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NEWS RELEASE

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FOR RELEASE _____ July 2, 2012 _____

Auditor of State David A. Vaudt today released a report on a special investigation of the City of Bloomfield Volunteer Fire Department for the period July 1, 2006 through June 30, 2010. The special investigation was requested by the Davis County Attorney after concerns regarding the Department's financial transactions were identified.

Vaudt reported the special investigation identified \$113,958.76 of unsupported and improper disbursements and undeposited collections. The \$113,008.76 of unsupported and improper disbursements identified includes \$104,181.67 of unsupported disbursements and \$8,827.09 of improper disbursements. The undeposited collections consist of \$950.00 of cash withheld from deposits to the Department's bank accounts.

The \$104,181.67 of unsupported disbursements identified includes \$70,465.87 of compensation to Department members. Members were to be paid for each call and meeting they attended during the calendar year, but no documentation was available to support the amounts paid to the members.

The unsupported disbursements also include \$300.00 for fire extinguishers purchased from a business owned by the Department's former Fire Chief, Robert Houglund, \$173.35 paid to the Department's former Treasurer, Craig Scott, and \$33,242.45 paid to vendors for items such as meals and food for members, automotive parts and payments to a photo studio.

The \$8,827.09 of improper disbursements identified includes \$4,996.00 of cash withdrawals and related fees. Bank documents show \$4,720.00 of this amount was withdrawn by Mr. Scott. The remaining \$276.00 of withdrawals and related fees identified were withdrawn from 2 automated teller machines (ATMs) in Bloomfield and an ATM in Las Vegas. It was not possible to determine who made the withdrawals.

Other improper disbursements identified include \$528.42 paid on a personal car loan established in the name of Mr. Hougland. The improper disbursements identified also include \$1,489.88 of payments to Mr. Hougland and \$1,310.06 of payments to Mr. Scott. In addition, personal purchases were identified, including DVDs, fuel and a purchase at an adult bookstore.

Vaudt reported it was not possible to determine if any additional improper disbursements were made or if all donations, fundraiser proceeds and insurance proceeds were properly deposited because adequate records were not available.

In addition, Vaudt reported the Department did not issue 1099 forms during the period the investigation as required by Internal Revenue Service (IRS) regulations.

Vaudt also reported a desktop computer was located at the Department. A laptop computer and an external hard drive were also obtained from Mr. Scott's residence. The computers were the property of the Department and may contain financial data or other records related to the operation of the Department. However, the data was not readily accessible because the computers were secured with passwords. To determine if the computers contained any relevant data and to recover any data that may have been previously deleted from the computers, they were provided to the Division of Criminal Investigation (DCI) for analysis. As of the date of this report, DCI's analysis has not been completed. Had the analysis been completed, additional information may have been available.

The report also includes recommendations for the City and the Department to strengthen internal controls, such as improvements to segregation of duties, maintaining supporting documentation for all expenditures, issuing IRS Form 1099 to Department members who receive \$600.00 or more in a year and maintaining adequate financial records, including ledgers, receipt books and bank reconciliations.

Copies of the report have been filed with the Davis County Attorney's Office, the Davis County Sheriff's Office, the Division of Criminal Investigation 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/1020-0242-BE00.pdf>.

**REPORT ON SEPCIAL INVESTIGATION
OF THE
CITY OF BLOOMFIELD VOLUNTEER FIRE DEPARTMENT
FOR THE PERIOD
JULY 1, 2006 THROUGH JUNE 30, 2010**

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Auditor of State's Report

To the Honorable Mayor and
Members of the City Council:

In January 2010, City of Bloomfield officials identified concerns regarding certain financial transactions of the Bloomfield Volunteer Fire Department (Department). After consulting with the City's attorney, officials procured the services of Anderson, Larkin & Co. P.C. On March 20, 2010, the firm issued a report to the City which stated the Fire Department did not maintain adequate supporting documentation or issue required Internal Revenue Service (IRS) Form 1099 to its members. The report also identified concerns with deposits by the Department.

At the request of the County Attorney, we conducted additional tests and procedures to selected financial transactions of the Department for the period July 1, 2006 through June 30, 2010, unless otherwise noted. Based on discussions with City and Department personnel and a review of relevant information, we performed the following procedures for the period specified.

- (1) Evaluated the Department's organization to determine whether it is a function of the City or a separate entity.
- (2) Evaluated internal controls to determine whether adequate policies and procedures were in place and operating effectively.
- (3) Reviewed activity in the Department's bank accounts to identify any unusual activity. We also examined copies of certain redeemed checks, deposit slips and related documents for propriety for the period July 1, 2006 through June 30, 2010, except for accounts held at Community First Bank which were reviewed for the period July 1, 2002 through June 30, 2010. Statements prior to July 1, 2006 were not available from the other banks reviewed.
- (4) Reviewed images of checks from the Department's bank accounts for reasonableness. We also examined all disbursements from the Department's bank accounts and available supporting documentation to determine if they were appropriate and supported by adequate documentation.
- (5) Confirmed payments to the Department from Cleveland, Grove, West Grove, Perry and Wyacondah Townships to determine if they were properly deposited.
- (6) Reviewed financial transactions associated with a Public Safety Interoperability Communications Grant from Jasper County for propriety.
- (7) Examined all payments, including payroll, by the Department and the City to the former Treasurer, Craig Scott, and the former Chief, Robert Hougland, to determine if they were appropriate and properly approved.
- (8) Interviewed former and current Department members regarding compensation from the Department.
- (9) Interviewed local insurance agents regarding direct payments to the Fire Department.
- (10) Examined all compensation to Department members to determine if the payments were appropriate, supported by adequate documentation and whether IRS Form 1099 was prepared and filed as required.

- (11) Obtained and reviewed Mr. Scott's and Mr. Hougland's personal bank statements for accounts held at certain financial institutions to identify the source of certain deposits.

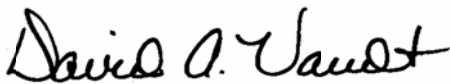
These procedures identified \$113,958.76 of unsupported and improper disbursements and undeposited collections for the period July 1, 2006 through June 30, 2010. We were unable to determine if there were any additional improper disbursements or if all donations, fundraiser proceeds and insurance proceeds were properly deposited because adequate records were not available. Several internal control weaknesses were also identified. Our detailed findings and recommendations are presented in the Investigative Summary and **Exhibits A** through **D** of this report.

A desktop computer was located at the Department. A laptop computer and an external hard drive were also obtained from Mr. Scott's residence. The computers were the property of the Department and may contain financial data or other records related to the operation of the Department. However, the data was not readily accessible because the computers were secured with passwords. To determine if the computers contained any relevant data and to recover any data that may have been previously deleted from the computers, they were provided to the Division of Criminal Investigation (DCI) for analysis. As of the date of this report, DCI's analysis has not been completed. Had the analysis been completed, additional information may have come to our attention which would have been reported.

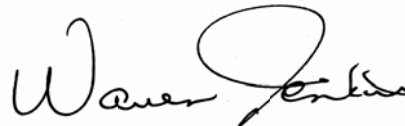
The procedures described above do not constitute an audit of financial statements conducted in accordance with U. S. generally accepted auditing standards. Had we performed additional procedures, or had we performed an audit of financial statements of the City of Bloomfield Volunteer Fire Department,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

Copies of this report have been filed with the Davis County Attorney's Office, the Davis County Sheriff's Office, the Division of Criminal Investigation 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 Bloomfield and the Department during the course of our investigation.



DAVID A. VAUDT, CPA
Auditor of State



WARREN G. JENKINS, CPA
Chief Deputy Auditor of State

February 12, 2012

City of Bloomfield Volunteer Fire Department

Investigative Summary

Background Information

The City of Bloomfield is located in Davis County and has a population of approximately 2,600. The Bloomfield Volunteer Fire Department (Department) provides fire, hazmat and rescue services, as well as community education, to residents in its service area. The Department serves the City, the townships of Cleveland, Grove, West Grove, Perry and Wyacondah and provides mutual aid to the Pulaski, Floris, Drakesville, Milton, Cantril, Moulton and Centerville Fire Departments. The Department also provides fire and rescue services to the Bloomfield Racetrack during the racing season.

The Department is considered to be part of the City for financial reporting purposes. The Department is not organized as a separate non-profit organization. Department operations are overseen by the Fire Chief who is hired by the City. The Fire Chief is paid an annual salary, which is set by the City Council, and is reimbursed for expenses incurred on behalf of the Department. The Fire Chief is responsible for all duties required by law and ordinance, including responding to fire calls, overseeing the fire scene and ensuring volunteers are properly certified. The Department is staffed by volunteers (members) living in and around Bloomfield. The members are to be paid based on the number of calls they respond to and meetings they attend each year.

For the period of our investigation, Robert Hougland, Jr. served as the Fire Chief. Mr. Hougland notified the City Council of his intent to resign on August 5, 2010. The City Council accepted his resignation with an effective date of October 1, 2010. The City Council appointed Craig Scott as the interim Fire Chief during the September 14, 2010 meeting with an effective date of October 1, 2010. At the time of his appointment, Mr. Scott also served as a member of the City Council. Because he was named interim Fire Chief, Mr. Scott resigned from the City Council, effective September 16, 2010. Mr. Scott served as interim Fire Chief until Jeff McClure was hired by the City as the new Fire Chief at the February 10, 2011 City Council meeting.

During his tenure as Fire Chief, Mr. Hougland appointed Mr. Scott to be the Department's Treasurer. As Treasurer, Mr. Scott was responsible for:

- 1) Receipts – collecting, preparing deposits, posting to the ledger and making deposits,
- 2) Disbursements – purchasing, preparing checks, signing and distributing checks, posting to the ledger and maintaining supporting documentation,
- 3) Payroll – paying the members based on the number of calls and meetings they attended, tracking attendance and calculating the amount owed to each member and
- 4) Bank accounts – reconciling monthly bank statements to accounting records.

On occasion, Mr. Hougland collected and deposited receipts and paid bills. Mr. Scott continued his duties as Treasurer while acting as interim Fire Chief and during Mr. McClure's tenure as Fire Chief until Mr. Scott passed away on March 16, 2011.

The Department maintained 3 bank accounts separate from the City's accounts. The Department's primary bank account was held at Success Bank, formerly Davis County Savings Bank. A second account was held at Bank of the West. We also identified a third bank account at Community First Bank. All 3 banks have branches in Bloomfield.

During interviews with Mr. Scott and Mr. Hougland, we specifically asked where the Department's bank accounts were held. Neither Mr. Scott nor Mr. Hougland identified the account at Community First Bank during the interviews. In addition, Mr. Hougland stated he was only aware of 1 bank account held by the Department, even though he was an authorized check signer on the Community First Bank account.

The bank statements for the Department's primary account at Success Bank were mailed directly to the Fire Station. The statements from Bank of the West and Community First Bank were delivered to a post office box. Although we were unable to determine the owner of the post office box, Mr. Scott's personal checking account statements were also delivered to the same post office box. Mr. Scott and Mr. Hougland were the authorized check signers on the Success Bank and Community First Bank accounts. Records showing the authorized signers on the Bank of the West account were unavailable. However, the statements were addressed to Mr. Scott.

As mentioned previously, Mr. Hougland and Mr. Scott were responsible for the Department's receipts and disbursements. However, Mr. Scott had primary responsibility for preparing, signing and distributing checks from the bank accounts maintained by the Department. Mr. Scott was also primarily responsible for accounting for the transactions and maintaining appropriate supporting documentation. Supporting documentation should have included receipts, invoices or other appropriate documentation from vendors and support for payments to the Department's members.

Mr. Hougland, Mr. Scott and other Department members were allowed to purchase equipment and other miscellaneous items for the Department. Invoices or other supporting documentation were to be provided to either Mr. Hougland or Mr. Scott.

As previously stated, the Department is considered part of the City for financial reporting purposes. The City is responsible for paying the majority of all operating expenses of the Department, including the Fire Chief's salary, utilities, fuel, insurance, monthly service fees for communication, life insurance, building maintenance, equipment purchases and maintenance. The City also pays the Department \$150.00 for each call the Department responds to.

In order to pay for the operation of the Department, the City budgets funds from its General Fund. In addition, the City has entered into agreements with surrounding townships to provide fire and emergency services. The townships have also provided funds to the City to purchase equipment to be used specifically for township fire services.

The Department uses the \$150.00 received from the City for each call to pay its members and to pay for miscellaneous expenses not paid for by the City, such as small tools, microwaves for use by the members and food and beverages provided to members. In addition to the funds received from the City, the Department also receives funds from donations and fundraising activities.

As previously stated, Mr. Scott's was primarily responsible for accounting for the transactions and maintaining appropriate supporting documentation for the operation of the Department. One of his duties was to pay the members based on the number of calls and meetings they attended each year. According to members we spoke with, they received an annual payment in December each year, either by cash or check.

In fiscal year 2010, the Council hired a CPA firm to review the financial transactions of the Fire Department. In its letter to the City, the CPA firm reported the following concerns (summarized):

- The annual payments made by the City were deposited to the Department's account intact except for the November 16, 2007 deposit which was \$500.00 less because cash had been withheld.

- Funds from other sources, such as donations and fundraising proceeds, were not always deposited intact to the Department's bank accounts. In addition, amounts deposited to the bank accounts did not always agree with, or were not always included in, the Department's handwritten ledger.
- Taxes were not withheld from amounts paid to the members who were considered independent contract labor. IRS Form 1099 was not filed for members who received more than \$600.00 as independent contractors.
- The Department could not provide supporting documentation for disbursements made from its bank accounts.

As a result of the findings identified by the CPA firm, the Davis County Attorney requested the Office of Auditor of State perform an investigation of the Bloomfield Fire Department. As a result of that request, we performed the procedures detailed in the Auditor of State's Report for the period July 1, 2006 through June 30, 2010.

Detailed Findings

These procedures identified \$113,958.76 of unsupported and improper disbursements and undeposited collections for the period July 1, 2006 through June 30, 2010.

The unsupported disbursements of \$104,181.67 include:

- \$70,465.87 of compensation paid to members,
- \$33,242.45 paid to various vendors,
- \$173.35 paid to Mr. Scott and
- \$300.00 paid to Mr. Hougland's fire extinguisher business.

The improper disbursements of \$8,827.09 include:

- \$4,996.00 of cash withdrawals and related fees,
- \$528.42 paid to Citizens Auto Finance for Mr. Hougland's personal car loan,
- \$1,489.88 paid to Mr. Hougland, including \$250.00 of member compensation,
- \$1,310.06 of payments and compensation to Mr. Scott,
- \$151.72 paid to Pamida for various DVDs,
- \$305.14 paid to MFA Oil Company and
- \$45.87 paid to an adult bookstore.

We reviewed disbursements from all accounts maintained by the Department between July 1, 2006 and June 30, 2010, except for Community First Bank which provided records for the period July 1, 2002 through June 30, 2010. However, not all disbursements were supported by adequate documentation. The majority of financial transactions were processed through the Department's primary account at Success Bank, including compensation to members of the Department.

The \$950.00 of undeposited collections identified consist of cash withheld from 5 deposits to the Department's bank accounts. Of the total undeposited collections, Mr. Scott withheld

\$350.00 and Mr. Houglund withheld \$400.00. The records available from the banks were not sufficient to determine who withheld the remaining \$200.00.

We were unable to determine if there were any additional improper disbursements or if all donations, fundraiser proceeds and insurance proceeds were properly deposited because adequate records were not available.

A desktop computer was located at the Department. A laptop computer and an external hard drive were also obtained from Mr. Scott's residence. The computers were the property of the Department and may contain financial data or other records related to the operation of the Department. However, the data was not readily accessible because the computers were secured with passwords. To determine if the computers contained any relevant data and to recover any data that may have been previously deleted from the computers, they were provided to the Division of Criminal Investigation (DCI) for analysis. As of the date of this report, DCI's analysis has not been completed. Had the analysis been completed, additional information may have come to our attention which would have been reported.

All undeposited collections, improper and unsupported disbursements identified are discussed in the following paragraphs and summarized in **Exhibit A**.

UNSUPPORTED AND IMPROPER DISBURSEMENTS

We also reviewed the disbursements from the 3 bank accounts maintained by the Department for propriety and to determine if the disbursements were properly supported. However, very limited documentation was available for the disbursements. As a result, we obtained bank statements and related documents from the banks where the Department's accounts were maintained. For the account held at Community First Bank, records were available for the period April 1, 2002 through June 30, 2010. For the accounts held at Success Bank and Bank of the West, records were available for the period July 1, 2006 through June 30, 2010.

Using the documentation available from the Department and the banks, including images of checks redeemed from the Department's bank accounts, we classified the disbursements from the 3 bank accounts as supported, improper, unsupported or as compensation to a Department member. Disbursements classified as supported are an allowable expense of the Department and were supported by adequate documentation, including invoices, purchase orders and receipts. Disbursements classified as improper are personal in nature and are not necessary or reasonable for operation of the Department. Disbursements classified as unsupported were not supported by any documentation. As a result, we are unable to determine if the unsupported disbursement is reasonable for the Department or personal in nature. It is possible some of the unsupported disbursements may be appropriate for the Department's operation.

Exhibits B and **C** list the individual checks issued from the accounts maintained at Success Bank and Bank of the West, respectively. Because only 1 check was issued from the account held at Community First Bank, it was not included in an **Exhibit**. **Exhibits B** and **C** also show how each disbursement from the accounts was classified.

The concerns we identified during our review of the disbursements from the Department's accounts are discussed in detail in the following paragraphs.

Unsupported Disbursements - Because adequate supporting documentation was not maintained, we were unable to determine if a number of the disbursements from the accounts maintained by the Department at Success Bank and Bank of the West were necessary and reasonable for operations of the Department or were personal in nature. A number of the disbursements were to vendors which sell items which may have been for supplies and parts for the Department or which may be for personal purposes.

The unsupported disbursements identified are summarized in **Table 1** by the account from which they were issued.

Bank	Exhibit	Amount
Success Bank	B	\$ 33,586.95
Bank of the West	C	128.85
Total		\$ 33,715.80

The unsupported disbursements identified included:

- A payment to Mr. Scott from the Success Bank account on December 28, 2006 for \$300.00. The notation in the memo line of the check indicated it was a reimbursement for Christmas supplies. We reviewed the supporting documentation for \$126.65 of the total. Support was not available for the remaining \$173.35. The check was signed by Mr. Scott.
- A total of \$1,691.36 spent on food for members, including \$1,119.63 paid to Keith's foods and \$245.99 paid to Pizza Hut.
- A \$300.00 payment to Houglan Fire Extinguisher for the purchase of a powder fire extinguisher according to the memo on the check. This business is owned by Mr. Houglan. We could not locate any support for the payment. We did observe several fire extinguishers in the fire station.

The \$33,715.80 is included in **Exhibit A** as unsupported disbursements.

Member Compensation - As previously stated, members are to be compensated by the Department for fire calls and meetings they attend. Pursuant to Chapter 35 of the City's 2004 Code of Ordinances, members of the Department are to receive compensation as determined by resolution of the City Council. We reviewed the City Council minutes between July 1, 2006 and June 30, 2010 and did not identify any resolutions regarding compensation for members of the Department, except the Fire Chief. According to City staff we spoke with, Chapter 2.28 of the 1975 Bloomfield Municipal Code (revised December 1999) addressed compensation. According to the Municipal Code revised December 1999, "members of the Department were to receive \$150.00 for answering each alarm, regardless of whether hose or chemical is used." When the ordinances were recodified in 2004, there was no mention of compensation for the members. According to City staff we spoke with, the City has always paid the Department \$150.00 per call since 2004 regardless of the City Ordinance which indicated each member should receive \$150.00.

During the period of our review, members of the Department were compensated \$5.00 for each meeting they attended. In addition, members were allocated a portion of the \$150.00 received by the Department for each fire call. As Treasurer, Mr. Scott was responsible for calculating the amount to be paid to each member for the meetings and calls attended.

When calculating the amount owed to each member, an extra member was added to each fire call to allow the Department to retain monies to help cover expenses not covered by the City. For example, if 4 members responded to a brush fire, the \$150.00 would be divided by 5, resulting in each of the 4 members receiving \$30.00. The remaining \$30.00 was retained by the Department to be used for miscellaneous expenses.

Payments for the calls were made by the City to the Department annually in November. Mr. Scott was responsible for submitting supporting documentation to the City documenting each call the Department responded to. In addition, Mr. Scott documented whether the City was responsible for the fire call or whether a township was responsible for the fire call. According to Mr. Scott and other members of the Department, the Department maintained a chart which was posted in the fire station showing which members were at each fire call. The charts for the period of our investigation could not be located.

Table 2 summarizes the payments made by the City to the Department for the period of our investigation.

Period Covered	Disbursed by City		Received by Department		
	Date	Amount	Date	Amount Deposited	Withheld from Deposit
11/01/05-10/31/06	11/16/06	\$ 17,460.00	11/22/06	\$ 17,460.00	-
11/01/06-10/31/07	11/15/07	17,145.00	11/16/07	16,645.00	500.00
11/01/07-10/31/08	11/20/08	21,395.00	11/21/08	21,395.00	-
11/01/08-10/31/09	11/19/09	22,860.00	12/02/09	3,782.42	19,077.58
Total		\$ 78,860.00		\$ 59,282.42	19,577.58

Table 2 shows a total of \$19,577.58 was withheld from 2 deposits. Of the \$78,860.00 disbursed by the City, \$71,215.87 was paid to the members and \$7,644.13 was retained by the Department.

Each December, the Department pays each member an amount based on the number of calls responded to and meetings attended during the previous 12 months. As previously stated, the charts and support for the calculation of the payments owed to each member could not be located. However, Mr. Scott prepared a spreadsheet listing the amounts paid to individual members which he provided to the CPA firm initially engaged to review the Department's financial transactions. Using the information provided by Mr. Scott, we compared the amounts paid to the members to the amounts disbursed from the Department's bank account by check or cash. **Table 3** compares the payments to the members during the period of our investigation to the amounts from the Department's bank account.

When we reviewed the spreadsheet, we determined the total amount paid to members on December 4, 2007 shown by Mr. Scott did not mathematically agree with the total amount paid to individual members. Because the total was only \$.35 less than the total of the individual payments, the total reported by Mr. Scott is included in **Table 3**.

Table 3

Date Paid	Amount Paid to Members	Source of Payment			Variance
		Check	Cash	Total	
<u>Checks and cash withdrawals:</u>					
12/05/06	\$ 16,431.87	16,431.87	-	16,431.87	-
12/04/07	14,946.66	-	14,446.66	14,446.66	500.00
09/26/08	500.00	500.00	-	500.00	-
12/02/08	17,340.51	17,340.51	-	17,340.51	-
12/05/08	500.00	500.00	-	500.00	-
03/23/09	400.00	400.00	-	400.00	-
06/18/09	600.00	600.00	-	600.00	-
06/24/09	500.00	500.00	-	500.00	-
	51,219.04	36,272.38	14,446.66	50,719.04	500.00
<u>Cash withheld from deposit:</u>					
12/02/09	19,996.83	-	19,077.58	19,077.58	919.25
Total	\$ 71,215.87	36,272.38	33,524.24	69,796.62	1,419.25

Table 3 shows a total of \$71,215.87 was paid to members. Based on information provided by Mr. Scott, \$34,943.49 was in cash and the remaining \$36,272.38 was paid by check. As illustrated by the **Table**, cash totaling \$33,524.24 was withdrawn from the bank or withheld from deposits.

Table 3 also illustrates members were paid a total of \$14,946.66 on December 4, 2007. **Exhibit B** shows \$14,446.66 was withdrawn on the same day to pay the members. The \$500.00 difference between the amount paid to the members and the amount withdrawn may have been paid from cash on hand or may have been the \$500.00 withheld from the November 16, 2007 deposit shown in **Table 2**.

Also as illustrated by **Table 3**, members were paid a total of \$19,996.83 on December 2, 2009. As shown in **Table 2**, \$19,077.58 was withheld from the amount disbursed by the City on December 2, 2009 for deposit by the Department. The \$919.25 difference between what was paid to the members and the amount withdrawn may have been paid from cash on hand.

While reviewing the payments to members, we identified the following:

- In 2008, Jeff Call and Brian Meeker each received 2 payments instead of the annual payment in December. Mr. Meeker was paid \$500.00 on September 26, 2008 and \$1,085.90 on December 2, 2008. Mr. Call was paid \$288.16 on December 2, 2008 and an additional \$500.00 on December 5, 2008. Because of the lack of supporting documentation, we are unable to determine the reason for the additional payments.
- In December 2009, Mr. Meeker received 2 payments and Mr. Scott received 3 payments. We were unable to determine why Mr. Scott and Mr. Meeker would receive additional payments. The payments to Mr. Scott included a check issued on June 18, 2009 for \$600.00, a check issued on June 24, 2009 for \$500.00 and a cash payment of \$2,194.66 in December 2009. On June 29, 2009, the June 24, 2009 \$500.00 payment to Mr. Scott was redeposited into the Department's account.
- Mr. Houglund received a cash payment of \$250.00 on December 2, 2009. We were unable to determine why Mr. Houglund received a payment since Mr. Houglund was paid by the City as Fire Chief. The \$250.00 is included in **Exhibit A** as an improper disbursement.

Based on discussions with the City Clerk, the current Fire Chief, Mr. McClure, Mr. Scott and members of the Department, neither the City nor the Department issued Internal Revenue Service (IRS) Form 1099 for compensation paid to Department members during the period of our investigation. Form 1099 is required to be filed with the IRS for any member who receives compensation of \$600.00 or more in a calendar year. In 2010, 12 of the 18 members were paid more than \$600.00.

Of the total \$71,215.87 in member compensation listed in **Table 3**, Mr. Scott repaid \$500.00 which he received on June 24, 2009. In addition, the \$250.00 cash payment to Mr. Houglan on December 2, 2009 is included in **Exhibit A** as an improper disbursement. As a result, the remaining \$70,465.87 paid to members is included in **Exhibit A** as unsupported disbursements.

Cash Withdrawals - We reviewed the activity for each of the Department's bank accounts and identified \$4,996.00 of improper cash withdrawals. **Table 4** summarizes the improper cash withdrawals from the bank.

Table 4

Bank	Withdrawn by		Total
	Craig Scott	Unknown	
Community First Bank	\$ 3,120.00	-	3,120.00
Success Bank	1,600.00	-	1,600.00
Bank of the West	-	276.00	276.00
Total	\$ 4,720.00	276.00	4,996.00

The **Table** shows the majority of the cash was withdrawn from the account at Community First Bank. As previously stated, neither Mr. Scott nor Mr. Houglan disclosed the existence of the Community First Bank account when we spoke with them. **Exhibit D** includes the details of the cash withdrawals at each of the 3 banks.

As shown in **Table 4**, Mr. Scott withdrew \$4,720.00. Because records were unavailable from Bank of the West, we were unable to determine who withdrew \$276.00 from an ATM in Bloomfield and an ATM in Las Vegas. We identified a \$152.00 withdrawal on September 5, 2006 from a Bloomfield, Iowa ATM. It is likely \$150.00 in cash was withdrawn and a \$2.00 fee was incurred. We also identified a withdrawal on December 18, 2006 at a cash machine in Las Vegas. We were not able to determine who made the withdrawal. While the total transaction amount was \$104.00, it is likely \$100.00 in cash was withdrawn and a \$4.00 fee was incurred. The remaining \$20.00 was withdrawn from a Bank of the West ATM machine on June 13, 2007. These would appear to be personal in nature. The \$4,996.00 total is included in **Exhibit A** as improper disbursements.

Payments to Craig Scott - On December 29, 2009, a \$910.06 check from the Department's account held at Success Bank was issued to Mr. Scott. The check is included in **Exhibit B**. As illustrated by the **Exhibit**, the check did not include a notation in the memo portion and supporting documentation could not be located for the payment. The check was signed by Robert Houglan. We were unable to discuss this payment with Mr. Houglan.

A \$400.00 check was issued to Mr. Scott on April 9, 2003 from the Department's Community First Bank account. We were unable to locate any support for the disbursement. As previously stated, neither Mr. Houglan nor Mr. Scott disclosed the account held at Community First Bank.

The \$1,310.06 of payments issued to Mr. Scott are included in **Exhibit A** as improper disbursements.

Payments to Robert Hougland – We identified 2 payments to Mr. Hougland totaling \$1,239.88. According to the memo line on a check and comments from Mr. Hougland, the checks were related to his salary. As the Fire Chief, Mr. Hougland was paid by the City and did not receive any additional compensation for responding to Department calls. As a result, Mr. Hougland should not have received additional salary payments from the Department.

The first check was dated July 28, 2007 and was for \$239.88. According to the memo portion of the check, the payment was for 3 days of salary. The check was signed by Mr. Hougland. The second check was dated December 22, 2008 and was for \$1,000.00. According to Mr. Hougland, the check was a pay advance which he reimbursed through in-kind contributions by striping and lettering 3 Department vehicles. Records were not available to verify if an agreement to perform the work existed and if the work was completed.

The payments were issued from the account held at Success Bank and are included in **Exhibit B**. The \$1,239.88 is included in **Exhibit A** as improper disbursements.

Citizens Auto Finance – Payments were made to Citizens Auto Finance on November 18, 2007 and December 14, 2007 for \$264.21 each. Both checks were signed by Mr. Hougland. We obtained documentation from Citizens Auto Finance which showed the payments were for an automobile loan established in Mr. Hougland's name.

The payments were issued from the bank account at Success Bank and are included in **Exhibit B**. The \$528.42 paid to Citizens Auto Finance for Mr. Hougland's personal automobile loan is included in **Exhibit A** as improper disbursements.

Pamida – Checks totaling \$588.73 were issued to Pamida from the Department's bank account at Success Bank. Based on support obtained from Pamida for the period July 1, 2006 through June 30, 2010, the purchases included DVDs which cost \$151.72. The DVDs were personal in nature and unrelated to Department operations. The checks used to purchase the DVDs were signed by Mr. Hougland.

The \$151.72 cost of the DVDs is included in **Exhibit A** as improper disbursements.

MFA Oil Company – We identified 7 debit card transactions totaling \$305.14 from the Bank of the West account for fuel purchases at MFA Oil Company. We were unable to locate supporting documentation for the purchases. Because the purchases were made with a debit card, we were unable to determine who made the purchases.

The Department has a charge card with MFA Oil Company and charge accounts at various local stations, including Casey's, Gas-N-Mor and Morgan's Auto Specialities. Department fuel purchases were to be made using the charge card or the charge accounts. The City paid the fuel charges from MFA Oil or other stations from the General Fund. Because it was expected Department fuel purchases would be made at MFA Oil or charged to the other stations, there would be no reason for Department fuel purchases to be made using a debit card from the Bank of the West account. As a result, the \$305.14 is included in **Exhibit A** as improper disbursements.

Adult Bookstore - The only improper disbursement identified during our review of the disbursements from the Department's Bank of the West account was a \$45.87 purchase from an adult bookstore on August 9, 2006. We were unable to locate supporting documentation for the purchase. Because the purchase was made with a debit card, we are unable to determine who made the purchase. Based on the vendor, the purchase was determined to be improper. The purchase is included in **Exhibit A** as an improper disbursement.

PAYMENTS FROM THE CITY

Payments to Mr. Hougland - As previously mentioned, Mr. Hougland was the Fire Chief during the period of our investigation. As Fire Chief, Mr. Hougland received quarterly payments from the City. Mr. Hougland's salary increased from \$5,000.00 in fiscal year 2007 to \$7,500.00 in fiscal year 2008. We reviewed the minutes of the City Council meetings to determine if Mr. Hougland's salary was properly approved, but we could not find any record of Mr. Hougland's salary being approved for fiscal years 2007 and 2008. We did find minutes approving Mr. Hougland's salary of \$7,500.00 for fiscal years 2009 and 2010.

Payments to Mr. Scott - The City Council approved quarterly payments of \$300.00 to Mr. Scott to maintain the Department's equipment. The City issued Mr. Scott IRS Form 1099 for calendar years 2006 through 2010. According to the current Fire Chief, Mr. Scott was responsible for keeping the small engine equipment (i.e. chain saws, etc.) ready to use. In addition, Mr. Scott was responsible for ensuring Department vehicles were fueled up. For the period of our investigation, Mr. Scott received payments totaling \$4,200.00 for maintaining the Department's equipment.

Mr. Scott was a member of the City Council from January 1, 2004 until he resigned on September 16, 2010. He was also a member of the Department during this period and received compensation based on the number of calls he responded to and meetings he attended. Pursuant to section 372.13(8) of the *Code of Iowa*, "...an elected city officer is not entitled to receive any other compensation for any other city office or city employment during that officer's tenure in office, but may be reimbursed for actual expenses incurred." Section 362.5(3) of the Code of Iowa provides an exception when the total purchase price for goods or services is less than \$1,500.00 and the population of the City is over 2,500 residents.

In addition, according to guidance provided by the IRS under Internal Revenue Code 3121(c), "For purposes of this chapter, if the services performed during one-half or more of any pay period by an employee for the person employing him constitute employment, all the services of such employee for such period shall be deemed to be employment; but if the services performed during more than one-half of any such pay period by an employee for the person employing him do not constitute employment, then none of the services of such employee for such period shall be deemed to be employment. As used in this subsection, the term 'pay period' means a period (of not more than 31 consecutive days) for which a payment of remuneration is ordinarily made to the employee by the person employing him."

Because the City issued Mr. Scott a W-2 for his services as a City Council member and paid him for maintaining the fire equipment, the quarterly payment of \$300.00 should have been included on his W-2. The City did issue Mr. Scott IRS form 1099 each year for the quarterly payments.

Public Safety Interoperability Communications Grant - Mr. Scott was also the Disaster Coordinator for Davis County. In fiscal year 2010, Davis County received a Public Safety Interoperability Communications (PSIC) Grant from Jasper County. The PSIC Grant originated from the U.S. Department of Commerce through the Iowa Homeland Security and Emergency Management Division of the Iowa Department Public Defense. During the period of our investigation, Mr. Scott deposited \$37,075.64 from Davis County into the Department's account held at Bank of the West. Subsequently, payments to Jasper County totaling \$36,475.65 were made from the Department's account for Davis County's local match. The remaining \$599.99 was returned to Davis County on April 29, 2010. We were unable to determine why Mr. Scott used the Department's account instead of paying Jasper County directly through Davis County. However, we did not identify any improper activity regarding the PSIC grant.

UNDEPOSITED COLLECTIONS

The Department’s largest expenses are paid for directly by the City. In addition to the funds held by the City for the Department, the Department receives \$150.00 from the City for each call responded to. The Department also receives funds from donations and fundraising activities. We reviewed the deposits to the bank accounts maintained by the Department for propriety and to determine if the Department’s collections were deposited intact. We identified several concerns which are discussed in detail in the following paragraphs.

Cash Withheld from Deposits - As previously stated, Mr. Scott and Mr. Houglan were authorized signers on both the Success Bank and Community First Bank accounts. Signature cards were unavailable for the Bank of the West account. As shown in **Table 3**, \$19,077.58 of cash was withheld from deposit to be used for member compensation. We reviewed the activity for each of the Department’s bank accounts and identified an additional \$1,450.00 of cash withheld from deposits. **Table 5** summarizes the potential improper cash withheld from deposits at each bank. The **Table** also specifies who made the withdrawal based on documents available from the banks.

Table 5

Date	Bank	Cash Withheld by			Total
		Craig Scott	Robert Houglan	Unknown	
10/24/03	Community First Bank	\$ 350.00	-	-	350.00
07/10/06	Bank of the West	-	-	200.00	200.00
11/16/07	Success Bank	500.00	-	-	500.00
03/10/08	Success Bank	-	200.00	-	200.00
06/30/08	Success Bank	-	100.00	-	100.00
07/01/08	Success Bank	-	100.00	-	100.00
Total		\$ 850.00	400.00	200.00	1,450.00

As illustrated by **Table 5**, of the \$1,450.00 withheld from deposit, Mr. Scott withheld \$850.00, Mr. Houglan withheld \$400.00 and we could not identify who withheld the remaining \$200.00. As stated previously, the \$500.00 Mr. Scott withheld from deposit on November 16, 2007 may have been used to pay members on December 4, 2007. As a result, the \$500.00 Mr. Scott withheld on November 16, 2007 is not included in **Exhibit A** as undeposited collections. **Table 6** summarizes the undeposited collections by individual. The \$950.00 is included in **Exhibit A** as undeposited collections.

Table 6

Cash Withheld by	Amount
Craig Scott	\$ 350.00
Robert Houglan	400.00
Unknown	200.00
Total	\$ 950.00

Billings to Individuals and Insurance Companies - The Department was to provide the City a list of calls the Department responded to. The City would pay the Department \$150.00 per call. During our investigation, a concern was brought to our attention regarding the Department billing insurance companies and individuals directly for calls. We interviewed several agents from local insurance companies and were told payments were not made directly

to the Fire Department by their agencies. If a fire call was covered by an individual's insurance policy, the payment would be made to the individual policy holder.

We also reviewed the deposit slips for each of the Department's bank accounts. We identified 2 deposits which included checks from insurance companies. Both deposits were made to the account at Success Bank. The 1st was on August 10, 2006 from Hartford for \$250.00 and the 2nd was from Traffic Insurance on October 11, 2007 for \$3,239.90. No supporting documentation could be located to explain the purpose of these checks. According to the current Fire Chief, the Department does not bill insurance companies or individuals. He was unsure if the Department had billed insurance companies or individuals in the past.

We also identified checks from individuals being deposited in the Department's accounts. Because billing records were not maintained and the Department periodically held fundraising events, we were unable to determine if the checks were related to calls or for fundraising. We located 1 bill to an individual for service. Because records, such as billing invoices or receipt books, were not maintained, we were unable to determine if the deposits were the result of the Department billing insurance companies and individuals for service.

We were able to confirm revenue received from the State, counties and townships was properly deposited with the City or the Department. However, because records were not maintained of fundraising activities, donations or billings for service, we are unable to determine if funds received from other sources were properly deposited to the Department's accounts. Because of the lack of supporting documentation, we could not determine an explanation for the deposits made to the Department's accounts.

Recommended Control Procedures

We reviewed the procedures used by the City and the Department to process receipts and disbursements. 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 Department's and the City's 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 Fire Chief and the Treasurer for the Department had control over each of the following areas for the Department:
 - a. Receipts – collecting, preparing deposits and making deposits,
 - b. Disbursements – purchasing, preparing checks, signing and distributing checks.

Recommendation – We realize segregation of duties is difficult with a limited number of staff. However, the Department and the City should review their control procedures to obtain the maximum internal control possible under the circumstances utilizing currently available personnel and elected officials.

- B) Separately Maintained Accounts – The Department maintained separate accounts showing receipts and disbursements during the period of our investigation. The Department is considered part of the City for financial reporting purposes. As a result, the Department's separate accounts should be included in the City Clerk's monthly financial reports. Based on our review of the sources of the deposits made to the Department's accounts, the funds in the Department's separate accounts are public funds collected for a City purpose. The accounts were not held or administered by a City official. In addition, transactions and the resulting balances were not reported to

the City Council and disbursements from the accounts were not reviewed or approved by the City Council.

The Department closed the account at Bank of the West on May 20, 2010 and the account at Success Bank on June 1, 2010. The funds from both accounts were deposited with the City. As of June 30, 2010, the account held by the Department at Community First Bank was still held by the Department.

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

Because public funds were held in the Department’s separately maintained accounts which were maintained by Mr. Hougland and Mr. Scott, City officials should work with legal counsel to move the Department’s remaining separately maintained accounts to the control of the City Clerk and/or another City official and to remove the names of non-city employees from the authorized check signers. The Department’s activity should be subject to City Council review and the City’s budget process. In addition, internal control would be strengthened and operating efficiency could be increased by integrating the receipts and disbursements of these accounts with the City’s accounting records in the City Clerk’s office.

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

- C) Supporting Documentation – We identified \$104,505.00 of disbursements for which adequate supporting documentation was not maintained or information was not available to determine if the disbursement was necessary and reasonable for the operation of the Department.

Recommendation – The Department and the City Council should implement policies requiring adequate supporting documentation be provided in order to determine the goods and services purchased and the related quantity. Disbursements should not be approved unless adequate supporting documentation is available. Disbursements should be approved by the City Council prior to payment.

- D) Financial Accounting Records – Very limited financial records were maintained by the Department for the period of our investigation. The following conditions were identified:
- a. No ledger was maintained.
 - b. Receipts and disbursements were not posted.
 - c. Pre-numbered receipts were not issued for collections from donations and fund raising activities.
 - d. Disbursements were not approved or documented in the minutes of City Council meetings.
 - e. On several occasions, checks were not issued in chronological order and some check numbers appear to have never been used.
 - f. Monthly bank account reconciliations were not completed and bank statements were delivered to and reviewed by the individual responsible for disbursing the Department’s funds.

Recommendation – The Department should establish formal accounting records to account for all receipts and disbursements. Records should include:

- Pre-numbered receipts for collections.
- Adequate supporting documentation for disbursements, including invoices and receipts.
- Checks should be prepared by the Treasurer of the Department and written in sequential order. Checks should be reviewed and signed by the Fire Chief. The review should include comparing invoices and supporting documentation to the check.
- Monthly bank to book reconciliations should be prepared by an independent person and reviewed by the Fire Chief.

E) Member Compensation – Members of the Department are to be compensated for fire calls they respond to and meetings they attend. The Department did not file IRS Form 1099 as required for members who were paid \$600.00 or more in a year. The Department did not maintain adequate supporting documentation for the payments.

Recommendation – The Department should ensure all members of the Department receiving compensation of \$600.00 or more are provided an IRS Form 1099 or, if the members are considered employees rather than contractors, they should have the appropriate taxes withheld from their compensation. The Department should maintain supporting documentation showing which members attended calls and meetings. The support should be signed by the members.

Exhibits

**Report on Special Investigation
of the
City of Bloomfield Volunteer Fire Department**

Report on Special Investigation of the
City of Bloomfield Volunteer Fire Department

Summary of Findings
For the Period July 1, 2006 through June 30, 2010

Description	Table/ Page Number	Unsupported	Improper	Total
Unsupported and improper disbursements:				
Unsupported disbursements	Table 1	\$ 33,715.80	-	33,715.80
Member compensation	Page 12	70,465.87	250.00	70,715.87
Cash withdrawals by:				
Craig Scott	Table 4	-	4,720.00	4,720.00
Unknown	Table 4	-	276.00	276.00
Payments to Craig Scott	Pages 12-13	-	1,310.06	1,310.06
Payments to Robert Hougland	Page 13	-	1,239.88	1,239.88
Citizens Auto Finance	Page 13	-	528.42	528.42
Pamida	Page 13	-	151.72	151.72
MFA Oil Company	Page 13	-	305.14	305.14
Adult bookstore	Page 13	-	45.87	45.87
Total unsupported and improper disbursements		104,181.67	8,827.09	113,008.76
Undeposited collections:				
Cash withheld from deposit by:				
Craig Scott	Table 6	-	350.00	350.00
Robert Hougland	Table 6	-	400.00	400.00
Unknown	Table 6	-	200.00	200.00
Total undeposited collections		-	950.00	950.00
Total		\$ 104,181.67	9,777.09	113,958.76

Note: Of the \$9,777.09 of undeposited collections and improper disbursements, \$6,380.06 and \$2,570.02 is attributable to Craig Scott's and Robert Hougland's actions, respectively. It is unknown who initiated the transactions for the remaining \$827.01.

Report on Special Investigation of the
City of Bloomfield Volunteer Fire Department

Disbursements from Success Bank
For the Period July 1, 2006 through June 30, 2010

Check Date	Check Number	Signed By	Payee	Memo per Check
07/07/06	1040	RH	Alex Air Apparatus, Inc.	Size Adj.
07/14/06	1041	RH	Quality Motor Parts	Brush Truck
08/03/06	1126	CS	Pamida	None
08/03/06	1042	RH	True Value	None
08/10/06	1043	RH	Keiths Foods Inc	None
08/15/06	1045	RH	The Flower Shop	D.M. Flowers
08/15/06	1046	RH	Pepsi Cola Bottling Co	Water <i>Illegible</i>
08/15/06	1047	RH	Public Safety Center Inc	None
09/06/06	1044	RH	Pamida	None
09/21/06	1048	RH	City of Bloomfield	New Phone
10/13/06	1049	RH	Quality Motor Parts	Tools
10/20/06	1050	RH	Pamida	None
10/28/06	1101	RH	Quality Motor Parts	None
11/02/06	1102	RH	Dennis Porter <i>(FD Member)</i>	Keys
11/05/06	1103	RH	Pamida	None
11/09/06	1105	RH	Bloomfield Communications	None
11/09/06	1106	RH	Hougland Fire Ext.	None
11/09/06	1104	RH	True North Companies	None
11/19/06	1127	CS	Robbie Veatch	Meat 4xmas
12/05/06	1130	CS	Darrin Garrett <i>(FD Member)</i>	None
12/05/06	1137	CS	Bryan McClurg <i>(FD Member)</i>	None
12/05/06	1131	CS	Scott Grim <i>(FD Member)</i>	None
12/05/06	1132	CS	Dave Hall <i>(FD Member)</i>	None
12/05/06	1135	CS	Brad Kincart <i>(FD Member)</i>	None
12/05/06	1139	CS	Keith <i>(Keith's Foods)</i>	None
12/05/06	1143	CS	Dennis Porter <i>(FD Member)</i>	None
12/05/06	1146	CS	Mike Davidson <i>(FD Member)</i>	None
12/05/06	1134	CS	Mike Karr <i>(FD Member)</i>	None
12/05/06	1138	CS	Jake Davidson <i>(FD Member)</i>	None
12/05/06	1140	CS	Brett Warning <i>(FD Member)</i>	None
12/05/06	1142	CS	Jason Rook <i>(FD Member)</i>	None
12/05/06	1145	CS	Mike Haskell <i>(FD Member)</i>	None

	Total Amount	Supported	Unsupported	Member Compensation	Improper
\$	99.00	-	99.00	-	-
	252.53	-	252.53	-	-
	71.46	71.46	-	-	-
	69.14	-	69.14	-	-
	251.45	251.45	-	-	-
	38.52	38.52	-	-	-
	34.24	34.24	-	-	-
	167.43	167.43	-	-	-
	9.83	9.83	-	-	-
	19.99	-	19.99	-	-
	477.66	477.66	-	-	-
	32.37	32.37	-	-	-
	176.35	176.35	-	-	-
	17.00	17.00	-	-	-
	5.21	3.21	-	-	2.00
	40.00	-	40.00	-	-
	300.00	-	300.00	-	-
	90.00	-	90.00	-	-
	118.62	-	118.62	-	-
	568.16	-	-	568.16	-
	970.99	-	-	970.99	-
	1,085.52	-	-	1,085.52	-
	1,337.19	-	-	1,337.19	-
	475.59	-	-	475.59	-
	69.78	-	69.78	-	-
	1,384.44	-	-	1,384.44	-
	433.42	-	-	433.42	-
	1,405.57	-	-	1,405.57	-
	358.02	-	-	358.02	-
	1,754.10	-	-	1,754.10	-
	1,942.60	-	-	1,942.60	-
	491.00	-	-	491.00	-

Report on Special Investigation of the
City of Bloomfield Volunteer Fire Department

Disbursements from Success Bank
For the Period July 1, 2006 through June 30, 2010

Check Date	Check Number	Signed By	Payee	Memo per Check
12/05/06	1128	CS	Jeff Call <i>(FD Member)</i>	<i>None</i>
12/05/06	1129	CS	Alan Forsythe <i>(FD Member)</i>	<i>None</i>
12/05/06	1141	CS	Craig C Scott <i>(FD Member)</i>	<i>None</i>
12/05/06	1144	CS	Jeff McClure <i>(FD Member)</i>	<i>None</i>
12/05/06	1133	CS	Doran Houk <i>(FD Member)</i>	<i>None</i>
12/05/06	1136	CS	Dave Stremmler <i>(FD Member)</i>	<i>None</i>
12/28/06	1147	CS	Craig Scott <i>(FD Member)</i>	Xmas Order
01/31/07	1107	RH	Bredeaux Pizza	<i>None</i>
02/05/07	1108	RH	Air Evac Life Team	<i>None</i>
02/10/07	1109	RH	Penn Well Publishing	1010000043055
03/03/07	1111	RH	Dollar General	<i>None</i>
03/06/07	1110	RH	Neal & Cindy Dirks	Jacob Dirks Memorial
03/21/07	1112	RH	Pamida	Pictures
03/22/07	1113	RH	RDJ	Junk
03/22/07	1114	RH	Iowa Fire Chief's Assn	Membership Renewal
03/29/07	1115	RH	Iowa State University	Training 00-9331
04/17/07	1116	RH	Quality Motor Parts	<i>None</i>
04/30/07	1117	RH	Hamilton Produce	<i>None</i>
05/16/07	1119	RH	Quality Motor Parts	<i>None</i>
05/19/07	1121	RH	Clayton Price	<i>None</i>
05/19/07	1120	RH	Aaron Scott <i>(FD Member)</i>	<i>None</i>
06/12/07	1122	RH	Keiths Foods	Water
06/19/07	1123	CS	Bike Shop	<i>None</i>
06/20/07	1124	RH	ADLM Emergency Management	<i>None</i>
06/25/07	1095	RH	Pamida	<i>None</i>
07/04/07	1125	RH	David Stremmler <i>(FD Member)</i>	Wheel Wet
07/11/07	1077	RH	Hamilton Produce	Fan
07/11/07	1076	RH	Keiths Foods	Candy
07/18/07	1078	RH	Speltz Studio of Wildlife	9x12's
07/20/07	1079	RH	Dove Designs	T-Shirts
07/28/07	1080	RH	Robert Hougland <i>(FD Member)</i>	3 day Wages
07/28/07	1081	RH	Speltz Studio	Print #3 for Jerry Meredith

Total Amount	Supported	Unsupported	Member Compensation	Improper
167.51	-	-	167.51	-
200.69	-	-	200.69	-
1,660.32	-	-	1,660.32	-
1,057.38	-	-	1,057.38	-
561.09	-	-	561.09	-
578.28	-	-	578.28	-
300.00	126.65	173.35	-	-
40.64	-	40.64	-	-
55.00	-	55.00	-	-
599.45	-	599.45	-	-
8.29	-	8.29	-	-
100.00	-	100.00	-	-
9.83	9.83	-	-	-
90.32	90.32	-	-	-
28.00	-	28.00	-	-
293.50	-	293.50	-	-
2.54	-	2.54	-	-
6.93	-	6.93	-	-
16.63	-	16.63	-	-
25.00	-	25.00	-	-
25.00	-	25.00	-	-
26.95	-	26.95	-	-
40.00	-	40.00	-	-
100.00	100.00	-	-	-
36.36	36.36	-	-	-
8.00	-	8.00	-	-
319.99	319.99	-	-	-
123.28	123.28	-	-	-
675.00	-	675.00	-	-
204.15	204.15	-	-	-
239.88	-	-	-	239.88
41.20	-	41.20	-	-

Report on Special Investigation of the
City of Bloomfield Volunteer Fire Department

Disbursements from Success Bank
For the Period July 1, 2006 through June 30, 2010

Check Date	Check Number	Signed By	Payee	Memo per Check
08/01/07	1082	RH	Speltz Studio	9x12s 2c
08/01/07	1083	RH	Speltz Studio	Prints
08/05/07	1084	RH	Pamida	Supplies
08/06/07	1085	RH	Bloomfield Communications	Print Sales
08/06/07	1086	RH	Keiths Foods	None
08/07/07	1087	CS	F.A.S.T.	None
08/22/07	1088	RH	Larry Lough	None
08/22/07	1089	RH	Dove Designs	Shirts
09/03/07	1090	RH	Adam Bridgman	Demo-Hard Hit
09/03/07	1091	RH	Kerry Severa	None
10/03/07	1092	RH	J&M Displays	O# 13504
10/11/07	1093	RH	Davis Co Treasurer	None
10/11/07	1094	RH	Fire Engineering	None
10/29/07	1097	RH	Julia Kirkpatric	None
10/29/07	1096	RH	Bowlers Connection Pro Shop	None
10/30/07	1098	RH	Rosenbauer	None
10/31/07	1100	RH	Keiths Foods	None
10/31/07	1099	RH	Speltz Studio	Small Prints
11/01/07	1052	RH	Stampeed Graphics	None
11/08/07	1053	RH	Sandry Fire Supply	None
11/10/07	1054	CS	No Payee (Jatta, Inc. Breadeaux Pizza)	Pizza 4 Illegible
11/11/07	1055	CS	D.C. Hospital	Meals
11/17/07	1056	RH	Pamida	None
11/18/07	1058	RH	Citizens Auto Finance	None
11/20/07	1057	RH	RDJ	None
12/03/07	1059	CS	Robbie Veatch	Meat
12/04/07	N/A	N/A	Cash (Withdrawal)	N/A
12/04/07	1060	CS	Keith (Keith's Foods)	None
12/14/07	1061	RH	Bloomfield Communications	None
12/14/07	1062	RH	The Flower Shop	J. Miller
12/14/07	1063	RH	Keiths Foods	None
12/15/07	1064	RH	Keiths Foods	None

Total Amount	Supported	Unsupported	Member Compensation	Improper
380.00	-	380.00	-	-
334.34	-	334.34	-	-
36.44	36.44	-	-	-
62.40	-	62.40	-	-
21.54	21.54	-	-	-
5,000.00	-	5,000.00	-	-
120.00	-	120.00	-	-
90.00	-	90.00	-	-
50.00	-	50.00	-	-
650.00	-	650.00	-	-
400.00	-	400.00	-	-
757.90	-	757.90	-	-
21.00	-	21.00	-	-
60.00	-	60.00	-	-
236.95	-	236.95	-	-
1,081.30	-	1,081.30	-	-
23.35	-	23.35	-	-
200.00	-	200.00	-	-
161.55	161.55	-	-	-
480.00	-	480.00	-	-
31.02	-	31.02	-	-
17.00	-	17.00	-	-
45.11	45.11	-	-	-
264.21	-	-	-	264.21
220.83	220.83	-	-	-
139.00	-	139.00	-	-
14,446.66	-	-	14,446.66	-
71.18	-	71.18	-	-
42.00	-	42.00	-	-
42.80	42.80	-	-	-
11.77	-	11.77	-	-
29.98	-	29.98	-	-

Report on Special Investigation of the
City of Bloomfield Volunteer Fire Department

Disbursements from Success Bank
For the Period July 1, 2006 through June 30, 2010

Check Date	Check Number	Signed By	Payee	Memo per Check
12/18/07	1066	RH	Citizens Auto Finance	None
12/22/07	1065	RH	Pamida	None
01/03/08	N/A	N/A	Harland Checks (ACH Payment)	Check Orders
01/06/08	1067	CS	Robert Veatch	Meat
01/12/08	1071	CS	Hamilton	None
01/12/08	1069	CS	Keith (Keith's Foods)	None
01/12/08	1072	CS	Pizarks	None
01/12/08	1068	CS	Southfork	None
01/12/08	1070	CS	D.C. Hospital Auxiliary	None
01/21/08	1073	RH	Keiths Foods	None
02/04/08	1074	RH	Rick Warning (FD Member)	CO Detector
02/06/08	1075	RH	Keiths Foods	None
02/09/08	1101	RH	Pamida	None
02/15/08	1102	RH	Pamida	None
02/15/08	1103	RH	Dollar Gen.	None
02/19/08	1104	RH	Keiths Foods	None
02/19/08	1105	RH	Keiths Foods	None
02/20/08	1106	RH	Thread Images	Stocking Caps
02/20/08	1107	RH	DB Enterprises	Coats
03/11/08	1108	RH	Bowling Motors	Trailer
03/26/08	1109	RH	Davis Co Fair Board	Fair Sponsor
04/02/08	1110	RH	Dollar General	None
04/03/08	1111	RH	Pisarik Outdoors	None
04/21/08	1112	RH	Quality Motor Parts	None
04/21/08	1113	RH	No Payee	Illegible
05/05/08	1114	RH	RDJ Specialties, Inc	None
05/08/08	1116	RH	Dennis Porter (FD Member)	Gas
05/08/08	1115	RH	Bowling Motors	Trailer Illegible
05/12/08	1117	RH	Hougland's Repair Shop	None
05/21/08	1118	RH	Pamida	None
06/06/08	1119	RH	J&M Displays	O# 18483
06/27/08	1121	RH	Dollar General	None

Total Amount	Supported	Unsupported	Member Compensation	Improper
264.21	-	-	-	264.21
39.13	39.13	-	-	-
29.40	29.40	-	-	-
104.71	-	104.71	-	-
298.67	-	298.67	-	-
41.02	-	41.02	-	-
50.00	-	50.00	-	-
60.00	-	60.00	-	-
163.80	-	163.80	-	-
105.47	105.47	-	-	-
210.00	-	210.00	-	-
8.70	-	8.70	-	-
40.72	40.72	-	-	-
9.75	9.75	-	-	-
6.42	-	6.42	-	-
23.04	-	23.04	-	-
10.98	-	10.98	-	-
159.00	159.00	-	-	-
2,936.00	2,936.00	-	-	-
39.39	-	39.39	-	-
50.00	-	50.00	-	-
8.56	-	8.56	-	-
24.89	-	24.89	-	-
11.50	-	11.50	-	-
40.00	-	40.00	-	-
46.33	46.33	-	-	-
30.00	-	30.00	-	-
28.18	-	28.18	-	-
18.14	-	18.14	-	-
84.68	20.52	-	-	64.16
500.00	-	500.00	-	-
24.61	-	24.61	-	-

Report on Special Investigation of the
City of Bloomfield Volunteer Fire Department

Disbursements from Success Bank
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Check Date	Check Number	Signed By	Payee	Memo per Check
06/27/08	1122	RH	Pamida	None
07/16/08	1123	RH	Keiths Foods	None
07/16/08	1124	RH	Keiths Foods	None
07/19/08	1125	RH	Breadeaux Pizza	None
07/22/08	1126	RH	Pamida	None
07/25/08	1127	RH	Keiths Foods	None
08/08/08	1128	RH	Heiman Fire Equip	Safety Vests
08/13/08	1129	RH	Keiths Foods	None
08/13/08	1130	RH	Keiths Foods	None
08/17/08	1136	RH	J&M Displays, Inc.	O# 14142
08/26/08	1131	RH	Pizza Hut	Fire Chiefs Meeting
09/02/08	1132	RH	Keiths Foods	None
09/11/08	1133	RH	Jeff McClure <i>(FD Member)</i>	None
09/12/08	1134	CS	Horns Auction	None
09/17/08	1135	RH	Keiths Foods	None
09/24/08	1137	RH	J&M Displays	Insur O# 14142
09/26/08	1138	RH	Brian Meeker <i>(FD Member)</i>	None
10/08/08	1139	RH	Stampede Graphics	None
10/17/08	1140	CS	Hall Memorial	None
10/24/08	1141	CS	Flower Shop	None
10/25/08	1143	CS	Rod or Teresa Johnson	None
10/30/08	1151	RH	True North	None
11/10/08	1152	RH	Bloomfield Communications	None
11/11/08	1144	CS	Robert Hougland Jr.	Fire Ext
11/25/08	1153	RH	Pizza Hut	Chief Meeting
12/01/08	1145	CS	Hastings	None
12/01/08	1154	RH	Stampede Graphics	None
12/02/08	1156	CS	Dave Hall <i>(FD Member)</i>	None
12/02/08	1163	CS	Dennis Porter <i>(FD Member)</i>	None
12/02/08	1165	CS	Matt Wettstein <i>(FD Member)</i>	None
12/02/08	1168	CS	Darrin Garrett <i>(FD Member)</i>	None
12/02/08	1146	CS	Keiths <i>(Keith's Foods)</i>	None

Total Amount	Supported	Unsupported	Member Compensation	Improper
93.06	28.89	-	-	64.17
15.74	-	15.74	-	-
27.49	-	27.49	-	-
19.57	-	19.57	-	-
9.88	9.88	-	-	-
70.13	-	70.13	-	-
530.13	-	530.13	-	-
81.03	-	81.03	-	-
14.71	-	14.71	-	-
500.00	-	500.00	-	-
59.99	-	59.99	-	-
24.55	-	24.55	-	-
121.45	-	121.45	-	-
45.00	-	45.00	-	-
19.63	-	19.63	-	-
250.00	-	250.00	-	-
500.00	-	-	500.00	-
109.35	-	109.35	-	-
200.00	-	200.00	-	-
32.10	-	32.10	-	-
200.00	-	200.00	-	-
78.00	-	78.00	-	-
288.60	288.60	-	-	-
43.90	-	43.90	-	-
59.99	-	59.99	-	-
93.63	-	93.63	-	-
150.00	150.00	-	-	-
1,698.57	-	-	1,698.57	-
975.89	-	-	975.89	-
881.11	-	-	881.11	-
628.30	-	-	628.30	-
159.23	-	159.23	-	-

Report on Special Investigation of the
City of Bloomfield Volunteer Fire Department

Disbursements from Success Bank
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Check Date	Check Number	Signed By	Payee	Memo per Check
12/02/08	1158	CS	Bryan McClurg <i>(FD Member)</i>	<i>None</i>
12/02/08	1164	CS	Brad Kincart <i>(FD Member)</i>	<i>None</i>
12/02/08	1167	CS	Scott Grim <i>(FD Member)</i>	<i>None</i>
12/02/08	1169	CS	Jeff Call <i>(FD Member)</i>	<i>None</i>
12/02/08	1173	CS	Brian Meeker <i>(FD Member)</i>	<i>None</i>
12/02/08	1147	CS	True Value	<i>None</i>
12/02/08	1161	CS	Jeff McClure <i>(FD Member)</i>	<i>None</i>
12/02/08	1162	CS	Jason Rook <i>(FD Member)</i>	<i>None</i>
12/02/08	1155	CS	Craig C Scott <i>(FD Member)</i>	<i>None</i>
12/02/08	1170	CS	Aaron Scott <i>(FD Member)</i>	<i>None</i>
12/02/08	1159	CS	Mike Karr <i>(FD Member)</i>	<i>None</i>
12/02/08	1160	CS	Brett Warning <i>(FD Member)</i>	<i>None</i>
12/02/08	1171	CS	Doran Houk <i>(FD Member)</i>	<i>None</i>
12/02/08	1172	CS	Dave Stremmler <i>(FD Member)</i>	<i>None</i>
12/02/08	1166	CS	Mike Haskell <i>(FD Member)</i>	<i>None</i>
12/04/08	1176	RH	True Value	<i>None</i>
12/05/08	1148	CS	Jeff Call <i>(FD Member)</i>	<i>None</i>
12/10/08	1177	RH	RDJ	<i>None</i>
12/22/08	1149	CS	Robert Houglund <i>(FD Member)</i>	<i>None</i>
12/29/08	1150	CS	DCH Aux	<i>None</i>
12/30/08	1003	CS	Kaotic Kustom	T-Shirts
01/02/09	1174	RH	Bloomfield Communications	Subscription
01/02/09	1005	CS	Bike Shop	<i>None</i>
01/03/09	1006	CS	Keiths <i>(Keith's Foods)</i>	<i>None</i>
01/03/09	1007	CS	Keiths <i>(Keith's Foods)</i>	<i>None</i>
01/03/09	1008	CS	Hamilton	<i>None</i>
01/05/09	N/A	N/A	Wal-Mart Stores <i>(ACH Payment)</i>	N/A
02/05/09	1175	RH	Keith's Foods	<i>None</i>
02/08/09	1178	RH	Heiman Fire Equip	Turnout Gear
02/13/09	1179	RH	<i>No Payee (Bloomfield Communications, Inc.)</i>	Stamps
02/21/09	1009	CS	J&M White	Tires
02/22/09	1180	RH	Garcia Inc	<i>None</i>

Total Amount	Supported	Unsupported	Member Compensation	Improper
1,394.67	-	-	1,394.67	-
905.31	-	-	905.31	-
628.30	-	-	628.30	-
288.16	-	-	288.16	-
1,085.90	-	-	1,085.90	-
53.98	-	53.98	-	-
1,130.14	-	-	1,130.14	-
1,003.80	-	-	1,003.80	-
2,552.00	-	-	2,552.00	-
326.99	-	-	326.99	-
1,391.80	-	-	1,391.80	-
1,345.82	-	-	1,345.82	-
208.24	-	-	208.24	-
196.74	-	-	196.74	-
698.77	-	-	698.77	-
73.50	73.50	-	-	-
500.00	-	-	500.00	-
86.27	86.27	-	-	-
1,000.00	-	-	-	1,000.00
205.88	-	205.88	-	-
373.97	-	373.97	-	-
42.00	-	42.00	-	-
105.00	-	105.00	-	-
44.05	-	44.05	-	-
40.32	-	40.32	-	-
375.87	-	375.87	-	-
64.17	-	64.17	-	-
34.95	-	34.95	-	-
490.00	-	490.00	-	-
27.29	-	27.29	-	-
1,228.68	-	1,228.68	-	-
60.00	-	60.00	-	-

Report on Special Investigation of the
City of Bloomfield Volunteer Fire Department

Disbursements from Success Bank
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Check Date	Check Number	Signed By	Payee	Memo per Check
02/24/09	1181	RH	Pizza Hut	Chiefs Meeting
02/27/09	1010	CS	Bloomfield Postmaster	Postage
02/28/09	1011	CS	ACS Fire House Software	Invoice #362667
02/28/09	1012	CS	Heiman Fire Equip	None
03/08/09	1182	RH	Heiman Fire Equip Co.	None
03/08/09	1183	RH	Keiths Foods	None
03/23/09	1184	RH	Brian Meeker (FD Member)	None
03/30/09	1185	CS	Heiman Fire Equip Co.	Hose Township
04/07/09	1013	CS	Brett Warning (FD Member)	Illegible
04/13/09	1186	RH	Davis Co Fair	None
04/23/09	1014	RH	Pamida	None
05/09/09	1016	RH	Pizza Hut	None
05/09/09	1015	CS	Keiths (Keith's Foods)	None
06/01/09	1189	RH	Coast to Coast Solutions	None
06/04/09	1017	CS	City of Bloomfield	None
06/10/09	1188	RH	Bowling Motors & RV	None
06/18/09	1018	CS	Craig Scott (FD Member) *	Illegible
06/22/09	1190	RH	Kaotic Kustom	None
06/24/09	1019	CS	Craig Scott (FD Member) *	Illegible
06/26/09	N/A	N/A	Wal-Mart Stores (ACH Payment)	N/A
06/27/09	1020	CS	Morgan Oil Co.	None
07/16/09	1191	RH	Keith's Foods	None
07/31/09	N/A	N/A	Service Charge	N/A
07/31/09	N/A	N/A	Sales Tax	N/A
08/14/09	1192	RH	Speltz Studio	None
08/31/09	N/A	N/A	Service Charge	N/A
08/31/09	N/A	N/A	Sales Tax	N/A
09/23/09	1193	RH	J&M Displays, Inc.	Homecoming Fireworks O# 20365
09/30/09	N/A	N/A	Service Charge	N/A
09/30/09	N/A	N/A	Sales Tax	N/A
10/18/09	1194	RH	Garcia Inc	None
10/31/09	N/A	N/A	Service Charge	N/A

Total Amount	Supported	Unsupported	Member Compensation	Improper
78.01	-	78.01	-	-
42.00	-	42.00	-	-
1,020.00	-	1,020.00	-	-
1,708.00	-	1,708.00	-	-
25.45	-	25.45	-	-
50.64	-	50.64	-	-
400.00	-	-	400.00	-
346.57	-	346.57	-	-
238.99	-	238.99	-	-
50.00	-	50.00	-	-
34.34	34.34	-	-	-
48.00	-	48.00	-	-
31.60	-	31.60	-	-
51.69	51.69	-	-	-
25.00	-	25.00	-	-
115.19	115.19	-	-	-
600.00	-	-	600.00	-
400.00	400.00	-	-	-
500.00	-	-	500.00	-
15.00	-	15.00	-	-
89.10	-	89.10	-	-
30.66	-	30.66	-	-
4.00	4.00	-	-	-
0.28	0.28	-	-	-
350.00	-	350.00	-	-
5.00	5.00	-	-	-
0.35	0.35	-	-	-
700.00	-	700.00	-	-
4.00	4.00	-	-	-
0.28	0.28	-	-	-
55.47	-	55.47	-	-
4.00	4.00	-	-	-

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For the Period July 1, 2006 through June 30, 2010

Check Date	Check Number	Signed By	Payee	Memo per Check
10/31/09	N/A	N/A	Sales Tax	N/A
11/10/09	1195	RH	True North	None
11/17/09	1196	RH	Teresa Johnson Memorial	None
11/20/09	1197	RH	Hamilton's	None
11/20/09	1198	RH	Pamida	None
11/30/09	1022	CS	Hastings Meat	None
11/30/09	1199	RH	Brian Meeker (FD Member)	None
12/02/09	1023	CS	Keiths (Keith's Foods)	None
12/02/09	1200	CS	Robert Houglan (FD Member)	None
12/18/09	N/A	N/A	CJS Family Rest (ACH Payment)	N/A
12/19/09	1024	CS	Making Memories	None
12/28/09	1025	CS	Davis county Hospital Aux.	None
12/29/09	1202	RH	Craig Scott (FD Member)	None
01/12/10	1203	RH	The Bike Shop	None
01/15/10	1204	CS	Hamilton (Hamilton Produce Co.)	None
01/16/10	1206	RH	Hastings Meat	None
01/16/10	1207	RH	Keiths (Keith's Foods)	None
01/23/10	1208	RH	Eric Kerby	None
01/26/10	1209	RH	After Prom	None
01/27/10	1210	RH	Bloomfield Communications	Illegible & Sub
02/01/10	N/A	N/A	CJS Family Rest (ACH Payment)	N/A
02/08/10	1212	RH	Speltz Studio	None
02/18/10	N/A	N/A	CJS Family Rest (ACH Payment)	N/A
02/24/10	N/A	N/A	CJS Family Rest (ACH Payment)	N/A
03/11/10	N/A	N/A	CJS Family Rest (ACH Payment)	N/A
03/31/10	1216	RH	Hamiltons	Pump Unit ATV
04/01/10	N/A	N/A	CJS Family Rest (ACH Payment)	N/A
04/01/10	1220	RH	Pizza Hut	None
04/03/10	1218	RH	Mike Karr (FD Member)	Hog wings
04/06/10	1219	RH	Ron Hesse	trailer

Total Amount	Supported	Unsupported	Member Compensation	Improper
0.28	0.28	-	-	-
66.00	-	66.00	-	-
100.00	-	100.00	-	-
12.65	12.65	-	-	-
30.56	9.17	-	-	21.39
101.30	-	101.30	-	-
458.80	-	458.80	-	-
117.36	-	117.36	-	-
133.75	-	133.75	-	-
22.20	-	22.20	-	-
98.58	-	98.58	-	-
306.75	-	306.75	-	-
910.06	-	-	-	910.06
12.00	12.00	-	-	-
358.53	358.53	-	-	-
170.08	170.08	-	-	-
40.99	-	40.99	-	-
100.00	-	100.00	-	-
25.00	-	25.00	-	-
65.40	-	65.40	-	-
22.67	-	22.67	-	-
250.38	-	250.38	-	-
16.85	-	16.85	-	-
36.82	-	36.82	-	-
23.00	-	23.00	-	-
94.78	-	94.78	-	-
28.10	-	28.10	-	-
32.10	32.10	-	-	-
41.55	-	41.55	-	-
1,800.00	-	1,800.00	-	-

Report on Special Investigation of the
City of Bloomfield Volunteer Fire Department

Disbursements from Success Bank
For the Period July 1, 2006 through June 30, 2010

Check Date	Check Number	Signed By	Payee	Memo per Check
04/23/10	1221	RH	Davis County Fair	<i>None</i>
04/27/10	1222	RH	J&M Displays	Fireworks O# 14507
05/04/10	1223	RH	J&M Displays	Pulaski Fireworks O# 20725
05/07/10	<i>N/A</i>	<i>N/A</i>	<i>CJS Family Rest (ACH Payment)</i>	<i>N/A</i>
05/13/10	1225	RH	Southfork	<i>Illegible</i>
06/01/10	<i>N/A</i>	<i>N/A</i>	<i>Cash (Withdrawal) ^</i>	<i>None</i>
Total				

^ - Deposited into the City of Bloomfield's account on June 1, 2010.

* - A notation in the hand written ledger shows these checks were for "fire pay advance", but the memo line of the check is unreadable.

On June 29, 2009, Mr. Scott repaid the \$500.00 check issued on June 24, 2009.

NA - Not applicable

RH - Robert Hougland

CS - Craig Scott

Note: Auditors notations made in italics.

Total Amount	Supported	Unsupported	Member Compensation	Improper
25.00	-	25.00	-	-
2,200.00	-	2,200.00	-	-
1,200.00	-	1,200.00	-	-
14.39	-	14.39	-	-
124.67	-	124.67	-	-
2,301.04	2,301.04	-	-	-
\$ 97,492.88	10,356.81	33,586.95	50,719.04	2,830.08

Report on Special Investigation of the
City of Bloomfield Volunteer Fire Department

Disbursements from Bank of the West
For the Period July 1, 2006 through June 30, 2010

Redeemed Date	Check Date	Payee per Statement / Check	Check Number	Signed By
06/12/06	-	DEBIT CARD POS MFA 911311 21012968 BLOOMFIELD IA ON 060611 (<i>MFA Oil Company</i>)	-	-
06/23/06	-	DEBIT CARD POS MFA 911311 21012968 BLOOMFIELD IA ON 060623 (<i>MFA Oil Company</i>)	-	-
08/09/06	-	DEBIT CARD POS ONLINE SALES 866 538 3 866-5383599 OH ON 060809 (<i>sexsuperstore.com</i>)	-	-
08/21/06	-	DEBIT CARD POS MFA 911311 21012968 BLOOMFIELD IA ON 060821 (<i>MFA Oil Company</i>)	-	-
09/08/06	-	INTERCHANGE CHARGE	-	-
11/01/06	-	DEBIT CARD POS MFA 911311 21012968 BLOOMFIELD IA ON 061101 (<i>MFA Oil Company</i>)	-	-
12/28/06	-	DEBIT CARD POS ODI*OUR DESIGNS 800-382-5252 KY ON 061228 (<i>ourdesign.com</i>)	-	-
01/08/07	-	INTERCHANGE CHARGE	-	-
06/14/07	-	DEBIT CARD POS MFA 911311 21012968 BLOOMFIELD IA ON 070614 (<i>MFA Oil Company</i>)	-	-
07/05/07	-	DEBIT CARD POS MFA 911311 21012968 BLOOMFIELD IA ON 070704 (<i>MFA Oil Company</i>)	-	-
08/13/07	-	DEBIT CARD POS MFA 911311 21012968 BLOOMFIELD IA ON 070813 (<i>MFA Oil Company</i>)	-	-
10/07/09	-	CHECK PRINTING HARLAND CLARKE CHK ORDER 100709 PPD	-	-
10/09/09	10/04/09	Jasper Co. Treasurer	101	CS
11/10/09	10/16/09	Jasper Co. Treasurer	102	CS
11/23/09	11/18/09	Jasper County Treasurer	103	CS
01/19/10	01/06/10	Jasper Co. Treasurer	105	CS
01/26/10	01/06/10	Jasper Co. Treasurer	104	CS
01/26/10	01/17/10	Jasper Co. Treasurer	106	CS
04/26/10	04/13/10	Jasper Co. Treasurer	108	CS
04/29/10	04/17/10	Davis County 911	109	CS
05/20/10	05/13/10	City of Bloomfield	110	CS
Total				

Note: Auditors notations made in italics.

CS - Craig Scott

	Total Amount	Supported	Unsupported	Improper
\$	46.62	-	-	46.62
	41.39	-	-	41.39
	45.87	-	-	45.87
	54.79	-	-	54.79
	1.50	-	1.50	-
	47.50	-	-	47.50
	125.85	-	125.85	-
	1.50	-	1.50	-
	40.49	-	-	40.49
	46.96	-	-	46.96
	27.39	-	-	27.39
	22.00	22.00	-	-
	4,225.00	4,225.00	-	-
	5,728.70	5,728.70	-	-
	4,953.12	4,953.12	-	-
	588.83	588.83	-	-
	1,936.77	1,936.77	-	-
	16,670.40	16,670.40	-	-
	2,372.83	2,372.83	-	-
	599.99	599.99	-	-
	4,782.43	4,782.43	-	-
\$	42,359.93	41,880.07	128.85	351.01

**Report on Special Investigation
of the
City of Bloomfield Volunteer Fire Department**

Report on Special Investigation of the
City of Bloomfield Volunteer Fire Department

Cash Withdrawals
For the Period July 1, 2002 through June 30, 2010

Date	Description	Withdrawn By	Amount
<u>Community First Bank</u>			
10/19/05	Cash (Debit memo)	Scott	\$ 1,000.00
05/16/06	Cash (Debit memo)	Scott	350.00
12/05/06	Cash (Debit memo)	Scott	1,200.00
12/06/08	Cash (Debit memo)	Scott	320.00
01/30/09	Cash (Debit memo)	Scott	250.00
	Subtotal		<u>3,120.00</u>
<u>Success Bank</u>			
01/08/07	Check # 1148	Scott	100.00
01/14/08	Withdrawal	Scott	100.00
07/08/08	Withdrawal	Scott	500.00
11/21/08	Withdrawal	Scott	200.00
01/05/09	Withdrawal	Scott	100.00
03/06/09	Withdrawal	Scott	300.00
06/12/09 *	Withdrawal	Scott	200.00
01/15/10	Check # 1205	Scott	100.00
	Subtotal		<u>1,600.00</u>
<u>Bank of the West</u>			
09/05/06	ATM - 1st Bank, Bloomfield, Iowa	<i>Unknown</i>	152.00
12/18/06	ATM - Las Vegas, NV	<i>Unknown</i>	104.00
06/13/07	ATM - Bank of the West, Bloomfield, Iowa	<i>Unknown</i>	20.00
	Subtotal		<u>276.00</u>
	Total		<u><u>\$4,996.00</u></u>

* - The bank document did not include Craig Scott's signature. Instead, it included a notation made by the teller which stated "Scott."

Note: Auditors notations made in italics.

Report on Special Investigation of the
City of Bloomfield Volunteer Fire Department

Staff

This special investigation was performed by:

Annette K. Campbell, CPA, Director
James S. Cunningham, CPA, Manager
James R. Wittenwyler, Senior Auditor



Tamera S. Kusian, CPA
Deputy Auditor of State