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Rob Sand
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NEWS RELEASE

FOR RELEASE

February 1, 2023

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Auditor of State Rob Sand today released a report on a special investigation of the City of Atkins for the period July 1, 2015 through January 31, 2021. The special investigation was requested by City officials as a result of concerns regarding certain financial transactions processed by the former City Clerk, Amber Bell.

Sand reported the special investigation identified \$51,598.59 of improper disbursements, \$21,255.38 of unsupported disbursements, and \$27,941.53 of unbilled and uncollected utility billings. However, because City records were not sufficiently maintained, it was not possible to determine if additional amounts were improperly disbursed or if additional utility transactions were improperly recorded or not properly billed and/or collected.

Sand reported the \$51,598.59 of improper disbursements identified includes:

- \$9,074.24 of unauthorized payroll costs resulting from excess wages, excess comp time payments, holiday bonus checks, and separation agreement payments issued to Ms. Bell;
- \$7,717.90 of reimbursement checks issued to Ms. Bell for health insurance and other costs;
- \$21,291.37 of net insurance premiums for coverage of City employees that were not properly deducted from the employees' payroll;
- \$3,275.25 of improper purchases made with the City's credit card, late fees, and interest;
- \$3,799.16 of improper payments to vendors and cash withdrawals; and
- \$567.83 of late fees and interest to IPERS.

The \$21,255.38 of unsupported disbursements identified is composed of transactions for which the City could not provide supporting documentation, including reimbursements to Ms. Bell, purchases

made with the City's credit card and purchases from vendors. Sand also reported, while each of the instances of unbilled and uncollected utility billings identified resulted in lost revenue to the City, it was not possible to determine which specific transactions identified, if any were utility payments received by the City which were not properly deposited in the City's bank account because sufficient records were not available. The unbilled and uncollected utility billings include \$23,526.53 of billings that should have been billed for services but were not, and \$4,270.00 of fees that were not properly billed to customers.

Sand recommended City officials implement procedures to ensure the City's internal controls are strengthened, including segregation of duties, performing utility reconciliations, performing independent review of bank statements, and ensuring all disbursements are properly supported, approved, and paid in a timely manner.

Copies of the report have been filed with the Benton County Sheriff's Office, the Iowa Division of Criminal Investigation, the Benton County Attorney's Office, and the Iowa Attorney General's Office. A copy of the report is available for review on the Auditor of State's web site at [Special Interest Reports](#).

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**REPORT ON SPECIAL INVESTIGATION
OF THE
CITY OF ATKINS
FOR THE PERIOD
JULY 1, 2015 THROUGH JANUARY 31, 2021**

Table of Contents

	<u>Page</u>
Auditor of State's Report	3-4
Investigative Summary:	
Background Information	5-6
Detailed Findings	6-28
Recommended Control Procedures	29-33
Exhibits:	
	<u>Exhibit</u>
Summary of Findings	A 36
Excess Payroll Costs	B 37-40
Comp Time Payouts	C 41-42
Reimbursement Payments Issued to Amber Bell	D 43-44
Improper Credit Card Purchases	E 45-48
Unsupported Credit Card Purchases	F 49-53
Late Fees and Interest Charges	G 55-56
Other Improper Disbursements	H 57-60
Other Unsupported Disbursements	I 62
Uncollected Late Fees for Utility Billings	J 63-71
Uncollected Non-sufficient Funds Fees	K 73-74
Utility Accounts Not Properly Billed for Snowbird Services	L 75-80
Utility Accounts Not Properly Billed for Services	M 81-82
Staff	83
Appendix:	
	<u>Appendix</u>
Copies of Resolution Number 754	1 85-86



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Auditor of State's Report

To the Honorable Mayor and
Members of the City Council:

As a result of concerns regarding certain financial transactions processed by the former City Clerk and at your request, we conducted a special investigation of the City of Atkins. We have applied certain tests and procedures to selected financial transactions of the City for the period July 1, 2015 through January 31, 2021 unless otherwise specified. Based on a review of relevant information and discussions with City officials and personnel, we performed the following procedures:

- (1) Evaluated internal controls to determine whether adequate policies and procedures were in place and operating effectively.
- (2) Reviewed activity in the City's bank accounts to identify any unusual activity.
- (3) Examined utility billings, adjustment reports, and collection records to determine if billings were properly billed, collections were properly accounted for and deposited.
- (4) Scanned images of redeemed checks issued from the City's bank accounts for reasonableness. We examined supporting documentation for selected disbursements to determine if they were properly approved, supported by adequate documentation, and appropriate for the City's operations.
- (5) Reviewed the City's credit card statements to identify any unusual activity. We examined supporting documentation for selected purchases to determine if they were properly approved, supported by adequate documentation, and appropriate for the City's operations.
- (6) Interviewed City officials and personnel to determine the purpose of certain disbursements to vendors and reimbursements to employees.
- (7) Examined payroll disbursements and reimbursements to the former City Clerk, Amber Bell, to determine the propriety of the payments.
- (8) Examined transactions related to insurance coverage provided by the City to determine propriety, including withholdings from employees and remittances received by the City for premiums.
- (9) Reviewed payments to IPERS to determine if the proper amount of payroll contributions were remitted in a timely manner.
- (10) Examined remittances to the IRS for payroll withholdings and reviewed related documentation to identify any penalties and/or interest incurred by the City for payments that were not remitted in a timely manner.
- (11) Reviewed available City Council meeting minutes to identify significant actions and to determine if certain payments were properly approved.
- (12) Interviewed Ms. Bell to obtain an understanding of how she carried out her job duties and explanations for certain disbursements and adjustments made to the City's utility system.

These procedures identified \$51,598.59 of improper disbursements, \$21,255.38 of unsupported disbursements, and \$27,941.53 of unbilled and uncollected utility billings. We were unable to determine if additional amounts were improperly disbursed or if additional utility transactions were improperly recorded or not properly billed and/or collected because adequate documentation was not available.

Several internal control weaknesses were also identified. Our detailed findings and recommendations are presented in the Investigative Summary and **Exhibits A** through **M** 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 Atkins, other matters might have come to our attention that would have been reported to you.

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

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

A handwritten signature in black ink, appearing to read "Rob Sand", is positioned above the printed name.

ROB SAND
Auditor of State

January 12, 2023

City of Atkins

Investigative Summary

Background Information

The City of Atkins (City) is located in Benton County and has a population of approximately 2,000. The City employs a City Clerk who is responsible for the business operations of the City. The City also employs two full-time employees who are responsible for reading water meters, making repairs to the water/sewer system, mowing, trimming, and removing snow. The City also employs a Library Director and hires staff as needed for Library operations.

Amber Bell began employment with the City as the City Clerk in July 2015. As the City Clerk she reported to the Mayor. As the City Clerk, Ms. Bell was responsible for:

- Receipts – opening mail, collecting receipts, posting all collections to the accounting records, and preparing and making bank deposits;
- Disbursements – making certain purchases, receiving certain goods and services, presenting proposed disbursements to the City Council for approval, maintaining supporting documentation, preparing, signing, and distributing checks, and posting to the accounting records;
- Payroll – calculating payroll amounts, preparing, signing, and distributing checks, posting payments to the accounting records, and filing required payroll reports;
- Utility billings – preparing and mailing billings, receipting and depositing collections, posting collections to customer accounts and accounting records, and preparing and making bank deposits;
- Bank accounts – receiving and reconciling monthly bank statements to accounting records; and
- Reporting – preparing City Council meeting minutes and financial reports, including monthly City Clerk reports and the Annual 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 Benton County and remitted to the City. The City receives payments from the State and County electronically. Revenue is also received from customers for water, sewer, and landfill/garbage services. Utility payments and other payments are collected through the mail, in person, or in the collection box at City Hall.

As previously stated, utility meter readings are performed by a City employee. After the readings were provided to the City Clerk, she recorded the readings in the utility system which calculated the water and sewer charges based on the amount of usage for the month and the rates entered into the program. Once the bills were calculated, they were printed and mailed by the City Clerk. The rates charged by the City for water and sewer are established by City ordinance. According to City officials, Ms. Bell did not prepare utility reconciliations and the City Council did not request the information.

All City disbursements, including payroll, are to be made by check. In addition, supplies may be purchased with a City credit card. All disbursements are required to be supported by invoices or other documentation obtained by or submitted to the City Clerk. Each month, the City Clerk is to prepare a listing of bills to be paid and provide the listing to the City Council for approval. After the City Council approves the bills, the City Clerk is to prepare and sign the checks. The checks are to be given to the Mayor to be countersigned. According to City officials, all bills and the credit card statements should be mailed to City Hall.

The City established a bank account which is used for all City operations. The monthly bank statements for the City's bank account are mailed directly to City Hall and opened by the City Clerk. According to City officials, the monthly statements and related images of redeemed checks were not periodically reviewed by members of the City Council or the Mayor while Ms. Bell was the City Clerk. City officials also stated bank reconciliations were not performed during Ms. Bell's time as City Clerk and the City Council did not request reconciliations.

Ms. Bell was placed on paid administrative leave by the City Council during a meeting held on November 23, 2020. According to City officials, they were concerned bank reconciliations were not prepared, bills were not accurately presented to the City Council, and utility billings and collections were not properly handled. They also expressed concerns about payroll issues, vendor payments, and insurance benefits provided to individuals.

On January 4, 2021 Ms. Bell signed a Voluntary Resignation and Release of Claims document which stated Ms. Bell, who was employed by the City as the City Clerk, desired to resign from the City effective December 21, 2020 under certain terms and conditions. The document also stated the parties to the agreement (the City and Ms. Bell) acknowledged her resignation was voluntary but stemmed from a disagreement between the parties.

As a result of the concerns identified, the City Council approved hiring the Office of Auditor of State to review the City's operations. We performed the procedures detailed in the Auditor of State's Report for the period July 1, 2015 through January 31, 2021.

Detailed Findings

The procedures performed identified \$51,598.59 of improper disbursements, \$21,255.38 of unsupported disbursements, and \$27,941.53 of unbilled and uncollected utility billings.

The \$51,598.59 of improper disbursements identified includes:

- \$9,074.24 and \$7,717.90 of improper payroll costs and reimbursements, respectively, paid to Ms. Bell;
- \$21,291.37 of net insurance premiums for coverage of City employees that were not properly deducted from the employees' payroll;
- \$3,275.25 of improper purchases using the City's Chase credit card, late fees, and interest;
- \$3,799.16 of payments to vendors and cash withdrawals; and
- \$567.83 of late fees and interest to IPERS.

We also identified \$21,255.38 of unsupported disbursements which includes \$12,190.18 of purchases on the City's Chase credit card, \$6,987.22 of reimbursements to Ms. Bell, and \$2,077.98 of disbursements from the City's checking account to individuals and vendors.

The unbilled and uncollected utility billings identified includes \$15,685.00 of fees for accounts which were described as snowbirds and \$7,841.53 of minimum monthly service fees that were not billed to certain accounts. The unbilled and uncollected utility billings identified also include \$4,415.00 of late fees which should have been applied to accounts for which dishonored checks were provided as payment, and an adjustment made to an account. Because sufficient records were not available, it was not possible to determine which, if any, of the transactions were amounts actually collected by the City but not properly deposited.

We were unable to determine if additional amounts were improperly disbursed or if additional utility transactions were improperly recorded or not properly billed and/or collected because adequate documentation was not available. All findings are summarized in **Exhibit A** and a detailed explanation of each finding follows.

At the completion of fieldwork, we interviewed Ms. Bell to obtain explanations for certain transactions and processes followed during and after Ms. Bell's employment with the City. We also requested explanations for certain disbursements and/or adjustments to utility accounts. The information Ms. Bell provided are described in the following sections of the report.

IMPROPER AND UNSUPPORTED DISBURSEMENTS

As previously stated, all City disbursements are to be made by check and purchases may be made with the City's credit card. We scanned all disbursements and redeemed checks from the City's bank account from July 1, 2015 through January 31, 2021 to determine propriety. We also scanned all purchases made on the City's credit card for the same period.

Using the supporting documentation available from the City, information obtained from Amazon, internet searches, the vendor, the frequency and amount of the payments, discussions with City officials, and approved disbursement listings, we classified payments as improper, unsupported, or reasonable.

Disbursements were classified as improper if they were personal in nature or not necessary or reasonable for operations of the City. Disbursements were classified as unsupported if appropriate documentation was not available or it was not possible to determine if the disbursement was related to City operations or was personal in nature. Other disbursements were classified as reasonable if it appeared they were for City operations based on available supporting documentation, the vendor, frequency and amount of the payments, and/or discussions with the Mayor and City Clerk.

The improper and unsupported disbursements identified in the City's bank account and the improper and unsupported charges to the City's credit card are explained in detail in the following paragraphs.

Checks Issued to Amber Bell

As previously stated, Ms. Bell began employment with the City in July 2015. A resolution passed and approved by the City Council on July 6, 2015 documents Ms. Bell's annual salary was established at \$52,000 effective July 1, 2015 for the position of City Clerk/Treasurer. She was to be paid on a biweekly basis and was eligible for reimbursement of expenses related to City operations if she submitted supporting documentation.

The City's employee handbook states comp time will be paid in lieu of overtime compensation when it is necessary for employees to work overtime. The handbook also states overtime compensation is paid to all nonexempt employees in accordance with federal and state wage restrictions. The Fair Labor Standards Act (FLSA) defines exempt and nonexempt employees. In accordance with the guidance found in the FLSA, Ms. Bell's position of City Clerk/Treasurer would be considered exempt due to the administrative job duties for which she was responsible. However, the City's handbook also specifies all regular full-time employees are considered non-exempt and are eligible for the City's benefit package. As a result, Ms. Bell was eligible for comp time in accordance with the City's employee handbook.

During our review of images of checks redeemed from the City's bank account and bank statements, we identified 238 checks totaling \$316,694.58 issued to Ms. Bell during and after her employment. **Table 1** summarizes the types and amounts of payments issued to Ms. Bell along with the number of checks issued to her.

Table 1

Type of Payment	Number of Checks	Net Amount					Total
		Payroll	Comp Time	Health Insurance Reimb.	Other Reimb.	Other	
Payroll	138	\$ 232,843.18	-	-	-	-	232,843.18
Comp time payout	12	-	21,500.13	-	-	-	21,500.13
Combined payment	4	7,190.20	3,578.77	-	-	-	10,768.97
Subtotal	154	240,033.38	25,078.90	-	-	-	265,112.28
Holiday bonus	2	-	-	-	-	542.20	542.20
Insurance reimb.	64	-	-	20,398.68	-	-	20,398.68
Other reimb.	13	-	-	-	6,913.74	-	6,913.74
Combined reimb	1	-	-	305.85	50.60	-	356.45
Severance	4	-	-	-	-	23,371.23	23,371.23
Total	238	\$ 240,033.38	25,078.90	20,704.53	6,964.34	23,913.43	316,694.58

We determined the type of each check using the dates of the checks, the memo lines on the check stubs, payroll history reports, reports from the City's accounting system, and Ms. Bell's employment separation agreement.

Of the 154 checks issued to Ms. Bell for payroll and comp time payouts, 143 were approved by the City Council. However, the remaining 11 were not. Because Ms. Bell was responsible for preparing her own payroll and all other disbursements for the City, we reviewed the checks she issued to herself to determine propriety. Each type of check issued to Ms. Bell is discussed in more detail in the following paragraphs.

Payroll Checks – To determine the propriety of the payroll checks Ms. Bell prepared for herself, we compared the amount of the checks to the net pay recorded in the City's payroll records. We did not identify any variances between the payroll records and the amounts of the paychecks. We then compared the gross pay amount recorded in the City's records for each check to Ms. Bell's authorized gross pay for each pay period. Ms. Bell's authorized gross pay for each pay period was determined by multiplying the number of hours she recorded on her timesheet (if it was available) to her authorized pay.

As previously stated, Ms. Bell received a salary rather than an hourly wage when she was hired as the City Clerk. Timesheets were not available for the first six months of Ms. Bell's employment. However, from January 2016 through June 2018, she prepared monthly timesheets which summarized the time she worked each day any overtime hours worked, and paid time off taken, including vacation, sick leave, and comp time. Beginning in July 2018, she prepared her timesheets on a bi-weekly basis. Ms. Bell's timesheets were not available for two of the sixty-five pay periods from July 2018 through December 2020.

Each of Ms. Bell's timesheets should have been reviewed and approved by the Mayor. However, of Ms. Bell's thirty monthly timesheets for the period January 2016 through June 2018, twelve did not include evidence of the Mayor's review and approval. In addition, seventeen of her sixty-three bi-weekly timesheets for the period July 2018 through November 2020 did not include evidence of the Mayor's review and approval. For the twenty-nine timesheets that did not contain the Mayor's signature and the periods for which a timesheet was not available, we are unable to determine if the information recorded in the payroll system and used to determine Ms. Bell's gross pay is accurate. As a result, we relied on the hours recorded on the timesheets and/or in the payroll system.

During our review of Ms. Bell's timesheets, we determined she consistently recorded eight hours of "regular time" and/or paid time off each day from January 2016 through July 2017. She also often recorded working overtime. The overtime hours were added to a balance of comp time available for her use at a later date. Ms. Bell also periodically received a payment for accumulated comp time. Ms. Bell's

timesheets show she periodically began “flexing” her time in May 2019 by working more than eight hours some days, but less than 8 hours other days. In many of these instances, the time she recorded for the week totaled 40 hours.

While Ms. Bell began her employment with the City as a salaried employee, certain subsequent increases to her pay were listed as an hourly wage rate rather than an annual salary. **Table 2** summarizes the increases to Ms. Bell’s annual salary and/or hourly pay rate authorized by the City Council.

Table 2

Effective Date	Resolution Number	New Annual Salary	New Hourly Rate	Percentage Increase
07/01/15	632^	\$ 52,000.00	\$ 25.00	-
07/01/16	652^	53,830.40	25.88	3.52%
07/01/17	674#	55,452.80	26.66	3.01%
07/01/18	698#	56,284.80	27.06	1.50%
09/17/18	701#	57,116.80	27.46	1.48%
01/01/20	754#	58,822.40	28.28	2.99%

^ - Resolution specified an annual salary for Ms. Bell. Hourly rate shown is calculated based on 2,080 hours worked per year.
- Resolution specified an hourly rate for Ms. Bell. Annual salary shown is calculated based on 2,080 hours worked per year.

As previously stated, we determined Ms. Bell’s authorized gross pay for each pay period by multiplying the number of hours recorded on her available timesheets to her authorized pay. We then compared her authorized gross pay for each pay period to the gross pay amount recorded in the City’s records. As a result of this testing, we identified 45 checks issued to Ms. Bell for an amount that did not agree with her authorized pay. For the 45 checks identified, the comparison and incorrect pay amounts are listed in **Exhibit B** along with the related employer’s share of FICA and IPERS costs for each check. The excess payments identified are summarized in **Table 3**.

Table 3

Fiscal Year	#	Net Unauthorized Gross Pay	Employer’s Share of		Total Improper Disbursements
			FICA	IPERS	
2016	2	\$ 729.58	55.81	65.15	850.54
2017	13	216.72	16.58	19.31	252.61
2018	1	12.48	.96	1.11	14.55
2019	7	191.20	14.63	18.05	223.88
2020	20	1,807.08	138.23	170.54	2,115.85
2021^	2	707.00	54.08	66.74	827.82
Total	45	\$ 3,664.06	280.29	340.90	4,285.25

- Number of checks identified with improper gross pay.
^ - Through 12/21/20.

Exhibit B includes the following transactions.

- We identified two payroll checks Ms. Bell prepared for herself during her first year of employment which exceeded her authorized salary amount. The excess amounts of the checks were \$670.64 and \$58.94. City records did not provide an explanation for the excess amounts.
- The payroll checks Ms. Bell prepared for herself during her second year of employment included one check that included \$207.04 of excess wages. Eleven of the twelve remaining checks included in **Exhibit B** for fiscal year 2017 were each for \$.40 less than Ms. Bell's authorized bi-weekly salary.
- **Exhibit B** includes five checks which Ms. Bell prepared for herself during her fourth year of employment which exceeded her authorized salary amount. The excess amounts of gross pay for these checks ranged from \$25.60 to \$48.40.
- **Exhibit B** includes twelve checks which Ms. Bell prepared for \$87.87 in excess of her authorized gross pay during fiscal year 2019. The first of the twelve checks was issued for the pay period beginning July 11, 2019. As illustrated by **Table 1**, Ms. Bell received authorized pay increases effective July 1, 2016, 2017, and 2018. The **Table** also illustrates the City Council did not authorize a pay increase for Ms. Bell effective July 1, 2019. However, Ms. Bell increased her gross pay for the first twelve checks of the fiscal year by \$87.87 which would have been a 4.06% increase from the salary the City Council authorized for her on July 1, 2018. **Exhibit B** also includes check number 5887 which was based on \$88.00 gross pay. Check number 5887 appears to be a retroactive payment for the pay period June 27, 2019 through July 10, 2019.
- **Exhibit B** includes six checks which Ms. Bell prepared for \$91.20 in excess of her authorized gross pay. The first of the six checks was issued for the pay period beginning January 9, 2020. As illustrated by **Table 1**, Resolution Number 754 documents Ms. Bell received an authorized pay increase effective January 1, 2020. However, during our review of the City's resolutions, we identified two copies of Resolution Number 754. Both copies stated the pay increases were passed and approved on December 16, 2019; however, only one copy was signed by the Mayor and Ms. Bell in her capacity as the City Clerk. Copies of the two resolutions are included in **Appendix 1**.

As illustrated by the **Appendix**, the hourly rate specified for Ms. Bell on the signed copy of the resolution was \$28.28 while the hourly rate listed for her on the unsigned copy was \$29.42. Also as illustrated by the **Appendix**, the hourly wage rates listed for all other employees were consistent between the two copies.

We determined Ms. Bell used the \$29.42 hourly wage rate from the unsigned resolution to calculate her gross pay for the six checks she prepared for herself between January 23, 2020 and March 31, 2020 instead of the authorized \$28.28 hourly rate. When we asked Ms. Bell about the six checks, she reported she did not recall the situation.

- **Exhibit B** includes the last two checks Ms. Bell prepared for herself. As illustrated by the **Exhibit**, the excess gross pay amounts included in the two checks totaled \$242.52 and \$452.48.
- The **Exhibit** also lists excess gross pay for the pay periods that include July 1 of 2016, 2017, and 2018, and the pay periods that include September 17, 2018 and January 1, 2020. As illustrated by **Table 1**, the pay increases authorized by the City Council were approved on these dates. However, the effective dates were during pay periods rather than at the end or beginning of a pay period. Ms. Bell did not appropriately prorate the pay increases to be effective on the dates specified by the City Council.
- **Exhibit B** also illustrates two checks issued to Ms. Bell included gross pay for comp time payouts. Specifically, payments for 40 hours of comp time were included in Ms. Bell's payroll checks for the pay periods ended August 8, 2018 and August 22, 2018. Additional information about the comp time paid to Ms. Bell is included in a subsequent section of this report.

When we asked Ms. Bell about the 45 checks issued to herself for amounts that did not agree with her authorized pay, she initially stated they may have been for errors in the payroll process, and that those would have been brought to the attention of the Mayor and City Council. However, when we quantified the total number of instances for her, she reported she was very much surprised and “blindsided by the number of instances”.

The \$4,285.25 of improper gross pay identified and the City’s share of FICA and IPERS for the authorized gross pay is included in **Exhibit A** as improper disbursements.

Comp Time Payments – As previously stated, the City’s employee handbook states comp time will be paid in lieu of overtime compensation when it is necessary for employees to work overtime and that overtime compensation is paid to all nonexempt employees in accordance with federal and state wage restrictions. In accordance with the guidance found in the FLSA, Ms. Bell’s position of City Clerk/Treasurer would be considered exempt due to the administrative job duties for which she was responsible. However, the City’s handbook also specifies all regular full-time employees are considered non-exempt and are eligible for the City’s benefit package. As a result, Ms. Bell was eligible for comp time in accordance with the City’s employee handbook.

To determine if the amounts of comp time earned, used, and paid out to Ms. Bell were appropriate, we reviewed the comp time recorded as earned on her timesheets to determine compliance with the City’s policy. We also used information recorded on Ms. Bell’s timesheets regarding comp time earned and used to determine the mathematical accuracy of the comp time balances recorded in the City’s records for Ms. Bell. During periods when Ms. Bell’s timesheet was not available, we accepted the change in Ms. Bell’s recorded comp time balance.

In addition, we recalculated the gross pay to be issued to Ms. Bell when she redeemed portions of the comp time balance she had accumulated by multiplying the number of comp time hours she was redeeming by her authorized hourly wage rate. In instances where Ms. Bell issued herself two checks on the same day which were both for an 80-hour period, we used the notations on the check stubs and/or her timesheets with the check number to determine which check was for the comp time payout. In instances where there were no notations, we judgmentally chose which check was the comp time payout. By performing these procedures, we identified the following concerns.

- Prior to August 3, 2020, the City’s employee handbook stated, in part, “Time off on sick leave, vacation leave, or any leave of absence will not be considered hours worked for purposes of performing overtime calculations.” Documentation provided by City officials shows the City Council adopted a revision to that policy on August 3, 2020 which allowed hours taken as holiday, vacation, bereavement, sick, compensatory time, and personal days to be considered as time worked for computation of overtime.

We identified instances prior to August 3, 2020 for which Ms. Bell recorded on her timesheet she earned comp time even though she also used vacation or sick leave during the same week. In accordance with City policy, she was not eligible to earn comp time for these instances. As a result, we recalculated the balance of comp time for which Ms. Bell was eligible during her employment.

- We identified a number of instances for which the balance of vacation, sick leave, and/or comp time recorded in the City’s records for Ms. Bell was not mathematically accurate. As previously stated, we recalculated the balance of comp time for which Ms. Bell was eligible based on the information recorded on her timesheets. We also recalculated the balances of vacation and sick leave for which she was eligible based on the information recorded on her timesheets.
- We identified 16 checks Ms. Bell prepared for herself which were exclusively for or included a payout of comp time. The 16 checks are listed in **Exhibit C**. As illustrated by the **Exhibit**, four of the payouts were combined with Ms. Bell’s bi-weekly payroll amounts. The gross amount of the checks for comp time payout totaled \$31,870.72.

Exhibit C also illustrates five of the comp time payout checks included amounts that were improperly disbursed to Ms. Bell. Specifically, the five checks include:

- Check number 3385 issued on October 15, 2016. The gross amount of this check was calculated by multiplying Ms. Bell's authorized hourly wage rate of \$25.88 per hour by 105.5 hours. However, the balance of comp time available to Ms. Bell as of June 15, 2016 totaled 86.075 hours. Ms. Bell should not have received compensation for the remaining 19.425 hours.
- Check number 4248 issued on October 2, 2017. The gross amount of this check was calculated by multiplying Ms. Bell's authorized hourly wage rate of \$26.66 per hour by 80 hours. However, the balance of comp time available to Ms. Bell as of October 2, 2017 totaled 79.625 hours. Ms. Bell should not have received compensation for the remaining 0.375 hours.
- Check number 6060 issued on September 30, 2019. City records show this check was to pay Ms. Bell for 80 hours of comp time. Using Ms. Bell's authorized hourly wage rate at the time of issuance, we determined her gross pay should have been \$2,196.80. However, the check was issued for \$2,284.67 of gross pay, or \$87.87 in excess of the amount authorized.
- Check numbers 6324 and 6416 issued on January 7, 2020 and March 2, 2020, respectively. As stated previously, we determined Ms. Bell used the \$29.42 hourly wage rate from the unsigned copy of Resolution Number 754 to calculate her gross pay for the six checks she prepared for herself between January 23, 2020 and March 31, 2020 instead of the authorized \$28.28 hourly rate. She also used the unauthorized hourly rate to calculate check numbers 6324 and 6416. The \$91.20 of excess gross pay for these two checks is included in **Exhibit C**.

When we asked Ms. Bell about the five comp time checks that included amounts that were improperly disbursed to her, she stated, "I don't remember any instances of that".

Exhibit C also includes the related employer's share of FICA and IPERS for the excess payments made to Ms. Bell for the comp time payouts. The \$914.18 total shown on **Exhibit C** is included in **Exhibit A** as improper disbursements.

In accordance with IPERS rules, comp time lump sum payments are allowed to be included in covered wages up to 240 hours per year. In 2020, the City included 400 hours of comp time lump sum payments in the covered wages reported to IPERS for Ms. Bell. As a result, the City included exceeded the amount allowed by IPERS and improperly paid IPERS the City's (employer's) share of contributions for the 160 excess hours. The employer's share of contributions totaled \$427.14. This amount is also included in **Exhibit A** as improper disbursements.

Holiday Bonus Checks – As illustrated by **Table 1**, Ms. Bell received two bonus checks. They are listed in **Table 4**.

Table 4					
Check Number	Check Date	Net Amount	Gross Amount	FICA*	Total Cost
2779	12/09/15	\$ 369.40	400.00	30.60	430.60
3532	12/13/16	172.80	200.00	15.30	215.30
Total		<u>\$ 542.20</u>	<u>600.00</u>	<u>45.90</u>	<u>645.90</u>

As illustrated by the **Table**, each bonus was issued in December. The City does not have a policy which allows issuance of bonus checks. We determined the bonuses were awarded with the City Council's

knowledge and approval. However, the City Council did not document the public purpose served by the payments. As a result, the \$645.90 total cost incurred by the City is included in **Exhibit A**.

Insurance Reimbursements – As illustrated by **Table 1**, Ms. Bell received 65 checks totaling \$20,704.53 for reimbursement of health insurance costs. We reviewed a signed copy of Resolution #638 approved by the City Council on July 20, 2015. The resolution included three points, specifically:

- Full time City employees desired to be covered by their spouse’s health insurance plan,
- allowing such provided a cost savings to the City, and
- payment was to be made directly to the employee for the purpose of covering only the cost of the employee’s health insurance.

According to City officials, they did not perform a cost benefit analysis to confirm providing a reimbursement to full time City employees for health insurance resulted in savings for the City. We also determined the City did not consistently obtain sufficient documentation from employees to ensure the employee obtained coverage.

The City also did not obtain sufficient documentation from employees to ensure reimbursements were limited to the incremental costs to obtain health insurance coverage for the City employee. Specifically, we determined records were available to support insurance reimbursements issued to Ms. Bell for coverage from July 1, 2015 through May 31, 2018 and reimbursements issued to her after January 1, 2020. However, support was not available for reimbursements issued to Ms. Bell from June 1, 2018 through December 31, 2019. As a result, we have included the \$6,740.70 monthly payments issued to Ms. Bell during that period as unsupported disbursements in **Exhibit A**.

In addition to determining that Ms. Bell was to receive 65 checks, we calculated the appropriate amount of each reimbursement check based on available documentation. Because documentation was not available to support the reimbursements issued to Ms. Bell for the insurance coverage she obtained from June 1, 2018 through December 31, 2019, we are unable to determine the propriety of the reimbursement amounts she received for this period.

As a result of our calculations, we determined the reimbursement checks issued to Ms. Bell for the coverage she obtained from June 1, 2016 through May 31, 2018 exceeded the appropriate amount. For these two years of coverage, Ms. Bell calculated her monthly reimbursement amount by using 26 bi-weekly pay periods instead of the 24 pay periods from which insurance premiums were withheld. The calculation of the excess payments is summarized in **Table 5**.

Table 5				
Coverage Period	Monthly Reimbursement			Total Excess Paid for the Year
	Amount Paid	Correct Amount	Excess Amount	
06/01/16 – 05/31/17	\$ 305.85	282.32	23.53	\$ 282.36
06/01/17 – 05/31/18	330.71	305.28	25.43	305.16
Total				\$ 587.52

Because the City Council approved providing reimbursements rather than stipends to full time employees for the cost of the insurance coverage they obtained, the payments should not be considered taxable income. However, the reimbursement checks issued to Ms. Bell from October 2017 through December 2020 were included in the City’s payroll records. As a result, Ms. Bell began withholding payroll taxes from the reimbursement amounts she received and the City began incurring the City’s share of FICA on the amounts. The total FICA improperly incurred by the City for these payments totaled \$1,145.92.

The total improper disbursements identified for the health insurance reimbursements issued to Ms. Bell are summarized in **Table 6**. The \$1,733.44 total from the table is also included in **Exhibit A**.

Table 6	
Description	Amount
Excess monthly reimbursement amounts, Table 5	\$ 587.52
City's share of FICA	1,145.92
Total	<u>\$ 1,733.44</u>

Separation Agreement Payments – As previously stated, Ms. Bell signed a Voluntary Resignation and Release of Claims document on January 4, 2021 which stated she desired to resign from the City effective December 21, 2020 under certain terms and conditions. The document also stated the City and Ms. Bell acknowledged her resignation was voluntary but stemmed from a disagreement between the parties.

Minutes of City Council meetings available on the City's website show the Council held a special meeting on December 16, 2020 during which a closed session was entered in accordance with section 21.5(1)(c) of the Code of Iowa. After the closed session ended, the Mayor called for a motion for possible action related to the closed session. However, the matter died for lack of a motion and no action was taken by the City Council.

Minutes of the City Council's January 18, 2021 Council meeting document the Council approved Resolution 823 regarding a voluntary resignation agreement between the City and an employee. The Resolution stated it was approved "as a matter of public necessity", but documentation was not available for our review which shows how the City Council determined the public purpose served by the payment or how the amount was determined.

The agreement specified certain payments to be made to Ms. Bell and, after it was signed, the payments listed in **Table 7** were issued to her. Each payment is addressed in the paragraphs following the **Table**.

Table 7					
Check Date	Check Number	Description	Gross Amount	Deductions	Net Amount
A) 01/08/21	7252	Paid administrative leave	\$ 226.24	(31.54)	194.70
B) 01/22/21	7267	Separation pay	10,652.13	-	10,652.13
C) 01/22/21	7311	Accrued comp time	6,787.20	(2,071.82)	4,715.38
D) 01/22/21	7308	Salary and wages, 3 months of health insurance reimbursements, and accrued PTO	11,255.78	(3,446.76)	7,809.02
Total			<u>\$ 28,921.35</u>	<u>(5,550.12)</u>	<u>23,371.23</u>

- A) Check number 7252 was issued to Ms. Bell for eight hours she reported she was underpaid at or near the time she was placed on paid administrative leave. As previously stated, we compared the time recorded on Ms. Bell's available timesheets to City records and the amounts paid to Ms. Bell. During our testing we did not identify any instances for which Ms. Bell worked but was not compensated. As a result, the \$226.24 gross payment to Ms. Bell and the related City share of FICA and IPERS contributions will be included in **Exhibit A** as improper disbursements.
- B) Check number 7267 was issued to Ms. Bell in accordance with the agreement which stated, in part, "In consideration for the releases described in paragraphs 2 and 3 of this agreement, the City agrees to pay Ms. Bell the following: (2) \$10,652.13 as separation pay; ..." The payment was not included in the City's payroll records and as illustrated by **Table 7**, no amounts were withheld from the payment for taxes. The City properly issued a 1099 for the payment.

Minutes of City Council meetings available on the City's website show the Council held a special meeting on December 16, 2020 during which a closed session was entered in accordance with section 21.5(1)(c) of the Code of Iowa. After the closed session ended, the Mayor called for a motion for possible action related to the closed session. However, the matter died for lack of a motion and no action was taken by the City Council.

Minutes of the City Council's January 18, 2021 Council meeting document the Council approved Resolution 823 regarding a voluntary resignation agreement between the City and an employee. The Resolution stated it was approved "as a matter of public necessity", but did not include the information from recitals within the agreement as to how the City Council determined the public purpose served by the payment nor how the amount was determined. The City must clearly state the public purpose being served in order to provide a minimal level of transparency for taxpayers.

A separation payment is not a standard City policy. The Resolution and the minutes did not document the amount of the payment approved by the Council. In addition, the \$10,652.13 payment to Ms. Bell, which was not part of payroll transactions, was also not included in any of the bill listings approved by the City Council. However, we did not include the \$10,652.13 payment in **Exhibit A** because action was taken by the City Council to authorize the payment through the resolution.

- C) Check number 7311 included 240 hours of comp time at Ms. Bell's authorized hourly pay rate of \$28.28 per hour. IPERS requirements limit the amount of lump sum comp payments that can be reported as covered wages to 240 hours per year. As a result, the 240 hours of earned but unused comp time paid to Ms. Bell with check number 7311 was run through the City's payroll system and issued on a check separate from the remaining 1.65 hours of her recorded comp time balance, which was included in check 7267 and not reported to IPERS.

As previously stated, we compared the time recorded on Ms. Bell's available timesheets to City records and the amounts paid to Ms. Bell. During our testing we determined the amount of comp time recorded in the City's records was overstated because Ms. Bell periodically recorded comp time even though she also used vacation or sick leave during the same week, which was not in accordance with City policy. In addition, Ms. Bell's balance of comp time in City records was not consistently mathematically accurate.

At the time Ms. Bell left the City's employment, her recorded comp time balance totaled 241.65 hours. However, based on her available timesheets and the City's policies, we determined the balance should have been 214.9. (During periods when Ms. Bell's timesheet was not available, we accepted the change in her recorded comp time balance.) As a result, check 7311 was for an amount in excess of what was appropriate. The 25.1 of excess comp time hours paid to Ms. Bell on check 7311 totaled \$709.83 of gross pay. In addition, the City incurred \$67.01 for the employer's share of IPERS contributions for the excess pay. These amounts will be included in **Exhibit A** as improper disbursements.

- D) Check number 7308 included \$5,326.07 of salary and wages, \$1,315.83 for three months of health insurance reimbursements, 103 hours of accrued vacation, 58.5 hours of accrued sick leave, and 1.65 hours of accrued compensatory time. In accordance with IPERS requirements, amounts were not withheld from the payment for IPERS contributions because this was a payout of paid time off at the end of employment.

Neither City officials we spoke with nor Ms. Bell were able to provide documentation or an explanation of how the \$5,326.07 of salary and wages was determined. As a result, we are unable to determine the propriety of the amount.

As previously stated, the medical reimbursements issued to Ms. Bell were included in the City's payroll records and the City improperly paid the employer's share of FICA for the reimbursements. The City also paid \$100.66 of FICA on the \$1,315.83 of health insurance

reimbursements issued to Ms. Bell upon her termination. The \$100.66 of FICA improperly paid by the City for the reimbursement is included in **Exhibit A**.

As stated in C) above, the comp time balance recorded in the City's records for Ms. Bell at the time of her employment was overstated. During our testing we also determined the balances of Ms. Bell's vacation and sick leave recorded in the City's records was overstated. **Table 8** summarizes the differences we identified along with the additional 1.65 hours of comp time paid to Ms. Bell within check number 7267. As illustrated by the Table, we determined the ending balance of Ms. Bell's sick leave should have been more than what was recorded in the City's records. This is a result of identifying instances when Ms. Bell recorded the use of sick leave and earning comp time during the same week. Because this was not in accordance with City policy, we reduced the amount of comp time recorded as earned and the amount sick leave recorded as used in these instances.

Table 8 also includes the value of the excess balances when they were paid to Ms. Bell at the time her employment terminated.

Table 8				
Description	Vacation	Sick Leave	Comp Time	Net Total
Balance recorded in City records	103.0	58.5	##	
Recalculated balance	(20.5)	116.0	##	
Excess hours recorded in City records	123.5	(57.5)	1.65	
Authorized wage rate	\$ 28.28	28.28	28.28	
Gross amount paid for excess hours	3,492.58	(1,626.10)	46.66	1,913.14
Employer's share of FICA for excess pay	267.18	(124.40)	3.57	146.35
Total	\$ 3,759.76	(1,750.50)	50.23	2,059.49

- See paragraph C) above. The City's records show 241.65 hours in Ms. Bell's balance, but the recalculated balance totaled 197.58 hours. Payment for 240 hours of the balance is included in check number 7311 and the remaining 1.65 hours is included in check 7267.

As illustrated by the Table, the net total of gross wages paid to Ms. Bell for the excess hours was \$1,913.14. In addition, the City incurred \$146.35 for the employer's share of FICA for the excess pay. The \$2,059.49 total will be included in **Exhibit A** as improper disbursements.

Table 9 summarizes the improper portions of the checks listed in **Table 7** and the related FICA and IPERS costs incurred by the City as a result of the improper payments. **Table 9** illustrates the improper portions of the separation payments and the related costs incurred by the City total \$3,201.91. This amount is included in **Exhibit A**.

Table 9

Table 2						
			Improper Disbursements			
Check Number	Description	Gross Amount	Employer's Share		Total	
			FICA	IPERS		
A)	7252	Paid Admin leave	\$ 226.24	17.31	21.36	264.91
C)	7311	Accrued comp time	709.83	-	67.01	776.84
D)	7308	Health insurance reimb.	-	100.66	-	100.66
D)	7308	Accrued PTO	1,913.14	146.35	-	2,059.49
Total			\$ 2,849.21	264.32	88.37	3,201.91

Other Reimbursements – As illustrated by **Table 1**, we identified 14 checks issued to Ms. Bell for reimbursements other than health insurance. The reimbursements totaled \$6,964.34 and are listed in **Exhibit D**. According to City officials, Ms. Bell was entitled to reimbursement for any expenses or mileage she incurred on behalf of the City. Except for travel costs related to training and mileage to take deposits to the bank, they stated there would be no significant expenses Ms. Bell would have incurred on behalf of the City.

The City does not have a travel reimbursement policy addressing mileage rates, limits on meals and lodging, or the required supporting documentation to be submitted along with the travel reimbursement form submitted to the City. Mileage was reimbursed at the rate set by the IRS.

We reviewed the available supporting documentation to determine the propriety of the reimbursements. As a result of our testing, we identified the following concerns:

- For certain reimbursements, the only explanation available was a notation on the check stub. Supporting documentation, such as a receipt, invoice, or an evidence of City Council approval was not available to determine the propriety of the payment.
- Of the fourteen reimbursements, thirteen were not included on the disbursement listing approved by the City Council and included in the minutes.
- Sufficient supporting documentation was not consistently available for amounts claimed on travel reimbursements submitted to the City. Specifically, we determined a notation of an explanation or supporting documentation was not available for five of the reimbursements. The five reimbursements ranged from \$90.09 to \$4,803.59. When we asked Ms. Bell about the \$4,803.59 payment, she initially stated it may have been for comp time. However, when we explained we had accounted for all of the comp time payments to her, she reported she did not recall it.

As illustrated by **Exhibit D**, we determined \$5,984.46 of the reimbursements were improper. The **Exhibit** also illustrates we classified two reimbursements totaling \$246.52 as unsupported and the reasonable reimbursements totaled \$733.36. The improper and unsupported disbursements identified are included in **Exhibit A**.

Holiday Bonuses to Employees

As previously stated, we determined Ms. Bell received bonus checks in December of 2015 and 2016. We determined other City employees received bonus checks also. Specifically, we determined five additional City employees received holiday bonus checks in December 2015 and 2016.

The City does not have a policy which allows issuance of bonuses or payments to employees for hours not worked. In addition, the City Council did not specify the public purpose served by the payments.

As a result, the payments are considered improper. The bonuses identified are listed in **Table 10** along with the employer's share of FICA incurred by the City for the payments.

Table 10

Date	Check Number	Payee	Amount Paid by City		
			Gross Pay	FICA	Total
12/09/15	2778	Cathy J. Becker	\$ 400.00	30.60	430.60
12/09/15	2780	Todd Damon	400.00	30.60	430.60
12/09/15	2781	Michael A. Jennings	400.00	30.60	430.60
12/09/15	2782	Vicki L. Myers	100.00	7.65	107.65
12/09/15	2783	DaShawn A. Wilson	200.00	15.30	215.30
12/13/16	3531	Cathy Becker	200.00	15.30	215.30
12/13/16	3533	Todd Damon	200.00	15.30	215.30
12/13/16	3534	Michael A. Jennings	200.00	15.30	215.30
12/13/16	3535	Vicki L. Myers	50.00	3.83	53.83
12/13/16	3536	Jarrold T. Tomlinson	200.00	15.30	215.30
12/13/16	3537	DaShawn A. Wilson	100.00	7.65	107.65
Total			\$ 2,450.00	187.43	2,637.43

The \$2,637.43 paid by the City for the bonuses is included in **Exhibit A** as improper disbursements.

Insurance Premium Payments

As previously stated, we reviewed a signed copy of a resolution which specified employees who elected to be covered by their spouse's health insurance plan would be reimbursed for the incremental cost of family coverage. The City also offered health and dental insurance plans to employees. The City paid 100% of health insurance premiums for single coverage for these plans, but the incremental cost for family coverage was to be paid by the employee electing such coverage. Additionally, employees who elected to participate in the City's dental insurance plan were responsible for 100% of the premiums. The employees' share of insurance premiums were to be paid through payroll withholdings.

In order to determine if the insurance premium costs were properly allocated between the City and employees, we determined which City employees had health and dental insurance coverage, the type of coverage, and the amounts withheld from their pay. Based on our testing, we identified the following concerns.

- We determined an individual was enrolled in the City's dental insurance policy in March 2020 even though she was not a City employee. At the time of enrollment, Pam Duball was a contractor and cleaned City Hall, the Library, and the City park shelter on a monthly basis. Ms. Duball was paid through the accounts payable system and was not included in the City's payroll records. According to Ms. Duball, she had an agreement with Ms. Bell that she was to issue a \$76.46 check to the City each month for her dental insurance premium.

After Ms. Bell left the City's employment, the new City Clerk determined Ms. Duball was included on the City's dental insurance even though she was not an employee. However, the City Council decided to allow her to remain on the plan.

As the new City Clerk looked through the accounting system, she also determined no payments had been recorded as received from Ms. Duball for the insurance premium. City officials addressed this concern with Ms. Duball. During our testing, we also spoke with Ms. Duball at her request. During our meeting, she reported she had written checks to the City for her dental insurance premiums, but the checks had never cleared her bank

account. We asked her to provide carbons of the checks she issued to the City and she stated that she would gather them. Despite follow up conversations with Ms. Duball, she did not provide proof of the payments.

Ms. Duball was hired as the Library Director in May 2021 and began having her dental insurance premium deducted from her bi-weekly paychecks until she requested that the dental coverage be cancelled on February 16, 2022.

We determined Pam Duball's share of the dental insurance premiums for the period of March 2020 through February 2022. We also identified all recorded payments the City received from Ms. Duball by scanning deposit slip images in the bank statements and examining withholdings from her bi-weekly paychecks. We determined as of October 14, 2022, Ms. Duball had paid all of her portion of dental insurance premiums back to the City.

- City officials reported a Public Works employee, Todd Damon, approached the new City Clerk after Ms. Bell's departure and reported his most recent paychecks did not appear to include any insurance withholdings. The new City Clerk examined payroll records and determined he was correct and that he had not had any insurance deductions from his paycheck for some time. She also confirmed with the City's health insurance provider the period and coverage plans in which Mr. Damon was enrolled.

The insurance provider reported Mr. Damon was enrolled in a health insurance plan that provided coverage for Mr. Damon, his spouse, and his child. Mr. Damon reported he had requested his child be removed from his insurance coverage in January or February 2020; however, neither the insurance agent nor the City Clerk were able to locate any documentation of this request.

We obtained documentation from the City's health insurance provider which specified the employees participating in the City's health insurance program each year, the plan each employee selected, and the related cost. The information we obtained showed only Mr. Damon and another Public Works employee, Jarrod Tomlinson, chose to include their spouse and/or children on their health insurance policy. As a result, they were the only two employees who should have had an amount withheld from their paychecks for premiums.

With the information from the health insurance provider, we calculated the amounts to be withheld from each employee's paycheck then compared those amounts to the amounts actually withheld from Mr. Damon's and Mr. Tomlinson's paychecks, respectively. Based on our testing, we determined \$451.12 more had been withheld from Mr. Tomlinson's paychecks than appropriate. We also determined health insurance premiums totaling \$20,901.43 had not been withheld from Mr. Damon's pay during the period we tested. Because the amount was not withheld from his pay, the City improperly bore the cost of the premiums.

- We also determined Mr. Damon participated in the City's dental insurance plan from April 2020 through March 2021 without any related premiums withheld from his payroll during that period. As a result, the City improperly paid the premiums on his behalf. The premiums for this period totaled 841.06.

The amounts improperly disbursed and collected by the City for health and dental insurance premiums are summarized in **Table 11**. The \$21,291.37 net total from the **Table** is included in **Exhibit A**.

Table 11

Description	Amount
Overcollection of health insurance premiums from Mr. Tomlinson	\$ (451.12)
Health insurance premiums not paid by Mr. Damon	20,901.43
Dental insurance premiums not paid by Mr. Damon	841.06
Total	<u>\$ 21,291.37</u>

Gross Wages Reported to IPERS

We compared the City's payroll records to reports filed with IPERS to determine the propriety of the required contributions made by the City for employees' covered wages. We compared the covered wages from the two sources for the period July 1, 2015 through December 31, 2020. Based on this comparison, we determined excess gross covered wages were reported to IPERS for Ms. Bell.

Table 12 summarizes the gross wages of Ms. Bell from the City's payroll system to the amounts of covered wages reported to IPERS for Ms. Bell by fiscal year.

Table 12

Fiscal Year	Gross Wages Per Payroll Records	Per IPERS Contribution Reports	Excess Reported Wages	Improper Contributions		Total Improper
				Employee	Employer	
2016	\$ 54,100.33	56,100.00	1,999.67	118.98	178.57	297.55
2017	52,622.58	52,822.58	200.00	11.90	17.86	29.76
2018	61,851.20	65,367.59	3,516.39	209.23	314.01	523.24
2019	63,674.40	68,434.75	4,760.35	299.43	449.38	748.81
2020	69,004.71	78,255.12	9,250.41	581.85	873.24	1,455.09
2021*	34,190.52	36,822.18	2,631.66	165.53	248.43	413.96
Total	\$ 335,443.74	357,802.22	22,358.48	1,386.92	2,081.49	3,468.41

* - Through December 31, 2020

As illustrated by the **Table**, the gross covered wages reported to IPERS for Ms. Bell was overstated by \$22,358.48 for the period of July 1, 2015 through December 31, 2020. As a result, the City improperly incurred employee and employer contributions in the amounts of \$1,386.92 and \$2,081.49, respectively. The \$3,468.41 total improper contributions is included in **Exhibit A**.

Credit Card Charges

From July 2015 through January 2021, the City had four credit cards. They were held by the Mayor, Library Director, Public Works employee, and Ms. Bell as the former City Clerk. The limit on three of the credit cards was \$2,000, but the limit on the credit card held by the Public Works employee was \$10,000. We obtained copies of the credit card statements for the four cards from the issuing credit card vendor and reviewed them for propriety. To determine propriety, we also reviewed the supporting documentation maintained by the City for the purchases made with the credit card statements and information we obtained directly from Amazon for purchases made with the City's credit cards.

Purchases were considered improper if the type of item and/or the quantity purchased appeared to be personal in nature or was not reasonable for City operations. When specific purchase information appeared consistent with City operations, based on the item, quantity and/or frequency of the purchase, they were classified as reasonable. When specific purchase information was not available, the purchases were classified as unsupported.

Table 13 summarizes the transactions made with the City's credit cards from July 2015 through January 2021 by credit card.

Table 13			
Card Holder	Card Numbers	Number of Transactions	Amount of Purchases*
Amber Bell	XXXX-4733/5663	371	\$ 41,281.52
Previous Clerk or Deputy Clerk	XXXX-7614/8294	20	2,219.96
Library Director	XXXX-7823	1,230	50,690.88
Public Works Employees	XXXX-6895/9914/3801	185	19,496.21
Mayor	XXXX-1036	39	6,050.33
Total		1,845	\$ 119,738.90

* - Net of returns and refunds

As illustrated by **Table 13**, we identified 1,845 transactions made with the City's credit cards totaling \$119,738.90. While the credit cards were assigned to individual City employees, Ms. Bell would have had access to the account number of each credit card and the related monthly statements. We are unable to determine if she also had access to the CVV (card verification value) of each card when it was received. Of all the purchases made with City credit cards, 749 purchases totaling \$29,746.88 were made from Amazon. Using the information obtained from Amazon, we determined a number of the Amazon purchases were for the Library.

Based on the information received from Amazon, supporting documentation maintained by the City, and the nature of goods or services provided by certain vendors, we identified purchases which contained items personal in nature and not appropriate for City operations. **Exhibit E** list the purchases made with the City's credit card that included items that were not reasonable or necessary for City operations. The **Exhibit** lists the improper purchases identified by card.

As illustrated by the **Exhibit**, we identified \$2,035.75 of improper purchases which included items such as a \$50.00 purchase from Nail World in Cedar Rapids for a manicure, food and restaurant purchases, and video on demand purchases.

In addition to the improper purchases, we identified purchases classified as unsupported because sufficient information was not available to determine if the purchase was for City operations. The unsupported purchases identified are listed by card in **Exhibit F**. As illustrated by the **Exhibit**, the unsupported purchases identified total \$12,190.18 and include purchases from Wal-Mart, Target, Michaels, and Fleet Farm.

The \$2,035.75 of improper purchases and \$12,190.18 of unsupported purchases listed in **Exhibits E** and **F** are included in **Exhibit A**.

In addition to the improper and unsupported purchases, we identified \$1,239.50 of late fees and interest charges on the City's credit cards assigned to Ms. Bell. The 41 instances of late fees and interest charges incurred are listed in **Exhibit G**. The \$1,239.50 total is included in **Exhibit A** as improper disbursements.

We also identified a payment on the City's credit card that was not issued from the City's bank account. The \$633.14 payment was posted on December 24, 2016 to the account for the credit card held by Ms. Bell. We were unable to determine the source of the funds used for the payment and it was not possible to determine if the payment was for a specific purchase(s). Because the City did not make the payment, the \$633.14 is included in **Exhibit A** as a reduction of improper disbursements.

Other Vendor Payments and Cash Withdrawals

Purchases from Vendors and Cash Withdrawals - As previously stated, we scanned all disbursements and redeemed checks from the City's bank account for the period July 1, 2015 through January 31, 2021. In addition to improper and unsupported disbursements previously discussed, we identified certain improper and unsupported withdrawals and payments to vendors from the City's bank account.

Also as previously stated, we determined the propriety of disbursements based on available supporting documentation; the type or the quantity of items purchased; discussions with City officials; and the vendor, frequency, and amount of payments. We also reviewed disbursement listings approved by the City Council and included with minutes of City Council meetings. Purchases for which we were unable to determine the propriety were classified as unsupported. **Exhibits H and I** list the improper and unsupported disbursements identified from the City's bank account. As illustrated by the **Exhibit**, the improper and unsupported disbursements from the account total \$3,799.16 and \$2,077.98, respectively.

The improper disbursements identified and listed in **Exhibit H** include the following:

- Eight cash withdrawals totaling \$677.00. As previously stated, all City disbursements are to be made by check and supplies may be purchased with a City credit card. As a result, there should not be a need to withdraw cash from the City's bank account. The withdrawals identified occurred between August 19, 2015 and October 5, 2020. Six of the withdrawals were for \$100.00 and the remaining two were for \$2.00 and \$75.00.
- Three donations totaling \$850.00, including a payment to an elementary school and two payments to the Benton County Extension. Accounting records for one of the checks to Benton County Extension describes the payment as "Donation for 2019 DIS Camp." Accounting records for the payment to the elementary school describe the payment as "Tax Exempt" and the memo portion of the check states "Garden Project."

The Constitution of the State of Iowa prohibits governmental bodies from making a gift to a non-profit entity. Article II, Section 31 of the Iowa Constitution states, in part, "...no public money or property shall be appropriate for local, or private purposes..." In addition, at least six official Iowa Attorney General Opinions since 1972 have consistently concluded that "a governmental body may not donate public funds to a private entity, even if the entity is established for charitable or educational purposes and performs work which the government could perform directly." The Opinions further state, "Even if the function of a private non-profit corporation fits within the scope of activities generally recognized as serving a public purpose, a critical question exists regarding whether funds or property transferred to a private entity will indeed be used for those public purposes."

- Five instances of late fees and/or interest charges totaling \$170.16.
- Payments to vendors for which there is no supporting documentation, and the vendor is not typical for City operations, including a \$1,000.00 payment to Hansen Custom Homes on July 20, 2015. In addition to not being supported by appropriate documentation such as an invoice, we were unable to locate the payments listed in **Exhibit H** on a disbursement listing approved by the City Council and City officials were unable to provide an explanation for the disbursements.

The unsupported disbursements identified and listed in **Exhibit I** range from \$83.18 to \$1,034.50 and were issued between October 23, 2015 and February 28, 2020. The largest unsupported disbursement was a payment to Justice Electric Co. The remaining unsupported disbursements include three payments to individuals, a purchase from Sam's Club, and two cash withdrawals. Sufficient documentation was not available to determine the nature of the two transactions classified as cash withdrawals. It is possible they were chargebacks by the bank for dishonored checks deposited to the City's account and/or some other type of bank fee. Because sufficient documentation was not available, they were classified as unsupported disbursements.

The \$3,799.16 of improper disbursements and \$2,077.98 of unsupported disbursements listed in **Exhibits H and I**, respectively, are included in **Exhibit A**.

IPERS Late Fees and Interest

Using reports obtained from IPERS for fiscal years 2016 through 2021, we determined the City paid \$567.83 of late fees and interest charges because required IPERS reports were not filed and required contributions were not remitted in a timely manner. The \$567.83 of late fees and interest charges identified are included in **Exhibit A** as improper disbursements.

UNDEPOSITED COLLECTIONS

Monthly meter readings are taken for all City utility meters. Readings are entered into the utility system which calculates consumption for the month. The utility system is also used to prepare monthly bills for each account based on consumption calculations. When account holders make a payment for their monthly bill or a past amount due, the City Clerk is to post the payment received to the accounting system and deposit the funds into the City's checking account. During our review of the individual customer history reports we identified a number of concerns related to the billings and collections recorded in the City's utility system from July 2015 through January 2021. As a result, we performed several testing procedures. Our findings are described in the following paragraphs.

Late Fees – We identified 243 instances totaling \$3,645.00 where late fees should have been billed to utility customers but were not. The instances identified are listed in **Exhibit J** by customer. For privacy purposes, we did not include the individual customers' names. Instead, we identified them as Customer A through Customer N in the **Exhibit**. Because the \$3,645.00 should have been billed and collected by the City but wasn't, it is included in **Exhibit A** as an unbilled and uncollected utility charge.

We also identified an additional 84 instances totaling \$1,245.00 where late fees were not billed to utility customers during the COVID 19 pandemic and as a result of the derecho that caused substantial damage to the City. These instances were identified during the months of March 2020 through January 2021. However, because the Council took action which authorized not billing the late fees, the \$1,245.00 identified is not included in **Exhibit A**.

Non-Sufficient Funds – We identified 45 instances where payments from utility customers were not honored by the City's bank because the account on which the checks were drawn did not have sufficient funds. For these instances, an NSF (non-sufficient funds) fee was properly added to the utility account for 20 of the 45 instances identified. However, an NSF fee was not added to the applicable utility account for the remaining 25 instances, which total \$625.00. The instances identified are listed in **Exhibit K** by customer. For privacy purposes, we did not include the individual customers' names. Instead, we identified them as Customer O through Customer AD in the **Exhibit**. Because the \$625.00 should have been billed and collected by the City but wasn't, it is included in **Exhibit A** as an unbilled and uncollected utility charge.

Snowbird Accounts – The City Council has authorized suspension for portions of monthly utility billings for individuals who leave their residences for an extended period, typically referred to as "snowbirds." Upon application to the City by these account holders, the City Clerk is to assess an administration fee to the appropriate utility account and adjust the monthly billing amounts. Upon the residents' return another reconnection fee is to be assessed to the utility account.

We identified 18 utility accounts which were described as snowbirds but for which the account was not properly billed the administration fees and/or the sewer debt and landfill fees. The 18 accounts identified are listed in **Exhibit L**. As illustrated by the **Exhibit**, the unbilled fees for the accounts total \$15,685.00. For privacy purposes, we did not include the individual customers' names. Instead, we identified them as Customer AE through Customer AU in the **Exhibit**. Because the \$15,685.00 should have been billed and collected by the City but wasn't, it is included in **Exhibit A** as an unbilled and uncollected utility charge.

Unbilled Services – We identified ten accounts for which the utility system did not include a monthly billing amount for certain months indicating a utility bill was not generated and sent to the customer. The ten accounts identified are listed in **Exhibit M**. We did not identify any known connections between the account holders and Ms. Bell.

As illustrated by the **Exhibit**, the minimum amounts for the unbilled services total \$7,841.53. For privacy purposes, we did not include the individual customers' names. Instead, we identified them in the **Exhibit** with an alphabetic character.

We also determined that seven of the ten accounts had months without billings that extended past January 2021 until the new City Clerk identified the problem and took corrective action. Because these amounts are not readily available, these amounts were not included in our totals.

As illustrated by the **Exhibit**, we also identified one instance where an account that was not being billed properly also had a credit applied for landfill fees that were reasonable to have been billed, reducing the customer's balance due by \$145.00. This reduction of \$145.00 is considered uncollected utilities.

Because the \$7,841.53 and \$145.00 should have been billed and collected by the City but wasn't, these amounts are included in **Exhibit A** as an unbilled and uncollected utility charges.

Discriminatory Rates – The City has an established policy which allows charging a reduced fee for senior citizens for recycling fees. In accordance with section 388.6 of the Code of Iowa, cities are prohibited from offering discounted rates to certain classes of people.

Adjustments – We identified ten adjustments made to eight utility accounts that were not supported by a notation in the utility system to determine what was the reason for the adjustment. As a result, we are unable to determine the propriety of the adjustments. The City should ensure that all adjustments made to utility accounts are documented with a reason for the adjustment and all adjustments to utility accounts should be reviewed by someone independent of the utility billing/collection/depositing process.

Delinquent Accounts – We determined seven of the ten utility accounts with gaps in billings were also in arrears for the billings they had been billed for. The City should implement procedures to better monitor delinquencies and ensure services provided are paid for in a timely manner.

With the assistance of the current City Clerk, we determined the City had 299 accounts that were past due in May 2021. The current City Clerk and Council implemented procedures to follow established policies regarding shutting off services to delinquent accounts and established payment plans for fourteen accounts. Since May 2021, the City has collected \$24,040.05 of past due collections for the utility accounts for which payment plan agreements were established.

OTHER ADMINISTRATIVE ISSUES

During our testing and fieldwork, we identified additional items discussed in detail in the following paragraphs.

Oversight – City officials have a fiduciary responsibility to exercise authority over its funds, efficiently and effectively achieve its mission, provide oversight of the City's operations and maintain the public trust. Oversight is typically defined as the "watchful and responsible care" a governing body exercises in its fiduciary capacity. Based on our review, we determined the City officials did not provide sufficient oversight of the City's financial transactions and did not:

- Consistently compare the bill listings to supporting documentation and checks and did not approve 49 of 164 disbursements selected for testing as documented by being listed on the approved disbursement listing included in the City Council meeting minutes. In addition, 13 of the 14 reimbursements issued to the former City Clerk were not properly approved by the City Council.

- Require and maintain original, itemized receipts for all disbursements, including employee reimbursements for health insurance premiums, and review the supporting documentation to ensure the public purpose of the disbursements.
- Review the City's bank statements and charge account statements.
- Request and review bank reconciliations.
- Require and review utility reconciliations.

The Office of Auditor of State released annual "Agreed-upon Procedures Reports" for the fiscal years ended June 30, 2013 through June 30, 2019 and a financial statement audit report for the year ended June 30, 2010. Each report included a number of recommendations for improvements regarding the following fiduciary areas:

- Segregation of duties related to the handling of cash, receipts, disbursements, payroll, utilities, and financial reporting.
- Bank reconciliations.
- Reconciliations of utility billings, collections, and delinquent accounts.
- Payroll.
- Computer systems.
- Initial receipts listings.
- Petty cash.
- Waste management tags.

The reports also included findings related to compliance with the Code of Iowa for certified budgets, City Council meeting minutes, and annual financial reports.

Had City officials developed and implemented policies and procedures to segregate duties, review bank reconciliations, required and reviewed utility reconciliations, and maintained supporting documentation, City officials may have identified unbilled and/or undeposited utility collections and improper disbursements earlier. In addition, the implementation of controls may have reduced the opportunity for the City's funds to be improperly disbursed or not properly deposited.

Public Purpose – During our review of disbursements from the City's bank account and purchases made with the City's credit cards, we identified payments for which the public purpose served was not clearly documented. The payments identified are listed in **Table 14**.

Table 14

Check Date	Check Number	Payee	Description	Check Amount	Improper portion*	Remaining portion
11/02/15	2681	Sam's Club	<i>No support available</i>	\$ 135.00		135.00
03/30/16	2956	American Legion Auxiliary	Annual Fireman's Dinner - 55 meals @ \$9.00 each & Social treats (\$186.50)	681.50	186.50	495.00
11/18/16	3446	Sam Club	Annual Membership Fee	135.00		135.00
03/21/17	3733	Sam's Club	Annual Membership Fee	135.00		135.00
04/03/17	3775	American Legion Auxiliary	Firemen's Dinner – 55 meals @ \$495.00 & Social Treats (\$188.00)	683.00	188.00	495.00
06/18/18	4882	American Legion Auxiliary	Annual Fireman's Dinner - 62 meals @ \$9.00/plate & Social Treats (\$187.00)	745.00	187.00	558.00
6/3/2019	5702	American Legion Auxiliary	Annual Fireman's Dinner - 60 meals @ \$9.00/plate & Social Treats (\$105.50) -	645.50	105.50	540.00
Total				\$ 3,160.00	667.00	2,493.00

* - Portion of payment for “social treats” (alcohol) which is included in **Exhibit H** as an improper disbursement.

As illustrated by the **Table**, the payments identified include membership dues to Sam’s Club which total \$405.00. Based on our review of the City’s disbursements, the City does not make a significant number of purchases from Sam’s Club. In addition, according to City officials we spoke with, the membership is periodically used by City employees for personal purchases which are paid for with their personal funds. Because the City does not make significant purchases for City operations from Sam’s Club, the public purpose served by the annual membership fees is not apparent.

In addition, the **Table** includes payments associated with the annual Firemen’s dinner. According to the Attorney General’s opinion dated April 25, 1979, it is possible for expenses such as those to serve a public purpose if they are to bring about a better and more efficient service by improving personnel and morale, through the retention of faithful and experienced employees. This is also applicable to volunteer firefighters. However, the Attorney general’s opinion also states, in part:

“Under the best circumstances a recognition dinner can be seen to benefit the public, even though indirectly and intangibly. But the fear is that one retirement dinner *[or staff meal or other occasion]* will become man, and its high purposes lost to a moment’s impulse to celebrate events and occasions of lesser deserving.”

In addition, the Attorney General’s opinion specified such items as those listed in **Table 14** will certainly be subject to a deserved close scrutiny. The line to be drawn between a proper and improper purpose is very thin. As illustrated by the **Table**, the support for the cost of the dinners includes a notation a portion of each payment was for “Social Treats.” This is understood to be alcoholic beverages provided during the evening. City funds should not be used in any circumstance to provide alcoholic beverages and City records should not be “sanitized” to avoid transparency for a portion of the bills paid for the recognition dinners. The portion of the checks to pay for the alcoholic beverages is included in **Exhibit H** as improper disbursements.

The City does not have policies addressing public purpose criteria or permitting the use of public funds for employee or volunteer recognition, retirement parties, employee awards, staff meals, or other celebrations.

Unemployment Claim – As previously stated, Ms. Bell, voluntarily resigned from the City’s employment effective December 21, 2020. As stated in the Voluntary Resignation and Release of Claims agreement

established between Ms. Bell and the City, the “Parties acknowledge Ms. Bell’s resignation is voluntary but stems from a disagreement between the parties.” The agreement also stated, “The City expressly states that it **will not** contest any claim for unemployment benefits made by Ms. Bell.”

Determination of eligibility for unemployment benefits is the responsibility of the Iowa Department of Workforce Development (IWD). IWD’s website states, in part, “To be eligible for unemployment insurance benefits, the claimant must: ... have lost his or her job through no fault of their own.” Typically, resignation from a job precludes eligibility for unemployment insurance benefits; however, that determination is to be made by IWD on a case by case basis.

We contacted an IWD representative to determine if an individual who resigned but had an agreement with an employer regarding unemployment benefits, as Ms. Bell did, could be eligible for unemployment insurance benefits. The IWD representative reported IWD would not be aware of any agreements or arrangements unless an employer or employee reported it. The representative also reported, in such instances the employer should be truthful about the situation and allow IWD to determine the former employee’s eligibility for unemployment insurance benefits based on established criteria.

While nongovernmental employers routinely contribute to the Unemployment Insurance Trust Fund maintained by IWD from which benefits are issued, governmental employers do not. Instead, unemployment insurance benefits claimed by any individual previously employed by a governmental entity are paid to the individual by IWD then reimbursed to IWD by the governmental entity. The City did not contest the filing it received from IWD when Ms. Bell filed for unemployment insurance benefits. Because the City agreed to pay unemployment insurance benefits to an individual who appears to have been ineligible for the benefits because she resigned on a voluntary basis, we determined the amount of the claims the City reimbursed IWD for payments to Ms. Bell after she left the City’s employment.

Through IWD, the City paid \$23,305.00 for Ms. Bell’s unemployment insurance benefits for claims she file for February 2021 through June 2022. However, she did not receive unemployment benefits during that entire period. Specifically, she filed unemployment claims for the months of February 2021 through May 2021. She did not file unemployment claims for the months of June 2021 through January 2022. She began filing unemployment claims again for February 2022 through September 2022.

In addition to the unemployment benefits paid by the City, Ms. Bell received \$5,100.00 of Federal Disaster Unemployment for February 2021 through May 2021. According to an IWD official we spoke with, once an individual was determined to be eligible for unemployment insurance benefits, they were also entitled to the Federal funding when it was available. In this instance, because the City did not contest Ms. Bell’s unemployment claim, she received the federal funds in addition to the amounts paid by the City.

As a result, agreeing to not contest unemployment claims filed by Ms. Bell was not a prudent use of City funds.

Proper Reporting to the IRS – The City received a notification from the IRS regarding 945 reports and 1099 forms that were improperly submitted. We reviewed the information received by the City and attempted to determine what, if any, obligation the City owed the IRS for penalties and interest regarding the matter. We were able to determine thirteen 1099s submitted by the City for 2018 were issued for vendors rather than contract employees.

Based on our review of the payments made to the entities for which 1099s were issued and the documentation related to the payments, the vendors were paid for goods and/or services provided or projects completed for the City. As a result, 1099s should not have been issued for the payments.

The documentation the IRS sent to the City, reported there were outstanding amounts owed for penalties and interest. As part of our procedures, we requested City officials contact the IRS on multiple occasions and request transcripts for the City to determine what, if any, penalties and interest had been incurred

and/or paid by the City as a result of the former City Clerk improperly issuing the 1099s for 2018. However, City officials were not able to reach a representative of the IRS and obtain the transcripts.

We also reviewed the 941 statements received from the IRS which were available in the City's records. A complete population of all 941 reports was not available. During our review, we identified instances of penalties, overpayments, credits and interest charges from the IRS. However, because sufficient documentation was not available, we were unable to determine what amount of these charges, if any, had been satisfied. As previously stated, City officials were unable to reach a representative of the IRS to obtain transcripts which would have provided detailed information not maintained by the City. Because we are unable to determine what amounts, if any, the City paid or may still owe the IRS for penalties, interest, and/or overpayments, we have not included an amount in **Exhibit A**.

Waste Management Tags – The City purchases garbage and yard tags from Waste Management. The \$1.20 cost of each garbage tag and \$2.20 cost of each yard tag is added to the City's monthly bill from Waste Management. The City sells the tags to residents for the same amount. They are to be placed on any excess garbage or yard waste that residents would like Waste Management to pick up for them. The tags mark the extra bags as being paid for and indicates to Waste Management they are to be picked up.

The City receives both cash and checks for the sale of the tags. Cash is typically the method of payment and manual receipts are to be issued for the tag sales. The City buys back any excess tags from residents who purchased too many. The City buys back the tags at the same price they were sold and has passed a Resolution approving this.

We reviewed the City's records for garbage and yard tag records; however, the records were not sufficient to allow us to determine the amount of tags on hand before and after purchases by the City and how many were sold to residents by the City. The City does have an inventory log sheet; however, it is incomplete. As a result, we are unable to determine if all collections are properly recorded.

Recommended Control Procedures

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

- A. Segregation of Duties – An important aspect of internal control is the segregation of duties among individuals to prevent one person from handling duties which are incompatible. The former City Clerk had control over each of the following areas:
- (1) Receipts – opening mail, collecting, posting to the accounting records, and preparing and making bank deposits;
 - (2) Disbursements – making certain purchases, receiving certain goods and services, presenting disbursements to the City Council for approval, maintaining supporting documentation, preparing, signing, and distributing checks, and posting to the accounting records;
 - (3) Payroll – calculating payroll amounts, preparing, signing, and distributing checks, posting payments to the accounting records, and filing required payroll reports;
 - (4) Cash – handling, reconciling bank accounts, and recording;
 - (5) Debt records – recordkeeping, compliance, and payment processing;
 - (6) Utility billings – preparing and mailing billings, receipting and depositing collections, posting collections to customer accounts and accounting records, and preparing and making bank deposits;
 - (7) Bank accounts – receiving and reconciling monthly bank statements to accounting records; and
 - (8) Reporting – preparing City Council meeting minutes and financial reports, including monthly City Clerk reports and the Annual Financial Reports.

In addition, bank reconciliations and initial listing of receipts were not prepared. No one independent of collections compared deposits to information recorded in the City's financial records to ensure amounts were properly deposited, recorded, and classified. Utility reconciliations were not prepared, transfers were not included in minutes and approved by the City Council, and the City had not established any policies regarding information technology systems.

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

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

In addition, an initial listing of receipts should be maintained and used by someone independent of collection duties to compare collections to deposits in the bank account and deposits recorded

in the City's financial records to ensure completeness. Utility reconciliations should be prepared, reviewed and approved by an independent person. Transfers should be approved by the City Council and included in minutes of Council meetings. City officials should established any policies regarding information technology systems to ensure proper procedures are in place.

- B. Insurance Reimbursements – In July 2015 the City Council approved reimbursing full time employees the cost of obtaining health insurance through their spouse's insurance plan. The provisions of the benefit were documented in Resolution #638. However, the City did not perform a cost benefit analysis to determine if it resulted in a cost savings as documented in the resolution.

In addition, City officials did not require full time employees receiving reimbursements to submit documentation to validate coverage was obtained and documentation of the costs paid by the employees was not consistently maintained.

Recommendation – City officials should perform a cost analysis to determine if providing reimbursements to full time employees results in a cost savings. As part of the analysis, the City should identify a maximum amount of reimbursement to be provided to eligible employees.

In addition, City officials should implement procedures to ensure employees receiving reimbursements submit documentation to validate coverage was obtained and documentation of the costs paid by the employees.

- C. Insurance Coverage – During our testing, we identified the following concerns:

- The City allowed a contractor who was not a City employee to be included on the City's dental insurance plan. We determined the individual eventually became a full-time employee of the City; however, the insurance coverage should not have been provided until that time.
- Premiums were not properly withheld from employee paychecks. Excess premiums were withheld for one employee identified and premiums were not properly withheld at all for another employee identified.

Recommendation – City officials should ensure only eligible individuals are allowed to participate in City insurance programs. City officials should also implement procedures to ensure premiums are properly withheld from all employees' paychecks for coverage costs not authorized to be paid by the City, including periodic independent reviews of payroll withholdings.

- D. Unemployment Benefits – The Voluntary Resignation and Release of Claims agreement established between Ms. Bell and the City states, in part, the "Parties acknowledge Ms. Bell's resignation is voluntary but stems from a disagreement between the parties." The agreement also states, "The City expressly states that it will not contest any claim for unemployment benefits made by Ms. Bell." However, determination of eligibility for unemployment benefits is the responsibility of the Iowa Department of Workforce Development (IWD).

The City did not contest the filing it received from IWD when Ms. Bell filed for unemployment insurance benefits and subsequently paid \$23,305.00 for unemployment claims filed by Ms. Bell for the period February 2021 through September 2022. Ms. Bell also received \$5,100.00 of Federal Disaster Unemployment for February 2021 through May 2021.

An IWD representative reported IWD would not be aware of any agreements or arrangements unless an employer or employee reported it. As a result, they may not have correctly determined Ms. Bell's eligibility for unemployment insurance benefits and the Federal Disaster Unemployment.

Recommendation – IWD officials should be made aware of the circumstances under which Ms. Bell left the City's employment and the terms of the Voluntary Resignation and Release of

Claims agreement so they may properly determine if she was eligible for the unemployment insurance benefits she received.

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

- Disbursements were not consistently supported by invoices or other documentation.
- Not all disbursements were approved by the City Council.
- The City incurred finance charges and late payment fees because the former City Clerk did not pay certain City obligations in a timely manner.

Recommendation – All City disbursements should be approved by the City Council prior to payment, with the exception of those specifically allowed by a City Council approved policy. For those disbursements paid prior to City Council approval, a listing should be provided to the City Council at the next City Council meeting for review and approval. To strengthen internal control, each check should be prepared and signed by one person and detailed supporting vouchers and invoices should be provided, along with the check, to an independent individual for review and countersignature.

F. Travel Reimbursement Policy – The City does not have a travel reimbursement policy addressing mileage rates or limits on meals and lodging or the required supporting documentation to be provided along with the travel reimbursement form submitted to the City.

Recommendation – City officials should develop and implement a travel reimbursement policy establishing mileage reimbursement rates, limits on meals and lodging and requiring original, itemized receipts for all disbursements.

G. Reconciliation of Utility Billings, Collections, and Delinquent Accounts – The former City Clerk had sole responsibility for preparing utility billings, collecting payments, and recording the payments in the accounting system. We determined reconciliations of utility billings and collections and delinquent accounts were not required, prepared, or reviewed by the City Council. We also determined supporting documentation was not maintained for adjustments posted to customers’ accounts.

In addition, we identified service or late fees were not consistently applied, accounts in arrears were not shut off, city policies related to temporary shut offs were not adhered to, and some accounts were not consistently billed for services provided.

Recommendation – Procedures should be established to ensure utility billings are reconciled to subsequent collections and delinquent accounts for each billing period. The City Council, or an independent individual designated by the City Council, should review the reconciliations and monitor delinquencies. Delinquent accounts should not be written off without City Council approval.

In addition, City officials should establish policies and procedures and ensure compliance with policies regarding service or late fees and accounts in arrears such as, shut offs and liens.

H. Payroll – During our review of payroll, we identified numerous instances where the City Clerk was paid at salary rates that were unapproved, paid for hours not worked, received comp time payouts calculated on hours that were not earned, received vacation and sick leave balance payouts calculated on hours that were not earned, and numerous instances of non-payroll payments and salary that was incorrectly reported to IPERS.

Recommendation – City officials should implement procedures to ensure appropriate payroll records are maintained. City officials should also periodically review payroll records to ensure payroll is calculated properly.

In addition, a City official who is familiar with the City Clerk's actions should review and approve the City Clerk's timesheet for each pay period. The review and approval should be documented by the signature or initials of the reviewer and the date of approval and information from the timesheets should be periodically compared to the information recorded in the City's payroll system.

- I. Discriminatory Rates – Section 388.6 of the Code of Iowa states, “A city utility or a combined utility system may not provide use or service at a discriminatory rate, except to the City or its agencies, as provided in section 384.91.” The City provides a discounted rate for trash and recycling to individuals over 60 years of age as a “senior citizen” rate and an increased rate for “family” trash and recycling services.

Recommendation – City officials should implement procedures which ensure nondiscriminatory utility rates are used for all customers.

- J. Donations – We identified two payments from the City's bank account to Benton County Extension and one payment to Atkins Elementary School which were described as donations in the City's general ledger. The Constitution of the State of Iowa prohibits governmental bodies from making a gift to a private non-profit corporation. Article III, Section 31 of the Iowa Constitution states, in part, “...no public money or property shall be appropriated for local, or private purposes...”

At least six official Iowa Attorney General Opinions since 1972 have consistently concluded that “a governmental body may not donate public funds to a private entity, even if the entity is established for charitable or educational purposes and performs work which the government could perform directly.” The Opinions further state, “Even if the function of a private non-profit corporation fits within the scope of activities generally recognized as serving a public purpose, a critical question exists regarding whether funds or property transferred to a private entity will indeed be used for those public purposes.”

Recommendation – Members of the City Council should establish procedures which ensure all expenditures comply with Article III, Section 31 of the Iowa Constitution.

- K. Oversight by City Officials and Prior Reports – City officials have a fiduciary responsibility to provide oversight of the City's operations and financial transactions. Oversight is typically defined as the “watchful and responsible care” a governing body exercises in its fiduciary capacity.

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

Recommendation – Oversight by City officials is essential and should be an ongoing effort. City officials should exercise due care and review all pertinent information. City officials should also ensure sufficient information is prepared and provided to them for making decisions and appropriate policies and procedures are adopted, implemented, and monitored to ensure compliance.

- L. Reports to the IRS – The former City Clerk improperly submitted 1099s for vendors rather than contract employees for the year ended December 31, 2018. As a result, the City received notifications from the IRS. The City also received 941 statements from the IRS which identified instances of penalties, overpayments, credits, and interest charges. Because sufficient documentation was not available from the City, we were unable to determine what amounts, if any, the City paid or may still owe the IRS.

Recommendation – City officials continue to try to contact an IRS representative to determine what amount, if any, is still owed for the City’s obligations. City officials should also work with legal counsel to determine an appropriate disposition of this matter.

- M. Waste Management Tags – Manual receipts are prepared for collections from the sale of waste management tags. However, sufficient records are not maintained which allowed us to determine if all collections are properly recorded. Specifically, beginning and ending inventory counts are not recorded and properly reconciled with purchases and sales of waste management tags and the number of tags on hand.

Recommendation – Receipts from the sale of waste management tags should be recorded in the City’s accounting system and the monthly City officials should implement procedures which ensure periodic inventories of waste management tags are performed. Specifically, the beginning and ending inventory of the tags on hand should be reconciled with purchases and sales of waste management tags, including any excess tags that are repurchased from residents. In addition, the number of tags purchased should be reconciled to billings from the vendor and the number of tags sold should be reconciled to the manual receipts maintained by the City to ensure all collections are properly recorded and subsequently deposited. The reconciliations should be performed by someone independent of the custody and recordkeeping duties associated with the tags and any variances should be resolved in a timely manner.

Exhibits

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

Report on Special Investigation
of the City of Atkins

Summary of Findings
For the Period July 1, 2015 through January 31, 2021

Description	Exhibit / Table / Page Number	Improper	Unsupported	Total
Improper and unsupported disbursements:				
Checks issued to Amber Bell:				
Excess wages	Exhibit B	\$ 4,285.25	-	4,285.25
Excess comp time payments	Exhibit C	914.18	-	914.18
Comp time payments in excess of IPERS rules	Page 12	427.14	-	427.14
Holiday bonus checks	Table 4	645.90	-	645.90
Reimbursements for health insurance	Table 6 / Page 14	1,733.44	6,740.70	8,474.14
Separation agreement payments	Table 9	3,201.91	-	3,201.91
Other reimbursements	Exhibit D	5,984.46	246.52	6,230.98
Subtotal of checks issued to Amber Bell		17,192.28	6,987.22	24,179.50
Holiday bonuses to employees	Table 10	2,637.43	-	2,637.43
Insurance premium payments*	Table 11	21,291.37	-	21,291.37
Contributions for excess gross wages reported to IPERS	Table 12	3,468.41	-	3,468.41
Credit card charges:				
Improper and unsupported purchases	Exhibits E and F	2,035.75	12,190.18	14,225.93
Late fees and interest	Exhibit G	1,239.50	-	1,239.50
Payment from unknown source	Page 21	(633.14)	-	(633.14)
Other vendor payments and cash withdrawals	Exhibits H and I	3,799.16	2,077.98	5,877.14
IPERS late fees and interest	Page 23	567.83	-	567.83
Subtotal of improper and unsupported disbursements		51,598.59	21,255.38	72,853.97
Unbilled and uncollected utility charges and fees:				
Late Fees	Exhibit J	3,645.00	-	3,645.00
Non-sufficient funds	Exhibit K	625.00	-	625.00
Snowbird accounts	Exhibit L	15,685.00	-	15,685.00
Unbilled services	Exhibit M	7,841.53	-	7,841.53
Landfill credit adjustment	Page 24	145.00	-	145.00
Subtotal of unbilled and uncollected utility charges and fees		27,941.53	-	27,941.53
Totals		\$ 79,540.12	21,255.38	100,795.50

* - Net amount of overcollections and undercollections.

Report on Special Investigation
of the City of Atkins

Excess Payroll Costs
For the Period July 1, 2015 through January 31, 2021

Per City Records						
Pay Period	Date	Check Number	Gross Pay	Deductions	Taxes	Net Pay Amount
12/17/15 - 12/30/15	12/29/15	2817	\$ 2,670.64	(158.90)	(470.26)	2,041.48
03/24/16 - 04/06/16	04/04/16	2975^	2,058.94	(122.51)	(297.21)	1,639.22
Total for fiscal year 2016			4,729.58	(281.41)	(767.47)	3,680.70
06/30/16 - 07/13/16	07/12/16	3197	2,070.40	(123.19)	(318.72)	1,628.49
10/20/16 - 11/02/16	11/07/16	3415	2,277.44	(135.51)	(375.95)	1,765.98
01/26/17 - 02/08/17	02/08/17	3659	2,070.00	(123.17)	(317.31)	1,629.52
02/09/17 - 02/22/17	02/21/17	3696	2,070.00	(123.17)	(317.31)	1,629.52
02/23/17 - 03/08/17	03/07/17	3726	2,070.00	(123.17)	(317.31)	1,629.52
03/09/17 - 03/22/17	03/20/17	3754	2,070.00	(123.17)	(317.31)	1,629.52
03/23/17 - 04/05/17	04/03/17	3803	2,070.00	(123.17)	(317.31)	1,629.52
04/06/17 - 04/19/17	04/17/17	3814	2,070.00	(123.17)	(317.31)	1,629.52
04/20/17 - 05/03/17	05/01/17	3849	2,070.00	(123.17)	(317.31)	1,629.52
05/04/17 - 05/17/17	05/15/17	3873	2,070.00	(123.17)	(317.31)	1,629.52
05/18/17 - 05/31/17	05/31/17	3906	2,070.00	(123.17)	(317.31)	1,629.52
06/01/17 - 06/14/17	06/12/17	3965	2,070.00	(123.17)	(317.31)	1,629.52
06/15/17 - 06/28/17	06/27/17	4005	2,070.00	(123.17)	(317.31)	1,629.52
Total for fiscal year 2017			27,117.84	(1,613.57)	(4,185.08)	21,319.19
06/29/17 - 07/12/17	07/11/17	4055	2,132.80	(126.90)	(333.08)	1,672.82
Total for fiscal year 2018			2,132.80	(126.90)	(333.08)	1,672.82
06/28/18 - 07/11/18	07/06/18	4932	2,164.80	(136.17)	(326.28)	1,702.35
07/12/18 - 07/25/18	07/24/18	4962	2,196.80	(138.18)	(333.72)	1,724.90
07/26/18 - 08/08/18	08/06/18	5013	3,294.80	(207.24)	(616.67)	2,470.89
08/09/18 - 08/22/18	08/20/18	5041	3,295.60	(207.29)	(218.77)	2,869.54
08/23/18 - 09/05/18	09/04/18	5076	2,196.80	(138.18)	(333.72)	1,724.90
09/06/18 - 09/19/18	09/17/18	5102	2,196.80	(138.18)	(333.72)	1,724.90
06/13/19 - 06/26/19	06/14/19	5791	2,196.00	(138.13)	(333.58)	1,724.29
Total for fiscal year 2019			17,541.60	(1,103.37)	(2,496.46)	13,941.77

Authorized Gross Salary	Gross Salary for Comp Time Payment	Total Gross Salary	Improper Disbursements			
			Gross Pay	Employer's Share		Total
				FICA	IPERS	
2,000.00	-	2,000.00	670.64	51.30	59.89	781.83
2,000.00	-	2,000.00	58.94	4.51	5.26	68.71
4,000.00	-	4,000.00	729.58	55.81	65.15	850.54
2,056.32		2,056.32	14.08	1.07	1.26	16.41
2,070.40	-	2,070.40	207.04	15.84	18.49	241.37
2,070.40	-	2,070.40	(0.40)	(0.03)	(0.04)	(0.47)
2,070.40	-	2,070.40	(0.40)	(0.03)	(0.04)	(0.47)
2,070.40	-	2,070.40	(0.40)	(0.03)	(0.04)	(0.47)
2,070.40	-	2,070.40	(0.40)	(0.03)	(0.04)	(0.47)
2,070.40	-	2,070.40	(0.40)	(0.03)	(0.04)	(0.47)
2,070.40	-	2,070.40	(0.40)	(0.03)	(0.04)	(0.47)
2,070.40	-	2,070.40	(0.40)	(0.03)	(0.04)	(0.47)
2,070.40	-	2,070.40	(0.40)	(0.03)	(0.04)	(0.47)
2,070.40	-	2,070.40	(0.40)	(0.03)	(0.04)	(0.47)
2,070.40	-	2,070.40	(0.40)	(0.03)	(0.04)	(0.47)
2,070.40	-	2,070.40	(0.40)	(0.03)	(0.04)	(0.47)
26,901.12	-	26,901.12	216.72	16.58	19.31	252.61
2,120.32	-	2,132.32	12.48	0.96	1.11	14.55
2,120.32	-	2,132.32	12.48	0.96	1.11	14.55
2,158.40	-	2,158.40	6.40	0.49	0.60	7.49
2,164.80	-	2,164.80	32.00	2.45	3.02	37.47
2,164.80	1,082.40	3,247.20	47.60	3.64	4.50	55.74
2,164.80	1,082.40	3,247.20	48.40	3.70	4.57	56.67
2,164.80	-	2,164.80	32.00	2.45	3.02	37.47
2,171.20	-	2,171.20	25.60	1.96	2.42	29.98
2,196.80	-	2,196.80	(0.80)	(0.06)	(0.08)	(0.94)
15,185.60	2,164.80	17,350.40	191.20	14.63	18.05	223.88

Report on Special Investigation
of the City of Atkins

Excess Payroll Costs
For the Period July 1, 2015 through January 31, 2021

Per City Records						
Pay Period	Date	Check Number	Gross Pay	Deductions	Taxes	Net Pay Amount
07/11/19 - 07/24/19	07/25/19	5881	2,284.67	(143.71)	(354.81)	1,786.15
	07/25/19	5887	88.00	(5.54)	(6.74)	75.72
07/25/19 - 08/07/19	08/05/19	5924	2,284.67	(143.71)	(354.81)	1,786.15
08/08/19 - 08/21/19	08/19/19	5955	2,284.67	(143.71)	(354.81)	1,786.15
08/22/19 - 09/04/19	09/03/19	5968	2,284.67	(143.71)	(354.81)	1,786.15
09/05/19 - 09/18/19	09/16/19	6028	2,284.67	(143.71)	(354.81)	1,786.15
09/19/19 - 10/02/19	09/30/19	6066	2,284.67	(143.71)	(354.81)	1,786.15
10/03/19 - 10/16/19	10/16/19	6104	2,284.67	(143.71)	(354.81)	1,786.15
10/17/19 - 10/30/19	10/30/19	6145	2,284.67	(143.71)	(354.81)	1,786.15
10/31/19 - 11/13/19	11/11/19	6179	2,284.67	(143.71)	(354.81)	1,786.15
11/14/19 - 11/27/19	11/26/19	6214	2,284.67	(143.71)	(354.81)	1,786.15
11/28/19 - 12/11/19	12/10/19	6243	2,284.67	(143.71)	(354.81)	1,786.15
12/12/19 - 12/25/19	12/23/19	6286	2,284.67	(143.71)	(354.81)	1,786.15
12/26/19 - 01/08/20	01/07/20	6322	2,353.60	(148.04)	(353.29)	1,852.27
01/09/20 - 01/22/20	01/23/20	6357	2,353.60	(148.04)	(353.29)	1,852.27
01/23/20 - 02/05/20	02/04/20	6398	2,353.60	(148.04)	(353.29)	1,852.27
02/06/20 - 02/19/20	02/17/20	6409	2,353.60	(148.04)	(353.29)	1,852.27
02/20/20 - 03/04/20	03/02/20	6421	2,353.60	(148.04)	(353.29)	1,852.27
03/05/20 - 03/18/20	03/16/20	6450	2,353.60	(148.04)	(353.29)	1,852.27
03/19/20 - 04/01/20	03/31/20	6510	2,353.60	(148.04)	(353.29)	1,852.27
Total for fiscal year 2020			43,979.24	(2,766.34)	(6,737.49)	34,475.41
11/26/20 - 12/09/20	12/11/20	7184	2,516.92	(158.31)	(394.16)	1,964.45
12/10/20 - 12/21/20	12/25/20	7223	2,262.40	(142.30)	(330.08)	1,790.02
Total for fiscal year 2021			4,779.32	(300.61)	(724.24)	3,754.47
Total			\$ 100,280.38	(6,192.20)	(15,243.82)	78,844.36

^ - Check number is per check image. There was a data entry error for the check number in the City's records.

- No authorized gross pay for this pay period because of an unpaid medical leave.

Authorized Gross Salary	Gross Salary for Comp Time Payment	Total Gross Salary	Improper Disbursements			
			Gross Pay	Employer's Share		Total
				FICA	IPERS	
2,196.80	-	2,196.80	87.87	6.72	8.29	102.88
-	-	-	88.00	6.73	8.31	103.04
2,196.80	-	2,196.80	87.87	6.72	8.29	102.88
2,196.80	-	2,196.80	87.87	6.72	8.29	102.88
2,196.80	-	2,196.80	87.87	6.72	8.29	102.88
2,196.80	-	2,196.80	87.87	6.72	8.29	102.88
2,196.80	-	2,196.80	87.87	6.72	8.29	102.88
2,196.80	-	2,196.80	87.87	6.72	8.29	102.88
2,196.80	-	2,196.80	87.87	6.72	8.29	102.88
2,196.80	-	2,196.80	87.87	6.72	8.29	102.88
2,196.80	-	2,196.80	87.87	6.72	8.29	102.88
2,196.80	-	2,196.80	87.87	6.72	8.29	102.88
2,196.80	-	2,196.80	87.87	6.72	8.29	102.88
2,236.16	-	2,236.16	117.44	8.98	11.09	137.51
2,262.40	-	2,262.40	91.20	6.98	8.61	106.79
2,262.40	-	2,262.40	91.20	6.98	8.61	106.79
2,262.40	-	2,262.40	91.20	6.98	8.61	106.79
2,262.40	-	2,262.40	91.20	6.98	8.61	106.79
2,262.40	-	2,262.40	91.20	6.98	8.61	106.79
2,262.40	-	2,262.40	91.20	6.98	8.61	106.79
42,172.16	-	42,172.16	1,807.08	138.23	170.54	2,115.85
2,262.40	-	2,262.40	254.52	19.47	24.03	298.02
1,809.92	-	1,809.92	452.48	34.61	42.71	529.80
4,072.32	-	4,072.32	707.00	54.08	66.74	827.82
94,451.52	2,164.80	96,628.32	3,664.06	280.29	340.90	4,285.25

Report on Special Investigation
of the City of Atkins

Comp Time Payouts
For the Period July 1, 2015 through January 31, 2021

Per City Records						Authorized Comp Time Payout		
Date	Check Number	Gross	Deducts	Taxes	Net	Number of Comp Time Hours Paid Out	Authorized Hourly Pay Rate	Authorized Gross Pay for Payout
# 03/08/16	2935	\$ 3,187.50	189.66	635.97	2,361.87	47.50	\$ 25.00	1,187.50
06/14/16	3118	2,000.00	119.00	301.72	1,579.28	80.00	25.00	2,000.00
10/15/16	3385	2,730.34	162.46	503.49	2,064.39	90.075	25.88	2,331.14
# 09/05/17	4176	4,265.60	253.80	945.13	3,066.67	80.00	26.66	2,132.80
10/02/17	4248	2,132.80	126.90	333.08	1,672.82	75.88	26.66	2,022.83
05/15/18	4783	2,132.80	126.90	319.56	1,686.34	80.00	26.66	2,132.80
# 08/08/18	5013	3,294.80	207.24	616.67	2,470.89	40.00	27.06	1,082.40
# 08/20/18	5041	3,295.60	207.29	218.77	2,869.54	40.00	27.06	1,082.40
01/07/19	5396	2,196.80	138.18	333.72	1,724.90	80.00	27.46	2,196.80
05/21/19	5688	2,196.80	138.18	333.72	1,724.90	80.00	27.46	2,196.80
09/30/19	6060	2,284.67	143.71	354.81	1,786.15	80.00	27.46	2,196.80
01/07/20	6324	2,353.60	148.04	353.29	1,852.27	80.00	28.28	2,262.40
03/02/20	6416	2,353.60	148.04	353.29	1,852.27	80.00	28.28	2,262.40
05/28/20	6648	2,262.40	142.30	267.83	1,852.27	80.00	28.28	2,262.40
08/07/20	6863	2,262.40	142.30	267.83	1,852.27	80.00	28.28	2,262.40
09/29/20	7008	2,262.40	142.30	267.83	1,852.27	80.00	28.28	2,262.40
Totals		\$ 41,212.11	2,536.30	6,406.71	32,269.10	1,173.45		\$ 31,874.27

- Comp time payout was included in a payroll check issued to Ms. Bell.

^^ - Improper portion of check was included in **Exhibit B**.

Total Authorized Gross Payment			Improper Disbursements			
Comp Time Payout	Bi-weekly Payroll	Total Authorized Gross Pay	Employer's Share			Total
			Gross Pay	FICA	IPERS	
1,187.50	2,000.00	3,187.50	-	-	-	-
2,000.00	-	2,000.00	-	-	-	-
2,227.62	-	2,227.62	502.72	38.46	44.89	586.07
2,132.80	2,132.80	4,265.60	-	-	-	-
2,122.80	-	2,122.80	10.00	0.76	0.89	11.65
2,132.80	-	2,132.80	-	-	-	-
1,082.40	2,164.80	3,247.20	^^	^^	^^	^^
1,082.40	2,164.80	3,247.20	^^	^^	^^	^^
2,196.80	-	2,196.80	-	-	-	-
2,196.80	-	2,196.80	-	-	-	-
2,196.80	-	2,196.80	87.87	6.72	8.29	102.88
2,262.40	-	2,262.40	91.20	6.98	8.61	106.79
2,262.40	-	2,262.40	91.20	6.98	8.61	106.79
2,262.40	-	2,262.40	-	-	-	-
2,262.40	-	2,262.40	-	-	-	-
2,262.40	-	2,262.40	-	-	-	-
31,870.72	8,462.40	40,333.12	782.99	59.90	71.29	914.18

Report on Special Investigation
of the City of Atkins

Reimbursement Payments Issued to Amber Bell
For the Period July 1, 2015 through January 31, 2021

Per Check Image			Description Per Support or Check Stub
Check Date	Check Number	Check Amount	
07/20/15	2364	\$ 18.00	Garb Tags
04/04/16	2980	289.36	<i>No support available</i>
08/24/16	3288	25.30	Drove to Vinton to sign paperwork
12/22/16	3568	25.30	Mileage Reimbursement for Trip to Vinton to file TIFF report on 11/29/16
01/05/17	3593	13.91	26 miles at .535 fed mileage
05/01/17	3856	356.45	# Travel Reimbursement 4-2017
10/31/17	4319	294.89	<i>No support available</i>
12/21/17	4465	90.09	<i>No support available</i>
03/05/18	4607	4,803.59	<i>No support available</i>
05/15/18	4784	79.39	Rate .535 2 - vinton IC MLA per check stub; 2 trips to Vinton for MLA Part 3 meeting on 4/7
08/07/18	5020	310.65	<i>No support available</i>
5/21/2019	5689	95.58	95.58 5-21-19
07/25/19	5889	639.16	Mileage Reimbursement - 4/23/19 to Vanhorn RT to drop Newsletter off; 5/16/19 to Vinton RT to file paperwork; 5/20/19 to Vinton RT to file paperwork; 5/28/19 to Vanhorn RT to drop off newsletter; 7/16/19, 7/18/19, 7/22/19-7/24/19 daily to Ames RT for Training; 7/25/19 to Vanhorn RT to drop Newsletter off - Total of 1,102 miles at .58 per mile
02/04/20	6404	228.52	<i>Mileage Reimbursement per Council minutes</i>
Total		<u>\$ 7,270.19</u>	

- Check number 3856 was issued for \$356.45, but \$305.85 of it was for health insurance reimbursement. Only the remaining \$50.60 portion is included in this Exhibit.

Note: Auditor's notations are in italics.

Improper	Unsupported	Reasonable
\$ -	18.00	-
289.36	-	-
-	-	25.30
-	-	25.30
13.91	-	-
50.60	-	-
294.89	-	-
90.09	-	-
4,803.59	-	-
35.79	-	43.60
310.65	-	-
95.58	-	-
-	-	639.16
-	228.52	-
\$ 5,984.46	246.52	733.36

Report on Special Investigation
of the City of Atkins

Improper Credit Card Purchases
For the Period July 1, 2015 through January 31, 2021

Per Credit Card Statement			
Card	Date	Description	Amount
XXXX-4733/5663			
	11/10/17	AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	\$ 8.48
	11/10/17	AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	8.58
	02/23/18	NAIL WORLD CEDAR RAPIDS IA	50.00
	04/12/18	AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	47.00
	04/30/18	CTYOFATKN-SVCFEE 3194467870 IA	1.25
	08/07/18	TRAVELOCITY*7371 765780 WWW.TVLY.COM WA	929.12
	10/12/18	WAL-MART #1 528 CEDAR RAPIDS IA	32.31
	10/17/18	AMZN Mktp US*MT8W8YRO Amzn.comibill WA	175.44
	02/12/19	AMZN Mktp USMI1 IB7JYO Amzn.comibill WA	128.00
	02/26/19	AMZN Mktp U5M17185P02 Amzn.comibill WA	19.14
	02/26/19	AMZN Mktp U5M192F4631 Amzn.com/bill WA	8.72
	07/22/19	THE DEPOT ATKINS ATKINS IA	5.35
	08/15/19	AMZN Mktp US*MA34N3WB1 Amzn.comibill WA	19.95
	08/22/19	AMZN Mktp US*MA6I H5Y90 Amzn.combill WA	7.99
	08/27/19	FEDERATED MINT 888-8173079 OH	1,885.00
	08/28/19	Amazon.com*M04K663B0 Amzn.combill WA	11.99
	08/30/19	AMZN Mktp US*MO3SN9T1 0 Amzn.combill WA	11.99
	09/06/19	FEDERATED MINT 888-8173079 OH	(1,885.00)

Description Per Support	Improper	Reasonable
9GreenBox - Golden Devil's Ivy - Pothos - Epipremnum - 4" Pot - Very Easy to Grow Live Plant Ornament Décor for Home, Kitchen, Office, Table, Desk - Attracts Zen, Luck, Good Fortune - Non-GMO, Grown in the USA	\$ 8.48	-
Heart Leaf Philodendron - Easiest House Plant to Grow - 4" Pot - Live Plant	8.58	-
Acrylic Gelac - French Tips & \$8.00 Tip	50.00	-
2 - Pop Secret Popcorn, Homestyle, 3 Ounce (Pack of 30) <i>Shipping Address was Amber Bell's personal residence</i>	47.00	-
<i>Support not available</i>	1.25	-
<i>Support not available</i>	929.12	-
Popcorn, Doritos, 20 oz pop	32.31	-
<i>Reasonable: Minute Book Improper: BROWNING Dryer sheets by sun</i>	24.10	151.34
<i>Reasonable: 2 reams of yellow paper, paper clips, metal binder clips, Digital Voice Recorder, tape Improper: phone charger, USB wall charger</i>	21.98	106.02
Bluetooth Headphones with noise cancelling	19.14	-
Sony Earbud Headphones	8.72	-
2 slices of breakfast pizza	5.35	-
White Athletic Sports Tape (8-Pack) - Easy Tear Zigzag Edge with No Sticky Residue, Hypoallergenic, Latex Free, Easy on Skin – Used by Pro Athletes and Coaches -1.5” x 10 Yards	19.95	-
Glitter Gel Pens Set 24 Colored Glitter Pen with 24 Refills for Adult Coloring Books Craft Drawing Doodling, 40% More Ink	7.99	-
<i>Support not available</i>	1,885.00	-
Play-Doh Bulk Spring Colors 12-Pack of Non-Toxic Modeling Compound, 4-Ounce Cans	11.99	-
Play-Doh Bulk Winter Colors 12-Pack of Non-Toxic Modeling Compound, 4-Ounce Cans	11.99	-
<i>Support not available</i>	(1,885.00)	-

Report on Special Investigation
of the City of Atkins

Improper Credit Card Purchases
For the Period July 1, 2015 through January 31, 2021

Per Credit Card Statement			
Card	Date	Description	Amount
	09/26/19	SAMS MEMBERSHIP 800-288-7787 AR	95.00
	10/15/19	FIESTA MEXICAN RESTAURANT NORTH LIBERTY IA	18.05
	12/10/19	AMZN Mktp USNP6RJ2JX3 Amzn.com/bill WA	24.62
	02/06/20	AMZN Mktp US*ZA9HM8ZR3 Amzn.combill WA	19.99
	Subtotal for XXXX-4733/5663		1,622.97
XXXX-7823			
	06/16/16	LIFELOC*STANDARD 800-5433562 AZ	109.89
	06/16/16	LIFELOC*STANDARD 800-5433562 AZ	109.89
	06/15/17	LIFELOC*STANDARD 800-5433562 AZ	(0.20)
	06/16/17	LIFELOC*STANDARD 800-5433562 AZ	109.89
	06/15/18	LIFELOC*STANDARD 800-5433562 AZ	(0.18)
	06/19/19	Amazon.com*M67RW9880 Amzn.combill WA	58.46
	03/04/20	THEBIGSTEER ALTOONA IA	259.92
	07/11/20	AMZN Mktp USMJ5KS4STO Amzn.comibill WA	99.43
	Subtotal for XXXX-7823		747.10
XXXX-3801			
	12/25/17	Amazon Video On Demand AMZN.COM/bill WA	14.99
	12/25/17	Amazon Video On Demand AMZN.COM/bill WA	14.99
	Subtotal for XXXX-3801		29.98
Total			\$ 2,400.05

NOTE: Auditor's notations are italics.

Description Per Support	Improper	Reasonable
Support not available	95.00	-
Support not available	18.05	-
Reasonable: EXPO Low Odor Dry Erase Markers, Classic Rubber Door Stopper Wedge Improper: Apple Lightning to 3.5 mm Headphone Jack Adapter	8.79	15.83
50 Foot Outdoor Extension Cord	19.99	-
	1,349.78	273.19
Support not available	109.89	-
Support not available	109.89	-
Support not available	(0.20)	-
Support not available	109.89	-
Support not available	(0.18)	-
Reasonable: Books Improper: Champion Sports 16-Inch Wood Scooter Board	36.79	21.67
Support not available	259.92	-
Books; GARUNK Solar Robot Kit Learning & Educational Toys for Kids, 12 in 1 STEM Toys & Nicesh 4.5 L Plastic Storage Box, Clear Latch Box, 4-Pack	29.99	69.44
	655.99	91.11
Support not available	14.99	-
Support not available	14.99	-
	29.98	-
	\$ 2,035.75	364.30

Report on Special Investigation
of the City of Atkins

Unsupported Credit Card Purchases
For the Period July 1, 2015 through January 31, 2021

Per Credit Card Statement			
Card	Date	Description	Amount
XXXX-4733/5663			
	03/04/16	HYVEE 1061 CEDAR RAPIDS IA	\$ 4.26
	12/30/16	THE DEPOT ATKINS ATKINS IA	11.77
	12/30/16	SQ *THE DEPOT EXPRE 877-417-4551 IA	113.36
	03/21/17	AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	7.84
	03/22/17	Amazon.com AMZN.COM/BILL WA	144.15
	08/03/17	HYVEE 1056 CEDAR RAPIDS IA	18.18
	03/12/18	VISTAPR*VistaPrint.com 866-8936743 MA	57.94
	07/24/18	THE IOWASTATER RESTAUR AMES IA	11.99
	07/25/18	JIMMY JOHNS # 011 AMES IA	7.37
	07/25/18	CASEYS GEN STORE 2653 TOLEDO IA	2.78
	08/28/18	UBIQUITI NETWORKS, INC. 646-7807958 NY (Technology vendor that sells wifi equipment)	330.29
	10/12/18	SAMSCLUB #8162 CEDAR RAPIDS IA	4.26
	02/01/19	HYVEE 1061 CEDAR RAPIDS IA	15.45
	07/16/19	THE IOWASTATER RESTAUR AMES IA	11.99
	08/08/19	WAL-MART#2716 CEDAR RAPIDS IA	25.29
	05/07/20	SP * UBIQUITI INC. HTTPSTRUFF.MY NY (Technology vendor that sells wifi equipment)	322.06
	05/21/20	STAPLES DIRECT 800-3333330 MA	1,302.44
	08/22/20	SAFELITE E-COMMERCE 614-210-9192 OH	320.97
	09/25/20	SAMSCLUB #8162 CEDAR RAPIDS IA	140.00
Subtotal for XXX-4733/5663			2,852.39
XXXX-7823			
	10/31/15	WM SUPERCENTER#2716 CEDAR RAPIDS IA	54.97
	11/29/15	TARGET 00017715 CEDAR RAPIDS IA	46.47
	02/05/16	VISTAPR*VistaPrint.com 866-8936743 MA	17.73
	03/23/16	ORIENTAL TRADING CO 800-228-0475 NE	62.97

Report on Special Investigation
of the City of Atkins

Unsupported Credit Card Purchases
For the Period July 1, 2015 through January 31, 2021

Per Credit Card Statement			
Card	Date	Description	Amount
	04/19/16	ORIENTAL TRADING CO 800-228-0475 NE	79.95
	05/07/16	HOBBY LOBBY #619 CEDAR RAPIDS IA	12.83
	05/21/16	FURNITURE ROW #34 MARION IA	572.45
	05/21/16	FURNITURE ROW #34 MARION IA	(7.57)
	06/11/16	GOPHER SPORT 877-699-7927 MN	22.95
	08/19/16	WALMART.COM 8009666546 800-966-6546 AR	65.11
	04/13/17	MICHAELS STORES 3002 MARION IA	39.00
	08/31/17	WAL-MART #2716 CEDAR RAPIDS IA	69.14
	09/02/17	MICHAELS STORES 3002 MARION IA	19.54
	09/02/17	HOBBY LOBBY #619 CEDAR RAPIDS IA	4.46
	09/16/17	MICHAELS STORES 3002 MARION IA	34.97
	09/16/17	WAL-MART #1 528 CEDAR RAPIDS IA	20.72
	09/19/17	DOLLAR TREE CEDAR RAPIDS IA	10.70
	05/14/18	CRESTLINE SPECIALTIES 2077777075 ME	216.28
	05/25/18	OTC BRANDS, INC. 800-2280475 NE	41.97
	06/02/18	THEISEN'S #14 CEDAR RAPIDS IA	114.78
	06/02/18	THEISENS #14 CEDAR RAPIDS IA	8.01
	06/21/18	WALMART.COM 8009666546 800-966-6546 AR	39.51
	06/25/18	WALMART.COM 8009666546 800-966-6546 AR	15.88
	07/04/18	TARGET 00017715 CEDAR RAPIDS IA	40.64
	08/14/18	OTC BRANDS, INC. 800-2280475 NE	152.91
	09/06/18	MICHAELS STORES 3002 MARION IA	12.31
	09/06/18	JOANN STORES #2306 CEDAR RAPIDS IA	8.01
	09/07/18	MICHAELS.COM 800-642-4235 PA	14.94
	09/08/18	SCRAPBOOK.COM 800-727-2726 AZ	77.44
	09/08/18	MICHAELS.COM 800-6424235 PA	24.23
	09/08/18	MICHAELS STORES 8757 CORALVILLE IA	8.96

Report on Special Investigation
of the City of Atkins

Unsupported Credit Card Purchases
For the Period July 1, 2015 through January 31, 2021

Per Credit Card Statement			
Card	Date	Description	Amount
	01/04/20	TARGET 00017715 CEDAR RAPIDS IA	42.80
	01/13/20	OTC BRANDS INC 800-2280475 NE	20.88
	02/22/20	TARGET 00017715 CEDAR RAPIDS IA	30.12
	02/27/20	TARGETCOM * 800-591-3869 MN	181.89
	04/27/20	OTC BRANDS INC 800-2280475 NE	341.11
	05/01/20	OTC BRANDS INC 800-2280475 NE	373.79
	05/14/20	OTC BRANDS INC 800-2280475 NE	231.91
	05/28/20	STAPLES 00102723 CEDAR RAPIDS IA	30.46
	05/30/20	WALMART.COM 800-966-6546 AR	37.07
	05/31/20	HY-VEE CEDAR RAPIDS 1064 CEDAR RAPIDS IA	16.44
	07/11/20	MENARDS CEDAR RAPIDS S CEDAR RAPIDS IA	10.68
	Subtotal for XXX-7823		3,219.41
XXXX-6895			
	11/30/15	WM SUPERCENTER#2716 CEDAR RAPIDS IA	25.17
	02/08/17	MIDWEST WHEEL CO CR CEDAR RAPIDS IA	24.62
	09/08/17	HD SUPPLY WHITE CAP #123	179.98
	09/29/17	STAPLES 00102723 CEDAR RAPIDS IA	323.49
	05/16/18	STAPLES 00102723 CEDAR RAPIDS IA	69.54
	10/13/18	PAYPAL WWGRAINGER 402-935-7733 CA	14.15
	08/02/19	Amazon.com*MA6LK5JEO Amzn.com/bill WA	46.46
	09/20/19	FLEET FARM 5800 CEDAR RAPIDS IA	2.13
	09/24/19	FLEET FARM 5800 CEDAR RAPIDS IA	10.46
	09/24/19	WM SUPERCENTER #1528 CEDAR RAPIDS IA	3.60
	10/03/19	THE SLED SHED CEDAR RAPIDS IA	173.44
	02/03/20	STAPLES 00102723 CEDAR RAPIDS IA	49.51
	02/04/20	STAPLES 00102723 CEDAR RAPIDS IA	(17.19)
	04/06/20	BESTBUYCOM805772453108 888-BESTBUY MN	106.99

Report on Special Investigation
of the City of Atkins

Unsupported Credit Card Purchases
For the Period July 1, 2015 through January 31, 2021

Per Credit Card Statement			
Card	Date	Description	Amount
	04/21/20	USCELL 3011 CEDAR RAPIDS IA	148.30
	08/11/20	THE DEPOT EXPRESS #7 NORWAY IA	30.24
	08/14/20	LINN COOP OIL COMPANY NEWHALL IA	18.01
	11/12/20	SMARTPHONES PLUS CEDAR RAPIDS IA	106.98
	Subtotal for XXX-6895		1,315.88
XXXX-3801			
	03/23/17	USCELL 3011 CEDAR RAPIDS IA	40.24
	08/03/17	HARBOR FREIGHT TOOLS 258 CEDAR RAPIDS	23.96
	09/12/17	ACME TOOLS #430 CEDAR RAPIDS IA	50.98
	09/13/17	ACME TOOLS #430 CEDAR RAPIDS IA	(50.98)
	09/28/17	ACME TOOLS #430 CEDAR RAPIDS IA	18.99
	07/14/18	AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	20.76
	09/13/18	BATTERIES PLUS #0126 CEDAR RAPIDS IA	19.98
	01/14/19	AMZN Mktp US*MB86761W0 Amzn.corn/bill WA	19.23
	04/06/19	Amazon.com*MW7XJ4SS2 Amzn.comibill WA	15.62
	04/30/19	AMZN Mktp *US*MZ2LPODV2 Amzn.com/bill WA	9.92
	05/01/19	AMZN Mktp US*MZ4VD16V2 Amzn.com/bill WA	60.21
	09/27/19	FLEET FARM 5800 CEDAR RAPIDS IA	49.17
	11/21/19	AMZN Mktp US*XW88B6N1 3 Amzn.com/bill WA	21.40
	11/21/19	AMZN Mktp US*CE6HV8503 Amzn.comibill WA	15.92
	11/22/19	AMZN Mktp U55827K2Y23 Amzn.comibill WA	83.52
	01/01/20	Amazon PrimeZ7O9l29K3 Amzn.com/bill WA	13.90
	01/02/20	AMZN Mktp U5V65D05VY3 Amzn.comibill WA	52.88
	01/15/20	HARBOR FREIGHT TOOLS 258 CEDAR RAPIDS	96.93
	01/16/20	FLEET FARM 5800 CEDAR RAPIDS IA	109.29
	01/20/20	FLEET FARM 5800 CEDAR RAPIDS IA	88.79
	03/03/20	HARBOR FREIGHT TOOLS 258 CEDAR RAPIDS	169.14

Report on Special Investigation
of the City of Atkins

Unsupported Credit Card Purchases
For the Period July 1, 2015 through January 31, 2021

Per Credit Card Statement			
Card	Date	Description	Amount
	03/04/20	Amazon.com*YV2597OU3 Amzn.combill WA	64.15
	03/11/20	Amazon.com*OA4941J73 Amzn.comibill WA	28.02
	03/12/20	HARBOR FREIGHT TOOLS 258 CEDAR RAPIDS	47.13
	03/23/20	STAPLES 00102723 CEDAR RAPIDS IA	37.74
	03/26/20	SQ *FRIEDA COONROD EMBROI Cedar Rapids IA	88.00
	04/10/20	Amazon Prime4V7WM6Q53 Amzn.com/biII WA	13.90
	04/17/20	NAPA PARTS CEDAR RAPIDS CEDAR RAPIDS IA	141.22
	04/21/20	Amazon Prime Amzn.combill WA	(13.90)
	08/14/20	NORTHERN TOOL EQUIPMENT ROCHESTER MN	2,108.79
	Subtotal for XXX-3801		3,444.90
XXXX-1036			
	09/27/19	HAMPTON INN DUBUQUE 563-6902005 IA	260.70
	09/27/19	HAMPTON INN DUBUQUE 563-6902005 IA	260.70
	03/10/20	THE DEPOT ATKINS ATKINS IA	54.12
	03/26/20	EDGEWOOD DO IT BEST HDWE CEDAR RAPIDS IA	26.30
	03/27/20	Amazon.com*NC8ZB2G53 Amzn.combill WA	146.36
	04/06/20	STAPLES 00102723 CEDAR RAPIDS IA	106.96
	05/29/20	STAPLES 00102723 CEDAR RAPIDS IA	208.58
	09/18/20	STAPLES 00102723 CEDAR RAPIDS IA	97.25
	10/19/20	STAPLES 00102723 CEDAR RAPIDS IA	139.08
	12/29/20	THE DEPOT EXPRESS #8 ATKINS IA	57.55
	12/30/20	THE DEPOT EXPRESS #8 ATKINS IA	2.48
	12/30/20	THE DEPOT EXPRESS #8 ATKINS IA	(2.48)
	Subtotal for XXX-1036		1,357.60
Total			\$ 12,190.18

NOTE: Auditor's notations are in italics.

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

Report on Special Investigation
of the City of Atkins

Late Fees and Interest Charges
For the Period July 1, 2015 through January 31, 2021

Card	Date	Description	Amount
XXXX-4733			
	10/28/15	LATE FEE	\$ 39.00
	11/03/15	PURCHASE INTEREST CHARGE	19.29
	12/03/15	PURCHASE INTEREST CHARGE	9.08
	12/28/15	LATE FEE	39.00
	01/03/16	PURCHASE INTEREST CHARGE	18.93
	02/03/16	PURCHASE INTEREST CHARGE	12.99
	03/28/16	LATE FEE	39.00
	04/03/16	PURCHASE INTEREST CHARGE	15.29
	05/03/16	PURCHASE INTEREST CHARGE	8.10
	09/28/16	LATE FEE	39.00
	10/03/16	PURCHASE INTEREST CHARGE	15.97
	11/03/16	PURCHASE INTEREST CHARGE	21.57
	12/02/16	PURCHASE INTEREST CHARGE	29.23
	01/03/17	PURCHASE INTEREST CHARGE	13.30
		Subtotal	<u>319.75</u>
XXXX-5663			
	03/28/19	LATE FEE	39.00
	04/03/19	PURCHASE INTEREST CHARGE	22.72
	05/03/19	PURCHASE INTEREST CHARGE	6.80
	05/28/19	LATE FEE	39.00
	06/03/19	PURCHASE INTEREST CHARGE	32.08
	07/03/19	PURCHASE INTEREST CHARGE	7.14
	10/28/19	LATE FEE	39.00
	11/03/19	PURCHASE INTEREST CHARGE	39.23
	11/28/19	LATE FEE	39.00
	12/03/19	PURCHASE INTEREST CHARGE	45.10
	01/03/20	PURCHASE INTEREST CHARGE	19.61
	01/03/20	PURCHASE INTEREST CHARGE	48.75

Report on Special Investigation
of the City of Atkins

Late Fees and Interest Charges
For the Period July 1, 2015 through January 31, 2021

Card	Date	Description	Amount
	02/28/20	LATE FEE	39.00
	03/03/20	PURCHASE INTEREST CHARGE	39.46
	04/03/20	PURCHASE INTEREST CHARGE	36.91
	04/28/20	LATE FEE	39.00
	05/03/20	PURCHASE INTEREST CHARGE	32.61
	05/04/20	PURCHASE INTEREST CHARGE	(0.56)
	06/03/20	PURCHASE INTEREST CHARGE	52.99
	07/03/20	PURCHASE INTEREST CHARGE	29.13
	07/28/20	LATE FEE	39.00
	08/03/20	PURCHASE INTEREST CHARGE	41.70
	09/02/20	PURCHASE INTEREST CHARGE	44.98
	09/28/20	LATE FEE	39.00
	11/29/20	LATE FEE	39.00
	12/03/20	PURCHASE INTEREST CHARGE	31.10
	12/28/20	LATE FEE	39.00
		Subtotal	919.75
Total			\$ 1,239.50

Report on Special Investigation
of the City of Atkins

Other Improper Disbursements
For the Period July 1, 2015 through January 31, 2021

Per Check Image

Check Date	Check Number	Payee	Check Memo	Amount
07/20/15	2390	Hansen Custom Homes	<i>none</i>	\$ 1,000.00
08/19/15	##	##	-	75.00
10/08/15	##	##	-	100.00
12/22/15	2813	Atkins Elementary School	Garden Project	250.00
03/30/16	2956	American Legion Auxiliary	<i>none</i>	681.50
08/22/16	3275	Sam's Club	<i>none</i>	46.52
01/20/17	3622	Sam's Club	<i>none</i>	3.47
02/06/17	3655	Benton County Extension	<i>none</i>	300.00
04/03/17	3775	American Legion Auxiliary	<i>none</i>	683.00
02/21/18	4584	DC ANALYTICAL SERVICES,	<i>none</i>	275.00
05/30/18	4814	BD9 Equipment	<i>none</i>	160.00
06/15/18	##	##	-	100.00
06/18/18	4882	American Legion Auxiliary	<i>none</i>	745.00
10/26/18	##	##	-	100.00
05/13/19	##	##	-	2.00
06/03/19	5702	American Legion Auxiliary	<i>none</i>	645.50
06/06/19	5742	Benton County Extension	<i>none</i>	300.00
06/14/19	##	##	-	100.00
10/04/19	##	##	-	100.00
03/24/20	6501	WASTE MANAGEMENT	<i>none</i>	9.61
10/05/20	##	##	-	100.00

Description per Bank Records or Support	Improper	Reasonable	Questionable public purpose^
<i>No support available</i>	\$ 1,000.00	-	-
MISC DEBIT Petty Cash - Amber Bell	75.00	-	-
MISC DEBIT cash - DaShawn A. Wilson	100.00	-	-
Tax Exempt	250.00	-	-
55 meals at \$9.00 each and social treats (\$186.50) for Annual Fireman's Dinner	186.50	-	495.00
<i>Reasonable</i> : Paper/styrofoam cups <i>Improper</i> : Late Fee & Interest Charge	16.99	29.53	-
Interest Charge	3.47	-	-
Discovery Camp Donation	300.00	-	-
Prep of meals to serve 55 \$495.00 and cost of social treats \$188.00 for Annual Fireman's dinner	188.00	-	495.00
<i>No support available</i>	275.00	-	-
<i>No support available</i>	160.00	-	-
Withdrawal	100.00	-	-
62 meals at \$9.00 a plate and social treats for the evening \$187.00 for Annual Fireman's Dinner	187.00	-	558.00
Withdrawal	100.00	-	-
Withdrawal	2.00	-	-
60 meals at \$9.00 a plate and social treats for the evening \$187.00 for Annual Fireman's Dinner	105.50	-	540.00
Reissue of Check 5669 - Donation for 2019 DIS Camp	300.00	-	-
Withdrawal	100.00	-	-
Withdrawal	100.00	-	-
Late payment charge for invoice 9324869	9.61	-	-
Withdrawal	100.00	-	-

Report on Special Investigation
of the City of Atkins

Other Improper Disbursements
For the Period July 1, 2015 through January 31, 2021

Per Check Image				
Check Date	Check Number	Payee	Check Memo	Amount
12/07/20	7152	ACCESS SYSTEMS LEASING	<i>none</i>	1,086.55
12/31/20	7239	ACCESS SYSTEMS LEASING	<i>none</i>	454.40
Total				<u>\$ 7,317.55</u>

- The disbursement was a withdrawal from the City's bank account. The date of the withdrawal is shown rather than a check date.

^ - Discussed in "Public Purpose" section of report.

NOTE: Auditor's notations are in italics.

Description per Bank Records or Support	Improper	Reasonable	Questionable public purpose^
<i>Reasonable</i> : Copier Lease Usage charges(2 months) <i>Improper</i> : Late charges	98.78	987.77	-
<i>Reasonable</i> : Copier Lease Usage charges (1 month) <i>Improper</i> :Late charges	41.31	413.09	-
	<u>\$ 3,799.16</u>	<u>1,430.39</u>	<u>2,088.00</u>

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

Report on Special Investigation of the
City of Atkins

Other Unsupported Disbursements
For the Period July 1, 2015 through January 31, 2021

Per Check Image				
Check Date	Check Number	Payee	Amount	Description per Bank Statement or Support
10/23/15	2668	Kathryn Waterman	\$ 303.38	<i>none</i>
05/11/16	3051	JUSTICE ELECTRIC CO	1,034.50	<i>none</i>
10/11/17	##	##	83.18	Withdrawal
11/02/18	5229	Sam's Club	155.40	<i>none</i>
06/13/19	5778	Byerly, Adam	190.10	Water Refund - Overbilled for 5/9 & 5/23
02/04/20	6406	RACHEL KRUSE	203.42	<i>none</i>
02/28/20	##	##	108.00	Withdrawal
Total			<u>\$ 2,077.98</u>	

- The disbursement was a withdrawal from the City's bank account. The date of the withdrawal is shown rather than a check date.

NOTE: Auditor's notations are in italics.

Report on Special Investigation of the
City of Atkins

Uncollected Late Fees for Utility Billings
For the Period July 1, 2015 through January 31, 2021

Customer	Billing Month	Late Fees Incurred but not Billed
A	August-15	\$ 15.00
	September-15	15.00
	October-15	15.00
	December-15	15.00
	January-16	15.00
	February-16	15.00
	May-16	15.00
	June-16	15.00
	July-16	15.00
	August-16	15.00
	October-16	15.00
	November-16	15.00
	January-17	15.00
	February-17	15.00
	April-17	15.00
	August-17	15.00
	September-17	15.00
	October-17	15.00
	November-17	15.00
	December-17	15.00
	January-18	15.00
	February-18	15.00
	March-18	15.00
	April-18	15.00
	May-18	15.00
	June-18	15.00
	July-18	15.00
	August-18	15.00
	September-18	15.00
	November-18	15.00
	January-19	15.00

Report on Special Investigation of the
City of Atkins

Uncollected Late Fees for Utility Billings
For the Period July 1, 2015 through January 31, 2021

Customer	Billing Month	Late Fees Incurred but not Billed
	February-19	15.00
	March-19	15.00
	June-19	15.00
	July-19	15.00
	August-19	15.00
	September-19	15.00
	October-19	15.00
	November-19	15.00
	December-19	15.00
	January-20	15.00
	February-20	15.00
	Subtotal	630.00
B	August-17	15.00
	September-17	15.00
	October-17	15.00
	February-18	15.00
	March-18	15.00
	April-18	15.00
	May-18	15.00
	June-18	15.00
	October-18	15.00
	December-18	15.00
	February-19	15.00
	March-19	15.00
	April-19	15.00
	May-19	15.00
	June-19	15.00
	October-19	15.00
	December-19	15.00

Report on Special Investigation of the
City of Atkins

Uncollected Late Fees for Utility Billings
For the Period July 1, 2015 through January 31, 2021

Customer	Billing Month	Late Fees Incurred but not Billed
	January-20	15.00
	February-20	15.00
	Subtotal	285.00
C	November-16	15.00
	Subtotal	15.00
D	September-15	15.00
	October-15	15.00
	November-15	15.00
	December-15	15.00
	January-16	15.00
	February-16	15.00
	March-16	15.00
	April-16	15.00
	June-16	15.00
	July-16	15.00
	September-16	15.00
	November-16	15.00
	December-16	15.00
	February-17	15.00
	April-17	15.00
	June-17	15.00
	July-17	15.00
	August-17	15.00
	September-17	15.00
	October-17	15.00
	November-17	15.00
	December-17	15.00
	January-18	15.00
	February-18	15.00

Report on Special Investigation of the
City of Atkins

Uncollected Late Fees for Utility Billings
For the Period July 1, 2015 through January 31, 2021

Customer	Billing Month	Late Fees Incurred but not Billed
	March-18	15.00
	April-18	15.00
	October-18	15.00
	December-18	15.00
	January-19	15.00
	April-19	15.00
	May-19	15.00
	June-19	15.00
	July-19	15.00
	August-19	15.00
	September-19	15.00
	October-19	15.00
	November-19	15.00
	December-19	15.00
	January-20	15.00
	Subtotal	585.00
E	December-15	15.00
	August-18	15.00
	September-18	15.00
	November-18	15.00
	February-19	15.00
	April-19	15.00
	June-19	15.00
	November-19	15.00
	February-20	15.00
	Subtotal	135.00
F	August-15	15.00
	September-15	15.00
	October-15	15.00

Report on Special Investigation of the
City of Atkins

Uncollected Late Fees for Utility Billings
For the Period July 1, 2015 through January 31, 2021

Customer	Billing Month	Late Fees Incurred but not Billed
	November-15	15.00
	December-15	15.00
	February-16	15.00
	March-16	15.00
	April-16	15.00
	May-16	15.00
	June-16	15.00
	July-16	15.00
	August-16	15.00
	October-16	15.00
	November-16	15.00
	December-16	15.00
	April-17	15.00
	May-17	15.00
	June-17	15.00
	July-17	15.00
	August-17	15.00
	September-17	15.00
	January-18	15.00
	February-18	15.00
	April-19	15.00
	May-19	15.00
	June-19	15.00
	July-19	15.00
	August-19	15.00
	September-19	15.00
	October-19	15.00
	November-19	15.00
	December-19	15.00

Report on Special Investigation of the
City of Atkins

Uncollected Late Fees for Utility Billings
For the Period July 1, 2015 through January 31, 2021

Customer	Billing Month	Late Fees Incurred but not Billed
	January-20	15.00
	February-20	15.00
	Subtotal	510.00
G	July-15	15.00
	August-15	15.00
	September-15	15.00
	October-15	15.00
	December-15	15.00
	January-16	15.00
	February-16	15.00
	March-16	15.00
	April-16	15.00
	July-16	15.00
	August-16	15.00
	September-16	15.00
	October-16	15.00
	March-17	15.00
	April-17	15.00
	July-17	15.00
	December-17	15.00
	June-18	15.00
	July-18	15.00
	November-18	15.00
	January-19	15.00
	February-19	15.00
	March-19	15.00
	April-19	15.00
	May-19	15.00
	June-19	15.00
	August-19	15.00

Report on Special Investigation of the
City of Atkins

Uncollected Late Fees for Utility Billings
For the Period July 1, 2015 through January 31, 2021

Customer	Billing Month	Late Fees Incurred but not Billed
	September-19	15.00
	October-19	15.00
	November-19	15.00
	February-20	15.00
	Subtotal	465.00
H	July-15	15.00
	August-15	15.00
	September-15	15.00
	October-15	15.00
	November-15	15.00
	December-15	15.00
	January-16	15.00
	February-16	15.00
	April-16	15.00
	May-16	15.00
	June-16	15.00
	July-16	15.00
	August-16	15.00
	September-16	15.00
	November-16	15.00
	December-16	15.00
	January-17	15.00
	February-17	15.00
	March-17	15.00
	April-17	15.00
	May-17	15.00
	June-17	15.00
	Subtotal	330.00

Report on Special Investigation of the
City of Atkins

Uncollected Late Fees for Utility Billings
For the Period July 1, 2015 through January 31, 2021

Customer	Billing Month	Late Fees Incurred but not Billed
I	January-18	15.00
	February-18	15.00
	April-18	15.00
	November-18	15.00
	December-18	15.00
	January-19	15.00
	February-19	15.00
	May-19	15.00
	Subtotal	<u>120.00</u>
J	July-19	15.00
	August-19	15.00
	September-19	15.00
	October-19	15.00
	November-19	15.00
	Subtotal	<u>75.00</u>
K	August-15	15.00
	October-15	15.00
	March-16	15.00
	September-16	15.00
	October-16	15.00
	February-17	15.00
	June-17	15.00
	August-17	15.00
	October-19	15.00
	December-19	15.00
	February-20	15.00
		<u>165.00</u>

Report on Special Investigation of the
City of Atkins

Uncollected Late Fees for Utility Billings
For the Period July 1, 2015 through January 31, 2021

Customer	Billing Month	Late Fees Incurred but not Billed
L	March-17	15.00
	September-19	15.00
	October-19	15.00
	November-19	15.00
	Subtotal	<u>60.00</u>
M	March-16	15.00
	October-16	15.00
	February-18	15.00
	May-18	15.00
	June-18	15.00
	July-18	15.00
	January-19	15.00
	February-19	15.00
	March-19	15.00
	April-19	15.00
	June-19	15.00
	August-19	15.00
	September-19	15.00
	November-19	15.00
	December-19	15.00
	February-20	15.00
	Subtotal	<u>240.00</u>
N	October-18	15.00
	January-20	15.00
	Subtotal	<u>30.00</u>
Total		<u><u>\$ 3,645.00</u></u>

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

Report on Special Investigation of the
City of Atkins

Uncollected Non-sufficient Funds Fees
For the Period July 1, 2015 through January 31, 2021

Customer	Payment Resulting in NSF Charges		Unbilled NSF Fee
	Date	Amount of Payment	
O	07/08/15	\$ 44.85	25.00
	Subtotal	44.85	25.00
P	03/09/16	60.00	25.00
	05/09/18	200.00	25.00
	Subtotal	260.00	50.00
G	11/25/16	200.00	25.00
	05/02/19	250.00	25.00
	Subtotal	450.00	50.00
Q	04/12/17	68.18	25.00
	05/10/17	116.57	25.00
	Subtotal	184.75	50.00
R	07/24/18	95.23	25.00
	Subtotal	95.23	25.00
S	11/28/18	96.29	25.00
	Subtotal	96.29	25.00
T	12/10/18	95.05	25.00
	Subtotal	95.05	25.00
U	04/09/19	100.75	25.00
	Subtotal	100.75	25.00
V	05/07/19	100.47	25.00
	Subtotal	100.47	25.00
W	05/07/19	123.00	25.00
	Subtotal	123.00	25.00
X	05/13/19	142.00	25.00
	Subtotal	142.00	25.00

Report on Special Investigation of the
City of Atkins

Uncollected Non-sufficient Funds Fees
For the Period July 1, 2015 through January 31, 2021

Customer	Payment Resulting in NSF Charges		Unbilled NSF Fee
	Date	Amount of Payment	
Y	09/06/19	104.42	25.00
	01/10/20	103.29	25.00
	Subtotal	207.71	50.00
Z	10/10/19	145.34	25.00
	Subtotal	145.34	25.00
AA	12/09/19	218.56	25.00
	Subtotal	218.56	25.00
AB	02/11/20	105.76	25.00
	Subtotal	105.76	25.00
AC	06/09/20	95.05	25.00
	Subtotal	95.05	25.00
AD	09/15/20	100.75	25.00
	10/22/20	115.75	25.00
	11/10/20	95.75	25.00
	12/13/20	36.45	25.00
	01/17/21	106.06	25.00
	Subtotal	454.76	125.00
Total		\$ 2,919.57	625.00

Report on Special Investigation of the
City of Atkins

Utility Accounts Not Properly Billed for Snowbird Services
For the Period July 1, 2015 through January 31, 2021

Customer	Months Account was in Snowbird Status	Number of Months	Monthly Minimum Amount to be Billed			
			Admin- istration Fee	Sewer Debt Fee	Landfill Fee	Total
AE	February-18	1	\$ 50.00	45.00	5.00	100.00
	March-19	1	25.00	45.00	5.00	75.00
	April-19 - February-20	6	-	45.00	5.00	300.00
	Subtotal					475.00
W	January-22	1	25.00	-	-	25.00
	February-22 - April-22	3	-	-	-	-
	Subtotal					25.00
AF	December-15	1	25.00	-	5.00	30.00
	January-16	1	-	-	5.00	5.00
	November-16	1	25.00	15.00	5.00	45.00
	December-16 - March-17	4	-	15.00	5.00	80.00
	December-18	1	25.00	45.00	5.00	75.00
	January-19 - March-19	3	-	45.00	5.00	150.00
	November-19	1	25.00	45.00	5.00	75.00
	December-19 - February-20	3	-	45.00	5.00	150.00
	March-20	1	25.00	45.00	5.00	75.00
	Subtotal					685.00
AG	January-19	1	25.00	45.00	5.00	75.00
	February-19 - March-19	2	-	45.00	5.00	100.00
	Subtotal					175.00
AH	December-18	1	25.00	45.00	5.00	75.00
	January-19 - February-19	2	-	45.00	5.00	100.00
	Subtotal					175.00
AI	December-15	1	25.00	-	5.00	30.00
	January-16 - April-16	4	-	-	5.00	20.00

Report on Special Investigation of the
City of Atkins

Utility Accounts Not Properly Billed for Snowbird Services
For the Period July 1, 2015 through January 31, 2021

Customer	Months Account was in Snowbird Status	Number of Months	Monthly Minimum Amount to be Billed			
			Admin- istration Fee	Sewer Debt Fee	Landfill Fee	Total
	December-16	1	25.00	15.00	5.00	45.00
	January-17 - February-17	2	-	15.00	5.00	40.00
	March-17	1	25.00	15.00	5.00	45.00
	December-17	1	25.00	45.00	5.00	75.00
	January-18 - July-18	7	-	45.00	5.00	350.00
	August-18	1	25.00	45.00	5.00	75.00
	March-19	1	25.00	45.00	5.00	75.00
	April-19	1	-	45.00	5.00	50.00
	December-19	1	25.00	45.00	5.00	75.00
	January-20 - May-20	5	-	45.00	5.00	250.00
	June-20	1	25.00	45.00	5.00	75.00
	December-20	1	25.00	45.00	5.00	75.00
	January-21	1	25.00	45.00	5.00	75.00
	Subtotal					1,355.00
AJ	November-15	1	25.00	-	5.00	30.00
	December-15 - April-16	5	-	-	5.00	25.00
	December-16	1	25.00	15.00	5.00	45.00
	January-17 - March-17	3	-	15.00	5.00	60.00
	December-17	1	25.00	45.00	5.00	75.00
	January-18 - April-18	4	-	45.00	5.00	200.00
	December-18 - March-19	4	-	45.00	5.00	200.00
	December-19	1	25.00	45.00	5.00	75.00
	January-20 - February-20	2	-	45.00	5.00	100.00
	March-20	1	25.00	45.00	5.00	75.00
	December-20	1	25.00	45.00	5.00	75.00
	January-21 - February-21	2	-	45.00	5.00	100.00
	March-21	1	25.00	45.00	5.00	75.00
	Subtotal					1,135.00

Report on Special Investigation of the
City of Atkins

Utility Accounts Not Properly Billed for Snowbird Services
For the Period July 1, 2015 through January 31, 2021

Customer	Months Account was in Snowbird Status	Number of Months	Monthly Minimum Amount to be Billed			
			Admin- istration Fee	Sewer Debt Fee	Landfill Fee	Total
AK	January-19	1	25.00	45.00	5.00	75.00
	February-19	1	-	45.00	5.00	50.00
	March-19	1	25.00	45.00	5.00	75.00
	Subtotal					200.00
AL	November-15	1	25.00	-	5.00	30.00
	December-15 - May-16	6	-	-	5.00	30.00
	December-16	1	120.00	-	-	120.00
	Subtotal					180.00
AM	December-15	1	25.00	-	5.00	30.00
	January-16 - April-16	4	-	-	5.00	20.00
	December-16	1	25.00	15.00	5.00	45.00
	January-17 - February-17	2	-	15.00	5.00	40.00
	December-17	1	25.00	45.00	5.00	75.00
	January-18 - March-18	3	-	45.00	5.00	150.00
	December-18 - April-19	5	-	45.00	5.00	250.00
	January-20	1	25.00	45.00	5.00	75.00
	February-20 - March-20	2	-	45.00	5.00	100.00
	December-20	1	25.00	45.00	5.00	75.00
	January-21 - April-21	4	-	45.00	5.00	200.00
	May-21	1	25.00	45.00	5.00	75.00
	January-22	1 ^	25.00	-	-	25.00
	February-22 - May-22	4 ^	-	-	-	-
	June-22	1 ^	25.00	-	-	25.00
	Subtotal					1,185.00
AN	November-15	1	25.00	-	5.00	30.00
	December-15 - April-16	5	-	-	5.00	25.00
	November-16	1	25.00	15.00	5.00	45.00

Report on Special Investigation of the
City of Atkins

Utility Accounts Not Properly Billed for Snowbird Services
For the Period July 1, 2015 through January 31, 2021

Customer	Months Account was in Snowbird Status	Number of Months	Monthly Minimum Amount to be Billed			
			Admin- istration Fee	Sewer Debt Fee	Landfill Fee	Total
	December-16 - February-17	3	-	15.00	5.00	60.00
	March-17	1	25.00	15.00	5.00	45.00
	November-17	1	25.00	30.00	5.00	60.00
	December-17 - March-18	4	-	45.00	5.00	200.00
	December-18	1	25.00	45.00	5.00	75.00
	January-19 - April-19	4	-	45.00	5.00	200.00
	November-19	1	25.00	45.00	5.00	75.00
	December-19 - May-20	6	-	45.00	5.00	300.00
	June-20	1	25.00	45.00	5.00	75.00
	February-21	1	25.00	45.00	5.00	75.00
	March-21 - April-22	14	-	45.00	5.00	700.00
	Subtotal					1,965.00
AO	January-16	1	25.00	-	5.00	30.00
	February-16 - April-16	3	-	-	5.00	15.00
	January-19	1	25.00	45.00	5.00	75.00
	February-19	1	-	45.00	5.00	50.00
	January-20	1	25.00	45.00	5.00	75.00
	February-20 - March-20	2	-	45.00	5.00	100.00
	April-20	1	25.00	45.00	5.00	75.00
	January-21	1	25.00	45.00	5.00	75.00
	February-21	1	25.00	45.00	5.00	75.00
	Subtotal					570.00
AP	November-15	1	25.00	-	5.00	30.00
	December-15 - April-16	5	-	-	5.00	25.00
	November-16	1	25.00	15.00	5.00	45.00
	December-16 -February-17	3	-	15.00	5.00	60.00
	March-17	1	25.00	15.00	5.00	45.00
	May-17 - June-17	2	-	15.00	5.00	40.00

Report on Special Investigation of the
City of Atkins

Utility Accounts Not Properly Billed for Snowbird Services
For the Period July 1, 2015 through January 31, 2021

Customer	Months Account was in Snowbird Status	Number of Months	Monthly Minimum Amount to be Billed			
			Admin- istration Fee	Sewer Debt Fee	Landfill Fee	Total
	July-17	1	25.00	30.00	5.00	60.00
	August-17	1	-	30.00	5.00	35.00
	October-17 - November-17	2	-	30.00	5.00	70.00
	December-17 - May-18	6	-	45.00	5.00	300.00
	Subtotal					710.00
AQ	January-16	1	25.00	-	5.00	30.00
	February-16 - October-16	9	-	-	5.00	45.00
	January-17	1	25.00	15.00	5.00	45.00
	February-17 - June-17	5	-	15.00	5.00	100.00
	July-17 - November-18	17	-	30.00	5.00	595.00
	December-18 - June-20	19	-	45.00	5.00	950.00
	Subtotal					1,765.00
AR	January-16 - April-16	4	-	-	5.00	20.00
	October-16	1	25.00	-	5.00	30.00
	November-16 - May-17	7	-	15.00	5.00	140.00
	October-17	1	25.00	30.00	5.00	60.00
	November-17 - May-18	7	-	30.00	5.00	245.00
	December-18	1	25.00	45.00	5.00	75.00
	January-19 - July-21	31	-	45.00	5.00	1,550.00
	August-21	1	25.00	45.00	5.00	75.00
	January-22	1	-	45.00	5.00	50.00
	Subtotal					2,245.00
AS	December-15	1	25.00	-	5.00	30.00
	January-16 - October-16	10	-	-	5.00	50.00
	November-16 - June-17	8	-	15.00	5.00	160.00
	July-17 - November-17	5	-	30.00	5.00	175.00

Report on Special Investigation of the
City of Atkins

Utility Accounts Not Properly Billed for Snowbird Services
For the Period July 1, 2015 through January 31, 2021

Customer	Months Account was in Snowbird Status	Number of Months	Monthly Minimum Amount to be Billed			
			Admin- istration Fee	Sewer Debt Fee	Landfill Fee	Total
	December-17 - July-18	8	-	45.00	5.00	400.00
	August-18	1	25.00	45.00	5.00	75.00
	Subtotal					890.00
AT	January-19 - April-19	4	-	45.00	5.00	200.00
	November-19	1	25.00	45.00	5.00	75.00
	December-19 - May-20	6	-	45.00	5.00	300.00
	June-20	1	25.00	45.00	5.00	75.00
	December-20	1	25.00	45.00	5.00	75.00
	January-21 - May-22	17	-	45.00	5.00	850.00
	June-22	1	25.00	45.00	5.00	75.00
	Subtotal					1,650.00
AU	January-18	1	25.00	45.00	5.00	75.00
	February-18 - April-18	3	-	45.00	5.00	150.00
	May-18	1	25.00	45.00	5.00	75.00
	Subtotal					300.00
Total						\$ 15,685.00

^ - The account was properly billed the Sewer Debt and Landfill fees for the month.

Exhibit M

Report on Special Investigation of the
City of Atkins

Utility Accounts Not Properly Billed for Services
For the Period July 1, 2015 through January 31, 2021

Customer	Months Account was not billed	Number of Months	Minimum Amount to be Billed					Total
			Minimum Monthly Bill	Admin- istration Fee	Sewer Debt Fee	Landfill Fee	Garbage- Recycling Fee	
C	July-15 - December-18	30	\$ -	-	-	-	15.45	463.50
	July-20	1	-	-	-	5.00	15.45	20.45
	July-20	^	-	-	-	-	-	(101.11)
	August-20 - September-20	2	-	-	-	-	15.45	30.90
	October-20 - January-21	3	-	-	-	5.00	15.45	61.35
	Subtotal							475.09
AV	March-18 - June-18	4	98.18	-	-	-	-	392.72
	December-19 - April-20	5	98.00	-	-	-	-	490.00
	Subtotal							882.72
AW	May-19 - January-21	23	-	-	45.00	5.00	-	1,150.00
	Subtotal							1,150.00
AX	* December-15	1	-	25.00	-	-	-	25.00
	August-16 - October-16	3	15.78	-	-	-	-	47.34
	November-16 - January-21	51	18.73	-	-	-	-	955.23
	Subtotal							1,027.57
AY	October-17 - January-20	28	-	-	-	-	15.45	432.60
	February-20 - October-20	9	-	-	-	5.00	15.45	184.05
	November-20	1	-	-	45.00	5.00	15.45	65.45
	December-20	1	-	-	-	5.00	15.45	20.45
	January-21	1	-	-	-	-	15.45	15.45
	Subtotal							718.00
AZ	December-18 - June-20	19	-	-	-	5.00	15.45	388.55
	July-20 - October-20	4	-	-	-	-	15.45	61.80
	November-20	1	-	-	-	5.00	15.45	20.45
	December-20 - January-21	2	-	-	-	-	15.45	30.90
	Subtotal							501.70
BA	March-19	1	-	-	45.00	5.00	-	50.00
	April-19	1	-	25.00	45.00	5.00	-	75.00
	November-19	1	-	25.00	45.00	5.00	-	75.00
	December-19 - February-20	3	-	-	45.00	5.00	-	150.00
	May-20 - January-21	9	95.05	-	-	-	-	855.45
	Subtotal							1,205.45

Report on Special Investigation of the
City of Atkins

Utility Accounts Not Properly Billed for Services
For the Period July 1, 2015 through January 31, 2021

Customer	Months Account was not billed	Number of Months	Minimum Amount to be Billed					Total
			Minimum Monthly Bill	Admin- istration Fee	Sewer Debt Fee	Landfill Fee	Garbage- Recycling Fee	
BB	November-19 - April-20	6	94.05	-	-	-	-	564.30
	December-20 - January-21	2	94.05	-	-	-	-	188.10
	Subtotal							752.40
BC	February-20 - January-21	12	94.05	-	-	-	-	1,128.60
	Subtotal							1,128.60
Total								\$ 7,841.53

^ - There was an adjustment made to this account as the water service was turned back on. As a result, we reduced the amount not billed.

* - Because the account was a yard (irrigation) meter account, only water service was provided.

Report on Special Investigation of the
City of Atkins

Staff

This review was performed by:

Ryan T. Jelsma, CFE, Manager
Julius O. Cooper, Staff Auditor
Ridge G. Nennig, Staff Auditor

A handwritten signature in black ink, appearing to read 'James S. Cunningham', with a long horizontal flourish extending to the right.

James S. Cunningham, CPA
Deputy Auditor of State

Appendix

Report on Special Investigation of the
City of Atkins

Copies of Resolution Number 754

Resolution No. 754

A RESOLUTION TO SET AND ESTABLISH SALARIES AND WAGES FOR APPOINTED OFFICERS AND EMPLOYEES OF THE CITY OF ATKINS, IOWA.

BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF ATKINS, IOWA:

The following persons and positions named herein shall be paid at the effective date and rate as indicated and the Clerk is directed to issue warrants for the stated amounts less any legal deductions as required by law or ordered by the City Council of Atkins, Iowa.

<u>Name</u>	<u>Position</u>	<u>Rate (hour)</u>	<u>Effective Date</u>
Todd Damon	Public Works Director	\$33.24	January 1, 2020
Jarrod Tomlinson	Public Works Associate	\$25.93	January 1, 2020
Cathy Becker	Atkins Public Library Director	\$21.30	July 1, 2020
Vicki Myers	Atkins Public Library Associate	\$12.94	July 1, 2020
Amber Bell	City Clerk	\$28.28	January 1, 2020

PASSED AND APPROVED, this December 16TH, 2019

Attest: Amber Bell
City Clerk, Amber Bell

Mayor: Bruce Visser
Mayor, Bruce Visser

I, Amber Bell, duly appointed City Clerk of The City of Atkins, Iowa hereby certify the forgoing resolution is a true and correct copy of the resolution passed by the City Council of Atkins, Iowa on the 16th day of December 2019.

Amber Bell
City Clerk, Amber Bell

Report on Special Investigation of the
City of Atkins

Copies of Resolution Number 754

Resolution No. 754

A RESOLUTION TO SET AND ESTABLISH SALARIES AND WAGES FOR APPOINTED OFFICERS AND EMPLOYEES OF THE CITY OF ATKINS, IOWA.

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<u>Name</u>	<u>Position</u>	<u>Rate (hour)</u>	<u>Effective Date</u>
Todd Damon	Public Works Director	\$33.24	January 1, 2020
Jarrold Tomlinson	Public Works Associate	\$25.93	January 1, 2020
Cathy Becker	Atkins Public Library Director	\$21.30	July 1, 2020
Vicki Myers Atkins	Public Library Associate	\$12.94	July 1, 2020
Amber Bell	City Clerk	\$29.42	January 1, 2020

PASSED AND APPROVED, this December 16TH, 2019

Attest: _____
City Clerk, Amber Bell

Mayor: _____
Mayor, Bruce Visser

I, Amber Bell, duly appointed City Clerk of The City of Atkins, Iowa hereby certify the forgoing resolution is a true and correct copy of the resolution passed by the City Council of Atkins, Iowa on the 16th day of December 2019.

City Clerk, Amber Bell