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NEWS RELEASE

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FOR RELEASE _____ July 1, 2009

Auditor of State David A. Vaudt today released a report on a special investigation of the City of Lacona for the period September 1, 2004 through August 15, 2008. The special investigation was requested by the Council. The investigation began after a fire occurred at the building which housed City Hall, the Fire Department and the Library. As a result of damage caused by the fire, many of the City's records were destroyed.

Vaudt reported the special investigation identified \$48,789.96 of improper and unsupported disbursements and undeposited collections. Vaudt also reported it was not possible to determine if there were additional improper disbursements or undeposited collections because limited records were available.

The \$41,989.19 of improper disbursements include \$16,483.19 for improper net pay issued to Anna Hoffman, the former City Clerk, \$5,712.93 of reimbursements to Ms. Hoffman, \$6,803.50 of purchases Ms. Hoffman made at Wal-Mart and \$5,328.22 of charges to City credit cards.

The \$5,330.77 of unsupported disbursements includes \$3,983.22 of purchases made with the City credit card issued to Ms. Hoffman for which additional information could not be obtained from the vendor.

The \$1,470.00 of undeposited collections includes \$1,300.00 of water meter deposits and hook-up fees, \$150.00 of tobacco permit fees and \$20.00 of building permit fees.

The report also includes recommendations to strengthen the City's internal controls, such as improvements to segregation of duties, ensuring utility billings, collections and delinquencies are reconciled each month, ensuring Council minutes are properly signed in accordance with the *Code of Iowa* and developing written accounting policies and procedures.

Copies of the report have been filed with the State Fire Marshall's Office, the Division of Criminal Investigation, the Warren 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 <http://auditor.iowa.gov/specials/specials.htm>.

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**REPORT ON SPECIAL INVESTIGATION
OF THE
CITY OF LACONA

FOR THE PERIOD
SEPTEMBER 1, 2004 THROUGH AUGUST 15, 2008**

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Auditor of State's Report

To the Honorable Mayor and
Members of the City Council:

At your request, we conducted a special investigation of the City of Lacona as a result of concerns regarding certain financial transactions. We have applied certain tests and procedures to selected financial transactions of the City for the period September 1, 2004 through August 15, 2008. Based on our review of relevant information and discussions with City officials and staff, we performed the following procedures:

- (1) Evaluated internal controls to determine whether adequate policies and procedures were in place and operating effectively.
- (2) Reviewed activity in bank accounts held by the City to identify any unusual activity.
- (3) Scanned all disbursements from the City's accounts and examined images of selected transactions to determine if they were appropriate, reasonable, properly approved and supported by adequate documentation.
- (4) Examined all of the City's credit card statements for the period of July 1, 2003 through August 15, 2008 to determine if the purchases made with the credit cards were appropriate, reasonable and properly approved. We also determined if the purchases listed on the statements were supported by adequate documentation.
- (5) Examined all travel reimbursements to Anna Hoffman, the former City Clerk, to determine if the amounts disbursed were appropriate, properly approved and supported by adequate documentation.
- (6) Compared available approved bill listings included in the Council meeting minutes to the bank images of the checks issued from the City's checking accounts to identify any differences.
- (7) Examined all payroll checks to Ms. Hoffman to determine whether the appropriate number of checks were issued and the amounts of the checks were properly calculated.
- (8) Examined deposits to the City's bank accounts to determine the source, purpose and propriety of each deposit.
- (9) Confirmed payments to the City by the State of Iowa and Warren County to determine if they were properly deposited to the City's accounts.
- (10) Reviewed the Community Hall rental fees to determine if they were properly deposited to the City's accounts. We also reviewed alcohol, building and tobacco permits to determine if they were properly deposited to the City's accounts.
- (11) Reviewed water meter hook up fees to determine if they were properly deposited to the City's accounts.

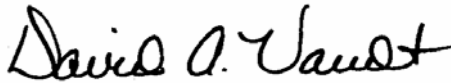
- (12) Examined available utility billings and collection records to determine if utility activity was properly accounted for and deposited.
- (13) Compared water purchased by the City to the amounts billed to residents and utility collections to determine if the City's recorded utility activity correlated with the amount of water purchased.
- (14) Compared selected residents' utility bills to authorized rates and to information recorded in the City's utility billing software to determine if billings were properly calculated and if the amount recorded in the software agreed with utility billings received by residents.
- (15) Obtained and reviewed personal bank statements for accounts held at certain financial institutions by Ms. Hoffman to identify the source of certain deposits. We also reviewed disbursements from the accounts to determine if any payments were made to the City.

These procedures identified \$48,789.96 of improper disbursements, unsupported disbursements and undeposited collections. We were unable to determine if additional amounts were improperly disbursed or if additional collections were not properly deposited because adequate records for receipts and disbursements were not available. Several internal control weaknesses were also identified. Our detailed findings and recommendations are presented in the Investigative Summary and **Exhibits A** through **F** 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 Lacona, other matters might have come to our attention that would have been reported to you.

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

We would like to acknowledge the assistance and many courtesies extended to us by the officials and personnel of the City of Lacona, the State Fire Marshall's Office and the Division of Criminal Investigation during the course of our investigation.



DAVID A. VAUDT, CPA
Auditor of State



WARREN G. JENKINS, CPA
Chief Deputy Auditor of State

May 15, 2009

City of Lacona
Investigative Summary

Background Information

The City of Lacona is located in Warren County and has a population of 360. Anna Hoffman was hired as the City Clerk in 2001. As the City Clerk, Ms. Hoffman was responsible for:

- 1) Receipts – collections, posting to the accounting records, deposit preparation and depositing of the receipts,
- 2) Utility Billings – preparation of billings, payment collection, posting to customer accounts and accounting records, application of penalties and/or liens, deposit preparation and deposit of collections,
- 3) Disbursements – making purchases, receiving certain goods and services, presentation of proposed disbursements to the Council, maintaining supporting documentation, check preparation and signing, distribution and posting to the accounting records,
- 4) Payroll – calculation, check preparation and signing, distribution and posting to the accounting records and
- 5) Reporting – preparation of Council minutes and financial reports.

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 Warren County and remitted to the City. Revenue is also received throughout the year from households and businesses in the City for water, sewer and garbage services. In addition, the City collects fees for Community Hall rentals, township fire support and various licenses and permits.

All City disbursements are to be made by check authorized on a monthly basis by the City Council. The City's checks required only Ms. Hoffman's signature. Bank statements and check images were not periodically reviewed by members of the City Council.

During June 2008, a concerned citizen contacted the Office of Auditor of State requesting information regarding the petition process for conducting a re-audit of the City of Lacona. The citizen expressed concerns funds were not properly accounted for and senior citizens were charged to use the restroom at City Hall.

A month later, the Mayor spoke with a representative of the Office of Auditor of State regarding the petition and requested a written "Request for Proposals" (RFP). During the discussion, the Mayor indicated he would discuss the RFPs received by the City for audit services with the Council and the Office of Auditor of State would be notified of the Council's decision.

On July 7, 2008, Ms. Hoffman submitted her resignation which was effective July 31, 2008 or when a replacement was hired, whichever came first. Shortly before 7:00 p.m. on August 4, 2008, a fire was reported at the building which housed City Hall, the City's Fire Department and the Library. As a result of damage caused by the fire, many of the City's records were destroyed.

At the request of a representative of the State Fire Marshall's Office, we contacted the Mayor to arrange for the collection and securing of any salvageable City records. With the Mayor's permission, we gathered certain records and held them for the City until a decision was made by the Council regarding procurement of an audit of the City's records.

The Mayor subsequently contacted the Office of Auditor of State to perform a review of the City's financial transactions. As a result, we performed the procedures detailed in the Auditor of State's Report for the period of September 1, 2004 through August 15, 2008.

Because a number of the City's financial records, including bank statements, were destroyed in the fire, we were unable to readily obtain certain financial information. With the assistance of representatives of the financial institution at which the City's bank accounts were held, we were able to obtain copies of bank statements and images of certain additional bank documents from September 1, 2004 through August 15, 2008.

Detailed Findings

These procedures identified \$48,789.96 of improper disbursements, unsupported disbursements and undeposited collections during the period September 1, 2004 through August 15, 2008. We were unable to determine if additional amounts were improperly disbursed or if additional collections were not properly deposited because adequate records for receipts and disbursements were not available.

The \$41,989.19 of improper disbursements include:

- \$16,483.19 of improper net pay issued to Ms. Hoffman,
- \$5,712.93 of reimbursements to Ms. Hoffman,
- \$6,803.50 of purchases made at Wal-Mart and
- \$5,328.22 of charges to the City's credit cards.

The \$5,330.77 of unsupported disbursements include:

- \$3,983.22 of purchases made with the City credit card issued to Ms. Hoffman and
- \$1,098.89 of reimbursements to Ms. Hoffman.

The \$1,470.00 of undeposited collections include:

- \$1,300.00 of water meter deposits and hook-up fees and
- \$150.00 of tobacco permit fees.

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

IMPROPER AND UNSUPPORTED DISBURSEMENTS

During our investigation, we reviewed bank statement activity from the City's checking and savings accounts for the period September 1, 2004 through August 15, 2008 and identified several improper and unsupported disbursements. The improper and unsupported disbursements are explained in more detail in the following sections of this report.

Because we were unable to review check images for payments issued prior to September 1, 2004, we are unable to determine if additional improper or unsupported disbursements exist prior to the period of our investigation. As previously stated, Ms. Hoffman began employment as the City Clerk in 2001.

As stated previously, checks issued from the City's checking account required only Ms. Hoffman's signature. Ms. Hoffman prepared and provided a listing of bills to Council members at the monthly Council meetings. The listings included the payee and amount of each payment. Some, but not all, of the listings also specified check numbers for the payments. Based on the details provided on the listings, members of the City Council

approved disbursements from the City's checking account. Copies of selected listings recovered from City Hall are included in **Appendix 1**.

We compared the payee, amount, timing and check number (if provided) for payments included on the monthly listings to images of checks issued from the City's checking account and identified several improper and unsupported disbursements. We also identified the following concerns:

- The amounts Ms. Hoffman recorded on the listings for certain vendors were frequently less than or greater than the amount the checks were actually issued for. We were unable to determine why Ms. Hoffman included payment amounts which did not agree with the amounts of the actual checks.
- For the listings which included check numbers, we determined many of the check numbers on the listings did not agree with the actual check numbers issued from the City's checking account, although the timing, payee and amount all agreed.
- On several occasions, Ms. Hoffman indicated on the listing a check number was voided. However, the check subsequently cleared the City's checking account.
- Some check numbers were omitted entirely from the listings. Some of these checks were issued to Ms. Hoffman, which is discussed in a subsequent section of this report.

Because of the damage caused by the fire, it was necessary to obtain bill listings from a variety of sources. We were able to obtain listings for some months from records recovered from City Hall. Listings for other months were obtained from City officials and imaged files from the City's computer Ms. Hoffman used while conducting City business.

Unauthorized Payroll and Reimbursements – Ms. Hoffman began employment with the City prior to July 1, 2001. As City Clerk, Ms. Hoffman was entitled to a monthly salary. According to the Mayor, she was also eligible for reimbursement of any purchases she made with personal funds on behalf of the City. However, because Ms. Hoffman was able to make purchases directly with City funds and she had a City credit card, there would be limited reasons for making purchases with personal funds for which she was subsequently reimbursed.

Because the fire destroyed any payroll journals which Ms. Hoffman prepared, we determined Ms. Hoffman's authorized gross salary from payroll tables for 2005 and 2006 we recovered from an image of the City's computer. Copies of the tables we recovered are in **Appendix 2**. We were unable to locate similar tables for periods subsequent to December 31, 2006.

We also calculated Ms. Hoffman's monthly gross salary amounts by obtaining quarterly payroll reports filed with the Internal Revenue Service (IRS), the Iowa Department of Workforce Development (IWD) and the Iowa Public Employees' Retirement System (IPERS) for the City.

Table 1 lists Ms. Hoffman's authorized gross salary for the period July 1, 2004 through August 15, 2008. The **Table** also includes the amounts of monthly net pay Ms. Hoffman received. The amounts of Ms. Hoffman's net pay from July 1, 2004 through December 31, 2006 were documented on the 2005 and 2006 payroll tables included in **Appendix 2**. These amounts agreed with the checks issued to Ms. Hoffman during this period. The amounts of Ms. Hoffman's net pay from January 1, 2007 through July 2008 were determined by reviewing the checks issued to her.

Table 1		
Time Period	Authorized Salary	
	Gross	Net
07/01/04 – 06/30/05	\$ 689.52	594.26
07/01/05 – 06/30/06	717.10	619.71
07/01/06 – 12/31/06	745.78	640.14
01/01/07 – 06/30/07	745.78	642.99
07/01/07 – 06/30/08	775.61	664.15
07/01/08 – 08/15/08	791.12	675.02

We identified 89 checks issued to Ms. Hoffman during the period of our investigation. Of the 89 checks, 69 agreed in amount with Ms. Hoffman's monthly net pay at the time of issuance. An additional 4 checks were for amounts greater than Ms. Hoffman's monthly net pay. Based on the amounts and dates of the checks issued, they appear to include a reimbursement in addition to Ms. Hoffman's monthly net pay. Of the 4 checks, 1 was included in the 2006 payroll table recovered from the image of the City's computer. The 73 checks which include Ms. Hoffman's monthly net pay are listed in **Exhibit B**. The remaining 16 checks issued to Ms. Hoffman for reimbursements during the period of our investigation are included in **Exhibit C**.

As illustrated by **Exhibit B**, the check numbers for 10 of the checks were identified as void by Ms. Hoffman on the listing provided to the Council. Also, as illustrated by **Exhibit B**, 14 of the checks issued to Ms. Hoffman were listed in the 2005 and 2006 payroll tables we recovered from an image of the City's computer. The **Exhibit** also includes 2 checks which match the payroll tables in amount and month. However, the check number in the payroll table is a digit off from the actual check number. It appears the payroll tables may have included erroneous check numbers for these 2 months.

Also, as illustrated by **Exhibit B**, Ms. Hoffman received more than 1 check for the net amount of her authorized monthly salary during a number of months. As previously stated, we obtained payroll reports filed for the City with the IRS, IWD and IPERS for the period of our investigation. We compared the gross salary amount reported by Ms. Hoffman to these entities to her authorized salary on a quarterly basis. **Table 2** contains the comparison. The **Table** also includes the gross amount of the checks Ms. Hoffman actually received.

As illustrated by the **Table**, the gross salary paid to Ms. Hoffman exceeds her authorized salary and the gross amount of payroll she reported for herself to 1 or more of the entities listed for 14 of the 15 quarters for which we had information. Also as illustrated by the **Table**, Ms. Hoffman did not file information with IPERS for the period July 1, 2007 through September 31, 2007.

The **Table** also illustrates Ms. Hoffman reported to the IRS, IWD and IPERS she received only 2 months of salary for the quarter ended December 31, 2005. In addition, she reported to IWD she received only 2 months of salary for the quarter ended June 30, 2008. We are unable to determine why she reported receiving less than she was authorized and actually received. We are also unable to determine why Ms. Hoffman reported to IWD she received 5 monthly salary payments for the quarters ended March 31, 2007 and June 30, 2007 or why she reported \$100 less than she should have for the next 2 quarters.

Table 2

Quarter Ended	Authorized Gross Salary	Gross Salary Reported			Gross Salary Actually Paid
		IRS	IWD	IPERS	
12/31/04	2,068.56	NA	2,068.56	2,068.56	2,758.08
03/31/05	2,068.56	2,068.56	2,068.56	2,068.56	4,137.12
06/30/05	2,068.56	2,068.56	2,068.56	2,068.56	3,447.60
09/30/05	2,151.30	2,151.30	2,151.30	2,151.30	3,585.50
12/31/05	2,151.30	1,434.20	1,434.20	1,434.20	2,868.40
03/31/06	2,151.30	2,151.30	2,151.30	2,151.30	2,151.30
06/30/06	2,151.30	2,151.30	2,151.30	2,151.30	2,868.40
09/30/06	2,237.34	2,237.34	2,237.34	2,237.34	2,983.12
12/31/06	2,237.34	2,237.34	2,237.34	2,237.34	4,474.68
03/31/07	2,237.34	2,237.34	3,728.90	2,237.34	2,983.12
06/30/07	2,237.34	NA	3,728.90	2,237.34	3,728.90
09/30/07	2,326.83	NA	2,226.83	NR	4,653.66
12/31/07	2,326.83	NA	2,226.83	2,326.83	3,878.05
03/31/08	2,326.83	NA	2,326.83	2,326.83	3,878.05
06/30/08	2,326.83	2,237.34	1,551.22	2,326.83	3,878.05

NA – Not available

NR – None reported

Table 3 compares Ms. Hoffman's amount of authorized net pay for the period of our investigation to the checks listed in **Exhibit B**. As illustrated by the **Table**, Ms. Hoffman received \$16,483.19 more than her authorized net pay. We were unable to locate documentation or Council approval to support the additional payments to Ms. Hoffman. Because Ms. Hoffman did not include the unauthorized payments in the reports to the IRS or IPERS, the City did not incur additional costs for the related employer's share of payroll costs. The \$16,483.19 of unauthorized net pay is included in **Exhibit A**.

Table 3

Description	For the period						Total
	09/01/04 – 06/30/05	07/01/05 – 06/30/06	07/01/06 – 12/31/06	01/01/07 – 06/30/07	07/01/07 – 06/30/08	07/01/08 – 08/15/09	
Number of months	10	12	6	6	12	1	
x Authorized net pay per month (Table 1)	\$ 594.26	619.71	640.14	642.99	664.15	675.02	
Maximum authorized net pay	5,942.60	7,436.52	3,840.84	3,857.94	7,969.80	675.02	33,580.66
Actual net pay	9,508.16	9,915.36	6,401.40	5,784.06	13,921.91	675.02	46,205.91
Unauthorized net pay	\$ 3,565.56	2,478.84	2,560.56	1,926.12	5,952.11	-	16,483.19

We also reviewed the amounts paid to Ms. Hoffman for what appear to be reimbursements in addition to her net pay. Supporting documentation for the payments was not located. The \$433.60 included in **Exhibit B** is also included in **Exhibit A** as improper disbursements.

As previously stated, 16 checks issued to Ms. Hoffman during the period of our investigation are included in **Exhibit C**. Each of the checks is less than Ms. Hoffman's monthly net pay and appears to be a reimbursement. Of these checks, 2 exceeded \$2,000.00.

We attempted to trace each of the disbursements listed in **Exhibit C** to Council approval. For 10 of the 16 payments, we were able to locate the payment on a listing which was provided to the Council for approval. However, a description of the reimbursement was provided for only 4 of the 10 payments and, according to a Council member we spoke with, the Council did not routinely inquire about individual disbursements. Because of the limited amount of records available from the City, we were unable to support any of the amounts on the listings with appropriate documentation. Because the 10 payments totaling \$1,098.89 were included on the listing approved by the Council, we have included them in **Exhibit A** as unsupported.

The remaining 6 payments, which total \$5,712.93, are included in **Exhibit A** as improper disbursements because they were not accurately recorded in the listings provided to Council for approval and we were unable to support the payments with appropriate documentation. As illustrated by **Exhibit C**, the check numbers for 2 of the 6 disbursements were identified as void by Ms. Hoffman on the listing provided to the Council. The check number for an additional payment was sequentially omitted from the listings. The amount and payee for the 3 remaining checks were not correct. While each of the checks were actually issued to Ms. Hoffman, they were shown on the listing prepared by Ms. Hoffman as payable to someone else for a lesser amount. Because the 6 payments were not properly recorded in the listings and supporting documentation is not available, we were unable to determine why the payments were made.

Of the 89 checks issued to Ms. Hoffman and listed in **Exhibits B** and **C**, we traced 85 checks totaling \$49,158.93 to deposit in Ms. Hoffman's personal checking account. For the remaining 4 checks, we obtained copies of the redeemed checks and observed Ms. Hoffman's endorsement on the back. The 4 checks were redeemed for cash. We have included copies of the 4 checks redeemed for cash in **Appendix 3**.

Payments to IRS – We obtained account transcripts from the IRS showing payroll withholding payments applied in the City's name. We compared checks reportedly issued to the IRS from the City's checking account to the payments applied to the City's account by the IRS and identified 4 payments totaling \$2,742.07 which were not applied to the City's account. The payments are included in **Exhibit A**.

Based on our review of the account transcripts, we also determined the City was assessed penalties and interest totaling \$1,328.93 for late payment and/or filing of the quarterly returns. Ms. Hoffman's job responsibilities included timely submission of quarterly withholding payments and the related reports. As a result, the \$1,328.93 of penalties and interest is included in **Exhibit A**.

Wal-Mart Purchases – We identified 98 purchases made at Wal-Mart in Indianola and Knoxville with the City's credit cards or checks from the City's checking account. The purchases total \$8,009.17 and are summarized in **Table 4**. The City's credit cards were issued to Ms. Hoffman and the City's maintenance staff, Ron Konrad and Fred Brandt.

Table 4

Payment Method	Number of Transactions	Reasonable	Improper	Unsupported	Sales Tax	Total
Checking account	5	\$ 18.55	157.97	178.14	3.82	\$358.48
Credit card issued to:						
Ms. Hoffman	63	249.22	6,341.71	29.12	251.87	6,871.92
Mr. Brandt	21	520.72	40.58	41.40	2.98	605.68
Mr. Konrad	9	168.52	4.32	-	0.25	173.09
Total	98	\$ 957.01	6,544.58	248.66	258.92	8,009.17

Supporting documentation was not available from the City for the purchases. However, we obtained receipts from Wal-Mart stores for the purchases made with the City's credit cards or from the City's checking account. Details for items purchased are included in **Exhibit D**. We were unable to obtain receipts for 4 transactions. The \$248.66 total of the 4 transactions is included in **Exhibit A** as unsupported disbursements.

Using the receipts obtained from Wal-Mart, we determined if the items purchased were improper or reasonable for City business. Purchases were considered improper if the type of item or the quantity purchased appeared to be personal in nature or was not reasonable for City operations. Purchases which appeared consistent with City operations, based on the type of item or quantity purchased, were classified as reasonable. In addition to considering each individual item purchased, we also considered the context of the entire receipt. If the majority of the receipt was classified as reasonable or improper, all items on the receipt were placed in the same category. We also discussed certain purchases with City officials to determine the proper classification of the purchases.

The improper purchases we identified include items such as a digital camera, handbag, sheet set, over-the-counter medications, health and beauty items, grocery items, alcohol, dog treats, cat litter and health and beauty products. As illustrated by **Exhibit D**, we identified improper purchases totaling \$6,544.58. In addition to the improper purchases, sales tax totaling \$258.92 was incurred on some purchases. The improper disbursements are categorized in **Table 5**.

Table 5

Description	Amount	
Groceries	\$ 2,584.24	
Alcohol	339.24	
Pop and water	349.07	
Bottle deposits	56.65	
Household products	1,245.18	
Health and beauty products	500.09	
Electronics/entertainment	346.45	
Office supplies & tools	203.93	
Clothing	161.06	
Cat/dog food and supplies	119.84	
Gift cards	75.00	
Other	563.83	6,544.58
Sales tax		258.92
Total		\$ 6,803.50

Mr. Brandt and Mr. Konrad purchased some improper items, such as water and pop, which total \$44.90. As a result of these purchases, the City incurred sales tax of \$3.23. Because the City is a governmental entity, the City is exempt from sales tax. Also, we were unable to find supporting documentation for a transaction on March 25, 2006 for \$41.40. As a result, it has been included in the unsupported disbursements. The improper purchases and related sales tax totaling \$6,803.50 and unsupported purchases totaling \$248.06 are included in **Exhibit A**.

Other Purchases with City Credit Cards – As previously stated, City credit cards were issued to Ms. Hoffman, Mr. Brandt and Mr. Konrad from Quad City Bank and Trust. We obtained copies of the detailed credit card statements from Quad City Bank and Trust from July 1, 2003 through August 15, 2008.

Using the credit card statements and the bank statements for the City's checking account, we identified 44 checks from the City's checking account were posted as payments on the credit card account. The 44 payments total \$20,260.28. We also identified 2 payments made with checks from the City's volunteer Fire Department account and 2 payments made with checks from Ms. Hoffman's personal account. The checks from the Fire Department and Ms. Hoffman's personal account total \$942.78 and \$355.57, respectively. The payments are listed in **Exhibit E**.

The \$355.57 paid on the credit card account from Ms. Hoffman's personal account has been included in **Exhibit A** as a reduction of the amount of improper transactions identified.

As previously stated, we were only able to obtain bank activity for the City's checking account from September 1, 2004 to August 15, 2008. As a result, we are unable to identify the source of payment for transactions posted to the City's credit card account prior to September 1, 2004. However, we reviewed all transactions posted on the City's credit card account from July 1, 2003 to August 15, 2008 for propriety. **Table 6** illustrates total payments on the credit card account from July 1, 2003 to August 15, 2008.

Table 6	
Credit Card Issued to	Total Payments
Ms. Hoffman	\$ 18,702.80
Mr. Konrad	5,037.89
Mr. Brandt	1,044.78
Total	<u>\$ 24,785.47</u>

Exhibit F lists the purchases made with Ms. Hoffman's credit card. Because purchases made with Ms. Hoffman's credit card at Wal-Mart were included in **Exhibit D**, they have not been included in **Exhibit F**. As illustrated by **Exhibit F**, the credit card was used for cash advances. The 3 cash advances total \$550.00. An additional \$11.00 of fees was incurred for the cash advances. According to a Council Member we spoke with, cash advances should not have been made. The City does not pay any obligations with cash.

In addition to the cash advances, purchases were made from a number of vendors, including J.C. Penney Catalogue, Cabela's, Ticketmaster, Younkers, Hallmark, Christopher and Banks and Bed Bath and Beyond. Supporting documentation was not available at the City for purchases made with the credit cards. As a result, we attempted to obtain direct confirmation from vendors to determine the specific items purchased which appear to be personal in nature. As illustrated by the **Exhibit**, information obtained from some vendors showed the items purchased were shipped to Ms. Hoffman's home address or to an address outside Lacona.

The invoice obtained from Galls Inc. showed a light bar for an emergency vehicle was shipped to Ms. Hoffman's home address. This was classified as a reasonable purchase for the City because Ms. Hoffman's husband, Brian Hoffman, is the Chief of the City's volunteer Fire Department. The invoice from Mailbox Works also shows the mailbox purchased was shipped to Ms. Hoffman's home address. It was also classified as a reasonable purchase for the City because the invoice showed the box was ordered with the line "Lacona Water Bills" on it. The mailbox was used as the drop box for the City's water bills.

Exhibit F illustrates how the individual charges were classified as improper, reasonable or unsupported. We discussed certain charges with City officials to determine the propriety of the purchase. When possible, we used information obtained directly from the vendors to determine if the items purchased were improper or reasonable for City business. Purchases were considered improper if the type of item or the quantity purchased appeared to be personal in nature or was not reasonable for City operations. When specific purchase information from the vendor was not available, charges which appeared consistent with City operations, based on the vendor and/or the amount of the charge, were classified as reasonable. For vendors from which purchases could be made for City or personal purposes, we classified the charges as unsupported. These charges total \$3,983.22.

Table 7 summarizes the improper charges on the credit card issued to Ms. Hoffman, excluding the \$6,871.92 of Wal-Mart purchases made with the credit card. The **Table** also includes the late fees and finance charges assessed on all of the City's credit cards as improper charges. Ms. Hoffman was responsible for ensuring timely payment for all City credit cards.

Table 7		
Description	Amount	
Improper charges included in Exhibit F :		
Improper purchases	\$ 4,592.01	
Cash advances	550.00	
Cash advance fees	11.00	
Late fees	60.00	\$ 5,213.01
Finance charges on credit cards issued to:		
Anna Hoffman	78.05	
Ron Konrad	8.99	
Fred Brandt	3.17	90.21
Late fee on credit cards issued to:		
Ron Konrad	10.00	
Fred Brandt	15.00	25.00
Total		\$ 5,328.22

Additional information about some of the improper purchases made with the credit card issued to Ms. Hoffman is included in **Table 8**. The **Table** includes the specific items purchased or a description of the vendor. Copies of selected invoices we obtained directly from vendors are included in **Appendix 4**.

Table 8

Vendor	Description	Amount
J.C. Penney Catalogue	Men's and women's clothing	\$ 1,017.91
Fareway	<i>Grocery store</i> [^]	392.03
MBS Textbooks	<i>Difference between Council approval and actual payment</i>	311.66
Newbrough Genetics	Cattle semen	301.00
Cabela's	Columbia Parka	199.90
Ticketmaster	<i>Vendor selling tickets to entertainment events (concerts, etc.)</i> [^]	173.85
Younkers	<i>Department store selling primarily clothing and household items</i>	173.59
Target.com	<i>On-line department store</i> [^]	163.22
Edje Technologies	Cattle lithographs shipped to Ms. Hoffman's daughter	160.00
Target	<i>Department store</i> [^]	157.09
The Bradford Exchange	3 porcelain wall décor items	143.82
RV Lifestyles	Deluxe grilling table	135.50
Sears Shop at Home	<i>Catalogue for room décor</i>	134.98
Jo's Hallmark	Candles, holder, resin figurine	98.61
Robert Co. Framing	Ornaments, garment bag, 20 plastic fire hats	96.21
South Central Coop	<i>City has established account with Coop, purchases should not be made with credit card</i> [^]	80.10
Popcornpopper.com	2 popcorn poppers	68.74
Christopher and Banks	<i>Women's clothing vendor</i>	60.93
Executive Laser	<i>Car wash</i> [^]	53.00
Bed Bath and Beyond	Snap and Serve 16 piece set	38.74
Quick Trip	<i>Convenience store</i> [^]	15.04
McDonald's	<i>Fast food restaurant</i>	6.55

[^] - Discussed with a Council member who stated the purchase would not be allowable.

The improper charges of \$5,328.22 and unsupported charges of \$3,983.22 are included in **Exhibit A**.

Money Order – During our review of disbursements from City accounts, we identified a \$1,795.00 withdrawal from the City's savings account on May 8, 2006. According to a bank representative we spoke with, the withdrawal was used to purchase a money order made payable to Miracle Equipment, the vendor from whom playground equipment was purchased for the City. We determined Ms. Hoffman was on the playground committee which had established its own checking account in which funds raised for these types of purchases were maintained.

During our review of Council minutes and approved disbursement listings, we did not locate approval by Council for the withdrawal or the money order. It appears the purchase should have been made from the playground committee's checking account. As a result, we have included the \$1,795.00 money order purchase as improper in **Exhibit A**.

Other Disbursements – During our review of other disbursements from the City's checking account, we identified payments to several vendors which did not appear to be for City operations based on the vendor, amount of the disbursement and/or the frequency of payment(s). The payments identified are summarized in the following paragraphs.

- We identified a number of disbursements made to the South Central Coop (Coop) which varied in frequency and amount. We obtained detailed statements from the Coop and determined feed was purchased for \$8.24 on the March 31, 2006. According to a Council member we spoke with, the City does not purchase feed from the Coop. As a result, we have included the \$8.24 purchase as improper in **Exhibit A**.
- Check number 7116 was issued to AT&T for \$438.70. The City's phone service is not provided by AT&T and the City officials we spoke with were unable to explain why City funds would have been used for a payment to AT&T. The check was dated October 3, 2005. The \$438.70 payment is included as improper in **Exhibit A**.
- Check number 7375 was issued to "Cash" for \$500.00. The check was dated and redeemed April 10, 2006. According to City officials we spoke with, cash was not to be used for City transactions. Cash collected was to be deposited and all disbursements were to be made by check. The \$500.00 check redeemed for cash is included as improper in **Exhibit A**.
- Check number 8275 was issued to Menard's for \$414.81. The check was dated September 3, 2007 and was included in the listing approved by Council. Check number 8309 was also issued to Menard's for \$414.81. It was dated October 1, 2007. Check number 8309 was included in the listing provided to Council, but it was shown as a voided check. However, both checks cleared the City's checking account. Representatives of Menard's were not able to provide information which explained why the same amount was paid to the vendor twice. A disbursement for \$414.81 is included as improper in **Exhibit A**.

UNDEPOSITED COLLECTIONS

As previously stated, 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 Warren County and remitted to the City. Revenue is also received throughout the year from households and businesses in the City for water, sewer and garbage services. In addition, the City collects fees for Community Hall rentals, township fire support and various licenses and permits.

Utility Collections – Ms. Hoffman had primary responsibility for collection of utility payments from each household and business in the City that received water, sewer and/or garbage services. Prior to approximately October 2006, citizens were allowed to pay their monthly utility bill at the local branch of the bank where the City's accounts were held.

Bank personnel collecting the utility payments deposited the remittances directly to the City's account. However, after this time, the option to make utility payments at the bank was no longer provided. According to minutes from the July 5, 2006 Council meeting, a drop box was to be purchased for the water bill payments. The minutes do not indicate why citizens would no longer be able to make payments at the bank.

After the drop box was installed, all payments were required to be made to the City and Ms. Hoffman was responsible for collecting the payments, recording them in the customer accounts and properly depositing them to the bank. Because the minutes do not include an explanation or document the Council's discussion, it is unclear why the City would change its procedures to a collection method which increased the risk utility collections may not be properly deposited.

Ms. Hoffman maintained utility records for each account by recording monthly billings and payment activity in a software program used by the City. However, utility billing reconciliations were not prepared. Because utility billing reconciliations were not prepared, we attempted to reconcile utility billings to collections. However, during our review of the utility billing software, we determined the information recorded in the software was not reliable. We identified several accounts which had activity that exceeded \$1,000.00 for a single month billing cycle because the meter readings were incorrectly recorded. We also identified several accounts which did not have a previous month meter reading recorded or a present month meter reading recorded.

Because the information in the utility billing software was unreliable, we attempted to perform a reconciliation by using the number of gallons of water purchased by the City to calculate billings for fiscal years 2006, 2007 and 2008. The calculated billings were compared to collections deposited to the City's account. However, we were unable to draw a reliable conclusion from the comparison because sufficient records, such as the number of households, meter reading sheets, delinquency rate and the amount of cash deposited for utility collections, was not known. As a result, we are unable to determine if utility collections were properly deposited to the City's accounts.

We were provided copies of utility bills by 2 customers. Of the 2 customers, 1 had voiced a concern the account had been overbilled for services. The billing statements sent to customers by the City included the previous and present meter readings, consumption, the bill for the current month's services and the total amount due. However, because customer meter readings and waste management records were not available from the City, we were unable to verify the amounts billed on the statements were based on actual customer usage. As a result, we were unable to determine if the customers were overbilled for services.

Because sufficient records were not available from the City, including meter readings, water lost to leaks and accurate billing data, we were unable to determine if the utility billings were properly calculated, distributed and collected. In addition, by reviewing the City's bank records, we were able to determine some utility payments were made to the City in cash. However, we are unable to determine if all utility collections, including cash collections, were properly deposited.

Other Miscellaneous Collections – When a resident begins to receive water service, the City charges a \$150.00 refundable water meter deposit. We recovered a listing of deposits collected from September 2004 through October 2006 from the City's computer. Using the listing, we attempted to trace the amounts collected to the City's accounts. We were unable to locate 8 collections listed.

Because the listing recovered from the City's computer did not include activity after October 2006, we reviewed the water meter applications recovered from City Hall after the fire. We located 3 applications which document water was turned on at a residence in November 2006. For 1 of the 3 applications, we were able to trace the \$150.00 refundable water meter deposit to the City's accounts. The remaining 2 applications document the \$150.00 deposit was waived or "NA" (not applicable). We are unable to determine why a deposit would not be collected for the 2 accounts. **Table 9** lists the 8 undeposited collections.

Table 9

Per listing from City's Computer		
Date	Amount	Date Refunded
May 2005	\$ 150.00	June 2006
May 2005	150.00	June 2006
July 2005	150.00	June 2006
Sept. 2005	150.00	Jan. 2006
Oct. 2005	150.00	Nov. 2006
Oct. 2005	150.00	-
May 2006	150.00	April 30, 2007
July 2006	150.00	-
Total	<u>\$1,200.00</u>	

Based on documents recovered from City Hall after the fire, it appears the City no longer collected a refundable deposit on water meters after December 2006. Water meter applications recovered for the period beginning in January 2007 document a \$50.00 hook-up fee was paid instead by new customers. The fee was non-refundable. For the applications we recovered, we were able to trace all of the fees except 2 to deposit in the City's accounts. The \$50.00 fee for the 2 applications total \$100.00.

We are unable to determine if all water meter applications were recovered from City Hall after the fire. As a result, we are unable to determine if additional undeposited collections exist. The \$1,200.00 of undeposited collections for meter deposits and \$100.00 of undeposited hook-up fees identified total \$1,300.00. This amount is included in **Exhibit A**.

In addition to the water meter hook-up fees, the City receives other miscellaneous revenues, such as fees for alcohol permits, tobacco permits, building permits and community center rentals. As part of our investigation, we reviewed all alcohol permits issued by the City and determined all alcohol permit fees were properly deposited to the City's accounts. We also reviewed all tobacco permits issued to retailers in the City to determine if permit fees were properly deposited to the City's accounts. We were unable to locate the deposit for 2 tobacco permit fees which total \$150.00. The \$150.00 of undeposited fees is included in **Exhibit A**.

Using building permit applications recovered from City Hall, we determined all related fees were properly deposited except a \$20.00 fee for a building permit issued for a shed on June 5, 2006. The permit was signed by Ms. Hoffman indicating approval. The \$20.00 is included in **Exhibit A** as an undeposited collection. We are unable to determine if all building permit applications were recovered from City Hall after the fire. As a result, we are unable to determine if additional undeposited collections exist.

Because sufficient records were not available, we are unable to determine if all collections for rental of the Community Hall were properly deposited.

OTHER CONCERNS

Council Minutes – We reviewed the Council meeting minutes from September 1, 2004 through July 31, 2008 and determined the minutes had not been signed by Ms. Hoffman, the Mayor or a designated member of the City Council to authenticate the record. In addition, monthly financial reports prepared by Ms. Hoffman were not signed by the Mayor or a designated member of the City Council.

TIF Collections – During our review of available City records, we determined the City receives tax increment financing (TIF) proceeds. Because sufficient records were not available, we were unable to determine if collections were properly deposited to the City’s accounts and if the City was in compliance with TIF revenue restrictions.

Use of Road Use Tax Funds – Road use tax (RUT) funds are to be accounted for separately from the City’s general operating funds and used for road construction and maintenance. In addition, the use of RUT funds is to be reported to the Department of Transportation (DOT) each year.

Certain financial reports we recovered from the City indicate RUT funds were accounted for separately from the City’s general operating funds. However, sufficient information was not readily available for us to determine if RUT funds were used in accordance with requirements established by DOT.

Separately Maintained Accounts – Separate bank accounts were established for the City’s Fire Department. We obtained and reviewed copies of the Fire Department’s checking and savings accounts and identified a number of disbursements for cash which total \$621.00. We also determined \$500.00 cash was withheld from a deposit into the Fire Department’s account. We were unable to determine what the cash was used for.

Because sufficient records were not available, we were unable to determine the propriety of the disbursements from the Fire Department accounts. The lack of sufficient records also prevented us from determining if all collections were properly deposited to the accounts.

RECOMMENDED CONTROL PROCEDURES

As part of our investigation, we reviewed the procedures used by the City of Lacona to perform bank reconciliations and process receipts, disbursements and payroll. An important aspect of internal control is to establish procedures that 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 of Lacona’s internal controls.

- A. **Segregation of Duties** – An important aspect of internal control is the segregation of duties among employees to prevent an individual employee from handling duties which are incompatible. The former City Clerk had control over each of the following areas:
- (1) Receipts – collecting, posting, deposit preparation and depositing.
 - (2) Utilities – billing, collecting, posting, deposit preparation, depositing, preparation of delinquency list and utility reconciliation.
 - (3) Disbursements – check preparation, signing, posting and distribution.
 - (4) Payroll – check preparation, signing, posting and distribution.
 - (5) Reporting – preparation of monthly Clerk’s report and Council minutes.

Recommendation – We realize segregation of duties is difficult with a limited number of office employees. However, the functions listed above should be segregated between the City Clerk, Mayor and Council members. In addition,

Council members should review financial records, perform reconciliations and examine supporting documentation for accounting records on a periodic basis.

- B. Utility Billings, Collections and Delinquencies – Utility billings, collections and delinquent accounts were not reconciled on a periodic basis. Also, utility collections could not be traced to deposit slips because deposit slips do not indicate if the collection was for utilities.

The City did not comply with the water ordinance for charges assessed on water consumption, resulting in overbilling of a customer. In addition, utility billing software was determined to be unreliable because of incomplete data.

Recommendation – Procedures should be established to reconcile utility billings, collections and delinquencies each month. In addition, records of billings and collections should be maintained in sufficient detail to ensure payments recorded to the utility system can be reconciled to deposits to the bank. The Council should review the reconciliations and monitor delinquencies each month. The City should implement a review of billings each month to ensure proper amounts are billed timely and in compliance with established City ordinances.

- C. Council Minutes – Chapter 21 of the *Code of Iowa* requires minutes be kept of all meetings of governmental bodies.

During our review of minutes, we determined:

- (1) The minutes were not always properly signed by the former City Clerk or Mayor to authenticate the record as required by section 380.7(4) of the *Code of Iowa*.
- (2) Not all disbursements were presented to the Council for its approval and all disbursements were not paid for the amount approved.

Recommendation – The Council should ensure the City Clerk and Mayor sign all meeting minutes and the signed copy of the minutes is maintained in the minute book at City Hall. In addition, the Council should ensure all City obligations are presented to Council for its approval.

- D. Supporting documentation – During our review of the City's financial activity, we were unable to locate supporting documentation for all collections and disbursements.

Recommendation – Supporting documentation, such as receipt books, receipts or invoices, should be maintained for all collections and disbursements. The Council should consider developing a record retention policy. In addition, the City should develop and implement procedures to ensure information recorded electronically is periodically backed-up in an appropriate manner and maintained off-site.

- E. Credit Card – The City has a credit card account for which 3 cards were issued. We identified several improper purchases and several purchases made with the credit cards which were not supported by adequate documentation. In addition, we determined the City incurred finance charges and late payment fees because the former City Clerk did not pay the balance on the cards each month and/or not make payments in a timely manner.

Recommendation – Original receipts should be submitted to the City Clerk for any purchases made with the credit cards, as required. In addition, the Council should document allowable uses for the card (such as travel expenses and supply purchases) and appropriate dollar limits.

The Council should also periodically review the credit card statements to ensure charges appear appropriate and payments are made in a timely manner so the City does not incur any finance charges or late payment fees.

- F. Policy and Procedures Manual – The City does not have any written accounting policies and procedures.

Recommendation – Written policies and procedures should be developed to provide the following benefits:

- (1) Aid in training additional or replacement personnel.
- (2) Help archive uniformity in accounting and in the application of policies and procedures.
- (3) Save supervisory time by recording decisions so they will not have to be made each time the same, or a similar, situation arises.

The policies and procedures should address the duties of the City Clerk and record keeping.

- G. Separately Maintained Accounts – The organizational status of the Fire Department is unknown. While it is not organized as a non-profit corporation, it is also not established by City Code. However, the Fire Chief is listed as a City official in the Council minutes and the Fire Department was housed in a City facility.

The Fire Department checking and savings accounts hold public funds generated by grants, fees for ambulance services, donations and fundraising efforts for the purpose of supporting the Fire Department activities within the City. Based on our limited review of the sources of the deposits made to the Fire Department accounts, the funds may be public funds collected for a City purpose.

Section 384.20 of the *Code of Iowa* states, in part, “A city shall keep accounts which show an accurate and detailed statement of all public funds collected, received or expended for any city purpose, by any city officer, employee, or other person, and which show the receipt, use, and disposition of all city property.”

Recommendation – Unless the Fire Department is established as a non-profit corporation, the City should establish the Fire Department and specify its responsibilities through the City Code. In addition, City officials should implement procedures to ensure compliance with section 384.20 of the *Code of Iowa*.

Exhibits

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

Report on Special Investigation of the
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Summary of Findings
For the period September 1, 2004 through August 15, 2008

Description	Exhibit/Table/ Page Number	Improper	Unsupported	Total
Improper and Unsupported Disbursements:				
Checks issued to Anna Hoffman for net pay amounts	Table 3	\$ 16,483.19	-	16,483.19
Additional reimbursements issued to Anna Hoffman	Page 9	433.60	-	433.60
Checks issued to Anna Hoffman for reimbursements	Exhibit C	5,712.93	1,098.89	6,811.82
Payments to IRS	Page 10	4,071.00	-	4,071.00
Wal-Mart purchases	Table 5/Exhibit D	6,803.50	248.66	7,052.16
Other purchases with City credit cards	Table 7/Exhibit F	5,328.22	3,983.22	9,311.44
Money order	Page 14	1,795.00	-	1,795.00
Other disbursements:				
South Central Coop	Page 15	8.24	-	8.24
AT&T	Page 15	438.70	-	438.70
Cash	Page 15	500.00	-	500.00
Mendards	Page 15	414.81	-	414.81
Total improper and unsupported disbursements		41,989.19	5,330.77	47,319.96
Undeposited Collections:				
Water meter deposits and hook-up fees	Page 17	1,300.00	-	1,300.00
Tobacco permit fees	Page 17	150.00	-	150.00
Building permit fees	Page 17	20.00	-	20.00
Total undeposited collections		1,470.00	-	1,470.00
Total improper and unsupported disbursements and undeposited collections				48,789.96
Less: Payments by Anna Hoffman	Exhibit E			(355.57)
Total				<u>\$ 48,434.39</u>

Exhibit B

Report on Special Investigation of the
City of Lacona

Checks Issued to Anna Hoffman for Net Pay Amounts
For the period September 1, 2004 through August 15, 2008

Per Check					
Check Date	Check Number	Memo	Check Amount	Net Pay	Other
09/07/04	6654	none	\$ 594.26	594.26	-
10/01/04	6685	none	594.26	594.26	-
10/25/04	6711	Oct.	594.26	594.26	-
11/30/04	6751	none	594.26	594.26	-
12/22/04	6793	none	594.26	594.26	-
01/10/05	6802 *	none	594.26	594.26	-
01/22/05	6839 ^^	none	594.26	594.26	-
02/07/05	6843	none	594.26	594.26	-
02/24/05	6870 *	none	594.26	594.26	-
03/21/05	6898 **	none	594.26	594.26	-
03/28/05	6907	none	594.26	594.26	-
04/18/05	6930 ^^	none	594.26	594.26	-
05/03/05	6938 **	May	594.26	594.26	-
05/18/05	6970 *	none	594.26	594.26	-
06/09/05	7000	none	594.26	594.26	-
06/25/05	7008 ^^	none	594.26	594.26	-
07/06/05	7017 *	none	619.71	619.71	-
08/01/05	7042 *	none	619.71	619.71	-
08/19/05	7067	none	619.71	619.71	-
09/02/05	7070 ^^	none	619.71	619.71	-
09/26/05	7097 *, ^^	none	619.71	619.71	-
10/27/05	7152 *	none	619.71	619.71	-
11/25/05	7202 *	none	619.71	619.71	-
12/14/05	7240 *	none	619.71	619.71	-
12/29/05	7249 *	none	619.71	619.71	-
01/10/06	7280 *, ^^	none	619.71	619.71	-
02/27/06	7316 *	none	619.71	619.71	-
03/27/06	7345 *	none	619.71	619.71	-
04/14/06	7378	none	619.71	619.71	-
05/01/06	7391	none	619.71	619.71	-
06/01/06	7425	none	619.71	619.71	-
06/26/06	7474 ^^	none	619.71	619.71	-
07/10/06	7475 *	none	941.18 ^	640.14	301.04
08/02/06	7507	none	640.14	640.14	-
08/23/06	7541	none	640.14	640.14	-
09/15/06	7573 ^^	none	640.14	640.14	-
10/03/06	7592	none	640.14	640.14	-
10/30/06	7634	none	682.43 ^	640.14	42.29
11/03/06	7731	none	640.14	640.14	-
11/08/06	7682	none	640.14	640.14	-
12/04/06	7678	Dec.	640.14	640.14	-
12/20/06	7727	none	640.14	640.14	-

Report on Special Investigation of the
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Checks Issued to Anna Hoffman for Net Pay Amounts
For the period September 1, 2004 through August 15, 2008

Per Check					
Check Date	Check Number	Memo	Check Amount	Net Pay	Other
01/03/07	7724	none	640.14	640.14	-
01/29/07	9503	none	642.99	642.99	-
02/19/07	9511	none	642.99	642.99	-
03/16/07	9525	none	642.99	642.99	-
04/06/07	9533	none	642.99	642.99	-
04/30/07	9546	none	642.99	642.99	-
05/23/07	9552	none	642.99	642.99	-
06/07/07	7886	none	642.99	642.99	-
06/20/07	9563	none	642.99	642.99	-
07/02/07	8230	none	672.81 ^	664.15	8.66
07/18/07	8233	none	664.15	664.15	-
07/30/07	9604	none	664.15	664.15	-
08/15/07	9597	none	664.15	664.15	-
09/03/07	9592	none	664.15	664.15	-
09/20/07	8293	none	664.15	664.15	-
10/15/07	9658	none	641.64	641.64	-
10/29/07	9671	none	664.15	664.15	-
11/16/07	9663	none	664.15	664.15	-
12/02/07	8365 ^^	none	664.15	664.15	-
12/26/07	9679	none	661.42	661.42	-
01/01/08	9685	none	664.15	664.15	-
01/15/08	8426 ^^	none	745.76 ^	664.15	81.61
01/26/08	9702	none	664.15	664.15	-
02/14/08	9706	none	664.15	664.15	-
03/31/08	9717	none	664.15	664.15	-
04/25/08	9724	none	664.15	664.15	-
05/06/08	9733	none	664.15	664.15	-
05/22/08	9737	none	664.15	664.15	-
05/30/08	9743	none	664.15	664.15	-
06/30/08	9754	none	664.15	664.15	-
07/29/08	9764	none	675.02	675.02	-
Total			<u>\$ 46,639.51</u>	<u>46,205.91</u>	<u>433.60</u>

^ - Check appears to include both payroll and a reimbursement.

* - Included in 2005/2006 payroll tables recovered from an image of the City's computer. Copies are included in **Appendix 2**.

** - The 2005 payroll table included in **Appendix 2** includes check number 6998 instead of 6898 for March and check number 6998 instead of 6938 for May. The check numbers in the payroll table appear to be typos since all other information agrees.

^^ - Check number was listed as "Void" on listing prepared for Council.

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

Report on Special Investigation of the
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Checks Issued to Anna Hoffman for Reimbursements
For the period September 1, 2004 through August 15, 2008

Per Check					
Check Date	Check Number	Memo	Check Amount	Unsupported	Improper
11/30/04	6749	none	\$ 106.38	106.38	-
01/10/05	6803	mileage	26.40	26.40	-
01/10/05	6832	print cart	57.23	57.23	-
05/09/05	6939	none	71.68	71.68	-
06/06/05	6984	none	18.96	18.96	-
07/11/05	7032 ^^	park/cell	2,484.17	-	2,484.17
08/01/05	7043	Mileage	16.10	16.10	-
10/27/05	7150	none	172.88	172.88	-
11/25/05	7198 ##	none	115.56	-	115.56
12/04/06	7675	2006 council	144.45	144.45	-
04/09/07	7812 **	ins	976.01	-	976.01
04/17/07	7814 **	PKD	2,003.47	-	2,003.47
06/18/07	7894 **	mileage	57.51	-	57.51
10/07/07	8318 ^^	reim Admin	76.21	-	76.21
12/02/07	8356	none	115.56	115.56	-
03/25/08	8483	none	369.25	369.25	-
Total			\$6,811.82	1,098.89	5,712.93

^^ - Check number was listed as "Void" on listing prepared for Council.

- Listing provided to Council ended with check number 7191 for November 2005 and began with check number 7206 for December 2005.

** - Payee and amount shown on listing prepared for Council did not agree with the actual check issued to Ms. Hoffman. The listing showed the following payees and amounts:

Check Number	Payee	Amount
7812	Julie Leih	\$ 150.00
7814	IPERS	326.39
7894	CR Serv	16.83

Report on Special Investigation of the
City of Lacona

Purchases at Wal-Mart
For the period September 1, 2004 through August 15, 2008

Per Receipt

Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
09/03/04	AH	\$ 130.94	CLUB	1	\$ 2.50
			NB CHKNBISKI	1	1.93
			NB RITZ	1	2.50
			PNUT SNK MIX	1	2.50
			LAY S KETTLE	1	2.60
			DORITOS	1	2.50
			LAY S	1	2.00
			BUNS	1	1.72
			BUNS	1	1.72
			DM WIENERS	1	1.25
			DM WIENERS	1	1.25
			DM WIENERS	1	1.25
			DM WIENERS	1	1.25
			KFT CBY CHUN	1	2.06
			CHED/MJ CHK	1	2.06
			KFT MOZ CHUK	1	2.06
			NESTLE WATER	1	2.50
			DKYPR SCHNAP	1	9.24
			IASNGLQDP	1	0.05
			DKYPR SCHNAP	1	9.24
			IASNGLQDP	1	0.05
			CAPT MORGAN	1	12.97
			IASNGLQDP	1	0.05
			PPAN CRKR	1	1.50
			PPAN CRKR	1	1.50
			COUNTRY SAMP	1	5.39
			4VIEWBINDER	1	10.75
			MICHELOB	1	9.74
			IA12PKBLDEP	1	0.60
			MICHELOB	1	9.74
			IA12PKBLDEP	1	0.60
			MICHELOB	1	9.74
			IA12PKBLDEP	1	0.60
			MICHELOB	1	9.74
			IA12PKBLDEP	1	0.60
10/19/04	RK	13.90	PROTECTANT	1	4.47
			CAR WAX	1	4.47
			CAR WASH	1	4.96
10/22/04	Check 1145	117.11	ALL LIQ SPGB	1	3.96
			BEANS	1	3.53
			BEANS	1	3.53
			GV IODZE SAL	1	0.29
			KETCHUP PLAS	1	1.57
			BEANS	1	3.53

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
2.50	-	-	
1.93	-	-	
2.50	-	-	
2.50	-	-	
2.60	-	-	
2.50	-	-	
2.00	-	-	
1.72	-	-	
1.72	-	-	
1.25	-	-	
1.25	-	-	
1.25	-	-	
1.25	-	-	
2.06	-	-	
2.06	-	-	
2.06	-	-	
2.50	-	-	
9.24	-	-	
0.05	-	-	
9.24	-	-	
0.05	-	-	
12.97	-	-	
0.05	-	-	
1.50	-	-	
1.50	-	-	
5.39	-	-	
10.75	-	-	
9.74	-	-	
0.60	-	-	
9.74	-	-	
0.60	-	-	
9.74	-	-	
0.60	-	-	
9.74	-	-	
0.60	-	-	5.19
-	4.47	-	
-	4.47	-	
-	4.96	-	-
3.96	-	-	
3.53	-	-	
3.53	-	-	
0.29	-	-	
1.57	-	-	
3.53	-	-	

Report on Special Investigation of the
City of Lacona

Purchases at Wal-Mart
For the period September 1, 2004 through August 15, 2008

Per Receipt					
Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
			BEANS	1	3.53
			TATER TOTS	1	1.77
			CHILI PWDR	1	0.50
			CHILI PWDR	1	0.50
			CHILI PWDR	1	0.50
			MCCORMICK	1	3.28
			CHILI PWDR	1	4.88
			MARGARINE ST	1	0.54
			BEANS	1	3.53
			NB OYSTER CK	1	2.28
			NB OYSTER CK	1	2.28
			NB OYSTER CK	1	2.28
			BEANS	1	3.53
			NB SALTINES	1	1.88
			NB SALTINES	1	1.88
			C H BR SUGAR	1	1.08
			NB SALTINES	1	1.88
			GV CHEESE	1	6.84
			GV CHEESE	1	6.84
			GV CHEESE	1	6.84
			PEPPER GREEN	1	7.04
			SUGAR	1	1.44
			CHUCK ROLL	1	8.90
			CHUCK ROLL	1	8.90
			PILLS FLOUR	1	1.28
			CHUCK ROLL	1	8.90
			2 WHT OINION	1	1.84
			2 WHT OINION	1	1.84
			2 WHT OINION	1	1.84
			2 WHT OINION	1	1.84
11/01/04	RK	9.09	BACKTOBLACK	1	4.62
			CAR WAX	1	4.47
12/22/04	AH	59.23	WHITE ONIONS	1	2.01
			MIRACLE WHIP	1	1.82
			ANTI-PERSPIR	1	2.24
			COV CHEEKERS	1	3.48
			NSTL DK COCO	1	1.84
			5 RUSSET	1	1.67
			GROCERY	1	3.00
			PIE FILLING	1	4.24
			AE ICE CREAM	1	2.97
			AE MILK	1	2.57
			SAUSAGE PIZZ	1	2.50
			PIZZA	1	2.50
			FRZ PIZZA	1	2.50

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
3.53	-	-	
1.77	-	-	
0.50	-	-	
0.50	-	-	
0.50	-	-	
3.28	-	-	
4.88	-	-	
0.54	-	-	
3.53	-	-	
2.28	-	-	
2.28	-	-	
2.28	-	-	
3.53	-	-	
1.88	-	-	
1.88	-	-	
1.08	-	-	
1.88	-	-	
6.84	-	-	
6.84	-	-	
6.84	-	-	
7.04	-	-	
1.44	-	-	
8.90	-	-	
8.90	-	-	
1.28	-	-	
8.90	-	-	
1.84	-	-	
1.84	-	-	
1.84	-	-	
1.84	-	-	0.24
-	4.62	-	
-	4.47	-	-
2.01	-	-	
1.82	-	-	
2.24	-	-	
3.48	-	-	
1.84	-	-	
1.67	-	-	
3.00	-	-	
4.24	-	-	
2.97	-	-	
2.57	-	-	
2.50	-	-	
2.50	-	-	
2.50	-	-	

Report on Special Investigation of the
City of Lacona

Purchases at Wal-Mart
For the period September 1, 2004 through August 15, 2008

Per Receipt					
Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
12/30/04	RK	29.96	PIZZA PAN	1	2.97
			BUBBLE WRAP	1	7.88
			CORR BX	1	5.86
			BBQ SAUCE	1	1.73
			SOC - SNOWF	1	2.88
			SOC - FAIRI	1	2.88
			SWIFF REFILL	1	7.12
			CAR WAX	1	4.47
			CAR WAX	1	4.47
			CAR WAX	1	4.47
			CAR WAX	1	4.47
01/07/05	RK	5.06	CAR WASH	1	4.96
			RAIN-X WASH	1	1.97
			RAIN-X WASH	1	1.97
			ALCOHOL	1	0.56
01/16/05	AH	207.79	ALCOHOL	1	0.56
			QKR CEREAL	1	2.50
			QKR CEREAL	1	1.97
			JACK S PZA	1	1.98
			JACK S PZA	1	1.98
			JACK S PZA	1	1.98
			SAUSAGE PIZZ	1	2.50
			HONEY HAM	1	6.54
			CKN NUGGETS	1	2.44
			CKN TENDERS	1	2.44
			CKN NUGGETS	1	2.44
			SMKD CHPS	1	4.47
			TOTINOS PZA	1	1.38
			TOTINOS PZA	1	1.38
			CKN TENDERS	1	2.44
			DM WIENERS	1	1.25
			GROUND BEEF	1	2.88
			GROUND BEEF	1	2.88
			GROUND BEEF	1	2.88
			GROUND BEEF	1	2.88
			GROUND BEEF	1	2.88
			SV DRUMSTIKS	1	3.68
			WHITE ONIONS	1	3.14
			WL KERN CORN	1	0.56
			CARROT BP 1	1	1.50
			CAULIFLOWER	1	2.14
			TOMATOES	1	0.93
			ICE MELT	1	2.94
			ICE MELT	1	2.94
			CAT LITTER	1	5.69

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
2.97	-	-	
7.88	-	-	
5.86	-	-	
1.73	-	-	
2.88	-	-	
2.88	-	-	1.69
-	7.12	-	
-	4.47	-	
-	4.47	-	
-	4.47	-	
-	4.47	-	
-	4.96	-	-
-	1.97	-	
-	1.97	-	
-	0.56	-	
-	0.56	-	-
2.50	-	-	
1.97	-	-	
1.98	-	-	
1.98	-	-	
1.98	-	-	
2.50	-	-	
6.54	-	-	
2.44	-	-	
2.44	-	-	
2.44	-	-	
4.47	-	-	
1.38	-	-	
1.38	-	-	
2.44	-	-	
1.25	-	-	
2.88	-	-	
2.88	-	-	
2.88	-	-	
2.88	-	-	
2.88	-	-	
3.68	-	-	
3.14	-	-	
0.56	-	-	
1.50	-	-	
2.14	-	-	
0.93	-	-	
2.94	-	-	
2.94	-	-	
5.69	-	-	

Report on Special Investigation of the
City of Lacona

Purchases at Wal-Mart
For the period September 1, 2004 through August 15, 2008

Per Receipt

Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
			DRY CAT FOOD	1	6.22
			TOMATOES	1	0.93
			TOMATOES	1	0.93
			TOMATOES	1	0.93
			TYDBOL	1	2.97
			MIC ULTRA	1	10.34
			IA12PKBLDEP	1	0.60
			IDAHO 5 LB	1	2.26
			WOOD FLOOR	1	5.88
			PARSON LEMON	1	1.24
			COMET POWDER	1	0.88
			RID X LIQUID	1	4.87
			PK LEMONAID	1	2.42
			KETCHUP PLAS	1	1.57
			CMP NACHO SP	1	1.16
			CREAM CORN	1	0.50
			SOUP	1	0.97
			SNGL SB 40CT	1	1.87
			GV CKN BROTH	1	0.40
			SOUP	1	0.66
			VEG BEEF SOU	1	0.97
			PEAS	1	0.50
			CMP NACHO SP	1	1.16
			CREAM CORN	1	0.50
			ADVIL	1	12.83
			CMP NACHO SP	1	1.16
			PEPPER GREEN	2	1.56
			CUCUMBERS	1	0.62
			PEPPER GREEN	1	0.78
			PEPSI	1	3.48
			IA DEPOSIT	1	0.60
			SALSA	1	1.25
			SUGAR	1	1.44
			PROPEL HYDR	1	3.97
			PEPSI	1	3.48
			IA DEPOSIT	1	0.60
			CHERRY COKE	1	3.38
			IA DEPOSIT	1	0.60
			SC CLR AMR	1	1.84
			DEPOSIT FEE	1	0.20
			SC CLR AMR	1	1.84
			DEPOSIT FEE	1	0.20
			SHAMPOO	1	5.47
			LIP BALM	1	0.94

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
6.22	-	-	
0.93	-	-	
0.93	-	-	
0.93	-	-	
2.97	-	-	
10.34	-	-	
0.60	-	-	
2.26	-	-	
5.88	-	-	
1.24	-	-	
0.88	-	-	
4.87	-	-	
2.42	-	-	
1.57	-	-	
1.16	-	-	
0.50	-	-	
0.97	-	-	
1.87	-	-	
0.40	-	-	
0.66	-	-	
0.97	-	-	
0.50	-	-	
1.16	-	-	
0.50	-	-	
12.83	-	-	
1.16	-	-	
1.56	-	-	
0.62	-	-	
0.78	-	-	
3.48	-	-	
0.60	-	-	
1.25	-	-	
1.44	-	-	
3.97	-	-	
3.48	-	-	
0.60	-	-	
3.38	-	-	
0.60	-	-	
1.84	-	-	
0.20	-	-	
1.84	-	-	
0.20	-	-	
5.47	-	-	
0.94	-	-	

Report on Special Investigation of the
City of Lacona

Purchases at Wal-Mart
For the period September 1, 2004 through August 15, 2008

Per Receipt					
Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
			LIP BALM	1	0.94
			LIP BALM	1	0.94
			LIP BALM	1	0.94
			EGGS	1	1.07
			TOSTITOS	1	2.50
			TOSTITOS	1	2.50
			PILLS RPK	1	1.56
			JB WHISKEY	1	12.54
			IASNGLQDP	1	0.05
			TIDE LIQUID	1	5.77
01/28/05	RK	4.88	ANGLE BROOM	1	4.88
01/31/05	AH	63.93	NOTE PAD	1	1.97
			FCT SPYR-WHT	1	2.96
			NOTE PAD	1	1.97
			NOTE PAD	1	1.97
			DRY FRS MRK	1	3.97
			BOXABLE PUSH	1	0.96
			LEGAL PAD	1	2.97
			FOOD STORAGE	1	3.88
			DRY ERASE	1	5.97
			CORKBOARD	1	5.97
			DRY CAT FOOD	1	6.22
			DRY CAT FOOD	1	6.22
			COPY PAPER	1	12.93
			13PK HANGER	1	1.22
			PEPSI	1	1.08
			IA DEPOSIT	1	0.05
02/04/05	AH	34.31	1HR CHARGER	1	18.74
			24 MUG	1	1.23
			24 MUG	1	1.23
			35MM FILM	1	9.94
			24 MUG	1	1.23
03/20/05	AH	160.05	MIC ULTRA	1	9.94
			IA12PKBLDEP	1	0.60
			CHERRY COKE	1	3.38
			IA DEPOSIT	1	0.60
			MT DEW	1	3.66
			IA DEPOSIT	1	0.60
			PEPSI	1	3.66
			IA DEPOSIT	1	0.60
			TIDE LIQUID	1	5.99
			5 RUSSET	1	1.67
			LADIES SOCKS	1	1.96
			LADIES SOCKS	1	1.96

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
0.94	-	-	
0.94	-	-	
0.94	-	-	
1.07	-	-	
2.50	-	-	
2.50	-	-	
1.56	-	-	
12.54	-	-	
0.05	-	-	
5.77	-	-	6.40
-	4.88	-	-
-	1.97	-	
-	2.96	-	
-	1.97	-	
-	1.97	-	
-	3.97	-	
-	0.96	-	
-	2.97	-	
-	3.88	-	
-	5.97	-	
-	5.97	-	
6.22	-	-	
6.22	-	-	
-	12.93	-	
1.22	-	-	
1.08	-	-	
0.05	-	-	3.62
18.74	-	-	
1.23	-	-	
1.23	-	-	
9.94	-	-	
1.23	-	-	1.94
9.94	-	-	
0.60	-	-	
3.38	-	-	
0.60	-	-	
3.66	-	-	
0.60	-	-	
3.66	-	-	
0.60	-	-	
5.99	-	-	
1.67	-	-	
1.96	-	-	
1.96	-	-	

Report on Special Investigation of the
City of Lacona

Purchases at Wal-Mart
For the period September 1, 2004 through August 15, 2008

Per Receipt

Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
			LADIES SOCKS	1	1.96
			LADIES SOCKS	1	1.96
			CARROT BP 1	1	1.50
			CARROT BP 1	1	1.50
			CUCUMBERS	2	1.24
			PEPPER GREEN	2	1.56
			LETTUCE CELL	1	0.98
			HVR DRESSING	1	2.93
			MED SHELLS	1	0.83
			VENUS RAZOR	1	4.94
			TAPE	1	1.97
			WM G2 EXTRA	1	2.56
			SCISSOR 8	1	1.94
			TAPE 1400IN	1	0.88
			LINT ROLLER	1	2.88
			DESK ACCESSO	1	1.97
			VELVEETA	1	3.97
			HP CHSBGR	1	1.68
			CHECK PATTIE	1	2.44
			CN CRK W/CAL	1	1.96
			GLUE STICK	1	1.17
			SG TOTE	1	1.97
			KETCHUP PLAS	1	1.57
			LEAN PATTY	1	3.38
			SC CLR AMR	1	1.84
			DEPOSIT FEE	1	0.20
			SC CLR AMR	1	1.84
			DEPOSIT FEE	1	0.20
			TOTINOS PZA	1	1.38
			TOTINOS PZA	1	1.38
			HP CKN MLT	1	1.68
			BRST TENDERS	1	2.50
			BRST TNDRLN	1	3.28
			GV CLBY/JK S	1	1.77
			GV CLBY/JK S	1	1.77
			CRMETE FETT	1	0.88
			KFT AM SINGL	1	1.97
			KFT AM SINGL	1	1.97
			LEAN PATTY	1	3.38
			PURE OIL	1	2.12
			W/K CORN	1	0.38
			BRET. SAUCE	1	1.93
			CONTAINER	1	0.97
			WHL KN CORN	1	1.04

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
1.96	-	-	
1.96	-	-	
1.50	-	-	
1.50	-	-	
1.24	-	-	
1.56	-	-	
0.98	-	-	
2.93	-	-	
0.83	-	-	
4.94	-	-	
1.97	-	-	
2.56	-	-	
1.94	-	-	
0.88	-	-	
2.88	-	-	
1.97	-	-	
3.97	-	-	
1.68	-	-	
2.44	-	-	
1.96	-	-	
1.17	-	-	
1.97	-	-	
1.57	-	-	
3.38	-	-	
1.84	-	-	
0.20	-	-	
1.84	-	-	
0.20	-	-	
1.38	-	-	
1.38	-	-	
1.68	-	-	
2.50	-	-	
3.28	-	-	
1.77	-	-	
1.77	-	-	
0.88	-	-	
1.97	-	-	
1.97	-	-	
3.38	-	-	
2.12	-	-	
0.38	-	-	
1.93	-	-	
0.97	-	-	
1.04	-	-	

Report on Special Investigation of the
City of Lacona

Purchases at Wal-Mart
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Per Receipt					
Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
			AE MILK	1	1.42
			AUSSIE SHAMP	1	2.84
			POWDER	1	0.78
			TOOTHPASTE	1	2.36
			KID TBHOLDER	1	0.78
			COLGATE 2IN1	1	2.88
			MOUTHWASH	1	0.50
			BNL HLF LN	1	12.69
			BUNS	1	1.50
			WONDER BREAD	1	1.50
			CAULIFLOWER	1	2.14
			PORK BEANS	1	1.23
			WHT TURKEY	1	2.50
			DM SMO CKHAM	1	4.64
			O.M. BOLD	1	1.50
04/14/05	RK	43.40	TURF BLDR	1	31.44
			CHARM 24ROLL	1	5.98
			CHARM 24ROLL	1	5.98
04/29/05	AH	29.12	RECEIPT NOT AVAILABLE	-	-
04/30/05	AH	58.26	PEPSI	1	3.33
			IA DEPOSIT	1	0.60
			CHERRY COKE	1	2.50
			IA DEPOSIT	1	0.60
			BLANKET	1	6.88
			BLANKET	1	8.82
			BAG LG	1	1.27
			BAG LG	1	1.27
			RATTLE	1	1.96
			RATTLE	1	1.96
			NBG WHT FLOR	1	6.82
			NBG WHT FLOR	1	6.82
			GV SUGAR	1	1.44
			BABY CARD	1	2.86
			PEPSI	1	2.98
			IA DEPOSIT	1	0.30
			COOKIE	1	2.50
			COOKIE	1	2.50
05/14/05	RK	19.88	QUIK WAX	1	4.97
			QUIK WAX	1	4.97
			QUIK WAX	1	4.97
			QUIK WAX	1	4.97
06/07/05	Check 6974	75.93	RECEIPT NOT AVAILABLE	-	-
06/09/05	AH	106.65	KETCHUP PLAS	1	1.62
			MUSTARD	1	0.94

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
1.42	-	-	
2.84	-	-	
0.78	-	-	
2.36	-	-	
0.78	-	-	
2.88	-	-	
0.50	-	-	
12.69	-	-	
1.50	-	-	
1.50	-	-	
2.14	-	-	
1.23	-	-	
2.50	-	-	
4.64	-	-	
1.50	-	-	3.95
-	31.44	-	
-	5.98	-	
-	5.98	-	-
-	-	29.12	
3.33	-	-	
0.60	-	-	
2.50	-	-	
0.60	-	-	
6.88	-	-	
8.82	-	-	
1.27	-	-	
1.27	-	-	
1.96	-	-	
1.96	-	-	
6.82	-	-	
6.82	-	-	
1.44	-	-	
2.86	-	-	
2.98	-	-	
0.30	-	-	
2.50	-	-	
2.50	-	-	2.85
-	4.97	-	
-	4.97	-	
-	4.97	-	
-	4.97	-	-
-	-	75.93	
1.62	-	-	
0.94	-	-	

Report on Special Investigation of the
City of Lacona

Purchases at Wal-Mart
For the period September 1, 2004 through August 15, 2008

Per Receipt					
Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
			PEANUTS	1	3.96
			BBQ SAUCE	1	2.34
			TACO SAUCE	1	1.46
			BEANS	1	0.78
			BEANS	1	0.78
			TACO SAUCE	1	1.46
			TACO SEASMX	1	0.46
			PLANNER	1	3.47
			BEANS	1	0.78
			BEANS	1	0.78
			PEPSI 24 PK	1	6.48
			IA DEPOSIT	1	1.20
			MT DEW	1	3.66
			IA DEPOSIT	1	0.60
			MT DEW	1	3.66
			IA DEPOSIT	1	0.60
			CAT FOOD	1	8.36
			7UP	1	3.28
			IA DEPOSIT	1	0.60
			BAR-B-QUE BU	1	2.42
			BAR-B-QUE BU	1	2.42
			BAR-B-QUE BU	1	2.42
			BAR-B-QUE BU	1	2.42
			BAR-B-QUE BU	1	2.42
			BAR-B-QUE BU	1	2.42
			SOUR CREAM	1	1.66
			SOUR CREAM	1	1.66
			TORT RND CHP	1	2.50
			BAR-B-QUE BU	1	2.42
			36 CT FORKS	1	1.87
			36 CT FORKS	1	1.87
			36 CT FORKS	1	1.87
			LAY S	1	3.77
			FRITOS	1	2.00
			TORT RND CHP	1	2.50
			WHITE ONIONS	1	1.71
			TOMATO	1	2.36
			BELL PEPPER	1	1.36
			NAIR LOTION	1	2.97
			DEPILATORY	1	3.76
			GOOD NEWS	1	5.36
06/14/05	AH	124.47	FRUIT 20	1	2.92
			FRUIT 20	1	2.92

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
3.96	-	-	
2.34	-	-	
1.46	-	-	
0.78	-	-	
0.78	-	-	
1.46	-	-	
0.46	-	-	
3.47	-	-	
0.78	-	-	
0.78	-	-	
6.48	-	-	
1.20	-	-	
3.66	-	-	
0.60	-	-	
3.66	-	-	
0.60	-	-	
8.36	-	-	
3.28	-	-	
0.60	-	-	
2.42	-	-	
2.42	-	-	
2.42	-	-	
2.42	-	-	
2.42	-	-	
2.42	-	-	
2.42	-	-	
1.66	-	-	
1.66	-	-	
2.50	-	-	
2.42	-	-	
1.87	-	-	
1.87	-	-	
1.87	-	-	
3.77	-	-	
2.00	-	-	
2.50	-	-	
1.71	-	-	
2.36	-	-	
1.36	-	-	
2.97	-	-	
3.76	-	-	
5.36	-	-	2.80
2.92	-	-	
2.92	-	-	

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Per Receipt

Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
			PROPEL 8PK	1	3.92
			SC CLR AMR	1	1.84
			DEPOSIT FEE	1	0.20
			QKR CEREAL	1	2.63
			INSTANT OATS	1	2.57
			KLG CEREAL	1	3.82
			GM CEREAL	1	2.36
			LETTUCE	1	0.98
			RICE SCE	1	0.97
			GV MAC CHSE	1	0.33
			GV MAC CHSE	1	0.33
			GV MAC CHSE	1	0.33
			GV MAC CHSE	1	0.33
			RICE DINNER	1	0.97
			MEX RICE SC	1	0.97
			RICE HRB/BUT	1	0.97
			LIP RC SCE	1	0.97
			CRYST LT JCE	1	2.42
			CRYST LT JCE	1	2.42
			DRESSING	1	2.38
			DRESSING	1	2.67
			DILL PICKLE	1	1.98
			PEAS	1	0.54
			CANDLE HOLDE	1	4.97
			TEALIGHTS	1	1.97
			AE MILK	1	1.42
			STRAWBERRY	1	1.48
			TIRE LIQUID	1	5.80
			APPL GRAN LG	1	1.40
			NAVEL ORANGE	1	0.88
			TOMATO	1	2.06
			WHITE ONIONS	1	2.78
			BELL PEPPER	1	1.36
			SWEET POTATO	1	2.09
			CONDITIONER	1	5.47
			8.50Z CANDLE	1	4.88
			SHAMPOO	1	5.47
			WM COL FRESH	1	2.44
			GLASS DISH	1	2.97
			GLASS GEMS	1	1.96
			BLK ONYX STN	1	1.96
			GLASS GEMS	1	1.96
			SL CARROTS	1	0.33
			DM PEAS CART	1	0.54

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
3.92	-	-	
1.84	-	-	
0.20	-	-	
2.63	-	-	
2.57	-	-	
3.82	-	-	
2.36	-	-	
0.98	-	-	
0.97	-	-	
0.33	-	-	
0.33	-	-	
0.33	-	-	
0.33	-	-	
0.97	-	-	
0.97	-	-	
0.97	-	-	
0.97	-	-	
2.42	-	-	
2.42	-	-	
2.38	-	-	
2.67	-	-	
1.98	-	-	
0.54	-	-	
4.97	-	-	
1.97	-	-	
1.42	-	-	
1.48	-	-	
5.80	-	-	
1.40	-	-	
0.88	-	-	
2.06	-	-	
2.78	-	-	
1.36	-	-	
2.09	-	-	
5.47	-	-	
4.88	-	-	
5.47	-	-	
2.44	-	-	
2.97	-	-	
1.96	-	-	
1.96	-	-	
1.96	-	-	
0.33	-	-	
0.54	-	-	

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Per Receipt					
Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
06/15/05	RK	4.57	W/K CORN	1	0.44
			SLC GRN BEAN	1	0.44
			SLC GRN BEAN	1	0.44
			SAUERKRAUT	1	0.64
			W/K CORN	1	0.44
			INSTANT OATS	1	2.57
			SNACK PK GEL	1	0.97
			SP PUDDING	1	0.97
			GV MAC CHSE	1	0.33
			CHOCOLATE	1	2.38
			WM REESES MI	1	3.94
			SNICKER MINT	1	2.67
			MINT Patties	1	1.88
			BREAD	1	2.73
			BREAD	1	2.78
			MT DEW	1	1.18
			IA DEPOSIT	1	0.05
			RIP IT ENERGY	1	0.98
			IA SNG DEPOSIT	1	0.05
06/24/05	RK	23.65	RIP IT ENERGY	1	0.98
			IA SNG DEPOSIT	1	0.05
			RIP IT ENERGY	1	0.98
			IA SNG DEPOSIT	1	0.05
			RIP IT ENERGY	1	0.98
			IA SNG DEPOSIT	1	0.05
			8OZ CEMENT	1	5.47
			35MM FILM	1	5.46
07/03/05	AH	22.04	FILM DEVELOP	1	6.44
			FILM DEVELOP	1	2.08
			INDEX PRINT	1	0.24
			SC WATER	1	3.96
07/11/05	Check 7033	19.66	SUNGLASS	1	9.83
			RHULI GEL	1	4.96
			JMS V-NECK S	1	6.00
			COMET LEMON	1	0.93
			FREEZER BAGS	1	1.07
			DAWN 25	1	1.97
			PARSON LEMON	1	1.24
			SCRUB SPONGE	1	2.87
			WM TERY SCBR	1	0.94
			GV CLEANER	1	0.96
			WINDEX	1	2.21
			GV BLEACH	1	0.88
07/15/05	FB	6.97	SCOTT 8RL	1	5.48
08/03/05	FB	47.77	CRABGRS KLR (<i>Crabgrass Killer</i>)	1	6.97
			CHARM 24ROLL	1	5.98

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
0.44	-	-	
0.44	-	-	
0.44	-	-	
0.64	-	-	
0.44	-	-	
2.57	-	-	
0.97	-	-	
0.97	-	-	
0.33	-	-	
2.38	-	-	
3.94	-	-	
2.67	-	-	
1.88	-	-	
2.73	-	-	
2.78	-	-	3.92
1.18	-	-	
0.05	-	-	
0.98	-	-	
0.05	-	-	
0.98	-	-	
0.05	-	-	
0.98	-	-	
0.05	-	-	0.25
-	5.47	-	
-	5.46	-	
-	6.44	-	
-	2.08	-	
-	0.24	-	
-	3.96	-	-
9.83	-	-	
4.96	-	-	
6.00	-	-	1.25
-	0.93	-	
-	1.07	-	
-	1.97	-	
-	1.24	-	
-	2.87	-	
-	0.94	-	
-	0.96	-	
-	2.21	-	
-	0.88	-	
-	5.48	-	1.11
-	6.97	-	-
-	5.98	-	

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Per Receipt					
Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
08/08/05	AH	126.94	CHARM 24ROLL	1	5.98
			CRABGRS KLR (<i>Crabgrass Killer</i>)	1	6.97
			CRABGRS KLR (<i>Crabgrass Killer</i>)	1	6.97
			PROBOND POLY	1	7.93
			CRABGRS KLR (<i>Crabgrass Killer</i>)	1	6.97
			CRABGRS KLR (<i>Crabgrass Killer</i>)	1	6.97
			HANDBAG	1	12.96
			TAMPAX	1	4.68
			ALWAYS ULTRA	1	4.94
			BATTERIES	1	4.87
			COPY PAPER	1	12.93
			BRUSH	1	1.96
			NAIL FILE	1	2.36
			LC NAIL CLP	1	1.54
			BRUSH	1	2.96
			MATCHES	1	0.50
			3X5 US FLAG	1	8.38
			PEPSI	1	1.18
			IA DEPOSIT	1	0.05
			YDS CREW	1	5.00
			3 MUSK FN	1	2.00
			NESTL ASST M	1	3.94
			SNICKERS FS	1	3.94
			HRSKY KITKAT	1	2.00
			MARS	1	2.67
			CLOCK	1	15.76
			CLOCK	1	3.76
			CLOCK	1	3.76
			ANTI-PERSPIR	1	3.92
			COV CLN PWD	1	3.48
			COV CHEEKERS	1	3.48
			KETCHUP PLAS	1	1.24
			RANCH DRESS	1	2.93
			KRAFT DRESS	1	1.88
08/10/05	AH	59.67	HONEY BBQ	1	1.37
			PHOTO FRAME	1	3.00
			8x10 RSWD FRM	1	7.00
			11x14 FRAME	1	12.93
			3 UP ALBUM	1	9.83
			PHOTO PAPER	1	8.87
			SONY CDR	1	10.97
08/24/05	AH	108.98	DISKETTS	1	3.17
			JUMBO ROLL	1	2.50
			JUMBO ROLL	1	2.50

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
-	5.98	-	
-	6.97	-	
-	6.97	-	
-	7.93	-	
-	6.97	-	
-	6.97	-	-
12.96	-	-	
4.68	-	-	
4.94	-	-	
4.87	-	-	
12.93	-	-	
1.96	-	-	
2.36	-	-	
1.54	-	-	
2.96	-	-	
0.50	-	-	
8.38	-	-	
1.18	-	-	
0.05	-	-	
5.00	-	-	
2.00	-	-	
3.94	-	-	
3.94	-	-	
2.00	-	-	
2.67	-	-	
15.76	-	-	
3.76	-	-	
3.76	-	-	
3.92	-	-	
3.48	-	-	
3.48	-	-	
1.24	-	-	
2.93	-	-	
1.88	-	-	
1.37	-	-	6.50
3.00	-	-	
7.00	-	-	
12.93	-	-	
9.83	-	-	
8.87	-	-	
10.97	-	-	
3.17	-	-	3.90
2.50	-	-	
2.50	-	-	

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Per Receipt

Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
			MT DEW	1	3.66
			IA DEPOSIT	1	0.60
			PEPSI	1	3.66
			IA DEPOSIT	1	0.60
			DT CH COKE	1	3.38
			IA DEPOSIT	1	0.60
			MIRACLE WHIP	1	1.82
			WB WHITE SAN	1	2.23
			BUNS	1	1.82
			CHESY BRAT	1	3.88
			CONDITIONER	1	2.48
			BKF SSG LINK	1	2.10
			HANDLE BAG	1	3.64
			TISSUE	1	0.88
			TNDRLOIN	1	9.03
			BEEF FRANKS	1	2.63
			1LB FRANKS	1	2.63
			SLICED BACON	1	2.94
			SHOES	1	9.87
			CARD WEDDING	1	2.23
			SHEET SET	1	16.97
			TAPE	1	1.77
			CC SCRUB	1	4.08
			SHAMPOO	1	2.48
			MOUTHWASH	1	0.50
			BABY LOTION	1	0.78
			HAIRSPRAY	1	2.70
			45 WHT WD LC	1	0.94
			JERGEN TRL	1	0.50
			45 WHT WD LC	1	0.94
			DOVE BWASH	1	0.97
			DEODORANT	1	0.78
			HE SHAMPOO	1	5.47
09/02/05	AH	18.87	24PK WATER	1	3.96
			KKREMOVER	1	4.97
			KKREMOVER	1	4.97
			KKREMOVER	1	4.97
09/15/05	RK	18.70	FLAG	1	4.96
			PAINT	1	13.74
09/22/05	AH	95.79	ENER-GEL SM	1	8.46
			FIBERFIL	1	1.97
			JMS JEAN	1	19.72
			RIDER JEAN	1	17.78
			SHEET SET	1	42.44

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
3.66	-	-	
0.60	-	-	
3.66	-	-	
0.60	-	-	
3.38	-	-	
0.60	-	-	
1.82	-	-	
2.23	-	-	
1.82	-	-	
3.88	-	-	
2.48	-	-	
2.10	-	-	
3.64	-	-	
0.88	-	-	
9.03	-	-	
2.63	-	-	
2.63	-	-	
2.94	-	-	
9.87	-	-	
2.23	-	-	
16.97	-	-	
1.77	-	-	
4.08	-	-	
2.48	-	-	
0.50	-	-	
0.78	-	-	
2.70	-	-	
0.94	-	-	
0.50	-	-	
0.94	-	-	
0.97	-	-	
0.78	-	-	
5.47	-	-	4.42
3.96	-	-	
4.97	-	-	
4.97	-	-	
4.97	-	-	
-	4.96	-	
-	13.74	-	-
8.46	-	-	
1.97	-	-	
19.72	-	-	
17.78	-	-	
42.44	-	-	5.42

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Per Receipt

Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
09/23/05	FB	27.48	PAINT	1	13.74
			PAINT	1	13.74
09/27/05	AH	138.08	CKN TENDERS	1	2.44
			CKN NUGGETS	1	2.44
			WRIG EXTRA	1	1.50
			WRIG ORBIT	1	1.50
			VELVEETA	1	3.93
			MUFFINS	1	2.58
			MICHELOB	1	5.34
			IA6PKBTLDEP	1	0.30
			LITTER	1	2.76
			PEPSI	1	3.66
			IA DEPOSIT	1	0.60
			DT CH COKE	1	3.38
			IA DEPOSIT	1	0.60
			MT DEW	1	3.66
			IA DEPOSIT	1	0.60
			CRYST LT JCE	1	2.42
			PK LEMONAID	1	2.42
			1LB FRANKS	1	1.48
			BL CC 12 07	1	2.94
			TTNO CHS 15	1	1.28
			TTNO PEP 15	1	1.28
			RICE CAKES	1	2.42
			SWEET POTATO	1	0.63
			BAKER POTATO	1	1.12
			KRAFT DRESS	1	1.88
			MIRACLE WHIP	1	2.58
			BRET. SAUCE	1	1.93
			BARILLA	1	0.83
			CSBUGR MAC	1	1.38
			HH BF TACO	1	1.38
			KLG P-TARTS	1	2.18
			GRANOLA BAR	1	2.06
			KUDOS M M	1	2.50
			SKIST DT 6PK	1	2.50
			IA DEPOSIT	1	0.30
			TIDE LIQUID	1	5.80
			COTT CHEESE	1	2.76
			LETTUCE	1	0.98
			5PK 120ZTUMB	1	1.00
			5PK 120ZTUMB	1	1.00
			SC CLR AMR	1	1.84
			DEPOSIT FEE	1	0.20

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
-	13.74	-	
-	13.74	-	-
2.44	-	-	
2.44	-	-	
1.50	-	-	
1.50	-	-	
3.93	-	-	
2.58	-	-	
5.34	-	-	
0.30	-	-	
2.76	-	-	
3.66	-	-	
0.60	-	-	
3.38	-	-	
0.60	-	-	
3.66	-	-	
0.60	-	-	
2.42	-	-	
2.42	-	-	
1.48	-	-	
2.94	-	-	
1.28	-	-	
1.28	-	-	
2.42	-	-	
0.63	-	-	
1.12	-	-	
1.88	-	-	
2.58	-	-	
1.93	-	-	
0.83	-	-	
1.38	-	-	
1.38	-	-	
2.18	-	-	
2.06	-	-	
2.50	-	-	
2.50	-	-	
0.30	-	-	
5.80	-	-	
2.76	-	-	
0.98	-	-	
1.00	-	-	
1.00	-	-	
1.84	-	-	
0.20	-	-	

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Per Receipt					
Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
			AW SOCKS	1	3.76
			AW SOCKS	1	3.76
			FACIAL CLNSR	1	3.97
			OPTIFREE	1	7.12
			DAWN 25	1	1.97
			TAMPAX	1	4.94
			MUSTARD	1	0.94
			ANTI-PERSPIR	1	2.44
			MAXI PAD	1	4.74
			SC CLR AMR	1	1.84
			DEPOSIT FEE	1	0.20
			KRLN SPR PNT	1	2.74
			GV SUGAR	1	1.44
			JACK PEPP	1	1.98
			TMB SAU/OEO	1	2.50
			CL ING	1	0.94
			GV FAMILY	1	1.68
			BREAD	1	2.16
10/19/05	FB	25.43	MERC VAPOR	1	25.43
11/10/05	FB	8.58	DE-ICER WASH	1	2.77
			TESTER	1	2.47
			GV GLASS	1	1.67
			GV GLASS	1	1.67
01/06/06	AH	180.54	COPY PAPER	1	12.93
			TRIM	1	2.14
			WHITE TNECK	1	3.00
			WHITE TNECK	1	3.00
			FABRIC	1	8.52
			FABRIC	1	23.76
			2 ECON ST	1	2.96
			2 ECON ST	1	2.96
			2 ECON ST	1	2.96
			2 ECON ST	1	2.96
			1 ECONBNDR	1	0.97
			HARTZ CONTRO	1	7.97
			HARTZ CONTRO	1	7.97
			THREAD	1	1.74
			THREAD	1	1.74
			WINDEX	1	2.68
			EASY OFF	1	3.78
			CHICKEN CHIP	1	7.97
			CHARMULT 126	1	7.78
			DUSTMOP	1	9.88
			STORAGE TOTE	1	7.72
			STORAGE TOTE	1	7.72

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
3.76	-	-	
3.76	-	-	
3.97	-	-	
7.12	-	-	
1.97	-	-	
4.94	-	-	
0.94	-	-	
2.44	-	-	
4.74	-	-	
1.84	-	-	
0.20	-	-	
2.74	-	-	
1.44	-	-	
1.98	-	-	
2.50	-	-	
0.94	-	-	
1.68	-	-	
2.16	-	-	4.58
-	25.43	-	-
-	2.77	-	
-	2.47	-	
-	1.67	-	
-	1.67	-	-
-	12.93	-	
2.14	-	-	
3.00	-	-	
3.00	-	-	
8.52	-	-	
23.76	-	-	
2.96	-	-	
2.96	-	-	
2.96	-	-	
2.96	-	-	
0.97	-	-	
7.97	-	-	
7.97	-	-	
1.74	-	-	
1.74	-	-	
2.68	-	-	
3.78	-	-	
7.97	-	-	
7.78	-	-	
-	9.88	-	
-	7.72	-	
-	7.72	-	

Report on Special Investigation of the
City of Lacona

Purchases at Wal-Mart
For the period September 1, 2004 through August 15, 2008

Per Receipt					
Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
01/08/06	AH	89.03	STORAGE TOTE	1	7.72
			STORAGE BOX	1	9.83
			STORAGE BOX	1	9.83
			STORAGE BOX	1	9.83
			9LVS CAN CAT	1	0.96
			9LIVES OWF	1	0.96
			9LIVES OWF	1	0.96
			9LVS CAN CAT	1	0.96
			11C RECTANGL	1	5.47
			11C RECTANGL	1	5.47
			LITTER	1	2.92
			TATER TOTS	1	1.77
			FREE SHR CHD	1	2.68
			FIN CHARP	1	2.78
			IRONBD/WCVR	1	12.44
			GV MUSH SOUP	1	0.54
			GV MUSH SOUP	1	0.54
			BARILLA	1	0.83
			CC SCRUB	1	4.08
			CAT VITAMIN	1	4.97
			CLEANSER	1	4.47
			DOG F T DIP	1	4.97
			DOG F T DIP	1	4.97
			ASTRINGENT	1	6.74
			BEADED CHAIN	1	2.77
			CONNECTORS	1	1.47
			RNDPULL CHAIN	1	1.47
			RUNNER	1	5.96
01/29/06	AH	69.20	ANTI-PERSPIR	1	3.36
			COPY PAPER	1	12.93
			PC MOUSE	1	19.96
			1 ECONBNDR	1	0.97
			1 ECONBNDR	1	0.97
			1 ECONBNDR	1	0.97
			1 ECONBNDR	1	0.97
			1 ECONBNDR	1	0.97
			INDX DIVIDER	1	1.17
			INDX DIVIDER	1	1.17
			INDX DIVIDER	1	1.17
			INDX DIVIDER	1	1.17
			INDX DIVIDER	1	1.17
			INDX DIVIDER	1	1.17
			INDX DIVIDER	1	1.17

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
-	7.72	-	10.22
-	9.83	-	
-	9.83	-	
-	9.83	-	
0.96	-	-	4.52
0.96	-	-	
0.96	-	-	
0.96	-	-	
5.47	-	-	
5.47	-	-	
2.92	-	-	
1.77	-	-	
2.68	-	-	
2.78	-	-	
12.44	-	-	
0.54	-	-	
0.54	-	-	
0.83	-	-	
4.08	-	-	
4.97	-	-	
4.47	-	-	
4.97	-	-	
4.97	-	-	
6.74	-	-	
2.77	-	-	
1.47	-	-	
1.47	-	-	
5.96	-	-	
3.36	-	-	
-	12.93	-	
-	19.96	-	
-	0.97	-	
-	0.97	-	
-	0.97	-	
-	0.97	-	
-	0.97	-	
-	1.17	-	
-	1.17	-	
-	1.17	-	
-	1.17	-	
-	1.17	-	
-	1.17	-	
-	1.17	-	
-	1.17	-	
-	1.17	-	

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Per Receipt					
Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
			INDX DIVIDER	1	1.17
			SHT PROTECTR	1	3.96
			SHT PROTECTR	1	3.96
			SHT PROTECTR	1	3.96
			SHT PROTECTR	1	3.96
03/25/06	FB	41.40	RECEIPT NOT AVAILABLE	-	-
03/25/06	FB	43.88	OIL FILTER	1	3.28
			WIRE 100FT	1	3.47
			OIL FILTER	1	4.17
			MOTOR OIL	1	15.24
			MOTOR OIL	1	15.24
03/25/06	FB	43.88	OIL FILTER	1	3.28
			WIRE 100FT	1	3.47
			OIL FILTER	1	4.17
			MOTOR OIL	1	15.24
			MOTOR OIL	1	15.24
03/25/06	FB	(43.88)	OIL FILTER	1	(3.28)
			WIRE 100FT	1	(3.47)
			OIL FILTER	1	(4.17)
			MOTOR OIL	1	(15.24)
			MOTOR OIL	1	(15.24)
03/28/06	AH	71.68	6 TUMBLER	1	0.97
			6 TUMBLER	1	0.97
			S/8 11 OZ CU	1	1.97
			6 TUMBLER	1	0.97
			6 TUMBLER	1	0.97
			MC GRAW TIM	1	9.72
			BYRD TRACY	1	14.88
			ALERGY MED	1	5.92
			TYLENOL	1	4.97
			TYL ST DAY	1	5.43
			CDR DATAP5PK	1	9.97
			PM 8X10	1	9.48
			PM 4X6	1	1.40
04/05/06	AH	46.06	BAR SOAP	1	3.50
			PANTYHOSE	1	4.88
			ES LOGAN WHI	1	12.74
			AUS MOUSSE	1	2.70
			SHAMPOO	1	2.84
			CC SCRUB	1	5.44
			SKINT MELON	1	2.47
			NA HAIRSPRAY	1	2.70
			GOOD NEWS	1	3.24
			TOOTHPASTE	1	2.94
04/11/06	AH	141.59	MUFFINS	1	2.50

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
-	1.17	-	
-	3.96	-	
-	3.96	-	
-	3.96	-	
-	3.96	-	3.92
-	-	41.40	
-	3.28	-	
-	3.47	-	
-	4.17	-	
-	15.24	-	
-	15.24	-	2.48
-	3.28	-	
-	3.47	-	
-	4.17	-	
-	15.24	-	
-	15.24	-	2.48
-	(3.28)	-	
-	(3.47)	-	
-	(4.17)	-	
-	(15.24)	-	
-	(15.24)	-	(2.48)
0.97	-	-	
0.97	-	-	
1.97	-	-	
0.97	-	-	
0.97	-	-	
9.72	-	-	
14.88	-	-	
5.92	-	-	
4.97	-	-	
5.43	-	-	
9.97	-	-	
9.48	-	-	
1.40	-	-	4.06
3.50	-	-	
4.88	-	-	
12.74	-	-	
2.70	-	-	
2.84	-	-	
5.44	-	-	
2.47	-	-	
2.70	-	-	
3.24	-	-	
2.94	-	-	2.61
2.50	-	-	

Report on Special Investigation of the
City of Lacona

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Per Receipt

Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
			100 CAL CA	1	2.28
			100 CAL CA	1	2.28
			VOIDED ENTRY	1	(2.28)
			LP HAM/CHS	1	2.16
			POPTARTS	1	1.63
			SALSBURY STK	1	0.98
			BROC ALFREDO	1	0.98
			MAC CHEESE	1	0.86
			RND LNRST	1	6.16
			CHSHD STRING	1	2.98
			LP CKN PARM	1	2.16
			LP CKN PARM	1	2.16
			VOIDED ENTRY	1	(2.16)
			HH CHZY NACH	1	1.32
			PEELED CARRO	1	2.96
			DR P/7UP	1	2.50
			IA DEPOSIT	1	0.30
			FR GRN BEANS	1	0.48
			RANCH DRESS	1	2.93
			KRAFT DRESS	1	1.88
			BEEF NOODLE	1	1.32
			W/K CORN	1	0.44
			PORK BEANS	1	1.23
			FR GRN BEANS	1	0.48
			W/K CORN	1	0.44
			BRET. SAUCE	1	1.93
			PASTA	1	1.50
			VELVEETA	1	3.93
			PEAR FRT BWL	1	1.68
			CHUCK ROLL	1	2.28
			MICHELOB	1	5.27
			IA6PKBTLDEP	1	0.30
			CHUCK ROLL	1	2.28
			KETCHUP PLAS	1	1.62
			KFT AM SINGL	1	1.97
			GV CORN OIL	1	1.92
			JB WHISKEY	1	12.54
			IASNGLQDP	1	0.05
			5LB POTATO	1	2.93
			COTT CHEESE	1	2.47
			GV FAMILY	1	1.78
			PEPSI	1	3.58
			IA DEPOSIT	1	0.60
			PEPSI	1	3.58
			IA DEPOSIT	1	0.60

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
2.28	-	-	
2.28	-	-	
(2.28)	-	-	
2.16	-	-	
1.63	-	-	
0.98	-	-	
0.98	-	-	
0.86	-	-	
6.16	-	-	
2.98	-	-	
2.16	-	-	
2.16	-	-	
(2.16)	-	-	
1.32	-	-	
2.96	-	-	
2.50	-	-	
0.30	-	-	
0.48	-	-	
2.93	-	-	
1.88	-	-	
1.32	-	-	
0.44	-	-	
1.23	-	-	
0.48	-	-	
0.44	-	-	
1.93	-	-	
1.50	-	-	
3.93	-	-	
1.68	-	-	
2.28	-	-	
5.27	-	-	
0.30	-	-	
2.28	-	-	
1.62	-	-	
1.97	-	-	
1.92	-	-	
12.54	-	-	
0.05	-	-	
2.93	-	-	
2.47	-	-	
1.78	-	-	
3.58	-	-	
0.60	-	-	
3.58	-	-	
0.60	-	-	

Report on Special Investigation of the
City of Lacona

Purchases at Wal-Mart
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Per Receipt					
Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
04/13/06	AH	62.00	TIDE LIQUID	1	5.80
			MRTON 1Z SAL	1	0.38
			CHARM 12 GNT	1	8.38
			PALMOLIVE BO	1	1.98
			SHAMPOO	1	5.47
			RM BRUSH	1	2.94
			MASKING TAPE	1	0.54
			GINGER 1/2PT	1	3.24
			CONDITIONER	1	2.94
			BLACK PEPPER	1	1.68
			DICED PEACH	1	1.73
			CARD EASTER	1	1.84
			BREAD	1	2.17
			PEPSI	1	3.28
			IA DEPOSIT	1	0.60
			KLNK EXP 90	1	1.64
			EGGS	1	1.16
			PZZ MX 2CHS	1	2.48
			KFT PARMESAN	1	2.78
			BBSPTSPF30	1	1.57
			CLARITIN	1	17.33
			SL MUSHROOMS	1	1.17
			BARBIE DÉCOR	1	2.88
			PASTEL SUGAR	1	2.47
			COUGH DROP	1	0.97
			WM GEL FOOD	1	2.68
			HOV MC 2 BAG	1	5.97
			FMLD ORG SSG	1	1.38
			CHUCK ROLL	1	2.28
			GV SHR MOZZA	1	3.28
			GV SHR MOZZA	1	3.28
			HML PZ CN BC	1	2.97
			SL PEPPERONI	1	1.50
			GV BTTR QTRS	1	2.16
			GV PWD SUGAR	1	0.89
			GV SUGAR	1	1.43
04/19/06	AH	159.76	FLOUR	1	0.98
			CAKE	1	12.87
			MCCORMICK	1	0.98
			MCCORMICK	1	0.98
			MCCORMICK	1	0.98
			MCCORMICK	1	0.98
			MCCORMICK	1	0.98
			MCCORMICK	1	0.98

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
5.80	-	-	
0.38	-	-	
8.38	-	-	
1.98	-	-	
5.47	-	-	
2.94	-	-	
0.54	-	-	
3.24	-	-	
2.94	-	-	
1.68	-	-	
1.73	-	-	
1.84	-	-	
2.17	-	-	
3.28	-	-	
0.60	-	-	
1.64	-	-	
1.16	-	-	4.04
2.48	-	-	
2.78	-	-	
1.57	-	-	
17.33	-	-	
1.17	-	-	
2.88	-	-	
2.47	-	-	
0.97	-	-	
2.68	-	-	
5.97	-	-	
1.38	-	-	
2.28	-	-	
3.28	-	-	
3.28	-	-	
2.97	-	-	
1.50	-	-	
2.16	-	-	
0.89	-	-	
1.43	-	-	
0.98	-	-	1.55
12.87	-	-	
0.98	-	-	
0.98	-	-	
0.98	-	-	
0.98	-	-	
0.98	-	-	
0.98	-	-	
0.98	-	-	

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Per Receipt

Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
			BREAD	1	2.16
			TOMATO PST	1	0.96
			TOMATO PST	1	0.96
			TOMATO PST	1	0.96
			TOMATO PST	1	0.96
			ROSE S GRFNA	1	2.03
			TINTED BNDR	1	2.48
			TINTED BNDR	1	2.48
			TINTED BNDR	1	2.48
			TINTED BNDR	1	2.48
			TINTED BNDR	1	2.48
			TINTED BNDR	1	2.48
			TWEEZER	1	4.47
			RIVER ROCKS	1	3.96
			RIVER ROCKS	1	3.96
			SCOOPS	1	3.00
			SCOOPS	1	3.00
			TOSTITOS	1	3.00
			HNY SNK MIX	1	2.50
			LAY S	1	1.92
			MRG TEQUILA	1	15.94
			IASNGLQDP	1	0.05
			COV CLEAN MU	1	3.48
			CC 3LB TUB	1	1.96
			CMP NACHO SP	1	1.28
			CMP NACHO SP	1	1.28
			CMP NACHO SP	1	1.28
			CMP NACHO SP	1	1.28
			MICHELOB	1	9.34
			IA12PKBLDEP	1	0.60
			MICHELOB	1	9.34
			IA12PKBLDEP	1	0.60
			CMP NACHO SP	1	1.28
			CMP NACHO SP	1	1.28
			CMP NACHO SP	1	1.28
			CHUCK ROLL	1	9.90
			CHUCK ROLL	1	9.90
			PEPSI	1	3.28
			IA DEPOSIT	1	0.60
			PEPSI	1	3.58
			IA DEPOSIT	1	0.60
			SPRITE	1	3.52
			IA DEPOSIT	1	0.60
			MT DEW	1	3.58
			IA DEPOSIT	1	0.60

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
2.16	-	-	
0.96	-	-	
0.96	-	-	
0.96	-	-	
0.96	-	-	
2.03	-	-	
2.48	-	-	
2.48	-	-	
2.48	-	-	
2.48	-	-	
2.48	-	-	
2.48	-	-	
4.47	-	-	
3.96	-	-	
3.96	-	-	
3.00	-	-	
3.00	-	-	
3.00	-	-	
2.50	-	-	
1.92	-	-	
15.94	-	-	
0.05	-	-	
3.48	-	-	
1.96	-	-	
1.28	-	-	
1.28	-	-	
1.28	-	-	
1.28	-	-	
9.34	-	-	
0.60	-	-	
9.34	-	-	
0.60	-	-	
1.28	-	-	
1.28	-	-	
1.28	-	-	
9.90	-	-	
9.90	-	-	
3.28	-	-	
0.60	-	-	
3.58	-	-	
0.60	-	-	
3.52	-	-	
0.60	-	-	
3.58	-	-	
0.60	-	-	4.88

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Per Receipt					
Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
04/28/06	FB	18.18	STA-BIL 8 OZ	1	4.48
			QUICK CONNEC	1	3.96
			ALK D-4	1	3.87
			UTILITY LTR	1	5.87
05/04/06	Check 7408	43.57	PHONE	1	17.96
			PHONE	1	17.96
			BATTERIES	1	5.18
05/13/06	FB	8.81	LITTER	1	2.22
			LITTER	1	2.22
			ROV AA8	1	3.87
05/15/06	FB	43.34	15 QT PAN	1	7.82
			LONG BOLT	1	1.47
			RESTORE	1	8.74
			H3 55W BP	1	4.96
			WD 40	1	1.98
			OIL FILTER	1	5.94
			LONG BOLT	1	1.47
			TERM WRENCH	1	3.48
			HM10W305Q (<i>Motor oil</i>)	1	7.48
05/18/06	FB	29.88	12X12 TARP	1	21.96
			RUBBER TIE	1	3.96
			RUBBER TIE	1	3.96
05/23/06	FB	58.56	CAMPA TISSUE	1	2.38
			CHEETOS	1	0.88
			FUEL LINE	1	13.47
			MARINE OIL	1	2.92
			RATCHET TD	1	11.94
			50QT COOLER	1	26.97
05/25/06	FB	47.17	60QT COOLER	1	21.47
			NESTLE WATER	1	3.50
			NESTLE WATER	1	3.50
			FUN POPS	1	2.28
			SPORTSPRAY	1	4.97
			KIDSUNSCREEN	1	6.77
			16OZ MUG	1	4.68
06/16/06	FB	23.87	NESTLE WATER	1	3.50
			NESTLE WATER	1	3.50
			SPARKLE 2RL	1	2.37
			ANGEL SFT 24	1	4.75
			SPARKLE 2RL	1	2.37
			GRIPPER	1	7.38
06/27/06	FB	64.26	RUBBER TIE	1	3.96
			RUBBER TIE	1	3.96
			JACK STAND	1	11.44
			TARP	1	8.88

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
-	4.48	-	
-	3.96	-	
-	3.87	-	
-	5.87	-	-
17.96	-	-	
17.96	-	-	
5.18	-	-	2.47
-	2.22	-	
-	2.22	-	
-	3.87	-	0.50
-	7.82	-	
-	1.47	-	
-	8.74	-	
-	4.96	-	
-	1.98	-	
-	5.94	-	
-	1.47	-	
-	3.48	-	
-	7.48	-	-
-	21.96	-	
-	3.96	-	
-	3.96	-	-
-	2.38	-	
0.88	-	-	
-	13.47	-	
-	2.92	-	
-	11.94	-	
-	26.97	-	-
-	21.47	-	
3.50	-	-	
3.50	-	-	
2.28	-	-	
4.97	-	-	
6.77	-	-	
4.68	-	-	-
3.50	-	-	
3.50	-	-	
-	2.37	-	
-	4.75	-	
-	2.37	-	
-	7.38	-	-
-	3.96	-	
-	3.96	-	
-	11.44	-	
-	8.88	-	

Report on Special Investigation of the
City of Lacona

Purchases at Wal-Mart
For the period September 1, 2004 through August 15, 2008

Per Receipt

Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
07/06/06	FB	68.58	FLOW TRU BR	1	9.96
			BRAKE FLUID	1	1.00
			BRAKE FLUID	1	1.00
			WNDSHLD WASH	1	1.07
			WNDSHLD WASH	1	1.07
			DRAIN PLUG	1	2.68
			DRAIN PLUG	1	2.68
			MOTOR OIL	1	16.56
			CID PHONE (<i>Cordless phone</i>)	1	17.96
			TIE DOWN	1	16.67
			TIE DOWN	1	16.67
			CIRC TEST	1	1.98
			7 TO 4 ADP	1	9.94
07/08/06	FB	18.59	BATTERIES	1	5.36
			NESTLE WATER	1	3.50
			NESTLE WATER	1	3.50
			AIR FRESHEN	1	1.88
			FRAGRANCE	1	1.86
07/12/06	AH	147.03	CAR AIRFRESH	1	1.98
			BRUSH SET	1	5.87
			BB HMDVAN	1	3.14
			BQT CKNW/FRY	1	0.94
			LP CKN PARM	1	1.94
			SO CKN PARM	1	2.18
			BQT CKN NUGG	1	0.94
			WHITE CAKE	1	0.88
			FROSTING	1	1.14
			DUSTER PAN	1	2.84
			SPRAYER	1	0.98
			FOLGERS	1	2.84
			REDUCED BEEF	1	7.68
			REDUCED BEEF	1	7.84
			REDUCED BEEF	1	9.17
			HZ 57 SAUCE	1	3.12
			CUCUMBER	1	1.16
			WHITE ONIONS	1	0.99
			GREEN BELL	1	0.78
			SHWR CLNR	1	1.97
			ANTI-PERSPIR	1	2.93
			ANTI-PERSPIR	1	2.93
			RIDX POWDER	1	5.94
			CHUCK PAT	1	2.78
			CHUCK PAT	1	2.78
			KETCHUP 32OZ	1	1.78
			1ST AID KIT	1	9.94

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
-	9.96	-	
-	1.00	-	
-	1.00	-	
-	1.07	-	
-	1.07	-	
-	2.68	-	
-	2.68	-	
-	16.56	-	-
-	17.96	-	
-	16.67	-	
-	16.67	-	
-	1.98	-	
-	9.94	-	
-	5.36	-	-
3.50	-	-	
3.50	-	-	
-	1.88	-	
-	1.86	-	
-	1.98	-	
-	5.87	-	-
3.14	-	-	
0.94	-	-	
1.94	-	-	
2.18	-	-	
0.94	-	-	
0.88	-	-	
1.14	-	-	
2.84	-	-	
0.98	-	-	
2.84	-	-	
7.68	-	-	
7.84	-	-	
9.17	-	-	
3.12	-	-	
1.16	-	-	
0.99	-	-	
0.78	-	-	
1.97	-	-	
2.93	-	-	
2.93	-	-	
5.94	-	-	
2.78	-	-	
2.78	-	-	
1.78	-	-	
9.94	-	-	

Report on Special Investigation of the
City of Lacona

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Per Receipt					
Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
07/14/06	FB	22.93	FR GRN BEANS	1	0.48
			SALAD DRESS	1	1.88
			SEAGRAMS 7	1	10.57
			IASNGLQDP	1	0.05
			CF RDY SHP46	1	2.84
			TAMPAX	1	4.98
			7UP	1	2.50
			IA DEPOSIT	1	0.60
			QNBT 12BDL	1	6.28
			MOLDED TABLE	1	25.84
			CARD BIRTHDAY	1	3.34
			CARD BIRTHDAY	1	2.86
			WIPER BLAD	1	3.87
			WIPER BLAD	1	3.87
			OE TERMINAL	1	3.17
			OE TERMINAL	1	3.17
07/18/06	AH	67.22	BATTERIES	1	5.18
			5 PK LTR	1	3.67
			DR P/7UP	1	2.50
			IA DEPOSIT	1	0.30
			PROPEL 8PK	1	3.97
			MT DEW	1	3.58
			IA DEPOSIT	1	0.60
			PEPSI	1	3.58
			IA DEPOSIT	1	0.60
			PEPSI	1	3.58
			IA DEPOSIT	1	0.60
			PEPSI	1	2.98
			IA DEPOSIT	1	0.30
			CL ORG RTD	1	2.42
			CL ORG RTD	1	2.42
			CL ORG RTD	1	2.42
			CL ORG RTD	1	2.42
			CRYST LT JCE	1	2.42
			VOIDED ENTRY	1	(2.42)
			CL ORG RTD	1	2.42
			VOIDED ENTRY	1	(2.42)
			POPTARTS	1	1.63
			COTT CHEESE	1	2.55
			NESTLE WATER	1	2.50
			LETTUCE CELL	1	0.68
			CHUCK PAT	1	2.78
			BF CUBED STK	1	5.31
			BNLS CCHOP	1	3.69
			CHECK PAT	1	2.78

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
0.48	-	-	
1.88	-	-	
10.57	-	-	
0.05	-	-	
2.84	-	-	
4.98	-	-	
2.50	-	-	
0.60	-	-	
6.28	-	-	
25.84	-	-	
3.34	-	-	
2.86	-	-	5.20
-	3.87	-	
-	3.87	-	
-	3.17	-	
-	3.17	-	
-	5.18	-	
-	3.67	-	-
2.50	-	-	
0.30	-	-	
3.97	-	-	
3.58	-	-	
0.60	-	-	
3.58	-	-	
0.60	-	-	
3.58	-	-	
0.60	-	-	
2.98	-	-	
0.30	-	-	
2.42	-	-	
2.42	-	-	
2.42	-	-	
2.42	-	-	
2.42	-	-	
(2.42)	-	-	
2.42	-	-	
(2.42)	-	-	
1.63	-	-	
2.55	-	-	
2.50	-	-	
0.68	-	-	
2.78	-	-	
5.31	-	-	
3.69	-	-	
2.78	-	-	

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Per Receipt

Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
08/02/06	AH	89.22	BNLS CCHOP	1	5.25
			WHITE ONIONS	1	0.59
			CARROTS	1	0.98
			NESTLE WATER	1	2.50
			SPEC K BARS	1	2.50
			COPY PAPER	1	14.97
			GOOD NEWS	1	5.54
			COV LASHEXCT	1	6.44
			TOOTHPASTE	1	2.94
			REV NAIL	1	3.88
			TAPE	1	1.97
			TAPE 1400IN	1	0.88
			TAPE 1400IN	1	0.88
			ERASEMATE BL	1	1.84
			CRAYONS	1	0.20
			CRAYONS	1	0.20
			PENCILS	1	2.84
			SHRPI FINE S	1	3.67
			SCISSORS	1	1.80
			SCISSORS	1	1.80
			PLAID FOLDER	1	0.76
			PLAID FOLDER	1	0.76
			PLAID FOLDER	1	0.76
			PLAID FOLDER	1	0.76
			INDEX CARDS	1	0.46
			INDEX CARDS	1	0.46
			INDEX CARDS	1	0.46
			4OZ GLUE	1	0.15
			4OZ GLUE	1	0.15
			ANTI-PERSPIR	1	2.24
			CC SCRUB	1	5.44
			DEPILATORY	1	3.76
			BUFFER	1	3.97
			BLUSH	1	8.63
08/03/06	AH	53.51	HERBL SHAMPO	1	5.56
			CHOCOLATE	1	2.67
			MARS SNCKR F	1	2.00
			HRSHY REESE	1	2.00
			KIT KAT	1	2.00
			18 PK BARMOP	1	5.00
			FLOUR SACK	1	5.00
			FF OINION	1	2.17
			SOUP	1	1.64
			SOUP	1	1.64
			SL MUSHROOMS	1	1.17

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
5.25	-	-	
0.59	-	-	
0.98	-	-	
2.50	-	-	
2.50	-	-	1.21
-	14.97	-	
5.54	-	-	
6.44	-	-	
2.94	-	-	
3.88	-	-	
1.97	-	-	
0.88	-	-	
0.88	-	-	
1.84	-	-	
0.20	-	-	
0.20	-	-	
2.84	-	-	
3.67	-	-	
1.80	-	-	
1.80	-	-	
0.76	-	-	
0.76	-	-	
0.76	-	-	
0.76	-	-	
0.46	-	-	
0.46	-	-	
0.46	-	-	
0.15	-	-	
0.15	-	-	
2.24	-	-	
5.44	-	-	
3.76	-	-	
3.97	-	-	
8.63	-	-	
5.56	-	-	5.05
2.67	-	-	
2.00	-	-	
2.00	-	-	
2.00	-	-	
5.00	-	-	
5.00	-	-	
2.17	-	-	
1.64	-	-	
1.64	-	-	
1.17	-	-	

Report on Special Investigation of the
City of Lacona

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Per Receipt					
Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
10/24/06	AH	15.75	SNO-BOL	1	1.28
			BOTTLE BRUSH	1	2.44
			CLOROX BLCH	1	1.12
			SCRUNGE 2 PK	1	1.98
			LIGHT BULB	1	0.77
			ANGLE BROOM	1	5.36
			DOORMAT	1	12.88
			SDWARE VARTY	1	4.96
			CAULKING GUN	1	3.42
			CAULKING GUN	1	3.42
			SALTINES	1	0.58
			GREEN BEANS	1	0.54
			GREEN BEANS	1	0.54
			CHILI PWDR	1	0.50
			GREEN BEANS	1	0.54
11/13/06	AH	12.99	GREEN BEANS	1	0.54
			SIDNEY VASE	1	2.17
			CARD BIRTHDAY	1	2.86
			CARD BIRTHDAY	1	3.34
			FLOWERS	1	3.88
11/18/06	AH	310.43	NB SALTINES	1	1.66
			ICED TEA MKR	1	18.72
			BEEF SOUP	1	1.48
			SALSBURY STK	1	1.48
			CHICKW/VEG	1	1.48
			GREEN BELL	1	0.66
			CELERY	1	0.78
			CARROTS	1	0.98
			CARROTS	1	0.98
			SOUP	1	1.48
			BBQ SAUCE	1	2.24
			KETCHUP PLAS	1	2.24
			FISH FILETS	1	4.56
			JACK PEPP	1	1.98
			JACK PEPP	1	1.98
			TMB SAUSAGE	1	3.00
			SP PUDDING	1	0.97
			GV PUDDING	1	0.88
			NB OYSTER CK	1	2.38
			KERN CORN	1	0.48
			RANCH DRESS	1	4.12
			APPLE JUICE	1	2.76
			KERN CORN	1	0.48
			KITCN GR BN	1	0.50
			MOXX-PROVOLN	1	3.62

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
1.28	-	-	
2.44	-	-	
1.12	-	-	
1.98	-	-	
0.77	-	-	
5.36	-	-	
12.88	-	-	2.39
4.96	-	-	
3.42	-	-	
3.42	-	-	
0.58	-	-	
0.54	-	-	
0.54	-	-	
0.50	-	-	
0.54	-	-	
0.54	-	-	0.71
2.17	-	-	
2.86	-	-	
3.34	-	-	
3.88	-	-	0.74
1.66	-	-	
18.72	-	-	
1.48	-	-	
1.48	-	-	
1.48	-	-	
0.66	-	-	
0.78	-	-	
0.98	-	-	
0.98	-	-	
1.48	-	-	
2.24	-	-	
2.24	-	-	
4.56	-	-	
1.98	-	-	
1.98	-	-	
3.00	-	-	
0.97	-	-	
0.88	-	-	
2.38	-	-	
0.48	-	-	
4.12	-	-	
2.76	-	-	
0.48	-	-	
0.50	-	-	
3.62	-	-	

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Per Receipt

Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
			TATER TOTS	1	1.82
			HH CHNY TACO	1	1.38
			HH CHNY TACO	1	1.38
			HH MW CHSMAC	1	2.37
			MRTON IZ SAL	1	0.38
			SWT POTATO	1	0.94
			SWN BEEF BRT	1	1.98
			GM CEREAL	1	2.64
			SWN CHKN BRT	1	1.98
			QKR CEREAL	1	2.63
			GV SUGAR 5	1	2.12
			SWIRL MORSEL	1	1.68
			SWIRL MORSEL	1	1.68
			POPCORN	1	1.87
			TROP 6PK	1	2.76
			DICED PEACH	1	1.76
			GV VEG OIL	1	4.57
			GV VEG OIL	1	4.57
			AE 2 MILK	1	2.55
			GRANOLA BAR	1	2.06
			POPPING CORN	1	2.78
			TMB SAU/PEP	1	2.50
			LAY S STAX	1	1.00
			PROPEL	1	2.97
			LAY S STAX	1	1.00
			CHIC THIGH	1	3.06
			CHIC THIGH	1	3.06
			BUTTONS	1	1.96
			LIPTON TEA	1	5.98
			PEPSI	1	3.66
			IA DEPOSIT	1	0.60
			JD SAUSAGE	1	1.90
			HONEY HAM	1	6.36
			GOOD NEWS	1	5.54
			THREAD	1	1.74
			BREAD	1	2.32
			BREAD	1	2.32
			BREAD	1	2.32
			VOIDED ENTRY	1	(2.32)
			HEN TURKEY	1	16.28
			COPY PAPER	1	3.43
			TELEPHONE	1	87.87
			SIMPLICITY	1	3.44
			SIMPLICITY	1	7.96
			FABRIC	1	17.76

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
1.82	-	-	
1.38	-	-	
1.38	-	-	
2.37	-	-	
0.38	-	-	
0.94	-	-	
1.98	-	-	
2.64	-	-	
1.98	-	-	
2.63	-	-	
2.12	-	-	
1.68	-	-	
1.68	-	-	
1.87	-	-	
2.76	-	-	
1.76	-	-	
4.57	-	-	
4.57	-	-	
2.55	-	-	
2.06	-	-	
2.78	-	-	
2.50	-	-	
1.00	-	-	
2.97	-	-	
1.00	-	-	
3.06	-	-	
3.06	-	-	
1.96	-	-	
5.98	-	-	
3.66	-	-	
0.60	-	-	
1.90	-	-	
6.36	-	-	
5.54	-	-	
1.74	-	-	
2.32	-	-	
2.32	-	-	
2.32	-	-	
(2.32)	-	-	
16.28	-	-	
3.43	-	-	
87.87	-	-	
3.44	-	-	
7.96	-	-	
17.76	-	-	

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Per Receipt

Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
11/21/06	AH	18.44	FABRIC	1	5.67
			POTATO	1	2.45
			CUCUMBER	1	0.64
			WHITE ONIONS	1	0.97
			SOUR CREAM	1	1.16
			GV M MARSHMA	1	1.00
			COMB	1	1.68
			COLD CEREAL	1	2.87
12/06/06	AH	95.33	PINE IN BOWS	1	10.97
			ULTIMATE PIZ	1	9.44
			PEPP PIZZA	1	6.98
			COLD CEREAL	1	2.50
			DESSERT BAR	1	3.76
			BC BROWNIE	1	1.86
			BRWNYHOLNAPK	1	2.50
			BREAD	1	1.74
			GV M MARSHMA	1	1.00
			GV PWD SUGAR	1	0.89
			GV PWD SUGAR	1	0.89
			GV PWD SUGAR	1	0.89
			GV PWD SUGAR	1	0.89
			PARTY PIX	1	1.76
			PARTY PIX	1	1.76
			WM GEL FOOD	1	2.83
			WM GEL FOOD	1	2.83
			COCK CHECKOU	1	0.48
			MM MINI SEM	1	2.32
			ANDES PMINT	1	1.82
			DECORS	1	1.34
			DECORATION	1	1.34
			DECORS	1	1.34
			SUGARS	1	2.26
			DEC CHOC TUB	1	2.82
			RAINBOW DECO	1	2.82
			CHOC FROSTIN	1	1.22
			CANDY CANES	1	0.88
			CANDY CANES	1	0.88
			EGGS	1	1.50
			BREAKFAST	1	2.16
			BREAKFAST	1	2.16
			GV BTTR QTRS	1	1.67
			8IN PLIER	1	5.47
			ADJ WRENCH	1	6.88
			6IN DIAGONAL	1	4.83
			6IN LONGNOSE	1	4.83

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
5.67	-	-	
2.45	-	-	
0.64	-	-	
0.97	-	-	10.20
1.16	-	-	
1.00	-	-	
1.68	-	-	
2.87	-	-	
10.97	-	-	0.76
9.44	-	-	
6.98	-	-	
2.50	-	-	
3.76	-	-	
1.86	-	-	
2.50	-	-	
1.74	-	-	
1.00	-	-	
0.89	-	-	
0.89	-	-	
0.89	-	-	
0.89	-	-	
1.76	-	-	
1.76	-	-	
2.83	-	-	
2.83	-	-	
0.48	-	-	
2.32	-	-	
1.82	-	-	
1.34	-	-	
1.34	-	-	
1.34	-	-	
2.26	-	-	
2.82	-	-	
2.82	-	-	
1.22	-	-	
0.88	-	-	
0.88	-	-	
1.50	-	-	
2.16	-	-	
2.16	-	-	
1.67	-	-	
5.47	-	-	
6.88	-	-	
4.83	-	-	
4.83	-	-	

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Per Receipt					
Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
02/10/07	AH	182.29	PHILLIPS SD	1	0.88
			SCREWDRIVER	1	0.88
			BAR ELBOW	1	0.86
			BREAKFAST	1	2.16
			BREAKFAST	1	2.16
			LP CHKN QUES	1	1.94
			OAT TO GO	1	2.67
			LP 3CHS BRC	1	1.94
			LP PEPP PZA	1	1.94
			LP CKN PARM	1	1.94
			LP CHKN QUES	1	1.94
			JACK PEPP	1	1.98
			TMB PEPP	1	2.50
			TMB SAUSAGE	1	2.50
			TMB SAUSAGE	1	2.50
			GM CEREAL	1	2.00
			GRN BAR	1	2.18
			SPECK K BARS	1	2.00
			BL BNNT QTRS	1	0.58
			CKN NUGGETS	1	2.28
			HSW TKY DRUM	1	2.73
			HSW TKY DRUM	1	2.69
			EGGS	1	1.85
			TYSON BREAST	1	8.97
			PROPEL	1	2.64
			PROPEL	1	2.64
			SUNKIST	1	3.48
			IA DEPOSIT	1	0.60
			FOLGERS	1	2.88
			GV CANOLAOIL	1	1.94
			CT GRN BEAN	1	0.48
			TOMATOES	1	1.24
			KERN CORN	1	0.50
			KERN CORN	1	0.50
			CAT LITTER	1	3.38
			PEPSI	1	3.33
			IA DEPOSIT	1	0.60
			CT GRN BEAN	1	0.48
			TOMATOES	1	1.24
			SOUP	1	1.68
			SWEET PEAS	1	0.68
			PALMOLIVE BO	1	2.16
			LEMON STARCH	1	0.93
			COFF FILTER	1	0.94
			ADVIL TABS	1	6.94

Categorization				Sales Tax
Improper	Reasonable	Unsupported		
0.88	-	-		
0.88	-	-		2.03
0.86	-	-		
2.16	-	-		
2.16	-	-		
1.94	-	-		
2.67	-	-		
1.94	-	-		
1.94	-	-		
1.94	-	-		
1.94	-	-		
1.98	-	-		
2.50	-	-		
2.50	-	-		
2.50	-	-		
2.00	-	-		
2.18	-	-		
2.00	-	-		
0.58	-	-		
2.28	-	-		
2.73	-	-		
2.69	-	-		
1.85	-	-		
8.97	-	-		
2.64	-	-		
2.64	-	-		
3.48	-	-		
0.60	-	-		
2.88	-	-		
1.94	-	-		
0.48	-	-		
1.24	-	-		
0.50	-	-		
0.50	-	-		
3.38	-	-		
3.33	-	-		
0.60	-	-		
0.48	-	-		
1.24	-	-		
1.68	-	-		
0.68	-	-		
2.16	-	-		
0.93	-	-		
0.94	-	-		
6.94	-	-		

Report on Special Investigation of the
City of Lacona

Purchases at Wal-Mart
For the period September 1, 2004 through August 15, 2008

Per Receipt					
Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
02/17/07	AH	201.05	AE 2 MILK	1	2.73
			CC SCRUB	1	5.44
			FLATWARE	1	14.97
			CARROTS	1	0.84
			DR P/7UP	1	2.50
			IA DEPOSIT	1	0.30
			1LB FRANKS	1	1.50
			SAUS LINKS	1	2.68
			1LB FRANKS	1	1.50
			AMERIC SNGL	1	2.50
			COMB	1	1.68
			QNB 6DBL RL	1	3.64
			MT DEW	1	3.33
			IA DEPOSIT	1	0.30
			YOP STRAWBRY	1	0.48
			YOP PEACH	1	0.48
			AE BANANA VA	1	0.40
			JELL-O DULCE	1	2.34
			SMK TURKEY	1	2.97
			CHEDWRST LNK	1	2.44
			PARMESAN FRY	1	2.56
			MICHELOB	1	5.47
			IA6PKBTLDEP	1	0.30
			BRKFAST MISC	1	2.78
			BREAD	1	1.74
			GV HDOG BUNS	1	1.07
			YUKON 5	1	2.50
			DOG TREAT	1	3.12
			8IN VASE	1	2.24
			8IN VASE	1	2.24
			8IN VASE	1	2.24
			COPY PAPER	1	2.95
			SPC K SB STR	1	2.97
			BANANA	1	0.94
			CKN NUGGETS	1	2.28
			CKN NUGGETS	1	2.28
			SPEC K BARS	1	2.00
			MAGAZINE	1	5.39
			HP 4X4 CLZN	1	1.94
			100 CAL	1	2.38
			HP PEPP CLZN	1	1.94
			LP PEPP PXA	1	1.94
			LP 3CHS BRC	1	1.94
			LP HAN/CHS	1	1.94
			GRANOLA BAR	1	2.18

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
2.73	-	-	
5.44	-	-	
14.97	-	-	
0.84	-	-	
2.50	-	-	
0.30	-	-	
1.50	-	-	
2.68	-	-	
1.50	-	-	
2.50	-	-	
1.68	-	-	
3.64	-	-	
3.33	-	-	
0.30	-	-	
0.48	-	-	
0.48	-	-	
0.40	-	-	
2.34	-	-	
2.97	-	-	
2.44	-	-	
2.56	-	-	
5.47	-	-	
0.30	-	-	
2.78	-	-	
1.74	-	-	
1.07	-	-	
2.50	-	-	
3.12	-	-	
2.24	-	-	
2.24	-	-	
2.24	-	-	
2.95	-	-	
2.97	-	-	
0.94	-	-	4.58
2.28	-	-	
2.28	-	-	
2.00	-	-	
5.39	-	-	
1.94	-	-	
2.38	-	-	
1.94	-	-	
1.94	-	-	
1.94	-	-	
1.94	-	-	
2.18	-	-	

Report on Special Investigation of the
City of Lacona

Purchases at Wal-Mart
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Per Receipt

Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
			TATER TOTS	1	1.76
			POULTRY	1	4.98
			CRINKLE CUTS	1	1.76
			IDAHO 5LB	1	2.74
			GM CEREAL	1	2.68
			CL OTG HYDBY	1	1.98
			CL OTG STRAW	1	1.98
			CL OTG FRPCH	1	1.98
			5PK TUMB SET	1	0.50
			5PK TUMB SET	1	0.50
			5PK TUMB SET	1	0.50
			COPY PAPER	1	14.97
			NB SALTINES	1	1.50
			CEREAL	1	2.33
			VELVEETA DIN	1	1.58
			CARROTS	1	2.96
			GV OIL	1	1.74
			CHEETOS	1	2.00
			BREAD	1	1.74
			MANWICH	1	1.00
			GREEN BEANS	1	0.72
			SOUP	1	0.82
			KERN CORN	1	0.50
			MANWICH	1	1.00
			SOUP	1	0.82
			GREEN BEANS	1	0.72
			EZM CUP 3XCH	1	0.76
			EZM CUP 3XCH	1	0.76
			SPAG SAUCE	1	1.58
			CHN BROTH	1	2.06
			GREEN BEANS	1	0.38
			KERN CORN	1	0.50
			SWN BEEF BRT	1	2.06
			BAR ELBOW	1	0.86
			PUDDING	1	2.34
			JELLO PUDD	1	2.34
			BEER BATTER	1	1.76
			CRACKR MEAL	1	1.76
			DICE PEAR	1	1.73
			DICE PEACH	1	1.73
			CK BACON	1	2.06
			CK BACON	1	2.06
			CK BACON	1	2.06
			GV SHR MOXXA	1	2.55
			KFT CH SHRD	1	1.86

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
1.76	-	-	
4.98	-	-	
1.76	-	-	
2.74	-	-	
2.68	-	-	
1.98	-	-	
1.98	-	-	
1.98	-	-	
0.50	-	-	
0.50	-	-	
0.50	-	-	
14.97	-	-	
1.50	-	-	
2.33	-	-	
1.58	-	-	
2.96	-	-	
1.74	-	-	
2.00	-	-	
1.74	-	-	
1.00	-	-	
0.72	-	-	
0.82	-	-	
0.50	-	-	
1.00	-	-	
0.82	-	-	
0.72	-	-	
0.76	-	-	
0.76	-	-	
1.58	-	-	
2.06	-	-	
0.38	-	-	
0.50	-	-	
2.06	-	-	
0.86	-	-	
2.34	-	-	
2.34	-	-	
1.76	-	-	
1.76	-	-	
1.73	-	-	
1.73	-	-	
2.06	-	-	
2.06	-	-	
2.06	-	-	
2.55	-	-	
1.86	-	-	

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Per Receipt					
Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
02/18/07	AH	91.15	PEPSI	1	4.38
			IA DEPOSIT	1	0.60
			SUNKIST	1	3.48
			IA DEPOSIT	1	0.60
			APPLE JUICE	1	3.42
			PUDDING	1	2.34
			COTT CHEESE	1	2.46
			MUSHROOMS	1	0.87
			CHKN THIGHS	1	3.06
			JIMMY D SAUS	1	2.50
			JIMMY D SAUS	1	2.50
			SEAGRAMS 7	1	15.98
			IASNGLQDP	1	0.05
			BANANA	1	1.08
			SCRUB FREE	1	1.97
			SPRAY PAINT	1	0.96
			SPRAY PAINT	1	0.96
			2000 FLUSHES	1	2.88
			SOS SCRUB	1	0.98
			GOOD NEWS	1	3.24
			CC SCRUB	1	5.44
			TIDE LIQUID	1	5.69
			CLOROX BLCH	1	1.33
			MT DEW	1	4.28
			IA DEPOSIT	1	0.60
			MIC ULTRA	1	10.47
			IA12PKBLDEP	1	0.60
			ROAST BEEF	1	2.98
			SMK TURKEY	1	2.97
			HAM	1	2.97
			SL PEPPERONI	1	1.73
			DM COTTO SAL	1	2.18
			ARTISAN	1	2.00
			CROISSANT	1	2.88
			BORDN CHEESE	1	1.75
			SWIS CHS SLC	1	2.12
			BREAD	1	2.50
			DIP	1	2.34
			DIP	1	2.34
			DRESSING	1	1.88
			KOSHER SLICE	1	2.96
			WHITE ONIONS	1	2.46
			POPCORN	1	1.87
			LETTUCE	1	0.98
			TOMATOES	1	1.46

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
4.38	-	-	5.15
0.60	-	-	
3.48	-	-	
0.60	-	-	
3.42	-	-	
2.34	-	-	
2.46	-	-	
0.87	-	-	
3.06	-	-	
2.50	-	-	
2.50	-	-	
15.98	-	-	
0.05	-	-	
1.08	-	-	
1.97	-	-	
0.96	-	-	
0.96	-	-	
2.88	-	-	
0.98	-	-	
3.24	-	-	
5.44	-	-	
5.69	-	-	
1.33	-	-	
4.28	-	-	
0.60	-	-	
10.47	-	-	
0.60	-	-	
2.98	-	-	
2.97	-	-	
2.97	-	-	
1.73	-	-	
2.18	-	-	
2.00	-	-	
2.88	-	-	
1.75	-	-	
2.12	-	-	
2.50	-	-	
2.34	-	-	
2.34	-	-	
1.88	-	-	
2.96	-	-	
2.46	-	-	
1.87	-	-	
0.98	-	-	
1.46	-	-	

Report on Special Investigation of the
City of Lacona

Purchases at Wal-Mart
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Per Receipt					
Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
02/19/07	AH	32.49	LAY S KETTLE	1	2.50
			LAY S KETTLE	1	2.50
			LAY S KETTLE	1	2.50
			2PK POTHOLDR	1	0.97
			OPCON A	1	5.86
			OPCON A	1	5.86
			PAINT BRUSH	1	0.88
			ZILACTIN B	1	6.36
			BRKFAST MISC	1	2.78
			TRT CARRIER	1	2.92
			TRT CARRIER	1	2.92
			PAINT	1	12.44
			PUFF UL 132C	1	1.87
			GLADTRASH136	1	6.98
			TAMPAX	1	4.98
			MEAS CUPS	1	1.97
			MEAS SPN SET	1	1.46
			MEAS CUPS	1	1.97
			MEAS SPN SET	1	1.46
			DRILLBIT	1	2.36
			DRILLBIT	1	2.36
03/09/07	AH	21.19	LT FIXTURE	1	5.24
			SWEET POTATO	1	2.97
			BULK RUSSET	1	1.78
			CUCUMBER	1	0.68
			COCKTAIL SCE	1	1.42
			TARTAR SAUCE	1	1.42
			SHRIMP	1	5.96
			VDK FSH FILT	1	3.48
			VDK FSH FILT	1	3.48
			HONEY HAM	1	2.50
03/10/07	AH	161.99	1LB FRANKS	1	1.50
			1LB FRANKS	1	1.50
			CHEDWRST LNK	1	2.44
			CHEDWRST LNK	1	2.44
			LT YLW CHESE	1	2.50
			LAY S KETTLE	1	2.50
			LAY S KETTLE	1	2.50
			CC CHOPS	1	8.30
			ROUND STEAK	1	7.97
			TMB SAU/PEP	1	1.66
			TMB SAUSAGE	1	1.66
			JACK SAUSAGE	1	2.38
			JACK SAUSAGE	1	2.38
			FOLIAGE HB	1	4.00

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
2.50	-	-	
2.50	-	-	
2.50	-	-	
0.97	-	-	
5.86	-	-	
5.86	-	-	
0.88	-	-	
6.36	-	-	
2.78	-	-	
2.92	-	-	
2.92	-	-	
12.44	-	-	2.29
1.87	-	-	
6.98	-	-	
4.98	-	-	
1.97	-	-	
1.46	-	-	
1.97	-	-	
1.46	-	-	
2.36	-	-	
2.36	-	-	
5.24	-	-	1.84
2.97	-	-	
1.78	-	-	
0.68	-	-	
1.42	-	-	
1.42	-	-	
5.96	-	-	
3.48	-	-	
3.48	-	-	-
2.50	-	-	
1.50	-	-	
1.50	-	-	
2.44	-	-	
2.44	-	-	
2.50	-	-	
2.50	-	-	
2.50	-	-	
8.30	-	-	
7.97	-	-	
1.66	-	-	
1.66	-	-	
2.38	-	-	
2.38	-	-	
4.00	-	-	

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Per Receipt					
Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
			FOLIAGE HB	1	4.00
			QKRCHWCC	1	2.18
			LP CHKN QUES	1	1.94
			LP MEATBALL	1	1.94
			KAS CHERRY	1	1.98
			NB WHT THINS	1	2.18
			CEREAL BAR	1	3.98
			COLD CEREAL	1	2.98
			SPA FEL	1	3.66
			CANDLE	1	6.97
			MT DEW	1	3.58
			IA DEPOSIT	1	0.30
			HPSF 8CT STG	1	1.00
			KOOL AID	1	2.50
			CL OTG CHPOM	1	1.98
			POT BROCC CH	1	1.50
			EZ MAC CUP	1	0.76
			EZ MAC CUP	1	0.76
			GRANOLA BAR	1	2.18
			QKR CEREAL	1	2.77
			KETCHUP PLAS	1	1.88
			RANCH DRESSNG	1	4.27
			FOLIAGE HB	1	4.00
			CHICKW/VEG	1	1.58
			KRAFT DRESS	1	2.28
			CKN NUGGETS	1	2.28
			PCRN SHRIMP	1	2.97
			PATIO BURRIT	1	0.33
			PATIO BURRIT	1	0.33
			PATIO BURRIT	1	0.33
			PATIO BURRIT	1	0.33
			SOUP	1	1.58
			SOUP	1	1.58
			RID-X POWDER	1	14.24
			FRUIT PUNCH	1	1.00
			AE MILK	1	1.37
			2PK BIN	1	9.92
			CHKN PATTIES	1	3.98
			CKN NUGGETS	1	3.98
			POULTRY	1	4.98
03/19/07	AH	58.24	TKY BACONWRP	1	2.50
			BREAKFAST	1	2.16
			SB CHK CSR	1	2.50
			JD OMELET	1	2.43
			OMELET	1	2.43

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
4.00	-	-	3.41
2.18	-	-	
1.94	-	-	
1.94	-	-	
1.98	-	-	
2.18	-	-	
3.98	-	-	
2.98	-	-	
3.66	-	-	
6.97	-	-	
3.58	-	-	
0.30	-	-	
1.00	-	-	
2.50	-	-	
1.98	-	-	
1.50	-	-	
0.76	-	-	
0.76	-	-	
2.18	-	-	
2.77	-	-	
1.88	-	-	
4.27	-	-	
4.00	-	-	
1.58	-	-	
2.28	-	-	
2.28	-	-	
2.97	-	-	
0.33	-	-	
0.33	-	-	
0.33	-	-	
0.33	-	-	
1.58	-	-	
1.58	-	-	
14.24	-	-	
1.00	-	-	
1.37	-	-	
9.92	-	-	
3.98	-	-	
3.98	-	-	
4.98	-	-	
2.50	-	-	
2.16	-	-	
2.50	-	-	
2.43	-	-	
2.43	-	-	

Report on Special Investigation of the
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Per Receipt

Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
04/04/07	AH	33.67	CHEDWRST LNK	1	2.44
			CAULIFLOWER	1	2.43
			LETTUCE	1	0.98
			SWEET POTATO	1	2.58
			GREEN BELL	1	0.76
			GRANOLA BAR	1	1.80
			SNACK CAKE	1	2.50
			SNACK CAKE	1	2.50
			100 CAL OREO	1	2.00
			CARROTS	1	0.98
			CARROTS	1	0.98
			CABBAGE	1	0.32
			GREEN BELL	1	0.76
			BROC CROWNS	1	1.30
			SHULLSBURG C	1	4.56
			AE MILK	1	1.37
			BURR BN CHZ	1	2.98
			DICE PEACH	1	1.73
			PEAR FRT CUP	1	1.76
			PINAPPL TBTS	1	1.82
			LINT ROLLER	1	2.88
			DOG TREAT	1	3.12
			DOG TREAT	1	3.12
			BLK DOCUMENT	1	3.97
			BLK DOCUMENT	1	3.97
			BLK DOCUMENT	1	3.97
			BLK DOCUMENT	1	3.97
			BLK DOCUMENT	1	3.97
			BLK DOCUMENT	1	3.97
			BLK DOCUMENT	1	3.97
04/04/07	AH	80.54	7UP	1	3.48
			IA DEPOSIT	1	0.60
			CEREAL BARS	1	2.32
			SOUP	1	0.59
			SOUP	1	0.59
			SOUP	1	0.59
			SOUP	1	0.59
			GV SUGAR 5	1	2.12
			BEEF STEW MT	1	11.86
			HP 4X4 CLZN	1	1.94
			HP PEPP CLZN	1	1.94
			LP CHKN FAJ	1	1.94
			LP CHKN QUES	1	1.94
			GV BTTR QTRS	1	2.24

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
2.44	-	-	
2.43	-	-	
0.98	-	-	
2.58	-	-	
0.76	-	-	
1.80	-	-	
2.50	-	-	
2.50	-	-	
2.00	-	-	
0.98	-	-	
0.98	-	-	
0.32	-	-	
0.76	-	-	
1.30	-	-	
4.56	-	-	
1.37	-	-	
2.98	-	-	
1.73	-	-	
1.76	-	-	
1.82	-	-	
2.88	-	-	
3.12	-	-	
3.12	-	-	0.55
-	3.97	-	
-	3.97	-	
-	3.97	-	
-	3.97	-	
-	3.97	-	
-	3.97	-	
-	3.97	-	
-	3.97	-	1.91
3.48	-	-	
0.60	-	-	
2.32	-	-	
0.59	-	-	
0.59	-	-	
0.59	-	-	
0.59	-	-	
2.12	-	-	
11.86	-	-	
1.94	-	-	
1.94	-	-	
1.94	-	-	
1.94	-	-	
2.24	-	-	

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Per Receipt					
Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
04/05/07	AH	44.93	ARMOUR LARD	1	0.82
			CC W/CAL TUB	1	1.97
			JELLO PUDD	1	2.34
			PSTA NOODLES	1	2.18
			PSTA NOODLES	1	2.18
			CORRUGATE BOX	1	2.54
			SWN BEEF BRT	1	2.18
			TIDE LIQUID	1	5.69
			T VANILLA IM	1	1.85
			FE DLY NOUR	1	4.84
			FRIZZ E 100	1	4.94
			48CT EGGS	1	1.68
			48CT EGGS	1	1.68
			48CT EGGS	1	1.68
			48CT EGGS	1	1.68
			AE MILK	1	1.43
			FLOUR	1	0.99
			48CT EGGS	1	1.68
			48CT EGGS	1	1.68
			CARTON TAPE	1	1.77
			PNAPLE W/SYR	1	0.88
			JELL-O DULCE	1	2.34
			VELVETA SHEL	1	1.76
			VELVETA SHEL	1	1.76
			SOUP	1	0.59
			SOUP	1	0.59
			CH LT TUNA/W	1	0.52
			CH LT TUNA/W	1	0.52
			BAGEL	1	3.17
			PECAN HALVES	1	5.98
			TRAY	1	1.88
			TANGELO 3	1	2.76
			SWEET POTATO	1	0.45
			RED POTATO	1	1.41
			COLD CEREAL	1	2.98
			BC MUFFIN	1	2.06
			HP PEPP CLZN	1	1.94
			HP 4X4 CLZN	1	1.94
			PHIL CR CHSE	1	1.64
			CHERRY COKE	1	3.78
			IA DEPOSIT	1	0.60
			7UP	1	2.50
			IA DEPOSIT	1	0.30
04/16/07	AH	59.58	HAW PNCH JCE	1	1.97
			MLKCHOC M M	1	3.50

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
0.82	-	-	
1.97	-	-	
2.34	-	-	
2.18	-	-	
2.18	-	-	
2.54	-	-	
2.18	-	-	
5.69	-	-	
1.85	-	-	
4.84	-	-	
4.94	-	-	
1.68	-	-	
1.68	-	-	
1.68	-	-	
1.68	-	-	
1.43	-	-	
0.99	-	-	
1.68	-	-	
1.68	-	-	
1.77	-	-	2.00
0.88	-	-	
2.34	-	-	
1.76	-	-	
1.76	-	-	
0.59	-	-	
0.59	-	-	
0.52	-	-	
0.52	-	-	
3.17	-	-	
5.98	-	-	
1.88	-	-	
2.76	-	-	
0.45	-	-	
1.41	-	-	
2.98	-	-	
2.06	-	-	
1.94	-	-	
1.94	-	-	
1.64	-	-	
3.78	-	-	
0.60	-	-	
2.50	-	-	
0.30	-	-	
1.97	-	-	0.61
3.50	-	-	

Report on Special Investigation of the
City of Lacona

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For the period September 1, 2004 through August 15, 2008

Per Receipt					
Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
05/14/07	AH	153.64	BLK DOCUMENT	1	3.97
			BUNS	1	1.50
			BREAD	1	1.97
			SLIM JIM 24	1	3.50
			OI RSTD ORIG	1	1.68
			SWT OINIONS	1	1.39
			EZ MAC CUP	1	0.76
			EZ MAC CUP	1	0.76
			CASHEWS	1	6.94
			PEANUTS	1	2.50
			EZ MAC CUP	1	0.76
			MICHELOB	1	16.37
			IA20PKBLDEP	1	1.00
			DORITOS 100	1	2.00
			SS FRUIT	1	1.48
			7UP	1	3.48
			IA DEPOSIT	1	0.60
			PEPSI	1	3.00
			IA DEPOSIT	1	0.60
			CHEESY BRAT	1	3.34
			ITLN SAUSAGE	1	3.22
			CHKN THIGHS	1	3.28
			FISH FILETS	1	4.56
			ROUND STEAK	1	7.99
			LP MEATBALL	1	1.94
			LP CHKN FAJ	1	1.94
			GV TENDERS	1	7.97
			BAKEWARE	1	4.86
			BAKEWARE	1	4.86
			BAKEWARE	1	4.86
			BAKEWARE	1	4.86
			12PK WATER	1	3.50
			PEPSI	1	3.00
			IA DEPOSIT	1	0.60
			7UP	1	3.48
			IA DEPOSIT	1	0.60
			GLADTRASH136	1	7.38
			3X5 US FLAG	1	8.38
			QNB12ULTDRI	1	5.97
			CEREAL BARS	1	3.98
			PUDDING	1	1.88
			PUDDING	1	1.88
			PUDDING	1	1.88
			PNUTBUTTER	1	2.88
			APPLESAUCE	1	1.08

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
3.97	-	-	
1.50	-	-	
1.97	-	-	
3.50	-	-	
1.68	-	-	
1.39	-	-	
0.76	-	-	
0.76	-	-	
6.94	-	-	
2.50	-	-	
0.76	-	-	
16.37	-	-	
1.00	-	-	
2.00	-	-	
1.48	-	-	
3.48	-	-	
0.60	-	-	
3.00	-	-	
0.60	-	-	1.82
3.34	-	-	
3.22	-	-	
3.28	-	-	
4.56	-	-	
7.99	-	-	
1.94	-	-	
1.94	-	-	
7.97	-	-	
4.86	-	-	
4.86	-	-	
4.86	-	-	
4.86	-	-	
3.50	-	-	
3.00	-	-	
0.60	-	-	
3.48	-	-	
0.60	-	-	
7.38	-	-	
8.38	-	-	
5.97	-	-	
3.98	-	-	
1.88	-	-	
1.88	-	-	
1.88	-	-	
2.88	-	-	
1.08	-	-	

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City of Lacona

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Per Receipt

Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
05/22/07	AH	187.28	FLOUR	1	0.99
			GV SUGAR 5	1	2.14
			JELLO PUDD	1	0.98
			JELLO PUDD	1	0.98
			JELLO PUDD	1	0.98
			JELLO PUDD	1	0.98
			VOIDED ENTRY	1	(0.98)
			JELLO PUDD	1	0.98
			AMERIC SNGL	1	2.50
			COTT CHEESE	1	2.33
			AE MILK	1	1.43
			KUDOS GRNOLA	1	2.77
			GRANOLA BAR	1	2.00
			SEAGRAMS 7	1	10.57
			IASNGLQDP	1	0.05
			DAWN 25	1	1.97
			TIDE LIQUID	1	8.47
			MT DEW	1	3.98
			IA DEPOSIT	1	0.60
			CARD GRAD	1	2.23
			BDAY CARD	1	2.86
			BEEF STEW MT	1	4.53
			BEEF RIBS	1	5.01
			BF CUBED STK	1	3.45
			CHKN THIGHS	1	3.28
			12PK WATER	1	3.50
			PS STRNG CHS	1	3.68
			VELVEETA	1	3.98
			GRANOLA BAR	1	2.00
			PREGO TRAD	1	1.62
			BRTL ALFRDO	1	1.98
			TOMATOES	1	0.88
			MIRACLE WHIP	1	2.50
			EZ MAC CUP	1	0.76
			EZM CUP 3XCH	1	0.76
			OI RSTD ORIG	1	2.36
			FAST FRIES	1	2.36
			RICE	1	2.94
			MUSHROOMS	1	0.58
			BBQ SAUCE	1	2.38
			PREGO TRAD	1	1.62
			MED SHELLS	1	0.98
			THIN SPAGHET	1	0.98
			FETTUCINE	1	0.98
			LP MEATBALL	1	1.94

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
0.99	-	-	
2.14	-	-	
0.98	-	-	
0.98	-	-	
0.98	-	-	
0.98	-	-	
(0.98)	-	-	
0.98	-	-	
2.50	-	-	
2.33	-	-	
1.43	-	-	
2.77	-	-	
2.00	-	-	
10.57	-	-	
0.05	-	-	
1.97	-	-	
8.47	-	-	
3.98	-	-	
0.60	-	-	
2.23	-	-	
2.86	-	-	4.66
4.53	-	-	
5.01	-	-	
3.45	-	-	
3.28	-	-	
3.50	-	-	
3.68	-	-	
3.98	-	-	
2.00	-	-	
1.62	-	-	
1.98	-	-	
0.88	-	-	
2.50	-	-	
0.76	-	-	
0.76	-	-	
2.36	-	-	
2.36	-	-	
2.94	-	-	
0.58	-	-	
2.38	-	-	
1.62	-	-	
0.98	-	-	
0.98	-	-	
0.98	-	-	
1.94	-	-	

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Per Receipt					
Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
			LP CHKN FAJ	1	1.94
			LP 3CHS BRC	1	1.94
			SWN BEEF BRT	1	2.18
			PEACH FRTCUP	1	1.98
			PUDDING	1	1.88
			HLMNS MAYO	1	2.18
			PUDDING	1	1.88
			THK SL BACON	1	3.58
			THK SL BACON	1	3.58
			MUSHROOMS	1	0.58
			GOOD NEWS	1	5.97
			OM CHOP HAM	1	2.50
			MOZZ SHRED	1	3.28
			DAYLILLY	1	7.88
			PHLOX GARDEN	1	5.00
			O.M. BOLD	1	2.00
			SV SAN BAG	1	2.16
			EGGS	1	1.08
			SEAGRAMS 7	1	10.57
			IASNGLQDP	1	0.05
			AUS HAIRSPRY	1	2.50
			RED SHMPOO	1	4.97
			RESUME PAPER	1	6.27
			SHT PROTECTR	1	3.57
			1.5 VIEWBNDR	1	5.36
			MT DEW	1	5.00
			IA DEPOSIT	1	1.20
			PEPSI	1	5.00
			IA DEPOSIT	1	1.20
			BREAD	1	1.97
			BUNS	1	1.50
			IRIS	1	3.34
			IRIS	1	3.34
			MTL POLE SET	1	7.84
			PEPSI	1	5.00
			IA DEPOSIT	1	1.20
			FABRIC	1	0.50
			FABRIC	1	0.50
			FABRIC	1	0.50
			PEPSI	1	1.28
			IA DEPOSIT	1	0.05
05/26/07	AH	42.45	IDAHO 5LB	1	2.74
			IRIS BEARDED	1	5.47
			IRIS BEARDED	1	5.47
			IRIS BEARDED	1	5.47

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
1.94	-	-	
1.94	-	-	
2.18	-	-	
1.98	-	-	
1.88	-	-	
2.18	-	-	
1.88	-	-	
3.58	-	-	
3.58	-	-	
0.58	-	-	
5.97	-	-	
2.50	-	-	
3.28	-	-	
7.88	-	-	
5.00	-	-	
2.00	-	-	
2.16	-	-	
1.08	-	-	
10.57	-	-	
0.05	-	-	
2.50	-	-	
4.97	-	-	
6.27	-	-	
3.57	-	-	
5.36	-	-	
5.00	-	-	
1.20	-	-	
5.00	-	-	
1.20	-	-	
1.97	-	-	
1.50	-	-	
3.34	-	-	
3.34	-	-	
7.84	-	-	
5.00	-	-	
1.20	-	-	
0.50	-	-	
0.50	-	-	
0.50	-	-	
1.28	-	-	
0.05	-	-	
2.74	-	-	5.19
5.47	-	-	
5.47	-	-	
5.47	-	-	

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Per Receipt					
Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
06/11/07	AH	181.92	BEGONIA	1	7.88
			BEGONIA	1	7.88
			BEGONIA	1	7.88
			PK TAPE DISP	1	4.22
			SHIP BOX	1	1.94
			LP CHKN FAJ	1	1.94
			HP BEEF TACO	1	1.94
			LP PEPP PZA	1	1.94
			LPS MTBL	1	1.94
			CHEESESTICKS	1	2.67
			HEINZ CRS TD	1	2.36
			WHITE ONIONS	1	4.01
			GREEN BELL	1	2.34
			RICE	1	2.56
			TIDE LIQUID	1	5.00
			QNBT 12DBL	1	5.97
			MICHELOB	1	5.27
			IA6PKBTLDEP	1	0.30
			ROLLS	1	1.94
			PATIO BURRIT	1	0.33
			PATIO BURRIT	1	0.33
			PATIO BURRIT	1	0.33
			GV VINEGAR	1	0.87
			FOLGERS	1	2.98
			HRSY SYRUP	1	1.50
			KETCHUP PLAS	1	1.68
			VERONICA 1PO	1	4.96
			VERONICA 1PO	1	4.96
			BC MUFFIN	1	2.06
			MUFFIN MIX	1	2.06
			MUFFINS	1	2.50
			DICED PEACH	1	1.98
			POTATO	1	2.98
			DOG*FIG	1	24.96
			EZ MAC CUP	1	0.76
			EZ MAC CUP	1	0.76
			EZ MAC CUP	1	0.76
			GREEN BEANS	1	0.56
			LIBBY CORN	1	0.46
			FRANK KRAUT	1	0.48
			GREEN BEANS	1	0.56
			PORK BEANS	1	0.38
			MRTON PL SAL	1	0.46
			MIRACLE WHIP	1	2.50
			SOUP	1	0.78

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
7.88	-	-	
7.88	-	-	
7.88	-	-	2.40
4.22	-	-	
1.94	-	-	
1.94	-	-	
1.94	-	-	
1.94	-	-	
1.94	-	-	
2.67	-	-	
2.36	-	-	
4.01	-	-	
2.34	-	-	
2.56	-	-	
5.00	-	-	
5.97	-	-	
5.27	-	-	
0.30	-	-	
1.94	-	-	
0.33	-	-	
0.33	-	-	
0.33	-	-	
0.87	-	-	
2.98	-	-	
1.50	-	-	
1.68	-	-	
4.96	-	-	
4.96	-	-	
2.06	-	-	
2.06	-	-	
2.50	-	-	
1.98	-	-	
2.98	-	-	
24.96	-	-	
0.76	-	-	
0.76	-	-	
0.76	-	-	
0.56	-	-	
0.46	-	-	
0.48	-	-	
0.56	-	-	
0.38	-	-	
0.46	-	-	
2.50	-	-	
0.78	-	-	

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Per Receipt					
Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
07/07/07	AH	187.31	SOUP	1	0.78
			SPRAY PAINT	1	3.57
			SPRAY PAINT	1	3.57
			SPRAY PAINT	1	3.57
			SPRAY PAINT	1	3.57
			3X5FT USFLAG	1	19.86
			SV FLAT	1	1.22
			PREM ANNUAL	1	2.56
			PREM ANNUAL	1	2.56
			LILY	1	4.96
			BREAD	1	1.97
			PROPEL	1	2.97
			DOG TREAT	1	3.12
			DOG TREAT	1	3.12
			OZT MG PM	1	3.50
			MT DEW	1	3.98
			IA DEPOSIT	1	0.60
			RIBEYE STEAK	1	10.40
			BF CUBED STK	1	4.70
			BLK DOCUMENT	1	3.97
			BEEF STEW MT	1	4.86
			FL STK BACON	1	10.38
			GG CORN BTR	1	2.56
			PUDDING	1	1.88
			EZ 4PK CUPS	1	3.00
			SPGNSL2 CA	1	2.98
			STRAWBERRY	1	1.98
			GREEN BELL	1	1.56
			CELERY HEART	1	1.94
			PIE FILLING	1	2.62
			HRSY SYRUP	1	1.50
			LPTN TEA	1	1.68
			SOUP	1	0.78
			SOUP	1	0.78
			PORK BEANS	1	0.38
			RANCH DRESSNG	1	3.98
			TOAST	1	1.92
			HASHBROWNS	1	1.48
			PARMESAN FRY	1	2.78
			SOUR CREAM	1	1.72
			WHITE ONIONS	1	2.56
			BROCCOLI	1	2.17
			BREAD	1	1.97
			CUCUMBER	1	1.36
			CAULIFLOWER	1	2.43

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
0.78	-	-	7.16
3.57	-	-	
3.57	-	-	
3.57	-	-	
3.57	-	-	
19.86	-	-	
1.22	-	-	
2.56	-	-	
2.56	-	-	
4.96	-	-	
1.97	-	-	
2.97	-	-	
3.12	-	-	
3.12	-	-	
3.50	-	-	
3.98	-	-	
0.60	-	-	
10.40	-	-	
4.70	-	-	
3.97	-	-	
4.86	-	-	
10.38	-	-	
2.56	-	-	
1.88	-	-	
3.00	-	-	
2.98	-	-	
1.98	-	-	
1.56	-	-	
1.94	-	-	
2.62	-	-	
1.50	-	-	
1.68	-	-	
0.78	-	-	
0.78	-	-	
0.38	-	-	
3.98	-	-	
1.92	-	-	
1.48	-	-	
2.78	-	-	
1.72	-	-	
2.56	-	-	
2.17	-	-	
1.97	-	-	
1.36	-	-	
2.43	-	-	

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Per Receipt

Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
			LETTUCE	1	1.18
			TOMATO	1	1.60
			AE ICE CREAM	1	2.99
			CHOC RDS MX	1	0.93
			SWN BEEF BRT	1	2.18
			PORK BEANS	1	0.38
			FR GRN BEANS	1	0.50
			BAKING CUP	1	0.98
			RF CROUTONS	1	0.93
			OLIVE OIL	1	6.44
			SEASONING	1	0.56
			ELBOW PASTA	1	0.98
			1LB ROLL SSG	1	2.50
			AE MILK	1	1.74
			12PK WATER	1	3.50
			SV GRHM CRK	1	1.00
			MIRACLE WHIP	1	1.98
			GREEN BEANS	1	0.56
			36OZ MORSEL	1	6.12
			GV CHERRIES	1	1.28
			DL MAN ORAGE	1	0.82
			PNUTBUTTER	1	2.88
			APPLESAUCE	1	1.48
			FR GRN BEANS	1	0.50
			GREEN BEANS	1	0.56
			BET/CHEDDAR	1	2.50
			DOG TREAT	1	3.12
			DOG TREAT	1	3.12
			WINDEX	1	2.30
			DAWN 25	1	1.97
			ANTI-PERSPIR	1	2.87
			ANTI-PERSPIR	1	2.87
			GV SUGAR 5	1	2.14
			GV FLOUR AP	1	0.79
			CHOC WH FRST	1	1.38
			D.M. BOLD	1	2.00
			CF SWS SLC	1	1.92
			TIDE LIQUID	1	6.97
			POTATO 5LB	1	2.38
			EGGS	1	1.00
			PEPSI	1	3.88
			IA DEPOSIT	1	0.60
			7UP	1	3.48
			IA DEPOSIT	1	0.60
			MIC ULTRA	1	10.17

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
1.18	-	-	
1.60	-	-	
2.99	-	-	
0.93	-	-	
2.18	-	-	
0.38	-	-	
0.50	-	-	
0.98	-	-	
0.93	-	-	
6.44	-	-	
0.56	-	-	
0.98	-	-	
2.50	-	-	
1.74	-	-	
3.50	-	-	
1.00	-	-	
1.98	-	-	
0.56	-	-	
6.12	-	-	
1.28	-	-	
0.82	-	-	
2.88	-	-	
1.48	-	-	
0.50	-	-	
0.56	-	-	
2.50	-	-	
3.12	-	-	
3.12	-	-	
2.30	-	-	
1.97	-	-	
2.87	-	-	
2.87	-	-	
2.14	-	-	
0.79	-	-	
1.38	-	-	
2.00	-	-	
1.92	-	-	
6.97	-	-	
2.38	-	-	
1.00	-	-	
3.88	-	-	
0.60	-	-	
3.48	-	-	
0.60	-	-	
10.17	-	-	

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Purchases at Wal-Mart
For the period September 1, 2004 through August 15, 2008

Per Receipt					
Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
07/10/07	AH	360.02	IA12PKBLDEP	1	0.60
			HNG BSKT	1	2.50
			DBLWALL BOWL	1	1.50
			DBLWALL BOWL	1	1.50
			DBLWALL BOWL	1	1.50
			7 QT BOWL	1	0.75
			7 QT BOWL	1	0.75
			7 QT BOWL	1	0.75
			7 QT BOWL	1	0.75
			CUP 50CT 16Z	1	2.06
			CUP 50CT 16Z	1	2.06
			CUP 50CT 16Z	1	2.06
			CUP 50CT 16Z	1	2.06
			HEFTY PLATES	1	1.97
			HEFTY PLATES	1	1.97
			GV BBQ CHP	1	1.28
			GV RIPPL CHP	1	1.28
			GV 150CT PLT	1	3.26
			KRFT HNY BBQ	1	1.00
			KRFT HNY BBQ	1	1.00
			SPARKLE 6RL	1	4.00
			RANCH DRESSNG	1	5.97
			ORANGE JUICE	1	2.93
			SQZ MIRA WHI	1	1.58
			GV BBQ CHP	1	1.28
			GV RIPPL CHP	1	1.28
			GV BBQ CHP	1	1.28
			GV RIPPL CHP	1	1.28
			GV PTY PNUT	1	3.96
			GV PTY PNUT	1	3.96
			CF MRLB/JCK	1	3.74
			KR MILD CHDR	1	3.48
			PEP JCK CHUN	1	3.74
			WM 400CT NPK	1	2.12
			ICE MTN	1	4.28
			PEPSI 24 PK	1	6.78
			IA DEPOSIT	1	1.20
			PEPSI 24 PK	1	6.78
			IA DEPOSIT	1	1.20
			PEPSI 24 PK	1	6.78
			IA DEPOSIT	1	1.20
			7UP	1	3.48
			IA DEPOSIT	1	0.60
			7UP	1	3.48
			IA DEPOSIT	1	0.60

Categorization				Sales Tax
Improper	Reasonable	Unsupported		
0.60	-	-		
2.50	-	-		3.26
1.50	-	-		
1.50	-	-		
1.50	-	-		
0.75	-	-		
0.75	-	-		
0.75	-	-		
0.75	-	-		
2.06	-	-		
2.06	-	-		
2.06	-	-		
2.06	-	-		
1.97	-	-		
1.97	-	-		
1.28	-	-		
1.28	-	-		
3.26	-	-		
1.00	-	-		
1.00	-	-		
4.00	-	-		
5.97	-	-		
2.93	-	-		
1.58	-	-		
1.28	-	-		
1.28	-	-		
1.28	-	-		
1.28	-	-		
3.96	-	-		
3.96	-	-		
3.74	-	-		
3.48	-	-		
3.74	-	-		
2.12	-	-		
4.28	-	-		
6.78	-	-		
1.20	-	-		
6.78	-	-		
1.20	-	-		
6.78	-	-		
1.20	-	-		
3.48	-	-		
0.60	-	-		
3.48	-	-		
0.60	-	-		

Report on Special Investigation of the
City of Lacona

Purchases at Wal-Mart
For the period September 1, 2004 through August 15, 2008

Per Receipt

Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
			7UP	1	3.48
			IA DEPOSIT	1	0.60
			MT DEW 24 PK	1	6.78
			IA DEPOSIT	1	1.20
			NB RITZ	1	2.25
			PEP JCK CHUN	1	3.74
			CF MRLB/JCK	1	3.74
			ORANGE JUICE	1	2.93
			NB RITZ	1	2.25
			ROLD GOLD	1	2.00
			36 CT FORKS	1	1.97
			36 CT FORKS	1	1.97
			36 CT FORKS	1	1.97
			36 CT FORKS	1	1.97
			36 CT FORKS	1	1.97
			CANADIAN CLUB	1	12.37
			IASNGLQDP	1	0.05
			CAPT MORGAN	1	14.14
			IASNGLQDP	1	0.05
			SEAGRAMS 7	1	19.24
			IASNGLQDP	1	0.05
			SEAGRAMS 7	1	19.24
			IASNGLQDP	1	0.05
			CUERVO GOLD	1	17.97
			IASNGLQDP	1	0.05
			PRT BAY RUN	1	13.27
			IASNGLQDP	1	0.05
			HAMB CHIP	1	1.88
			MUSTARD	1	1.00
			KETCHUP PLAS	1	2.28
			SQZ MIRA WHI	1	1.58
			MARGARITA MI	1	5.76
			BEEF SUMMER	1	2.47
			MUSTARD	1	1.00
			SUMMER SSG	1	2.47
			SUMMER SSG	1	2.47
			BEEF SUMMER	1	2.47
			BEEF SUMMER	1	2.47
			LIQUID SOAP	1	1.37
			COMF GRP HEA	1	2.46
			POKER SET	1	18.24
			CONNECT 4	1	12.78
			10 GAMES	1	9.97
			SCISSORS	1	1.97
			ANTI-PERSPIR	1	2.74

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
3.48	-	-	
0.60	-	-	
6.78	-	-	
1.20	-	-	
2.25	-	-	
3.74	-	-	
3.74	-	-	
2.93	-	-	
2.25	-	-	
2.00	-	-	
1.97	-	-	
1.97	-	-	
1.97	-	-	
1.97	-	-	
1.97	-	-	
12.37	-	-	
0.05	-	-	
14.14	-	-	
0.05	-	-	
19.24	-	-	
0.05	-	-	
19.24	-	-	
0.05	-	-	
17.97	-	-	
0.05	-	-	
13.27	-	-	
0.05	-	-	
1.88	-	-	
1.00	-	-	
2.28	-	-	
1.58	-	-	
5.76	-	-	
2.47	-	-	
1.00	-	-	
2.47	-	-	
2.47	-	-	
2.47	-	-	
2.47	-	-	
1.37	-	-	
2.46	-	-	
18.24	-	-	
12.78	-	-	
9.97	-	-	
1.97	-	-	
2.74	-	-	

Report on Special Investigation of the
City of Lacona

Purchases at Wal-Mart
For the period September 1, 2004 through August 15, 2008

Per Receipt					
Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
08/22/07	AH	154.25	200Z CHY KD	1	1.28
			IA DEPOSIT	1	0.05
			PEPSI	1	1.28
			IA DEPOSIT	1	0.05
			CARDS	1	2.22
			TWEEZER	1	4.47
			LIP BALM	1	0.98
			LIP BALM	1	0.98
			NAIL FILE	1	1.94
			LC NOS EAR	1	9.56
			SCISSOR	1	6.56
			BRA	1	17.96
			BRA	1	17.96
			BRA	1	18.46
			VOIDED ENTRY	1	(17.96)
			AUSSIE HSPRY	1	2.70
			AUSSIE GEL	1	2.50
			FRIZZ E 100	1	4.94
			ANTI-PERSPIR	1	2.74
			HERBL SHAMPOO	1	5.56
			FG 6PK SOCK	1	5.96
			TMX WATCH	1	29.86
			FABRIC	1	7.92
			FABRIC	1	7.92
			FABRIC	1	7.92
			FABRIC	1	7.92
			THREAD	1	1.84
			THREAD	1	1.50
			GV SUGAR 5	1	2.14
			5TH SEASONS	1	0.50
			ITAL SEASON	1	0.50
			CHOC CHECKOU	1	0.50
			PLANNER	1	2.74
			SGLTCKTROLL	1	3.44
			PANTYHOSE	1	4.88
			CLIPBOARD	1	0.97
			CLEAR	1	2.33
08/29/07	AH	211.55	BAG JUMBO	1	2.00
			LO CHK FETTI	1	2.38
			LO MAC CHS	1	1.98
			ELBOW PASTA	1	0.98
			EGG NOODLES	1	2.00
			EZM CUP 3KCH	1	0.84
			EZM CUP 3KCH	1	0.84
			PIN BAG	1	1.96

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
1.28	-	-	
0.05	-	-	
1.28	-	-	
0.05	-	-	
2.22	-	-	
4.47	-	-	
0.98	-	-	
0.98	-	-	
1.94	-	-	
9.56	-	-	
6.56	-	-	15.44
17.96	-	-	
17.96	-	-	
18.46	-	-	
(17.96)	-	-	
2.70	-	-	
2.50	-	-	
4.94	-	-	
2.74	-	-	
5.56	-	-	
5.96	-	-	
29.86	-	-	
7.92	-	-	
7.92	-	-	
7.92	-	-	
7.92	-	-	
1.84	-	-	
1.50	-	-	
2.14	-	-	
0.50	-	-	
0.50	-	-	
0.50	-	-	
2.74	-	-	
3.44	-	-	
4.88	-	-	
0.97	-	-	
2.33	-	-	
2.00	-	-	8.55
2.38	-	-	
1.98	-	-	
0.98	-	-	
2.00	-	-	
0.84	-	-	
0.84	-	-	
1.96	-	-	

Report on Special Investigation of the
City of Lacona

Purchases at Wal-Mart
For the period September 1, 2004 through August 15, 2008

Per Receipt

Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
			8LWCOOKX	1	24.88
			<i>Illegible</i> ORG RG 56	1	2.84
			TOOTHPASTE	1	2.96
			TOOTHPASTE	1	2.96
			TAMPAX	1	5.24
			LEAN PATTY	1	3.68
			LEAN PATTY	1	3.68
			HAM	1	3.98
			1 STRAWBERRY	1	1.60
			POPCORN	1	1.87
			SHAKE N BAKE	1	1.58
			PROPEL HYDR	1	2.97
			GREEN BEANS	1	0.56
			POTPOURRI	1	2.96
			AUSSIE SH	1	2.94
			AUSSIE HSPRY	1	2.94
			DAWN	1	2.18
			AUSSIE COND	1	2.94
			AUSSIE SPRAY	1	2.94
			5x8 RUG	1	24.88
			GRAPE GRN	2.55 LBS	0.94
			OL MIL BEER	1	6.54
			DEPOSIT	1	0.60
			JELL-O DULCE	1	2.46
			ALFREDO SCE	1	1.98
			OLIVE OIL	1	5.97
			GV CHERRIES	1	1.46
			SOUP	1	0.86
			STEAK FRY	1	2.36
			SEAGRAMS 7	1	10.97
			LRSNOLQDP	1	0.05
			EGGS	1	2.24
			AE MILK	1	1.79
			BREAD	1	1.97
			PSI BRC CAR	1	2.98
			YUKON 5	1	3.16
			CHUCK ROAST	1	10.22
			GV CORN BIR	1	2.98
			GV MND ORNG	1	0.50
			SOUP	1	0.86
			LETTUCE	1	1.28
			APPLESAUCE	1	1.63
			GV TATERPUFF	1	1.46
			CUBE STEAK	1	6.23
			CASHEWS	1	3.97

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
24.88	-	-	
2.84	-	-	
2.96	-	-	
2.96	-	-	
5.24	-	-	
3.68	-	-	
3.68	-	-	
3.98	-	-	
1.60	-	-	
1.87	-	-	
1.58	-	-	
2.97	-	-	
0.56	-	-	
2.96	-	-	
2.94	-	-	
2.94	-	-	
2.18	-	-	
2.94	-	-	
2.94	-	-	
24.88	-	-	
2.40	-	-	
6.54	-	-	
0.60	-	-	
2.46	-	-	
1.98	-	-	
5.97	-	-	
1.46	-	-	
0.86	-	-	
2.36	-	-	
10.97	-	-	
0.05	-	-	
2.24	-	-	
1.79	-	-	
1.97	-	-	
2.98	-	-	
3.16	-	-	
10.22	-	-	
2.98	-	-	
0.50	-	-	
0.86	-	-	
1.28	-	-	
1.63	-	-	
1.46	-	-	
6.23	-	-	
3.97	-	-	

Report on Special Investigation of the
City of Lacona

Purchases at Wal-Mart
For the period September 1, 2004 through August 15, 2008

Per Receipt					
Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
09/20/07	Check 1144	102.21	PEANUTS	1	2.50
			TIDE LIQUID	1	5.96
			DOG TREAT	1	3.26
			DOG TREAT	1	3.26
09/20/07	Check 1144	102.21	RECEIPT NOT AVAILABLE	-	-
09/22/07	AH	81.25	WREATH	1	19.97
10/08/07	AH	110.56	PM 4X6	1	1.12
			ICE CREAM	1	5.32
			ICE CREAM	1	5.32
			CLR MARB 3LB	1	3.97
			CLR MARB 3LB	1	3.97
			TUMBLER	1	1.00
			TUMBLER	1	1.00
			TUMBLER	1	1.00
			TUMBLER	1	1.00
			TOSTITOS	1	3.50
			POPCORN CKN	1	7.47
			HP PEPP PZA	1	1.94
			HP HAM/CHS	1	1.94
			TOSTITOS	1	3.00
			RANCH DRESSNG	1	3.16
			MAYB EYE	1	4.67
			COV SHADOW	1	3.12
			SHADOW	1	5.97
			LEAN PATTY	1	3.68
			BEEF STEW MT	1	4.75
			LIGHTER	1	0.94
			SEPTIC	1	5.94
			SEPTIC	1	5.94
			EQ OFF OVEN	1	3.68
			LIGHTERFLUID	1	3.24
			ANTI-PERSPIR	1	3.24
			ANTI-PERSPIR	1	3.24
			SPA RFL	1	3.66
			PEPSI	1	3.67
			IA DEPOSIT	1	0.60
			7UP	1	3.00
			IA DEPOSIT	1	0.60
			SWN BEEF BRT	1	2.18
			CMP CKN BWL	1	1.25
			CMP CKN BWL	1	1.25
			SOUP BOWL	1	1.98
			SOUP BOWL	1	1.98
			CHAR GRILL	1	27.62
			CHARCOAL	1	4.47

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
2.50	-	-	
5.96	-	-	
3.26	-	-	
3.26	-	-	8.09
-	-	102.21	
19.97	-	-	
1.12	-	-	
5.32	-	-	
5.32	-	-	
3.97	-	-	
3.97	-	-	
1.00	-	-	
1.00	-	-	
1.00	-	-	
1.00	-	-	
3.50	-	-	
7.47	-	-	
1.94	-	-	
1.94	-	-	
3.00	-	-	
3.16	-	-	
4.67	-	-	
3.12	-	-	
5.97	-	-	2.81
3.68	-	-	
4.75	-	-	
0.94	-	-	
5.94	-	-	
5.94	-	-	
3.68	-	-	
3.24	-	-	
3.24	-	-	
3.24	-	-	
3.66	-	-	
3.67	-	-	
0.60	-	-	
3.00	-	-	
0.60	-	-	
2.18	-	-	
1.25	-	-	
1.25	-	-	
1.98	-	-	
1.98	-	-	
27.62	-	-	
4.47	-	-	

Report on Special Investigation of the
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Purchases at Wal-Mart
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Per Receipt					
Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
10/10/07	AH	88.63	OL MIL BEER	1	6.84
			IA12PKBLDEP	1	0.60
			SEAGRAMS 7	1	10.97
			IASNGLQDP	1	0.05
			TOSTITOS	1	3.00
			TOSTITOS	1	3.00
			NB SALTINES	1	1.98
			THANK YOU	1	3.97
			HP PHOTO 4X6	1	10.88
			GLADTRASH13G	1	7.38
			THK SL BACON	1	2.98
			THK SL BACON	1	2.98
			LPTN TEA	1	1.68
			LPTN TEA	1	2.08
			GROUND BEEF	1	2.98
			MLKCHOC M M	1	3.50
			CANDY CORN	1	1.88
			CMP NACHO SP	1	1.28
			CMP NACHO SP	1	1.28
			CMP NACHO SP	1	1.28
			CMP NACHO SP	1	1.28
			TW FSS 105CT	1	4.47
			QNB1 12DBL	1	5.97
			QNB1 12DBL	1	5.97
			PEPSI	1	2.75
			IA DEPOSIT	1	0.30
			ALL LIQUID	1	4.37
			TIDE LIQUID	1	6.97
			KING SIZE	1	0.88
10/13/07	AH	264.77	Z1275 DIGCAM (<i>Digital camera</i>)	1	249.78
11/24/07	AH	164.15	ROLLS	1	2.50
			BREAD	1	2.68
			7UP	1	3.50
			IA DEPOSIT	1	0.60
			LPTN TEA	1	3.66
			CC TREE	1	2.46
			CONF GRP STA	1	2.46
			GT 2PR DRESS	1	4.96
			GT EPR ATH	1	5.88
			SKIN MOIST	1	9.38
			LENS CASE	1	1.47
			HAIR ACC	1	1.96
			COMF GRP HEA	1	2.46
			CC MB SCRB	1	5.17
			2.5IN CANDLE	1	1.48

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
6.84	-	-	
0.60	-	-	
10.97	-	-	
0.05	-	-	5.19
3.00	-	-	
3.00	-	-	
1.98	-	-	
3.97	-	-	
10.88	-	-	
7.38	-	-	
2.98	-	-	
2.98	-	-	
1.68	-	-	
2.08	-	-	
2.98	-	-	
3.50	-	-	
1.88	-	-	
1.28	-	-	
1.28	-	-	
1.28	-	-	
1.28	-	-	
1.28	-	-	
4.47	-	-	
5.97	-	-	
5.97	-	-	
2.75	-	-	
0.30	-	-	
4.37	-	-	
6.97	-	-	
0.88	-	-	3.54
249.78	-	-	14.99
2.50	-	-	
2.68	-	-	
3.50	-	-	
0.60	-	-	
3.66	-	-	
2.46	-	-	
2.46	-	-	
4.96	-	-	
5.88	-	-	
9.38	-	-	
1.47	-	-	
1.96	-	-	
2.46	-	-	
5.17	-	-	
1.48	-	-	

Report on Special Investigation of the
City of Lacona

Purchases at Wal-Mart
For the period September 1, 2004 through August 15, 2008

Per Receipt					
Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
			2.5IN CANDLE	1	1.48
			CKIE CUTTER	1	2.46
			TYSON BREAST	1	8.88
			8IN FED	1	0.74
			8IN FED	1	0.74
			MCENTIRE RE	1	19.88
			ALDEAN JASO	1	9.72
			3CD TINS	1	9.96
			8.5X11 FRAME	1	3.33
			15PC SOCKET	1	15.97
			1/2 RATCHET	1	13.44
			1/2 RATCHET	1	13.44
			VOIDED ENTRY	1	(13.44)
			PRINT RUG	1	12.88
			TIDE LIQUID	1	5.80
12/10/07	AH	17.20	COPY PAPER	1	16.23
12/14/07	AH	232.11	CHILI BEANS	1	3.42
			POTATO STICK	1	3.36
			CHILI BEANS	1	3.42
			CHILI BEANS	1	3.42
			TOMATOES	1	1.28
			TOMATOES	1	1.28
			CELERY	1	0.88
			BELL PEPPER	1	1.68
			TOMATOES	1	1.28
			TOMATOES	1	1.28
			TOMATOES	1	1.28
			TOMATOES	1	1.28
			FUDG BROWNIE	1	1.46
			PREM SALTINE	1	2.99
			CHUCK ROLL	1	9.88
			CARROTS	1	2.98
			WHITE ONIONS	1	3.46
			SD CHILI PWD	1	5.88
			KOOL AID	1	2.28
			FABRIC	1	29.76
			FG JACKET	1	17.92
			WR LANTERN	1	16.87
			WR LANTERN	1	16.87
			WR LANTERN	1	16.87
			REDLOBSTER25	1	25.00
			APPLEBEEGC25	1	25.00
			FRIDAYSGC25	1	25.00
05/27/08	AH	135.93	BUNS	1	1.84
			COTTAGE BRD	1	2.27

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
1.48	-	-	
2.46	-	-	
8.88	-	-	
0.74	-	-	
0.74	-	-	
19.88	-	-	
9.72	-	-	
9.96	-	-	
3.33	-	-	
15.97	-	-	
13.44	-	-	
13.44	-	-	
(13.44)	-	-	
12.88	-	-	
5.80	-	-	8.25
-	16.23	-	0.97
3.42	-	-	
3.36	-	-	
3.42	-	-	
3.42	-	-	
1.28	-	-	
1.28	-	-	
0.88	-	-	
1.68	-	-	
1.28	-	-	
1.28	-	-	
1.28	-	-	
1.28	-	-	
1.46	-	-	
2.99	-	-	
9.88	-	-	
2.98	-	-	
3.46	-	-	
5.88	-	-	
2.28	-	-	
29.76	-	-	
17.92	-	-	
16.87	-	-	
16.87	-	-	
16.87	-	-	
25.00	-	-	
25.00	-	-	
25.00	-	-	6.03
1.84	-	-	
2.27	-	-	

Report on Special Investigation of the
City of Lacona

Purchases at Wal-Mart
For the period September 1, 2004 through August 15, 2008

Per Receipt					
Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
06/08/08	AH	156.88	SWIRL MORSEL	1	2.68
			BTR MORSEL	1	2.68
			BL CS RBS	1	6.93
			SPARERID	1	12.98
			BBQ SAUCE	1	2.56
			CUTICLE TR	1	1.97
			NAIL FILE	1	2.48
			COV CHEEKERS	1	3.38
			AIL CLIP	1	2.32
			BULK BRUSHES	1	3.98
			11 DUSTPAN	1	0.97
			SWIFFER REL	1	3.94
			ENDUSTCLOTH	1	2.98
			MIRACLE WHIP	1	2.98
			PNUTBUTTER	1	3.52
			SYRUP	1	2.28
			MAX SK	1	10.92
			FLOOR SWEEPR	1	37.98
			COLD CEREAL	1	3.12
			RICE	1	4.12
			SPONGE MOP	1	4.24
			POWER CORNER	1	7.53
			VIVA REG 1RL	1	0.97
			QIPLOC BAGS	1	2.96
			GLAD OS 13G	1	6.78
			CHAR ULT 6MR	1	7.13
			VIVA REG 1RL	1	0.97
			PUREX 48 LD	1	5.97
			BELL PEPPER	1	1.18
			KFT SINGLES	1	2.98
			O.J. BOLD	1	2.00
			8OZ COLBY	1	2.38
			SUMMER SSG	1	2.47
			OM HONEY HAM	1	3.98
			BEFF SUMMER	1	2.47
			SWISS CHS SLC	1	2.38
			JVL NW SPCY	1	2.98
			HAM STEAKS	1	2.88
			KRAFT 2 MEXI	1	4.62
			STACK BACON	1	4.94
			STACK BACON	1	4.94
			STEW MEAT	1	5.85
			CUBE STK 2PC	1	2.28
			CUBE STK 2PC	1	2.42
			SWEET POTATO	1	1.34

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
2.68	-	-	
2.68	-	-	
6.93	-	-	
12.98	-	-	
2.56	-	-	
1.97	-	-	
2.48	-	-	
3.38	-	-	
2.32	-	-	
3.98	-	-	
0.97	-	-	
3.94	-	-	
2.98	-	-	
2.98	-	-	
3.52	-	-	
2.28	-	-	
10.92	-	-	
37.98	-	-	
3.12	-	-	
4.12	-	-	
4.24	-	-	
7.53	-	-	5.28
0.97	-	-	
2.96	-	-	
6.78	-	-	
7.13	-	-	
0.97	-	-	
5.97	-	-	
1.18	-	-	
2.98	-	-	
2.00	-	-	
2.38	-	-	
2.47	-	-	
3.98	-	-	
2.47	-	-	
2.38	-	-	
2.98	-	-	
2.88	-	-	
4.62	-	-	
4.94	-	-	
4.94	-	-	
5.85	-	-	
2.28	-	-	
2.42	-	-	
1.34	-	-	

Report on Special Investigation of the
City of Lacona

Purchases at Wal-Mart
For the period September 1, 2004 through August 15, 2008

Per Receipt

Receipt Date	Card Holder*/ Check Number	Receipt Total	Description on Receipt	Quantity	Unit Cost
			GRPE GRN ORG	1	3.48
			WHITE ONIONS	1	1.70
			LETTUCE	1	0.99
			CABBAGE	1	1.22
			WSTRN ORIG	1	1.98
			LIBBY PEAS	1	0.50
			DM CORN	1	0.62
			GREEN BEANS	1	0.62
			DM CORN	1	0.62
			CHEESE SAUCE	1	1.50
			CHILI BEANS	1	0.64
			BB LG BTR RN	1	0.88
			CHERR TOMATO	1	2.50
			RED POTAT	1	2.97
			NB CHKNBISKI	1	2.98
			QKR CEREAL	1	2.88
			BAR SOAP	1	3.00
			INSTANT OATS	1	3.12
			ICE MTN	1	3.00
			BREAD	1	1.97
			DORITOS	1	2.88
			CHEETOS	1	1.66
			COTTAGE BRD	1	2.27
			PNHF	1	3.44
			PEPSI	1	1.38
			IA DEPOSIT	1	0.05
			EGGS	1	2.12
			PEPSI	1	3.00
			IA DEPOSIT	1	0.60
			7UP	1	3.00
			IA DEPOSIT	1	0.60
			OL MIL BEER	1	6.84
			IA12PKBLDEP	1	0.60
			SEAGRAMS 7	1	10.97
			IASNGLQDP	1	0.05
		<u>\$ 8,009.17</u>	Total		

* - AH = Anna Hoffman
RK = Ron Konrad
FB = Fred Brandt

Categorization			Sales Tax
Improper	Reasonable	Unsupported	
3.48	-	-	
1.70	-	-	
0.99	-	-	
1.22	-	-	
1.98	-	-	
0.50	-	-	
0.62	-	-	
0.62	-	-	
0.62	-	-	
1.50	-	-	
0.64	-	-	
0.88	-	-	
2.50	-	-	
2.97	-	-	
2.98	-	-	
2.88	-	-	
3.00	-	-	
3.12	-	-	
3.00	-	-	
1.97	-	-	
2.88	-	-	
1.66	-	-	
2.27	-	-	
3.44	-	-	
1.38	-	-	
0.05	-	-	
2.12	-	-	
3.00	-	-	
0.60	-	-	
3.00	-	-	
0.60	-	-	
6.84	-	-	
0.60	-	-	
10.97	-	-	
0.05	-	-	3.38
\$ 6,544.58	957.01	248.66	258.92

Report on Special Investigation of the
City of Lacona

Payments on City Credit Card Account
For the period September 1, 2004 through August 15, 2008

Transaction Date	Per Statement, Payment for Purchases by				City of Lacona	
	Anna Hoffman	Ron Konrad	Fred Brandt	Total	Check Number	Check Amount
09/10/04	256.42	68.08		324.50	6673	324.50
10/06/04	252.98	478.91	-	731.89	6688	731.89
11/04/04	173.85	153.05	-	326.90	6726	326.90
12/20/04	366.00	754.38	-	1,120.38	6788	1,066.04
01/13/05	390.88	15.50	-	406.38	6812	406.38
02/11/05	59.23	17.76	-	76.99	6848	76.99
03/11/05	477.95	574.35	-	1,052.30	6875	1,052.30
04/13/05	724.23	165.46	-	889.69	6917	436.09
05/16/05	183.00	118.29	-	301.29	6943	301.29
06/10/05	656.48	243.86	-	900.34	6981	900.34
07/13/05	691.98	21.01	-	712.99	7027	712.99
08/08/05	134.39	139.78	-	274.17	7047	274.17
09/09/05	370.47	239.60	-	610.07	7073	610.07
10/17/05	396.01	57.33	-	453.34	7113	453.34
11/15/05	351.75	117.10	-	468.85	7182	468.85
12/12/05	278.39	79.87	-	358.26	7218	358.26
01/09/06	13.34	109.77	-	123.11	7253	123.11
02/10/06	553.71	16.50	-	570.21	7292	570.21
03/08/06	111.60	-	-	111.60	7329	111.60
04/10/06	368.11	-	-	368.11	7360	368.11
05/08/06	374.25	-	-	374.25	7399	374.25
05/15/06	-	-	145.48	145.48	7413	145.48
06/21/06	353.24	-	454.56	807.80	7454	807.80
07/13/06	379.34	-	88.13	467.47	7491	467.47
08/10/06	31.18	-	-	31.18	7519	31.18
09/08/06	100.00	-	356.61	456.61	7540	456.61
10/11/06	450.79	-	-	450.79	7611	450.79
11/13/06	460.20	-	-	460.20	7642	460.20

Per Council Minutes		Payment by Others			
		Fire Department		Ms. Hoffman	
Approved Payments	Unauthorized Portion	Check Number	Check Amount	Check Number	Check Amount
324.50	-	-	-	-	-
731.89	-	-	-	-	-
326.90	-	-	-	-	-
754.35	366.03	-	-	2734	54.34
406.38	-	-	-	-	-
76.99	-	-	-	-	-
574.35	477.95	-	-	-	-
165.46	724.23	1388	453.60	-	-
301.29	-	-	-	-	-
500.34	400.00	-	-	-	-
712.99	-	-	-	-	-
274.17	-	-	-	-	-
310.07	300.00	-	-	-	-
453.34	-	-	-	-	-
268.85	200.00	-	-	-	-
258.26	100.00	-	-	-	-
123.11	-	-	-	-	-
570.21	-	-	-	-	-
111.60	-	-	-	-	-
368.11	-	-	-	-	-
374.25	-	-	-	-	-
145.48	-	-	-	-	-
807.80	-	-	-	-	-
379.34	88.13	-	-	-	-
31.18	-	-	-	-	-
356.61	100.00	-	-	-	-
138.52	312.27	-	-	-	-
297.02	163.18	-	-	-	-

Report on Special Investigation of the
City of Lacona

Payments on City Credit Card Account
For the period September 1, 2004 through August 15, 2008

Transaction Date	Per Statement, Payment for Purchases by				City of Lacona	
	Anna Hoffman	Ron Konrad	Fred Brandt	Total	Check Number	Check Amount
12/22/06	128.27	-	-	128.27	7714	128.27
01/05/07	568.00	-	-	568.00	7743	568.00
03/07/07	222.00	-	-	222.00	7779	222.00
04/04/07	536.42	-	-	536.42	7808	536.42
05/09/07	571.28	-	-	571.28	7833	571.28
06/08/07	540.54	-	-	540.54	7871	540.54
07/05/07	769.14	-	-	769.14	8204	769.14
08/13/07	875.02	-	-	875.02	8250	875.02
09/06/07	98.61	-	-	98.61	8277	98.61
10/04/07	523.80	-	-	523.80	8305	523.80
11/07/07	598.20	-	-	598.20	8338	598.20
12/05/07	551.68	-	-	551.68	8379	551.68
01/08/08	449.68	-	-	449.68	8424	449.68
02/27/08	429.43	-	-	429.43	8458	429.43
03/12/08	500.00	-	-	500.00	8477	500.00
05/19/08	489.18	-	-	489.18	-	-
06/04/08	31.00	-	-	31.00	8548	31.00
07/09/08	301.23	-	-	301.23	-	-
Total	17,143.25	3,370.60	1,044.78	21,558.63		20,260.28

Per Council Minutes		Payment by Others			
		Fire Department		Ms. Hoffman	
Approved Payments	Unauthorized Portion	Check Number	Check Amount	Check Number	Check Amount
28.27	100.00	-	-	-	-
568.00	-	-	-	-	-
220.00	2.00	-	-	-	-
53.42	483.00	-	-	-	-
17.28	554.00	-	-	-	-
540.54	-	-	-	-	-
23.00	746.14	-	-	-	-
75.02	800.00	-	-	-	-
98.61	-	-	-	-	-
112.93	410.87	-	-	-	-
18.20	580.00	-	-	-	-
11.68	540.00	-	-	-	-
13.00	436.68	-	-	-	-
429.43	-	-	-	-	-
7.06	492.94	-	-	-	-
-	489.18	1649	489.18	-	-
15.00	16.00	-	-	-	-
-	301.23	-	-	5174	301.23
12,374.80	9,183.83		942.78		355.57

Report on Special Investigation of the
City of Lacona

Purchases Made with City Credit Card Issued to Anna Hoffman
For the period September 1, 2004 through August 15, 2008

Billing Date	Transaction Date	Posting Date	Transaction Description	Per Credit Purchases
02/13/04	01/22/04	01/26/04	Cash Commerical Fed BK Des Moines IA	\$ -
02/13/04	01/26/04	01/26/04	Cash Advance Trans Fee	-
03/16/04	03/11/04	03/15/04	Dun & Bradstreet Allentown PA	72.45
03/16/04	03/16/04	03/16/04	Annual Fee	-
04/16/04	03/30/04	03/31/04	Cash Commerical Fed BK Des Moines IA	-
04/16/04	03/31/04	03/31/04	Cash Advance Trans Fee	-
05/14/04	05/01/04	05/03/04	QT 535 04005Q05 Des Moines IA	15.04
05/14/04	05/05/04	05/06/04	Cash Commerical Fed BK Des Moines IA	-
05/14/04	05/06/04	05/06/04	Cash Advance Trans Fee	-
07/16/04	06/16/04	06/17/04	Total Truck Des Moines IA	519.40
08/16/04	08/05/04	08/06/04	Menards Des Moines IA	151.19
09/16/04	08/25/04	08/26/04	Younkers #0016 Des Moines IA	61.24
09/16/04	09/03/04	09/07/04	Menards Des Moines IA	36.02
10/15/04	10/08/04	10/12/04	TM *Ticketmaster Tickt 612-989-5151 IL	173.85
11/16/04	11/03/04	11/05/04	Sullivan Supply Inc 712-6435902 IA	38.39
11/16/04	11/04/04	11/05/04	MBS Direct Textbooks Columbia MO	311.66
11/16/04	11/10/04	11/12/04	Zite Inc DBA Truck Toyz Toledo OH	15.95
12/16/04	11/15/04	11/17/04	Office Max 00000836 Des Moines IA	13.97
12/16/04	11/30/04	12/01/04	Cabelas.com *69575183 800-2378888 NE	199.90
12/16/04	12/01/04	12/02/04	EDJE Technologies LLC Indianola IA	160.00
12/16/04	12/16/04	12/16/04	Late Payment Fee	-
02/16/05	01/20/05	01/21/05	Gal *Galls Inc 800-477-7766 KY	114.98
02/16/05	01/25/05	01/27/05	Dr *Symantec.com www.myord.com MN	56.94
03/16/05	02/24/05	02/28/05	Christopher&Banks #150 Des Moines IA	60.93
03/16/05	02/28/05	03/01/05	ODI *Our Designs 800-382-5252 KY	197.70
03/16/05	03/16/05	03/16/05	Annual Fee	-
04/15/05	04/03/05	04/05/05	Quality Inns & Suites Iowa City IA	299.04
04/15/05	04/05/05	04/07/05	Quality Inns & Suites Iowa City IA	154.56
04/15/05	04/06/05	04/08/05	Allens Inc Westerville OH	22.95
05/16/05	04/30/05	05/02/05	Copy Plus Indianola IA	240.52
05/16/05	05/04/05	05/05/05	Best Buy 00000190 Des Moines IA	62.54

Card Statement			Improper	Reasonable	Unsuppported
Advances	Fees				
300.00	-		300.00	-	-
-	6.00		6.00	-	-
-	-		-	-	72.45
-	12.00		-	12.00	-
100.00	-		100.00	-	-
-	2.00		2.00	-	-
-	-		15.04	-	-
150.00	-		150.00	-	-
-	3.00		3.00	-	-
-	-		-	-	519.40
-	-		-	-	151.19
-	-		61.24	-	-
-	-		-	-	36.02
-	-		173.85	-	-
-	-	x	38.39	-	-
-	-	#	311.66	-	-
-	-	x	15.95	-	-
-	-		-	-	13.97
-	-	*	199.90	-	-
-	-	*	160.00	-	-
-	10.00		10.00	-	-
-	-	*	-	114.98	-
-	-		-	-	56.94
-	-		60.93	-	-
-	-		-	-	197.70
-	12.00		-	12.00	-
-	-	@	299.04	-	-
-	-	@	154.56	-	-
-	-		-	-	22.95
-	-		-	-	240.52
-	-		-	-	62.54

Report on Special Investigation of the
City of Lacona

Purchases Made with City Credit Card Issued to Anna Hoffman
For the period September 1, 2004 through August 15, 2008

Billing Date	Transaction Date	Posting Date	Transaction Description	Per Credit Purchases
05/16/05	05/13/05	05/16/05	Best Buy 00000190 Des Moines IA	266.04
06/16/05	05/20/05	05/23/05	Newbrough Genetics Mexico MO	301.00
06/16/05	06/14/05	06/15/05	Office Max 00000836 Des Moines IA	159.86
07/15/05	06/29/05	06/30/05	Younkers #0016 Des Moines IA	64.65
07/15/05	07/08/05	07/11/05	Younkers #0016 Des Moines IA	47.70
08/16/05	07/25/05	07/26/05	Ben Franklin Chariton IA	23.57
08/16/05	08/02/05	08/04/05	Office Max 00000836 Des Moines IA	219.96
09/16/05	09/06/05	09/08/05	Des Moines A-Z Par Ren Des Moines IA	227.36
10/14/05	09/19/05	09/20/05	JC Penny Catlg 9821 800-221-8019 KS	165.84
10/14/05	10/14/05	10/14/05	Late Payment Fee	-
11/16/05	11/03/05	11/07/05	Office Max 00000836 Des Moines IA	205.94
12/16/05	11/22/05	11/25/05	Office Max 00000836 Des Moines IA	13.34
01/13/06	12/21/05	12/23/05	Office Max 00000836 Des Moines IA	119.74
01/13/06	01/06/06	01/09/06	Emergency Training Taneytown MD	106.87
01/13/06	01/12/06	01/13/06	Copy Plus Indianola IA	57.53
02/16/06	01/14/06	01/23/06	Modern Motel Inc Vinton IA	42.40
03/16/06	02/27/06	02/28/06	Office Max 00000836 Des Moines IA	189.97
03/16/06	03/08/06	03/10/06	Office Max 000007013 Beachwood OH	144.12
03/16/06	03/10/06	03/13/06	Office Max 00000836 Des Moines IA	22.02
04/14/06	03/15/06	03/17/06	Toomey's Mardi Gras CA Mobile AL	33.06
03/16/06	03/16/06	03/16/06	Annual Fee	-
04/14/06	03/26/06	03/27/06	Best Buy 00000190 Des Moines IA	15.36
04/14/06	03/27/06	03/28/06	Fireawards.com Middlesex NJ	23.90
04/14/06	04/03/06	04/05/06	CNM Outdoor Equipment Indianola IA	177.99
04/14/06	04/07/06	04/10/06	ODI *Our Designs 800-382-5252 KY	69.75
04/14/06	04/13/06	04/14/06	JC Penney Store 2652 Des Moines IA	32.86
05/16/06	04/14/06	04/17/06	Holub Garden Center An Des Moines IA	36.01
05/16/06	04/19/06	04/20/06	PBP *Peachtree Bus Prod 800-241-4623 GA	59.20
05/16/06	04/19/06	04/24/06	Robert Co Inc 508-8758877 MA	61.32
05/16/06	04/23/06	04/24/06	Office Max 00000307 West Des Moines IA	26.49
06/16/06	06/09/06	06/12/06	Executive Lase 15000078 Indianola IA	8.00
06/16/06	06/16/06	06/16/06	Late Payment Fee	-

Card Statement					
Advances	Fees		Improper	Reasonable	Unsupported
-	-		-	-	266.04
-	-	**	301.00	-	-
-	-		-	159.86	-
-	-		64.65	-	-
-	-		47.70	-	-
-	-		-	-	23.57
-	-		-	219.96	-
-	-		-	-	227.36
-	-		165.84	-	-
-	10.00		10.00	-	-
-	-		-	-	205.94
-	-		-	-	13.34
-	-		-	24.36	95.38
-	-	*	-	-	106.87
-	-		-	-	57.53
-	-		42.40	-	-
-	-		-	-	189.97
-	-		-	-	144.12
-	-		-	-	22.02
-	-		-	-	33.06
-	12.00		-	12.00	-
-	-		-	-	15.36
-	-		-	-	23.90
-	-		-	177.99	-
-	-		-	-	69.75
-	-		32.86	-	-
-	-		-	-	36.01
-	-		59.20	-	-
-	-		61.32	-	-
-	-		-	-	26.49
-	-		8.00	-	-
-	10.00		10.00	-	-

Report on Special Investigation of the
City of Lacona

Purchases Made with City Credit Card Issued to Anna Hoffman
For the period September 1, 2004 through August 15, 2008

Billing Date	Transaction Date	Posting Date	Transaction Description	Per Credit Purchases
07/14/06	07/12/06	07/13/06	Office Max 00000836 Des Moines IA	237.39
08/16/06	07/15/06	07/18/06	Ben Franklin Chariton IA	28.76
10/16/06	09/18/06	09/19/06	Copy Plus Indianola IA	138.52
10/16/06	09/28/06	10/02/06	Hobby-Lobby #258 Des Moines IA	24.61
10/16/06	09/28/06	10/02/06	Mailbox Works 800-8249985 IL	297.07
11/16/06	10/24/06	10/26/06	Office Max 00000836 Des Moines IA	64.64
11/16/06	11/09/06	11/13/06	Robert Co Inc Framing Ham MA	34.89
12/15/06	12/15/06	12/15/06	Late Payment Fee	-
02/16/07	02/07/07	02/08/07	Heartland Inns of Amer Mt Pleasant IA	83.99
02/16/07	02/14/07	02/15/07	Heartland Inns of Amer Mt Pleasant IA	83.99
03/16/07	02/17/07	02/20/07	McDonald's F5810 Q17 Indianola IA	3.06
03/16/07	02/19/07	02/21/07	Executive Lase 15000060 Indianola IA	8.00
03/16/07	02/19/07	02/21/07	Executive Lase 15000060 Indianola IA	2.00
03/16/07	02/19/07	02/20/07	McDonald's F5810 Q17 Indianola IA	3.49
03/16/07	03/16/07	03/16/07	Annual Fee	-
04/16/07	03/19/07	03/21/07	Hobby-Lobby #258 Des Moines IA	67.97
04/16/07	03/31/07	04/02/07	Office Max Des Moines IA	57.22
04/16/07	04/05/07	04/09/07	Executive Lase 15000078 Indianola IA	8.00
04/16/07	04/09/07	04/10/07	McCoy True Value Indianola IA	7.74
04/16/07	04/12/07	04/13/07	JC Penney Catlg 9821 800-221-8019 KS	212.97
05/16/07	04/16/07	04/18/07	Bob's Custom Trophies Indianola IA	5.00
05/16/07	04/25/07	04/26/07	JC Penney Catlg 9821 800-221-8019 KS	322.32
06/15/07	05/22/07	05/24/07	Executive Lase 15000060 Indianola IA	7.00
06/15/07	05/23/07	05/24/07	Target 00008037 Des Moines IA	43.74
06/15/07	06/05/07	06/06/07	JC Penney Catlg 9821 800-221-8019 KS	72.40
06/15/07	06/11/07	06/13/07	Fareway Indianola IA	99.37
06/15/07	06/12/07	06/13/07	ROT *Sears Shop at Home 800-291-5577 IL	134.98
07/16/07	06/14/07	06/18/07	Fareway Indianola IA	292.66
07/16/07	06/14/07	06/18/07	South Central 07024961 Lacona IA	35.03
08/16/07	08/13/07	08/14/07	Jo's Hallmark, Indianola, IA	98.61
09/14/07	08/27/07	08/29/07	City Supply Corp Des Moines IA	112.93
09/14/07	09/05/07	09/07/07	South Central 07024961 Lacona IA	45.07

Card Statement			Improper	Reasonable	Unsuppported
Advances	Fees				
-	-		-	-	237.39
-	-		-	-	28.76
-	-		-	-	138.52
-	-		-	-	24.61
-	-	*	-	297.07	-
-	-		-	64.64	-
-	-		34.89	-	-
-	10.00		10.00	-	-
-	-		-	83.99	-
-	-		-	83.99	-
-	-		3.06	-	-
-	-		8.00	-	-
-	-		2.00	-	-
-	-		3.49	-	-
-	12.00		-	12.00	-
-	-		-	-	67.97
-	-		-	57.22	-
-	-		8.00	-	-
-	-		-	-	7.74
-	-		212.97	-	-
-	-		-	-	5.00
-	-		322.32	-	-
-	-		7.00	-	-
-	-		43.74	-	-
-	-		72.40	-	-
-	-		99.37	-	-
-	-		134.98	-	-
-	-		292.66	-	-
-	-		35.03	-	-
-	-		98.61	-	-
-	-		-	-	112.93
-	-		45.07	-	-

Report on Special Investigation of the
City of Lacona

Purchases Made with City Credit Card Issued to Anna Hoffman
For the period September 1, 2004 through August 15, 2008

Billing Date	Transaction Date	Posting Date	Transaction Description	Per Credit Purchases
11/16/07	10/16/07	10/18/07	Office Max Des Moines IA	236.36
11/16/07	11/06/07	11/08/07	Des Moines Rental Serv Des Moines IA	214.60
11/16/07	11/08/07	11/09/07	Bed Bath & Bey #651 8004623966 NJ	38.74
11/16/07	11/09/07	11/13/07	TGT *Target.com Target.com MN	32.24
11/16/07	11/16/07	11/16/07	TGT *Target.com Target.com MN	29.74
12/14/07	11/16/07	11/19/07	TGT *Target.com Target.com MN	38.40
12/14/07	11/16/07	11/19/07	TGT *Target.com Target.com MN	62.84
12/14/07	11/21/07	11/23/07	Popcornpopper.com 8002702705 IN	68.74
12/14/07	11/24/07	11/26/07	Executive Lase 15000078 Indianola IA	10.00
12/14/07	11/24/07	11/26/07	Target 00008037 Des Moines IA	88.35
01/16/08	12/16/07	12/17/07	Target 00000695 West Des Moines IA	25.00
01/16/08	12/20/07	12/24/07	Executive Lase 15000060 Indianola IA	10.00
01/16/08	01/02/08	01/03/08	Pamida 10230852 Chariton IA	162.32
02/15/08	01/19/08	01/22/08	TBE *The Bradford Exchg 800-323-5577 IL	47.94
02/15/08	01/21/08	01/22/08	JCPenney.com 800-221-8019 KS	211.52
02/15/08	02/15/08	02/15/08	Late Payment Fee	-
03/14/08	03/04/08	03/04/08	TBE *The Bradfor Exchg 800-323-5577 IL	47.94
03/14/08	03/10/08	03/11/08	RVLifestyles.com Inc 404-3491918 GA	135.50
03/14/08	03/14/08	03/14/08	Annual Fee	-
04/16/08	04/04/08	04/07/08	Major Safety Service I 757-8552088 VA	489.18
04/16/08	04/08/08	04/08/08	TBE *The Bradford Exchg 800-323-5577 IL	47.94
05/16/08	05/16/08	05/16/08	Late Payment Fee	-
10/16/07	10/80/07	10/09/07	Best Buy 00000190 Des Moines IA	52.99
Total				<u><u>\$ 10,584.83</u></u>

^ - Purchase was paid with check number 1649 from the Fire Department's checking account.

- Transaction is equal to the difference between Council approved and actual payment on City's credit card.

@ - Purchase was paid with check number 1388 from the Fire Department's checking account.

x - Purchase was paid with check number 2734 from Ms. Hoffman's personal checking account.

* - Invoice obtained from vendor shows purchase was shipped to Ms. Hoffman's home address.

** - Invoice obtained from vendor shows purchase was shipped to an address in Pleasantville, Iowa.

Card Statement			Improper	Reasonable	Unsupported
Advances	Fees				
-	-		-	236.36	-
-	-		-	-	214.60
-	-	*	38.74	-	-
-	-		32.24	-	-
-	-		29.74	-	-
-	-		38.40	-	-
-	-		62.84	-	-
-	-	*	68.74	-	-
-	-		10.00	-	-
-	-		88.35	-	-
-	-		25.00	-	-
-	-		10.00	-	-
-	-		-	-	162.32
-	-		47.94	-	-
-	-	*	211.52	-	-
-	10.00		10.00	-	-
-	-		47.94	-	-
-	-	*	135.50	-	-
-	12.00		-	12.00	-
-	-	^	-	489.18	-
-	-		47.94	-	-
-	10.00		10.00	-	-
-	-		-	-	52.99
550.00	131.00		5,213.01	2,069.60	3,983.22

Report on Special Investigation of the
City of Lacona

Staff

This special investigation was performed by:

Annette K. Campbell, CPA, Director
Corinne M. Johnson, Senior Auditor II
Melissa J. Knoll-Speer, Senior Auditor



Tamera S. Kusian, CPA
Deputy Auditor of State

Appendices

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

Report on Special Investigation of the
City of Lacona

Copies of Selected Bill Listings Provided to Council

Bills Paid 11/2004

6720	Iowa Telecom	470.26
6721	People's Bank	4356.00
6722	Marion Co Water	2705.40
6723	Lacona Hardware	140.87
6724	LGI	16.50
6725	Aramark	23.31
6726	Bancard	326.90
6727	McCoys	1347.30
6728	Ed Hoch	34.50
6729	Alliant	990.74
6730	Culverts	519.90
6731	Monroe	131.00
6732	D&D Pest	25.00
6733	Crossings	16.98
6734	Baker & Taylor	50.33
6735	Ronnie Konrad	367.32
6736	Ronnie Konrad	367.32
6737	Co-op	53.67
6738	Ronnie Konrad	367.32
6739	Ronnie Konrad	367.32
6740	Mary Mitchell	316.34
6741	Kathy VanderEcken	48.37
6742	Linda Hoch	66.48
6743	FJ Dittmer	55.0
6744	Dixie Roush	82.50
6745	Mike Coop	72.22
6746	Kay Putz	79.45
6747	Jayma Hoch	86.67
6748	Janiece Kadner	82.50
6749	Anna Hoffman	106.38
6750	Ronnie Konrad	97.52
6751	Anna Hoffman	594.26
6752	IPERS	290.34
6753	IRS	643.98

Report on Special Investigation of the
City of Lacona

Copies of Selected Bill Listings Provided to Council

Bills Paid 7/2005

	McCoys	1610.80
	Alliant	660.48
	UECO	377.94
	UECO	260.00
	Anna Hoffman	619.71
	Ronnie Konrad	389.18
	Bob Benton	416.66
	Auto Glass	92.98
	Brian Hoffman	58.30
	UECO	260.00
	Rob Potter	116.65
7024	Ia League of Cities	219.00
7025	Ia Telecom	266.35
7026	Marion Co Water	3581.40
7027	Bancard	712.99
7028	LGI	16.60
7029	Lacona Hardware	70.02
7030	ICAP	11998.00
7031	Co-op	285.07
7032	Void	
7033	Wal Mart (park)	19.66
7034	Ronnie Konrad	389.18
7035	Ronnie Konrad	389.18
7036	Janiece Kadner	23.06
7037	Mary Mitchell	380.19
7038	Ronnie Konrad	380.18
7039	K. Vander Ecken	42.99
7040	IPERS	343.10
7041	IRS	760.63

Report on Special Investigation of the
City of Lacona

Copies of Selected Bill Listings Provided to Council

Bills Paid in April 2007

7786	DNR	\$20.00	Fred's water license
7787	Marion Co	\$3024.60	water
7788	Alliant	\$1808.83	electricity
7789	Barker	\$48.33	parts
7790	LGI	\$150.10	water testing
7791	void		
7792	Iowa Tele	\$513.27	phone/internet
7793	Lacona Hdwe	\$20.21	misc
7794	Post Office	\$129.58	stamps / dispenser
7795	CR Svcs	\$264.79	cleaning supplies
7796	Aramark	\$31.04	hall supplies
7797	Ia Assoc Muni	\$342.57	dues
7798	McCoys	\$1431.80	garbage
7799	Northern	\$147.90	strap
7800	Bancard	\$53.42	annual fee + ink cart
7801	Fred	\$144.53	reimbs – furnace filters, light bulbs
7802	Fred	\$975.00	ins.
7803	Fred	\$35.46	raise – retro
7804	Co-op	\$487.47	fire – gas: 20.11
			rescue – gas: 58.97
			city – gas: 306.54
			city – fuel oil/diesel: 83.13
			city – misc merch: 17.72
7805	LCHC	\$2439.60	printer
7806	void		
7807	Kelly Hoffman	\$150	meter dep
7808	Darrell Manser	\$150	meter dep
7809	Brenda Matheny	\$150	meter dep
7810	J. Dhabaldt	\$150	meter dep
7811	Chad Wheeler	\$150	meter dep
7812	Julie Leih	\$150	meter dep
7813	D. Wahmann	\$150	meter dep
7814	IPERS	\$326.39	retirement plan
7815	IRS	\$874.16	fed tax
7816	Hawkins	\$111.90	chemicals
7817	Circle B	\$7.75	plug / bolts
Wages			
	Anna Hoffman	642.99	wages
	Pat Neer	422.62	wages
	Kathy VanderEcken	32.24	wages
	Bruce Williams	132.97	wages
	Fred Brandt	403.11 x 4	wages

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

Report on Special Investigation of the
City of Lacona

Copies of 2005 and 2006 Payroll Tables

2005 Payroll – Anna

Month	Wages	Check #	SS .062	Med .01450	US	IA	IPERS .037	Net pay
January	689.52	6802	42.75	10.00	3.00	14.00	25.51	594.26
Feb	689.52	6870	42.75	10.00	3.00	14.00	25.51	594.26
Mar	689.52	6998	42.75	10.00	3.00	14.00	25.51	594.26
April	689.52		42.75	10.00	3.00	14.00	25.51	594.26
May	689.52	6998	42.75	10.00	3.00	14.00	25.51	594.26
June	689.52	6970	42.75	10.00	3.00	14.00	25.51	594.26
July	717.10	7017	44.46	10.40	3.00	13.00	26.53	619.71
August		7042						
Sept	717.10	7097	44.46	10.40	3.00	13.00	26.53	619.71
Oct	717.10	7152	44.46	10.40	3.00	13.00	26.53	619.71
Nov		7202	44.46	10.40	3.00	13.00	26.53	619.71
Dec	717.10	7240	44.46	10.40	3.00	13.00	26.53	619.71

62006 Payroll

Anna

Month	Wages	Check #	SS .062	Med .01450	US	IA	IPERS .037	Net pay
Jan	717.10	7249	44.46	10.40	3.00	13.00	26.53	619.71
Feb	717.10	7280	44.46	10.40	3.00	13.00	26.53	619.71
Mar	717.10	7316	44.46	10.40	3.00	13.00	26.53	619.71
April	717.10	7345	44.46	10.40	3.00	13.00	26.53	619.71
May	717.10		44.46		3.00	13.00	26.53	619.71
June	717.10		44.46	10.40	3.00	13.00	26.53	619.71
July	745.78	7475	46.24	10.81	7.00	14.00	27.59	640.14
August	745.78		46.24	10.81	7.00	14.00	27.59	640.14
Sept	745.78		46.24	10.81	7.00	14.00	27.59	640.14
Oct	745.78		46.24	10.81	7.00	14.00	27.59	640.14
Nov	745.78		46.24	10.81	7.00	14.00	27.59	640.14
DEc	745.78		46.24	10.81	7.00	14.00	27.59	640.14

Report on Special Investigation of the
City of Lacona

Copies of Selected Checks Issued to Ms. Hoffman

CITY OF LACONA
PH. [REDACTED]
LACONA, IA 52139

72-2288
738
336500070

6711

DATE 10/25/04

PAY TO THE ORDER OF Anna Hoffman \$ 594.26

Five hundred ninety four and 26/100 DOLLARS

Peoples Savings Bank

MEMO oct Anna Hoffman

[REDACTED] 6711

ENDORSE HERE
Anna Hoffman

10/25/2004 9:36 AM
B/F 2 112H 21 504H 90
594.26

Report on Special Investigation of the
City of Lacona

Copies of Selected Checks Issued to Ms. Hoffman

CITY OF LACONA
PH. 641-534-4608
109 E MAIN ST., P.O. BOX 148
LACONA, IA 50139

72-2258
739
3386000079

6907

DATE 3/28/05

PAY TO THE ORDER OF Anna Hoffman \$ 594.26

Five hundred ninety four + 26 DOLLARS

Peoples Savings Bank

MEMO Anna Hoffman

6907

Account Anna Hoffman

03/28/2005 9:11 AM

1 TL# 4 Seq# 60

594.26

EMERGENCY HERE

Anna Hoffman

Report on Special Investigation of the
City of Lacona

Copies of Selected Checks Issued to Ms. Hoffman

CITY OF LACONA
PH. 641-534-4608
109 E MAIN ST., P.O. BOX 148
LACONA, IA 50139

72-2258 2
739
3366000079
DATE 7/11/05

7032

PAY TO THE ORDER OF Anna Hoffman \$ 2484.77

Two thousand four hundred eighty four and 77/100 DOLLARS

Peoples Savings Bank

MEMO park/ccc Anna Hoffman

7032

ENDORSE HERE
Anna Hoffman

07/11/2005 11:45 AM
BPN 1 TLR 4 Seqn 41
Account 2,484.17

Report on Special Investigation of the
City of Lacona

Copies of Selected Checks Issued to Ms. Hoffman

CITY OF LACONA
PH: 641-534-4608
109 E MAIN ST., P.O. BOX 148
LACONA, IA 50139

72-2283
739
3366000079

7152

DATE 10/27/05

PAY TO THE ORDER OF Anna Hoffman

Six hundred nineteen + 71/100

\$ 619.71

Peoples Savings Bank

MEMO

Anna Hoffman

7152

EXPOSE HERE

Anna Hoffman

Report on Special Investigation of the
City of Lacona

Copies of Invoices from Selected Vendors

**BED BATH &
BEYOND**www.bedbathandbeyond.com
1-800-GO BEYOND
1-800-462-3966

Order No: BBB884468867

Order Date: 11/7/2007

Ordered By

Name(F/L): Anna Hoffman
Address: PO Box 148
City: Lacona
State: IA Zip: 50139

Payment Information

Card Type/Num: MasterCard *****02:
Card Exp. Date:
Gift Card Num:
Gift Card Num:

Shipped to

Name(F/L): Anna Hoffman
Address: [REDACTED]
City: Lacona
State: IA Zip: 50139Shipping Service: Standard
Gift Wrap (Y/N): N

Qty	Item Number	Item Description	Our Price	Your Price	Total Price
1	13978700	SNAP SERV S/16	\$29.99	\$29.99	\$29.99

Sub-Total: \$29.99
Shipping: \$6.95
Shipping Surcharge: \$0.00
Sales Tax: \$1.80Order Total: \$38.74
Gift Card Payment: \$0.00
Remaining Balance: \$38.74

Special Instructions

Items not contained within this delivery will be shipping to you shortly.
Your order number is your reference number, questions regarding your order can be
directed to 1-800-GO BEYOND (1-800-462-3966) or find us on the web at
www.bedbathandbeyond.com.

Report on Special Investigation of the
City of Lacona

Copies of Invoices from Selected Vendors

Cattle Visions

13015 S. 63 Highway
Clark, MO 65243
1-866-356-4565

Invoice

DATE	INVOICE #
5/19/2005	6253

BILL TO	SHIP TO
Anna Hoffman 22760 1st Street Lacona, IA 50139	Dan Dykstra 22629 Nixon Street Pleasantville, IA 50225 641-942-6531

TERMS	DUE DATE	REP	SHIP DATE	SHIP VIA	PHONE:	Carrier	For your convenience
VISA/MC	5/19/2005	OL	5/19/2005	Federal Ex...			We accept Visa/MC

ITEM	DESCRIPTION	QTY	BIN	REG#	RATE	RETAIL	AMOUNT
MA618	Ali	6	M8-1,K1-4,M10-6		20.00	20.00	120.00
MA1094 (157)	Iceman (Deceased)	2	D1, M9-1		20.00	20.00	40.00
MA221 (109)	Kadabra	2	D3,D1,K3-4,K3-3,G3		25.00	25.00 (...)	50.00
MAXX2459C	Doctor Who	2	D4,M8-2, M8-3,M8-4,M8...		20.00	20.00	40.00
Handling Charge	Handling Charge	1			10.00		10.00
Shipping	Shipping Charges	1			41.00		41.00
	Paid by MC						

DISCLAIMER OF WARRANTY

Cattle Visions, its agents or employees, cannot and do not guarantee the conception rate, quality, or productivity to be obtained in connection with the use of its products or recommended techniques. Cattle Visions makes no warranties of any kind whatsoever, expressed or implied, which extend beyond the description of its products and hereby disclaims all warranties or merchantability and fitness for a particular purpose. In the unlikely event that any of our products shall prove to be defective, damages resulting from their use shall be limited to their value.

Total	\$301.00
Payments/Credits	\$-301.00
Balance Due	\$0.00
Customer Total Balance	\$0.00

Report on Special Investigation of the
City of Lacona

Copies of Invoices from Selected Vendors

JCPenney: Order Tracking

Page 1 of 1

Order Information

ANNA HOFFMAN

track package

Order Number: 2008-0171-2013-6645

Status: Shipped

Order Date: 1/17/2008

Method: Home Delivery

Invoice Number: K43388319

Routing: UPS

Date Shipped: 1/20/2008

billing address

ANNA HOFFMAN
109 MAIN
LACONA, IA 50139
641-534-3650

shipping address

Anna Hoffman
[REDACTED]
Lacona, IA 50139

payment method

MasterCard ****0239

Product Description	*Status	Price	Qty	Disc Amt	Total
Sag Harbor One-Button Wool Jacket Item# QF716-6535D Petites Black - 16 Petite	In Stock	\$17.99	1		\$17.99
Cabin Creek® L/S Wrinkle Free Solid Oxford Item# EW845-2005D Color: White Size: 16	In Stock	\$24.00	1		\$24.00
Stafford WF Oxford - X-Tall S/S Item# FC531-2775D Color: Blue Collar: 20	In Stock	\$20.99	2		\$41.98
Stafford® Ease Poly/Wool Flat-Front Trousers - Big Item# FC556-6360Q U; ; ;99;	In Stock	\$70.00	2	(\$46.02)	\$93.98

Subtotal: \$177.95
Shipping & Handling: \$23.50
Tax: \$10.07
TOTAL: \$211.52

<http://www2.jcpenny.com/jcp/OrderDetail.aspx?context=clarify&OrderNum=20080171...> 10/23/2008

Report on Special Investigation of the
City of Lacona

Copies of Invoices from Selected Vendors

Page 1

10/23/08

PROOF OF PURCHASE

Cust 08202366
UON 69-575-163
Date 11/30/04

Sold to:

ANNA HOFFMAN

PO BOX 148

LACONA IA 50139-0148

Ship to:

ANNA HOFFMAN

LACONA IA 50139-6562

Order summary

Merchandise	179.95
S & H	19.95
Total	199.90
Credit Card- Master Card	199.90

Item	Description	Qty	Price	Total
912590	Columbia Women's Crystal Trail Parka 2X LIGHT LEEK	1	179.95	179.95

Cabela's

Nichole O'Callaghan
Cabela's Inc.
One Cabela Drive
Sidney, NE 69160-8888

Report on Special Investigation of the
City of Lacona

Copies of Invoices from Selected Vendors

STAG

Stag-Parkway, Inc.
ELKHART, IN
52649 Leer Court
Elkhart, IN 46514
Phone: (404)349-1918

Please mail remittance to:
Stag-Parkway, Inc.
P.O. Box 405133
Atlanta, GA 30384-5133

PAST INVOICE

Customer Copy

Number	B37295
Date	02/08/08
Page	1

To: RVLIFESTYLES/IOWA
FEIA

Ship To: Anna Hoffman
TEMP
Lacona, IA 50139

Reference #	Shipped	Salesperson	Terms	Tax Code	Doc #	Freight	Ship Via
1085-Hoffman	02/08/08	V KERNS, KRI	PREPAY	NOTAX	B57040	17 PRE/ADD	UPS

Item	Description	Ordered	Shipped	Backord	UM	Retail	Price	UM	Extension
14-R011	DELUXE GRILLING TABLEP	1	1	0	EA	117.00	114.49	EA	114.49
	57293								
CC	SEND CREDIT SLIP	1	1	0	EA		.00	EA	.00
DS	DROP SHIP - NO PAPERWORK	1	1	0	EA		.00	EA	.00
NOTE	PLS SEND 2ND DAY AIR	1	1	0	EA		.00	EA	.00
NOTE	PLS CHARGE FRT	1	1	0	EA		.00	EA	.00
NOTE	PLS CHARGE RETAIL PRICING	1	1	0	EA		.00	EA	.00
NOTE	PLS SEND ORDER CONFIRMATION	1	1	0	EA		.00	EA	.00
NOTE	Freight: 21.01	1	1	0	EA		.00	EA	.00
SLSTAX	TRK# 1Z4464020213603831	1	1	0	EA		.00	EA	.00

Merchandise	Misc	Discount	Tax	Freight	Total Due
114.49	.00		.00	21.01	135.50

ALL PREVIOUS ACCOUNTS ARE PAID.
ACCOUNTS AFTER THE ABOVE DATE.

ALL MERCHANDISE IS SHIPPED AT BUYER'S RISK OF DAMAGE IN TRANSIT. CLAIMS FOR LOST OR DAMAGED FREIGHT SHOULD BE MADE DIRECT WITH CARRIER UPON RECEIPT OF MERCHANDISE. CLAIMS FOR DEFECTIVE MERCHANDISE, OR SHORTAGES MUST BE MADE WITHIN 10 DAYS FROM DATE OF INVOICE. NO MERCHANDISE IS TO BE RETURNED WITHOUT PERMISSION.
(ORIGINAL INVOICE)