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NEWS RELEASE

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FOR RELEASE _____ December 29, 2015

Auditor of State Mary Mosiman today released a report on a special investigation of the City of Hornick for the period July 1, 2003 through June 30, 2014. The special investigation was requested by City officials after the former City Clerk resigned and the new City Clerk identified concerns with financial transaction processed by the former City Clerk.

Mosiman reported the special investigation identified \$134,179.75 of improper and unsupported disbursements. The \$18,417.71 of improper disbursements identified includes:

- \$5,129.34 to Janet Ronfeldt, the City Clerk from January 2001 to March 2009;
- \$4,251.09 to Rebecca Chan-Nelson, the City Clerk from April 2009 to March 2012;
- \$6,958.87 to the IRS and IPERS for late penalties and interest; and
- \$2,078.41 to vendors and individuals during Ms. Ronfeldt's term as City Clerk.

The \$115,762.04 of unsupported disbursements identified consist of payments for which supporting documentation was not available, including:

- \$11,386.16 to Ms. Ronfeldt,
- \$751.90 to Ms. Chan-Nelson,
- \$1,132.53 of donations,
- \$54,676.23 to vendors and individuals, and
- \$47,815.22 to former Mayors and current and former City Council members.

Of the \$134,179.75 of improper and unsupported disbursements, \$101,752.74 was issued during the period Ms. Ronfeldt was the City Clerk. In addition, \$29,534.44 and \$2,892.57 of improper and unsupported disbursements were issued during the periods Ms. Chan-Nelson and Stacy Sandt were the City Clerks, respectively.

Mosiman also reported the City did not maintain supporting documentation for its disbursements, including disbursements which were considered reasonable for operations of the City, such as phone charges, equipment, and office supplies. In addition, payments to former City Council members and former Mayors for reimbursements and wages during their terms were not supported by reimbursement requests or timesheets.

Mosiman also reported it was not possible to determine if all collections were properly deposited because adequate records for receipts were not available.

The report includes recommendations to strengthen the City's internal controls, such as improvements to segregation of duties, ensuring all disbursements are properly supported, and compliance with various sections of the *Code of Iowa*.

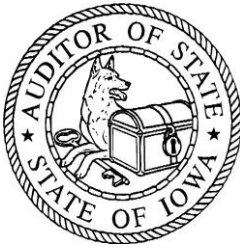
Copies of the report have been filed with the Woodbury County Attorney's Office, the Attorney General's Office, and the Division of Criminal Investigation. A copy of the report is available for review in the Office of Auditor of State and on the Auditor of State's web site at <http://auditor.iowa.gov/specials/1322-0931-BE00.pdf>.

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**REPORT ON SPECIAL INVESTIGATION
OF THE
CITY OF HORNICK
FOR THE PERIOD
JULY 1, 2003 THROUGH JUNE 30, 2014**

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Auditor of State's Report

To the Honorable Mayor and
Members of the City Council:

As a result of alleged improprieties regarding certain financial transactions, we conducted a special investigation of the City of Hornick. We have applied certain tests and procedures to selected financial transactions of the City for the period July 1, 2003 through June 30, 2014. Based on our review of relevant information and discussions with City officials, 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 bank accounts held by the City to identify any unusual activity.
- (3) Examined deposits to the City's bank accounts to determine the source, purpose, and propriety of each deposit and to determine if deposits were made intact.
- (4) Scanned images of redeemed checks issued from the City's bank accounts for reasonableness and examined documentation, including City Council minutes, for certain disbursements to determine whether they were appropriate, properly approved, and the properly supported.
- (5) Interviewed City officials and personnel to determine the purpose of certain disbursements and reimbursements made to employees and vendors.
- (6) Examined payroll disbursements to Janet Ronfeldt, Rebecca Chan-Nelson, and Stacy Sandt, former City Clerks, during the period of our investigation to determine the propriety of the payments.
- (7) Examined payroll disbursements to former and current Mayors and City Council members to determine if the amount and frequency of the payments were reasonable.
- (8) Examined reimbursements to the former City Clerks and City officials to determine if payments were properly approved and supported.
- (9) Examined utility billing and collection records to determine if collections were properly accounted for and deposited.


These procedures identified \$134,179.75 of improper and unsupported disbursements. We were unable to determine if all collections were properly deposited because adequate records for receipts 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 **D** 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 Hornick, other matters might have come to our attention that would have been reported to you.

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

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


MARY MOSIMAN, CPA
Auditor of State


WARREN G. JENKINS, CPA
Chief Deputy Auditor of State

August 21, 2015

Report on Special Investigation of the
City of Hornick

Investigative Summary

Background Information

The City of Hornick is located in Woodbury County and has a population of approximately 225. The City employs a City Clerk and a Maintenance Supervisor. The City Clerk and the Maintenance Supervisor are paid monthly and the Mayor and City Council members are paid quarterly based on the number of meetings they attend. According to the current City Clerk, she is required to work at City Hall and maintain regular office hours. The City Clerk's duties include:

- 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) Utility billings – preparing and mailing billings, receipting and depositing collections, posting collections to customer accounts and accounting records, and preparing and making bank deposits,
- 5) Bank accounts – receiving and reconciling monthly bank statements to accounting records, and
- 6) Reporting – preparing City Council meeting minutes and financial reports, including monthly City Clerk reports and the Annual Financial Report.

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 Woodbury County and remitted to the City. Revenue is also received from customers for utility services, including water, sewer, and garbage. The City receives payments from the State and County electronically. All other payments are collected through the mail, in person, or in the utility collection box located at City Hall. However, receipts were not prepared for all collections and collections were not recorded 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 and provide the listing to the City Council for approval. After the City Council approves the bills, the City Clerk is to prepare and sign the checks. The checks are to be counter-signed by the Mayor.

The City maintains a checking account and a savings account at a local bank. Monthly statements for the City's checking and savings accounts are mailed directly to City Hall. The bank statements were periodically reconciled to the City's accounting records but the reconciliations were not reviewed by the City Council. A computer in City Hall has Quick Books/Clerk Books and a utility program installed. The City's financial transactions and utility billing information is to be recorded using the computer and software.

During the period of our investigation, the City employed 4 City Clerks. **Table 1** lists each City Clerk and the period they served as City Clerk.

Table 1

City Clerk	Period
Janet Ronfeldt	January 2001 – March 2009
Rebecca Chan-Nelson	April 2009 – March 2012
Stacy Sandt	April 2012 – July 2014
Amanda Krafton	July 16, 2014 - present

According to the Mayor, Ms. Ronfeldt was required to maintain regular office hours; however, she often worked from home. She resigned after the Mayor instructed her to stop working at home and to work at City Hall. After she resigned in March 2009, she received 3 payroll checks for helping train the new City Clerk during April 2009 and for helping in the office in July 2009.

While Ms. Sandt was employed as the City Clerk, she identified concerns over certain financial transactions processed by the former City Clerks. According to the current City Clerk, the former City Clerks tried to use Clerk Books (accounting software), but also maintained hand written ledgers and electronic spreadsheets. The various spreadsheets and hand written ledgers did not always agree and included duplicate and triplicate entries.

As a result of the concerns regarding certain financial transactions processed by the former City Clerks, City officials 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 July 1, 2003 through June 30, 2014.

Detailed Findings

The procedures performed identified \$134,179.75 of improper and unsupported disbursements during the period July 1, 2003 through June 30, 2014. Bank statements and images of checks redeemed from the City's checking account prior to July 1, 2003 were not available. As a result, we are unable to determine if any additional improper and/or unsupported disbursements occurred prior to July 1, 2003. In addition, it was not possible to determine if all collections were properly deposited because adequate records for receipts were not available.

The \$18,417.71 of improper disbursements identified includes:

- \$5,129.34 to Ms. Ronfeldt, the City Clerk from January 2001 to March 2009;
- \$4,251.09 to Ms. Chan-Nelson, the City Clerk from April 2009 to March 2012;
- \$6,958.87 to the IRS and IPERS for penalties and interest; and
- \$2,078.41 to various vendors and individuals.

The \$115,762.04 of unsupported disbursements identified includes:

- \$11,386.16 to Ms. Ronfeldt,
- \$751.90 to Ms. Chan-Nelson,
- \$1,132.53 of donations,
- \$54,676.23 to vendors and individuals, and
- \$47,815.22 to former Mayors and current and former City Council members.

Of the \$115,762.04 of improper and unsupported disbursements, \$101,752.74 was issued during the period Ms. Ronfeldt was the City Clerk. In addition, \$29,534.44 and \$2,892.57 of improper and unsupported disbursements were issued during the periods Ms. Chan-Nelson and Stacy Sandt were the City Clerk, respectively.

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

IMPROPER AND UNSUPPORTED DISBURSEMENTS

As previously stated, the City has a checking account and a savings account at a local bank. All funds received by the City are to be deposited in these accounts.

We reviewed all disbursements from the City's checking account during the period July 1, 2003 through June 30, 2014 to determine if they were appropriate. However, supporting documentation was not available for all disbursements from the City's bank accounts. Based on discussions with City officials, available supporting documentation, discussions with vendors, the types of goods and/or services provided by the vendor, and the frequency and amounts paid to the vendors, we classified the disbursements as improper, unsupported, or reasonable. We also reviewed copies of City Council meeting minutes which included disbursement listings approved by the City Council. These listings are referred to by City officials as accounts payable listings.

Disbursements were classified as improper if they appeared personal in nature or were not reasonable for City operations. Disbursements were classified as unsupported if sufficient documentation was not available and we were unable to determine the propriety of the payment based on information obtained from City staff and vendors, the payee, the amount, and the frequency of the payments. Disbursements were classified as reasonable if supporting documentation was available and/or if the disbursement appeared to be for City operations based on the vendor, the amount of payment, and the frequency of payments to the vendor.

The improper and unsupported disbursements identified are explained in detail in the following paragraphs.

Checks Issued to Janet Ronfeldt – As previously stated, Ms. Ronfeldt was the City Clerk from January 2001 to March 2009. According to the Mayor, Ms. Ronfeldt was required to maintain regular office hours, but she often worked from home. She resigned when the Mayor instructed her to stop working from home and work at City Hall. The Mayor also stated Ms. Ronfeldt helped train her replacement during April 2009 and came back in July 2009 to provide additional help. As the City Clerk, Ms. Ronfeldt was authorized to receive a monthly salary. According to the Mayor, she was also authorized to receive reimbursements for mileage and supplies she purchased on behalf of the City.

As previously stated, bank statements and images of checks redeemed from the City's checking account prior to July 1, 2003 were not available. During our review of the City's bank statements and images of checks redeemed from the City's checking account during the period July 1, 2003 through June 30, 2014, we identified 140 checks issued to Ms. Ronfeldt.

Payroll Register - Of the 140 checks identified, 70 were included in the payroll register. These checks are listed in **Exhibit B**. As illustrated by the **Exhibit**, Ms. Ronfeldt's monthly gross salary was \$600.00 from July 2003 through December 2005, \$1,000.00 from January 2006 through May 2007, and \$1,100.00 from June 2007 through March 2009. According to a notation attached to a check stub, Ms. Ronfeldt was paid \$10.00 per hour while training her replacement in April 2009. The City Council approved the payments to Ms. Ronfeldt, but supporting documentation for the amount authorized by the City Council could not be located.

When we compared the amounts of Ms. Ronfeldt's net pay recorded in the payroll register to the amounts of the checks Ms. Ronfeldt prepared for herself, we determined the amount of 5 checks was greater than the amount recorded in the payroll register. The 5 checks identified are listed in **Table 2**.

Table 2

Check Date	Check Number	Check Amount	Net Pay per Payroll Register	Excess Payment
05/01/06	10236	\$ 981.90	969.90	12.00
05/07/07	10601	994.50	991.50	3.00
07/02/07	10665	2,039.95	1,039.95	1,000.00
10/01/07	10760	1,552.95	1,052.95	500.00
12/03/07	10807	2,052.95	1,052.95	1,000.00
Total		\$ 7,622.25	5,119.25	2,515.00

As illustrated by the **Table**, the check amount exceeded the amount recorded in the payroll register by \$1,000.00 for 2 of the checks and by \$500.00 for 1 check. Because the check amounts exceeded the amounts recorded in the payroll register for payroll and reimbursements, and the amounts included in the accounts payable listing approved by the City Council were the amounts included in the payroll register, the total excess of \$2,515.00 is included in **Exhibit A** as improper disbursements.

Exhibit B also illustrates reimbursement amounts were recorded in the payroll register and included in the checks issued to Ms. Ronfeldt for payroll. According to the discussions with the Mayor, notations in the payroll register, and notations in the accounts payable listings presented to the City Council for approval, the amounts shown as reimbursements in the payroll register were for mileage or postage.

As illustrated by **Exhibit B**, 45 of the 70 checks included “mileage” or a specific number of miles in the payroll register description or in the accounts payable listing. Of the 45 checks, 7 include the number of miles in the description. As a result, it appears Ms. Ronfeldt was consistently reimbursed for mileage. The number of miles reimbursed for the 7 checks ranged from 398 to 464 miles. Based on the amount Ms. Ronfeldt reimbursed herself and the number of miles recorded, she was reimbursed \$.40 per mile for the 7 checks.

As illustrated by **Exhibit B**, Ms. Ronfeldt reimbursed herself the same amount for several months in a row. For example, she received \$205.00 each month for August 2007, September 2007, October 2007, December 2007, and January 2008. She also received \$211.20 for November 2007 and each month from February 2008 through May 2008. In addition, she received \$253.44 each month from July 2008 through December 2008 and \$245.76 each month in both January 2009 and February 2009.

It also appears the reimbursement issued to Ms. Ronfeldt in March 2009 may not have included as many trips. As stated previously, Ms. Ronfeldt resigned as City Clerk in March 2009 and the time she spent working for the City in April was to assist the new City Clerk. As a result, she did not receive a mileage reimbursement in April 2009.

According to the Mayor, the City Council approved paying Ms. Ronfeldt mileage. He also stated the mileage may have included commuting from her home to City Hall for the days she worked there and trips to surrounding cities to purchase supplies or conduct other business for the City. However, the City was unable to locate supporting documentation showing Ms. Ronfeldt was authorized to be reimbursed for commuting mileage from her home to City Hall. In addition, no documentation or approval for the mileage rate paid was located. If Ms. Ronfeldt was reimbursed for commuting miles, the commuting mileage should have been included in her W-2 as a taxable benefit in accordance with IRS rules.

Because supporting documentation was not available for the amounts reimbursed to Ms. Ronfeldt, we were unable to determine their propriety. As a result, the \$10,989.36 of reimbursements included in the payroll register is included in **Exhibit A** as unsupported disbursements.

Other Checks – As previously stated, we identified 140 checks issued to Ms. Ronfeldt. Of those checks, 70 were not recorded in the payroll register. During our review of the 70 payments not recorded in the payroll register, we identified concerns which are summarized in **Table 3** and discussed in detail in the paragraphs following the **Table**.

Table 3

Description	Improper Amount	Unsupported Amount
(a) Not included in accounts payable listing	\$ 633.60	-
(b) Identified as “void” in the accounts payable listing	800.00	-
(c) Inaccurate description in the accounts payable listing	437.00	-
(d) Payments for water/wastewater reports	448.51	-
(e) Reimbursements	295.23	-
(f) Payments after her employment ended	-	396.80
Total	\$ 2,614.34	396.80

- (a) Ms. Ronfeldt issued herself check number 10796 on November 5, 2007 for \$633.60. The payment was not included in the accounts payable listing provided to and approved by the City Council. As illustrated by **Exhibit B**, Ms. Ronfeldt also issued herself check number 10785 for \$1,059.15 on November 5, 2007 which was included in the payroll register and included \$211.20 of reimbursements.

We were unable to locate any support for the \$633.60 payment. Because it was not included in the accounts payable listing approved by the City Council, it is for an unusually large amount, and it was issued to Ms. Ronfeldt on a day another check was issued to her which included a reimbursement, the \$633.60 is classified as an improper disbursement.

- (b) Ms. Ronfeldt issued herself 2 checks which were included in the accounts payable listings but were described as “void.” Because the checks were described as “void” in the accounts payable listings, the listings did not include amounts for the checks. The 2 checks identified are listed in **Table 4**.

Table 4

Check Date	Check Number	Amount
12/06/04	9711	\$ 500.00
04/03/06	10222	300.00
Total		\$ 800.00

Checks were also issued to Ms. Ronfeldt on December 6, 2004 and April 3, 2006 which were recorded in the payroll register and are listed in **Exhibit B**. Each of these checks includes reimbursements.

Ms. Ronfeldt prepared the accounts payable listings presented to and approved by the City Council. She also prepared all the checks issued from the City’s checking account while she was the City Clerk. Because she improperly described the checks in the accounts payable listing provided to the City Council as “void” and then issued the checks to herself, the \$800.00 total for the 2 checks is classified as improper disbursements.

- (c) In addition to the 2 checks which Ms. Ronfeldt described as “void” in the accounts payable listings, we also identified 3 checks which included inaccurate descriptions. Of the 3 checks identified, 2 were issued to Ms. Ronfeldt. The 3 checks identified are listed in **Table 5**.

Table 5

Per Accounts Payable Listing			Per Image of Redeemed Check		
Check Number	Payee	Amount	Check Number	Payee	Amount
10115	Void	\$ -	10115	Advanced Water Technology	\$ 125.58
10116	Advanced Water Technology (polyquest)	125.58	10116	Janet Ronfeldt	200.00
10500	Transfer to Memorial Fund	60.00	10500	Janet Ronfeldt	237.00

As illustrated by the **Table**, Ms. Ronfeldt issued check number 10116 to Advanced Water Technology for \$125.58 which was approved by the City Council. However, the payment was actually made with check number 10115 which she listed as “void” in the accounts payable listing provided to the City Council. By reviewing the images of the checks redeemed from the City’s checking account, we determined check number 10116 included in the accounts payable listing for the payment to Advanced Water Technology was issued by Ms. Ronfeldt to herself for \$200.00. Both checks were issued and redeemed in December 2005, but the images received from the bank were not clear enough to determine the specific dates. As illustrated by **Exhibit B**, Ms. Ronfeldt issued herself check number 10094 on December 5, 2005 which included a reimbursement of \$115.00.

In addition, Ms. Ronfeldt listed check number 10500 in the accounts payable listing as a \$60.00 transfer to a memorial fund. However, the image of the check shows Ms. Ronfeldt issued check number 10500 to herself for \$237.00. The check was issued on January 1, 2007. As illustrated by **Exhibit B**, Ms. Ronfeldt also issued herself check number 10484 on January 1, 2007, which included a reimbursement of \$176.00.

Because she improperly described the checks in the accounts payable listing provided to the City Council for approval and issued the checks to herself, the \$437.00 total for the 2 checks is classified as improper disbursements.

- (d) We identified 59 checks to Ms. Ronfeldt described as payments for reports. In addition to her monthly salary as the City Clerk, Ms. Ronfeldt was paid each month for preparing the monthly water and wastewater reports beginning in May 2004. Ms. Ronfeldt was paid \$70.00 per month from May 2004 through November 2005, \$80.00 per month from December 2005 through July 2006, and \$85.00 per month from August 2006 through April 2009 to prepare the reports. The checks issued to Ms. Ronfeldt for the preparation of the reports were not included in the payroll register and did not have any payroll taxes, IPERS, or FICA withheld.

Of the 59 checks, 50 checks were for the amount Ms. Ronfeldt was authorized to receive for preparing the reports. We determined Ms. Ronfeldt paid herself \$60.00 in August 2004 rather than the authorized amount of \$70.00. However, she issued herself an \$80.00 check in September 2004 rather than the authorized amount of \$70.00. It appears an error made in August 2004 was corrected in September 2004.

We also determined Ms. Ronfeldt received 7 checks which exceeded the amount she was authorized to receive for preparing the reports. The 7 checks identified are listed in **Table 6**.

Table 6

Check Date	Check Number	Description per Accounts Payable Listing	Check Amount	Authorized Amount	Improper Amount
05/03/04	9501	water/lagoon reports/Storm Lake mtg./mileage	\$ 230.40	70.00	160.40
06/07/04	9536	water/wastewater reports/phone/ copies	100.00	70.00	30.00
10/04/04	9679	water/wastewater reports/phone/ fax/postage	90.71	70.00	20.71
11/01/04	9704	water/wastewater reports/phone/ fax/postage	82.40	70.00	12.40
01/03/05	9773	water/wastewater reports	90.00	70.00	20.00
03/07/05	9825	water/wastewater reports	75.00	70.00	5.00
10/03/05	10040	water/wastewater reports	270.00	70.00	200.00
Total			\$ 938.51	490.00	448.51

We were unable to locate supporting documentation for any of the checks listed in **Table 6**. However, as illustrated by the **Table**, the description in the accounts payable listing for each check includes a notation the payment included preparation of the water/wastewater reports or water/lagoon reports. Because we did not identify any checks other than those listed in the **Table** for preparing reports during the months shown, it is reasonable these checks would include a payment to Ms. Ronfeldt for preparing the reports during these months.

The **Table** also illustrates the descriptions in the accounts payable listing for 4 of the 7 checks include notations the payments included reimbursement to Ms. Ronfeldt for additional costs, such as mileage, phone, copies, and postage.

As previously stated, Ms. Ronfeldt included an amount for reimbursements in her payroll checks and was paid separately for preparing reports. As illustrated by **Exhibit B**, Ms. Ronfeldt issued herself checks for payroll and reimbursements on each of the dates listed in **Table 6**. Because Ms. Ronfeldt issued checks to herself for reimbursements along with her payroll amounts on the same dates as the checks listed in **Table 6**, it is unclear why it would be necessary to issue any additional reimbursements with the payments for preparing the reports. As a result, the \$448.51 of additional reimbursements identified in **Table 6** is classified as improper disbursements.

Because a separate check was not issued for the preparation of reports during the months listed in **Table 6**, the \$490.00 authorized total is not included in **Exhibit A**.

- (e) As illustrated by **Exhibit B**, a portion of the checks to Ms. Ronfeldt included in the payroll register included a reimbursement, with the exception of check number 11284 issued on April 10, 2009. In addition to the reimbursements included in her payroll checks, we identified 3 additional checks to Ms. Ronfeldt she described as reimbursements in the accounts payable listings approved by the City Council. The 3 checks identified are listed in **Table 7**.

Table 7

Check Date	Check Number	Description	Check Amount
10/06/03	9285	reimbursement supplies	\$ 98.16
02/02/04	9412	reimbursement postage	17.07
11/07/05	10080	Mileage [450] election papers/ supplies/ postage/mtgs.	180.00
Total			\$ 295.23

As previously stated, Ms. Ronfeldt included reimbursements in her payroll checks and was paid separately for preparing water/wastewater reports. As illustrated by **Exhibit B**, Ms. Ronfeldt issued herself checks for payroll and reimbursements on each of the dates listed in **Table 7**.

We were unable to locate supporting documentation for any of the checks listed in **Table 7**. Because Ms. Ronfeldt also issued checks to herself for both payroll and reimbursements on the same dates as these checks, it is unclear why it would be necessary to issue a second check for additional reimbursements.

As a result, the \$295.23 is classified as improper disbursements.

- (f) We also identified 3 checks issued to Ms. Ronfeldt which were prepared by Ms. Chan-Nelson. The 3 checks are listed in **Table 8**.

Check Date	Check Number	Description	Check Amount
05/04/09	11308	Office help during April, 14 hrs. @ \$10	\$ 140.00
07/09/09	11370	Office help	150.00
08/07/09	11394	Office help and mileage	106.80
Total			\$396.80

According to the current City Clerk, Ms. Ronfeldt provided some training to Ms. Chan-Nelson when she became the City Clerk. The checks listed in **Table 8** were included in the accounts payable listings provided to and approved by the City Council. However, we were unable to locate any supporting documentation to determine the propriety of the amounts Ms. Chan-Nelson paid Ms. Ronfeldt. As a result, the \$396.80 total of the 3 checks is classified as unsupported disbursements.

The \$2,614.34 of improper disbursements and the \$396.80 of unsupported disbursements summarized in **Table 3** are included in **Exhibit A**.

Checks issued to Rebecca Chan-Nelson – As previously stated, Ms. Chan-Nelson was employed as the City Clerk from April 2009 to March 2012. As the City Clerk, she was responsible for preparing and distributing all checks from the City’s checking account. During our review of the bank statements and images of the checks redeemed from the City’s checking account, we identified 91 redeemed checks issued to Ms. Chan-Nelson. Supporting documentation for the approved gross pay for Ms. Chan-Nelson could not be located. Based on her initial pay stub, she was paid \$12.00 per hour. In May 2009, the City Council approved paying Ms. Chan-Nelson a monthly salary of \$1,800.00 to be the City Clerk and the water/sewer operator.

Based on the amount and frequency of the payments, we determined 71 of the 91 checks were for Ms. Chan-Nelson’s payroll. A payroll register was not available for the period Ms. Chan-Nelson was the City Clerk. As a result, we were unable to determine the withholdings from each of Ms. Chan-Nelson’s payroll checks. However, we were able to obtain monthly wage and contribution reports from IPERS which listed the gross pay reported for Ms. Chan-Nelson for the 36 months she was the City Clerk. When we compared the amounts of the payroll checks to the amounts reported to IPERS, we determined the net amount of the payroll checks was reasonable for 68 of the 71 checks. We determined the net amount of the 68 checks were usually 80% to 88% of the gross payroll reported to IPERS.

However, the net amount of the 3 remaining checks was higher than expected when compared to the gross payroll reported to IPERS. The 3 checks were issued for June 2009, July 2009 and October 2009 payroll. We determined the net amount of the checks issued for June 2009 and July 2009 payroll were 95% to 99% of the gross payroll reported to IPERS. We also determined the net amount of the checks to Ms. Chan-Nelson for October 2009 exceeded the amount of gross payroll she reported to IPERS for herself for that month.

The 12 payroll checks issued to Ms. Chan-Nelson from May 18, 2009 through October 29, 2009 ranged from \$717.45 to \$797.74. During this period, 3 checks were for \$717.45 and 2 were for \$792.45. Because these were the only check amounts used more than once during the period and to be conservative, we used the higher amount as a reasonable amount for her payroll. The 3 checks which exceeded \$792.45 are listed in **Table 9**.

Table 9

Check Date	Check Number	Check Amount	Reasonable	Improper
07/03/09	11356	\$ 1,149.13	792.45	356.68
07/27/09	11386	920.88	792.45	128.43
10/29/09	11445	1,019.60	792.45	227.15
Total		\$ 3,089.61	2,377.35	712.26

By comparing Ms. Chan-Nelson's payroll checks to the IPERS information, we determined 68 of the 71 checks were only for payroll and did not include any reimbursements. We also identified other checks issued to her. These checks are listed in **Exhibit C**. As a result, the amount of the 3 checks listed in **Table 9** which exceeded her normal net pay for the period does not appear to be reimbursements. The \$712.26 of improper payments listed in **Table 9** are included in **Exhibit A** as improper disbursements.

Exhibit C includes 20 additional checks issued to Ms. Chan-Nelson. As previously stated, Ms. Chan-Nelson would have been allowed reimbursements for mileage and costs she incurred on behalf of the City. None of the checks to Ms. Chan-Nelson were supported by receipts or other documentation. However, descriptions for the 5 checks issued prior to October 30, 2009 were included in the accounts payable listing provided to the City Council for approval. The descriptions indicate the 5 checks were issued for mileage, water/waste water wages, and a reimbursement. City officials were unable to provide any accounts payable listings prepared for the rest of 2009, 2010, 2011, and part of 2012. While it would not be unusual for the City Clerk to receive periodic reimbursements, reimbursements should be for items which the City cannot pay for by check or be invoiced for, such as travel expenses.

As illustrated by **Exhibit C**, check number 11844 was issued for \$830.50. Ms. Chan-Nelson was issued 2 payroll checks each month from January 1, 2011 through December 31, 2011. The first 3 checks issued during 2011 were for \$853.50, but all of the other checks issued during the year were for \$830.50, with the exception of a check in April which was issued for \$832.50. Ms. Chan-Nelson received authorized payroll checks on March 4, 2011 and March 17, 2011 for \$830.50 each. However, on March 7, 2011, 3 days after issuing her first payroll check for the month, check number 11844 was issued to Ms. Chan-Nelson for \$830.50. Because Ms. Chan-Nelson should have received only 2 payroll checks per month, check number 11844 is included in **Exhibit C** as an improper disbursement.

None of the remaining 19 checks listed in **Exhibit C** are for amounts similar to Ms. Chan-Nelson's payroll checks. As a result, it appears they may be for reimbursements of expenses she incurred on behalf of the City. Based on our experience with cities the size of Hornick, reimbursements to City Clerks for making purchases or incurring mileage on behalf of the City should be limited in amount and frequency. However, as illustrated by the **Exhibit**, Ms. Chan-

Nelson issued herself 2 non-payroll checks on April 6, 2009 and May 4, 2009. She also issued herself 2 non-payroll checks in July 2011, just 5 days from each other.

According to the Mayor, Ms. Chan-Nelson did not incur mileage on behalf of the City on a frequent basis. As stated previously, the Mayor stated the City Council approved paying mileage to the previous City Clerk, Ms. Ronfeldt. He also stated the mileage paid to Ms. Ronfeldt may have included commuting from her home to City Hall for the days she worked there and trips to surrounding cities to purchase supplies or conduct other business for the City. Reimbursements to Ms. Ronfeldt ranged from \$96.80 to \$253.44. Because Ms. Chan-Nelson did not incur mileage for the City on a frequent basis, we would expect reimbursements to Ms. Chan-Nelson to be smaller in amount and less frequent than the reimbursements to Ms. Ronfeldt. However, as illustrated by **Exhibit C**, the 19 remaining non-payroll checks issued to Ms. Chan-Nelson ranged from \$27.00 to \$467.64.

In addition to mileage, Ms. Chan-Nelson would have been allowed reimbursement for costs she incurred on behalf of the City. However, because she was authorized to issue checks from the City's checking account, she could make purchases for the City with City funds rather than her personal funds. In addition, we would not expect reimbursements for costs incurred on behalf of the City to result in an even dollar amount. As illustrated by **Exhibit C**, 7 non-payroll checks issued to Ms. Chan-Nelson were for even dollar amounts and ranged from \$27.00 to \$300.00.

Based on our experience with reimbursements issued to city clerks for cities the size of Hornick and the amount paid to the former City Clerk, Ms. Ronfeldt, as reimbursements, we determined any reimbursements to Ms. Chan-Nelson for less than \$200.00 would be reasonable. In addition to check number 11844 which was discussed previously, 7 other checks were issued to Ms. Chan-Nelson which exceed \$200.00. As a result, the 7 checks are classified as improper disbursements. We also classified 4 additional checks which were issued for less than \$200.00 as improper disbursements because they were issued in even \$10.00 increments. It would be very unusual to incur a cost on behalf of the City which resulted in an even dollar amount.

The 8 remaining non-payroll checks issued to Ms. Chan-Nelson are classified as unsupported disbursements.

The \$3,538.83 of improper disbursements and the \$751.90 of unsupported disbursements issued to Ms. Chan-Nelson listed in **Exhibit C** are included in **Exhibit A** as improper and unsupported disbursements, respectively.

IRS Penalties and Interest – During our investigation, the current City Clerk located a series of notices from the IRS related to the underpayment of payroll withholdings to the IRS. The underpayments covered the quarters ended March 31, 2009 through December 31, 2010. Ms. Chan-Nelson was the City Clerk during this period. Because Ms. Chan-Nelson did not remit the proper withholdings to the IRS in a timely manner, the City incurred \$6,099.37 of penalties and interest. The City issued a check to the IRS on March 31, 2015 for the underpayment of payroll withholdings and the penalties and interest incurred as a result of the underpayments. The \$6,099.37 paid to the IRS for penalties and interest is included in **Exhibit A** as improper disbursements.

IPERS Penalties and Interest – Based on a review of the IPERS Annual Statement for the City, we identified a total of \$859.50 in penalties and late fees paid by the City. The penalties and late fees were incurred during the period July 1, 2008 through June 30, 2012. Of the \$859.50, \$21.25 was incurred while Ms. Ronfeldt was the City Clerk and \$838.25 was incurred while Ms. Chan-Nelson was the City Clerk. The \$859.50 paid to IPERS for penalties and interest is included in **Exhibit A** as improper disbursements.

Donations – We identified 15 donations totaling \$1,132.53 issued by the City to various organizations from February 2004 through January 2010. Of the \$1,132.53, \$1,070.00 was issued by Ms. Ronfeldt and \$62.53 was issued by Ms. Chan-Nelson. **Table 10** summarizes the 15 checks identified.

Table 10

Organization	Number of Checks	Total
Westwood After Prom	6	600.00
Hornick/Holly Springs Alumni	4	200.00
American Legion	2	35.00
United Methodist Church	1	135.00
Bob Dietrich Estate	1	100.00
Wall of Fame	1	62.53
Total	15	\$ 1,132.53

It is not clear what the public purpose or public benefit is for the donations listed in the **Table**. In accordance with an Attorney General's opinion dated August 28, 1986, it is possible for certain expenses to meet the test of serving a public purpose under certain circumstances, although such expenses will certainly be subject to a deserved close scrutiny. The line to be drawn between a proper and an improper purpose is very thin.

Because supporting documentation was not available showing the public benefit of donating to the organizations listed in **Table 10**, the \$1,132.53 is included in **Exhibit A** as unsupported disbursements.

Payments to Vendors and Individuals – Purchases were made with City funds for supplies, food, gas, and other items which are to be used for the operations of the City. As previously stated, adequate supporting documentation which included a description of the items purchased and the purpose of the disbursements was not available for all payments.

As previously stated, the City Clerk is responsible for preparing the accounts payable listings provided to the City Council each month. By comparing the accounts payable listings to the images of redeemed checks from the City's checking account, we identified 4 checks we consider to be improper disbursements. The checks identified are as follows.

- Check number 9220 was issued on August 4, 2003 for \$30.83 to Mastercard. According to City officials, the City has not had any credit cards other than the Farm Plan credit card. As a result, the check to Mastercard is considered to be an improper disbursement.
- Check number 9776 was issued on February 7, 2005 for \$330.00 and check number 9861 was issued on April 4, 2005 for \$150.00 to Randy Ronfeldt, a relative of Ms. Ronfeldt, who was City Clerk at that time. Both checks were listed in the accounts payable listings as payments to "C/O Computer Repair." Because Ms. Ronfeldt did not include the actual payee in the accounts payable listings approved by the City Council and supporting documentation for the payments could not be located, the checks are considered improper disbursements.
- Check number 10491 was issued on January 1, 2007 for \$1,567.58 to Ron Ronfeldt, Ms. Ronfeldt's husband. The check was listed in the accounts payable listing as a payment to "Discover Card Service (reimbursement lap-top)." The City has a laptop at City Hall which is not used because it is outdated. It is not clear if this laptop was purchased using a Discover Card for which Mr. Ronfeldt was reimbursed. Because Ms. Ronfeldt did not provide an accurate description of the check in the accounts payable listing approved by the City Council and supporting documentation for the payment could not be located, the check is considered to be an improper disbursement.

The \$2,078.41 total of the 4 checks identified is included in **Exhibit A** as improper disbursements.

We also identified a number of checks issued between July 1, 2003 and June 30, 2014 which are classified as unsupported disbursements. **Exhibit D** includes 371 unsupported disbursements which total \$54,676.23. A number of these disbursements were to vendors which provide goods and services which may be for City operations or personal in nature. These vendors include fuel vendors, convenience stores, and retail stores, such as Bomgaars, Menards, Sam’s Club, and Wal-Mart. The unsupported disbursements also include payments to individuals for which we could not determine if the payment was for City operations or was personal in nature.

Table 11 summarizes the unsupported disbursements by category. Based on information summarized in the **Table**, approximately 70% of the unsupported disbursements were payments to individuals, retail stores, and convenience stores. Certain categories are discussed in more detail in the paragraphs following the **Table**.

Category	Amount
Retail and office supply vendors	\$ 21,308.16
Individuals	14,009.15
Convenience stores, fuel	10,546.67
Farm Plan credit card	2,698.63
Florists	2,463.15
Automotive, machinery, part, materials	1,550.94
Lodging	925.27
Fire Department	500.00
Food, soda	355.80
Service and repair	230.66
Shoe repair vendor	10.00
Unknown	77.80
Total	<u>\$ 54,676.23</u>

Retail and Office Supply Vendors - We identified a total of \$21,308.16 paid to various retail and office supply vendors. Of the \$21,308.16, \$14,050.65 was paid to retail vendors, such as Bomgaars, Menards, and Sam’s Club, and \$7,257.51 was paid to office supply stores, such as Staples. These vendors sell items which may be for City operations or personal in nature. Examples of the items purchased include office supplies, cleaning supplies, and hardware. Because the City did not maintain documentation which included a description of what was purchased, we were unable to determine if the items purchased were for City operations or were personal in nature.

Individuals – We also identified 78 checks to individuals totaling \$14,009.15. These may have been payments for goods or services or they may have been reimbursements for costs incurred on behalf of the City. Some of the individuals to whom payments were made were employees of the City. According to the current City Clerk, employees may be reimbursed for expenses related to City operations with supporting documentation. Because supporting documentation was not available, we were unable determine the propriety of the payments.

Convenience Stores, Fuel – We identified \$10,546.67 of payments to convenience stores, including the Mini-Mart and Western Iowa Cooperative (Co-op). The City purchased fuel for City vehicles, generators, and other gas powered equipment. According to the current City Clerk and the Maintenance Supervisor, most of the fuel for City operations was purchased from the Mini-Mart in Hornick until it closed. The Mini-Mart also sold other items, such as food and small sundry supplies. Because the City did not maintain documentation which included a description of the purchase or the reason for the purchase, we were unable to determine if the purchases were for City operations or personal in nature.

After the Mini-Mart closed, the City established a charge account at the Co-op. The City had also purchased gas from the Co-op prior to and while the Mini-Mart was open. The Co-op currently requires individuals purchasing fuel for the City to sign a charge slip which includes the date, time, and type of fuel purchased. If the purchaser remembers, they also include the reason for the purchase, such as fuel for the snow plow. The Co-op has a list of the individuals authorized to charge fuel to the City's charge account, including the Maintenance Supervisor and members of the Fire Department. At the end of the month, an invoice is sent to the City along with the copies of the charge slips. According to the current City Clerk, she is unable to determine if the same practice was in place prior to her employment.

The City also purchases propane from the Co-op for heating the building which houses City Hall and the Fire Department. Because propane payments typically exceeded \$1,000.00, we were able to determine which payments were for propane. Based on the date, the amount, and the frequency of the payments to the Co-op, we determined the remaining payments to the Co-op were for the purchase of fuel. Because charge slips were not maintained, we could not determine the type of fuel purchased or the purpose for the purchase. As a result, we were unable to determine if the items purchased were for City operations or were personal in nature.

Farm Plan Credit Card – We identified \$2,698.63 of payments to the Farm Plan credit card. The City used the credit card to purchase parts, batteries, and other supplies from a local implement dealer. The City was unable to provide supporting documentation for the items purchased using the credit card. Because charge slips or other supporting documentation was not maintained, we could not determine what items were purchased. As a result, we were unable to determine if the items purchased were for City operations or were personal in nature.

Florists – We identified \$2,463.15 of payments to Green Acres and other florists. The payments ranged from \$30.00 to \$463.00. The purchases usually occurred in May and June each year. These months are usually when planting occurs in City parks. Because the City did not maintain supporting documentation for the items purchased, we were unable to determine if the purchases were for City parks or other City projects or personal in nature.

Because the City did not maintain supporting documentation for the \$54,676.23 of disbursements summarized in **Table 11** and listed in **Exhibit D**, we were unable to determine if the items purchased were for City operations or were personal in nature. Of the \$54,676.23 of unsupported disbursements identified, \$39,857.10 was issued during the period Ms. Ronfeldt was the City Clerk, \$12,083.10 was issued during the period Ms. Chan-Nelson was the City Clerk, and \$2,736.03 was issued during the period Ms. Sandt was the City Clerk.

The \$54,676.23 of unsupported disbursements listed in **Exhibit D** are included in **Exhibit A**.

Payments to City Officials - The Mayor and City Council members are paid for monthly meetings and work sessions they attend. Prior to January 2008, City Council members were paid \$35.00 per meeting. Beginning in January 2008, City Council members received \$50.00 per meeting. During the period of our review, the Mayor was paid \$100.00 per meeting. The Mayor and City Council members were to be paid on a quarterly basis. We did not identify any concerns with the payments to the Mayor and City Council members for monthly meetings and work sessions they attended.

However, we identified \$47,815.22 paid to the current Mayor, a former Mayor, and former and current City Council members which was not for monthly meetings and work sessions they attended. According to the current City Clerk and notations in the accounting system, the additional payments were for reimbursements or payments for work performed on behalf of the City on various projects or as an employee. **Table 12** lists the individuals identified who received additional payments, the number of checks they received, and the total amount they were paid during the period of our investigation.

Table 12

Member	Positon	Number of Checks	Amount
Robert Nelson	Former Mayor	91	\$ 27,840.67
Bob Dietrich	Former City Council member	58	9,800.76
Gary Holtz	Former City Council member	28	7,634.34
Scott Mitchell	Former City Council member	2	1,267.50
Cliff Teel	Former City Council member	15	797.21
Dale Ronfeldt	Former City Council member	2	260.00
Gary Tucker	Former City Council member	1	92.35
Bob Kendall	Former City Council member	3	97.39
Greg Crook	Current Mayor	1	25.00
Total		201	\$ 47,815.22

Supporting documentation was not available for these payments. As a result, we are unable to determine their propriety. According to the current City Clerk and the Mayor, employees and City Council members may be reimbursed in an emergency situation or with prior approval for expenses incurred on behalf of the City. However, the current City Clerk also stated she has not reimbursed the Mayor or a City Council member since she became City Clerk in July 2014.

Payments to City officials are governed by sections 372.13(8) and 362.5 of the *Code of Iowa*. These statutory provisions allow officials of cities with populations of less than 2,500 to be compensated up to \$2,500.00 per fiscal year for services provided to the City, such as for mowing, snow plowing, and other services, without those services being awarded through a competitive bid process.

The additional payments to 3 individuals exceeded the \$2,500.00 limit during certain fiscal years. Payments to Mr. Nelson exceeded the limit during fiscal years 2004 through 2009. The totals paid to him during those fiscal years ranged from \$2,880.05 to \$5,965.17. Payments to Mr. Dietrich exceeded the limit in fiscal year 2007 when he was paid a total of \$3,137.28 and payments to Mr. Holtz exceeded the limit in fiscal years 2004 and 2005 when he was paid \$2,643.58 and \$2,580.76, respectively. Because supporting documentation was not available for the payments summarized in **Table 12**, we could not determine if the payments were reimbursements of costs incurred on behalf of the City or were payments for services. If the payments were for services, we were unable to determine if the City used a competitive bid process to acquire the services.

Of the \$47,815.22 of additional payments, \$42,210.48 was issued during the period Ms. Ronfeldt was the City Clerk, \$5,448.20 was issued during the period Ms. Chan-Nelson was the City Clerk, and \$156.54 was issued during the period Ms. Sandt was the City Clerk.

Because supporting documentation was not available which would allow us to determine the purpose of each payment, the \$47,815.22 is included in **Exhibit A** as unsupported disbursements.

FIRE DEPARTMENT

During our investigation, a question was raised by the current City Clerk and the Mayor regarding the City officials' authority to review Fire Department receipts and disbursements and if the Fire Department is considered a department of the City.

Section 384.3 of the *Code of Iowa* states, in part, "All moneys received for city government purposes from taxes and other sources must be credited to the general fund of the city, except moneys received for the purposes of the debt service fund, the trust and agency funds, the capital improvements reserve fund, the emergency fund and other funds established by state law must be deposited as otherwise required or authorized by state law."

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, by any city officer, employee, or other person, and which show the receipt, use, and disposition of all city property. Public moneys may not be expended or encumbered except under and an annual or continuing appropriation."

We found no record on the Secretary of State's website of the Hornick Volunteer Fire Department being established as a separate legal entity. The only information related to the Hornick Volunteer Fire Department on the Secretary of State's website are mutual aid agreements between the Fire Department and other cities and counties.

According to City Officials, the City pays for insurance, utilities, fuel, and owns the building the Fire Department is located in. The City also budgets for Fire Department operations annually. The Fire Department also raises funds from donations and fundraising events. However, there is no record of a separate nonprofit organization being established to conduct fund raising for and providing financial support to the Fire Department.

As a result, the Fire Department would be considered a department of the City and the City should maintain all accounts related to the Fire Department. The City should budget for the Fire Department similar to other operations of the City. If the Fire Department raises funds through fund raising events or donations, the funds should be deposited with the City and restricted for the purpose for which the funds were solicited.

It is common for fire departments to have separate legal organizations to help raise funds for their operations. These organizations are not considered part of the City and are usually formed as tax-exempt organizations under section 501(c)(3) of the IRS Code. These organizations help raise funds for expenses which a City may not be able to pay for because there is no direct public benefit or it may not be financially feasible for the City. However, the purchase of items which are personal in nature by these organizations is still considered unallowable.

CITY COUNCIL OVERSIGHT

During our investigation, we determined the City Council did not properly carry out its fiduciary responsibilities as officials of the City by not:

- properly reviewing payroll prior to issuance,
- comparing the bill listings to supporting documentation and checks,
- regularly reviewing the City's financial reports and/or bank statements, and
- requesting or reviewing utility reconciliations.

During our investigation, we also reviewed bank reconciliations filed in the City's records. However, based on the documentation available, bank reconciliations were not prepared for each month.

Recommended Control Procedures

As part of our investigation, we reviewed the procedures used by the City of Hornick to 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 identified 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 and current City Clerks had control over each of the following areas for the City:
- (1) Receipts – collecting, posting, preparing deposits, and depositing.
 - (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, posting, and distributing checks.
 - (4) Utility billings – preparing and mailing billings, receipting and depositing collections, posting collections to customer accounts and accounting records, and preparing and making bank deposits,
 - (5) Bank accounts – receiving and reconciling monthly bank statements to accounting records, and
 - (6) Reporting – preparing monthly City Clerk's reports and City Council meeting minutes.

In addition, bank reconciliations were not prepared for each month.

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

Also, 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. Supporting Documentation – 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) Authorized payroll rates were not included in the City Council meeting minutes and payroll records were not consistently maintained.

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. All payments should be supported by documentation, including receipts and invoices for the goods and services provided. 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, approval, and signature.

- C. Payments to City Officials – Payments to City officials are governed by sections 372.13(8) and 362.5 of the *Code of Iowa*. These *Code* sections allow officials of cities with populations of less than 2,500 to be compensated up to \$2,500.00 per fiscal year for services provided to the City, such as for mowing, snow plowing, and other services, without those services being awarded through a competitive bid process.

We identified a number of payments to the current and former Mayor and City Council members which may include payments for services performed for the City. Because supporting documentation was not maintained, we were unable to identify what portion of the payments to the current and former Mayor and City Council members were for attending meetings, reimbursements, or services performed for the City.

Recommendation – Procedures should be established to monitor payments to City officials to ensure compliance with the *Code of Iowa*. All reimbursements to City officials should be supported by documentation, including receipts and invoices for the goods and services provided. If a City official is paid for work performed, the City should ensure the amount paid is approved in the City Council meeting minutes and report the payments on the appropriate IRS form.

- D. 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.”

The Fire Department maintains a separate account showing receipts and disbursements which should be included in the City’s monthly financial reports.

Recommendation – All financial transactions of the Fire Department’s account should be included in the City Clerk’s monthly financial reports. 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.

- E. Utility Billings – The City’s utility billings were not periodically reconciled to the amounts collected and unpaid balances.

Recommendation – City officials should establish procedures to ensure utility billings, collections and delinquent accounts are reconciled for each billing period in a timely manner. The City Council, or an independent individual designated by the City Council, should review the reconciliation in a timely manner. The review of the reconciliations should be documented by the signature or initials of the reviewer and the date of the review. The City Council should also monitor delinquencies.

- F. City Council Oversight – The City Council has a fiduciary responsibility to provide oversight of the City’s operations and financial transactions. Oversight is typically defined as the “watchful and responsible care” a governing body exercises in its fiduciary capacity.

Based on our observations and the procedures we performed, we determined the City Council failed to exercise proper fiduciary oversight. The lack of appropriate oversight and the failure to ensure implementation of adequate internal controls permitted employees to exercise too much control over the operations of the City.

Recommendation – Oversight by the City Council is essential and should be an ongoing effort by all members. In the future, the City Council should exercise due care and require and review pertinent information and documentation prior to making decisions affecting the City. In addition, appropriate policies and procedures should be adopted, implemented, and monitored to ensure compliance with established policies and procedures.

Exhibits

**Report on Special Investigation of the
City of Hornick**

Report on Special Investigation of the
City of Hornick

Summary of Findings
For the Period of July 1, 2003 through June 30, 2014

Description	Table/Exhibit	Amount		
		Improper	Unsupported	Total
Improper and unsupported disbursements:				
Checks issued to Janet Ronfeldt:				
Payroll register	Table 2/Page 8	\$ 2,515.00	10,989.36	13,504.36
Other checks	Table 3	2,614.34	396.80	3,011.14
Checks to Rebecca Chan-Nelson:				
Payroll checks	Table 9	712.26	-	712.26
Non-payroll checks	Exhibit C	3,538.83	751.90	4,290.73
IRS penalties and interest	Page 14	6,099.37	-	6,099.37
IPERS penalties and interest	Page 14	859.50	-	859.50
Donations	Table 10	-	1,132.53	1,132.53
Payments to vendors and individuals	Page 16/Exhibit D	2,078.41	54,676.23	56,754.64
Payments to City officials	Table 12	-	47,815.22	47,815.22
Total		<u>\$ 18,417.71</u>	<u>115,762.04</u>	<u>134,179.75</u>
The above payments were issued by:				
Ms. Ronfeldt		\$ 7,229.00	94,523.74	101,752.74
Ms. Chan-Nelson		11,188.71	18,345.73	29,534.44
Ms. Sandt		-	2,892.57	2,892.57
Total		<u>\$ 18,417.71</u>	<u>115,762.04</u>	<u>134,179.75</u>

Exhibit BReport on Special Investigation of the
City of HornickPayroll Checks Issued to Janet Ronsfeldt
For the Period July 1, 2003 through June 30, 2014

Check Date	Per Payroll Register					Description Payroll Register/ Accounts Payable Listing
	Check Number	Gross Wages	Net Pay	Reimbursement	Total Pay	
07/07/03	9196	\$ 600.00	470.90	105.95	576.85	Salary
08/04/03	9237	600.00	470.90	107.50	578.40	Salary
09/02/03	9260	600.00	470.90	102.75	573.65	Salary
10/06/03	9294	600.00	470.90	102.40	573.30	Mileage
11/03/03	9321	600.00	470.90	103.90	574.80	Mileage
12/01/03	9349	600.00	470.90	102.50	573.40	Mileage
01/05/04	9386	600.00	470.90	103.98	574.88	Postage/Mileage
02/02/04	9406	600.00	470.90	102.50	573.40	Postage/Mileage
03/01/04	9431	600.00	470.90	104.98	575.88	Postage/Mileage
04/05/04	9468	600.00	470.90	103.60	574.50	Salary
05/03/04	9496	600.00	470.90	102.45	573.35	Salary
06/07/04	9525	600.00	470.90	110.50	581.40	Salary
07/05/04	9576	600.00	470.90	105.90	576.80	Salary
08/02/04	9610	600.00	470.90	104.60	575.50	Salary
09/07/04	9650	600.00	470.90	106.20	577.10	Salary
10/04/04	9678	600.00	470.90	103.90	574.80	Salary
11/01/04	9703	600.00	470.90	105.40	576.30	Salary
12/06/04	9727	600.00	470.90	106.50	577.40	Salary
01/03/05	9772	600.00	470.90	106.00	576.90	Mileage
02/07/05	9788	600.00	470.90	108.75	579.65	Mileage
03/07/05	9823	600.00	470.90	109.50	580.40	Mileage
04/04/05	9850	600.00	470.90	109.75	580.65	Mileage
05/02/05	9874	600.00	470.90	110.00	580.90	Mileage
06/06/05	9899	600.00	470.90	109.75	580.65	Mileage
07/05/05	9953	600.00	470.90	111.00	581.90	Salary
08/01/05	9977	600.00	470.90	111.00	581.90	Salary
09/06/05	10005	600.00	470.90	112.00	582.90	Salary
10/03/05	10039	600.00	470.90	115.00	585.90	Salary
11/07/05	10067	600.00	470.90	112.00	582.90	Salary
12/05/05	10094	600.00	470.90	115.00	585.90	Salary
01/02/06	10128	1,000.00	811.50	115.20	926.70	Salary
02/06/06	10158	1,000.00	811.50	167.68	979.18	Salary
03/06/06	10192	1,000.00	811.50	159.20	970.70	398 miles
04/03/06	10212	1,000.00	811.50	164.80	976.30	412 miles
05/01/06	10236	1,000.00	811.50	158.40	969.90	Salary
06/05/06	10266	1,000.00	811.50	172.80	984.30	Salary

Report on Special Investigation of the
City of Hornick

Payroll Checks Issued to Janet Ronsfeldt
For the Period July 1, 2003 through June 30, 2014

Per Payroll Register						Description Payroll Register/ Accounts Payable Listing
Date	Check Number	Gross Wages	Net Pay	Reimbursement	Total Pay	
07/10/06	10303	1,000.00	811.50	168.00	979.50	Salary
08/07/06	10331	1,000.00	811.50	172.70	984.20	432 miles
09/11/06	10359	1,000.00	811.50	184.00	995.50	460 miles
10/02/06	10396	1,000.00	811.50	172.80	984.30	432 miles
11/06/06	10424	1,000.00	811.50	184.00	995.50	460 miles
12/04/06	10452	1,000.00	811.50	185.60	997.10	464 miles
01/01/07	10484	1,000.00	811.50	176.00	987.50	Mileage
02/05/07	10513	1,000.00	811.50	185.00	996.50	Mileage
03/05/07	10544	1,000.00	811.50	185.00	996.50	Mileage
04/02/07	10579	1,000.00	761.50	190.00	951.50	Mileage
05/07/07	10601	1,000.00	761.50	230.00	991.50	Mileage
06/04/07	10631	1,100.00	850.15	199.20	1,049.35	Mileage
07/02/07	10665	1,100.00	847.95	192.00	1,039.95	<i>1,039.95 shown as wages in A/P listing</i>
08/01/07	10695	1,100.00	847.95	205.00	1,052.95	Mileage
09/04/07	10724	1,100.00	847.95	205.00	1,052.95	Mileage
10/01/07	10760	1,100.00	847.95	205.00	1,052.95	<i>mileage/\$1,052.95 shown as wages in listing</i>
11/05/07	10785	1,100.00	847.95	211.20	1,059.15	Mileage
12/03/07	10807	1,100.00	847.95	205.00	1,052.95	<i>Mileage/\$1,052.95 shown as wages in listing</i>
01/07/08	10833	1,100.00	847.95	205.00	1,052.95	Mileage
02/04/08	10865	1,100.00	847.95	211.20	1,059.15	Mileage
03/03/08	10889	1,100.00	847.95	211.20	1,059.15	Mileage
04/07/08	10921	1,100.00	847.95	211.20	1,059.15	Mileage
05/05/08	10949	1,100.00	847.95	211.20	1,059.15	Mileage
06/02/08	10976	1,100.00	847.95	221.76	1,069.71	Mileage
07/07/08	11010	1,100.00	845.75	253.44	1,099.19	Mileage 3 extra trips
08/04/08	11046	1,100.00	845.75	253.44	1,099.19	Mileage 3 extra trips
09/02/08	11075	1,100.00	845.75	253.44	1,099.19	Mileage 3 extra trips
10/06/08	11107	1,100.00	845.75	253.44	1,099.19	Mileage 3 extra trips
11/03/08	11137	1,100.00	845.75	253.44	1,099.19	Mileage 3 extra trips
12/01/08	11159	1,100.00	845.75	253.44	1,099.19	Mileage 3 extra trips
01/05/09	11188	1,100.00	845.75	245.76	1,091.51	Mileage
02/02/09	11211	1,100.00	845.75	245.76	1,091.51	Mileage
03/02/09	11231	1,100.00	970.75	96.80	1,067.55	Mileage
04/10/09	11284	550.00	485.38	-	485.38	None
Total			\$ 47,070.18	10,989.36	58,059.54	

**Report on Special Investigation of the
City of Hornick**

Report on Special Investigation of the
City of Hornick

Non-Payroll Checks Issued to Rebecca Chan-Nelson
For the Period July 1, 2003 through June 30, 2014

Per Check				
Check Date	Check Number	Amount	Improper	Unsupported
04/06/09	11263	\$ 27.00	-	27.00
04/06/09	11264	30.25	-	30.25
05/04/09	11295	163.62	-	163.62
05/04/09	11297	192.50	-	192.50
10/08/09	11437	236.35	236.35	-
12/30/09	11481	231.00	231.00	-
02/01/10	11528	142.64	-	142.64
03/31/10	11560	304.08	304.08	-
10/04/10	11721	347.18	347.18	-
11/19/10	11742	27.85	-	27.85
03/07/11	11844	830.50	830.50	-
06/06/11	11880	45.21	-	45.21
07/05/11	11906	467.64	467.64	-
07/10/11	11908	150.00	150.00	-
09/02/11	11946	300.00	300.00	-
10/03/11	11971	282.08	282.08	-
12/14/11	12004	120.00	120.00	-
01/04/12	12033	122.83	-	122.83
02/06/12	12068	180.00	180.00	-
03/02/12	12085	90.00	90.00	-
Total		<u>\$ 4,290.73</u>	<u>3,538.83</u>	<u>751.90</u>

Report on Special Investigation of the
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Unsupported Payments to Vendors and Individuals
For the Period July 1, 2003 through June 30, 2014

Check Date		Payee	Amount
07/07/03	9180	K Service	\$ 24.80
07/07/03	9183	Green Acres	39.42
07/07/03	9184	Daald Corest Reck & Assoc Co.	111.00
07/07/03	9186	Staples	131.83
07/07/03	9203	Bomgaars	13.98
07/07/03	9208	Menards - Sioux City	77.56
07/07/03	9210	Western IA Coop	72.27
08/04/03	9222	Menards Inc	26.69
08/04/03	9225	Green Acres	56.00
08/04/03	9242	Western IA Coop	117.07
08/04/03	9243	Hornick Mart	11.05
09/02/03	9245	Bomgaars	6.99
09/02/03	9264	Western IA Coop	276.14
09/02/03	9265	K Service	87.95
10/06/03	9282	Farm Plan	65.00
10/06/03	9284	Bomgaars	50.99
10/06/03	9300	Western IA Coop	93.76
10/06/03	9303	Ace Engine & Parts Dists.	652.45
11/03/03	9328	Western IA Coop	126.35
11/03/03	9330	Richard Hermeaus	45.76
11/24/03	9332	RJ Automotive Machine	185.00
12/01/03	9336	Bomgaars	47.47
12/01/03	9338	Menards	50.73
12/01/03	9340	K Service	21.40
12/01/03	9347	Western IA Coop	76.98
12/01/03	9361	Ed Case	150.00
12/01/03	9362	Farm Plan	164.67
01/05/04	9366	Menards Sioux City	109.39
01/05/04	9369	Bomgaars	30.95
01/05/04	9374	Staples	152.95
01/05/04	9383	Western IA Coop	84.84
02/02/04	9402	Western IA Coop	79.24
02/02/04	9410	Hornick Mart	38.31
02/02/04	9413	Menards	17.43

Business Description^	Classification~
Equipment service and repair	Service and repair
Local greenhouse, seasonal items, misc. supplies - vendor acct.	Florist
Parts and materials	Machinery parts and materials
Office supplies	Office supplies
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Hardware chain	Retail - hardware, home improvement
Fuel for city maintenance, propane for city owned buildings	Fuel
Hardware chain	Retail - hardware, home improvement
Local greenhouse, seasonal items, misc. supplies - vendor acct.	Florist
Fuel for city maintenance, propane for city owned buildings	Fuel
Groceries, cleaning supplies, fuel	Convenience store/grocery
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Fuel for city maintenance, propane for city owned buildings	Fuel
Equipment service and repair	Service and repair
Local supplier of parts, batteries etc. (DBA Schenkleberg Implement)	Credit card
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Fuel for city maintenance, propane for city owned buildings	Fuel
Machinery parts and materials	Machinery parts and materials
Fuel for city maintenance, propane for city owned buildings	Fuel
Reimbursement - water meters	Individual
Auto repairs	Automotive
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Hardware chain	Retail - hardware, home improvement
Equipment service and repair	Service and repair
Fuel for city maintenance, propane for city owned buildings	Fuel
Misc. labor reimbursement	Individual
Local supplier of parts, batteries etc. (DBA Schenkleberg Implement)	Credit card
Hardware chain	Retail - hardware, home improvement
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Office supplies	Office supplies
Fuel for city maintenance, propane for city owned buildings	Fuel
Fuel for city maintenance, propane for city owned buildings	Fuel
Groceries, cleaning supplies, fuel	Convenience store/grocery
Hardware chain	Retail - hardware, home improvement

Report on Special Investigation of the
City of Hornick

Unsupported Payments to Vendors and Individuals
For the Period July 1, 2003 through June 30, 2014

Check Date	Check Number	Payee	Amount
02/02/04	9415	Curt Crichton	192.50
03/01/04	9426	Bomgaars	239.98
03/01/04	9427	Western IA Coop	51.10
03/01/04	9429	Staples	63.74
03/01/04	9444	Farm Plan	33.42
03/10/04	9447	Ed Carr	200.00
04/05/04	9457	Menards	100.49
04/05/04	9472	Hornick Mart	339.38
05/03/04	9478	Menards Sioux City	239.93
05/03/04	9483	Staples	80.86
05/03/04	9485	Bomgaars	61.98
05/03/04	9502	K Service	65.75
05/03/04	9504	Western IA Coop	15.32
06/07/04	9510	Sara Pea	61.25
06/07/04	9513	Bomgaars	26.25
06/07/04	9519	Menards	165.04
06/07/04	9542	Green Acres	100.45
06/07/04	9543	Western IA Coop	38.70
07/05/04	9549	Menards Sioux City	487.67
07/05/04	9556	Bomgaars	28.95
07/05/04	9570	Brian Kron	2,125.00
07/05/04	9585	Ed Nelson	45.00
07/05/04	9586	Chuck Rose	40.00
08/02/04	9598	Bomgaars	8.99
08/02/04	9600	Menards	204.68
08/02/04	9614	Brian Kron	1,775.00
08/02/04	9615	Brenda Meyers	40.00
09/07/04	9621	Hornick Mart	478.36
09/07/04	9629	Staples	171.77
10/04/04	9661	Bomgaars	63.98
10/04/04	9662	Marvin Castle	100.00
10/04/04	9682	Hornick Mart	53.41
11/01/04	9687	Hornick Mart	67.79
11/01/04	9688	K Service	12.00
11/01/04	9705	Brian Kron	450.00

Business Description^	Classification~
General labor or reimbursement	Individual
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Fuel for city maintenance, propane for city owned buildings	Fuel
Office supplies	Office supplies
Local supplier of parts, batteries etc. (DBA Schenkleberg Implement)	Credit card
Unknown	Individual
Hardware chain	Retail - hardware, home improvement
Groceries, cleaning supplies, fuel	Convenience store/grocery
Hardware chain	Retail - hardware, home improvement
Office supplies	Office supplies
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Equipment service and repair	Service and repair
Fuel for city maintenance, propane for city owned buildings	Fuel
Warehouse store	Individual
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Hardware chain	Retail - hardware, home improvement
Local greenhouse, seasonal items, misc. supplies - vendor acct.	Florist
Fuel for city maintenance, propane for city owned buildings	Fuel
Hardware chain	Retail - hardware, home improvement
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Plumbing contractor	Individual
Misc. labor reimbursement	Individual
Employee - reimbursement	Individual
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Hardware chain	Retail - hardware, home improvement
Plumbing contractor	Individual
Reimbursement parts and materials	Individual
Groceries, cleaning supplies, fuel	Convenience store/grocery
Office supplies	Office supplies
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Previous employee/reimbursement	Individual
Groceries, cleaning supplies, fuel	Convenience store/grocery
Groceries, cleaning supplies, fuel	Convenience store/grocery
Equipment service and repair	Service and repair
Plumbing contractor	Individual

Report on Special Investigation of the
City of Hornick

Unsupported Payments to Vendors and Individuals
For the Period July 1, 2003 through June 30, 2014

Check Date	Check Number	Payee	Amount
12/06/04	9714	Hornick Mart	110.99
12/06/04	9731	Menards	99.05
12/06/04	9732	Bomgaars	352.27
12/06/04	9739	Staples	190.82
12/06/04	9741	Western IA Coop	91.95
01/03/05	9749	Hornick Mart	41.29
01/03/05	9756	Menards	28.92
01/03/05	9758	Bomgaars	53.28
02/07/05	9792	Bomgaars	76.94
02/07/05	9802	Western IA Coop	34.75
02/07/05	9803	Main Street Grill	25.00
03/07/05	9814	Menards	123.41
04/04/05	9856	Staples	110.06
04/04/05	9857	Menards	113.06
05/02/05	9880	Farm Plan	1.80
05/02/05	9883	Bomgaars	66.88
05/02/05	9884	Hornick Mart	95.77
06/06/05	9901	Staples	70.71
06/06/05	9904	Western IA Coop	78.38
06/06/05	9905	Farm Plan	62.24
06/06/05	9910	Menards	21.46
06/06/05	9921	Hornick Mart	184.96
06/06/05	9923	Green Acres	144.00
07/05/05	9958	Hornick Mart	64.23
08/01/05	9983	Bomgaars	10.99
08/01/05	9988	Western IA Co-op	328.41
09/06/05	10010	Menards	43.83
09/06/05	10011	Bomgaars	29.95
09/06/05	10023	Hornick Mart	210.22
10/03/05	10030	Bomgaars	76.20
10/03/05	10046	Hornick Mart	77.64
10/03/05	10050	Farm Plan	66.00
10/03/05	10053	Menards	21.50
11/07/05	10058	Bomgaars	139.99
11/07/05	10073	Hornick Mart	112.59

Business Description^	Classification~
Groceries, cleaning supplies, fuel	Convenience store/grocery
Hardware chain	Retail - hardware, home improvement
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Office supplies	Office supplies
Fuel for city maintenance, propane for city owned buildings	Fuel
Groceries, cleaning supplies, fuel	Convenience store/grocery
Hardware chain	Retail - hardware, home improvement
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Fuel for city maintenance, propane for city owned buildings	Fuel
Bar & grill	Restaurant
Hardware chain	Retail - hardware, home improvement
Office supplies	Office supplies
Hardware chain	Retail - hardware, home improvement
Local supplier of parts, batteries etc. (DBA Schenkleberg Implement)	Credit card
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Groceries, cleaning supplies, fuel	Convenience store/grocery
Office supplies	Office supplies
Fuel for city maintenance, propane for city owned buildings	Fuel
Local supplier of parts, batteries etc. (DBA Schenkleberg Implement)	Credit card
Hardware chain	Retail - hardware, home improvement
Groceries, cleaning supplies, fuel	Convenience store/grocery
Local greenhouse, seasonal items, misc. supplies - vendor acct.	Florist
Groceries, cleaning supplies, fuel	Convenience store/grocery
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Fuel for city maintenance, propane for city owned buildings	Fuel
Hardware chain	Retail - hardware, home improvement
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Groceries, cleaning supplies, fuel	Convenience store/grocery
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Groceries, cleaning supplies, fuel	Convenience store/grocery
Local supplier of parts, batteries etc. (DBA Schenkleberg Implement)	Credit card
Hardware chain	Retail - hardware, home improvement
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Groceries, cleaning supplies, fuel	Convenience store/grocery

Report on Special Investigation of the
City of Hornick

Unsupported Payments to Vendors and Individuals
For the Period July 1, 2003 through June 30, 2014

Check Date	Check Number	Payee	Amount
11/07/05	10076	Staples	200.42
11/07/05	10077	Moville TV Hardware	21.13
12/05/05	10085	Bomgaars	77.68
12/05/05	10099	Hornick Mart	14.69
12/05/05	10100	Moville True Valley Hardware	48.67
12/05/05	10109	Tool Depot	168.95
12/05/05	10110	Menards Sioux City	564.36
01/02/06	10120	Hornick Mart	190.91
01/02/06	10135	Western IA Co-op	414.55
01/02/06	10139	Bomgaars	14.22
01/02/06	10144	Lenwald, Inc.	41.21
01/02/06	10146	Nogg - 2084973-1	36.59
02/06/06	10145	4T Tack & Boot	10.00
02/06/06	10162	Bomgaars	23.77
02/06/06	10164	Menards	1,160.82
02/06/06	10166	Jims Westside Hardare	43.71
03/06/06	10180	Marvin Castle	431.58
03/06/06	10186	Western IA Co-op	285.72
03/06/06	10196	Bomgaars	57.01
03/06/06	10200	Brandon Meyer	20.00
04/03/06	10221	Staples	168.02
05/01/06	10242	Thigman Co.	241.15
05/04/06	10248	Correctionville Nursery	463.00
06/05/06	10270	Menards	325.02
06/05/06	10281	Bomgaars	87.20
06/05/06	10282	Farm Plan	69.00
06/05/06	10288	Green Acres	205.23
07/10/06	10310	Green Acres	30.00
07/10/06	10311	Bomgaars	32.44
08/07/06	10337	Holtz's Mini Mart	33.35
08/07/06	10344	Menards	191.58
09/11/06	10366	Holtz's Mini Mart	204.49
09/11/06	10370	Staples	107.44
09/11/06	10379	Moville True Valley Hardware	32.96
10/02/06	10401	Holtz's Mini Mart	181.51

Business Description^	Classification~
Office supplies	Office supplies
Hardware	Retail - hardware
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Groceries, cleaning supplies, fuel	Convenience store/grocery
Hardware	Retail - hardware
Tools	Machinery parts and materials
Hardware chain	Retail - hardware, home improvement
Groceries, cleaning supplies, fuel	Convenience store/grocery
Fuel for city maintenance, propane for city owned buildings	Fuel
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
General labor or reimbursement	Unknown
Supplies - towels	Unknown
Shoe sales and repair	Shoe sales
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Hardware chain	Retail - hardware, home improvement
Hardware	Retail - hardware
Previous employee/reimbursement	Individual
Fuel for city maintenance, propane for city owned buildings	Fuel
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Repair pump motor	Individual
Office supplies	Office supplies
Parts and supplies	Machinery parts and materials
Garden supplies & plants	Florist
Hardware chain	Retail - hardware, home improvement
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Local supplier of parts, batteries etc. (DBA Schenkleberg Implement)	Credit card
Local greenhouse, seasonal items, misc. supplies - vendor acct.	Florist
Local greenhouse, seasonal items, misc. supplies - vendor acct.	Florist
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Convenience store - fuel , misc. supplies	Convenience store/grocery
Hardware chain	Retail - hardware, home improvement
Convenience store - Fuel , misc. supplies	Convenience store/grocery
Office supplies	Office supplies
Hardware	Retail - hardware
Convenience store - Fuel , misc. supplies	Convenience store/grocery

Report on Special Investigation of the
City of Hornick

Unsupported Payments to Vendors and Individuals
For the Period July 1, 2003 through June 30, 2014

Check Date	Check Number	Payee	Amount
10/02/06	10402	Green Acres	36.00
10/02/06	10406	Farm Plan	69.00
11/06/06	10428	Holtz's Mini Mart	113.41
11/06/06	10429	Bomgaars	78.91
11/06/06	10436	Menards	79.36
12/04/06	10456	Holtz's Mini mart	51.02
12/04/06	10457	Bomgaars	90.93
12/04/06	10468	Menards Sioux City	154.98
01/01/07	10488	Holtz's Mini Mart	107.83
01/01/07	10489	Bomgaars	51.26
01/01/07	10490	Menards	227.77
01/01/07	10501	Scott Mitchell	575.00
02/05/07	10523	Torco-Remfg	42.50
02/05/07	10528	Holtz's Mini Mart	348.66
03/05/07	10550	Green Acres	61.00
03/05/07	10562	Holtz's Mini Mart	388.57
04/02/07	10574	Holtz's Mini Mart	93.86
05/07/07	10594	Sloan Tire, Auto & Engine Service	35.66
05/07/07	10596	Holtz's Mini Mart	87.29
05/07/07	10603	Bomgaars	24.74
05/07/07	10605	Staples	351.10
05/07/07	10609	Ace Engine & Parts Dists.	46.30
05/07/07	10613	Farm Plan	962.75
05/15/07	10617	Correctionville Nursery	255.00
06/04/07	10626	Holtz's Mini Mart	437.26
06/04/07	10637	Menards	204.16
06/04/07	10645	Bomgaars	117.98
06/04/07	10646	Green Acres	179.90
07/02/07	10660	Holtz's Mini Mart	276.28
07/02/07	10669	Staples	187.47
07/02/07	10675	Bomgaars	161.76
07/02/07	10678	Farm Plan	261.14
07/27/07	11375	Bomgaars	40.87
07/27/07	11379	Menards	39.00
08/01/07	10701	Bomgaars	13.56

Business Description^	Classification~
Local greenhouse, seasonal items, misc. supplies - vendor acct.	Florist
Local supplier of parts, batteries etc. (DBA Schenkleberg Implement)	Credit card
Convenience store - fuel, misc. supplies	Convenience store/grocery
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Hardware chain	Retail - hardware, home improvement
Convenience store - fuel, misc. supplies	Convenience store/grocery
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Hardware chain	Retail - hardware, home improvement
Convenience store - fuel, misc. supplies	Convenience store/grocery
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Hardware chain	Retail - hardware, home improvement
General labor or reimbursement	Individual
Auto parts store	Machinery parts and materials
Convenience store - fuel, misc. supplies	Convenience store/grocery
Local greenhouse, seasonal items, misc. supplies - vendor acct.	Florist
Convenience store - fuel, misc. supplies	Convenience store/grocery
Convenience store - fuel, misc. supplies	Convenience store/grocery
Auto repair	Automotive
Convenience store - fuel, misc. supplies	Convenience store/grocery
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Office supplies	Office supplies
Machinery parts and materials	Machinery parts and materials
Local supplier of parts, batteries, etc. (DBA Schenkleberg Implement)	Credit card
Garden supplies & plants	Florist
Convenience store - fuel, misc. supplies	Convenience store/grocery
Hardware chain	Retail - hardware, home improvement
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Local greenhouse, seasonal items, misc. supplies - vendor acct.	Florist
Convenience store - fuel, misc. supplies	Convenience store/grocery
Office supplies	Office supplies
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Local supplier of parts, batteries, etc. (DBA Schenkleberg Implement)	Credit card
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Hardware chain	Retail - hardware, home improvement
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden

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Check Date	Check Number	Payee	Amount
08/01/07	10702	Staples	184.88
08/01/07	10705	Green Acres	30.00
08/01/07	10706	Farm Plan	228.88
09/04/07	10726	Bomgaars	31.99
09/04/07	10727	Staples	86.98
09/04/07	10728	Western IA Coop	701.81
09/04/07	10729	Farm Plan	66.50
09/04/07	10744	Holtz's Mini Mart	212.89
10/01/07	10755	Holtz's Mini Mart	62.67
10/01/07	10762	Bomgaars	47.47
10/01/07	10765	Farm Plan	71.00
10/01/07	10770	Tony Hansen	643.61
11/05/07	10780	Holtz's Mini Mart	159.79
11/05/07	10788	Bomgaars	5.26
11/05/07	10790	Staples	84.40
11/05/07	10791	Menards	52.13
01/07/08	10838	Bomgaars	135.32
01/07/08	10841	Menards	135.89
01/07/08	10845	Curt Crichton	200.00
01/07/08	10848	Holtz's Mini Mart	200.10
01/07/08	10849	Staples	146.66
02/04/08	10869	Steffen	41.39
02/04/08	10870	Holtz's Mini Mart	65.43
02/04/08	10876	Cyndy Sheam	119.60
02/04/08	10877	Curt Crichton	180.00
03/03/08	10892	Holtz's Mini Mart	143.83
03/03/08	10906	Bomgaars	89.42
03/03/08	10907	Mike's Repair	12.00
04/07/08	10932	Staples	138.86
05/05/08	10962	Staples	191.76
06/02/08	10964	Shelly Ronfeldt	133.73
06/02/08	10988	Holtz's Mini Mart	428.38
06/02/08	10989	Green Acres	224.78
06/02/08	10996	Ed Nelson	150.00
06/02/08	10998	Dick Hansen	53.42

Business Description^	Classification~
Office supplies	Office supplies
Local greenhouse, seasonal items, misc. supplies - vendor acct.	Florist
Local supplier of parts, batteries etc. (DBA Schenkleberg Implement)	Credit card
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Office supplies	Office supplies
Fuel for city maintenance, propane for city owned buildings	Fuel
Local supplier of parts, batteries, etc. (DBA Schenkleberg Implement)	Credit card
Convenience store - fuel, misc. supplies	Convenience store/grocery
Convenience store - fuel, misc. supplies	Convenience store/grocery
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Local supplier of parts, batteries, etc. (DBA Schenkleberg Implement)	Credit card
Mowing -	Individual
Convenience store - fuel, misc. supplies	Convenience store/grocery
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Office supplies	Office supplies
Hardware chain	Retail - hardware, home improvement
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Hardware chain	Retail - hardware, home improvement
General labor or reimbursement	Individual
Convenience store - fuel, misc. supplies	Convenience store/grocery
Office supplies	Office supplies
Reimbursement parts	Individual
Convenience store - fuel, misc. supplies	Convenience store/grocery
<i>Unknown</i>	Individual
General labor or reimbursement	Individual
Convenience store - fuel, misc. supplies	Convenience store/grocery
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Repair	Repair
Office supplies	Office supplies
Office supplies	Office supplies
<i>Unknown</i>	Individual
Convenience store - fuel, misc. supplies	Convenience store/grocery
Local greenhouse, seasonal items, misc. supplies - vendor acct.	Florist
Misc. labor reimbursement	Individual
Reimbursement - park	Individual

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Check Date	Check Number	Payee	Amount
07/07/08	11012	Perez	20.00
07/07/08	11016	Holtz's Mini Mart	318.78
07/07/08	11020	Farm Plan	83.80
07/07/08	11021	Bomgaars	207.41
08/04/08	11052	Holtz's Mini Mart	177.22
08/04/08	11055	Bomgaars	117.30
08/04/08	11058	Green Acres	33.42
09/02/08	11078	Lori Perez	141.64
09/02/08	11079	Holtz's Mini Mart	76.84
09/02/08	11080	Staples	273.93
09/02/08	11081	Bomgaars	186.47
09/02/08	11082	Green Acres	63.00
09/02/08	11089	Menards	21.82
09/02/08	11090	Moville True Valley Hardware	21.15
09/02/08	11094	Farm Plan	71.00
10/06/08	11113	Holtz's Mini Mart	94.53
10/06/08	11116	Menards Sioux City	1,059.40
10/06/08	11122	Sloan Tire, Auto & Engine Service	17.50
10/06/08	11126	Delma Conlon	142.13
11/03/08	11143	Bomgaars	398.00
11/03/08	11145	Menards Sioux City	133.93
12/01/08	11164	Menards	71.40
12/01/08	11172	Staples	150.18
12/01/08	11173	Holtz's Mini Mart	63.50
01/05/09	11194	Holtz's Mini Mart	75.00
02/02/09	11218	Scott Mitchell	65.00
02/02/09	11220	Curt Crichton	190.00
03/03/09	11242	Charles Rose	8.82
03/03/09	11246	Mike's Repair	6.76
03/03/09	11247	Green Acres	54.57
03/03/09	11249	Holtz's Mini Mart	48.99
03/03/09	11250	Staples	215.38
03/03/09	11251	Menards	199.51
03/03/09	11252	Bomgaars	47.97
03/11/09	11254	Hornick Fire Dept.	500.00

Business Description^	Classification~
General labor	Individual
Convenience store - fuel, misc. supplies	Convenience store/grocery
Local supplier of parts, batteries, etc. (DBA Schenkleberg Implement)	Credit card
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Convenience store - fuel, misc. supplies	Convenience store/grocery
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Local greenhouse, seasonal items, misc. supplies - vendor acct.	Florist
General labor - cleaning city hall	Individual
Convenience store - fuel, misc. supplies	Convenience store/grocery
Office supplies	Office supplies
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Local greenhouse, seasonal items, misc. supplies - vendor acct.	Florist
Hardware chain	Retail - hardware, home improvement
Hardware	Retail - hardware
Local supplier of parts, batteries, etc. (DBA Schenkleberg Implement)	Credit card
Convenience store - fuel, misc. supplies	Convenience store/grocery
Hardware chain	Retail - hardware, home improvement
Auto repair	Automotive
<i>Unknown</i>	Individual
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Hardware chain	Retail - hardware, home improvement
Hardware chain	Retail - hardware, home improvement
Office supplies	Office supplies
Convenience store - fuel, misc. supplies	Convenience store/grocery
Convenience store - fuel, misc. supplies	Convenience store/grocery
General labor or reimbursement	Individual
General labor or reimbursement	Individual
Employee - reimbursement	Individual
Repair	Repair
Local greenhouse, seasonal items, misc. supplies - vendor acct.	Florist
Convenience store - fuel, misc. supplies	Convenience store/grocery
Office supplies	Office supplies
Hardware chain	Retail - hardware, home improvement
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Fire Department - new grill	Fire Department

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Check Date	Check Number	Payee	Amount
04/06/09	11259	Sams Club	35.00
04/06/09	11260	Sams Club	909.42
04/06/09	11265	Chesterman's	246.75
04/06/09	11280	Kay Ping	125.00
04/12/09	11285	Sams Club	359.69
04/14/09	11286	Bomgaars	28.70
05/04/09	11301	Holiday Inn Des Moines Airport	162.72
05/04/09	11307	Menards	164.85
05/04/09	11311	Paula Rose	28.87
05/04/09	11316	Staples	35.04
05/18/09	11321	Walmart Stores	46.92
05/18/09	11322	Delma Conlon	173.25
06/01/09	11325	Bomgaars	54.99
06/01/09	11326	Green Acres	215.03
06/01/09	11328	Menards	136.23
06/01/09	11335	Staples	410.41
07/06/09	11357	Shirley Belnap	50.00
07/06/09	11360	Farm Plan	105.44
07/06/09	11364	Menards	35.98
09/09/09	11402	Menards	19.50
09/09/09	11409	Staples	35.12
09/30/09	11426	Bomgaars	56.98
11/02/09	11450	Holiday Inn	197.79
11/02/09	11455	Staples	99.56
12/04/09	11460	Menards	55.72
12/xx/09	11463	Staples	158.12
12/31/09	11482	Lee Mitchell	160.00
12/31/09	11483	Jake Prichard	5.87
01/04/10	11496	Western IA Coop	146.62
02/01/10	11518	The Mart	10.65
02/01/10	11523	Staples	81.56
03/02/10	11541	Menards	114.27
03/02/10	11545	Staples	75.27
03/16/10	11555	Stan Houston	1,803.25
04/05/10	11566	John Newman	60.00

Business Description^	Classification~
Warehouse store	Retail - various
Warehouse store	Retail - various
Pop for machine	Soda vendor
General office help	Individual
Warehouse store	Retail - various
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Hotel	Lodging
Hardware chain	Retail - hardware, home improvement
Mowing, clean city buildings, park maintenance	Individual
Office supplies	Office supplies
Box store (misc. supplies)	Retail - various
Reimbursement - plumbing	Individual
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Local greenhouse, seasonal items, misc. supplies - vendor acct.	Florist
Hardware chain	Retail - hardware, home improvement
Office supplies	Office supplies
<i>Unknown</i>	Individual
Local supplier of parts, batteries, etc. (DBA Schenkleberg Implement)	Credit card
Hardware chain	Retail - hardware, home improvement
Hardware chain	Retail - hardware, home improvement
Office supplies	Office supplies
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Hotel	Lodging
Office supplies	Office supplies
Hardware chain	Retail - hardware, home improvement
Office supplies	Office supplies
General labor or reimbursement	Individual
General labor	Individual
Fuel for city maintenance, propane for city owned buildings	Fuel
Convenience store - fuel, supplies	Convenience store/grocery
Office supplies	Office supplies
Hardware chain	Retail - hardware, home improvement
Office supplies	Office supplies
Reimbursement parts, supplies	Individual
General labor or reimbursement	Individual

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Check Date	Check Number	Payee	Amount
04/05/10	11569	Staples	63.50
05/01/10	11584	Farm Plan	72.76
05/01/10	11587	Holiday Inn	214.46
05/01/10	11589	Menards	23.04
05/01/10	11595	Staples	99.30
05/28/10	11602	Bomgaars	7.98
06/07/10	11606	Green Acres	218.85
06/07/10	11609	Menards	45.68
06/07/10	11615	Western IA Coop	172.71
06/21/10	11628	Todd Clark	75.00
07/12/10	11638	Menards	42.94
07/12/10	11643	Staples	130.49
07/12/10	11644	Western IA Coop	108.03
07/21/10	11651	Gateway Hotel	350.30
08/02/10	11656	Menards	54.91
08/02/10	11660	Staples	65.45
08/02/10	11662	Lee Mitchell	100.00
08/02/10	11664	John Newman	70.00
09/07/10	11678	Farm Plan	89.00
09/07/10	11690	Western IA Coop	276.66
10/04/10	11715	Menards	14.76
10/04/10	11718	Staples	138.34
12/03/10	11748	Menards	27.72
12/03/10	11751	Staples	136.48
01/10/11	11771	Menards	97.60
01/10/11	11775	O'Riellys Auto Parts	26.71
01/12/11	11786	Lee Mitchell	100.00
02/07/11	11790	Bomgaars	153.10
02/07/11	11799	Sams Club	35.00
02/07/11	11801	Staples	301.60
02/07/11	11805	Lee Mitchell	75.00
02/07/11	11806	Ed Nelson	20.00
03/07/11	11811	Chances R.	47.13
03/07/11	11818	O'Riellys Auto Parts	2.99
03/31/11	11810	Ed Nelson	150.00

Business Description^	Classification~
Office supplies	Office supplies
Local supplier of parts, batteries, etc. (DBA Schenkleberg Implement)	Credit card
Hotel	Lodging
Hardware chain	Retail - hardware, home improvement
Office supplies	Office supplies
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Local greenhouse, seasonal items, misc. supplies - vendor acct.	Florist
Hardware chain	Retail - hardware, home improvement
Fuel for city maintenance, propane for city owned buildings	Fuel
General labor	Individual
Hardware chain	Retail - hardware, home improvement
Office supplies	Office supplies
Fuel for city maintenance, propane for city owned buildings	Fuel
Hotel	Lodging
Hardware chain	Retail - hardware, home improvement
Office supplies	Office supplies
General labor or reimbursement	Individual
General labor or reimbursement	Individual
Local supplier of parts, batteries, etc. (DBA Schenkleberg Implement)	Credit card
Fuel for city maintenance, propane for city owned buildings	Fuel
Hardware chain	Retail - hardware, home improvement
Office supplies	Office supplies
Hardware chain	Retail - hardware, home improvement
Office supplies	Office supplies
Hardware chain	Retail - hardware, home improvement
Auto parts	Automotive
General labor or reimbursement	Individual
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Warehouse store	Retail - various
Office supplies	Office supplies
General labor or reimbursement	Individual
Misc. labor reimbursement	Individual
Food for volunteers	Individual
Auto parts	Automotive
Misc. labor reimbursement	Individual

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Check Date	Check Number	Payee	Amount
04/01/11	11825	Lee Mitchell	105.00
04/xx/11	11826	Bomgaars	65.48
04/03/11	11820	Staples	1,218.90
04/04/11	11832	HyVee Floral	53.50
04/04/11	11834	Staples	95.17
05/31/11	11866	Sams Club	117.24
06/06/11	11870	Farm Plan	155.23
06/06/11	11887	Chuck Rose	150.00
07/05/11	11900	Select Parts	4.75
08/01/11	11916	Staples	59.27
09/02/11	11950	Chuck Rose	150.00
10/03/11	11959	Bomgaars	89.98
11/07/11	11979	Bomgaars	23.97
11/07/11	11982	Menards	80.41
11/07/11	11987	Staples	133.89
11/07/11	11990	Chuck Rose	17.61
12/05/11	11988	Menards	427.84
12/05/11	12000	O'Reillye Auto Parts	15.98
12/05/11	12010	Chuck Rose	100.00
01/04/12	12027	Staples	116.13
02/06/12	12054	Dave Kendall	30.00
02/06/12	12057	Sams Club	35.00
02/06/12	12062	Western Ia Coop	145.85
03/02/12	12076	Bomgaars	10.71
03/02/12	12082	Staples	343.69
03/02/12	12084	Dave Kendall	30.00
04/01/12	12048	Chuck Rose	150.00
04/xx/12	12079	Menards	19.18
04/01/12	12100	Dave Kendall	170.00
04/05/12	13002	Chesterman's	84.05
04/23/12	13013	Bomgaars	392.79
05/08/12	13024	Western Ia Coop	175.74
05/15/12	13027	Kay Ping	300.00
05/15/12	13030	Charlie Rose	32.00
05/31/12	13037	Charles Rose	32.00

Business Description^	Classification~
General labor or reimbursement	Individual
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Office supplies	Office supplies
Minutes - funeral flowers	Florist
Office supplies	Office supplies
Warehouse store	Retail - various
Local supplier of parts, batteries, etc. (DBA Schenkleberg Implement)	Credit card
Employee - reimbursement	Individual
Unknown	Machinery parts and materials
Office supplies	Office supplies
Employee - reimbursement	Individual
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Hardware chain	Retail - hardware, home improvement
Office supplies	Office supplies
Employee - reimbursement	Individual
Hardware chain	Retail - hardware, home improvement
Auto parts	Automotive
Employee - reimbursement	Individual
Office supplies	Office supplies
Employee - reimbursement	Individual
Warehouse store	Retail - various
Fuel for city maintenance, propane for city owned buildings	Fuel
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Office supplies	Office supplies
Employee - reimbursement	Individual
Employee - reimbursement	Individual
Hardware chain	Retail - hardware, home improvement
Employee - reimbursement	Individual
Pop for machine	Soda vendor
Lawn & garden, parts, materials, auto supplies	Retail - hardware, lawn & garden
Fuel for city maintenance, propane for city owned buildings	Fuel
General office help	Individual
Employee - reimbursement	Individual
Employee - reimbursement	Individual

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Check Date	Check Number	Payee	Amount
06/04/12	13049	Charles Rose	30.00
07/30/12	13102	Dave Kendall	30.00
08/10/12	13116	Sams Club	21.53
08/30/12	13131	Dave Kendall	30.00
08/31/12	13135	Charles Rose	16.00
09/30/12	13159	Dave Kendall	30.00
11/30/12	13224	Dave Kendall	75.00
02/05/13	13282	Dave Kendall	54.17
02/28/13	13309	Dave kendall	25.00
02/28/13	13310	Dave Kendall	90.88
04/01/13	13330	Dave Kendall	25.00
08/06/13	13462	Dave Kendall	80.00
08/07/13	13480	Charles Rose	25.00
08/07/13	13481	Paula Rose	5.51
09/11/13	13501	Mike Rotnicke	100.00
11/26/13	13579	Dave Kendall	70.00
02/03/14	13647	Dave Kendall	25.00
03/03/14	13681	Dave Kendall	25.00
04/04/14	13698	Jake Pritchard	138.52
05/07/14	13742	Dave Kendall	176.00
06/03/14	13770	Dave Kendall	126.50
06/04/14	13772	Angela Devries	181.16
Total			<u>\$ 54,676.23</u>

^ - The description is based on discussions with City officials and documentation available at City Hall.

~ - The category is based on discussions with City staff and information on the business obtained from internet searches.

Note - Of the \$54,676.23, \$39,857.10 was issued by Ms. Ronfeldt, \$12,083.10 was issued by Ms. Chan-Nelson, and \$2,736.03 was issued by Ms. Sandt.

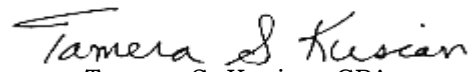
Business Description^	Classification~
Employee - reimbursement	Individual
Employee - reimbursement	Individual
Warehouse store	Retail - various
Employee - reimbursement	Individual
Employee - reimbursement	Individual
Employee - reimbursement	Individual
Employee - reimbursement	Individual
Employee - reimbursement	Individual
Employee - reimbursement	Individual
Employee - reimbursement	Individual
Employee - reimbursement	Individual
Employee - reimbursement	Individual
Employee - reimbursement	Individual
Employee - reimbursement	Individual
Mowing, clean city buildings, park maintenance	Individual
General labor	Individual
Employee - reimbursement	Individual
Employee - reimbursement	Individual
Employee - reimbursement	Individual
General labor	Individual
Employee - reimbursement	Individual
Employee - reimbursement	Individual
Key & locks	Individual

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Staff

This special investigation was performed by:

Annette K. Campbell, CPA, Director
James S. Cunningham, CPA, Manager


Tamera S. Kusian, CPA
Deputy Auditor of State