



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

Mary Mosiman, CPA  
Auditor of State

State Capitol Building  
Des Moines, Iowa 50319-0004

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

**NEWS RELEASE**

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

FOR RELEASE November 30, 2018

Auditor of State Mary Mosiman today released a report on a special investigation of the City of Stockton for the period January 1, 2016 through March 31, 2018. The special investigation was performed as a result of concerns regarding certain financial transactions including payroll, reimbursements, and donations collected for City sponsored events held for the youth in the community.

Mosiman reported the special investigation identified \$3,303.77 of improper and unsupported disbursements and undeposited collections. Mosiman reported the improper disbursements of \$3,051.94 included:

- \$1,435.00 of improper payroll payments to Robert Russell, the former City Maintenance employee, for additional hours he recorded but did not work. According to the former Maintenance employee, the Mayor told him to “pad” his hours and pay him (*the Mayor*) for the work he helped with. The Mayor denied this occurred.
- \$1,299.47 of improper payments to US Cellular for the Mayor’s cell phone plan and cell phones.
- \$54.54 of improper mileage reimbursements to the Mayor.

The \$85.03 of unsupported disbursements was a payment made to the Mayor for which no support was located.

Mosiman also reported the \$166.80 of undeposited collections was the result of rebates issued by Menards to the City which were used by the Mayor to offset expenses he incurred on behalf of the City. The Mayor repaid the \$166.80 in rebates to the City in April 2017 and subsequently submitted a request for reimbursement and supporting documentation totaling \$211.64 which included \$166.80 of supply purchases he made for the City.

In addition, Mosiman reported donations and disbursements for City sponsored events held at City Hall for the youth of the community did not include adequate internal controls over donations and disbursements for the events.

Mosiman also reported it was not possible to determine if additional amounts were improperly disbursed or if additional collections were not properly deposited because adequate documentation was not available.

In addition, Mosiman reported the Mayor used City property for personal use in violation of the Constitution and the *Code of Iowa*. The Mayor admitted to using the City's backhoe to dig a hole for a resident's pet, digging a foundation for a basement, and using the City's plow in the City of Durant. The Mayor stated he had received verbal approval from the City Council. However, the City Council cannot approve an act which does not meet the requirements of the Constitution or the *Code of Iowa* which prohibits the use of City equipment for personal use. In addition, Chapter 21.3 of the *Code of Iowa* requires "The minutes shall show the results of each vote taken and information sufficient to indicate the vote of each member present. The vote of each member present shall be made public at the open session." As a result, verbal approval does not meet the requirements of the *Code* and does not constitute an official action of the City Council.

The report includes recommendations to strengthen the City's internal controls, such as improvements to segregation of duties and ensuring all disbursements are properly supported and the public purpose is documented.

Copies of the report have been filed with the Muscatine County Sheriff's Office, the Iowa Division of Criminal Investigation, the Muscatine County Attorney's Office, and the Attorney General's Office. A copy of the report is available for review in the Office of Auditor of State and on the Auditor of State's web site at <https://auditor.iowa.gov/reports/audit-reports/>.

# # #

**REPORT ON SPECIAL INVESTIGATION  
OF THE  
CITY OF STOCKTON  
FOR THE PERIOD  
JANUARY 1, 2016 THROUGH MARCH 31, 2018**

## Table of Contents

	<u>Page</u>
Auditor of State's Report	3-4
Investigative Summary:	
Background Information	5-6
Detailed Findings	6-15
Recommended Control Procedures	16-19
Exhibits:	<u>Exhibit</u>
Summary of Findings	A      21
Payroll Checks Issued to Robert Russell	B      22-41
Payments and Reimbursements	C      42-43
Staff	44
Appendices:	<u>Appendix</u>
Copy of Written Statement	1      47
Copies of Timesheets	2      48-55
Copies of Menard's Rebate Documentation	3      56-61



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

David A. Vaudt, CPA  
Auditor of State

State Capitol Building  
Des Moines, Iowa 50319-0004

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

Auditor of State's Report

To the Honorable Mayor and  
Members of the City Council:

As a result of concerns regarding certain financial transactions processed by the City, we conducted a special investigation of the City of Stockton. We have applied certain tests and procedures to selected financial transactions of the City for the period January 1, 2016 through March 31, 2018. Based on our review of relevant information and discussions with City officials, we performed the following procedures:

- (1) Evaluated internal controls to determine if proper control procedures were in place and operating effectively.
- (2) Reviewed City Council meeting minutes to identify significant actions and to determine if certain payments were properly approved.
- (3) Interviewed City officials and personnel to determine the propriety of certain disbursements and reimbursements.
- (4) Examined activity in the bank account held by the City to identify any unusual activity.
- (5) Examined payroll disbursements and reimbursements to the former City Maintenance Employee, Robert Russell, to determine the propriety of the payments.
- (6) Examined reimbursements made to Patrick Baker, the City Mayor, to determine if payments were properly approved, supported, and appropriate for the City's operations.
- (7) Scanned images of checks and other bank documents redeemed from the City's bank accounts for reasonableness. We examined supporting documentation for selected disbursements to determine if they were properly approved, supported by adequate documentation, and appropriate for the City's operations.
- (8) Interviewed Robert Russell, the former Maintenance employee, to obtain an understanding of how he carried out his job duties and to obtain an explanation of the hours he recorded on his timesheet.

These procedures identified an estimated \$3,303.77 of improper and unsupported disbursements and undeposited collections. Because supporting documentation was not available for all transactions, it was not possible to determine if additional amounts were improperly disbursed or if all collections were properly deposited. Several internal control weaknesses were also identified. Our detailed findings and recommendations are presented in the Investigative Summary and **Exhibits A** through **C** 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 Stockton, other matters might have come to our attention which would have been reported to you.

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

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

  
MARY MOSIMAN, CPA  
Auditor of State

August 23, 2018

Report on Special Investigations of the  
City of Stockton

Investigative Summary

**Background Information**

The City of Stockton is located in Muscatine County and has a population of approximately 197. City operations are overseen by the Mayor and the City Council. Patrick Baker was elected Mayor on November 3, 2015 and took office on January 1, 2016. The City also employs a City Clerk, a Maintenance employee, Water and Wastewater Operator, and part time staff as needed.

Robert Russell was hired as the temporary Maintenance employee in January 2016. The City Council officially approved hiring Mr. Russell as the permanent Maintenance employee at \$14.00 per hour during the February 11, 2016 City Council meeting. The City did not establish a set number of hours Mr. Russell was expected to work during this meeting. According to the Mayor, it was a part time position. During the September 8, 2016 meeting, the City Council approved Mr. Russell to work a total of 40 hours a month. The City Council also required the prior approval by the Mayor for any hours over the 40 hours.

As the Maintenance employee, Mr. Russell was responsible for:

- Reading water/sewer meters,
- Street maintenance including plowing snow and minor street repairs,
- Maintaining the grounds around City Hall and the City Park, including mowing, weeding, and general repairs; and
- Other maintenance projects as requested by the Mayor and City Council.

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 Muscatine County and remitted to the City. Revenue is also received from customers for water, sewer, and garbage services. The City receives payments through the mail, in person or in the utility collection box located at City Hall. In addition, the United State Postal Service rents half of the City Hall building for \$480 per month.

According to City officials, utility billings are done on a monthly basis. Each month, the Maintenance employee reads the meters, records the readings, and provides the information to the City Clerk. The City Clerk records the readings in the utility system which calculates the bills based on the amount of water used and the utility rates entered into the utility system. The water, sewer, landfill, and garbage rates are set by City ordinance and entered into the utility system once approved. Once the bills are prepared, they are printed and mailed by the City Clerk.

All City disbursements, including payroll, are to be made by check signed by both the City Clerk and the Mayor. All disbursements are to be supported by invoices or other documentation obtained by or submitted to the City Clerk. Supporting documentation is to be placed in the monthly bills folder. Each month the City Clerk prepares a listing of bills and provides the listing to the City Council for approval. After the City Council approves the bills listing, the City Clerk prepares and signs the checks. The checks are then counter signed by the Mayor. The checks are printed using the City's computer system. However, in some cases manual checks are issued if the printer is not working, or when staff are required to pay by check when picking up supplies.

Employees are paid at the beginning of the month for the hours worked the previous month. The City Clerk is a salaried employee and all other City employees are paid on an hourly basis. Employees are required to fill out a daily time sheet with their name, date, work description, start

time, end time, daily hours, and total hours for the pay period. The employee is required to sign the timecard and submit it to the Mayor who reviews and approves the time sheet. Once approved, the time sheet is given to the City Clerk who prepares the payroll checks to be approved at the next City Council meeting.

The City maintains a checking account, savings account, and 3 certificates of deposit at a bank in Blue Grass, Iowa. The City also maintains charge accounts at Menard's, Office Depot, and Paper's Lumber Supply Incorporated. When an employee makes a purchase using a charge account, the employee is required to bring a signed receipt listing the items purchased to the City Clerk. When the monthly bill is received, the City Clerk reconciles the receipts to the bill prior to preparing a check.

In December 2017, the City Clerk contacted the City's Attorney to notify him of issues with the City Maintenance employee's time sheets and concerns the Mayor was using City equipment for his personal use. The Muscatine County Sheriff's Office and the Office of Auditor of State were subsequently notified of these issues.

According to the information provided to the City Attorney, the Maintenance employee, Mr. Russell, told members of the City Council he had been padding his hours and then would turn around and pay the Mayor for work the Mayor had helped him with. He also stated he had been told to pad his hours by the Mayor since the Mayor could not be paid by the City for the work he was performing. According to a Muscatine County Sheriff's Office Detective, the City Clerk also told the City Attorney the Mayor had been using City equipment for his personal use.

Mr. Russell submitted his resignation noting he would resign during the period December 15, 2017 to January 11, 2018. His resignation letter indicated he was resigning because of "constant harassment from the Mayor." Mr. Russell's last day of employment was December 25, 2017.

As a result of the concerns identified, the Office of Auditor of State conducted an investigation of the City's financial records. We performed the procedures detailed in the Auditor of State's Report for the period January 1, 2016 through March 31, 2018.

### **Detailed Findings**

The procedures identified \$3,303.77 of improper and unsupported disbursements and undeposited collections. The \$3,051.94 of improper disbursements includes:

- \$1,435.00 of improper payroll checks issued to Robert Russell, the former Maintenance employee.
- \$237.93 for the City's share of FICA and IPERS paid as a result of the improper payroll checks to Mr. Russell.
- \$1,299.47 of improper payments to US Cellular to provide a cell phone for the Mayor and \$25.00 of improper cell phone reimbursements to a former City Clerk.
- \$54.54 of improper mileage reimbursements to the Mayor.

The procedures also identified the City did not issue receipts for all donations received and did not ensure the \$2,163.37 of reimbursements to the Mayor and another resident for purchasing items for City sponsored events for the youth in the community included only items previously approved by the City Council and did not include items which may have been for personal use.

The \$85.03 unsupported disbursement was a reimbursement to Mayor Baker for which no supporting documentation was available.

In addition, we identified a \$487.26 payment to Stockton Auto, a business owned by Mayor Baker. According to Mayor Baker, he called the members of the City Council who verbally approved having his business do the work. The City Council meeting minutes did not include any discussion or analysis showing it was cost effective for the City to use the Mayor's business instead of another vendor. The minutes also did not include any information noting the City Council had previously verbally approved the Mayor's business do work for the City. In addition, verbal approval does not meet the requirements of Chapter 21.3 of the *Code of Iowa* requiring the vote of each member be documented in the minutes during an open meeting. As a result, verbal approval does not constitute an action of the City Council.

Because supporting documentations was not available for all transactions, it was not possible to determine if additional amounts were improperly disbursed or if additional collections were not properly deposited. All findings are summarized in **Exhibit A** and a detailed explanation of each finding follows.

During an interview we held with Mr. Russell on April 14, 2018 along with a Detective from the Muscatine County Sheriff's Office, Mr. Russell admitted he recorded time he did not actually work. He would then cash his paychecks and give cash to the Mayor. Mr. Russell also stated the Mayor told him to do this in order to pay him (*Mayor*) for work the he had done.

### **IMPROPER AND UNSUPPORTED DISBURSEMENTS**

As previously stated, all City disbursements are made by check. We reviewed all disbursements and redeemed checks from the City's bank accounts for the period of January 1, 2016 through March 31, 2018.

Using the available supporting documentation, bill listings approved by the City Council, information obtained from selected vendors, internet searches, the vendor, frequency and amount of the payments, and discussions with the Mayor and current City Clerk; we classified the disbursements as improper, unsupported, or reasonable.

Disbursements were classified as improper if they were personal in nature or not necessary or reasonable for operations of the City. Disbursements were classified as unsupported if appropriate documentation was not available or it was not possible to determine if the disbursement was related to City operations or was personal in nature. Other disbursements were classified as reasonable based on the vendor, frequency, and amount of the payments, and discussions with City Officials and the current City Clerk. The improper and unsupported disbursements are explained in detail in the following paragraphs. **Exhibit A** summarizes the improper and unsupported disbursements identified.

**Payroll Checks Issued to Robert Russell** – As stated previously Mr. Russell was hired in January of 2016 as the temporary City Maintenance employee and appointed as the permanent Maintenance employee at the February 11, 2016 City Council meeting. Mr. Russell was paid \$14.00 per hour for his duties as the Maintenance employee and authorized to work a total of 40 hours a month. The City Council also required any hours over the 40 hours be approved by the Mayor prior to the work being done.

As previously stated, Mr. Russell completed a time sheet showing the hours he worked, time started, time ended, and a description of what he did. Mr. Russell's timesheets were reviewed and approved by the Mayor. Mr. Russell was paid at the beginning of the month for the hours worked in the prior month.

As previously stated, we interviewed Mr. Russell who admitted to recording extra hours on his timesheets. During the interview, Mr. Russell also stated this began in February 2016 per instruction by the Mayor in order to pay the Mayor for assisting him with work done around the City. Mr. Russell stated this started as a way to pay the Mayor for performing plow work while

Mr. Russell was out of town for his regular job as an over-the-road truck driver. Mr. Russell stated the Mayor acknowledged to him, that he couldn't be dually compensated by the City so they would just add a couple hours to his (*Mr. Russell's*) timesheets when the Mayor helped him with work around the City and they would be even. Mr. Russell stated this stopped in June 2016. According to Mr. Russell, he had a falling out with the Mayor in late 2016 after he had some issue with plowing the rental properties of the Mayor's.

We asked Mr. Russell if he could provide any supporting documentation to corroborate his statement he added hours to his timesheet when Mayor Baker did work for the City, such as plowing, while Mr. Russell was out of town. Mr. Russell was unable to retrieve records which showed when he was out of town and when the Mayor would have worked for the City because the company he worked for no longer had the mileage logs for the period in question.

We reviewed Mr. Russell's approved timesheet and observed that between the months of January 2016 and August 2016, hours consistently exceeded 40 hours per month. The time sheets were approved by the Mayor and there were no indication the Mayor questioned or changed the hours Mr. Russell recorded.

During the interview, Mr. Russell identified specific dates he recorded additional hours on his timesheet for time he did not work in order to compensate the Mayor. In addition, in a written statement provide to the Muscatine County Sheriff's Office, Mr. Russell listed additional dates he recorded hours he did not work in order to pay the Mayor. A copy of this statement is included in **Appendix 1**.

Mr. Russell also stated he cashed his payroll check and never deposited the check. After he cashed his payroll check, he would pay the Mayor in cash and sometimes the Mayor would go to the bank with him when he cashed his payroll check in order to receive his portion of the check timely.

Based on the information provided by Mr. Russell, he recorded an additional 102.5 hours totaling \$1,435.00 of additional pay for the period January 1, 2016 through July 28, 2016. **Exhibit B** lists the specific dates and hours Mr. Russell stated he recorded additional hours in order to pay the Mayor. The **Exhibit** shows the additional hours ranged from 1 hour to 12.5 hours. **Appendix 2** includes copies of several timesheets approved by the Mayor which included the additional hours recorded by Mr. Russell.

Mr. Russell submitted 71 time sheets from January 1, 2016 through July 28, 2016. Of the 71 timesheets, 28 included additional hours where Mr. Russell stated he recorded additional hours to pay the Mayor. Of the 28 time sheets, 9 time sheets included the Mayor's initial approving the time sheet. For the remaining time sheets there was no indication the Mayor approved the timesheet. However, all 28 of the time sheets were approved by the City Council.

The **Exhibit** also shows for 2 of the 7 months where Mr. Russell recorded additional hours the total hours recorded was under the 40 hours authorized by the City Council. For the remaining 5 months, the total hours exceeded the 40 hours authorized by the City Council.

According to Mr. Russell, his hours decreased after August 2017. During the interview, Mr. Russell stated the Mayor asked him if they would have the same arrangement as in 2016; however, because Mr. Russell's son-in-law was hired to assist him he told the Mayor no. Mr. Russell stated the Mayor started scrutinizing his timesheets after Mr. Russell refused to increase hours on his timesheets as he did in the prior year at the request of the Mayor.

During our review of Mr. Russell's time sheets beginning in February 2017, many of Mr. Russell's timesheets included notes on the timesheets, initialed by the Mayor, about issues with Mr. Russell's time. According to the Mayor, he began to closely scrutinize Mr. Russell's timesheets. The **Exhibit** also shows from August 2016 until Mr. Russell resigned in December

2017 there were 6 months where his total hours exceeded the 40 hours authorized by the City Council and 10 months where the hours were less than the 40 hours authorized by the City Council.

We interviewed Mayor Baker regarding the statement he was paid by Mr. Russell for work he performed for the City. The Mayor denied this ever occurred. Because Mr. Russell stated he paid the Mayor in cash, we are unable to determine if Mr. Russell paid the Mayor for the extra hours he included on his timesheets as Mr. Russell stated he was told to do by the Mayor.

Because Mr. Russell admitted to recording additional hours on his timesheet, the \$1,435.00 in additional payroll is included in **Exhibit A** as improper disbursements.

**FICA and IPERS** – As previously stated, Mr. Russell recorded an additional 102.5 hours on his timesheets which he did not work. As a result, when the City Clerk calculated Mr. Russell's gross pay the additional hours were included. As a result, the City paid an additional \$109.78 for the employer's share of FICA and \$128.15 for the employer's share of IPERS for the improper hours claimed by Mr. Russell. The \$109.78 of additional FICA and \$128.15 of additional IPERS payments are included in **Exhibit A** as improper disbursements.

**Cell Phone Payments** – The City Council approved paying \$50.00 to \$100.00 a month for the Mayor's cell phone plan during the February 9, 2012 City Council meeting. The City Council meeting minutes did not include a reason or the public purpose served for paying for a cell phone plan for the Mayor. The City Council previously passed a resolution on March 10, 2011, providing the City Clerk a \$20.00 per month cell phone allowance. However, the current City Clerk has not requested the City provide her the allowance.

Mayor's Cell Phone – For the period January 1, 2016 through March 31, 2018, the City paid US Cellular a total of \$1,839.47 for the Mayor's Cell phone plan. The bills ranged from \$50.76 to \$122.72. Based on the US Cellular bills maintained at City Hall, the monthly payment for the Mayor's cell phone plan includes a monthly service and data usage charge. The bill for the period February 24, 2017 through March 23, 2017 also included the purchase of a "LG K8 Indigo Blue" phone and a "LG K8 Ballistic TJ Case." The \$120.00 cost of the phone was included as a credit as part of the retail installment deferment plan. Because the phone and case are included in the cost of the plan, the phone and case are City property and should be returned when the Mayor leaves office. The City does not have a policy related to cell phone usage.

Although the City Council approved paying the Mayor's cell phone bill, there is no documentation supporting the public benefit of providing the Mayor a City paid cell phone plan. Many people today use a cell phone as their primary telephone. Because residents of a small town will often call the Mayor or Clerk when they have concerns and City Hall is not open, it is reasonable to provide an allowance to the City Clerk and Mayor for using their personal cell phones for City business. However, paying for a cellphone plan and phone for the Mayor which can also be used for personal use is not in the best interest of the public.

As previously stated, the City Council approved a \$20.00 allowance for the City Clerk. As a result, we will accept a \$20.00 allowance as reasonable for the Mayor for using his personal cell phone for City business. For the period of our investigation the stipend paid to the Mayor for the use of his personal cell phone would total \$540.00. The \$1,299.47 difference between the \$1,839.47 paid to US Cellular and the amount which would be paid to the Mayor as a stipend for the period of our investigation is considered improper and is included in **Exhibit A** as an improper disbursement.

City Clerk – As previously stated, the City Council previously approved providing the City Clerk a \$20.00 per month cell phone allowance. We reviewed reimbursement checks to the current and former City Clerk for the period of our investigation. During the period of our investigation, only the former City Clerk received a \$25.00 monthly check for the cell phone allowance. For the 5

months she was employed during the period of our investigation, the former City Clerk received 5 checks totaling \$125.00. Based on the approved allowance rate of \$20.00 per month, the former City Clerk should have received only \$100.00 for the 5 month period. As a result, the former City Clerk received improper reimbursements totaling \$25.00 for the 5 month period. We have included the \$25.00 paid to the former City Clerk for her cell phone allowance in **Exhibit A** as improper disbursements.

**Reimbursements to Mayor Baker** – We identified 18 reimbursements to Mayor Baker totaling \$2,356.29 for the period of our investigation. The reimbursement checks include payments for mileage to meetings in Muscatine and to various businesses to pick up supplies for the water treatment plant or for the City. In addition, the checks included reimbursements for food and supplies for parties held for the City’s youth for Halloween, Christmas, and Easter. **Exhibit C** lists the reimbursement checks issued to Mayor Baker.

We determined of the 18 reimbursement checks to the Mayor, 2 reimbursement checks included mileage reimbursements for meetings in Muscatine for the Muscatine County Solid Waste Commission (MCSWC). The 2 reimbursement checks include:

- Check number 8125 for \$90.50 issued on March 9, 2016 - Mayor Baker’s mileage claim report showed 54 total miles for a MCSWC meeting held on February 6, 2016. According to officials from MCSWC, there was no meeting held on February 6, 2016. The City reimburses mileage at \$0.505 per mile. As a result, the City reimbursed Mayor Baker \$27.27 for a meeting which did not occur. Therefore, the \$27.27 included in check number 8125 issued on March 9, 2016 is improper.
- Check number 8209 for \$35.35 issued on June 10, 2016 – The Mayor included 54 miles on April 28, 2016 for a MCSWC meeting held April 28, 2016. As previously stated, the City pays mileage at a rate of \$0.505 per mile. However, the Mayor previously included the 54 miles for the April 28, 2016 meeting on his April reimbursement request. The Mayor was reimbursed \$0.505 per mile, or \$27.27 for the 54 miles on check number 8179 issued on May 9, 2016. As a result, the Mayor was reimbursed twice for the mileage. Therefore the \$27.27 included in check number 8209 issued on June 10, 2016 is improper.

We have included \$54.54 of improper mileage reimbursements to the Mayor in **Exhibit A** as improper disbursements.

In addition, check number 8134 for \$85.03 issued on March 10, 2016 was not supported by documentation. As a result, the \$85.03 check issued to the Mayor is included in **Exhibit A** as an unsupported disbursement.

### **UNDEPOSITED COLLECTIONS**

During the course of our investigation, we identified a \$166.80 receipt which included the notation “Baker Offset.” The City Clerk provided us a copy of the City Council minutes dated April 10, 2017. According to minutes from this meeting, the City Attorney concluded “the Menards rebates that were claimed by the Mayor for purchases made by the city to offset his personal payments of city expenses, needs to be repaid to the city and an expense report submitted.” A copy of the April 10, 2017 minutes is included in **Appendix 3**.

The supporting documentation maintained by the City showed there were 6 rebates totaling \$166.80 used by Mayor Baker. According to the City Clerk, she contacted Rebates International who tracks the Menard’s rebates. Rebates International was unable to verify if 3 other rebates had been used. The list provided to the City by Rebates International shows the rebate checks, amount of the purchase at Menards, and the amount of the rebate. The City was unable to locate the invoices which related to these purchase. A copy of the list provided to the City by Rebates International is included in **Appendix 3**.

When we asked Mayor Baker about these rebates he stated a former City Clerk never used these rebates so he was going to get use out of them for other City supplies. Mayor Baker provided us with a copy of the money order he gave the City to repay the value of the Menard's rebates he used which matched the \$166.80 "Baker Offset" transaction recorded in the City's general ledger. On April 12, 2017, the Mayor purchased a money order payable to the City of Stockton for \$166.80. The money order was deposited in the City's bank account on May 1, 2017.

On June 8, 2017, the City issued check number 8454 payable to the Mayor for \$211.64. According to the supporting documentation, the check was to reimburse the Mayor for supplies from May and October 2016 which the Mayor stated were related to the Menard's rebates he had kept and subsequently paid back to the City. A copy of the check and supporting documentation is included in **Appendix 3**. The documentation attached to the reimbursement request included the following receipts:

- May 31, 2016 Blain's Farm & Fleet – the receipt totals \$46.00 for the purchase of "Blains Univ Tran Hyd Fluid, 5 Gal (*hydraulic fluid*)" for 42.99 and the related tax of \$3.01. A note on the receipt indicates the fluid was for the Kabota backhoe. The receipt showed it was paid in cash.
- October 9, 2016 Blain's Fleet & Farm – the receipt totaled \$171.64 after a credit for a "Walk Behind String Trimmer Diagnostic" of \$20.00 and the related tax of \$1.04 was applied. The receipt included parts, shipping, an hourly charge and shop supply charges. The receipt does not include any notes indicating what the purchase was for. The receipt shows it was paid in cash.

We reviewed all payments to Menards for the period of our investigation and did not identify any other rebates noted on the Menard's receipts.

Because Mayor Baker used the rebates in lieu of submitting a request for reimbursement and the use of the rebates was not documented in the minutes, the \$166.80 is included in **Exhibit A** as undeposited collections. We have also included the \$166.80 money order from Mayor Baker to the City in **Exhibit A** as a repayment.

## **OTHER ADMINISTRATIVE ISSUES**

**Personal use of Equipment** - Personal use of City equipment is addressed by the following:

- Iowa Constitution. Article 3, Section 31 states, "No public money or property shall be, appropriated for local, or private purposes, unless such appropriation, compensation, or claim, be allowed by two-thirds of the members elected to each branch of the General Assembly."
- Code of Iowa - Chapter 721.2 regarding Nonfelonious misconduct in office states, "Any public officer or employee, or any person acting under color of such office or employment, who knowingly does any of the following, commits a serious misdemeanor:" Specifically 721.2(5) states "Uses or permits any other person to use the property owned by the state or any subdivision or agency of the state for any private purpose and for personal gain, to the detriment of the state or any subdivision thereof."
- Iowa Attorney General Opinion 79-4-26 regarding public purpose states that an older Iowa Code Section 740.20 (1975) prohibits the private use of public property, and, in addition, possibly constitutes an embezzlement."
- Iowa Attorney General Opinion 80-6-10 regarding private use of City property states "Absent the vote of two-thirds of the members of each branch of the General Assembly, a city may not, consistent with the Iowa Constitution, authorize the use of City property by city employees for their private use." Any use outside of official use is defined as personal use, regardless of City Council approval or not.

During the course of our investigation, we were provided information alleging Mayor Baker used City equipment for his personal use. The following is a list of concerns relating to the use of City equipment. We discussed these issues with the Mayor and have included any information he provided to us related to these instances:

- July 24, 2016 - Mayor Baker was stated to have dug a hole for a resident's pet using the City's backhoe. Mayor Baker admitted to digging the hole for the resident and their dog.
- Mayor Baker used the City backhoe to dig a foundation for a basement on Commerce Street that was caving in. Mayor Baker acknowledged using the backhoe, but indicated he had received verbal approval from the City Council.
- Mayor Baker used the City plow at his property on Railroad Street to clear way for personal home building supplies like rock. Mayor Baker denied this claim and stated he would not work on rock outside his property in the middle of winter.
- February 8, 2018 City Council meeting minutes noted Mayor Baker stated he used the plow on the west side of the City of Durant in lieu of roughly \$175 to \$195 charged by Soda Blasting in the City of Durant for repairing the snow plow. However, it was not approved by the City Council. There is no indication in any prior meeting minutes the issue with the plow being broken and needing repair had been discussed with the City Council. Mayor Baker stated he received verbal approval from 2 City Council members on February 6, 2018 to use the plow in the City of Durant.

Mayor Patrick Baker stated in our interview on May 31, 2018 the plow had been at a business, Soda Blasting, in the City of Durant being repaired. According to the Mayor, the plow would not go up and down. An employee of Soda Blasting was able to get the plow functioning properly again and Mayor Baker said he used the plow in front of the business in lieu of the charge to the City for the maintenance work done on the City of Stockton plow truck.

- We received separate concerns from various residents that Mayor Baker's girlfriend owns rental properties in the City of Durant and they suspected Mayor Baker was plowing her properties with the City of Stockton plow truck. When asked about the concerns of plowing his girlfriend's properties in the City of Durant, Mayor Baker denied this and said he has never plowed any of his girlfriend's rental properties in the City of Durant.
- Mayor Baker also stated in our May 31, 2018 meeting that he sent an email out about using the Kubota to let residents know to contact them if they need it for any personal items.
- The prior City Clerk also noted there were several faxes sent which were not related to City business. The faxes were to Holland's Used Auto Parts, Select Used Auto Parts, and one fax sent to Equity Trust Company, which offers many self-directed investments and other types of investment accounts.

We reviewed the City Council meeting minutes to determine if the City Council approved the use of City equipment as stated by Mayor Baker. As stated above, the February 8, 2018 City Council meeting minutes included a statement the Mayor had used the plow in the City of Durant but the minutes did not include any discussion the City Council had previously verbally approved the use of the plow. However, the notation in the minutes was after the snow plow had been repaired and used in the City of Durant.

During our interview and in a subsequent email from Mayor Baker, he stated the recordings of the City Council meetings would have included the approval; however, the tapes had been destroyed by a former City Clerk after being told to maintain the recordings. Mayor Baker also stated it has always been a standard practice for Mayors or City Council members to help citizens using City equipment. In his email, Mayor Baker also alleged instances where the prior

Maintenance employee and previous City Council members did work for residents and City Council members with City equipment. Mayor Baker gave us a booklet of old work orders done by prior mayors and City employees using City equipment on private property while being paid for it.

As previously stated, the Iowa Constitution, *Code of Iowa*, and the Attorney General have concluded City equipment is to only be used for the benefit of all residents in the normal routine business use the equipment was purchased and designated for. In addition, Chapter 21.3 requires the vote of each member be recorded in the minutes during open session. Based on this Chapter, verbal approval by a City Council member, or the entire City Council, does not comply with the *Code of Iowa* and does not constitute an action of the City Council.

Based on the Constitution, *Code of Iowa*, and the Attorney General’s opinion, the City Council cannot violate the Constitution or the *Code if Iowa* by approving the use of City equipment for personal use. As a result, Mayor Baker’s use of City equipment to help specific residents, or for his personal use, even with City Council approval is prohibited.

**Community Events** – According to City officials, the City sponsors several community events for the youth in the community. The events are held in City Hall and are usually held around Halloween, Christmas, and Easter. According to City Officials we spoke with, residents donate money and various items for the events. Money received is to be deposited to the City’s bank account and recorded in the City’s accounting system in the miscellaneous account. Donated items are stored in City Hall until the event. According to the City Clerk, receipts are not issued when money or donated items are received.

According to the City officials, the Mayor and another resident usually purchase the food and any additional supplies needed for the events. In order to be reimbursed, individuals are required to submit receipts and a request for reimbursement to the City Clerk. The request for reimbursement is approved at the next City Council meeting.

The amount reimbursed is limited to the amount the City received in donations. If the receipts submitted for reimbursement exceeded the donations received, the remaining amount is considered a donation from the individual. When the donations received are not sufficient to cover the amount to be reimbursed to the individuals, the City Clerk will allocate the funds equally between the individuals submitting requests for reimbursement. The City will not cover the additional amount requested to be reimbursed.

For the period of our investigation, the City reimbursed the Mayor and another resident a total of \$2,163.37 for the events. As shown in **Exhibit C**, the Mayor received \$676.71 in reimbursements for expenses as part of 2 reimbursement checks. In addition, the City issued 3 checks totaling \$1,486.66 to another individual during the period of our investigation for the events. **Table 1** lists the 3 checks.

**Table 1**

<b>Date</b>	<b>Check Number</b>	<b>Paid to</b>	<b>Event</b>	<b>Amount</b>
05/11/17	8431	Barb Budelier	Easter Party	\$ 686.42
12/14/17	8580	Barb Budelier	Halloween Party	187.70
03/03/18	8635	Barb Budelier	Christmas Party	612.54
Total				<u>\$ 1,486.66</u>

The requests for reimbursement submitted to the City Clerk included receipts from Walmart, Sam’s Club, and other vendors. The receipts included a description of the item and the quantities purchased. The receipts included items such as candy, plates, art and crafts supplies, and other similar items. Based on the dates of the receipts, the purchases were around the time the events were held.

In each case, the total amount of the receipts submitted exceeded the actual amount reimbursed. The receipt included with the supporting documentation for check number 8635 issued to Barb Budelier included \$21.80 for the purchase of beer. Because the amount reimbursed was less than the total of the receipts submitted, the purchase of beer was not reimbursed.

The City Council meeting minutes did not include any discussion or approval of the type of food and other supplies the City approved to be purchased, or discussion of the amount of donations received for the events. Based on the receipts submitted, it is not clear if all the items purchased were for the event or could have been personal in nature. Because the events were held and items were purchased for the events, the \$2,163.37 is not included in **Exhibit A**.

During our interview with Robert Russell on May 31, 2018, Mr. Russell indicated the Mayor always had envelopes with cash to pay expenses related to the events. It was mentioned by several individuals, donations were sometimes given to the Mayor directly in order to purchase items for the parties. The receipts submitted to the City Clerk showed the purchases were often paid by cash and in some cases by a credit card or gift card. As previously stated, the City did not issue receipts for all the money donated for the events. As a result, we cannot determine if the cash used to pay for the items was from donations not deposited with the City or were personal funds.

**Stockton Auto** - While reviewing reimbursements to Mayor Baker, we were also told he owned Stockton Auto. During our interview with Mr. Russell, he stated the City plow's alternator seized up while Mayor Baker was plowing his own property and he fixed it at his personal business and billed the City for the work.

During our review of disbursements, we identified check number 8136 issued on March 10, 2016 for \$487.26 to Stockton Auto. The supporting documentation attached included an invoice for \$342.29 for an alternator, Micro-V Belt, Antifreeze, oil and installation services. A note on the invoice stated it was because the "alternator was froze solid and smoked the belt." A second invoice for \$144.97 was for fixing a quick release pin on the Kubota backhoe, 3 gallons of hydraulic fluid, and shop supplies. The documentation also included a quote from Firestone Automotive for \$405.36 for fixing the alternator on the City plow.

According to Mayor Baker, the quote from Firestone was provided to show it was cheaper for his business to repair the City equipment than to take it to Firestone. Mayor Baker also stated because the plow needed to be towed, he decided to get the City plow repaired at Stockton Auto to save the towing expense. Mayor Baker stated he spoke to City Council members by phone and received verbal approval to do the work at his business.

We reviewed the City Council minutes to determine if there was any discussion or if the City Council approved the Mayor's business to do the repairs. The minutes did not include any discussion of repairs to the City plow or the Kubota backhoe.

Chapter 21.3 of the *Code of Iowa* states in part "The minutes shall show the results of each vote taken and information sufficient to indicate the vote of each member present. The vote of each member present shall be made public at the open session." As a result, verbal approval by a City Council member or the entire City Council does not constitute an action of the City Council.

Payments to a City officer or employee for goods and services, in addition to their normal payroll and allowable reimbursement of expense, are allowed under Chapter 362.5(3)(k) of the *Code of Iowa* as long as the purchase do not exceed a cumulative total of \$2,500.00 in a fiscal year. Because Chapter 362.5(3)(k) allows payments to City officer and employees, the \$487.26 is not included in **Exhibit A** as an improper disbursement.

**Employee Time Cards** - During our initial review of time sheets, we also reviewed the time sheets for Daron Richard, a part time employee. Our review identified 4 time sheets dated January 31, 2018, February 6, 2018, February 12, 2018, and February 14, 2018 which were filled out by Mayor Baker and not signed by Daron Richard. During our interview with Mayor Baker we asked about Mr. Richard's time sheets. The Mayor stated a lot of times he would physically fill out what

the employees did and they would sign their timesheets and turn them in. Mayor Baker stated he mainly did this for Daron Richard. According to the Mayor, Daron helped out with the water maintenance building and other odds and ends around town and if he (*Mayor Baker*) knew what Daron did he would fill out Daron's timesheet for him.

We mentioned this to the City Clerk and she noted they recently changed procedures and require staff to fill out and sign their time sheets prior to being approved by the Mayor. When we returned to complete fieldwork on Monday, April 9, 2018, the 4 time cards had been signed by Daron Richard, but still had Mayor Patrick Baker's handwriting for dates, times, and description of work performed.

**Disbursements** – Because the City did not include the bills listing submitted to the City Council for each meeting, we were unable to determine if all disbursements and reimbursements were approved prior to payment.

**Public Meetings** – Chapter 21.2(2) defines a meeting as “a gathering in person or by electronic means, formal or informal, of a majority of the members of a governmental body where there is deliberation or action upon any matter within the scope of the governmental body's policy-making duties. Meetings shall not include a gathering of members of a governmental body for purely ministerial or social purposes when there is no discussion of policy or no intent to avoid the purposes of this Chapter.”

During the course of our review, we were provided information which alleged the Mayor and City Council members would meet at the Mayor's home or another location prior to the regular City Council meeting in order to discuss the agenda and make decisions prior to the City Council meeting. We were unable to determine if this occurred.

As previously stated, Chapter 21.3 of the *Code of Iowa* also states “The minutes shall show the results of each vote taken and information sufficient to indicate the vote of each member present. The vote of each member present shall be made public at the open session.”

If the Mayor and City Council members were meeting to discuss agenda items or make decisions regarding the operations of the City, the Mayor and City Council violated Chapters 21.2(2) and 21.3 of the *Code of Iowa* related to public meetings. In addition, the Mayor has stated on several occasions he received verbal approval from some of the City Council members outside of City Council meetings. As previously stated, verbal approval by a City Council member, or the entire City Council, does not constitute an official action of the City Council

## **Recommended Control Procedures**

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

- A. Segregation of Duties – An important aspect of internal control is the segregation of duties among employees to prevent an individual employee from handling duties which are incompatible. The City Clerk has control over each of the following areas for the City:
- (1) Bank accounts – receiving and reconciling monthly bank statements to accounting records and custody.
  - (2) Receipts – collecting, posting, deposit preparation and depositing.
  - (3) Utilities – billing, collecting, posting, preparing the deposit, depositing collections, preparing the delinquent account listing, and utility reconciliations.
  - (4) Disbursements - preparation of disbursements listing for City Council approval, check preparation, signing, distribution and posting.
  - (5) Payroll – posting hours from timecards, check preparation, distribution and check signing.
  - (6) Reporting – preparation of City Council meeting minutes, monthly Clerk's reports and Annual Financial Reports.

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.

- B. Payroll – During review of payroll, the following conditions were identified:
- A City employee recorded hours he did not work on his timesheet. He stated this was done in order to pay the Mayor for hours the Mayor worked.
  - The City does not have a policy requiring time sheets be prepared and signed by the employee or to be submitted, reviewed, and approved prior to payment.
  - There is no record the Mayor or City Council approved additional hours above the authorized hours the City Council established for the City Maintenance Employee. However, the timesheets were approved by the Mayor.
  - In 4 instances, the Mayor completed and signed time cards for an employee and did not require the employee to sign the time card.

Recommendation – The City Council should adopt a policy requiring employees prepare and sign detailed time sheets. Times sheets should be approved and initialed by the employee's supervisor or by an independent official who is not involved with payroll.

C. City Council Meetings – We identified the following in regards to City Council meetings:

- Not all disbursement were properly approved by the City Council prior to being paid.
- Chapter 21.3 requires “The minutes shall show the results of each vote taken and information sufficient to indicate the vote of each member present. The vote of each member present shall be made public at the open session.”

According to the Mayor, some of the City Council members provided verbal approval to the Mayor for use of City equipment for personal use and to perform work on City equipment at his business.

- Chapter 21.2(2) defines a meeting as “a gathering in person or by electronic means, formal or informal, of a majority of the members of a governmental body where there is deliberation or action upon any matter within the scope of the governmental body’s policy-making duties. Meetings shall not include a gathering of members of a governmental body for purely ministerial or social purposes when there is no discussion of policy or no intent to avoid the purposes of this chapter.”

The Mayor and City Council members were alleged to have met prior to City Council meetings for the purpose of discussing and making decisions on agenda items in advance of the City Council meeting.

Recommendation – The City Council should ensure all City obligations are paid by check and presented to the City Council for approval prior to being paid. In addition, because verbal approval by the City Council does not constitute an official action of the City Council, the City Council should ensure they comply with Chapters 21.2(2) and 21.3 of the *Code of Iowa*, and not discuss or take any action related to any matter within the scope of their policy-making decisions outside of a public meeting.

D. Store Charge Accounts – The City maintained charge accounts at Menard’s, Office Depot, and Paper’s Lumber Supply Incorporated. The charge slips and invoices were not sufficiently maintained by the City Clerk. Open charge accounts like Menards should be properly maintained and any rebates should be used by the City for additional purchases in the future.

Recommendation – The City should develop a written policy requiring the charge slips and additional support be maintained. The supporting documentation should also include a description of the public purpose of each charge. The City Clerk should also track rebates received from vendors and ensure the rebates are used for purchases related to City operations. The policy should also include steps to request reimbursement from the employee if the invoice and supporting documentation are not presented to the City or the purchase was personal in nature.

E. Disbursements – During our review of the City’s disbursements, we identified the following:

- There was no documentation showing the City Council approved the Mayor attending meetings of a Solid Waste Board or approval of purchases made by the Mayor on behalf of the City prior to the Mayor requesting reimbursement. The reimbursements included mileage for trips to stores, meetings, and conferences and reimbursements for supplies purchased for the City.
- \$2,163.37 paid to reimburse the Mayor and another resident for food and supplies for parties held at City Hall. The City did not discuss or approve the amount or items to be purchased for the City sponsored events prior to the Mayor and another resident purchasing the items. There was also no evidence

the documentation submitted for reimbursement was reviewed to ensure the items purchased were used only for the City sponsored events and did not include excessive quantities or items for personal use.

Recommendation – All disbursements should be supported by invoices or other supporting documentation, reviewed and approved by City Council prior to being paid. For those disbursements paid prior to City Council approval, a listing should be provided to the City Council at the next Council meeting for review and approval. Invoices should also provide information on the public purpose of the disbursement.

F. Cell phone Allowance – The City Council approved paying \$50.00 to \$100.00 per month for the Mayor's monthly cell phone bill and approved providing a former City Clerk a \$20.00 cell phone allowance:

- The City paid a total of \$1,839.47 to US Cellular for the Mayor's cell phone plan during the period of our investigation. The City did not document the public purpose of the paying the entire bill. Because residents of a small town will often call the Mayor or Clerk when they have concerns, it is reasonable to provide an allowance to the Mayor for using his personal cell phone for City business. However, paying for a cellphone plan and phone for the Mayor which can also be used for personal use is not necessarily in the best interest of the taxpayers.

The City Council approved a stipend of \$20.00 per month for other City employees. As a result, we accepted a \$20.00 allowance as reasonable for the Mayor for using his personal cell phone for City business. Based on the \$20.00 approved stipend, the City paid \$1,222.47 of additional charges for the Mayor's cell phone plan.

- The former City Clerk was reimbursed \$25.00 per month instead of the \$20.00 authorized by the City Council. As a result the City paid \$5.00 more per month for the 5 months the Clerk was entitled to the stipend. In total the City improperly paid \$25.00 to the former City Clerk.

Recommendation – The City Council should consider the benefit to the public of paying the cell phone bill of the Mayor, or other employees, or if a stipend to cover a portion of an employee's personal cell phone bill is more appropriate. Based on this analysis, the City Council should implement procedures which ensure all stipends/allowances are properly calculated based on authorized rates. In addition, the City Council should consider and document the public purpose served for providing City officials and employees a stipend/allowance for their cell phones.

G. Personal use of Equipment – We identified several instances where City equipment was used for personal use or to benefit a resident of the City. The Mayor stated this has been a common practice for a number of years. In addition the City does not have a policy or procedures addressing personal use of City equipment or other City property.

Section 721.2 of the Code of Iowa is titled "Nonfelonious misconduct in office" and provides, in part, any public officer or employee who "uses or permits any other person to use the property owned by the state or any subdivision or agency of the state for any private purpose and for personal gain, to the detriment of the state or any subdivision thereof" commits a serious misdemeanor. In addition, the Constitution also prohibits the use of public property for private purposes. Because the Mayor used City property for personal use, he violated the Constitution and the *Code of Iowa*.

Recommendation – City officials should develop policies or procedures prohibiting the use of the City equipment. In addition the policy should address the use of City property included City Hall. Policies should include the fees to be charged, any restrictions on who can use City Hall (non-profit, for profit, political organizations etc.), and consider the City’s liability for use of City Hall or other City property.

H. City Council Oversight – City officials have a fiduciary responsibility to exercise authority over its funds, efficiently and effectively achieve its mission, provide oversight of the City’s operations and maintain the public trust. 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 performed, we determined the City officials did not provide sufficient oversight of the City’s financial transactions including;

- Properly reviewing reimbursement claims submitted by the Mayor.
- Allowing personal use of City equipment.
- Documenting discussion of agenda items.
- Developing and maintaining policy and procedure manuals for City operations.
- Provided verbal approval for purchases and use of City equipment.

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. City Council should maintain documentation of approvals for certain financial transactions when circumventing traditional Council approval for expenditures before they are incurred.

Because verbal approval of the City Council does not constitute an official action of the City Council, the Council should comply with Chapters 21.2 and 21.3 regarding open meetings and recording the vote of each member.

## **Exhibits**

Report on Special Investigation of the  
City of Stockton

Summary of Findings  
For the period January 1, 2016 through March 31, 2018

<b>Description</b>	<b>Exhibit/Page Number</b>	<b>Improper</b>	<b>Unsupported</b>	<b>Total</b>
Improper and unsupported disbursements:				
Checks issued to Robert Russell				
Improper payroll	<b>Exhibit B</b>	\$ 1,435.00	-	1,435.00
FICA	<b>Page 9</b>	109.78	-	109.78
IPERS	<b>Page 9</b>	128.15	-	128.15
Cell Phone payments				
Mayor	<b>Page 9</b>	1,299.47	-	1,299.47
Former City Clerk	<b>Page 10</b>	25.00	-	25.00
Reimbursements to Mayor Patrick Baker	<b>Exhibit C/Page 10</b>	54.54	85.03	139.57
Total improper & unsupported disbursements		3,051.94	85.03	3,136.97
Undeposited Rebates:		166.80	-	166.80
Total		3,218.74	85.03	3,303.77
Less: Repayment by Mayor Baker	<b>Page 11</b>	(166.80)	-	(166.80)
Net amount		\$ 3,051.94	85.03	3,136.97

Report on Special Investigation of the  
City of Stockton

Payroll Checks Issued to Robert Russell  
For the period January 1, 2016 through March 31, 2018

**Per Time sheet**

<b>Date</b>	<b>Start</b>	<b>End</b>	<b>Hours Recorded on Timesheet</b>	<b>Additional Hours Per Mr. Russell ~</b>	<b>Hourly Rate</b>	<b>Amount</b>
01/23/16	9:30 AM	5:30 PM	9.00	2.00	\$ 14.00	28.00
01/24/16	9:30 AM	3:30 PM	6.00	1.00	14.00	14.00
01/30/16	9:30 AM	5:30 PM	8.00	4.00	14.00	56.00
01/31/16	12:00 PM	5:30 PM	5.50	2.00	14.00	28.00
		Subtotal	28.50	9.00		126.00
02/03/16	9:00 PM	4:00 PM	7.00	2.00	14.00	28.00
02/06/16	9:00 PM	12:00 PM	3.00	-	14.00	-
02/07/16	2:30 PM	4:30 PM	2.00	-	14.00	-
02/08/16	5:30 AM	6:45 AM	1.25	1.25	14.00	17.50
02/09/16	2:00 AM	3:15 AM	1.25	1.25	14.00	17.50
02/13/16	7:00 AM	6:00 PM	11.00	1.50	14.00	21.00
02/14/16	11:00 AM	1:30 PM	2.50	3.00	14.00	42.00
02/14/16	3:30 PM	6:00 PM	2.50	-	14.00	-
02/20/16	9:30 AM	5:30 PM	8.00	2.00	14.00	28.00
02/21/16	9:00 AM	4:00 PM	7.00	7.00	14.00	98.00
02/22/16	7:00 AM	2:00 PM	7.00	-	14.00	-
02/28/16	9:00 AM	6:00 PM	9.00	9.00	14.00	126.00
		Subtotal	61.50	27.00		378.00
03/03/16	6:00 AM	8:00 AM	2.00	2.00	14.00	28.00
03/05/16	9:00 AM	7:00 PM	10.00	4.00	14.00	56.00
03/06/16	9:00 AM	7:00 PM	10.00	5.00	14.00	70.00
03/12/16	7:00 AM	12:00 PM	5.00	5.00	14.00	70.00
03/20/16	9:00 AM	2:00 PM	5.00	5.00	14.00	70.00
03/28/16	5:00 PM	6:00 PM	1.00	-	14.00	-
03/29/16	5:00 PM	6:00 PM	1.00	-	14.00	-

**Time sheet  
approved by**

**Mayor**

**Summary of Work per the time sheet**

---

No	Park Maintenance
No	Park Maintenance & Water/Sewer Maintenance
No	Park Maintenance & Street Maintenance
No	Park Maintenance
No	Park Maintenance
No	Park Maintenance
No	Street Maintenance
No	Street Maintenance
No	Street Maintenance
No	Street Maintenance
No	Street Maintenance
No	Street Maintenance
No	Street Maintenance
No	Park Maintenance
No	Park Maintenance
No	Park Maintenance
No	Park Maintenance
No	Street Maintenance
No	Park Maintenance
No	Park Maintenance
No	Park Maintenance
No	Park Maintenance
No	Park Maintenance
Yes	Park Maintenance
Yes	Park Maintenance

Report on Special Investigation of the  
City of Stockton

Payroll Checks Issued to Robert Russell  
For the period January 1, 2016 through March 31, 2018

**Per Time sheet**

<b>Date</b>	<b>Start</b>	<b>End</b>	<b>Hours Recorded on Timesheet</b>	<b>Additional Hours Per Mr. Russell ~</b>	<b>Hourly Rate</b>	<b>Amount</b>
		Subtotal	34.00	21.00		294.00
04/02/16	10:00 PM	6:00 AM	8.00	5.00	14.00	70.00
04/03/16	12:00 PM	4:00 PM	4.00	-	14.00	-
04/07/16	1:00 PM	3:30 PM	2.50	2.50	14.00	35.00
04/16/16	9:30 AM	7:30 PM	10.00	4.00	14.00	56.00
04/17/16	9:30 AM	5:30 PM	8.00	4.00	14.00	56.00
04/19/16	3:00 PM	5:00 PM	2.00	-	14.00	-
04/20/16	2:00 PM	8:00 PM	6.00	-	14.00	-
04/21/16	1:30 PM	8:00 PM	6.50	-	14.00	-
04/23/16	8:00 AM	3:00 PM	7.00	-	14.00	-
04/24/16	8:00 AM	4:00 PM	8.00	-	14.00	-
04/25/16	2:00 PM	5:00 PM	3.00	-	14.00	-
		Subtotal	65.00	15.50		217.00
05/02/16	11:00 AM	5:00 PM	6.00	3.00	14.00	42.00
05/04/16	2:00 PM	7:30 PM	5.50	-	14.00	-
05/05/16	2:30 PM	6:00 PM	3.50	-	14.00	-
05/08/16	12:00 PM	2:30 PM	2.50	2.50	14.00	35.00
05/14/16	7:00 AM	7:30 PM	12.50	12.50	14.00	175.00
05/15/16	7:00 AM	7:30 PM	12.50	-	14.00	-
05/16/16	2:00 PM	8:30 PM	6.50	-	14.00	-
05/20/16	2:30 PM	7:30 PM	5.50		14.00	-
05/21/16	2:00 PM	9:30 PM	7.50	4.00	14.00	56.00
05/23/16	2:00 PM	9:30 PM	7.50	-	14.00	-
05/23/16	2:00 PM	8:00 PM	6.00	-	14.00	-
		Subtotal	75.50	22.00		308.00

**Time sheet  
approved by  
Mayor**

**Summary of Work per the time sheet**

---

Yes Water/Sewer Maintenance  
Yes Street Maintenance  
Yes Park Maintenance  
Yes Street Maintenance  
Yes Street Maintenance  
Yes Park Maintenance  
Yes Water/Sewer Maintenance

Yes Water/Sewer Maintenance  
Yes Park Maintenance  
Yes Park Maintenance  
Yes City Shop Work  
Yes Park Maintenance  
Yes Park Maintenance  
Yes Park Maintenance  
Yes Water/Sewer Maintenance  
Yes Park Maintenance  
Yes Park Maintenance  
Yes Park Maintenance

Report on Special Investigation of the  
City of Stockton

Payroll Checks Issued to Robert Russell  
For the period January 1, 2016 through March 31, 2018

**Per Time sheet**

<b>Date</b>	<b>Start</b>	<b>End</b>	<b>Hours Recorded on Timesheet</b>	<b>Additional Hours Per Mr. Russell ~</b>	<b>Hourly Rate</b>	<b>Amount</b>
06/04/16	9:00 AM	8:00 PM	11.00	4.00	14.00	56.00
06/05/16	4:00 PM	7:00 PM	3.00	-	14.00	-
06/08/16	2:30 PM	4:30 PM	2.00	-	14.00	-
06/13/16	2:00 PM	6:00 PM	4.00	-	14.00	-
06/14/16	3:00 PM	5:00 PM	2.00	-	14.00	-
06/19/16	2:00 PM	6:00 PM	4.00	-	14.00	-
06/20/16	4:00 PM	7:30 PM	3.50	-	14.00	-
06/21/16	2:00 PM	9:30 PM	7.50	-	14.00	-
06/22/16	3:00 PM	6:30 PM	3.50	-	14.00	-
06/24/16	4:00 PM	8:00 PM	4.00	-	14.00	-
06/25/16	3:00 PM	8:00 PM	5.00	-	14.00	-
06/28/16	10:30 AM	6:30 PM	8.00	-	14.00	-
06/30/16	5:00 PM	8:30 PM	3.50	-	14.00	-
		Subtotal	61.00	4.00		56.00
07/02/16	9:00 AM	2:00 PM	5.00	-	14.00	-
07/04/16	10:00 AM	2:30 PM	4.50	-	14.00	-
07/10/16	9:00 AM	1:30 PM	4.50	-	14.00	-
07/11/16	4:30 PM	7:00 PM	3.50	-	14.00	-
07/18/16	1:00 PM	5:30 PM	4.50	-	14.00	-
07/19/16	1:00 PM	2:33 PM	1.50	-	14.00	-
07/19/16	2:33 PM	4:30 PM	2.00	-	14.00	-
07/21/16	1:00 PM	5:00 PM	4.00	-	14.00	-
07/23/16	9:00 AM	12:30 PM	3.50	-	14.00	-
07/25/16	1:00 PM	6:00 PM	5.00	-	14.00	-
07/28/16	11:00	7:00	8.00	4.00	14.00	56.00

**Time sheet  
approved by  
Mayor**

**Summary of Work per the time sheet**

---

No	Park Maintenance
No	Water/Sewer Maintenance
No	Park Maintenance
No	Park Maintenance
No	Park Maintenance
No	Park Maintenance
No	Park maintenance
No	Park Maintenance
No	Park Maintenance
No	Park Maintenance
No	Park Maintenance
No	Park Maintenance
No	Park Maintenance
No	Park Maintenance
No	Park Maintenance
No	Park Maintenance
No	Water/Sewer Maintenance
No	Park Maintenance
Yes	Park Maintenance

Report on Special Investigation of the  
City of Stockton

Payroll Checks Issued to Robert Russell  
For the period January 1, 2016 through March 31, 2018

**Per Time sheet**

<b>Date</b>	<b>Start</b>	<b>End</b>	<b>Hours Recorded on Timesheet</b>	<b>Additional Hours Per Mr. Russell ~</b>	<b>Hourly Rate</b>	<b>Amount</b>
07/30/16	7:00	6:00	11.00	-	14.00	-
07/31/16	11:00	4:30	5.50	-	14.00	-
		Subtotal	62.50	4.00		56.00
08/04/16	1:30	6:00	4.50	-	14.00	-
08/05/16	1:30	5:00	3.50	-	14.00	-
08/06/16	5:00	10:00	5.00	-	14.00	-
08/07/16	11:00	7:00	8.00	-	14.00	-
08/10/16	3:00	7:30	4.50	-	14.00	-
08/14/16	9:00	5:30	8.50	-	14.00	-
08/17/16	1:00	6:00	5.00	-	14.00	-
08/21/16	3:00	8:00	5.00	-	14.00	-
08/24/16	4:00	7:00	3.00	-	14.00	-
08/27/16	5:00	8:30	3.50	-	14.00	-
08/31/16	5:00	8:00	3.00	-	14.00	-
		Subtotal	53.50	-		-
09/03/16	3:30	6:30	3.00	-	14.00	-
09/04/16	3:00	8:00	5.00	-	14.00	-
09/05/16	12:00	3:00	3.00	-	14.00	-
09/11/16	10:00	1:00	3.00	-	14.00	-
09/11/16	2:30	5:00	2.50	-	14.00	-
09/20/16	4:00	7:00	3.00	-	14.00	-
09/21/16	2:30	5:30	3.00	-	14.00	-
09/25/16	9:00	7:30	10.50	-	14.00	-
		Subtotal	33.00	-		-

**Time sheet  
approved by**

**Mayor**

**Summary of Work per the time sheet**

---

Yes	Water/Sewer Maintenance
Yes	Park Maintenance
Yes	Park Maintenance
Yes	Park Maintenance (3.5 hours) & City Shop Work (5 hours)
Yes	Park Maintenance
Yes	Park Maintenance
Yes	Water/Sewer Maintenance
Yes	Park Maintenance
Yes	Park Maintenance
Yes	Park Maintenance
Yes	Park Maintenance
Yes	Water/Sewer Maintenance & Park Maintenance
Yes	Park Maintenance
Yes	Park Maintenance
Yes	Water/Sewer Maintenance & Park Maintenance
Yes	Park Maintenance
Yes	Park Maintenance

Report on Special Investigation of the  
City of Stockton

Payroll Checks Issued to Robert Russell  
For the period January 1, 2016 through March 31, 2018

**Per Time sheet**

<b>Date</b>	<b>Start</b>	<b>End</b>	<b>Hours Recorded on Timesheet</b>	<b>Additional Hours Per Mr. Russell ~</b>	<b>Hourly Rate</b>	<b>Amount</b>
10/05/16	1:00	6:30	5.50	-	14.00	-
10/06/16	2:30	6:00	3.50	-	14.00	-
10/12/16	2:00	6:30	4.50	-	14.00	-
10/14/16	4:00	5:30	1.50	-	14.00	-
10/18/16	1:00	6:30	5.50	-	14.00	-
10/19/16	3:30	7:30	4.00	-	14.00	-
10/21/16	3:00	6:00	3.00	-	14.00	-
10/22/16	4:00	6:00	2.00	-	14.00	-
10/25/16	4:30	7:00	2.50	-	14.00	-
		Subtotal	32.00	-		-
11/04/16	2:30	7:30	5.00	-	14.00	-
11/05/16	11:30	4:30	5.00	-	14.00	-
11/08/16	9:00	2:00	5.00	-	14.00	-
11/09/16	2:30	6:00	3.50	-	14.00	-
11/10/16	4:00	5:00	1.00	-	14.00	-
11/12/16	4:30	5:30	1.00	-	14.00	-
11/15/16	3:30	7:30	4.00	-	14.00	-
11/16/16	3:30	7:00	3.50	-	14.00	-
11/17/16	3:30	5:30	2.00	-	14.00	-
11/19/16	11:00	9:00	10.00	-	14.00	-
11/21/16	2:00	5:00	3.00	-	14.00	-
11/30/16	5:00	7:30	2.50	-	14.00	-
		Subtotal	45.50	-		-
12/03/16	10:30	3:30	5.00	-	14.00	-
12/04/16	10:00	3:00	5.00	-	14.00	-

**Time sheet  
approved by**

**Mayor**

**Summary of Work per the time sheet**

---

Yes	Park Maintenance
Yes	Park Maintenance
Yes	Park Maintenance
Yes	Water/Sewer Maintenance
Yes	Park Maintenance
Yes	Park Maintenance
Yes	Water/Sewer Maintenance
Yes	Street Maintenance
Yes	City Shop Work
No	Park Maintenance
No	Water/Sewer Maintenance
No	Street Maintenance
No	Street Maintenance
No	Street Maintenance
No	Street Maintenance
No	City Hall Maintenance
No	Water/Sewer Maintenance
Yes	Street Maintenance
Yes	Street Maintenance/Park Maintenance
Yes	Street Maintenance

Report on Special Investigation of the  
City of Stockton

Payroll Checks Issued to Robert Russell  
For the period January 1, 2016 through March 31, 2018

**Per Time sheet**

<b>Date</b>	<b>Start</b>	<b>End</b>	<b>Hours Recorded on Timesheet</b>	<b>Additional Hours Per Mr. Russell ~</b>	<b>Hourly Rate</b>	<b>Amount</b>
12/10/16	2:00	5:00	3.00	-	14.00	-
12/10/16	5:30	7:45	2.25	-	14.00	-
12/11/16	11:00	2:00	3.00	-	14.00	-
12/11/16	6:30	11:00	4.50	-	14.00	-
12/14/16	6:00	9:30	3.50	-	14.00	-
12/16/16	4:30	9:00	4.50	-	14.00	-
12/17/16	11:30	2:00	2.50	-	14.00	-
12/17/16	7:30	10:00	2.50	-	14.00	-
12/18/16	10:30	1:30	3.00	-	14.00	-
12/21/16	1:00	4:00	3.00	-	14.00	-
		Subtotal	41.75	-		-
01/10/17	4:00	5:00	1.00	-	14.00	-
01/15/17	9:00	6:00	9.00	-	14.00	-
01/16/17	7:00	9:30	2.50	-	14.00	-
01/21/17	11:00	7:30	8.50	-	14.00	-
01/22/17	11:00	2:00	3.00	-	14.00	-
		Subtotal	24.00	-		-
02/04/17	11:00	4:00	5.00	-	14.00	-
02/05/17	12:00	5:30	5.50	-	14.00	-
02/08/17	2:30	4:00	1.50	-	14.00	-
02/08/17	4:00	5:30	1.50	-	14.00	-
02/11/17	10:30	4:30	6.00	-	14.00	-
02/19/17	9:30	12:30	3.00	-	14.00	-
02/19/17	2:00	5:00	3.00	-	14.00	-
		Subtotal	25.50	-		-

**Time sheet  
approved by**

**Mayor**

**Summary of Work per the time sheet**

---

Yes	Street Maintenance
Yes	Water/Sewer Maintenance
Yes	Street Maintenance
Yes	Street Maintenance
Yes	Street Maintenance
Yes	Water/Sewer Maintenance
Yes	Street Maintenance
Yes	Street Maintenance & Water/Sewer Maintenance
Yes	City Hall Maintenance
Yes	Street Maintenance
Yes	Street Maintenance
Yes	Street Maintenance & City Hall Maintenance
Yes	Water/Sewer Maintenance
Yes	Street Maintenance

Report on Special Investigation of the  
City of Stockton

Payroll Checks Issued to Robert Russell  
For the period January 1, 2016 through March 31, 2018

**Per Time sheet**

<b>Date</b>	<b>Start</b>	<b>End</b>	<b>Hours Recorded on Timesheet</b>	<b>Additional Hours Per Mr. Russell ~</b>	<b>Hourly Rate</b>	<b>Amount</b>
03/04/17	10:30	6:00	7.50	-	14.00	-
03/05/17	10:30	6:00	7.50	-	14.00	-
03/07/17	4:30	6:30	2.00	-	14.00	-
03/11/17	12:30	6:30	6.00	-	14.00	-
03/12/17	11:00	5:30	6.50	-	14.00	-
03/13/17	3:30	7:30	4.00	-	14.00	-
03/19/17	12:00	4:30	4.50	-	14.00	-
03/25/17	10:00	12:30	2.50	-	14.00	-
03/26/17	3:30	7:00	3.50	-	14.00	-
		Subtotal	44.00	-		-
04/01/17	9:00	6:30	9.50	-	14.00	-
04/02/17	10:00	3:00	5.00	-	14.00	-
04/09/17	9:00	2:00	5.00	-	14.00	-
04/14/17	12:30	2:30	2.00	-	14.00	-
04/14/17	4:00	5:30	1.50	-	14.00	-
04/15/17	11:00	2:00	3.00	-	14.00	-
04/22/17	11:30	2:30	3.00	-	14.00	-
04/23/17	10:00	6:00	8.00	-	14.00	-
04/29/17	10:00	2:30	4.50	-	14.00	-
		Subtotal	41.50	-		-
05/07/17	11:00	6:00	7.00	-	14.00	-
05/09/17	2:00	6:00	4.00	-	14.00	-
05/13/17	9:00	3:00	6.00	-	14.00	-
05/14/17	10:00	4:00	6.00	-	14.00	-

**Time sheet  
approved by  
Mayor**

**Summary of Work per the time sheet**

---

Yes	City Hall Maintenance
Yes	Park Maintenance
Yes	City Shop Work
Yes	City Hall Maintenance/Park Maintenance
Yes	Street Maintenance
Yes	Street Maintenance
Yes	Water/Sewer Maintenance
Yes	Street Maintenance
No	Street Maintenance/Park Maintenance
No	Water/Sewer Maintenance
No	Water/Sewer Maintenance
No	Street Maintenance
No	Water/Sewer Maintenance
No	Park Maintenance
No	Park Maintenance
No	Park Maintenance
No	Park Maintenance
No	Park Maintenance
No	No time sheet
No	Park Maintenance

Report on Special Investigation of the  
City of Stockton

Payroll Checks Issued to Robert Russell  
For the period January 1, 2016 through March 31, 2018

**Per Time sheet**

<b>Date</b>	<b>Start</b>	<b>End</b>	<b>Hours Recorded on Timesheet</b>	<b>Additional Hours Per Mr. Russell ~</b>	<b>Hourly Rate</b>	<b>Amount</b>
05/16/17	3:52	4:52	1.00	-	14.00	-
05/21/17	10:00	5:00	7.00	-	14.00	-
05/22/17	1:00	4:30	3.50	-	14.00	-
05/23/17	2:30	5:30	3.00	-	14.00	-
		Subtotal	37.50	-		-
06/01/17	2:00	6:00	4.00	-	14.00	-
06/02/17	1:00	7:00	6.00	-	14.00	-
06/05/17	3:30	9:00	5.50	-	14.00	-
06/09/17	6:30	9:00	2.50	-	14.00	-
06/10/17	7:00	11:00	4.00	-	14.00	-
06/10/17	1:00	3:00	2.00	-	14.00	-
06/11/17	9:00	7:00	10.00	-	14.00	-
06/18/17	9:00	2:00	5.00	-	14.00	-
06/24/17	8:00	11:00	3.00	-	14.00	-
06/25/17	9:30	6:00	8.50	-	14.00	-
06/25/17	6:30	8:00	1.50	-	14.00	-
		Subtotal	52.00	-		-
07/01/17	10:00	5:00	7.00	-	14.00	-
07/02/17	10:00	5:30	7.50	-	14.00	-
07/04/17	9:30	3:30	6.00	-	14.00	-
07/08/17	6:30	10:30	4.00	-	14.00	-
07/09/17	11:30	5:00	5.50	-	14.00	-
07/10/17	1:00	4:00	3.00	-	14.00	-
07/15/17	9:00	8:00	11.00	-	14.00	-
07/16/17	9:00	2:30	5.50	-	14.00	-

**Time sheet  
approved by**

**Mayor**

**Summary of Work per thet time sheet**

---

No	Park Maintenance
No	Street Maintenance
No	Park Maintenance
No	Park Maintenance
No	Park Maintenance
No	Park Maintenance
No	Park Maintenance
No	Street Maintenance
No	Street Maintenance
No	Street Maintenance
No	Street Maintenance/Park Maintenance
No	Water/Sewer Maintenance
No	Park Maintenance
No	Park Maintenance
No	Park Maintenance
No	Street Maintenance
No	Park Maintenance
No	Park Maintenance
No	Park Maintenance
No	Park Maintenance
No	Park Maintenance
No	Park Maintenance
No	Park Maintenance
No	Park Maintenance

Report on Special Investigation of the  
City of Stockton

Payroll Checks Issued to Robert Russell  
For the period January 1, 2016 through March 31, 2018

**Per Time sheet**

<b>Date</b>	<b>Start</b>	<b>End</b>	<b>Hours Recorded on Timesheet</b>	<b>Additional Hours Per Mr. Russell ~</b>	<b>Hourly Rate</b>	<b>Amount</b>
07/18/17	2:00	5:00	3.00	-	14.00	-
07/21/17	4:30	6:30	2.00	-	14.00	-
07/23/17	12:30	5:30	5.00	-	14.00	-
07/26/17	12:00	6:30	6.50	-	14.00	-
07/27/17	11:30	7:30	8.00	-	14.00	-
		Subtotal	74.00	-		-
08/05/17	9:00	5:00	8.00	-	14.00	-
08/06/17	9:30	4:00	6.50	-	14.00	-
08/07/17	1:04	6:30	5.00	-	14.00	-
08/08/17	4:00	5:30	1.50	-	14.00	-
08/15/17	1:30	4:00	3.50	-	14.00	-
08/22/17	4:00	7:00	3.00	-	14.00	-
08/26/17	9:00	8:00	11.00	-	14.00	-
08/27/17	9:30	1:30	4.00	-	14.00	-
		Subtotal	42.50	-		-
09/02/17	9:30	2:30	5.00	-	14.00	-
09/05/17	4:00	6:30	2.50	-	14.00	-
09/07/17	2:00	7:00	5.00	-	14.00	-
09/08/17	5:30	7:30	2.00	-	14.00	-
09/10/17	12:30	5:00	4.50	-	14.00	-
09/20/17	2:00	5:00	3.00	-	14.00	-
09/29/17	3:15	4:15	1.00	-	14.00	-
		Subtotal	23.00	-		-
10/15/17	1:13	4:13	3.00	-	14.00	-

**Time sheet  
approved by**

**Mayor**

**Summary of Work per thet time sheet**

---

No	Park Maintenance
No	Water/Sewer Maintenance
No	Park Maintenance
No	Park Maintenance
No	Park Maintenance
No	Park Maintenance
No	Park Maintenance
No	Park Maintenance
No	Water/Sewer Maintenance
No	City Hall Maintenance
No	Park Maintenance

Report on Special Investigation of the  
City of Stockton

Payroll Checks Issued to Robert Russell  
For the period January 1, 2016 through March 31, 2018

**Per Time sheet**

<b>Date</b>	<b>Start</b>	<b>End</b>	<b>Hours Recorded on Timesheet</b>	<b>Additional Hours Per Mr. Russell ~</b>	<b>Hourly Rate</b>	<b>Amount</b>
10/19/17	11:16	2:00	2.75	-	14.00	-
10/22/17	4:23	6:44	2.25	-	14.00	-
10/23/17	3:00	4:30	1.50	-	14.00	-
10/24/17	3:39	5:39	2.00	-	14.00	-
10/28/17	1:00	5:30	4.50	-	14.00	-
10/31/17	12:30	5:30	4.00	-	14.00	-
		Subtotal	20.00	-		-
11/06/17	10:41	4:41	6.00	-	14.00	-
11/11/17	12:50	5:50	5.00	-	14.00	-
		Subtotal	11.00	-	14.00	-
					14.00	
12/23/17	5:00	7:30	2.50	-	14.00	-
12/24/17	11:00	8:30	9.50	-	14.00	-
12/25/17	10:00	1:30	3.50	-	14.00	-
		Subtotal	15.50	-		-
		Total	1,004.25	102.50		1,435.00

- According to Mr. Russell, he included the additional hours the Mayor helped in the total hours he recorded as worked on his timesheet.

**Time sheet  
approved by**

**Mayor**

**Summary of Work per the time sheet**

---

No	Park Maintenance
No	Water/Sewer Maintenance
No	Water/Sewer Maintenance
No	Park Maintenance
No	Park Maintenance
No	Park Maintenance
No	Street Maintenance
No	Park Maintenance
No	Street Maintenance
No	Water/Sewer Maintenance & Street Maintenance
No	Water/Sewer Maintenance

---

Report on Special Investigation of the  
City of Stockton

Payments and Reimbursements  
For the period January 1, 2016 through March 31, 2018

**Payments to Patrick Baker**

<b>Transaction Date</b>	<b>Check Number</b>	<b>Description</b>	<b>Amount</b>
01/14/16	8091	Keys, Hardware, Diesel fuel	\$ 98.91
03/09/16	8125	Solid waste meeting, Muscatine Board meeting, Menard's, Durant Generator Battery trip	90.50
03/10/16	8134	No supporting documentation found	85.03
04/11/16	8157	County conf meeting, keys, trash, reimb for party	567.33
05/09/16	8179	Solid Waste Meeting Mileage, key set, Kubota maintenance	127.44
06/10/16	8209	4/28, 5/9 Attorney Interview Meeting, Solid Waste meeting	35.35
07/15/16	8242	Pizza for Clean-up day, Kubota Fuel, Hydraulic Fluid Kubota, Mower parts	132.53
09/08/16	8272	7/28 Solid Waste, EMA Meeting	30.30
10/13/16	8295	9/22/16 Municipal Communications	19.19
12/08/16	8332	Solid waste, 3 trips to Muscatine, Wilton Attorney Meetings	108.07
01/12/17	8360	Water treatment Muscatine	16.41
02/09/17	8379	Mileage to Solid Waste, 4 trips to Davenport for supplies	97.97
05/11/17	8439	Mileage to Solid Waste & Iowa Illinois Indiana Fdtn for Fair Contracting	71.71
06/08/17	8454	May & Oct 2016 supplies receipts	211.64
07/13/17	8485	Postage for water samples	24.10
02/08/18	8620	Water plant supplies, building maintenance supplies	179.28
03/03/18	8639	Mileage - Constr materials, Christmas Party reimb	394.88
03/08/18	8649	Mileage to Muscatine Solid Waste, Water Plant Cleaning Supplies, & Muscatine County Conference Board	65.65
			<u><u>\$ 2,356.29</u></u>

<b>Supported</b>	<b>Improper</b>	<b>Unsupported</b>	<b>Community Events</b>
98.91	-	-	-
63.23	27.27	-	-
-	-	85.03	-
167.33	-	-	400.00
127.44	-	-	-
8.08	27.27	-	-
132.53	-	-	-
30.30	-	-	-
19.19	-	-	-
108.07	-	-	-
16.41	-	-	-
97.97	-	-	-
71.71	-	-	-
211.64	-	-	-
24.10	-	-	-
179.28	-	-	-
118.17	-	-	276.71
65.65	-	-	-
<b>1,540.01</b>	<b>54.54</b>	<b>85.03</b>	<b>676.71</b>

Report on Special Investigation of the  
City of Stockton

Staff

This special investigation was performed by:

Annette K. Campbell, CPA, Director  
James S. Cunningham, CPA, Manager  
Marcus B. Johnson, Staff Auditor  
Andrew J. Salwolke, Assistant Auditor

  
Tamera S. Kusian, CPA  
Deputy Auditor of State

## **Appendices**

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

Report on Special Investigation of the  
City of Stockton

Copy of Written Statement

My Confession on Pat Baker The Mayor for The City of Stockton Having me Falsify Timesheets so he can receive Payments for doing work around Town other than Mayor duties This is Time and dates he work on City maintenance and received Payments from me

2-19-16

1 1/2 hr snow Removal

2-14-16

3 hr snow Removal

2-21-16

7 hr working around town

3-3-16

2 hr snow Removal

3-5-16

4 hr working around town

5-18-16

11 1/2 City wide cleanup

5-17-16

3 hr working around town

32 hr at a rate of 14.00

23 hr

~~4-18-16~~

3-6-16

5 hr working around town

3-12-16 Working around town  
7 hr help cleaning up the city  
Park

19

3-20-16

5 working at the city  
maintenance shed

20

3-21-16

6 hr setting fire to a brush pile  
Cleaning out the maintenance shed  
Cleaning around town for Easter

4-7-16

4 working on the Big Kubota

5-8-16

3 hr working on the Big Kubota  
down at Pats Shop

5-21-16

4 hr Taking Junk to The landfill





**Appendix 2**

Report on Special Investigation of the  
City of Stockton

Copies of Timesheets

MONTH 2<sup>nd</sup> YEAR 2016

EMPLOYEE:						
DATE	IN	AM/PM	OUT	AM/PM	TOTAL HOURS	DEPARTMENT
2-23-16	9:00	AM	6:00	PM	9hr	Lagoon Cutting Trees
3-3-16	6:00	AM	8:00	AM	2hr	Snow removal
3-5-16	9:00	AM	7:00	PM	10hr	<del>Street Department</del> Lagoon Cutting Trees
3-6-16	9:00	AM	7:00	PM	10hr	<del>Logan's</del> Cutting Trees
3-12-16	7:00	AM	12:00	PM	5hr	<del>Street Department</del> Tiny Tot's Pavilion
3-20-16	9:00	AM	2:00	PM	5hr	Street Department Cutting Trees
TOTAL HRS.					41hr	
EMPLOYEE SIGNATURE <u>Robert Russell</u>						

Louis  
10:00  
404  
Central St

Report on Special Investigation of the  
City of Stockton

Copies of Timesheets

MONTH 3-25 TO YEAR 16  
8-25

EMPLOYEE:						
DATE	IN	AMPM	OUT	AMPM	TOTAL HOURS	DEPARTMENT
3-28-16	5:00	Pm	6:00	Pm	1 hr	working on the Kobota
3-29-16	5:00	Pm	6:00	Pm	1 hr	working on the Kobota
4-2-16	10:00	Pm	6:00	Am	8 hr	working at the maintenance building
4-3-16	12:00	Pm	4:00	Pm	4 hr	STREETS
4-7-16	1:00	Am	3:30	Pm	2 1/2 hr	working on the Kobota Backhoe
4-16-16	9:30	Am	7:30	Pm	10 hr	STREETS working in the dishes
4-17-16	9:30	Am	5:30	Pm	8 hr	STREETS working in the dishes
4-19-16	3:00	Pm	5:00	Pm	2 hr	working on the Kobota
4-20-16	2:00	Pm	8:00	Pm	6 hr	working on the Kobota
4-21-16	1:30	Pm	8:00	Pm	6 1/2 hr	working on the Kobota
4-23-16	8:00	Am	3:00	Pm	7 hr	mowing
4-24-16	8:00	Am	4:00	Pm	8 hr	mowing & weed cutting
4-25-16	2:00	Pm	5:00	Pm	3 hr	water meter reader
TOTAL HRS.					62	
EMPLOYEE SIGNATURE <u>Robert Russell</u>						

Robert Russell  
670 hrs  
Timesheet?



**Appendix 2**

Report on Special Investigation of the  
City of Stockton

Copies of Timesheets

MONTH 4-25 YEAR 16  
To 5-25

EMPLOYEE:						
DATE	IN	AMPM	OUT	AMPM	TOTAL HOURS	DEPARTMENT
5-2-16	11:00	Am	5:00	Pm	6	Working on the water Turn off down at The Foundry
5-4-16	2:00	Pm	7:30	Pm	5 1/2	Mowing
5-5-16	2:30	Pm	6:00	Pm	3 1/2	WEE-EATING
5-8-16	12:00	Pm	2:30	Pm	2 1/2	Working down at The City Shop
5-14-16	7:00	Am	7:30	Pm	12 1/2	City wide clean up
5-15-16	7:00	Am	7:20	Pm	12 1/2	Working on The Rubota and mowing and Wee eating at The City Hall
5-16-16	2:00	Pm	4:30	Pm	<del>2 1/2</del> 6 1/2	Working on The litter Rubota and mowing
5-21-16	2:00	Pm	9:30	Pm	7 1/2	Working on The Big mower and mowing down at The lot room
5-22-16	2:00	Pm	9:30	Pm	7 1/2	mowing and signs
5-23-16	2:00	Pm	8:00	Am	6	Mowing and Wee eating at The lot room
5-20-16	2:30	Pm	7:30	Pm	5 1/2	WATER ENTER reading and getting parts for The City
TOTAL HRS.					75 1/2	
EMPLOYEE SIGNATURE						

Report on Special Investigation of the  
City of Stockton

Copies of Timesheets

MONTH 5-25 YEAR 16  
C-25

EMPLOYEE:						
DATE	IN	AMPM	OUT	AMPM	TOTAL HOURS	DEPARTMENT
6-4-16	9:00	AM	8:00	PM	11	Mowing and working on The Little Kabota, Throttle Cable Brake
6-5-16	7:00	PM	7:00	PM	2	Finished mowing and weed eating
6-8-16	2:30	PM	4:30	PM	2	Loaded up the Little Kabota and took it over to John's around and off
6-15-16	2:00	PM	6:00	PM	4	Dealing with the rain at John Deere and putting house's on the back hoe
6-17-16	2:00	PM	5:00	PM	2	Cutting up a tree on Skatler St, cleaning out the gutters at City
6-19-16	3:00	PM	6:00	PM	4	reading water meter and
6-20-16	4:00	PM	8:30	PM	3 1/2	Mowing and working on The Big Kabota
6-21-16	2:00	PM	9:50	PM	7 1/2	running after parts with Pat and working on The Big Kabota and mowing
6-22-16	3:00	PM	6:30	PM	3 1/2	mowing
6-24-16	4:00	PM	8:00	PM	4	Mowing and weed eating in town
6-25-16	5:00	PM	8:00	PM	3	working down at The lagoons
TOTAL HRS.					49 1/2	
EMPLOYEE SIGNATURE <u>Robert Russell</u>						

Report on Special Investigation of the  
City of Stockton

Copies of Timesheets

Robert Russell

August 2016

Date	Start	End	Hours	Dept
7/28/2016	11:00	7:00	8	110
7/30/2016	7:00	6:00	11	110
7/31/2016	11:00	4:30	5.5	110
8/4/2016	1:30	6:00	4.5	110
8/5/2016	1:30	5:00	3.5	110
8/6/2016	5:00	10:00	5	110
8/7/2016	11:00	7:00	8	110
8/10/2016	3:00	7:30	4.5	110
8/14/2016	9:00	5:30	8.5	110
8/17/2016	1:00	6:00	5	110
8/21/2016	3:00	8:00	5	110
8/24/2016	4:00	7:00	3	110

71.5

Approved by: \_\_\_\_\_



Report on Special Investigation of the  
City of Stockton

Copies of Timesheets



THE CITY OF STOCKTON  
318 Commerce Street  
P.O. Box 307  
Stockton, IA 52769-0307

## Daily Time Sheet

Name: Robert Russell

Date: 7-28-16

Work Description: I am doing The Foundation  
For The wall down at The City Shed, and started  
mowing in Town

Start Time: 11:00<sup>AM</sup> Start Time: \_\_\_\_\_ Start Time: \_\_\_\_\_

End Time: 7:00<sup>PM</sup> End Time: \_\_\_\_\_ End Time: \_\_\_\_\_

Hours: 8 Hours: \_\_\_\_\_ Hours: \_\_\_\_\_

Total hours for the day: 8

X Robert Russell

Employee Signature

Report on Special Investigation of the  
City of Stockton

Copies of Menard's Rebate Documentation

101

Stockton City Council Proceedings  
April 10, 2017

Mayor Baker called the special meeting of the Stockton City Council to order at 5:04 p.m. with council members M. Halferty, Clark, Taschner, Riley and H. Halferty present. Clerk Janet Wheeler and City Attorney Craig Oppel were present. Introductions were made between the City Attorney and the Council members.

Regarding a property owner's refusal to allow the city meter reader on their property to read meters will be addressed by Mr. Oppel with the property owner's attorney.

No action was taken on the vacation by salaried part-time employees.

Regarding threats to the Mayor, Mr. Oppel advised, the Mayor to follow existing ordinances and state code, to document employee conduct and discipline. Communication should be documented by recording, text, email, or written letters.

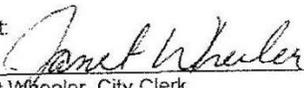
Mr. Oppel will contact Ms. Schwartz from John S Peavy Law Office for clarification on the contents of her letter addressed to the City Clerk and Council.

Per Mr. Oppel, the Menards rebates that were claimed by the Mayor for purchases made by the city to offset his personal payment of city expenses, needs to be repaid to the city and an expense report submitted.

A motion to adjourn at 6:07 was made by Clarke, and seconded by Taschner. All Ayes.

\_\_\_\_\_  
Pat Baker, Mayor

Attest:

  
\_\_\_\_\_  
Janet Wheeler, City Clerk

Report on Special Investigation of the  
City of Stockton

Copies of Menard's Rebate Documentation

**UNITED STATES POSTAL SERVICE** **CUSTOMER'S RECEIPT**

SEE BACK OF THIS RECEIPT FOR IMPORTANT CLAIM INFORMATION  
**NOT NEGOTIABLE**

Pay to: CITY OF STOCKTON (SET OFF RETURN) KEEP THIS RECEIPT FOR YOUR RECORDS

Address: [Redacted]

Serial Number: **24022101677** Year, Month, Day: **2017-04-12** Post Office: **527470** Amount: **\$166.80** Check: **06**

**UNITED STATES POSTAL SERVICE** **POSTAL MONEY ORDER**

Serial Number: **24022101677** Year, Month, Day: **2017-04-12** Post Office: **527470** Amount and Cents: **\$166.80**

Pay to: CITY OF STOCKTON Check: **06**

Address: [Redacted]

Memo: SET OFF RETURN

POSTAL MONEY ORDER SIGNATURE: [Signature]

POSTAL MONEY ORDER ADDRESS: 100 RAYBURN ST

POSTAL MONEY ORDER NUMBER: **24022101677**

special  
Meeting before  
4/10/17 mms

discussion of  
set off

check of difference

Report on Special Investigation of the  
City of Stockton

Copies of Menard's Rebate Documentation

Rebate receipts reviewed by Rebates International

Rebate Purchase 11% total

5316	64.02	\$ 7.04
5186	482.83	\$53.11
6036	448.87	\$49.38
6036	44.98	\$ 4.95
6497	291.90	\$32.11
6497	183.77	\$20.21

Total rebates 166.80

Uncertain of rebate amounts

4201	3/5/16
4184	3/5/16
4006	2/1/16

Report on Special Investigation of the  
City of Stockton

Copies of Menard's Rebate Documentation

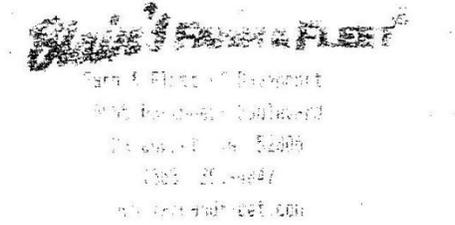
CITY OF STOCKTON, IOWA			008454
		150 PATRICK BAKER	
INVOICE #	REFERENCE	GL ACCOUNT #	NET
5/31/17	HYDR FLUID, TRIMMER REPAI	110-210-6399	211.64

CHECK DATE: 6/08/17

CHECK # 8454 TOTAL - \*\*\*\*211.64

Report on Special Investigation of the  
City of Stockton

Copies of Menard's Rebate Documentation



Date: 06/01/2018  
Time: 11:29 AM  
Trans: 9012      Assoc: 26150

Main Data Trans No: 9012, 5.641	
Subtotal	42.99
TAX 11.70000	42.99
TOTAL	46.00

CASH      100.00  
CHANGE      54.00

\*\*\*\*\*  
Please keep your receipt  
Last day for refund is 07/30/2018  
\*\*\*\*\*

Thank you for shopping at Farm & Home  
Find us on Facebook.



*[Handwritten signature]*

Report on Special Investigation of the  
City of Stockton

Copies of Menard's Rebate Documentation

**Blain's FARM & FLEET<sup>®</sup>**  
 Farm & Fleet of Danversport  
 1908 Route 11 Boulevard  
 Danversport, IA 52608  
 (563) 381-0847  
 www.farmandfleet.com

Store: 26                      Date: 10/09/2016  
 Rep : 006                    Time : 05:23 PM  
 Trans: 0052                 Assoc: 262022

CUSTOMER COPY - EXCHANGE

Walk Behind String Trimmer Diagnostic Ch  
 594498 1 @ 20.00      R    -20.00    T1  
 Invoice Number 894681

Subtotal                      20.00-R  
 TAX 11 7.000% 20.00            1.40-R

COUNTRY HOME PROD Special Order (PARTS)

622090 1 @ 27.99            27.99    T1

Invoice Number 894681

BPPSES BLVB Spark Plug  
 831476 1 @ 2.29            2.29    T1  
 Invoice Number 894681

K&W Oil Filter  
 604162 1 @ 7.99            7.99    T1  
 Invoice Number 894681

CPE Special Order

292177 1 @ 14.31            14.31    T1  
 Invoice Number 894681

Shipping Charges

438255 1 @ 10.00            10.00    R

Invoice Number 894681

COUNTRY HOME PROD Special Order (PARTS)

622080 1 @ 44.99            44.99    T1  
 Invoice Number 894681

Walk-Behind String Trimmer Flat Rate/Hour

594515 1 @ 70.00            70.00    T1  
 Invoice Number 894681

Small Engine Shop Supply Charge

482358 1 @ 3.50            3.50    T1  
 Invoice Number 594681

Subtotal                      161.07

TAX 11 7.000% 171.07            11.97

TAX RT 0.000% 10.00            0.00

Subtotal                      161.07

TAX                              10.57

TOTAL                          171.64

CASH                            200.00

CHANGE                        28.36-

\*\*\*\*\*  
 Please keep your receipt  
 Last day for refund is 12/08/2016  
 \*\*\*\*\*

Thank you for shopping at Farm & Fleet  
 Find us on Facebook.

