vendor. The payment to the vendor was approved by the City Council, but there were not sufficient funds in the City's checking account to make the payment.

Mosiman also reported it was not possible to determine if additional amounts were improperly disbursed or if any collections were undeposited during the period reviewed because adequate records were not available.

The report includes recommendations to strengthen the City's internal controls and overall operations, such as improving segregation of duties, performing bank reconciliations, requiring adequate documentation to properly support disbursements and performing an independent review of bank statements and financial information presented to the City Council. In addition, the report includes a recommendation to ensure all disbursements are presented to the City Council for approval, as well as ensuring all City Council minutes are properly signed by the Mayor and the City Clerk.

Copies of the report have been filed with the Tama County Sheriff's Office, the Division of Criminal Investigation, the Tama County Attorney's Office, and the Attorney General's Office. A copy of the report is available for review in the Office of Auditor of State and on the Auditor of State's website at <http://auditor.iowa.gov/specials/1322-0836-BE00.pdf>.

###

**REPORT ON SPECIAL INVESTIGATION  
OF THE  
CITY OF VINING  
  
FOR THE PERIOD  
MAY 1, 2008 THROUGH MAY 31, 2014**

## Table of Contents

	<u>Page</u>
Auditor of State's Report	3-4
Investigative Summary:	
Background Information	5-6
Detailed Findings	6-15
Recommended Control Procedures	15-17
Exhibits:	<u>Exhibit</u>
Summary of Findings	A 19
Payments to Nanci Parizek	B 20-27
Unauthorized Payroll Checks to Nanci Parizek	C 28-31
Reimbursements to Nanci Parizek	D 32-39
Selected Vendor Payments	E 40
Staff	41
Appendices:	<u>Appendix</u>
Copy of Nanci Parizek's Written Statement to the Tama County Sheriff's Office	1 43
Copy of Cash Withdrawal from a City Checking Account Signed by Nanci Parizek.	2 44
Copy of Bank Document for Certificate of Deposit	3 45



**OFFICE OF AUDITOR OF STATE**  
**STATE OF IOWA**

Mary Mosiman, CPA  
Auditor of State

State Capitol Building  
Des Moines, Iowa 50319-0004

Telephone (515) 281-5834 Facsimile (515) 242-6134

Auditor of State's Report

To the Honorable Mayor and Members  
of the City Council:

As a result of alleged improprieties regarding certain disbursements and at your request, we conducted a special investigation of the City of Vining. We have applied certain tests and procedures to selected financial transactions of the City for the period May 1, 2008 through May 31, 2014. Based on a review of relevant information and discussions with City officials and personnel, we performed the following procedures:

- (1) Evaluated internal controls to determine whether adequate policies and procedures were in place and operating effectively.
- (2) Reviewed activity in the City's bank accounts to identify any unusual activity.
- (3) Scanned images of redeemed checks issued from the City's checking accounts for reasonableness. We also examined certain disbursements to determine if they were for appropriate purposes, were properly approved, and were supported by adequate documentation.
- (4) Examined certain deposits to the City's checking accounts to determine the source, purpose, and propriety of each deposit and to determine deposits were made intact.
- (5) Examined all payments from the City's bank accounts to the former City Clerk to determine if the payments were appropriate, were properly approved, and were supported by adequate documentation. We also determined whether the payments were payroll or other reimbursements. For payroll payments, we determined if the appropriate number of payroll disbursements had been made and payroll withholdings were properly remitted.
- (6) Examined all payments to the Mayor and City Council members, including the former City Clerk's husband, David Parizek, and her mother-in-law, Patty Parizek, to determine if the amounts disbursed were appropriate, properly approved, and supported by adequate documentation.
- (7) Confirmed payments to the City by the State of Iowa and Tama County to determine whether they were properly deposited to the City's checking accounts in a timely manner.
- (8) Reviewed available City Council meeting minutes to identify significant actions and to determine if certain payments were properly approved.
- (9) Reviewed the City's Annual Financial Reports to determine if the cash balance was accurately reported.
- (10) Reviewed bank statements for Ms. Parizek's personal bank accounts for the period June 1, 2012 through December 31, 2012 to determine the source of certain deposits.
- (11) Interviewed the former City clerk to obtain an understanding of certain financial transactions.

These procedures identified \$32,243.27 of improper and unsupported disbursements for the period May 1, 2008 through May 31, 2014. We were unable to determine if additional

amounts may have been improperly disbursed or if any collections were undeposited during this time period because adequate records were not available. Several internal control weaknesses were also identified. Our detailed findings and recommendations are presented in the Investigative Summary and **Exhibits A** through **E** of this report.

The procedures described above do not constitute an audit of financial statements conducted in accordance with U.S. generally accepted auditing standards. Had we performed additional procedures, or had we performed an audit of financial statements of the City of Vining, other matters might have come to our attention that would have been reported to you.

Copies of this report have been filed with the Tama County Sheriff's Office, the Division of Criminal Investigation, the Tama County Attorney's Office, and the Attorney General's Office.

We would like to acknowledge the assistance and many courtesies extended to us by the officials and personnel of the City of Vining during the course of our investigation.



MARY MOSIMAN, CPA  
Auditor of State



WARREN G. JENKINS, CPA  
Chief Deputy Auditor of State

December 17, 2014

City of Vining  
Investigative Summary

**Background Information**

The City of Vining is located in Tama County and has a population of approximately 50. The City employs a part-time City Clerk who is responsible for the business operations of the City. The City also employs a part-time employee for maintenance and cleaning at City Hall and the City Park on an as-needed basis. The City Clerk and City officials are paid each quarter based on the number of City Council meetings attended. Nanci Parizek became the City Clerk on May 1, 2008. As the City Clerk, Ms. Parizek was responsible for:

- 1) Receipts – collecting, posting to the accounting records, and preparing and making bank deposits,
- 2) Disbursements – making purchases, receiving certain goods and services, presenting disbursements to the City Council for approval, maintaining supporting documentation, preparing, signing and distributing checks and posting payments to the accounting records,
- 3) Payroll – calculating, preparing, signing and distributing checks and posting payments to the accounting records,
- 4) Bank accounts – receiving and reconciling monthly bank statements to accounting records, and
- 5) Reporting – preparing City Council meeting minutes and financial reports, including monthly City Clerk reports and the Annual Financial Report.

There are no established office hours for City Hall. Ms. Parizek worked as needed to fulfill her responsibilities as City Clerk.

The City's primary revenue sources include local option sales tax and road use tax from the State of Iowa and property tax collected by Tama County and remitted to the City. Revenue is also received from citizens for landfill dues. The City receives payments from the State electronically. All other payments are collected through the mail, in person, or in the collection box at City Hall. Ms. Parizek did not prepare receipts for collections or record the collections on an initial receipts listing.

All City disbursements, including payroll, are to be made by check. All disbursements are to be supported by invoices or other documentation obtained by or submitted to the City Clerk. Each month, the City Clerk is to prepare a listing of bills to be paid and provide the listing to the City Council for approval. After the City Council approved the bills, the City Clerk is to prepare and sign the checks. The checks only required the City Clerk's signature.

The City established 4 checking accounts and 1 savings account at a local bank. However, 2 of the checking accounts were subsequently closed. Monthly statements for the City's bank accounts were mailed to Ms. Parizek's personal residence. Bank statements and check images were not periodically reviewed by members of the City Council. The bank statements were not reconciled or independently reviewed. Currently, the monthly statements are mailed to a City Official's personal residence for his review prior to submitting them to the City Clerk to perform the bank reconciliation.

The City also has a volunteer Fire Department which is primarily funded by the City. A separate bank account is maintained for the Fire Department.

Ms. Parizek went to the Tama County Sheriff's Office on May 23, 2014 and asked to meet with an officer. She met with a Deputy and reported to him she had improperly issued checks to herself from the City's bank accounts. She stated the amount totaled approximately \$20,000.00.

Ms. Parizek provided the Deputy copies of bank statements she printed that day using the bank's online services. The bank statements included activity in the City's primary checking and savings accounts from April 30, 2014 through May 23, 2014. She also provided the Deputy a summary of the City's financial information she reported to the City Council for the period July 1, 2013 through April 30, 2014. The differences between the amounts she reported to the City Council and the amounts actually in the City's bank accounts at April 30, 2014 are summarized in **Table 1**. As illustrated by the **Table**, the amounts she reported to the City Council exceeded the amounts actually in the bank on April 30, 2014 by \$28,915.94.

**Table 1**

<b>Account Description</b>	<b>Balance Reported to City Council for 04/30/14</b>	<b>Bank Balance at 04/30/14</b>	<b>Difference</b>
Primary Checking	\$ 18,137.32	3,970.21	14,167.11
City Improvement/Savings	13,653.55	834.97	12,818.58
Certificate of Deposit	1,551.18	-	1,551.18
Emergency Shelter	387.88	-	387.88
Park Improvement*	243.81	252.62	(8.81)
Total	\$ 33,973.74	5,057.80	28,915.94

\* - Bank statement for this account was not provided to the Deputy on 05/23/14.

According to the Deputy, Ms. Parizek stated the first time she improperly issued checks to herself from the City's accounts was in 2008 or 2009. She told the Deputy it started when her husband had medical issues and, after he subsequently lost his job, they had a hard time paying their bills. Ms. Parizek stated what started as something that was to help them for a short time quickly spiraled out of control. A copy of the written statement the Deputy obtained from Ms. Parizek is included in **Appendix 1**.

The Deputy recovered the City's financial records from Ms. Parizek's home on May 23, 2014. He also notified the Mayor and the Office of Auditor of State of Ms. Parizek's admission. Ms. Parizek submitted her resignation as City Clerk effective May 23, 2014.

As a result of the concerns identified, the Mayor requested the Office of Auditor of State review the City's financial transactions. We performed the procedures detailed in the Auditor of State's report for the period May 1, 2008 through May 31, 2014.

### **Detailed Findings**

These procedures identified \$32,243.27 of improper and unsupported disbursements for the period May 1, 2008 through May 31, 2014. The \$30,336.83 of improper disbursements identified consists of:

- \$23,413.18 of improper reimbursements to Ms. Parizek,
- \$3,218.88 of improper payroll to Ms. Parizek,
- \$2,005.00 of cash withdrawals from the City's bank accounts by Ms. Parizek,



- \$1,342.34 of improper reimbursements to David Parizek, former City Council Member and husband of Nanci Parizek,
- \$195.00 of bank overdraft charges, and
- \$162.43 of late fees and penalties paid to IPERS.

The \$1,906.44 of unsupported disbursements identified include \$1,559.04 of payments to vendors and \$347.40 of payments to Ms. Parizek. It was not possible to determine if additional amounts may have been improperly disbursed or if any collections were undeposited during this period because adequate records were not available.

All findings are summarized in **Exhibit A** and a detailed explanation of each finding follows.

### **IMPROPER AND UNSUPPORTED DISBURSEMENTS**

We reviewed all disbursements from the City's checking accounts for the period May 1, 2008 through May 31, 2014. In addition, we reviewed available documentation for certain payments to determine if they were appropriate; however, supporting documentation was not available for all disbursements. As a result, we reviewed the payees on images of the redeemed checks, discussed the disbursements with City officials and reviewed any available documentation related to the payments to determine if they were appropriate.

Based on our review of the available supporting documentation, the vendor, the frequency and the amount of payments, and discussions with City officials, we classified payments as reasonable, improper, or unsupported. Payments were classified as improper if they appeared personal in nature or were not reasonable for City operations. Payments were classified as unsupported if the City Council approved the payment, but appropriate documentation was not available or it was not possible to determine if the payment was related to City operations or was personal in nature. The improper and unsupported disbursements identified are explained in detail in the following paragraphs.

**Checks to Nanci Parizek** - We identified 104 checks Ms. Parizek issued to herself from the City's checking accounts between June 1, 2008 and May 31, 2014. As previously stated, Ms. Parizek became the City Clerk on May 1, 2008. According to the April 7, 2008 City Council meeting minutes, Ms. Parizek was to receive payment for each City Council meeting she attended. Based on our review of the City's accounting records, Ms. Parizek and City officials were typically paid quarterly for the City Council meetings they attended. According to a City official we spoke with, it was reasonable for Ms. Parizek to also receive reimbursements for mileage, training, and various office supplies.

The 104 checks we identified are listed in **Exhibit B** and total \$35,184.39. As illustrated by the **Exhibit**, the notation Ms. Parizek made on many of the checks indicate they were for payroll and reimbursements for items such as office supplies, cleaning supplies, classes, flowers, and mulch. The **Exhibit** also illustrates the notations on some checks indicate Ms. Parizek's gross pay and related payroll withholdings. In addition, some of the notations indicate the checks included both payroll and reimbursements.

Based on the notations Ms. Parizek made on the checks, we determined how much of each portion of each check, if any, was for payroll and what portion, if any, was for reimbursements. The amount identified as payroll included only the checks, or portions of checks, which were calculated using the gross pay and withholding amounts recorded on the check. The other checks which included notations that included "Payroll", "Wages", or "Meetings" in the notations, but did not include any withholding amounts, were identified as reimbursements. The amounts identified are summarized in **Table 2**. The **Table** also includes the number of checks issued during each period.

**Table 2**

<b>Time period</b>	<b>Number of Checks</b>	<b>Payroll</b>	<b>Reimbursements</b>	<b>Total</b>
06/01/08 – 12/31/08	4	\$ 706.40	71.79	778.19
01/01/09 – 12/31/09	29	1,586.30	5,949.64	7,535.94
01/01/10 – 12/31/10	29	1,407.00	10,387.39	11,794.39
01/01/11 – 12/31/11	11	1,776.17	1,685.26	3,461.43
01/01/12 – 12/31/12	12	1,739.27	2,881.24	4,620.51
01/01/13 – 12/31/13	15	3,243.44	2,370.76	5,614.20
01/01/14 – 05/31/14	4	761.43	618.30	1,379.73
<b>Total</b>	<b>104</b>	<b>\$ 11,220.01</b>	<b>23,964.38</b>	<b>35,184.39</b>

As illustrated by the **Table**, the number of checks Ms. Parizek issued to herself from June 2008 through May 2014 ranged from 4 during the 7 months in 2008 to 29 in both 2009 and 2010. The **Table** illustrates the total of the checks also increased significantly in 2009 and 2010. However, the number and amount of the checks significantly decreased in 2011. The checks Ms. Parizek issued to herself are discussed in detail in the following paragraphs.

**Payroll** – As stated previously, the City Clerk and City officials are paid based on the number of City Council meetings attended. When Ms. Parizek was hired, she was authorized to receive \$100.00 per City Council meeting attended. At the December 8, 2010 City Council meeting, her salary was raised to \$125.00 per City Council meeting attended.

We determined the number of City Council meetings Ms. Parizek attended by reviewing the attendance in the City Council minutes. To determine her authorized payroll amounts, we multiplied the number of meetings she attended by the authorized rate per meeting.

As illustrated by **Exhibit B**, we identified 34 checks which included notations of payroll withholding amounts. The number of meetings for which Ms. Parizek was paid with the 34 checks identified are summarized in **Table 3**. The **Table** also includes the number of meetings Ms. Parizek attended each year and the gross pay she was authorized to receive for those meetings. As illustrated by the **Table**, Ms. Parizek was paid \$3,700.00 for 31 meetings she did not attend.

**Table 3**

<b>Calendar Year Ended</b>	<b>Authorized Pay</b>		<b>Actually Paid</b>		<b>Excess Amount</b>	
	<b>Number of Meetings</b>	<b>Gross Pay</b>	<b>Number of Meetings</b>	<b>Gross Pay</b>	<b>Number of Meetings</b>	<b>Gross Pay</b>
12/31/08*	8	\$ 800.00	8	\$ 800.00	-	\$ -
12/31/09	14	1,400.00	18	1,800.00	4	400.00
12/31/10	13	1,300.00	16	1,600.00	3	300.00
12/31/11	13	1,625.00	16	2,000.00	3	375.00
12/31/12	13	1,625.00	16	2,000.00	3	375.00
12/31/13	13	1,625.00	30	3,750.00	17	2,125.00
12/31/14^	6	750.00	7	875.00	1	125.00
<b>Total</b>	<b>80</b>	<b>\$ 9,125.00</b>	<b>111</b>	<b>\$ 12,825.00</b>	<b>31</b>	<b>\$ 3,700.00</b>

\* - From June 1, 2008 through December 31, 2008.

^ - Through May 31, 2014.

In addition to the 80 meetings included in **Table 3**, we reviewed minutes from 2 special meetings and 2 informal meetings. Ms. Parizek was not compensated for these 4 meetings, but none of the City Council members or the Mayor were either. According to Ms. Parizek, the special and informal meetings were in addition to the 12 regularly scheduled monthly meetings and annual budget meeting for which payments were budgeted. As a result, no payments were made to the City Council members, Mayor, or City Clerk for these meetings. The City Council took action in all 4 of the meetings, as documented by minutes from the meetings. According to Ms. Parizek, the special and informal meetings were also posted as were regular meetings.

We compared the dates of the 34 checks to the dates of the City Council meetings Ms. Parizek attended to determine the propriety of the payments. As a result, we determined 25 of the 34 checks Ms. Parizek issued to herself were for meetings Ms. Parizek attended. We also determined the last check Ms. Parizek issued to herself was for 3 meetings when it should have only included payment for 2 meetings. The remaining 9 checks for 30 additional meetings should not have been issued to Ms. Parizek. Notations on the 9 checks indicate they were payments for meetings. The 10 checks which included unauthorized payments to Ms. Parizek were not approved by the City Council and are identified in **Exhibit C**.

The notations on the checks Ms. Parizek issued to herself indicate withholdings were made on all of the 34 checks identified. By comparing the checks to Ms. Parizek's W-2 forms for 2008 through 2013, we determined the \$8,375.00 of authorized pay during this period was reported on her W-2. We also determined the withholding amounts reported on Ms. Parizek's W-2 for FICA and IPERS were proper based on her authorized pay. However, the withholding amounts Ms. Parizek recorded on the checks were not always correct. For 2008 through 2013, Ms. Parizek withheld \$18.88 too much from her gross pay. Because this is not a significant amount, it is not included in **Exhibit A**.

The City did not incur any employer's share of FICA and IPERS for the unauthorized payments. Ms. Parizek confirmed she included notations of the withholdings on the checks only to make them appear to be authorized payroll checks and so the bank wouldn't "red flag" them.

Because Ms. Parizek did not actually withhold any of the amounts indicated for the unauthorized checks, the City only incurred the net amount of the checks. As illustrated by **Exhibit C**, the net total of the unauthorized payroll checks totals \$3,218.88. The \$3,218.88 is included in **Exhibit A** as improper disbursements.

Ms. Parizek was to be paid at or after the last meeting for the quarter. However, when we compared the dates of the 34 checks to the dates of the City Council meetings, we determined Ms. Parizek issued checks to herself early on some occasions. Specifically, she was paid from 3 to 31 days early for 11 of the 25 authorized checks. Ms. Parizek also prepared payroll checks for the Mayor and City Council members which were based on the number of meetings they attended. Ms. Parizek did not issue checks to the Mayor or any of the City Council members prior to the last meeting of the quarter.

**Reimbursements** – As stated previously, **Exhibit B** includes the notations Ms. Parizek made on the checks which indicate they were for payroll and reimbursements for items such as office supplies, cleaning supplies, classes, flowers, and mulch. The **Exhibit** also illustrates some of the notations indicate the checks included both payroll and reimbursements. Of the 104 checks Ms. Parizek issued to herself for the period May 1, 2008 through May 31, 2014, the notations indicate 21 included only payroll, 70 included only reimbursements, and 13 included both payroll and reimbursements.

Of the 83 checks which appeared to include reimbursements, the reimbursement portion totaled \$23,964.38. The 83 checks are listed in **Exhibit D**. **Table 4** summarizes the reimbursements by calendar year. The **Table** also includes the number of checks issued each year and the average amount per check.

**Table 4**

<b>Calendar Year Ended</b>	<b>Number of Checks</b>	<b>Amount</b>	<b>Average per Check</b>
12/31/08*	2	\$ 71.79	35.90
12/31/09	24	5,949.64	247.90
12/31/10	24	10,387.39	432.81
12/31/11	7	1,658.26	236.89
12/31/12	10	2,881.24	288.12
12/31/13	13	2,370.76	182.37
12/31/14^	3	618.30	206.10
Total	83	\$ 23,964.38	288.73

\* - From June 1, 2008 through December 31, 2008.

^ - Through May 31, 2014.

As illustrated by the **Table**, the number of checks Ms. Parizek issued to herself from June 2008 through May 2014 ranged from 2 during the 7 months in 2008 to 24 in both 2009 and 2010. The **Table** also illustrates the number, total amount, and average amount per check also increased significantly after 2008. The average amounts ranged from \$35.90 in 2008 to \$432.81 in 2010.

Of the checks issued to Ms. Parizek, 7 were approved by the City Council. Of the 7, 3 were supported by documentation. The 3 checks total \$203.80 and are classified as reasonable in **Exhibit D**. Because supporting documentation was not available for the remaining 4, we were unable to determine if the payments were for City operations or were personal in nature. As a result, the \$347.40 reimbursement portion of the 4 checks is classified as unsupported in **Exhibit D**.

The 76 checks which were not approved by the City Council were also not supported by documentation. Examples of items included in the memo line of the check are supplies, postage, Christmas cards, mileage, class payment, paper, ink, mulch, virus protection and ads in paper. During an interview with Ms. Parizek, she stated the reimbursements to herself which were not approved by the City Council were not legitimate reimbursements.

As illustrated in **Exhibit D**, 28 reimbursements were for even dollar amounts. These reimbursements range from \$30.00 to \$1,200.00. It is unusual for reimbursement amounts to be for even dollar amounts. In addition to the checks identified as payroll payments to Ms. Parizek, we identified 7 checks which include a notation which indicates the payment included a payroll amount.

In addition, 37 checks include notations which indicate office supplies, ink, and paper were purchased. In addition to reimbursing Ms. Parizek for these types of purchases, checks were also issued to vendors, such as Staples, for office supplies. Also, 20 checks include notations which indicate printers, scanners, anti-virus, memory devices, or other technology products were purchased or computer repairs were paid for. After considering the payments to office supply vendors, the number of disbursements to Ms. Parizek described as being for office supplies appears excessive for the City.

Based on our experience with cities of comparable size, the frequency and average amount of the checks to Ms. Parizek are unusually large in number and amount when compared to reimbursements and mileage amounts typically paid to a City Clerk.

Because supporting documentation was not available, the amounts and frequency of the checks were large, and the City Council did not approve the disbursements, the \$23,413.18 of checks identified in **Exhibit D** are classified as improper.

The \$347.40 of unsupported and \$23,413.18 of improper checks issued by Ms. Parizek are included in **Exhibit A**.

**Cash Withdrawals** – We determined Ms. Parizek withdrew \$2,005.00 of cash from a City checking account on June 5, 2012. We obtained a copy of the related “cash-out ticket” from the bank. The “cash-out ticket” included Ms. Parizek’s name in the signature portion. A copy of the ticket is included in **Appendix 2**.

There was not a corresponding deposit in any of the City’s other bank accounts. According to a City official and Ms. Parizek, City business should not have been conducted in cash. We also reviewed the statements for Ms. Parizek’s personal checking and savings accounts for the months of June through December 2012 and did not identify any cash deposits in comparable amounts.

In addition, because Ms. Parizek had access to the City’s checking accounts, there was not a reason to use cash for City purchases. Ms. Parizek confirmed she signed the cash withdrawal slip but was not able to recall why she would have withdrawn the \$2,005.00 of cash from a City checking account.

The cash withdrawal was not approved by the City Council. As a result, the \$2,005.00 cash withdrawal is included in **Exhibit A** as an improper disbursement.

**Checks to David Parizek** – As previously stated, Ms. Parizek’s husband, David Parizek, was on the City Council from May 2008 to May 2013. He was also employed by the City to do monthly City Hall and City park maintenance and cleaning from May 2008 until his resignation in March 2014. According to the City Council meeting minutes, City Council members were to be paid for each City Council meeting attended. As previously stated, City Council members were to be paid each quarter for attending meetings. In addition, Mr. Parizek was to be paid monthly for his maintenance and cleaning duties.

Based on available City Council meeting minutes, we determined Mr. Parizek was to receive \$15.00 for each meeting attended as a City Council member and \$10.00 per month for his City Hall maintenance duties. In addition, we determined Mr. Parizek received a pay increase of \$5.00 per month effective, July 2010, when the City Council also assigned him the responsibility of cleaning and maintaining the City Park. Payments to Mr. Parizek for cleaning and maintenance were included in the disbursement listings approved by the City Council. However, the payments were included with the checks he received each quarter for attending City Council meetings as a City Council member. Based on our review of City Council minutes, we determined the payments Mr. Parizek received for attending City Council meetings during the period May 1, 2008 through December 31, 2013 were appropriate. We also determined the amounts he received for cleaning and maintenance from May 1, 2008 through March 31, 2014 appeared appropriate.

We also identified 7 reimbursement checks issued to Mr. Parizek during the period May 1, 2008 through May 31, 2014. According to a City official we spoke with, it would be reasonable for Mr. Parizek to receive reimbursements for various maintenance and cleaning supplies. The 7 checks range in amount from \$42.55 to \$300.00 and are listed in **Table 5**. We were unable to locate supporting documentation for any of the checks listed in the **Table**.

**Table 5**

<b>Check Date</b>	<b>Check Number</b>	<b>Memo</b>	<b>Amount</b>
07/28/09	2490	Supplies for City Hall	\$ 200.00
03/02/10	2558	Supplies at Menards	300.00
04/30/10	2564	Mulch	200.00
09/13/10	2610	Labor	225.50
10/26/10	2628	<i>none</i>	164.72
06/26/13	2845	Supplies for CHMTN and Park RR	42.55
10/03/13^	2046	Cleaner, mulch, wood, paint, TP	209.57
Total			<u>\$ 1,342.34</u>

^ - From Park Improvement checking account. Other checks listed were from the City’s primary checking account.

The 7 checks were not approved by the City Council. According to Ms. Parizek, if the City Council did not approve the payment, it should not have been made.

As illustrated by the **Table**, 3 of the 6 checks were for even dollar amounts. It is unusual for reimbursements to be for even dollar amounts. As stated previously, Ms. Parizek also reimbursed herself for supplies for City Hall and the park. City officials could not explain why both Ms. Parizek and Mr. Parizek would be reimbursed for the same or similar items.

Because supporting documentation was not available and the payments were not approved by the City Council, the \$1,342.34 is included in **Exhibit A** as improper disbursements.

**Payments to Vendors** – As previously stated, we reviewed all checks from the City’s checking accounts from May 1, 2008 through May 31, 2014 to determine if purchases appeared reasonable for City operations. In addition, we reviewed the disbursement listings approved by the City Council, minutes of City Council meetings, available supporting documentation, and discussed certain disbursements with City officials. Based on our review of the vendor, the amount, and frequency of checks to vendors, available supporting documentation, and discussion with City officials, we classified the payments as improper, unsupported or reasonable.

**Exhibit E** lists 11 checks for which supporting documentation was not available. The checks were issued to various vendors, including Staples, Menards, and Wilkerson Hardware. Of the 11 checks, 6 did not have anything written in the memo line of the check. The remaining 5 checks had descriptions in the memo line which indicate they were for ink, supplies, and materials for painting.

Based on the vendor, amount, and frequency of the payments, we were unable to determine if all of the checks were for City operations or were personal in nature. As a result, the 11 checks in **Exhibit E**, which total \$1,559.04, are classified as unsupported and are included in **Exhibit A**.

In addition to the 11 checks listed in **Exhibit E**, we identified 7 checks to Staples and a check to Wilkerson Hardware for which supporting documentation was available. Based on the supporting documentation, we determined the 8 checks were reasonable for City operations. Specifically, the 7 checks to Staples were for various office supplies and the check to Wilkerson Hardware was for a flag for City Hall. However, the 8 checks were not approved by the City Council. Because the payments were reasonable, they are not included in **Exhibit A**.

**Bank Overdraft Fees** – Using the City’s bank statements, we determined the City incurred overdraft fees on 8 occasions during the period May 1, 2008 to May 31, 2014. The fees total \$195.00. The charges were a result of the improper payments issued to Ms. Parizek. Had Ms. Parizek not issued improper payments to herself, the costs would not have been incurred by the City. As a result, the \$195.00 of bank overdraft fees are included in **Exhibit A** as improper disbursements.

**IPERS Late Fees and Interest** – We contacted a representative of IPERS and obtained reports summarizing the payments remitted by the City for calendar years 2008 through 2014. We traced the payments to images of redeemed checks from the City’s primary checking account and reviewed the amounts to determine if the amount remitted was appropriate. We identified 9 payments which included late fees and interest which were incurred because Ms. Parizek did not remit the payments in a timely manner. **Table 6** summarizes the late fees and interest incurred by the City.

<b>Description</b>	<b>Amount</b>
Late fees	\$ 82.25
Interest	80.18
Total	<u>\$ 162.43</u>

The \$162.43 of IPERS late fees and interest are included in **Exhibit A** as improper disbursements.

## **COLLECTIONS**

As previously stated, the City's primary revenue sources included taxes from the State of Iowa and Tama County. We reviewed documentation related to these revenue sources to determine if collections were properly deposited.

**Taxes from the State of Iowa** – The majority of revenues received from the State of Iowa are road use tax and local option sales tax. We confirmed all payments to the City by the State of Iowa and determined they were properly deposited to the City's primary checking account.

**Taxes from Tama County** – We confirmed all payments to the City by Tama County were properly deposited to the City's primary checking account.

**Landfill Fees** – The City began collecting landfill fees in June 2011. The City charges \$10 per person residing in each residence per year to help offset the cost incurred by the City for landfill charges from the Tama County Landfill. The minutes from the June 2011 City Council meeting included a reminder to residents regarding the fee. Minutes were posted at 3 locations in the City for public review. A letter was sent to residents in December 2011 regarding the fees. However, individual billings were not prepared and maintained. In addition, we were unable to locate records documenting collections from individuals.

As the City Clerk, it was Ms. Parizek's responsibility to bill, collect, and deposit the landfill fees. We were unable to determine if the landfill fees collected were properly deposited because sufficient records were not available.

## **OTHER ADMINISTRATIVE ISSUES**

**Redemption of Certificate of Deposit** – We determined Ms. Parizek redeemed the City's certificate of deposit (CD) for \$1,553.33 on March 25, 2014. A copy of the bank document related to the redemption of the CD is included in **Appendix 3**. As illustrated by the **Appendix**, the document includes Ms. Parizek's name as the signer.

The minutes of City Council meetings we reviewed did not include any notation of the City Council's approval of the CD redemption and, according to City officials we spoke with, Ms. Parizek did not notify the City Council the CD had been redeemed.

Of the \$1,553.33 of proceeds, \$1,500.00 was used to purchase a cashier's check on March 25, 2014 which was payable to an individual who provided tree removal service in the City Park. The minutes from the November 2013 City Council meeting document the City Council approved paying the individual \$1,500.00 to remove trees in the park. However, the payment was not included in a disbursement listing presented to the City Council for approval when the bill was paid in March 2014.

On the date Ms. Parizek redeemed the CD, the balance of the City's primary checking account was \$133.49. As a result, sufficient funds were not available in the account to pay for the tree removal service. Ms. Parizek confirmed this was the reason she redeemed the CD. The remaining \$53.33 of the CD proceeds were deposited in the City's primary checking account on March 25, 2014, which brought the balance to \$186.82.

As previously shown in **Table 1**, financial information Ms. Parizek reported to the City Council for April 30, 2014 included a \$1,551.18 balance for the CD. Ms. Parizek confirmed she did not inform the City Council she had redeemed the CD.

Because the \$1,553.33 of proceeds were used for an authorized expense of the City and deposited in the City's primary checking account, this amount is not included in **Exhibit A**.

**Improperly Reported Balances** – As previously stated, Ms. Parizek was responsible for preparing reports for the City, including the Annual Financial Report (AFR), which is required to be filed with the State of Iowa. We compared the fund balances reported on the City’s AFRs for fiscal years 2009 through 2013 to the amounts in the City’s bank accounts to determine if the amounts reported were reasonable. The differences are summarized in **Table 7**.

**Table 7**

<b>Fiscal Year</b>	<b>Reported on AFR</b>	<b>Per Bank Statement</b>	<b>Difference</b>
2009	\$ 6,639	20,437	(13,798)
2010	14,545	9,531	5,014
2011	12,727	3,140	9,587
2012	10,563	2,929	7,634
2013	12,819	5,179	7,640

As illustrated by the **Table**, the amount reported on the AFR was greater than the amount in the City’s bank accounts for fiscal years 2010 through 2013, which gave the appearance the City had more funds than it actually had. We are unable to determine why Ms. Parizek reported a smaller balance on the AFR than was actually in the bank for fiscal year 2009.

In addition, we determined the beginning fund balance reported by Ms. Parizek for each AFR reviewed did not agree to the ending fund balance reported on the prior year’s AFR.

**Repayments** – During our meeting with Ms. Parizek, she stated she made some repayments to the City. She stated the repayments were probably less than \$100.00 in total. She stated the repayments were made in cash and deposited with landfill fee collections which were deposited in a City checking account each spring. Because sufficient records were not available to definitively identify the source(s) of cash deposited to the City’s checking account, we were unable to determine how much, if any, Ms. Parizek repaid to the City.

**Separate Bank Account** - We determined a separate bank account is maintained for the City’s Fire Department. It is not included with the City’s records or maintained by the City Clerk. Transactions and balances in the account were not reported to the City Council and disbursements from the account are not reviewed or approved by the City Council. The account includes proceeds from the City for operations.

**City Council Minutes** - We reviewed the City Council minutes from April 2008 through June 2014 and determined the minutes for 82 meetings were signed only by the City Clerk. The minutes were not signed by the Mayor or a City Council member to authenticate the record. We also determined the minutes did not include the financial reports the City Clerk presented for the City Council’s review and approval.

**Filling of City Council Vacancies** - Based on information obtained from the Tama County Auditor, the 2011 election for Mayor resulted in a tie between Mr. Parizek and another citizen. Because the other individual declined the position, Mr. Parizek was named the Mayor.

Based on the minutes from the January 9, 2012 City Council meeting, we determined the following events took place:

- Ms. Parizek, as the City Clerk, swore in Mr. Parizek as Mayor.
- Mr. Parizek then swore in 4 of the 5 newly elected City Council members. The remaining new City Council member had not yet arrived at the meeting.
- Mr. Parizek then chose City Council Member Jill Van Dee as Mayor Pro Tem.
- Mr. Parizek resigned the position of Mayor.
- Ms. Van Dee swore in the remaining newly elected City Council member when she arrived.



According to City officials we spoke with, Mr. Parizek took his position as a City Council member after resigning as Mayor. The minutes do not include any notations of this. However, the minutes from the February 2012 City Council meeting include Mr. Parizek as a City Council member who was absent from the meeting. The minutes also state a motion was made and passed to appoint Ms. Van Dee to the Mayor's position. In addition, the minutes from the March 2012 City Council meeting document Mr. Parizek was named Mayor Pro Tem by Mayor Van Dee.

In accordance with section 372.13 of the *Code of Iowa*, when a vacancy occurs, the remaining members of the City Council may fill the vacancy by appointment. However, the appointment is to be made within 40 days after the vacancy occurs and the City Council is to publish notice of its intent to appoint a replacement. Electors of the City have the right to file a petition requiring the vacancy be filled by a special election.

The minutes of the City Council meetings do not document the City Council members remaining after Ms. Van Dee was appointed to the Mayor's position appointed Mr. Parizek to her vacated City Council position. In addition, it appears the City Council did not publish a notice of its intent to appoint someone to the position. As a result, the City was not in compliance with requirements established by the *Code of Iowa*.

### **Recommended Control Procedures**

As part of our investigation, we reviewed the procedures used by the City of Vining to perform bank reconciliations and process receipts, disbursements and payroll. An important aspect of internal control is to establish procedures which provide accountability for assets susceptible to loss from error and irregularities. These procedures provide the actions of one individual will act as a check on those of another and provide a level of assurance errors or irregularities will be noted within a reasonable time during the course of normal operations. Based on our findings and observations detailed below, the following recommendations are made to strengthen the City's internal controls.

- A. Segregation of Duties – An important aspect of internal control is the segregation of duties among employees to prevent an individual employee from handling duties which are incompatible. The former City Clerk had control over each of the following areas:
- (1) Receipts – collecting, depositing and posting.
  - (2) Disbursements – making purchases, receiving certain goods and services, presenting disbursements to the City Council for approval, maintaining supporting documentation, preparing, signing and distributing checks and posting payments.
  - (3) Payroll – calculating, preparing, signing and distributing checks and posting payments.
  - (4) Bank accounts – receiving and reconciling monthly bank statements to accounting records.
  - (5) Reporting – preparing City Council meeting minutes and financial reports, including monthly City Clerk reports.

Recommendation – We realize segregation of duties is difficult with a limited number of office employees. However, the duties within each function listed above should be segregated between the City Clerk, the Mayor and City Council members. In addition, the Mayor or City Council members should review financial records, perform reconciliations and examine supporting documentation for accounting records on a periodic basis.

Also, the City should ensure more than 1 signature is required on all of the City's checks. If a signature stamp is used for the countersignature, it should not be held in the custody of the City Clerk or applied by the City Clerk.

In addition, bank statements should be delivered to an official who does not collect or disburse City funds. The bank statements should be reviewed in a timely manner for unusual activity. Bank reconciliations should be performed monthly and should be reviewed by someone independent of other financial responsibilities. The reviews should be documented by the signature or initials of the reviewer and the date of the review.

- B. Pre-numbered Receipts – Pre-numbered receipts are not issued for collections by the City.

Recommendation – Pre-numbered receipts should be issued at the time of collection to provide additional control over the proper collection and recording of all receipts.

- C. Disbursements – During our review of the City’s disbursements, the following were identified:

- (1) Disbursements were not always supported by invoices or other documentation.
- (2) Not all disbursements were approved by the City Council.
- (3) The City incurred bank overdraft fees and late fees and interest for IPERS payments which were not remitted in a timely manner.

Recommendation – All City disbursements should be approved by the City Council prior to payment, with the exception of those specifically allowed by a City Council approved policy. For those disbursements paid prior to City Council approval, a listing should be provided to the City Council at the next City Council meeting for review and approval. All payments should be remitted in a timely manner to ensure late fees and interest are not incurred.

To strengthen internal control, each check should be prepared and signed by one person and detailed supporting vouchers and invoices should be provided, along with the check, to a second independent person for review and countersignature.

- D. Payments to City Officials – City officials are paid for attending regular City Council meetings. During the period of our review, they were also paid for attending budget hearings but were not paid for attending special meetings and informal meetings. The City has not established a formal policy of what types of meetings the City officials should be compensated for.

Recommendation – The City Council should establish a policy which specifies which types of meetings City officials should be compensated for attending.

- E. Annual Financial Reports – The cash balances were not properly reported in the City’s Annual Financial Reports.

Recommendation – The Annual Financial Reports should be accurately prepared and presented to the City Council for approval. Annual Financial Reports should include cash and investment balances supported by bank reconciliations.

- F. City Council Minutes – Chapter 21 of the *Code of Iowa* requires minutes to be kept of all meetings of governmental bodies. During our review of minutes, we determined:

- While minutes available for review were properly signed by the City Clerk as required by section 380.7(4) of the *Code of Iowa*, they did not include the signature of the Mayor or a City Council member to authenticate the record.
- Not all disbursements were presented to the City Council for approval.
- The minutes did not include financial reports filed by the City Clerk.

In addition, the City did not comply with section 372.13 of the *Code of Iowa* regarding filling a vacant City Council position.

Recommendation – The City should implement procedures to ensure the Mayor or a City Council member sign all meeting minutes as well as the City Clerk. In addition, the minutes should be reviewed in a timely manner so any errors can be identified and corrected. The City Council should also ensure all City obligations are presented to the City Council for approval prior to payment and financial reports the City Clerk presents to the City Council are filed with the related minutes.

The City Council should ensure all minutes, including bill listings to be approved by the City Council, are maintained at City Hall and an official copy is kept in the City Council meeting minutes book.

The City Council should also ensure compliance with all applicable sections of the *Code of Iowa*.

- G. Landfill Fees – Records were not maintained for the landfill fees which were to be collected from residents on an annual basis. As a result, landfill fee billings, collections and delinquent accounts were not reconciled on a periodic basis.

Recommendation – Procedures should be established to ensure sufficient records are maintained for the landfill fees charged to residents. Specifically, billings and subsequent collections should be recorded for each household. In addition, landfill fee billings should be reconciled to subsequent collections and delinquent accounts for each billing period. Delinquencies should be identified in a timely manner and appropriate action should be taken to resolve any delinquencies.

The City Council, or other independent person designated by the City Council, should review the reconciliations and monitor delinquent accounts. The reviews should be documented by the signature or initials of the reviewer and the date of the review. Delinquent accounts should not be written off without City Council approval.

- H. Separately Maintained Accounts – Section 384.20 of the *Code of Iowa* states, in part, “A city shall keep accounts which show an accurate and detailed statement of all public funds collected, received, or expended for any city purpose.” A separate bank account is maintained for the City’s Fire Department. It is not included with the City’s records or maintained by the City Clerk.

In addition, transactions and the resulting balances were not reported to the City Council and disbursements from the account were not reviewed or approved by the City Council.

Recommendation – The City Council should implement procedures to ensure compliance with section 384.20 of the *Code of Iowa*. All financial transactions of the Fire Department’s account should be included in the City Clerk’s monthly financial reports and the Fire Department’s activity should be subject to City Council review and the City’s budget process. In addition, internal control would be strengthened and operating efficiency could be increased by integrating the receipts and disbursements of the account with the City’s accounting records in the City Clerk’s office.

It is not unusual for local fire departments to establish legally separate auxiliary organizations which raise funds used to support the department. Proceeds raised by legally separate auxiliary organizations are typically from fundraisers and similar events. As a result, these proceeds are not considered public funds and may be maintained separate from the City’s accounts. These funds may be used for purchases the City Council does not deem an appropriate use of City funds or for items which may not meet the test of public purpose.

## **Exhibits**

Report on Special Investigation of the  
City of Vining

Summary of Findings  
For the Period May 1, 2008 through May 31, 2014

<b>Description</b>	<b>Exhibit/Table/ Page Number</b>	<b>Improper</b>	<b>Unsupported</b>	<b>Total</b>
Improper and unsupported disbursements:				
Payroll to Nanci Parizek	<b>Exhibit C</b>	\$ 3,218.88	-	3,218.88
Reimbursements to Nanci Parizek	<b>Exhibit D</b>	23,413.18	347.40	23,760.58
Cash withdrawals	<b>Page 11</b>	2,005.00	-	2,005.00
Checks to David Parizek	<b>Table 5</b>	1,342.34	-	1,342.34
Payments to vendors	<b>Exhibit E</b>	-	1,559.04	1,559.04
Bank overdraft fees	<b>Page 12</b>	195.00	-	195.00
IPERS late fees and interest	<b>Table 6</b>	162.43	-	162.43
Total improper and unsupported disbursements		\$ 30,336.83	1,906.44	32,243.27

Report on Special Investigation of the  
City of Vining

Payments to Nanci Parizek  
For the Period May 1, 2008 through May 31, 2014

**Per Check Images**

Check Date	Check Number	Notation on Check				Amount
		Gross Pay	SS	Med	IPERS	
06/02/08	2378	\$ 200.00	(12.40)	(2.90)	(7.80)	2 meetings \$ 197.77
09/08/08	2407	300.00	(18.60)	(4.35)	(12.30)	3 meetings 264.75
10/13/08	2416	-	-	-	-	ink, Paper 50.92
10/31/08	2419	300.00	(18.60)	(4.35)	(12.30)	3 meetings 264.75
Subtotal for 2008		800.00	(49.60)	(11.60)	(32.40)	778.19
01/05/09	2435	-	-	-	-	Christmas cards, sympathy cards, postage 12.04
01/05/09	2438	400.00	(24.80)	(5.80)	(16.40)	4 meetings 353.00
01/30/09	2439	-	-	-	-	W-2 Forms certified letter 50.35
03/04/09	2453	300.00	(18.60)	(4.35)	(12.30)	3 meetings 264.75
03/10/09	2455	-	-	-	-	Printer Postage 45.10
03/19/09	2456	-	-	-	-	Printer/Microsoft Office and Mileage 264.14
06/29/09	2479	-	-	-	-	For supplies 75.00
07/07/09	2480	400.00	(24.80)	(5.80)	(17.20)	Work Hours 352.20
07/16/09	2487	-	-	-	-	Office Supplies 116.52
07/22/09	2488	-	-	-	-	for class pymt 60.00
08/07/09	2492	-	-	-	-	Class Dues 50.00
08/08/09	2493	-	-	-	-	office supplies 225.00
08/20/09	2494	-	-	-	-	None 75.00
08/30/09	2495	-	-	-	-	IPERS class registration 300.00
09/08/09	2496	400.00	(24.80)	(5.80)	(17.20)	4 meetings 352.20
09/18/09	2508	-	-	-	-	computer software memory 759.13
09/25/09	2509	-	-	-	-	supplies, park, hall, comp etc 372.86
10/11/09	2510	-	-	-	-	class payment 115.00
10/11/09	2513	-	-	-	-	SS Med IPERS 354.20
10/18/09	2514	-	-	-	-	Supplies, Ink etc. 155.00
11/05/09	2516	-	-	-	-	Med SS IPERS 475.62
11/07/09	2519	-	-	-	-	supplies and class 350.00
11/13/09	2520	-	-	-	-	for ads in papers 175.00
11/18/09	2521	-	-	-	-	Ads in paper 497.16
11/30/09	2522	300.00	(18.60)	(4.35)	(12.90)	None 264.15
12/05/09	2528	-	-	-	-	Supplies and Wages 487.52
12/10/09	2532	-	-	-	-	Ink, Tax Stuff 245.00
12/20/09	2533	-	-	-	-	None 475.00
12/27/09	2534	-	-	-	-	Postage, Xmas Cards, Ink Paper 215.00
Subtotal for 2009		1,800.00	(111.60)	(26.10)	(76.00)	7,535.94

<b>Payment for</b>	
<b>Payroll</b>	<b>Reimbursement</b>
176.90	20.87
264.75	-
-	50.92
264.75	-
706.40	71.79
-	12.04
353.00	-
-	50.35
264.75	-
-	45.10
-	264.14
-	75.00
352.20	-
-	116.52
-	60.00
-	50.00
-	225.00
-	75.00
-	300.00
352.20	-
-	759.13
-	372.86
-	115.00
-	354.20
-	155.00
-	475.62
-	350.00
-	175.00
-	497.16
264.15	-
-	487.52
-	245.00
-	475.00
-	215.00
1,586.30	5,949.64

Report on Special Investigation of the  
City of Vining

Payments to Nanci Parizek  
For the Period May 1, 2008 through May 31, 2014

**Per Check Images**

Check Date	Check Number	Notation on Check				Amount	
		Gross Pay	SS	Med	IPERS		
01/06/10	2538	-	-	-	-	ink paper postage	225.00
02/01/10	2540	-	-	-	-	None	393.05
02/10/10	2546	-	-	-	-	Ads in paper, ink, paper	593.62
02/17/10	2547	-	-	-	-	Virus Pkg memory for computer	323.95
02/24/10	2549	300.00	(18.60)	(4.35)	(12.90)	3 meetings	264.15
03/02/10	2557	-	-	-	-	Ink Toner, paper, memory card install	405.37
03/10/10	2559	-	-	-	-	Computer repairs	255.42
04/15/10	2562	-	-	-	-	wages supplies	590.42
04/21/10	2563	-	-	-	-	printer in, toner paper, memory, computer fix viruses	947.52
05/05/10	2569	-	-	-	-	5/5/10 mileage - Computer work	300.00
05/13/10	2570	-	-	-	-	mulch, tags, memory, staples	568.44
05/19/10	2572	-	-	-	-	None	150.00
05/20/10	2573	-	-	-	-	Paper Comp Work	250.00
05/27/10	2574	-	-	-	-	round up, mulch, flowers	215.94
06/07/10	2579	400.00	(24.80)	(5.80)	(17.20)	4 meetings	352.20
06/08/10	2588	-	-	-	-	Ink, Mileage, Stamps	267.17
06/15/10	2589	-	-	-	-	Virus protection, new windows, memory, paper	497.54
09/03/10	2602	300.00	(18.60)	(4.35)	(13.50)	3 meetings	263.55
09/13/10	2617	-	-	-	-	Supplies for park, office, City hall	327.95
10/01/10	2618	-	-	-	-	Computer and Printer work	449.24
10/05/10	2625	-	-	-	-	Ink, Printer, Paper, Toner	600.00
10/15/10	2626	-	-	-	-	Class Registration, fix computer	575.82
10/18/10	2627	-	-	-	-	Toilet paper pack, cleaning supplies	355.42
11/01/10	2631	-	-	-	-	Computer, scanner, printer	1,200.00
11/23/10	2635	300.00	(18.60)	(4.35)	(13.50)	Payroll	263.55
12/06/10	2643	300.00	(18.60)	(4.35)	(13.50)	Payroll	263.55
12/08/10	2648	-	-	-	-	ink	555.52
12/18/10	2649	-	-	-	-	X-mas Cards, W-2's for 2010	90.00
12/29/10	2650	-	-	-	-	Ink, Mileage, class on budget	250.00
Subtotal for 2010		1,600.00	(99.20)	(23.20)	(70.60)		11,794.39



<b>Payment for</b>	
<b>Payroll</b>	<b>Reimbursement</b>
-	225.00
-	393.05
-	593.62
-	323.95
264.15	-
-	405.37
-	255.42
-	590.42
-	947.52
-	300.00
-	568.44
-	150.00
-	250.00
-	215.94
352.20	-
-	267.17
-	497.54
263.55	-
-	327.95
-	449.24
-	600.00
-	575.82
-	355.42
-	1,200.00
263.55	-
263.55	-
-	555.52
-	90.00
-	250.00
<u>1,407.00</u>	<u>10,387.39</u>

Report on Special Investigation of the  
City of Vining

Payments to Nanci Parizek  
For the Period May 1, 2008 through May 31, 2014

**Per Check Images**

Check Date	Check Number	Notation on Check				Amount	
		Gross Pay	SS	Med	IPERS		
01/10/11	2655	375.00	(23.25)	(5.44)	(16.88)	Wages thru March	329.43
01/10/11	2657	-	-	-	-	ink, paper case, tax forms, Class	522.47
02/07/11	2662	-	-	-	-	Wages and sand	489.25
02/24/11	2664	500.00	(31.00)	(7.25)	(22.50)	Wages	439.25
06/06/11	2687	375.00	(15.75)	(5.44)	(16.88)	3 Meetings	336.93
06/06/11	2688	-	-	-	-	Charcoal for Bfast 6/5/11	36.36
06/14/11	2696	-	-	-	-	Thank you's and mileage	63.65
09/07/11	2709	375.00	(15.75)	(5.44)	(16.88)	3 meetings, supplies	385.45
10/03/11	2724	-	-	-	-	Virus prot. Paper, ink, memory, Mileage	339.52
12/02/11	2731	375.00	(15.75)	(5.44)	(20.18)	Payroll	333.63
12/05/11	2739	-	-	-	-	Ink(4)Black (4)Color, w2 Labels, Mileage	185.49
Subtotal for 2011		2,000.00	(101.50)	(29.01)	(93.32)		3,461.43
12/27/11 *	2741	-	-	-	-	Budget-Class, ink, paper,mileage, memory	573.89
01/05/12	2742	-	-	-	-	Chimp Bulletin board, fire memory board etc	416.34
01/12/12	2744	-	-	-	-	Supples 4 park, TP, Sanitizer, Door Locks, Mop Cleaner, Glass Cleaner	95.00
01/31/12	2747	-	-	-	-	Wages, Paper, Memory card, new printer	500.00
03/01/12	2750	500.00	(31.05)	(7.20)	(22.50)	4 meetings	439.25
03/12/12	2758	-	-	-	-	CH supplies, Paper, ink, postage, broom, Cleaning supplies	210.00
06/04/12	2763	375.00	(23.25)	(5.44)	(20.18)	3 meetings	326.13
06/04/12	2045#	-	-	-	-	Ads in paper, firework fundraiser	97.84
08/28/12	2785	375.00	(23.25)	(5.44)	(21.68)	3 meetings	388.57
10/10/12	2796	-	-	-	-	Virus, recovery, fix computer, printer, mileage	479.43
11/15/12	2802	375.00	(23.25)	(5.44)	(21.68)	3 meetings, tax prep, ink, mileage	524.63
12/05/12	2809	375.00	(23.25)	(5.44)	(21.68)	wages and supplies for CH, Supplies for park	569.43
Subtotal for 2012		2,000.00	(124.05)	(28.96)	(107.72)		4,620.51

<b>Payment for</b>	
<b>Payroll</b>	<b>Reimbursement</b>
329.43	-
-	522.47
-	489.25
439.25	-
336.93	-
-	36.36
-	63.65
336.93	48.52
-	339.52
333.63	-
-	185.49
<b>1,776.17</b>	<b>1,685.26</b>
-	573.89
-	416.34
-	95.00
-	500.00
439.25	-
-	210.00
326.13	-
-	97.84
324.63	63.94
-	479.43
324.63	200.00
324.63	244.80
<b>1,739.27</b>	<b>2,881.24</b>

Report on Special Investigation of the  
City of Vining

Payments to Nanci Parizek  
For the Period May 1, 2008 through May 31, 2014

**Per Check Images**

Check Date	Check Number	Notation on Check				Amount
		Gross Pay	SS	Med	IPERS	
01/09/13	2813	375.00	(23.25)	(5.44)	(21.68)	Tax prep and wages 354.63
03/13/13	2819	500.00	(31.00)	(7.25)	(28.90)	4 meetings 432.85
05/01/13	2829	375.00	(23.25)	(5.44)	(21.68)	324.63 wages, supplies, flowers, mulch 421.16
06/05/13	2835	375.00	(23.25)	(5.44)	(21.68)	3 meetings 418.56
06/06/13	2839	-	-	-	-	New locks, staples, 10 bags of mulch 137.79
06/20/13	2842	500.00	(31.00)	(7.25)	(28.90)	Wages, AFR budget, SFR classes, mileage, supplies 624.59
07/11/13	2851	500.00	(31.00)	(7.25)	(28.90)	4 meetings 513.06
08/07/13	2856	-	-	-	-	painting, rollers, staples 123.09
09/12/13 ^	2857	-	-	-	-	Supplies for fountain, park and paint 195.36
08/16/13	2860	375.00	(23.25)	(5.44)	(22.81)	Wages 398.50
08/27/13	2861	-	-	-	-	Meat, cake, frames, paper, supplies 217.25
09/04/13	2868	375.00	(23.25)	(5.44)	(22.81)	\$324 wages 441.32
10/02/13	2874	-	-	-	-	AFR ASR classes, mileage, work on computer 853.49
12/04/13	2885	375.00	(23.25)	(5.44)	(22.31)	3 meetings 324.00
12/14/13	2887	-	-	-	-	Ink, etc 158.55
Subtotal for 2013		3,750.00	(232.50)	(54.39)	(219.67)	5,614.20
02/04/14	2895	500.00	(31.00)	(7.25)	(29.75)	4 meetings 432.00
03/03/14	-	-	-	-	-	Wages 256.75
05/05/14	2913	-	-	-	-	Ink, Paper, Mulch, TP, Hand sanitizer, Broom, Cleaner 265.00
05/05/14	2914	375.00	(23.25)	(5.44)	(16.88)	Wages, Garbage bags, office supplies 425.98
Subtotal for 2014		875.00	(54.25)	(12.69)	(46.63)	1,379.73
Total		\$ 12,825.00	(772.70)	(185.95)	(646.34)	\$35,184.39

\* - Check number 2741 cleared the bank in 2012, so it is included in 2012 activity.

# - Issued from the Park Improvement checking account. All other checks were issued from the City's primary checking account.

^ - Check number 2857 was dated 09/12/13, but cleared the bank on 08/19/13.

<b>Payment for</b>	
<b>Payroll</b>	<b>Reimbursement</b>
324.63	30.00
432.85	-
324.63	96.53
324.63	93.93
-	137.79
432.85	191.74
432.85	80.21
-	123.09
-	195.36
323.50	75.00
-	217.25
323.50	117.82
-	853.49
324.00	-
-	158.55
<hr/> 3,243.44	<hr/> 2,370.76
432.00	-
-	256.75
-	265.00
329.43	96.55
<hr/> 761.43	<hr/> 618.30
<hr/> 11,220.01	<hr/> 23,964.38

Report on Special Investigation of the  
City of Vining

Unauthorized Payroll Checks to Nanci Parizek  
For the Period May 1, 2008 through May 31, 2014

**Per Check Images**

Check Date	Check Number	Notation on Check					Amount
		Gross Pay	SS	Med	IPERS		
06/02/08	2378	\$ 200.00	(12.40)	(2.90)	(7.80)	2 meetings	197.77
09/08/08	2407	300.00	(18.60)	(4.35)	(12.30)	3 meetings	264.75
10/31/08	2419	300.00	(18.60)	(4.35)	(12.30)	3 meetings	264.75
Subtotal for 2008		800.00	(49.60)	(11.60)	(32.40)		727.27
01/05/09	2438	400.00	(24.80)	(5.80)	(16.40)	4 meetings	353.00
03/04/09	2453	300.00	(18.60)	(4.35)	(12.30)	3 meetings	264.75
07/07/09	2480	400.00	(24.80)	(5.80)	(17.20)	Work Hours	352.20
09/08/09	2496	400.00	(24.80)	(5.80)	(17.20)	4 meetings	352.20
11/30/09	2522	300.00	(18.60)	(4.35)	(12.90)	none	264.15
Subtotal for 2009		1,800.00	(111.60)	(26.10)	(76.00)		1,586.30
02/24/10	2549	300.00	(18.60)	(4.35)	(12.90)	3 meetings	264.15
06/07/10	2579	400.00	(24.80)	(5.80)	(17.20)	4 meetings	352.20
09/03/10	2602	300.00	(18.60)	(4.35)	(13.50)	3 meetings	263.55
11/23/10	2635	300.00	(18.60)	(4.35)	(13.50)	Payroll	263.55
12/06/10	2643	300.00	(18.60)	(4.35)	(13.50)	Payroll	263.55
Subtotal for 2010		1,600.00	(99.20)	(23.20)	(70.60)		1,407.00
01/10/11	2655	375.00	(23.25)	(5.44)	(16.88)	Wages thru March	329.43
02/24/11	2664	500.00	(31.00)	(7.25)	(22.50)	Wages	439.25
06/06/11	2687	375.00	(15.75)	(5.44)	(16.88)	3 Meetings	336.93
09/07/11	2709	375.00	(15.75)	(5.44)	(16.88)	3 meetings, supplies	385.45
12/02/11	2731	375.00	(15.75)	(5.44)	(20.18)	Payroll	333.63
Subtotal for 2011		2,000.00	(101.50)	(29.01)	(93.32)		1,824.69
03/01/12	2750	500.00	(31.05)	(7.20)	(22.50)	4 meetings	439.25
06/04/12	2763	375.00	(23.25)	(5.44)	(20.18)	3 meetings	326.13
08/28/12	2785	375.00	(23.25)	(5.44)	(21.68)	3 meetings	388.57
11/15/12	2802	375.00	(23.25)	(5.44)	(21.68)	3 meetings, tax prep, ink, mileage	524.63
12/05/12	2809	375.00	(23.25)	(5.44)	(21.68)	wages and supplies for CH, Supplies for park	569.43
Subtotal for 2012		2,000.00	(124.05)	(28.96)	(107.72)		2,248.01

<b>Payment for</b>		<b>Net Payroll Amount</b>	
<b>Payroll</b>	<b>Reimbursement</b>	<b>Authorized</b>	<b>Improper</b>
176.90	20.87	176.90	-
264.75	-	264.75	-
264.75	-	264.75	-
706.40	20.87	706.40	-
353.00	-	-	353.00
264.75	-	264.75	-
352.20	-	352.20	-
352.20	-	352.20	-
264.15	-	264.15	-
1,586.30	-	1,233.30	353.00
264.15	-	264.15	-
352.20	-	352.20	-
263.55	-	263.55	-
263.55	-	-	263.55
263.55	-	263.55	-
1,407.00	-	1,143.45	263.55
329.43	-	-	329.43
439.25	-	439.25	-
336.93	-	336.93	-
336.93	48.52	336.93	-
333.63	-	333.63	-
1,776.17	48.52	1,446.74	329.43
439.25	-	439.25	-
326.13	-	326.13	-
324.63	63.94	324.63	-
324.63	200.00	-	324.63
324.63	244.80	324.63	-
1,739.27	508.74	1,414.64	324.63

Report on Special Investigation of the  
City of Vining

Unauthorized Payroll Checks to Nanci Parizek  
For the Period May 1, 2008 through May 31, 2014

**Per Check Images**

Check Date	Check Number	Notation on Check				Amount	
		Gross Pay	SS	Med	IPERS		
01/09/13	2813	375.00	(23.25)	(5.44)	(21.68)	Tax prep and wages	354.63
03/13/13	2819	500.00	(31.00)	(7.25)	(28.90)	4 meetings	432.85
05/01/13	2829	375.00	(23.25)	(5.44)	(21.68)	324.63 wages, supplies, flowers, mulch	421.16
06/05/13	2835	375.00	(23.25)	(5.44)	(21.68)	3 meetings	418.56
06/20/13	2842	500.00	(31.00)	(7.25)	(28.90)	Wages, AFR budget, SFR classes, mileage, supplies	624.59
07/11/13	2851	500.00	(31.00)	(7.25)	(28.90)	4 meetings	513.06
08/16/13	2860	375.00	(23.25)	(5.44)	(22.81)	Wages	398.50
09/04/13	2868	375.00	(23.25)	(5.44)	(22.81)	\$324 wages	441.32
12/04/13	2885	375.00	(23.25)	(5.44)	(22.31)	3 meetings	324.00
Subtotal for 2013		3,750.00	(232.50)	(54.39)	(219.67)		3,928.67
02/04/14	2895	500.00	(31.00)	(7.25)	(29.75)	4 meetings	432.00
05/05/14	2914	375.00	(23.25)	(5.44)	(16.88)	Wages, Garbage bags, office supplies	425.98
Subtotal for 2014		875.00	(54.25)	(12.69)	(46.63)		857.98
Total		\$ 12,825.00	(772.70)	(185.95)	(646.34)		12,579.92



<b>Payment for</b>		<b>Net Payroll Amount</b>	
<b>Payroll</b>	<b>Reimbursement</b>	<b>Authorized</b>	<b>Improper</b>
324.63	30.00	-	324.63
432.85	-	432.85	-
324.63	96.53	-	324.63
324.63	93.93	324.63	-
432.85	191.74	-	432.85
432.85	80.21	-	432.85
323.50	75.00	-	323.50
323.50	117.82	323.50	-
324.00	-	324.00	-
<u>3,243.44</u>	<u>685.23</u>	<u>1,404.98</u>	<u>1,838.46</u>
432.00	-	432.00	-
329.43	96.55	219.62	109.81
<u>761.43</u>	<u>96.55</u>	<u>651.62</u>	<u>109.81</u>
<u>11,220.01</u>	<u>1,359.91</u>	<u>8,001.13</u>	<u>3,218.88</u>

Report on Special Investigation of the  
City of Vining

Reimbursements to Nanci Parizek  
For the Period May 1, 2008 through May 31, 2014

**Per Check Images**

Check Date	Check Number	Notation on Check				Amount	
		Gross Pay	SS	Med	IPERS		
06/02/08	2378	\$ 200.00	(12.40)	(2.90)	(7.80)	2 meetings	\$ 197.77
10/13/08	2416	-	-	-	-	ink, Paper	50.92
Subtotal for 2008		200.00	(12.40)	(2.90)	(7.80)		248.69
01/05/09	2435	-	-	-	-	Christmas cards, sympathy cards, postage	12.04
01/30/09	2439	-	-	-	-	W-2 Forms certified letter	50.35
03/10/09	2455	-	-	-	-	Printer Postage	45.10
03/19/09	2456	-	-	-	-	Printer/Microsoft office and Mileage	264.14
06/29/09	2479	-	-	-	-	For supplies	75.00
07/16/09	2487	-	-	-	-	Office Supplies	116.52
07/22/09	2488	-	-	-	-	for class pymt	60.00
08/07/09	2492	-	-	-	-	Class Dues	50.00
08/08/09	2493	-	-	-	-	office supplies	225.00
08/20/09	2494	-	-	-	-	None	75.00
08/30/09	2495	-	-	-	-	IPERS class registration	300.00
09/18/09	2508	-	-	-	-	computer software memory	759.13
09/25/09	2509	-	-	-	-	supplies, park, hall, comp etc	372.86
10/11/09	2510	-	-	-	-	class payment	115.00
10/11/09	2513	-	-	-	-	SS Med IPERS	354.20
10/18/09	2514	-	-	-	-	Supplies, Ink etc.	155.00
11/05/09	2516	-	-	-	-	Med SS IPERS	475.62
11/07/09	2519	-	-	-	-	supplies and class	350.00
11/13/09	2520	-	-	-	-	for ads in papers	175.00
11/18/09	2521	-	-	-	-	Ads in paper	497.16
12/05/09	2528	-	-	-	-	Supplies and Wages	487.52
12/10/09	2532	-	-	-	-	Ink, Tax Stuff	245.00
12/20/09	2533	-	-	-	-	None	475.00
12/27/09	2534	-	-	-	-	Postage, Xmas Cards, Ink Paper	215.00
Subtotal for 2009		-	-	-	-		5,949.64

<b>Payment for</b>		<b>Reimbursements</b>		
<b>Payroll</b>	<b>Reimbursement</b>	<b>Reasonable</b>	<b>Improper</b>	<b>Unsupported</b>
176.90	20.87	-	-	20.87
-	50.92	50.92	-	-
176.90	71.79	50.92	-	20.87
-	12.04	-	-	12.04
-	50.35	-	-	50.35
-	45.10	-	45.10	-
-	264.14	-	-	264.14
-	75.00	-	75.00	-
-	116.52	116.52	-	-
-	60.00	-	60.00	-
-	50.00	-	50.00	-
-	225.00	-	225.00	-
-	75.00	-	75.00	-
-	300.00	-	300.00	-
-	759.13	-	759.13	-
-	372.86	-	372.86	-
-	115.00	-	115.00	-
-	354.20	-	354.20	-
-	155.00	-	155.00	-
-	475.62	-	475.62	-
-	350.00	-	350.00	-
-	175.00	-	175.00	-
-	497.16	-	497.16	-
-	487.52	-	487.52	-
-	245.00	-	245.00	-
-	475.00	-	475.00	-
-	215.00	-	215.00	-
-	5,949.64	116.52	5,506.59	326.53

Report on Special Investigation of the  
City of Vining

Reimbursements to Nanci Parizek  
For the Period May 1, 2008 through May 31, 2014

**Per Check Images**

Check Date	Check Number	Notation on Check				Amount	
		Gross Pay	SS	Med	IPERS		
01/06/10	2538	-	-	-	-	ink paper postage	225.00
02/01/10	2540	-	-	-	-	None	393.05
02/10/10	2546	-	-	-	-	Ads in paper, ink, paper	593.62
02/17/10	2547	-	-	-	-	Virus Pkg memory for computer	323.95
03/02/10	2557	-	-	-	-	Ink Toner, paper, memory card install	405.37
03/10/10	2559	-	-	-	-	Computer repairs	255.42
04/15/10	2562	-	-	-	-	wages supplies	590.42
04/21/10	2563	-	-	-	-	printer ink, toner, paper, memory, computer fix viruses	947.52
05/05/10	2569	-	-	-	-	5/5/10 mileage - Computer work	300.00
05/13/10	2570	-	-	-	-	mulch, tags, memory, staples	568.44
05/19/10	2572	-	-	-	-	None	150.00
05/20/10	2573	-	-	-	-	Paper Comp Work	250.00
05/27/10	2574	-	-	-	-	round up, mulch, flowers	215.94
06/08/10	2588	-	-	-	-	Ink, Mileage, Stamps	267.17
06/15/10	2589	-	-	-	-	Virus protection, new windows, memory, paper	497.54
09/13/10	2617	-	-	-	-	Supplies for park, office, City hall	327.95
10/01/10	2618	-	-	-	-	Computer and Printer work	449.24
10/05/10	2625	-	-	-	-	Ink, Printer, Paper, Toner	600.00
10/15/10	2626	-	-	-	-	Class Registration, fix computer	575.82
10/18/10	2627	-	-	-	-	Toilet paper pack, cleaning supplies	355.42
11/01/10	2631	-	-	-	-	Computer, scanner, printer	1,200.00
12/08/10	2648	-	-	-	-	ink	555.52
12/18/10	2649	-	-	-	-	X-mas Cards, W-2's for 2010	90.00
12/29/10	2650	-	-	-	-	Ink, Mileage, class on budget	250.00
Subtotal for 2010		-	-	-	-		10,387.39
01/10/11	2657	-	-	-	-	ink, paper case, tax forms, Class	522.47
02/07/11	2662	-	-	-	-	Wages and sand	489.25
06/06/11	2688	-	-	-	-	Charcoal for Bfast 6/5/11	36.36
06/14/11	2696	-	-	-	-	Thank you's and mileage	63.65
09/07/11	2709	375.00	(15.75)	(5.44)	(16.88)	3 meetings, supplies	385.45
10/03/11	2724	-	-	-	-	Virus prot. Paper, ink, memory, Mileage	339.52
12/05/11	2739	-	-	-	-	Ink(4)Black (4)Color, w2 Labels, Mileage	185.49
Subtotal for 2011		375.00	(15.75)	(5.44)	(16.88)		2,022.19

<b>Payment for</b>		<b>Reimbursements</b>		
<b>Payroll</b>	<b>Reimbursement</b>	<b>Reasonable</b>	<b>Improper</b>	<b>Unsupported</b>
-	225.00	-	225.00	-
-	393.05	-	393.05	-
-	593.62	-	593.62	-
-	323.95	-	323.95	-
-	405.37	-	405.37	-
-	255.42	-	255.42	-
-	590.42	-	590.42	-
-	947.52	-	947.52	-
-	300.00	-	300.00	-
-	568.44	-	568.44	-
-	150.00	-	150.00	-
-	250.00	-	250.00	-
-	215.94	-	215.94	-
-	267.17	-	267.17	-
-	497.54	-	497.54	-
-	327.95	-	327.95	-
-	449.24	-	449.24	-
-	600.00	-	600.00	-
-	575.82	-	575.82	-
-	355.42	-	355.42	-
-	1,200.00	-	1,200.00	-
-	555.52	-	555.52	-
-	90.00	-	90.00	-
-	250.00	-	250.00	-
-	10,387.39	-	10,387.39	-
-	522.47	-	522.47	-
-	489.25	-	489.25	-
-	36.36	36.36	-	-
-	63.65	-	63.65	-
336.93	48.52	-	48.52	-
-	339.52	-	339.52	-
-	185.49	-	185.49	-
336.93	1,685.26	36.36	1,648.90	-

Report on Special Investigation of the  
City of Vining

Reimbursements to Nanci Parizek  
For the Period May 1, 2008 through May 31, 2014

**Per Check Images**

Check Date	Check Number	Notation on Check				Amount	
		Gross Pay	SS	Med	IPERS		
12/27/11 *	2741	-	-	-	-	Budget-Class, ink, paper, mileage, memory	573.89
01/05/12	2742	-	-	-	-	CH imp. Bulletin Board Fire Memory Board, etc.	416.34
01/12/12	2744	-	-	-	-	Supplies 4 park, TP, Sanitizer, Door Locks, Mop Cleaner, Glass Cleaner	95.00
01/31/12	2747	-	-	-	-	Wages, Paper, Memory card, new printer	500.00
03/12/12	2758	-	-	-	-	CH supplies, Paper, ink, postage, broom, Cleaning supplies	210.00
06/04/12	2045#	-	-	-	-	Ads in paper, firework fundraiser	97.84
08/28/12	2785	375.00	(23.25)	(5.44)	(21.68)	3 meetings	388.57
10/10/12	2796	-	-	-	-	Virus, recovery, fix computer, printer, mileage	479.43
11/15/12	2802	375.00	(23.25)	(5.44)	(21.68)	3 meetings, tax prep, ink, mileage	524.63
12/05/12	2809	375.00	(23.25)	(5.44)	(21.68)	wages and supplies for CH, Supplies for park	569.43
Subtotal for 2012		1,125.00	(69.75)	(16.32)	(65.04)		3,855.13
01/09/13	2813	375.00	(23.25)	(5.44)	(21.68)	Tax prep and wages	354.63
05/01/13	2829	375.00	(23.25)	(5.44)	(21.68)	324.63 wages, supplies, flowers, mulch	421.16
06/05/13	2835	375.00	(23.25)	(5.44)	(21.68)	3 meetings	418.56
06/06/13	2839	-	-	-	-	New locks, staples, 10 bags of mulch	137.79
06/20/13	2842	500.00	(31.00)	(7.25)	(28.90)	Wages, AFR budget, SFR classes, mileage, supplies	624.59
07/11/13	2851	500.00	(31.00)	(7.25)	(28.90)	4 meetings	513.06
08/07/13	2856	-	-	-	-	painting, rollers, staples	123.09
09/12/13 ^	2857	-	-	-	-	Supplies for fountain, park and paint	195.36
08/16/13	2860	375.00	(23.25)	(5.44)	(22.81)	Wages	398.50
08/27/13	2861	-	-	-	-	Meat, buns, frames, paper, CH supplies, paint, rollers, <i>illegible</i>	217.25
09/04/13	2868	375.00	(23.25)	(5.44)	(22.81)	\$324 wages	441.32
10/02/13	2874	-	-	-	-	AFR ASR classes, mileage, work on computer	853.49
12/14/13	2887	-	-	-	-	Ink, etc	158.55
Subtotal for 2013		2,875.00	(178.25)	(41.70)	(168.46)		4,857.35

Payment for		Reimbursements		
Payroll	Reimbursement	Reasonable	Improper	Unsupported
-	573.89	-	573.89	-
-	416.34	-	416.34	-
-	95.00	-	95.00	-
-	500.00	-	500.00	-
-	210.00	-	210.00	-
-	97.84	-	97.84	-
324.63	63.94	-	63.94	-
-	479.43	-	479.43	-
324.63	200.00	-	200.00	-
324.63	244.80	-	244.80	-
973.89	2,881.24	-	2,881.24	-
324.63	30.00	-	30.00	-
324.63	96.53	-	96.53	-
324.63	93.93	-	93.93	-
-	137.79	-	137.79	-
432.85	191.74	-	191.74	-
432.85	80.21	-	80.21	-
-	123.09	-	123.09	-
-	195.36	-	195.36	-
323.50	75.00	-	75.00	-
-	217.25	-	217.25	-
323.50	117.82	-	117.82	-
-	853.49	-	853.49	-
-	158.55	-	158.55	-
2,486.59	2,370.76	-	2,370.76	-

Report on Special Investigation of the  
City of Vining

Reimbursements to Nanci Parizek  
For the Period May 1, 2008 through May 31, 2014

**Per Check Images**

Check Date	Check Number	Notation on Check				Amount	
		Gross Pay	SS	Med	IPERS		
03/03/14	-	-	-	-	-	Wages	256.75
05/05/14	2913	-	-	-	-	Ink, Paper, Mulch, TP, Hand sanitizer, Broom, Cleaner	265.00
05/05/14	2914	375.00	(23.25)	(5.44)	(16.88)	Wages, Garbage bags, office supplies	425.98
Subtotal for 2014		375.00	(23.25)	(5.44)	(16.88)		947.73
Total		\$ 4,950.00	(299.40)	(71.80)	(275.06)		\$28,268.12

\* - Check number 2741 cleared the bank in 2012, so it is included in 2012 activity.

# - Issued from the Park Improvement checking account. All other checks were issued from the City's primary checking account.

^ - Check number 2857 was dated 09/12/13, but cleared the bank on 08/19/13.



<b>Payment for</b>		<b>Reimbursements</b>		
<b>Payroll</b>	<b>Reimbursement</b>	<b>Reasonable</b>	<b>Improper</b>	<b>Unsupported</b>
	256.75	-	256.75	-
	265.00	-	265.00	-
329.43	96.55	-	96.55	-
329.43	618.30	-	618.30	-
4,303.74	23,964.38	203.80	23,413.18	347.40

**Exhibit E**Report on Special Investigation of the  
City of ViningSelected Vendor Payments  
For the Period May 1, 2008 through May 31, 2014**Per Check Images**

<b>Check Date</b>	<b>Check Number</b>	<b>Payee</b>	<b>Memo Line</b>	<b>Amount</b>
06/03/10	2041	Menards	<i>None</i>	\$ 42.74
08/16/10	2600	Gatewood Computers	Fix Computer, Virus Protection	157.29
12/10/10	2647	Staples	<i>None</i>	112.39
02/26/11	2665	Staples	<i>None</i>	67.24
09/29/11	2721	Menards	City Hall improvements	577.57
11/09/11	2730	Staples	<i>None</i>	129.94
01/20/12	2745	Staples	<i>None</i>	97.01
08/15/12	2781	Staples	<i>None</i>	72.29
04/10/13	2823	Staples	ink and supplies	107.60
06/21/13	2840	Wilkerson Hardware	paint, brushes, fasteners, stencil set, roller cover	158.00
08/17/13	2858	Wilkerson Hardware	roller cover, paint	36.97
Total				<u>\$ 1,559.04</u>

Report on Special Investigation of the  
City of Vining

Staff

This special investigation was performed by:

Annette K. Campbell, CPA, Director  
Ryan T. Jelsma, Senior Auditor

A handwritten signature in black ink that reads "Tamera S. Kusian". The signature is written in a cursive style with a large, stylized 'T' and 'K'.

Tamera S. Kusian, CPA  
Deputy Auditor of State

## **Appendices**

Report on Special Investigation of the  
City of Vining

Copy of Nanci Parizek's Written Statement to the Tama County Sheriff's Office  
For the Period May 1, 2008 through May 31, 2014

TAMA COUNTY SHERIFF'S OFFICE  
VOLUNTARY STATEMENT

Statement of: <u>Nanci Parizek</u>	Date: <u>06/23/2014</u>
Date of Birth: <u>03/15/1970</u>	SS#: <u>[REDACTED]</u>
Home Address: <u>308 N MAIN Box 41</u>	City: <u>VINING</u> State: <u>IA</u>
Home Phone: _____	Cell Phone: <u>[REDACTED]</u>
Employer: <u>NA</u>	Phone: <u>NA</u>

I came to Sheriff's office today to turn myself in for  
embezzling or borrowing money with the intent of paying  
it back to the City of Vining.

If the borrowing probably started in 2009. I had a bill due  
that was around \$100 that I couldn't pay so I ~~too~~ made out  
a check to myself + cashed it into my banking account  
+ paid my bill. I had full intent of paying the city back  
but then I couldn't + it spiralled out of control.

My husband was not working because of his mental health  
issues + back problems, I was having my hours cut at  
work because of an ~~my~~ injury. I continued to  
pay rob "Pete" to pay Paul every month.

I tried paying some back in 2012 but I could never  
get enough money to do it + I am not working at this time  
either.

I know my mother in law paid for one or two ~~the~~ overdrafts  
but that was it.

No one knew I was doing this, not even my husband.  
I am sorry I started doing it + continued to do it. I will be  
resigning immediately (today) from the City of Vining as the city clerk  
I came in today because I knew it was the right thing to do  
but before I actually got caught plus I needed the added  
stress to be some off my shoulders etc.

The total is somewhere around \$20,000 I think.

Page 1 of 1

<p>x <u>Nanci Parizek</u>  Subscribed and sworn to before me this <u>23</u> day of <u>May</u>, 20<u>14</u>  Notary: <u>Chad M. Skous</u></p>
--

**Appendix 2**

Report on Special Investigation of the  
City of Vining

Copy of Cash Withdrawal from a City Checking Account Signed by Nanci Parizek  
For the Period May 1, 2008 through May 31, 2014

Received From  
CHELSEA SAVINGS BANK  
BELLE PLAINE, IA 52208-1523

2nd - CHECKING WITHDRAWAL  
GASLEY'S CORP BIRMINGHAM, AL 35207-2400  
Account Number

Date 6-5-12 \* [REDACTED]

two thousand five  $\frac{00}{100}$  Dollars \$ 2005.00

Print Name Nanci Parizek - City of Vining

Signature [Handwritten Signature]

NOT NEGOTIABLE - TO BE USED ONLY AT COUNTER BY DEPOSITOR

⑈ 5 ⑈ ⑈ ⑈ ⑈ 000 ⑈ ⑈ [REDACTED] ⑈ ⑈ ⑈ 5

Report on Special Investigation of the  
City of Vining

Copy of Bank Document for Certificate of Deposit  
For the Period May 1, 2008 through May 31, 2014

**CD DEBIT TRANSACTIONS**

DATE 3-25-14

EFFECTIVE DATE \_\_\_\_\_

DRAWN BY \_\_\_\_\_

NAME [Signature]

SIGNATURE \_\_\_\_\_

ACCOUNT NUMBER \* [REDACTED]

SELECTOR \* 347

\$ 1553.33

301 Withdrawal  
347 CD Auto Closing Withdrawal  
346 CD Closing Withdrawal  
305 Penalty

⑆54 10⑉0000⑆ [REDACTED] 899

C00T-1259 ZUG07501 FRSBY